Shared services to global business services (GBS)
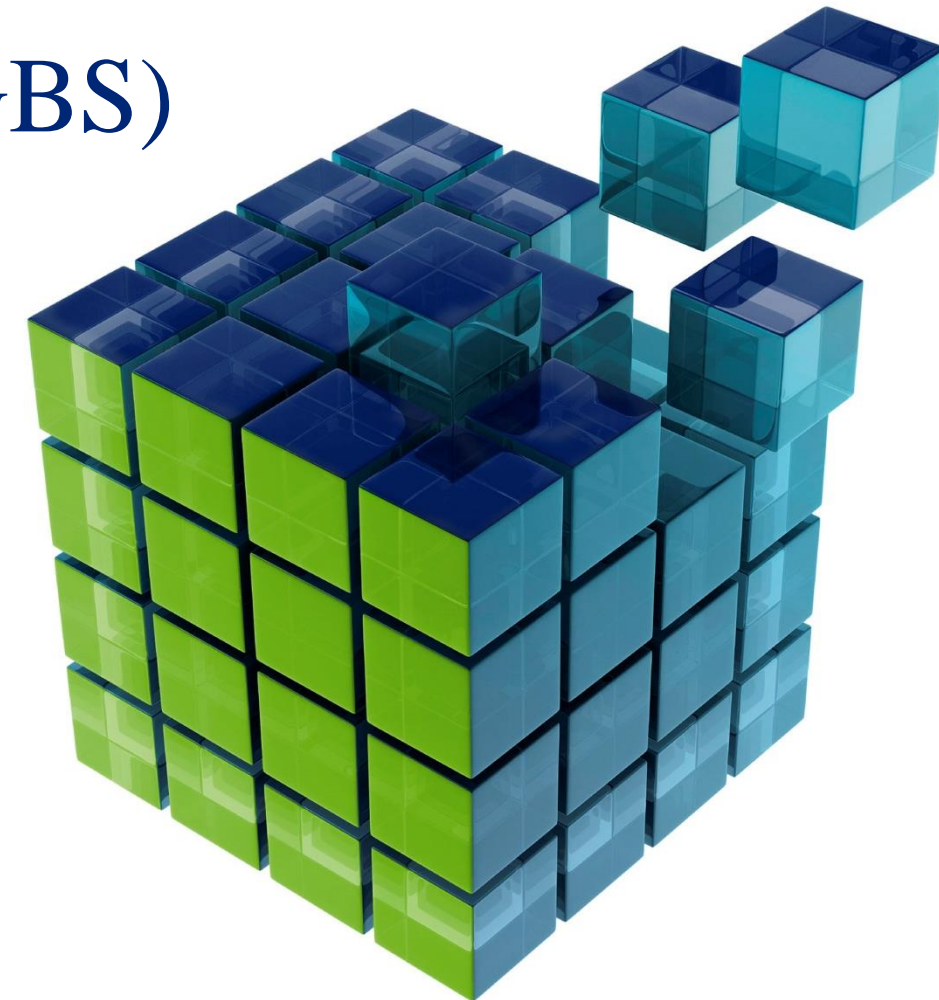## What's the first logical step

