



Wanhua Reduces Its Manual Payments by 98% in Less Than Six Months

KYRIBA CASE STUDY

Wanhua Chemical Group is one of the world's most successful polyurethane producers. As a manufacturer and distributor of polyurethane and other related products, it has four manufacturing bases in China and Europe. In addition, it has subsidiaries in more than ten countries across Asia, Europe and North America.

A Fragmented View

In 2010, Wanhua began the process of upgrading its finance technology. At the time, it relied on numerous e-banking solutions, which was not only inefficient but resulted in the business having an incomplete record of its payment transactions. Meanwhile, the growth in its overseas business highlighted some shortcomings in group-wide treasury management. As a result, Wanhua wanted to adopt a treasury solution that would serve to unify its domestic and international operations.

Unifying International Operations

Finance IT Manager Feng Yongjin wanted to deploy a treasury management solution that would enable Wanhua to enhance and "future-proof" its 'super e-banking' capabilities. The solution, which needed to be expandable and scalable, had to provide an automated, centralized



Founded: 1998

Headquarters: Yantai, China

Industry: Chemicals

Revenue: \$8.7 billion

Employees: 9,165

QUANTITATIVE RESULTS



98% of Payments
are automated



50% Reduction
in accounting entries



Connected 13
overseas banks in five countries



By optimizing, integrating and automating our systems to achieve the end-to-end processing of domestic and international payments, we have laid the foundation for the eventual consolidation of all financial data across the group. The solution has also helped Wanhua to more easily adapt to unpredictable economic changes, meet global regulatory standards and support China's globalization strategy with a view to overseas expansion."

— Zhang Shoujun,
General Manager, Finance Department,
Wanhua Chemical Group

and global view of the company's financial position. This would allow the company to improve internal security and controls, and reduce the risk of payment fraud. The solution also needed to enable intelligent processing in order to improve customer and supplier satisfaction.

In early 2018, after conducting five months of research, Wanhua's global treasury management cloud platform project team decided to adopt Kyriba with an aim to achieve three main goals:

1. Establish transaction data maintenance requirements for each overseas entity and create a processing template that was in line with corporate business standards.
2. Achieve global data integration with all of the company's supplier banks with the objective to meet current and future language and policy requirements of each entity.
3. Build a globally-unified processing platform for automated, smart payment routing based on big data analysis from international bank accounts.

Supporting Overseas Payments

During the implementation process, Wanhua fully mobilized the global resources of Kyriba and its partner banks. It undertook manual inspections, as well as multiple rounds and combinations of stress-testing. Kyriba designed standard payment templates

to meet Wanhua's current and future business needs and established a standard for the maintenance of transaction data.

Kyriba's cloud-based treasury management solution integrates data from Wanhua's enterprise resource planning system with data provided by its supplier banks. As a result, the solution supports Wanhua's banking activities, including international and Chinese wire transfers, electronic acceptances, e-commerce business, letters of credit and different payment types.

Additionally, Wanhua was able to automate 98 percent of its payments and cut their accounting entries in half thanks to the streamlined settlement and accounting rules brought on by Kyriba that adhere to the requirements of each local jurisdiction.

Intelligence and Visibility

With the help of Kyriba, Wanhua Chemical Group has established a global data standard for its supplier banks, achieved integrated and automated payments processing, and connected 13 overseas banks in five countries. The company has also been able to unify and standardize payment templates, reduce the cost and extent of manual operations, and gain greater intelligence and visibility in terms of global treasury management.