



From Days to Dollars: Cash Conversion Under Pressure

New findings on managing hybrid revenue and the structural drivers of CCC improvement



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Cash conversion is a leading indicator of resilience.

The financial operating environment facing organizations in 2026 is defined by sustained margin pressure, elevated capital costs, increased revenue-model complexity, and heightened scrutiny of liquidity from boards and investors. Under these conditions, finance leaders are being asked to deliver not only growth, but predictable and resilient cash performance.

In this context, the Cash Conversion Cycle (ccc) has taken on renewed importance. Historically treated as a downstream efficiency metric, CCC is now being used as a leading indicator of financial health. It reflects how effectively organizations convert revenue activity into cash, how well working capital is managed across the revenue lifecycle, and how reliable cash forecasts are under volatile conditions.

To better understand how CCC performance is evolving—and what is constraining improvement—RecVue partnered with TrendCandy to conduct a quantitative study of 171 senior finance and revenue leaders. The research examined year-over-year CCC trends, the levers organizations are

prioritizing, and the operational realities shaping cash outcomes in increasingly hybrid monetization environments.

The results reveal a consistent pattern. While most organizations report some improvement in CCC, the pace of change is falling short of what current market conditions demand. Moreover, the data indicates that the primary sources of friction are not confined to collections or accounts receivable processes.

Instead, cash delays often originate earlier in the revenue lifecycle—within billing execution, contract changes, pricing complexity, dispute management, and the systems that connect these functions.

In this report, we examine how CCC is being reframed as a revenue-architecture challenge rather than merely a working-capital or collections issue. The evidence suggests that sustainable acceleration in cash conversion increasingly depends on how revenue is structured, governed, and operationalized across hybrid revenue models.

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Nishant Nair
Founder & CEO



Key Findings at-a-Glance

**01**

CCC is improving—but not fast enough to meet economic pressure.

Nearly all surveyed organizations report year-over-year improvement in CCC. However, fewer than half describe those gains as significant. Incremental progress is being outpaced by rising monetization complexity and volatility.

02

Finance leaders are prioritizing the wrong CCC levers.

Most organizations focus CCC improvement efforts on DSO and collections intensity (88%). While necessary, these levers are often disconnected from the upstream sources of cash friction, limiting their impact on overall cycle time.

03

Hybrid revenue models have fundamentally altered cash dynamics.

Hybrid monetization—combining subscription, usage-based, and one-time revenue—is now used by 82% of organizations. While this enables pricing agility and improves customer satisfaction, it also increases billing complexity, dispute risk, and variability in cash realization.

04

Billing errors and disputes remain a material drag on liquidity

Invoice inaccuracies and slow dispute resolution persist across revenue models, directly extending CCC. These issues are structural, not episodic, and frequently affect multiple revenue streams simultaneously.

05

Automation and AI adoption alone do not guarantee cash acceleration.

While most organizations report use of automation and AI—78% use AI to detect prebill anomalies and 80% have automated rev-rec processes—performance outcomes lag expectations. The data indicates that fragmented systems and inconsistent revenue logic limit the effectiveness of advanced technologies.

06

Revenue architecture is emerging as a primary determinant of CCC performance.

Top-performing organizations distinguish themselves by modernizing how revenue is governed and executed end-to-end. Unified contract data, consistent pricing and billing logic, and prebill controls correlate strongly with faster, more predictable cash conversion.

Improvement is Real, But Insufficient



Organizations are pushing hard on CCC levers that are disconnected from the sources of CCC friction.



Nearly all organizations [88%] say CCC improvement is a top / high priority. While they are moving the needle, nearly half say it isn't enough:



89% of leaders say CCC improved year-over-year



Yet only 47% call the improvement "very significant"



But signals show strong intent:



DSO is the #1 CCC lever for 88% of organizations



91% maintain formal CCC targets with executive ownership

Despite this, CCC is not accelerating at the rate CFOs need — or expect.

Why? Because the obstacles are not tactical. They are structural.

The survey highlights persistent, systemic blockers:

- ◊ Manual, inconsistent dispute processes
- ◊ Fragmented order-to-cash systems
- ◊ Limited automation in AR/AP
- ◊ Weak prebill controls
- ◊ Unreliable inputs into forecasting models

Until the underlying revenue architecture is modernized, gains will remain incremental at best.