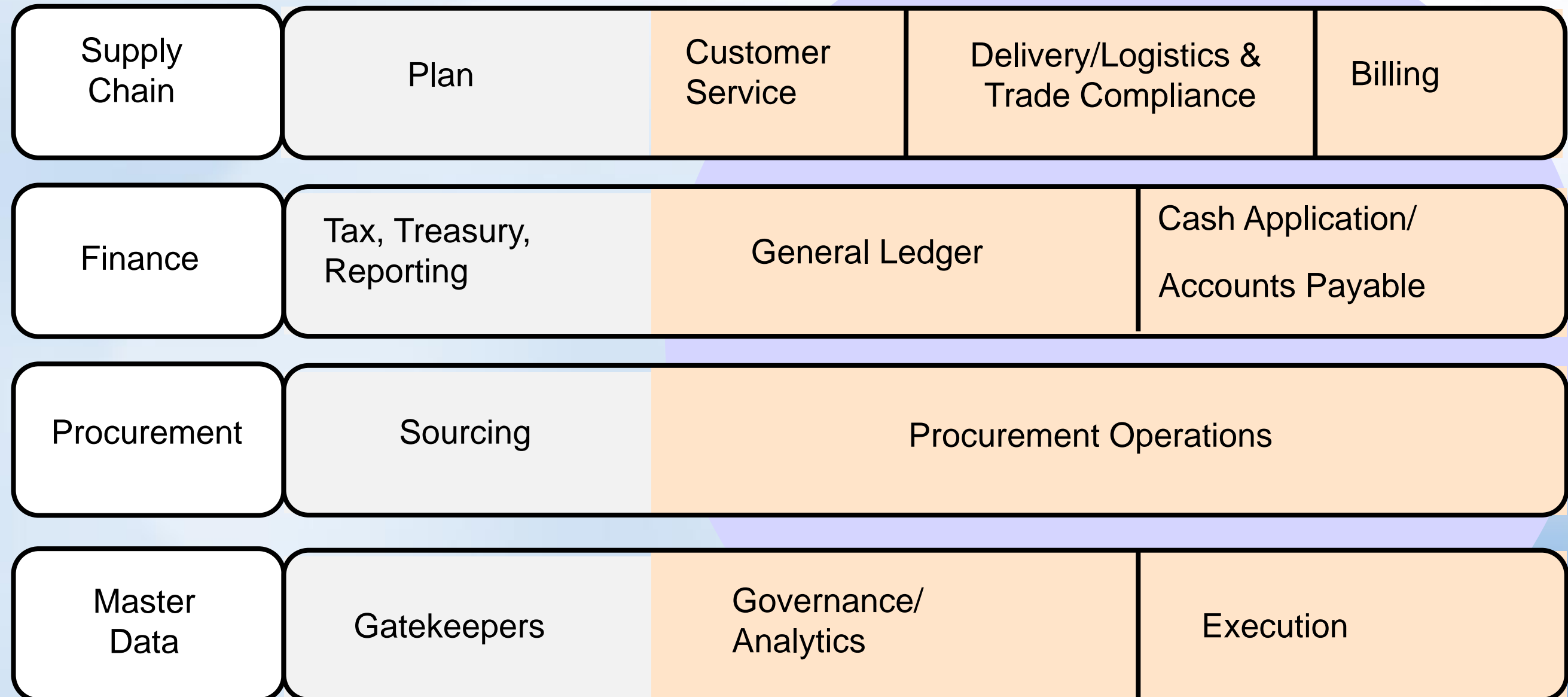**Blane Peery**
Vice President Global Business Services, Celanese

The Celanese GBS Journey

Before 2002

Decentralized Support Functions

2002

Country Support Functions

2008

Regional Support Functions

2012 +

Global Business Services

Migrating from Functional Silos…

Celanese
Global Business Services

GBS

Supply Chain	Plan	Customer Service	Delivery/Logistics & Trade Compliance	Billing

Finance	Tax, Treasury, Reporting	General Ledger	Cash Application/ Accounts Payable

Procurement	Sourcing	Procurement Operations

Master Data	Gatekeepers	Governance/ Analytics	Execution

.....To End-to-End Processes

Celanese
Global Business Services

Budapest

GBS Headquarters

Order-to-Cash
Accounting
Purchase-to-Pay
Master Data

Nanjing

Order-to-Cash
Accounting
Purchase-to-Pay

Dallas

Order-to-Billing
Accounting
Purchase -to-Pay
MD & TC Govern.

BUDAPEST

DALLAS

NANJING

Order-To-Cash End-to-End

Celanese
Global Business Services

Business Strategy

Plan	**Source**	**Make**	**Deliver**

Order To Cash

Use Order-To-Cash process through **Perfect Order*** to improve Celanese Supply Chain Delivery performance

Adopt Lean Six Sigma as a disciplined approach to optimize order-to-cash as an iterative ongoing process vs. a discrete project

- Receive, Validate & Promise Order
- Plan Sourcing & Logistics
- Pick, Pack & Ship
- Invoice
- Cash and Collections

*Perfect Order — On Time Delivery, Complete & Accurate, In Compliance, In Perfect Condition, On Time Billing and Collection

