

ARLA FOODS

AARHUS, DENMARK

Arla Foods is the one of the world's largest dairy companies and the largest producer of dairy products in Scandinavia. The organization sells products in more than 100 countries, employs 19,000 people and boasts revenue of over €10 billion.

■ BUSINESS CHALLENGES

Following mergers in Germany and the UK in 2013, Arla found its account to report (A2R) process was fragmented and lacked transparency.

Of a total of 45 Level 3 processes, only 50% were harmonized, so dozens of employees were spending too much time validating and correcting errors in the close. To compound the problem, documentation was stored locally meaning people didn't always have access to

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■ BUSINESS OBJECTIVES

- Achieve harmonization by standardizing processes across the business to achieve consistency, cost savings, minimal error corrections and the release of staff from manual and repetitive work.
- Consistent, accurate and reliable activities – every time.
- The ability to monitor the close process in real time across finance units.
- Improve data quality to increase trust in numbers.
- Realize automation benefits in finance before targeting other areas.

all the information required. Arla wanted people to consistently perform the same activities in the process.

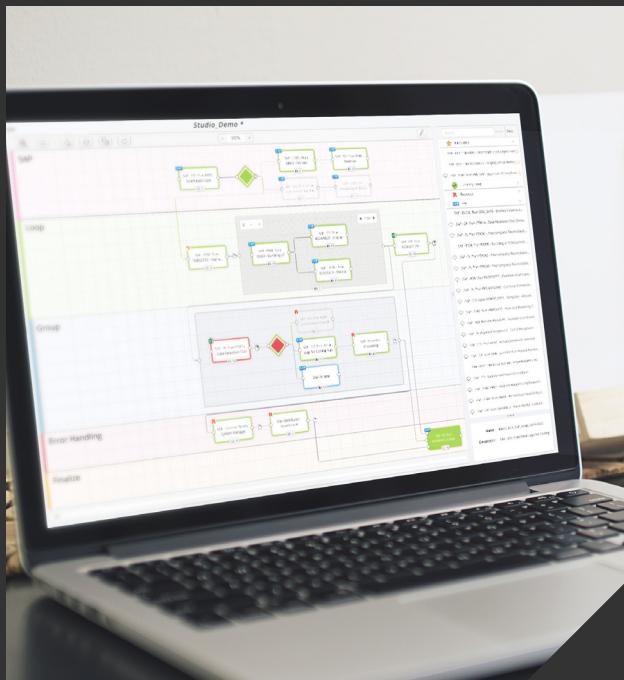
This was especially true with time-consuming financial controlling activities, balance sheet reconciliations, intercompany accounts and month-end adjustments that were performed manually using Excel and checklists.



RESULTS & CURRENT STATUS

- Arla realised it could use automation to harmonize its back-office process and increase service delivery. Redwood identified 124 tasks performed in the close, of which 121 could be automated – delivering 98% automation and a 40-50% reduction in effort.
- The discovery workshop suggested Arla could achieve 100% process and data quality harmonization. This reduced the time to achieve month end close from 10 working days to seven.
- 73% of the company's account reconciliation is now auto-certified with journal entry and intercompany fully automated.
- Arla is also able to close its production orders two days early. This has released substantial time to further improve quality and reduce the time to close.

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ADDITIONAL INFORMATION

Arla chose Redwood because of its user friendliness, high level of automation, ease of integration with its ERP system, and because Redwood Finance Automation integrates with SAP based on best practice.

FOR MORE INFORMATION ON REDWOOD FINANCE AUTOMATION SOFTWARE, PLEASE VISIT WWW.REDWOOD.COM/FINANCE-AUTOMATION