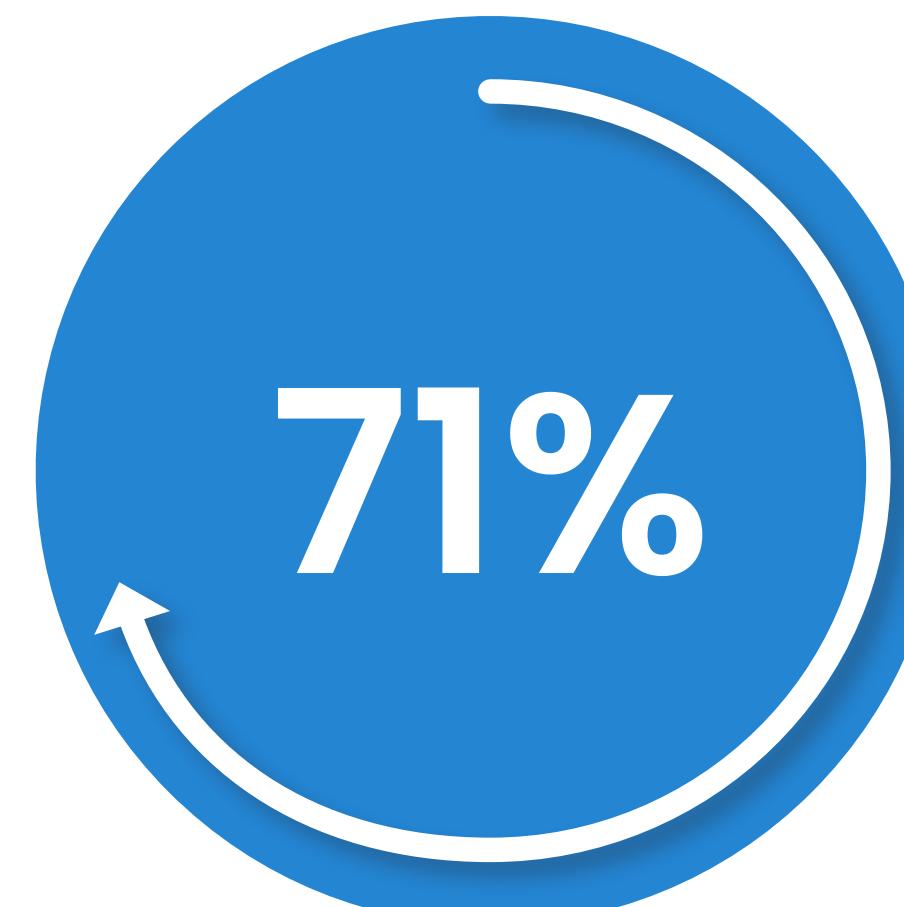
Hybrid Revenue Has Fundamentally Changed the Cash Equation



Revenue models have evolved faster than most billing systems and processes. The survey reveals:



