

# Profiles in **PERFORMANCE**

**HOW COGNOS CUSTOMERS ARE LEVERAGING THEIR  
SAP DATA TO DRIVE BUSINESS PERFORMANCE**

**COGNOS®**

**THE NEXT LEVEL OF PERFORMANCE™**

## PROFILES IN PERFORMANCE

### How Cognos customers are leveraging their SAP data to drive business performance

ERP deployments such as SAP deliver immense value. They efficiently track, collect and store vast amounts of transactional data. They are the data foundation that leads to useful reports, analysis, and good decisions.

However, ERP deployments are not purpose-built for the needs of performance management. In particular, the data they hold is not easily accessible for the deep-detail or cross-departmental reporting you require to manage performance better. Because of this, leading organizations turn to independent BI and performance management vendors like Cognos for these reasons:

**Better user acceptance** – Independent vendors build business intelligence (BI) software with both business and technical users in mind. For non-IT users, BI reports are easy to build and draw data from the variety of SAP and non-SAP data sources required to make business decisions.

**Freedom from IT-bandwidth constraints** – Rather than housing authoring of reports and other BI in IT (which manages ERP deployments), independent vendors extend BI authoring capabilities to business users. This removes the constraints imposed by scarce IT resources to get the information they need, when and how they need it.

**Independence from ERP upgrades** – Independent BI vendors free you from ERP upgrade cycles and let you report off and analyze data from your combined SAP and non-SAP systems today, regardless of number or version. Your BI needn't move in lock-step with your ERP vendor. Instead, you get the flexibility to manage your systems and data as you see fit, without disrupting the user experience.

**More room to grow** – Successful BI deployments lead to increased business agility and more demand for information to drive business decisions. Independent vendors let you add capabilities as you need them, draw from the full variety of data sources, and integrate transaction and data warehouse systems.

This document is intended to provide you with insight into how other leading organizations are using BI on top of their SAP deployment to drive increased visibility and business performance.

Learn how **Nexans**, a multi-billion Euro manufacturer of cables and cabling technology, uses Cognos to bridge SAP and non-SAP data.

See how the **US Army Armament Research, Development and Engineering Center (ARDEC)** integrated SAP and non-SAP data with Cognos to save \$423 million.

Read how **Mold-Masters**, the world leader in hot-runner technology, uses Cognos with SAP and gained 100 percent report use from its Sales team.

These three organizations multiplied the value of their investment in SAP with Cognos business intelligence standing on top of all of their performance data. Take their lessons and apply them to your department or company.



## Armament Research Development and Engineering Center

*“A single view of business data across different data sources is not much to ask. A common user interface for easy ‘one stop shopping’ is not a novel or unreasonable request.”*

Mark Sauvageau, Chief, Operations and Matrix, Financial Management, US Army ARDEC

### US Army ARDEC

The US Army’s Armament Research Development and Engineering Center (ARDEC) manages life-cycle engineering processes required for the research, development, production, field support, and demilitarization of ammunition, weapons, fire control and associated items.

ARDEC began working with Cognos in 1995. Since then, ARDEC’s reporting and analysis needs have evolved in parallel with the advance of Cognos business intelligence abilities. This evolution helps ARDEC meet mandatory reporting and data requirements which must comply with federal guidelines.

As the IT environment grew to include systems with legacy databases and home-grown solutions, it became more difficult to gain visibility into all of ARDEC’s activities. This challenge led to an SAP® ERP implementation for consolidating transactions and operations.

The boost SAP provided to overall organizational management made the investment worthwhile and helped ARDEC increase overall operational effectiveness. But shortfalls in reporting resulted in unhappy users and a drop in the use of reports across the organization.

### Problems Faced

“Implementing SAP on ARDEC’s reporting was paralyzing. When the switch was turned on, there were no reports,” says Mark Sauvageau, ARDEC Chief of Operations and Matrix for Financial Management. “So the BW team turned to SAP R/3® reports and scrambled to design some SAP BW Business Explorer (BEx) reports. The user response was not positive: the new reports were rigid and difficult to layout; we lost our

ability to report on a single version of the truth across multiple data sources. There were complaints about all aspects of SAP reporting. The business terms were different. The reports could not be printed.”

With the addition of SAP, 3,500 ARDEC users now faced three versions of the truth regarding their financial data — one from the SAP R/3 transaction system, one from the SAP Business Warehouse, and another from their non-SAP systems. There was no option for reports that consolidated all three sources.

