

Case Study

Bostik Global Sales Reporting

The Benefits Realised

The project was delivered in eight months and to the satisfaction of the Project Board. There were ten Critical Success Factors set out at the Initiation of the project and all were completely or largely met by the conclusion of the project proper. For the heads of each GBU this means that they have accurate information on Sales and Margin from each submitting entity, as a member of the project board commented:-

"The new system enables us to take better business decisions. Before this our senior managers had global responsibility but had no visibility on operations at a global level; just the financial information they were provided with once a month and whatever local information they were able to gather manually. Now we have much better clarity on how the business is run worldwide – and knowledge is power."

This is an example of how it is possible to shape information to match the preferred organisational structure without the requirement of having one common business system (ERP) throughout an entire business.

Bostik now has the ability to bring other business units into the application without any additional data warehouse or reporting development. Additional submitting entities need only to generate submissions to the agreed formats and validation standards and this data will flow into the reporting systems. The success of defining a "standard platform" allows the option to introduce the required global codes either within or outside of the local application system thereby removing a common barrier to data collection.

The project management was very successful. The project was delivered on time to a managed budget

with a clear process matched to the defined project objectives. Following the End Project meeting Paul Hudson told the Simpson Associates Project Manager that:-

"This has been the best managed project that I have ever been involved with."

What We Can Do For You

Simpson Associates have a wealth of experience in delivering business intelligence systems within a robust, effective and widely recognised project management framework. Our professional services team is able to engage at all levels to solve the problem of informing business managers of the performance of their business, irrespective of whether you are, like Bostik, a multinational company or a single entity.

About Simpson Associates

Simpson Associates are specialists in defining, building and implementing performance management solutions. With more than 250 UK & Global clients, the Company specialises in all aspects of performance management solution delivery implementing business reporting, metrics, financial/business planning and consolidation across many disciplines including requirements analysis, application and process design, system specification, project governance, education and support. We have established and long standing partner relationships with Microsoft, IBM and Cognos, an IBM Company.

Our solutions provide better business understanding and improved business management performance. Our considerable skills and experience enable close-working relationships with clients both in the UK and internationally. For more information visit www.simpson-associates.co.uk.

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Bostik deploys an information delivery framework using Microsoft Data Warehousing, Cognos 8 Business Intelligence and Simpson Associates

A managed approach to a global deployment of Business Intelligence

Background

Bostik is one of the leading companies in the worldwide adhesives and sealants market with 4,500 employees within fifty five production facilities and sales operations in forty six countries across five continents. Sales of 1.3 billion Euros in 2005 established Bostik as a leader in the global adhesives and sealants marketplace with a balanced presence in the three major segments: industrial, construction, and the consumer market.

Bostik brands are instantly recognisable around the world and include Bostik, Evo-Stik, Simson and Araldite amongst others. The business was recently part re-organised into five Business Units, two of them global. In the past the approach to reporting

had been regional, however, it was recognised that the Group had an immediate requirement for horizontal Sales and Margin reporting for two new Global Business Units, Flexible Lamination and Transportation. Paul Hudson, the UK IT Manager and a member of the Project Board said

"We undertook a reorganisation within Bostik, transforming part of the business to be operational along global lines, with a global management structure. We needed a management information system to support that."

Problems Faced

The creation of the two new Global Business Units (GBUs) created six major challenges. These were:-

1. How to provide a consolidated view of sales and margin from many countries in one source?
2. How to collect data from a wide range of source application systems?
3. How to accumulate sales across local, non-standard reporting structures, for example customer and product codes?
4. How to provide central, regional and local access and provide "self service" capability where needed?
5. How to make information available for analysis within two days of the month end?
6. How to conduct a project on this scale when the data providers and project stakeholders were based on three different continents?

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A number of the Bostik business units were already using Cognos Business Intelligence tools and the decision was made to use the latest version in a global roll out. This left the challenge of how to implement a single data source, in effect a data warehouse. For this Bostik engaged Simpson Associates, a UK based consultancy, to design and implement the application and, together with Paul Hudson, to manage the project. The data warehouse and data processing application was developed with Microsoft SQL Server and Integration Services.