82% of organizations now operate hybrid revenue models



71% can launch new pricing models quickly

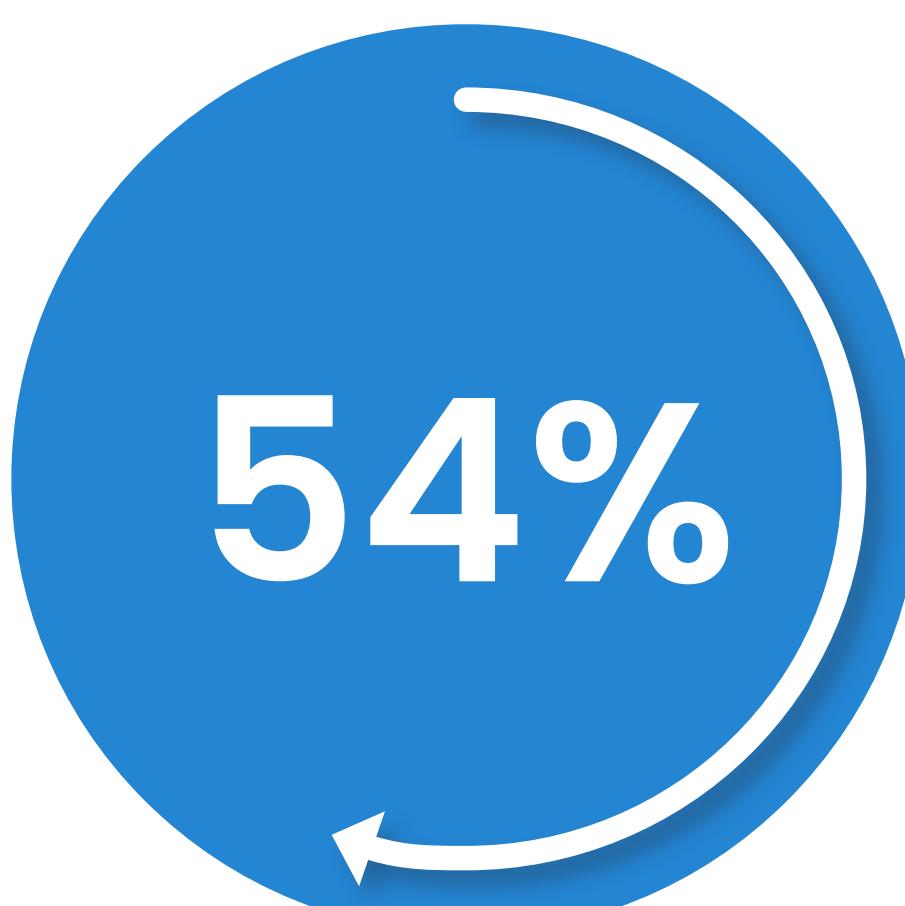


66% can adjust pricing in under 60 days

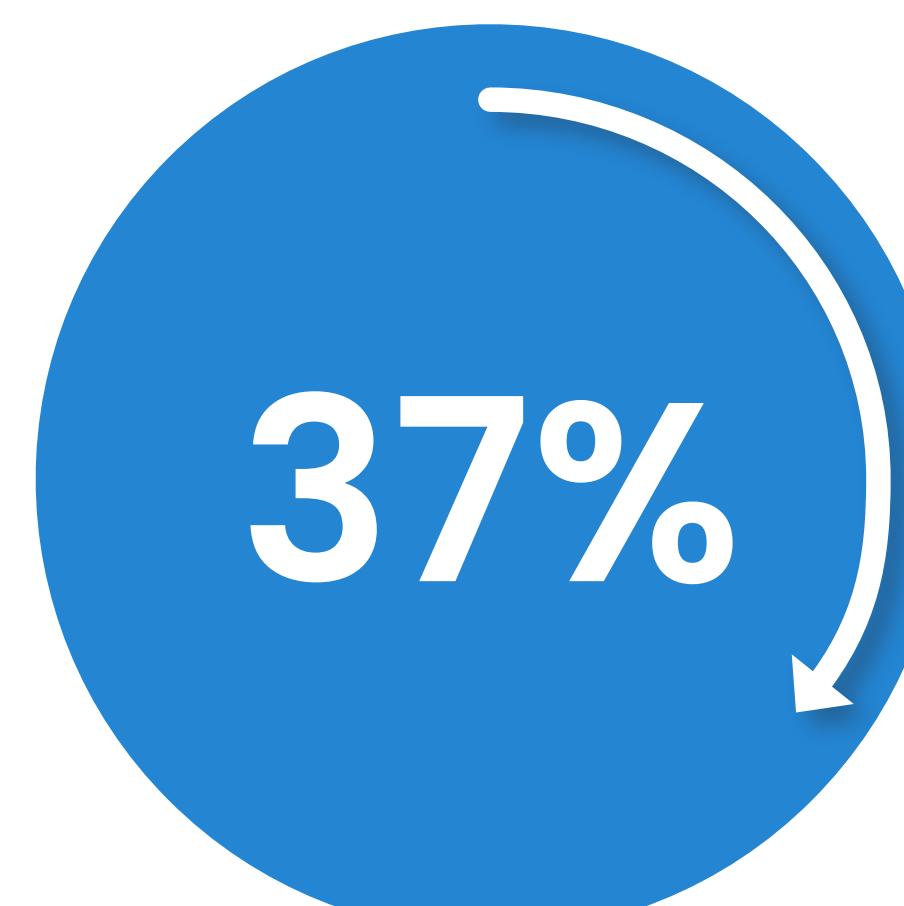


Hybrid monetization (subscription + usage + one-time) has become the default – and this agility is essential in competitive markets.