ARDEC’s success relied in part on the Financial Analyst user community being able to provide accurate turn-around reports to customers. With that in jeopardy, ARDEC needed a solution to its reporting problems sooner rather than later.

### Strategy Followed

ARDEC set out to leverage its SAP investment while also delivering organizational performance reports. Sauvageau’s Financial Management (FM) team was responsible for the Cognos implementation and knew reporting was business critical. When ARDEC’s SAP team asked for reporting help, FM responded with a plan that included help from Cognos.

Together, the FM team and Cognos setup a single secure sign-on process for accessing both the Cognos portal and the SAP portal. Cognos business intelligence reporting with SAP BW and non-SAP data was enabled in three months.

“We chose Cognos as a user-friendly way to report from SAP for financial metrics,” says Alnor. “Cognos gives us ad hoc, static, and formatted reporting to help us answer questions on the fly. This enhances our investment in SAP. Our business users build their own reports, rather than relying on programmers to navigate the SAP report-building environment.”

Rather than fall into a one size fits all approach, ARDEC pursued the best tools for specific needs. According to Sauvageau, when it comes to data, it may not be realistic to keep everything in one place.

“One example is our budget data. This is data from a ColdFusion application written six years ago.

The beauty of Cognos 8 is that it doesn’t care. Its data integration capability gathers all ARDEC data from SAP BW, SQL Server, and Excel® spreadsheets.

A single view of business data across different data sources is not much to ask. A common user interface for easy ‘one stop shopping’ is not a novel or unreasonable request. It actually

cuts down on maintenance costs and easily improves user attitudes towards the system.”

For ARDEC, leveraging its SAP investment through Cognos makes sense. By relying on SAP BW for modeling and architectural features as well as its role as the main data repository, ARDEC is leveraging the solution’s strength. Similarly, staff turn to Cognos 8 Business Intelligence as a user-friendly, ad hoc report solution for presenting SAP BW and non-SAP data in printable, presentable, drillable reports.

### **Benefits Realized**

ARDEC has won more than twenty-five awards over the last decade. These awards would not have been possible without the help of the Cognos suite of tools used to submit Qualitative Data Packages. Another tangible benefit was ARDEC being funded for \$4.7M for awards. There was a documented savings to customers (via the Cognos toolset) of \$237.5M from FY97-FY01. Their estimated savings to customers was \$423M from FY95-FY05.

“One of the great things about Cognos is you don’t have to be an IT guru,” says Alnor. “I’m definitely not one. There is no programming in my background. We’re a financial

management group that is responsible for the entire BI deployment and Cognos makes it easy. If you have a problem you call Cognos Support and they’ll walk you through it. I’ve installed Cognos 8. And it took me only a few hours. It’s as simple in the back end as it is in the front end.”

Access to multiple data sources has allowed management to make critical decisions quickly and has proven more cost effective compared to an SAP-based reporting solution. ARDEC uses Cognos to address the reporting needs of five levels of management, from dashboard-style reports for senior leadership, to status-type reports for managers, and day-to-day detail reports for operational staff.

“We have deployed Cognos to our financial and operational staff as well as high-level managers, but plan to roll it out to all users within the organization. With Cognos, people have an easier time understanding the numbers they see,” says Sauvageau. “Our time for report-building is 50 percent faster from development to production. In fact, we have a faster time-to-production for new projects. It only took 10 minutes to integrate with SAP BW.”

### **Looking Ahead**

Beyond reports that consolidate SAP BW and non-SAP data sources, FM is now actively working with Cognos to integrate SAP transaction data for a single, organization-wide view of performance management information. FM also intends to integrate information from Microsoft Project for one view of all aspects of program management. Eventually, employees will start their day with a personal dashboard showing all the key metrics for their individual projects, be able to drill down through the dashboard to the root causes of missed metrics, and take corrective action. As part of this process, Sauvageau’s FM team is also rolling out Cognos Planning to draw on financial data from the SAP BW system.

#### **Industry**

- Defense / Public Sector

#### **Geography:**

- United States

#### **Information Needs:**

- Access to heterogeneous data sources
- Self-serve report authoring for business users
- Data consistency

#### **Platform:**

- SAP BW
- MS SQL Server
- MS Excel
- SAP R/3
- SOMARDS S2K (proprietary)

#### **Users:**

- 3000+

#### **Solution:**

- Cognos 8 Business Intelligence
- Cognos 8 Planning

#### **Benefits:**

- Access to all enterprise data sources
- Self-serve reporting for Users
- Cost effectiveness
- Faster time-to-production



## Mold-Masters

*“Now we have the tools to empower all our users, regardless of technical expertise. End users no longer have to wait for IT to build a report. Instead, they can author their own reports at any time.”*

Val Swift, IT Manager, Mold-Masters

### Mold-Masters Takes Reporting Beyond IT

Mold-Masters® is the global leader in hot runner technology. They design and manufacture the industry’s most advanced hot runner systems, temperature controllers, and complete hot half solutions. Mold-Masters operates in over 40 countries with facilities in North and South America, Europe, and the Pacific Rim.

