

Case Study: Cessna Aircraft



Cessna is the world's leading general aviation company. Since its inception in 1927, Cessna has designed, produced and delivered more than 193,500 airplanes around the globe. This includes more than 6,300 Citation business jets, making it the largest fleet of business jets in the world. Today, Cessna has two principal lines of business: aircraft sales and aftermarket services. Aircraft sales include Citation business jets, Caravan single-engine utility turboprops, single-engine piston aircraft and lift solutions by CitationAir. Aftermarket services include parts, maintenance, inspection and repair services. In 2011, Cessna delivered 689 aircraft, including 183 Citation business jets, and reported revenues of \$2.990 billion.

Disparate ERP Systems Challenge

Cessna Aircraft's biggest credit and collections challenges stemmed from the company's reliance on six ERP and billing systems to run their business. SAP is the primary financial reporting system at the corporate level. Shipping and billing at their separate business units are driven by five disparate ERP systems.

Invoices created by the disparate billing systems were loosely integrated into SAP to bring in header information without line item details. Further complication was added by SAP storing the invoices under new SAP generated invoice numbers. This created a situation where Cessna's customers were billed with one set of numbers and Cessna's A/R staff tried to collect using another SAP set of numbers. The work around for this problem was keeping multiple sessions of the legacy platforms live on their desktops.

Cessna also leveraged an off platform customer payment portal that was deemed both difficult for their customers to use and very expensive in terms of monthly bank fees.

Solution

Cessna chose Cforia because of its ability to seamlessly integrate across the disparate systems. Cforia's SAP Certified near real-time connector was especially attractive because it keeps Cforia's A/R Workbench synchronized within minutes with Cessna's SAP system.

Cforia implemented their A/R Workbench and Customer Self-Service Portal during a short 14 week project. The A/R Workbench includes Credit, Collections, and Deductions Management with Reporting in one seamless platform that was implemented concurrently. The Customer Self-Service Portal allows customers to view their statements and invoices online and make electronic payments themselves.



"Cforia's Customer Self-Service Portal in conjunction with the Cash Application Automation Module, solves the problem of B2B electronic payment cash application where single payments pay multiple invoices. Cforia provides us with cash application automation of complex B2B credit card and ACH payments that settle unlimited invoices per payment. Their automation rate is 100% in terms of applying cash against correct customers and closing invoices in SAP exactly as our customers intended."

*Kacee Clift, A/R Manager
Cessna Aircraft Company*

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Key Features of the Solution are:

- Cforia Data Connectors to consolidate across SAP and five other disparate billing systems.
- AR Workbench manages Credit, Collections and Deductions Management and Reporting.
- Customer Self-Service Portal that allows customers to view their own bills and invoices and make electronic payments themselves.
- Cforia Private Cloud Hosting that integrates tightly into Cessna's Corporate Network and Web Presence.
- Professional services that included Cforia taking responsibility for data integration and completing the project in 14 weeks.

Key Benefits of this project include:

- The AR Workbench improved collection efficiency to drive a greater than seven figure reduction in outstanding net receivables.
- The consolidated A/R system facilitates better communications by allowing Cessna's A/R Staff and customers to see the same invoice numbers.
- Cforia's Customer Self-Service Portal reduced bank fees by more than \$22,000 monthly.
- The Customer Self-Service Portal gained 65% user adoption during the first year after Go-Live..
- Cessna's A/R Staff is able to create letters that can be delivered electronically by themselves without IT programmers.
- The AR Workbench automatically generates Promise-to-Pay transactions and emails a copy to the customer while they are on the telephone.
- Cforia's Private Cloud technology lowers Cessna's IT cost, while meeting the corporation's stringent security standards.

About Cforia Software

Cforia Software Inc. is a global enterprise solutions provider, delivering industry leading working capital and accounts receivable (A/R) automation software. Over 230 enterprises are managing \$240 billion in A/R Turnover with Cforia today. Our 15 years of success have been driven by superior technology integrated with proprietary real-time data integration tools across complex and disparate ERP systems. Cforia Collections Snapshot, Credit Risk Analytics, Order Management, Clean vs Dirty Receivables Tracking, multi-languages/currency, global Parent/Child risk roll-up and multi-business unit solutions are available in Hosted On-Site delivery.



"Cessna bought Beechcraft in 2014 and we found that we were using half the headcount to manage twice the revenue and had 21 days lower DSO."

*Kacee Clift, A/R Manager
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