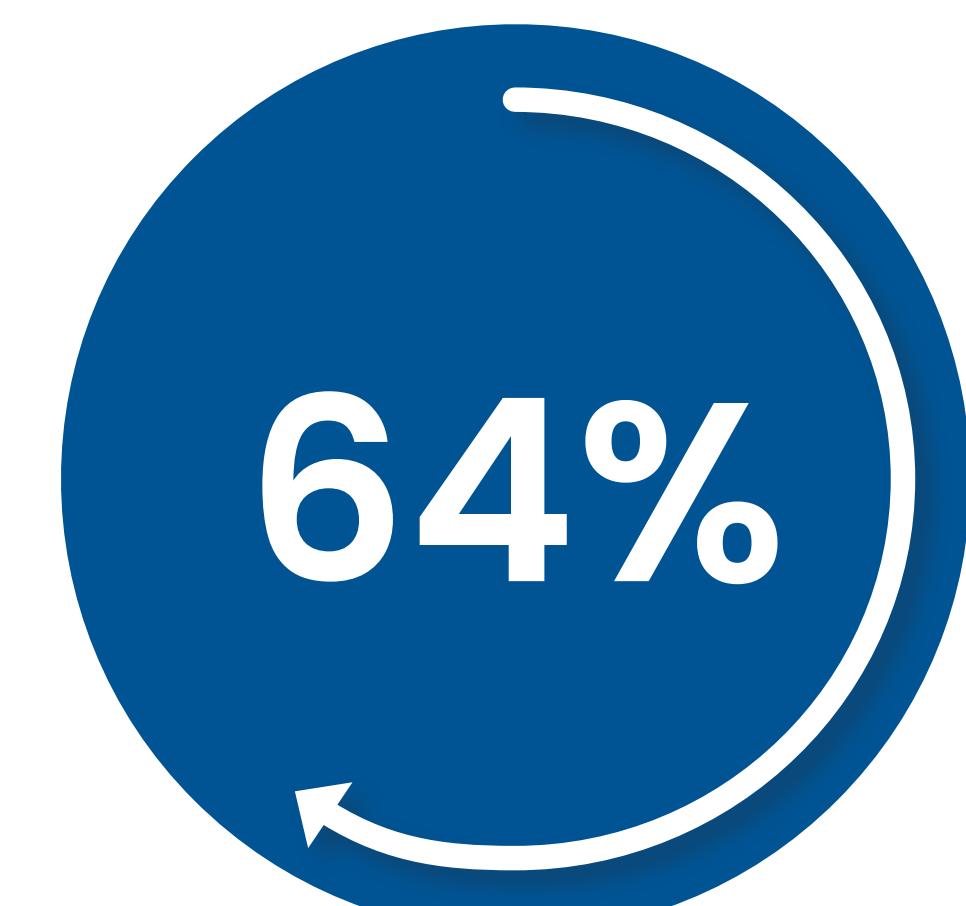
But agility without precision introduces risk:



54% of disputes require up to 10 days to resolve



37% of supplier on-time payment rates fall below 89%



64% report errors exceed 5% in their 13-week forecasts

Performance obligations become harder to track. Billing logic varies wildly across systems and teams

The reality is stark:

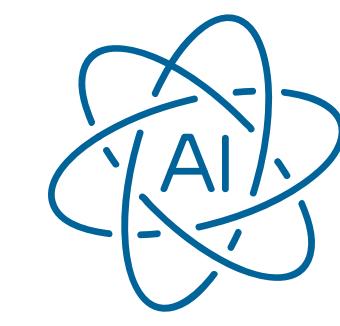
Organizations are running modern revenue models on legacy revenue infrastructure.

