

Success Story Stream Utilizes Data Analytics to Ensure Accuracy of Billing & Commissions

Highlights

- 450,000+ customers receive monthly bills containing more than 30 data points per invoice that require verification for accuracy
- 100,000+ monthly commission checks with at least 25 data points, each requiring a thorough review
- CaseWare IDEA used to analyze millions of data points each month within a few minutes using IDEAScripts

About

Stream is one of the largest direct, selling companies globally and a leading provider of energy, among other connected services. The company is leveraging technology to check customer billing and commission information for accuracy, and deliver insights about business operations. Stream's innovative direct sales model has helped the company generate more than \$7 billion in total revenue in just ten years.

Challenge

The company offers a complete line of connected services – including energy, wireless, protective and home – to fit into the on-the-go lifestyles of its customers. Each customer bill includes up to 30 data points, and with more than 450,000 customers nationwide, the invoice review process validates hundreds of millions of data points.

Stream's primary sales channel consists of a direct sales model, with more than 100,000 Independent Associates selling Stream's services on behalf of the company as independent contractors who receive millions in monthly commissions for expanding its customer base and closing sales. Each commission check contains at least 25 data points that must be verified for accuracy. The company's operations unit also requires data accuracy checks for tracking and comparing loads, customer usage, outages and other information.

Solution

Stream began using CaseWare IDEA® in 2008 for fraud detection. Over the years Stream has expanded IDEA across five business units to identify commissioning



and data billing errors, perform audit substantive testing, data preparation, exception management and reporting.

Stream uses IDEA to review and monitor commission payouts prior to issuance to ensure Stream Associates are accurately compensated. Files from the commission engine are imported into IDEA for analysis. Using the Join feature in IDEA, the commission payment is compared to the invoice generating commission. Qualification rules are programmed into IDEA utilizing @functions and IDEAScripts to ensure adherence. IDEA is also used to test for duplicate checks, recalculation of Associate point requirements to ensure they meet eligibility requirements, and accuracy of level payouts. Field statistics assist in completing monthly reporting of verification activities.

The company also uses IDEA to analyze hundreds of millions of customer billing records for correctness and completeness. An IDEAScript is used to test the accuracy of up to 30 data points on each customer invoice to be sure inputs are accurate. IDEA is also used to look for instances of high, low or negative usage. The company's operations group uses IDEA to perform quality management testing on customer population data to search for exceptions.



We began using IDEA to find better ways to understand our data, but because it is so easy to use, we've been able to expand the use of data analytics into other business units beyond Internal Audit.

— **Daniel Tekippe**
Director of Internal Audit, Stream

Results

By using IDEA, Stream is able to perform approximately millions of data points for commission checks in minutes. Using exception management techniques, the company is able to proactively identify missed commissions, identify defects in the system that require correction and ensure accuracy when calculating commission payouts and customer invoices.

As an added benefit, the use of IDEA has helped empower non-IT employees with capabilities that would have required an IT resource to perform reducing bottlenecks within the organization. The audit trail provides management with the logic behind each report, and assurance that the analysis is accurate and trustworthy.