



Revolutionizing Planning and Forecasting



This company is bringing it all together for their customers, from revolutionary smartphones to next-generation TV services and sophisticated solutions for multi-national businesses. For more than a century, they have consistently provided innovative, reliable, high-quality products and services and excellent customer care. After major acquisitions in 2005 and 2006, the company became a leader in their industry, reporting \$124 billion in consolidated revenue in 2010.

Challenge

“Our antiquated processes did not meet the increasingly demanding and technology savvy financial users.”

—Associate Director of Finance

After a series of consolidations in 2006, the company realized that mergers can create opportunities to review financial processes and determine cost synergies. However, their antiquated processes did not meet the increasingly demanding and technology savvy financial users. Furthermore, the company knew that getting more granular detail to decision makers quicker would allow them to make important operational decisions sooner, thus capitalizing on opportunities to grow profits.

Two key issues caused the need for a new solution. First, a ‘home grown’ web tool was in use to connect to a MS Access database to gather, approve and report on forecasted product volumes across 21 dimensions. This database was created prior to recent advances in technology and extremely difficult to maintain. Furthermore, the database was managed by a key developer within IT. However, after several mergers occurred, IT was reshuffled and the developer maintaining the home grown system was reassigned. Hence, the second key issue suffered by the company was a sudden unsustainable process due to the lack of centralized IT support. Therefore, the company wanted to move to a new packaged solution to reduce overall costs, improve processes, automate scripts and tables management, as well as increase system performance. Additional objectives included:

Why a New Solution?

- A ‘home grown’ web tool connected to an MS Access database was the process to gather, approve and report on forecasting volumes
- After M&A’s, IT was reshuffled and the developer maintaining the solution was reassigned — the process and system immediately became unsustainable
- Load data to standard templates easily prepared in Excel
- Provide different levels of security for administration related tasks
- Create high level target volumes that suppliers could use as a guide to submit lower level detail
- Leverage a template to process submission and approval
- Develop a repository to hold very sparse data across 21 or more fields
- Define process to summarize volumes collected and provide lower levels of detail

Furthermore, financial modelers needed to forecast product volumes and their key characteristics to perform:

- Operations Expense Forecasts
- Capital Spending Forecasts
- Product Profitability Analysis
- Feed products into the corporate Consolidated Budget and create 'single-version of truth'

Solution

Outline Properties Query Hints Modifications

Outline: VDB_ASO (Active Alias Table: Default)

- Year Dynamic <-4> (Label Only)
- Period Time Stored # Default # <-1> (Label Only)
- Scenario Dynamic <-2> (Label Only)
- Version Dynamic <-5> (Label Only)
- Entity Stored # Default # <-1>
- Accounts Dynamic <-2> (Label Only)
- CBL Dynamic <-1> (Label Only)
 - Vol_Act (~) <-12> (Alias: Total Volumes Actual)
 - NA_CBL (~) /* This member is required for S...
 - VA1000 (~) <-12> (Alias: Local Voice)
 - VA1500 (~) <-5> (Alias: Local Wholesale)
 - VA2000 (~) <-10> (Alias: Long Distance-)
 - VA3000 (~) <-4> (Alias: Data)
 - VA4200 (~) <-9> (Alias: Wireless)
 - VA4300 (~) <-4> (Alias: Directory Advertising)
 - VA4300 (~) <-4> (Alias: Other Services)
 - VA5000 (~) <-2> (Alias: Performance measure)
 - VA6000 (~) <-4> (Alias: Non-Wireline Volume)
 - VA7000 (+) <-2> (Alias: Volume Client Define)
 - VA9000 (~) <-9> (Alias: Undefined Products)
 - Service_code Stored # Default # <-990> (Alias: Serv...
 - NPSC Stored # Default # <-94>

The company selected Oracle® Hyperion Planning™ and Essbase™ and turned to Key Performance Ideas to develop an innovative solution to plan and forecast over 21 dimensions and capture and report data from one cube. Key Performance Ideas first identified how the legacy or 'home grown' system was used to manage the submission process, including creation of high-level targets built in Excel templates, on-demand creation of blank low-level templates and submission, approval process via email, manual loading to MS Access for storage, and static reporting via Excel. Second, Key Performance Ideas leveraged their proven approach and defined the company's strategies, gathered requirements, designed the application, managed the project, and implemented the solution. The final deliverable can be broken into two key solutions:

- Part 1:** Due to Planning's ability to collect data, Smart Lists were leveraged and relational tables were utilized to store data in the BSO cube. This allowed for intersections between the Smart Lists within the Accounts Dimension. Key Performance Ideas also created the drop down functionality to make changes without complication or additional navigation by the user.
- Part 2:** Key Performance Idea's built an ETL process to flow data from Planning into an Essbase ASO cube. The ASO cube holds 21 dimensions of data and allows for a parent/child hierarchical structure.

Benefits Achieved

Key Performance Ideas teamed with the company to revolutionize and advance their planning and forecasting processes and technology. The company moved from a 'home grown' system and is now capitalizing on opportunities to grow profits, as well as:

- Reduced financial operating costs by 50%
- Satisfied financial users with a technology savvy application and 'super model' forms
- Advanced planning and forecasting accuracy
- Enhanced modeler's ability to forecast large product volumes
- Improved operational decision making by delivering granular detail, quicker
- Improved processes and automated scripts and tables management
- Increased system performance
- Created a single version of truth that feeds into a corporate consolidated budget



Key
Performance
Ideas