Hybrid monetization outpaces:

- ◊ Traditional billing systems
- ◊ Disconnected CPQ engines
- ◊ Inconsistent contract management
- ◊ Manual rev-rec workflows

This mismatch is now one of the most expensive drains on CCC.

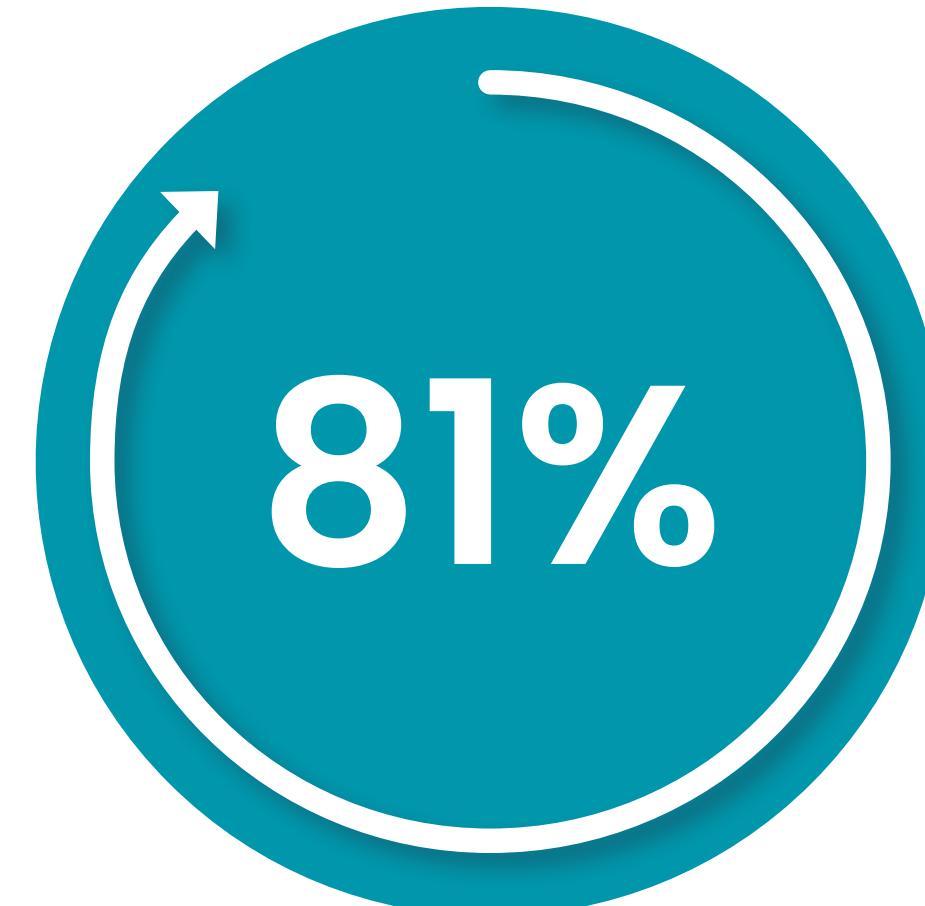
Automation and AI Alone Aren't Accelerating Cash as Expected



The study shows that automation and AI have gone mainstream:



78% use AI to detect prebill anomalies



81% use no-code tools to configure pricing and bundles



80% have automated rev-rec disclosure processes

At first glance, this suggests readiness and maturity. But performance data tells a different story:

- ◊ Invoice errors remain material
- ◊ Dispute cycles remain slow
- ◊ Only 36% achieve <5% forecast error in 13-week cash views

Why is technology adoption not translating into cash acceleration?

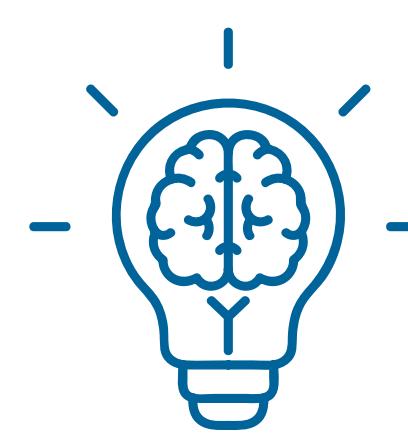
Because AI and automation are being deployed on top of fragmented, inconsistent data and logic. When systems do not share **contract terms, usage events, rating logic, pricing rules, amendments and renewals**, automation becomes reactive rather than transformative.

