

ASHLAND

COVINGTON, KENTUCKY

Ashland is a premier global specialty materials company operating in more than 100 countries. It serves customers in a wide range of consumer and industrial markets, including adhesives, architectural coatings, automotive, construction, energy, food and beverage, nutraceuticals, personal care and pharmaceuticals.

BUSINESS CHALLENGES

For Ashland EMEA, one of the biggest issues with the monthly financial close was the huge number of transactional manual tasks that staff had to complete. This impacted on the time taken to complete the close and contributed to a lack of standardization of how tasks were executed. Even with policies in place, deviations to standard formats and how information was processed evolved across the function. And a lack of automation meant many control checks were also still manual. As a result of all this, accounting staff were occupied by repetitive manual tasks instead of being able to spend time on higher-value analysis of the figures and trends.

BUSINESS OBJECTIVES

Ashland is one of the few organizations to transform its finance operation. Its shared services center (SSC) has evolved from processing repetitive manual activities into a complete finance organization that now includes the regional controllerships responsibility. This enables Ashland to perform its entire finance operation from its SSC based in Hyderabad, India.

Ashland's main aim is to eliminate much of this repetitive manual work and make its monthly close as much of a non-event as possible. It has a transformation agenda to improve the speed and quality of its close by automating unnecessary manual GL tasks so that its accountants can be redeployed on more value-added work.



With Redwood's help, Ashland identified 50 accounting processes that would be automated and form a key vehicle to deliver this transformation journey. The first set of processes to be automated include:

- Bonus accrual – the calculation, preparation and posting of bonus accrual
- Profit Center (PC) balancing – activity to clear business segment level PC imbalances for all entities in group currency (USD)
- GR/IR
- Journal entry management



RESULTS

Through finance automation, not only has Ashland reduced the time taken to complete the monthly close it has also removed the unnecessary variations often applied by regional accountants. This standardization is resulting in much higher quality in its close process.

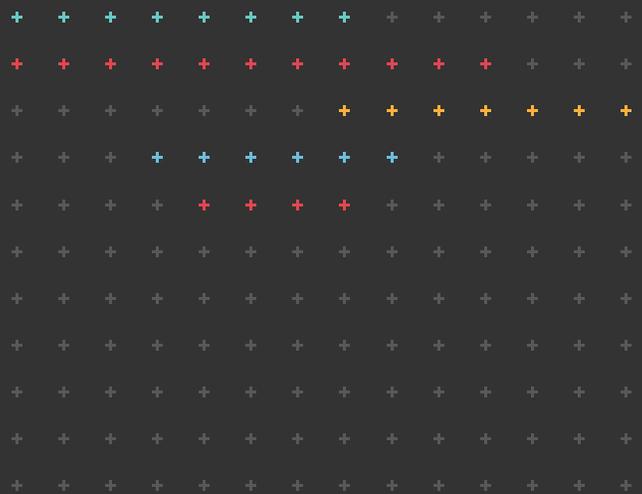
Across EMEA, Asia-Pacific and North America, Ashland has already reduced the time it takes to complete these close processes by 98% through automation, saving an average of 21 man-days for each of the automated processes.

Redwood's finance automation has helped Ashland deploy its accounting staff on more added-value analytical work. Eliminating the repetitive transactional tasks and providing staff with more rewarding work also keeps them more engaged with the company and helps reduce attrition rates in the highly competitive BPO/SSC industry in Hyderabad.



FUTURE GOALS

- After a period of organizational change, Ashland is continuing with the automation of other GL processes and is now looking to expand beyond GL and potentially processes outside of finance.
- Ashland's current focus is to build an in-house center of excellence, which will deliver the automation of the remaining processes and look to expand this beyond finance.



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