



Redwood

Multinational dairy coop implements touchless close

by automating 98% of processes

Case Study



Region

Europe

Industry

Manufacturing -
Non-Durable Goods

Size

20,000 employees; offers products across 153 countries; €10 billion revenue

Solution

Finance Automation
by Redwood

Integrations

SAP ERP, SAP Business Warehouse, SAP BI

Results

Reduced close time by 30%, from 10 to 7 days

Automated 98% of close processes, with 50% reduction in manual effort



Company overview

Arla Foods is an international dairy cooperative owned by 9,400 farmers and is the largest producer of dairy in Northern Europe. The company is responsible for 1.5 million cows, collects 13.7 billion kilos of raw milk for processing at its 60 sites and sells its products in 153 countries, including the well-known brands Arla®, Lurpak®, Puck® and Castello®.

Business challenges

After mergers in Germany and the UK, Arla needed employees everywhere to consistently perform the same standard steps in each of its business processes. This included financial controlling activities, account reconciliations, intercompany accounts and month-end adjustments.

The company also wanted to reduce the period-end close by at least two days to get an overview of month-end activities and dependencies.



Arla found its account-to-report (A2R) process was fragmented and lacked transparency. Just 50% of its 45 Level 3 processes were harmonized and, as a result, dozens of employees were forced to spend additional time validating and correcting errors in the close. Also, as documentation was stored locally, employees sometimes lacked access, further compounding close-related challenges.

Employees had been executing all tasks manually using Excel and checklists, which was time-consuming, inefficient, error-prone and costly. It had become incredibly difficult to achieve the process consistency and standardization Arla required.



Solution

Arla selected Finance Automation by Redwood because of its strong track record of SAP and ERP integration, as well as its proven ability to automate nearly all close-related processes.



As one of the largest dairy companies in the world, it is absolutely essential for Arla to stay competitive and efficient in everything we do. Redwood's user-friendliness and solid SAP integration have really helped us make it happen.

— Birthe Juul, Head of Finance Program Office

In Arla's initial discovery workshop with Redwood, the company learned it could achieve 100% process and data quality harmonization — and a touchless close.



Results

Arla successfully deployed automation to harmonize its back-office financial processes and increase service delivery.

Strategic automation reduced the time required to complete the month-end close by 30%, from 10 to seven days, and gave Arla the ability to monitor close process status in real time across financial business units while running a touchless close. This three-day reduction in the month-end close significantly exceeded Arla's original target of a two-day reduction.

Arla's ability to close its production orders earlier further contributed to improved quality and reduction in the overall time-to-close. Arla employees can now meet SLAs through each stage of every process, relying on predictive alerts to monitor their status.



Redwood automation transformed many of our reconciliation processes and tasks. In many instances, it now takes much less time to complete the process and tasks. In just one of our small Finnish entities, reconciliations went from four hours to half an hour. On a monthly basis across multiple business entities, this translates to significant savings for Arla.

— Brian Thomsen, Finance Director

Automating 98%, or 121 of the 124, financial close-related processes allowed the Finance and Accounting organization to focus on more value-added tasks and significantly improved the integrity and quality of the company's data. Automation reduced the effort required from employees by up to 50%.

This has helped build trust in the accuracy of the information they depend on for critical insights and analysis. In addition, Redwood's auditability and governance provide Arla with full visibility through reliable access to who did what, who approved it and when.





People across the business are extremely positive on Redwood. We've achieved efficiencies, greater flexibility and more meaningful work for our people in our shared services center. We're very proud of these achievements.

— Brian Thomsen, Finance Director

Juul adds, "The people using and working with Redwood really value and appreciate the transparency and auditability of the automation platform."

The future with Redwood

Arla sees potential in expanding automation to deliver positive outcomes in other areas of the business. Juul notes that master data and IT will also gain from the enhanced quality and consistency associated with Redwood.

"We have the opportunity to automate a lot of the daily, recurring, repetitive tasks across other parts of our global operations, which could deliver even greater benefits than we are currently realizing by automating monthly financial close processes in accounting," says Thomsen.



See how financial automation can get your business on the path to a touchless close.

[Book a demo](#)

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