In effect:

AI is illuminating the chaos, not eliminating it — because the architecture beneath it is not unified.

Until there is a clean, governed, end-to-end revenue spine, automation can only go so far.

What Leaders Do Differently: Practices That Drive Meaningful Cash Gains



Across the dataset, a cluster of high-impact behaviors consistently shows up in top-quartile performers.

47%

Cash-Aware Monthly S&OP

They model cash as a first-class operational output — not a by-product of AR.

42%

Risk-Based Collection Strategies

Low-latency reconciliation improves visibility and reduces cycle times.

46%

On-time Payments to Suppliers

They detect and resolve issues before invoices reach customers.

34%

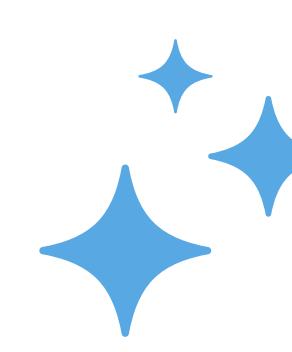
Touchless Cash Application

They generate accurate subscription, usage, and one-time invoices within a unified logic framework.

45%

AI-Powered Prebill Validation

Organizations using these strategies report an



88% reduction in past-due receivables.

The common denominator?

Leaders have modernized the revenue operating system.

Their systems share:

- ◊ A single source of contract truth
- ◊ Unified pricing and rating logic
- ◊ Clean, enriched revenue events
- ◊ Automated controls across prebill, billing, and rev-rec

This is not incremental improvement.

It is architectural differentiation — and it materializes in the CCC.

SECTION 6

The Role of Revenue Systems in Cash Conversion Outcomes



Traditional CCC playbooks focus on payment terms, collections intensity, inventory strategy, and AP discipline. These levers still matter — but they no longer address the core source of friction in hybrid monetization environments.

The survey makes this clear:

The most damaging delays in cash conversion originate upstream, long before an invoice is issued or a payment is pursued.

Organizations still struggle with:

- ◊ Revenue events captured inconsistently across systems
- ◊ Rating and pricing logic spread across CPQ, billing, spreadsheets, and custom code
- ◊ Contract terms disconnected from billing execution
- ◊ Manual exceptions that cascade into disputes
- ◊ Latency and data quality issues that undermine rev-rec and forecasting

These are not AR problems. **These are architecture problems.**

Enter the Revenue Operating System — the new foundation for cash velocity.

A Revenue Operating System (RevOS) provides a unified platform that connects the full monetization lifecycle:



The Role of Revenue Systems in Cash Conversion Outcomes



A Revenue Operating System [RevOS] provides a unified platform that connects the full monetization lifecycle:

01 One Governed Source Of Truth For Contracts And Pricing

Logic is applied consistently across every event and transaction.

02 Unified, Hybrid-Native Billing Execution

Subscription, usage, and one-time charges flow through a single rating and invoicing engine with audit-grade accuracy.

03 High-Quality, Enriched Revenue Event Data

Each event is validated, structured, and compliant at the moment it is generated.

04 AI That Operates On Trusted, Contract-Aware Data

Models detect anomalies before they create billing disputes or cash delays.

05 Real-Time Visibility Across The Entire Revenue Lifecycle

Forecasts, waterfalls, and working capital views are built on live contract and billing data — not stitched together from disconnected systems.

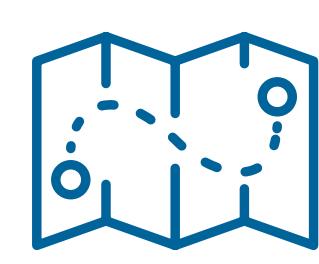
When organizations deploy a RevOS, CCC transformation becomes a design property, not an outcome of downstream heroics.

RecVue RevOS embodies this architectural shift.