If successful, the project would allow the Managing Director of each GBU to understand where their business was successful, to determine which market areas to focus on, be able to monitor performance against targets and be better informed in the build up to each annual budget cycle. As the GBUs were newly formed most of this information was unavailable and such information as was available was gathered manually and therefore too slow to be of practical use and too error prone to be reliable.

From a purely practical perspective, the fact that both GBUs were newly formed meant that there was no single place where their "sales histories" could be found. These histories were only to be found as a subset of data within a host of source applications worldwide. An automated data warehouse was an essential requirement to provide "prior year" analysis.

Strategy Followed

The overall business strategy is to migrate all Bostik sites to an SAP application. This is a major undertaking that will not be complete world wide until 2012. In order to provide data to the heads of the Flexible Lamination and Transportation GBUs a solution had to be found to access sales and margin information from

the existing and varied source applications including Movex, BPCS and DPS7. The solution used a "data submission" process whereby individual business units submit data in coherent packages to a central staging area. The submissions were defined in detail and were adhered to in all cases. The larger, regional data providers were able to assist the smaller, satellite companies in their regions. These together formed the "submitting entities". The small data packages reduced the impact on the corporate data network. The entire process is fully automated with confirmation messages generated and distributed to the submitting entities describing the status of all transmissions.

The problem of accumulating the sales results across so many differing source systems that did not share common coding conventions was solved by introducing a "standard platform" of central codes and mappings. This definition allowed the use of both local codes and centrally defined "global" codes to be available for use. In the initial stages the focus was on establishing central ownership rather than identifying a software application to manage the function, in effect Master Data Management. This process defined a standard definition of measures, an essential point in any data warehouse project.

The requirement for local and global reporting was met using Cognos 8 Business Intelligence software. This was an excellent choice for such a dispersed deployment. Paul Hudson said:-

"With the software, ease of use was a big driving factor. Cognos works through a web browser and can be rolled out at different levels of complexity, depending on the capability of the user."

The training for the user community was delivered by

Simpson Associates using a tailored training course that used the completed application in a series of structured courses using Bostik's own data for both demonstrations and exercises each matched to differing levels of usage. These courses were made even more effective by being delivered simultaneously by experienced trainers at the customer sites in both Europe and North America. The training manuals are now available for Bostik to use to deliver their own training as the application roll out continues. This approach was described as being "highly effective" by those who received the training. The GBUs are now able to use reports that were written as part of the project and also to create their own reports and make them instantly available to their colleagues even when they are on different continents.

It was a key requirement, and a major challenge, that information be available for analysis both two days before and two days after the month end. This requirement was to facilitate lower level analysis of the financial numbers submitted in the monthly "Flash" reporting and to inform the commentary provided to support those numbers. The automation characteristics of the application allow data to be submitted as frequently as the submitting entity determines and the schedule provides daily uploads to the data warehouse. The application integrates with the currency rates from the Flash application and enhances it by "regional" currency reporting in addition to the standard "local" and "corporate" currency reporting. This concept is extended further to provide both "inter-company" and "intra-region" eliminations. Both of these features were major steps forward in understanding GBU performance.

The project had a short time scale and was conducted whilst the GBUs were in the process of establishing

their management structures and when senior management time was at a premium. It was essential for their involvement in the project to be sharply focused. This required the approach to be one of "management by exception". The project management approach delivered by Simpson Associates was based on Prince 2 methodology. The project was closely managed by Simpson Associates and Paul Hudson with the main Bostik stakeholders being involved at project board meetings at the end of each stage. The acceptance criteria, or critical success factors, of the project were agreed at the outset and monitored through to the end of the project ensuring that each GBU was fully aware of the status of the project at all times. Paul Hudson commented:-

"We spent a lot of time at the start of the project making sure that everyone understood exactly what was being done, who was going to do what and when and how we were going to measure success. If you get that right at the start of the project and you get everyone to buy into it, then you give the project a greater chance of success."

In addition, Simpson Associates provided a web portal to ensure that every participant in the project had access to project specifications, control logs and management reports at all times. With this approach, the project progressed smoothly despite having submitting entities on three continents, a project board on two continents, servers in France and development based in the UK. This infrastructure has been carried forward to support the "operation" stage of the project using Simpson Associates' help desk systems to assist the adoption of the application by the user community world wide.