

## Case Study

# DuPont's Asia Pacific One Card Solution

DuPont, one of the world's leading science and technology-based chemicals companies, and its Asia Pacific division has partnered with Citi to implement its One Card solution across the region, achieving visibility and control, and much higher levels of card acceptance than its previous card solution. DuPont's global Citi One Card program was highly commended at the Adam Smith Awards 2017.

## The Challenge



### The Challenge

In recent years, DuPont in Asia Pacific has expanded through mergers and acquisitions: many of these entities retained their legacy expenses procedures and card programs. Combined with a decentralised model that gives considerable autonomy to regional entities and the diverse nature of the Asia Pacific region, DuPont's changing corporate structure resulted in a fragmented expenses management system and difficulties in managing policy compliance.

DuPont faced a number of challenges, including:

- **Multiple providers**  
In Asia Pacific, DuPont worked with 9 separate banks and partners of its main card provider, resulting in multiple contact points.
- **Multiple models**  
DuPont used a variety of liability and payment models while billing and administration were administered by numerous in-country teams.

## The Solution



DuPont used three expense reporting tools, multiple treasury management systems and even, in some cases, Excel spreadsheets. Multiple card programs and expenses methodologies made administration time consuming, cumbersome and inefficient.

- **Lack of data**  
DuPont had no visibility of its spend on a day-to-day or even a month-to-month basis. In fact, spend was only reviewed annually when DuPont met its 16 providers; even then it was difficult to aggregate data in order to discern spend trends, identify key suppliers, improve policy compliance or seek opportunities to enhance efficiency.
- **Limited financial benefits**  
DuPont's existing provider had poor levels of card acceptance in the region: this resulted in high out-of-pocket spend. In addition, DuPont was unable to aggregate its spend volume to maximize its financial benefit. Moreover, as a result of using

## The Results



multiple card programs, DuPont was making credit card payments throughout the month, which affected working capital efficiency.

### The Solution

- **Single provider**  
DuPont appointed Citi as sole global card provider. Citi worked with DuPont to create a One Card solution that addresses DuPont's challenges by providing an integrated corporate and purchase card program. In Asia Pacific the program now covers 12 countries with more than 4,000 cardholders.
- **Single, streamlined model**  
The solution uses a single global contract with standardized terms: it is centrally billed and centrally paid. It offers standardized and rationalized file feeds, consistent global data and standardized card program management and global reporting.

The Citi One Card solution is complemented by DuPont's decision to introduce a streamlined travel and expense management solution for

many entities across Asia Pacific, with standardized policies and a dedicated expense administration team based at a shared service center (SSC) in India.

- **Complete visibility**

The solution offers complete visibility of DuPont's card program at a regional and global level via the CitiManager® program and account management tools. CitiManager now serves multiple needs, from allowing Program Administrators the ability to conduct maintenance requests online to providing access to account statements 24 hours a day, seven days a week. This single sign-on approach has allowed DuPont to give its Program Administrators greater flexibility and enhanced audit and compliance controls.

- **Structured rollout**

The 90-day rollout timetable was underpinned by senior sponsorship across both Citi and DuPont. Citi appointed a regional implementation manager, as well as country managers.

A strong partnership and a clear dialogue was established between the DuPont and Citi project managers and regional leads during implementation to prevent misunderstandings and ensure any issues that arose were rapidly resolved. Citi also conducted a week-long training workshop to explain the program and its benefits for DuPont at a local, regional and global level in order to overcome resistance to centralization of expenses management.

A pilot was conducted in each country, encompassing the end-to-end solution, including application, card issuance, integration of file feeds and transmission of test files, and integration with expense reporting tools.

### The Result

DuPont's card program has been implemented in 12 Asia Pacific markets using local currency cards. The solution has delivered the following benefits:

- **Operational efficiency**

The solution has significantly improved DuPont's operational efficiency and enabled it to streamline processes: CitiManager's holistic reporting capabilities make reconciliation significantly easier, for example. These gains, combined with centralization of program support, have enabled the equivalent of four FTEs to be eliminated, reducing the cost of support by over 50%, while local teams and administrators have been freed up to focus on value-added tasks.

- **Benefits from improved visibility and control**

DuPont can instantly analyze spend trends, giving it better leverage for making strategic decisions and negotiating with supplier partners.

In addition, DuPont now has consistent processes across Asia Pacific, helping to reduce errors. Internal controls, risk management and policy compliance have improved and more information is available for audit purposes.

The One Card solution has also enhanced cardholder support and convenience. All cardholders have access to a single portal on SharePoint for self-help questions and a central email address for specific questions.

- **Increased financial benefits**

By improving expenses management, consolidating spend to a single provider and increasing the spend captured on cards – not least through greater acceptance of the Citi solution compared with DuPont's previous card provider – the company has increased rebates.

Instead of paying card bills on a rolling basis, the company now has standardized statement and pay dates, which has significantly improved DuPont's working capital metrics. Global working capital savings in 2016 as a result of these changes were \$23 million.

- **Future proofing**

The introduction of a standard solution worldwide has made DuPont's merger with Dow Chemical, and its subsequent split into three companies, more straightforward. DuPont can easily accommodate any future changes given the efficiency, centralization and standardization it achieved through this project. Instead of having to manage day-to-day challenges, DuPont can instead focus on strategic opportunities to further improve efficiency and lower costs.