

SECURE AND HARMONIZED BANK CONNECTIVITY IS THE BACKBONE OF KONE'S GLOBAL CASH PROCESSES

Operating in more than 60 countries with multiple currencies, payment formats and types, the global leader of the elevator industry, KONE Corporation, strived for cash and bank harmonization. Together with OpusCapita, KONE implemented a global bank connectivity solution that streamlined processes and improved security in their four Shared Service Centers around the world.

KONE had started the journey toward centralization of their cash and bank activities a few years prior. The processing of incoming and outgoing payments had been centralized in the Shared Service Centers (SSC) operating in Slovakia, India, Malaysia, and China, and the Treasury had selected global house banks for the corporation.

As KONE's half a million customers worldwide are local construction companies, the cash flows of the company are mostly in local currencies, and in local bank accounts. The SSCs were using local e-banking tools to connect with the banks.

"We were in need of a global tool that could be used in all of our locations for all of our payments. The goal was to create a harmonized way of working. One of the main drivers was security: we wanted to improve

the safety of our cash outflows and simplify user rights management," states **Sirkku Markula**, Corporate Treasurer, Senior Vice President at KONE.

KONE chose OpusCapita's Bank Connectivity solution integrated with SWIFT Alliance Lite 2 service for global reach. The solution is integrated with KONE's core ERP system, and it has been introduced step by step at all of the SSCs for payment and bank statement processing.

Award-winning roll-out

The piloting of the solution began in July 2016, and by autumn, most of the European countries were already covered. In 2017, the focus has been in Southeast Asia and China, which is currently KONE's biggest market.

"The keys to the successful project have been good change management and the flexible roll-out model. We have been able

to progress country by country, introducing the new way of working to the SSCs and taking care of the country-specific regulations, for example, as we go along," says **Nina Rentola**, Senior Project Manager for Global Finance Development at KONE.

The project team at KONE even won an internal quality award, which is given to very few projects. Rentola regards it as a testament to the fluent cooperation between different stakeholders of the project, both internal and external. She says that KONE opted for a flexible partner, as they recognized that the project would be a challenging one.

"The banks, for instance, have recognized the good collaboration we have with OpusCapita – that we operate together as one team and that people take responsibility for the next actions needed equally, no matter if they are from the SSC or from OpusCapita," Rentola says.

OpusCapita

“OpusCapita is a well-established company with knowledgeable experts. We have been happy to work on a global project of this scale with such an agile partner.”

Sirkku Markula, Corporate Treasurer, Senior Vice President, KONE.

“OpusCapita has been very responsive to our demands. We have been happy to work on a global project of this scale with such an agile partner,” Sirkku Markula continues.

Groundwork for future finance development

With the introduction of the harmonized processes, KONE has also been able to accumulate cost savings through process efficiency and the ease of use of the bank connectivity solution. The improved efficiency of the cash and bank processes has been clearly visible in the KPIs of the Shared Service Centers.

“The employees have been happy to get rid of the tokens they needed before to manage the connections to the local banks. The OpusCapita tool has been really easily accepted,” Nina Rentola says.

In addition, during the project, KONE managed to increase the share of electronic account statements. The statements are directly uploaded to their core ERP system, further reducing manual work at the SSCs.

The biggest advantage of the global bank connectivity solution for KONE finance and treasury functions is that it provides a secure platform for developing finance processes further.

“This was important groundwork for future

Challenge

Operating in more than 60 countries, KONE needed a solution to harmonize the cash and bank processes globally. They wanted to introduce uniform ways of working to their four Shared Service Centers in Slovakia, India, Malaysia, and China; improve security; and simplify user rights management.

Solution

KONE opted for OpusCapita's Global Bank Connectivity solution. Solution is integrated to SWIFT Alliance Lite 2 Service for global reach. With the cash and bank harmonization, KONE has improved the efficiency of incoming and outgoing payments handling in their SSCs, and laid the groundwork for automation and further harmonization of Finance and Treasury processes.

development. For instance, we have a lot of potential to improve the incoming payments reconciliation in our SSCs, and we are looking into developing the accounts receivables matching process together with OpusCapita,” Sirkku Markula states.

KONE's incoming payment flows are characterized by the fact that the company has a great deal of maintenance customers, among others, and the in-

coming payments can be quite numerous and small. Especially outside the Nordic countries, the customers' information on the payments can be scarce.

“We are very interested in machine learning and the opportunities it opens up for automating payment reconciliation. Now we have common processes and ways of working in our SSCs that we can build upon.” □

“We opted for a flexible partner. OpusCapita's competence met our needs, and the technical solution was clearly what we were looking for.”

Nina Rentola, Senior Project Manager for Global Finance Development, KONE.



KONE is the global leader in the elevator and escalator industry, providing elevators, escalators, and automatic building doors, as well as solutions for maintenance and modernization. KONE operates in more than 60 countries around the world, and has 52 000 employees serving more than 450 000 customers. Headquartered in Helsinki, Finland, KONE has eight global R&D centers and seven global production sites. In 2016, KONE reached net sales of 8.9 billion euros.

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