Purpose-built for hybrid monetization at enterprise scale, RecVue's Revenue Operating System eliminates revenue friction, enforces consistency, and accelerates cash with precision that legacy stacks cannot deliver.

In a world where cash velocity determines competitive resilience, the RevOS becomes the CFO's strategic advantage.

A Phased Approach to CCC Improvement



CFOs do not need to wait for multi-year transformations to unlock measurable CCC improvement. Based on the survey findings and expert advisory insights, here is a proven 90-day roadmap that will help you get started.

STEP 01 | Weeks 1-3

Diagnose the Revenue Friction

- ◊ Measure invoice errors by revenue model
- ◊ Quantify disputes and cycle time
- ◊ Map data flows for contracts, usage, billing, and rev-rec

STEP 02 | Weeks 2-4

Prioritize the Revenue Streams with Highest Cash Impact

Use cash weighting, error frequency, and dispute volume to determine where modernization will yield the fastest return.

STEP 03 | Weeks 4-8

Deploy Prebill Controls and AI

Only after contract logic is standardized and ownership is clear.

STEP 04 | Weeks 6-10

Strengthen the Monetization – Collections Link

Ensure collectors have full context for every invoice – including contract terms and billing logic.

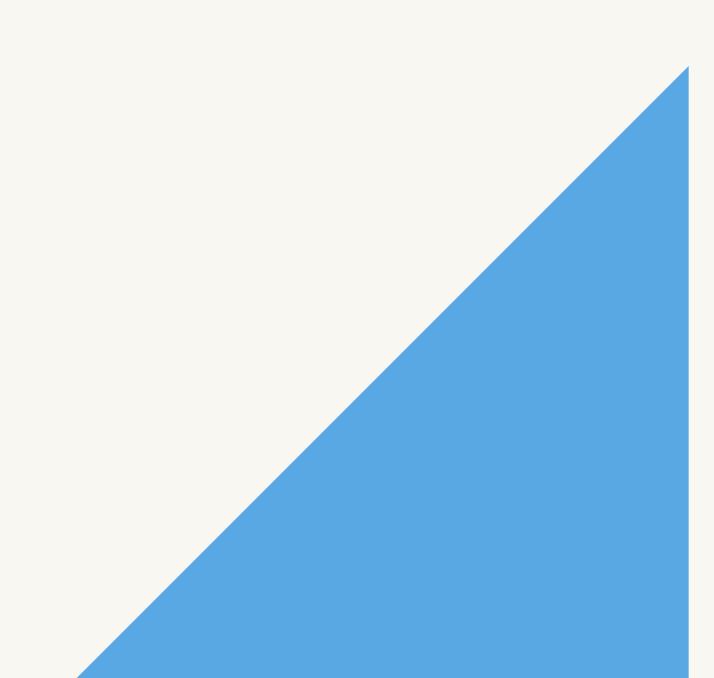
STEP 05 | Weeks 8-12

Integrate CCC into Forecasting & S&OP

Forecasts become more accurate when tied directly to hybrid revenue behavior rather than AR heuristics.

Organizations implementing this 90-day plan consistently achieve:

- ◊ Fewer billing-driven delays
- ◊ Faster dispute resolution
- ◊ Material working capital savings
- ◊ Higher confidence in cash forecasts
- ◊ A measurable step-change in CCC performance



Revenue Architecture as a Structural Driver of CCC Excellence



The data is clear.

CCC performance improves meaningfully only when the underlying revenue architecture is modernized.

The market has entered a new phase — hybrid monetization at scale — and the systems that convert revenue into cash must evolve accordingly. Leading CFOs are choosing to focus not only on AR, but on the structural design of the revenue spine.

Organizations that do this achieve:

- ◊ Faster cash realization
- ◊ More predictable working capital
- ◊ More accurate forecasts
- ◊ Less revenue leakage
- ◊ Stronger economic resilience

RecVue RevOS is built for this moment:

If you would like to benchmark your CCC architecture or identify where your revenue operations may be leaking days — and dollars — RecVue can help.

RecVue RevOS is the first unified revenue operating system designed to eliminate friction across hybrid monetization and accelerate cash through structural precision.

[Learn more at RecVue.com](https://www.recvue.com)