This success is accompanied by a wealth of data. To better harness their information and get it into the hands of business users, Mold-Masters chose to augment their multiple SAP systems, Microsoft data bases, and other home grown sources with business intelligence reporting from Cognos. While the vast majority of the firm’s data for reporting comes from SAP BW, a component of SAP NetWeaver BI, some key information and metrics come from non-SAP sources, including SQL Server and Access. Cognos reporting offered Mold-Masters painless integration of all this SAP and non-SAP data along with a self-serve reporting toolset for non-IT users.

### Problems Faced

In 1999 Mold-Masters committed to using SAP R/3 for ERP to optimize their business transaction processing. Likewise, they also invested in SAP BW for data warehousing. During their analysis of SAP BW, the IT professionals at Mold-Masters found SAP BW to be their best data warehousing solution. The one area that they felt required extended functionality was business reporting and delivery.

Before implementing Cognos reporting, sales reports were shared as giant, manually created spreadsheets. Sales teams were expected to manually find and format the information pertinent to their needs. A time consuming and frustrating process, manipulating the spreadsheets proved to be unreliable

and led to reporting inconsistencies, low user adoption rates, and different interpretations of the same numbers. At the same time, the firm’s IT department was overworked and could not support Mold-Masters’ growing appetite for information.

The IT team recognized that any new reporting solution needed to include:

- A simple user interface that enabled and encouraged end users to write their own reports and queries;
- Data integration for multiple SAP sources as well as MS SQL Server, MS Access, and other proprietary systems;
- Consistent reporting performance regardless of the type or version of ERP data being aggregated; and
- A forward-looking solution that could grow with Mold-Masters’ performance management requirements rather than just a point solution for reporting.

### Strategy Followed

To select a reporting vendor, Mold-Masters consulted leading analyst firms such as Gartner, Inc. to get a sense of the market leaders in reporting on SAP data. This analysis placed Cognos at the top of their list.

Mold-Masters requested a proof of concept to ensure that Cognos reporting would perform in their unique environment. Given previous experiences integrating 3rd party technology with SAP applications, Mold-Masters allocated two days just to get the connection made between the solutions. To the IT staff’s surprise, Cognos reporting was connected in less than 10 minutes by personnel with no prior SAP experience. Mold-Masters integrated all its diverse data sources into a single report and gained self-serve report authoring for all its business users regardless of technical know-how.

“We were incredibly impressed with the performance of Cognos reporting,” says Val Swift, IT Manager at Mold-Masters. “We tested the solution rigorously and with users who were not experts in SAP. In our experience, no other add-on to SAP has been as painless.”

Mold-Masters adopted a two-phase implementation. Cognos reports were first deployed against their Executive Information System to provide senior management with detailed and drillable dashboard reports for sales, manufacturing, HR, and finance. The new reports replaced an MS Access interface and combined data from SAP BW and MS Access.

Phase two of the project enhanced Mold-Masters' sales reporting system to reduce report production time, streamline distribution to the mobile sales force, and provide flexible analysis without burdening the IT group. As in phase one, the new sales reports designed in phase two consolidated data from both SAP and non-SAP sources.

### **Benefits Realized**

Since launching its new Cognos reporting system, Mold-Masters has enjoyed some dramatic improvements. For the first time, the company can combine MS Access, MS SQL Server, and SAP BW data on the same report for a single version of the truth.

"This has fundamentally changed the effectiveness of Mold-Masters' business processes," says Swift. "The company's productivity level has drastically increased since we eliminated the risk associated with a lack of consistent information."

Instead of ungainly spreadsheets, users now have up-to-date information with which they can build reports and compare statistics among different time periods. Finance personnel can now access an updated balance sheet report in seconds, a process that used to take weeks to complete. Staff are also able to complement data from SAP 'on the fly' with trend data from other systems.

Similarly, sales representatives now create reports specific to their needs such as up-to-date customer information for specific customers. As a result, Mold-Masters has achieved 100 percent report usage across sales. One testament to the success of the reporting rollout in sales is the creation of a new sales analysis position. With self-serve reporting tools, the sales department is able to analyse its own data.

