



# BlueScope

## futureproofs its finance function to achieve efficiency beyond costs savings

In partnership with Capgemini, BlueScope implements automation and standardized operations that deliver improved productivity in addition to lower costs.

### Innovating within the steel industry

With its roots in the Australian steel industry dating back to 1915, BlueScope has built a strong history on the foundations of innovation, technology, and expertise, leading to expansion into a variety of global markets, including India, China, and North America.

Today, BlueScope is recognized as a global industry leader and the third largest manufacturer of premium branded coated and painted steel products. BlueScope maintains 100 manufacturing facilities across 18 countries, with 14,000 employees dedicated to delivering best-in-class services and products to its customers.

Supporting this commitment requires a constant drive to identify and implement new technology. As part of this effort, BlueScope understood the opportunity to achieve increased optimization, enhanced efficiency, higher productivity levels, and improved cost effectiveness in its finance and accounting (F&A) operations. This fit with the organization's relentless pursuit of cost savings, improving its ability to serve both its customers and communities.

#### Overview

**Client:** BlueScope Steel

**Region:** Australia

**Sector:** Steel

**Scope:** Finance and Accounting

**Client challenge:** BlueScope wanted to transform its finance and accounting operations to deliver improved cost-effectiveness and higher productivity

**Solution:** Capgemini and BlueScope implemented process standardization and intelligent automation to deliver increased optimization, enhanced efficiency, and increased productivity

#### Benefits:

- Significant cost savings
- 1.5 days saved due to direct interface to emailed invoices
- 83% of invoices fully automated
- 99% of duplicate invoices successfully identified and recovered
- Elimination of large manually maintained priority vendor lists
- Greater preparedness for new interfaces, robotic processes, and advanced analytics
- Improved vendor and credit position
- Improved robustness and predictability in cash flow leading to better planning

## Developing a joint approach to efficient F&A processes

BlueScope was struggling to bring efficiency into its F&A processing. As an example, the organization was operating on four different ERPs and had 73 different ways to pay an invoice within accounts payable (AP) processing. The inefficiency and complexity of its highly manual AP processes resulted in a backlog of 24,000 invoices, as well as incorrect, duplicate, and delayed vendor payments that were hampering its credit position.

BlueScope needed a technology-agnostic partner with an established history of supporting process optimization and efficiency. Having enjoyed a longstanding partnership since 2002, Capgemini and BlueScope have delivered on a number of effective collaborative projects. This mutual trust and history of success led BlueScope to choose Capgemini as a partner to manage the centralization and industrialization of its F&A processes.

To minimize the impact on BlueScope's normal operations, the partners adopted an ambitious eight-week schedule to align and standardize all F&A processes in three phases. As a first step, Capgemini and BlueScope planned to industrialize BlueScope's AP processes with improved quality, efficiency, and effectiveness. This would also embed financial controls and processes in technology, and refocus the finance function on driving performance.

## Delivering a customized F&A solution

Capgemini delivered a solution that leverages best-of-breed transformational methodologies to streamline and standardize BlueScope's F&A processes before implementing automation:

- **ESOAR** – a unique transformation methodology that addresses the underlying causes of inefficiency in business operations, before working on the actual symptoms.
- **Automation Drive** – an “automation first” approach to understanding technology that delivers a unified, open, and dynamic suite of intelligent automation tools, services, and expertise, including the “Five Senses of Intelligent Automation.”
- **Digital Global Enterprise Model®** – a flexible, platform-based methodology for business transformation and benchmarking that delivers a comprehensive approach for rapidly transforming business operations while minimizing cost and risk.

 *We chose Capgemini as our transformation partner because they really understood our motivation and drive. They were also able to leverage their global and digital capabilities as well as their extremely deep expertise to showcase what good F&A processes look like to BlueScope. And that's the challenge we required, to be able to invest in processes. Not just accuracy, not just efficiency, but also de-risking our processes, and Capgemini was absolutely able to deliver.”*

**Stephannie Jonovska**  
Manager Finance Transformation,  
BlueScope Australian Steel Products

As part of their effort to drive centralization of F&A operations, Capgemini and BlueScope first established a central Command Center from which all finance processes could be managed and consolidated. The Command Center provides visibility into business KPIs, as well as a real-time view into health metrics such as the percentage of invoices paid on time and the amount of unapplied cash.