Perfect Order and Company Performance

(Chart derived from AMR Research)
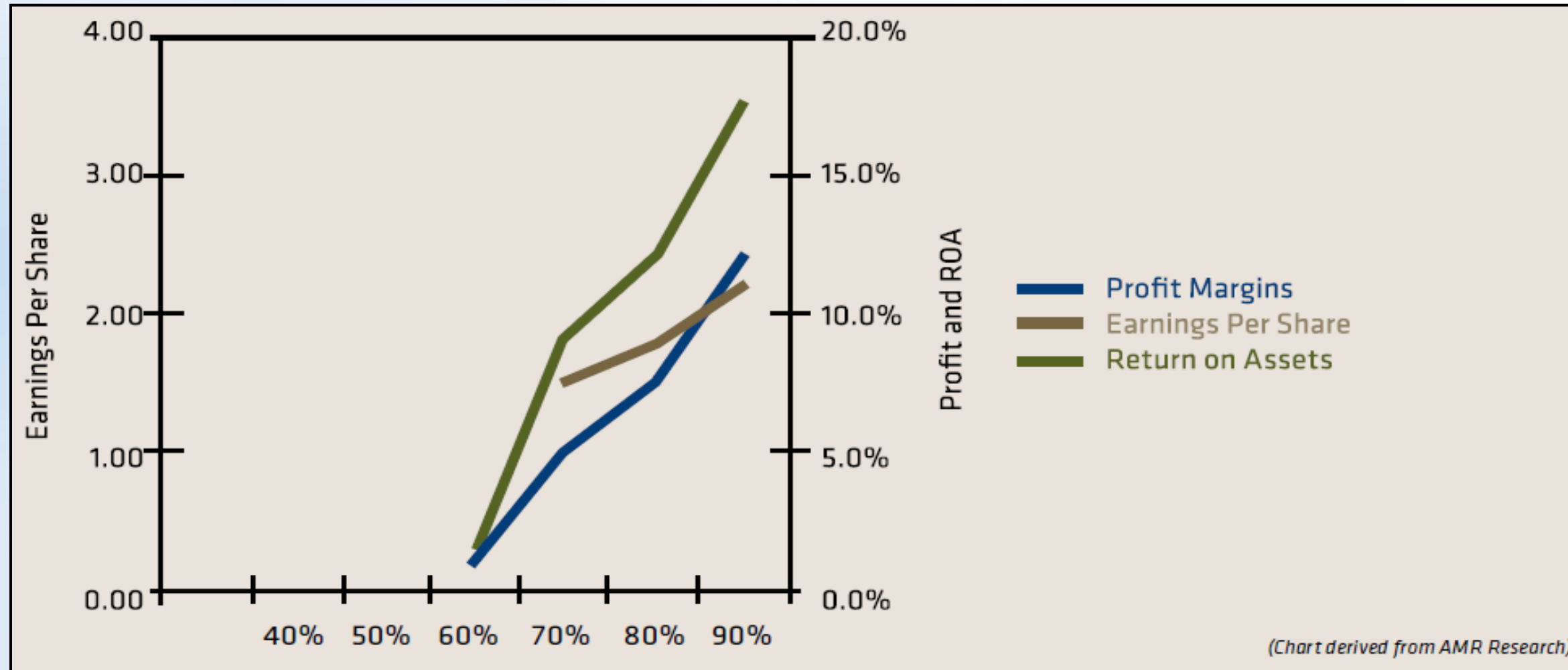
Sources:

Intermec Technologies Corporation, White paper, Using Technologies to Increase Perfect Order Metrics, link: http://www.barcominc.com/Pdf/PerfectOrder_wp_web.pdf

AMR Research, Debra Hofman, The Case for Supply Chain Excellence: Superior Financial and Market Performance, link: http://www.adexa.com/news_events/amroutlook.pdf

Value Proposition: Order-to-Cash

Celanese
Global Business Services

Metrics

- Perfect Order
  - On time delivery
  - No customer complaints
  - Correctly invoiced
- Cost per order
- Order per FTE

Drivers

- Carrier performance
- Material availability
- Customer complaints
- Incorrect paperwork

Improvements

- Standardized reports including dashboards
- SWAT teams for fast improvement
- Proactive customer calls increased
- Perfect Order increase from Dec-Aug of 10%

**End-to-end process ownership drives change.
Process underway for ~1 year and making a difference.**

Value Proposition – Applying to P2P

Celanese
Global Business Services

Metrics

- Cost per invoice
- Invoices per FTE
- 1st pass match rate
- Percentage received/paid electronically
- Requisition cycle time

Drivers

- # of invoices
- # of manual touches
- Requisition/PO/invoice accuracy
- Channel strategy
- Vendor e-capability
- Regional requirements

Improvements

- Increase touch-less PO
- Channel simplification
- Standardized reporting
- Continuous labor arbitrage examination

Cycle not as mature as O2C, getting traction with certain drivers.