This enhanced BlueScope's visibility into overall efficiency improvements by introducing a new set of business metrics for the organization to track. It also enhanced BlueScope's ability to identify new opportunities for future innovation and improved its decision-making processes.

Capgemini also leveraged a variety of tools and technologies, including spend analytics, cash forecasting, and robotics to fix asset transactions. Together, these implementations created a solution that reduced costs and drove efficiency, while enabling BlueScope to continue updating and standardizing its finance processes.

## Automating accounts payable

The partners then implemented Celaton inSTREAM™, which utilizes artificial intelligence (AI) and machine learning to automate and enhance BlueScope's accounts payable (AP) processes for improved efficiency. inSTREAM™ receives and scans emailed invoices, using intelligent character recognition (ICR) to extract the core data from each document – while machine learning enables the system to build up a library of patterns that it applies to future invoices.

inSTREAM™ then categorizes and verifies each invoice before checking for duplicates, assigning a priority, and routing the

documents for final processing. To prevent errors, the system generates a query if it encounters an invoice it cannot fully comprehend. It learns from the human activity carried out to resolve the query, enabling the system to handle similar challenges on its own in the future.

On top of automation, the team also designed supporting processes such as audit control and compliance. They set up a process spanning an 18-month backlog to identify duplicates and recover the money. By mid-2018, BlueScope had leveraged robotic process automation (RPA) to implement continuous transaction monitoring for duplicate payments. This enabled the organization to move from a detective to a preventive audit, identifying duplicate invoices worth 17 million Australian dollars and successfully recovering or preventing 99% of them.

## Standardized operations and improved productivity at reduced cost


Through collaborating with Capgemini, BlueScope transformed its F&A operations, resulting in:

- Increased optimization
- Enhanced efficiency
- Higher productivity levels
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BlueScope now has greater control over and visibility into the performance of its F&A processes. With its best-in-class automated operations and new Command Center, BlueScope is now better prepared for the future and has achieved cost reductions and improved productivity that will enable it to deliver greater benefits to its customers.

Through simplifying its invoicing processes with inSTREAM™, BlueScope has improved its responsiveness and accuracy. The rapid delivery of the project ensured that BlueScope was able to integrate the solution smoothly without suffering major disruptions to, or delays in, its services.

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 *This transformation has delivered significant cost reduction, changes in the robustness of processes, and reliability. Now, 80% of our invoices are automatically indexed, and across many other areas where we've automated various functionalities, we've been able to redeploy our people for more value-added tasks."*

### Andrew Watson

Procurement Manager,  
BlueScope Australian Steel Products

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“*One of the really special things about the relationship between Capgemini and BlueScope is the collaboration. This is the culture that we’ve really incubated from the start: it’s challenging, it’s being upfront and frank, but it’s also looking at the innovations steps we need to take to really industrialize our processes. So both sides invest heavily in defining a culture of innovation, but we also have a really personal connection. I think this collaboration is the special element that makes this relationship work.*”

### **Stephannie Jonovska**

Manager Finance Transformation,  
BlueScope Australian Steel Products

## The Collaborative Approach

Through their collaborative effort, BlueScope and Capgemini achieved a successful transformation that would have otherwise been difficult to accomplish. By combining BlueScope’s industry knowledge with Capgemini’s technical expertise and transformation approach, the partners created a customized, best-in-class F&A solution that has delivered short-term benefits, while also preparing BlueScope for the future.

BlueScope has once again demonstrated its commitment to innovation, delivering industry-leading services and products to its customers. Capgemini has added another success to its extensive history of impactful transformation projects and through its world-class approach has positioned itself as a partner for the future.



## About Capgemini

Capgemini is a global leader in consulting, digital transformation, technology and engineering services. The Group is at the forefront of innovation to address the entire breadth of clients’ opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year+ heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. Today, it is a multicultural company of 270,000 team members in almost 50 countries. With Altran, the Group reported 2019 combined revenues of €17billion.

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## About BlueScope

With 14,000 employees in 18 countries, BlueScope is Australia’s largest steel manufacturer and a leading global producer of metal coated and painted steel building products. Principally focused on the Asia-Pacific and North American regions, the Group manufactures and markets a wide range of branded products. It has an extensive footprint of metallic coating, painting and steel building product operations in China, India, Indonesia, Thailand, Vietnam, Malaysia, and North America, primarily serving the residential and non-residential building and construction industries across Asia, and the non-residential construction industry in North America. BlueScope is also a leading supplier of engineered building solutions to industrial and commercial markets in North America.

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