"Now we have the tools to empower all our users, regardless of technical expertise," says Swift. "End users no longer have to wait for IT to build a report. Instead, they can author their own reports at any time."

Complementing this increase in report adoption elsewhere in the organization is a reduced reporting workload for Mold-Masters' IT department. IT is able to focus its energies on other strategic projects rather than addressing continuous requests for help with complex ad hoc reports.

Mold-Masters is expanding its business intelligence capabilities and the scope of its existing projects. Cognos reporting is being extended into quality management, purchasing, and other departments. Ultimately the new approach to reporting will be rolled out to all of the business's functional areas.

"We definitely consider the project a success," says Swift. "With Cognos reporting on top of SAP, business teams spend their time interpreting and analyzing readily available information instead of wasting their time trying to reach a consensus as to the meaning and validity of data. Cognos reporting is the solution for SAP BW and for improving business performance."

#### *Industry*

- Manufacturing

#### *Geography*

- Global

#### *Information Needs*

- Self-serve reporting for all users
- Integration of SAP and non-SAP data
- SAP version independence

#### *Platforms*

- SAP NetWeaver BI (SAP BW)
- mySAP ERP
- Microsoft (MS) SQL Server
- MS Access
- Other transactional and proprietary systems

#### *Users*

- Senior management
- Sales
- Finance
- Manufacturing
- Human resources
- Purchasing
- Quality Management

#### *Solution*

- Cognos BI reporting

#### *Benefits*

- Drillable dashboards for Executives in all functional areas
- Increased productivity
- 100% user adoption across sales
- Painless integration with SAP BW
- Reduced report production time
- Reduced IT workload



## Nexans

*“During the evaluation phase, we rapidly realized that Cognos had the ideal solution for standardizing BI across our SAP® and non-SAP data. It would unquestionably enable us to move further ahead in our reporting.”*

Cédric Zbinden, Project Manager, Nexans Switzerland

### Nexans Switzerland Standardizes Corporate Reporting

Nexans is the world leader in the cable industry, with an industrial presence in 29 countries and commercial activity in 65 countries. Over 20,000 employees develop, manufacture, and distribute an extensive range of cable products. The Paris-based company records annual sales of €5.4 billion.

To standardize the operations and consolidate the data of its Swiss offices, Nexans Switzerland chose SAP-certified business intelligence (BI) software from Cognos.

#### Problems Faced

Before implementing Cognos BI, Nexans Switzerland had a modern software infrastructure based on two strong foundations. The first foundation was a data warehouse that received data from a broad range of sources such as software systems, suppliers, customers, invoices, and product databases.

The second foundation consisted of the SAP® BW platform, which Nexans Switzerland used to develop its financial and debtor accounting, human resource management, and other areas. To assess the data in this system prior to the implementation of Cognos BI, Nexans Switzerland used the Excel-based reporting functionalities in SAP BW.

Despite having a modern infrastructure that most companies would relish, Nexans Switzerland wanted more. The inability to link multiple data sources in a single interface meant users could not obtain a consistent view of what a customer meant to Nexans Switzerland, or what a customer might want from

various Nexans Switzerland departments. This inconsistency resulted in a slower response rate to customer needs.

“With our two-tier system, users had different customer views,” says Cédric Zbinden, project manager at Nexans Switzerland. “It was hard to combine the right information at the right time for rapid customer responses. Spreadsheet-based reporting contributed to this problem. Version issues, differing interpretations, keying errors, they all contributed to a reporting system that was too cumbersome for quick analysis and action.”

To further improve its productivity and maintain its competitive advantage, the company went in search of a user-friendly solution that would standardize reporting for the entire system, integrating all data from both its data warehouse and its SAP sources.

#### Industry

- Cable

#### Geography

- Global

#### Information Needs

- Standardized reporting for all users
- Integration of SAP and non-SAP data sources
- Self-serve reporting and query authoring for all users

#### Platforms

- SAP BW
- Oracle
- Microsoft SQL Server

#### Users

- Senior management
- Sales
- Finance
- Accounts Receivable

#### Solution

- Cognos BI

#### Benefits

- Querying, reporting, and dashboarding capabilities for non-IT users
- Flexibility for future upgrades
- Painless integration with SAP BW and other data warehouse software
- Immediate assessment of and reaction to customers' needs



## Strategy Followed

Nexans Switzerland's software selection team decided to analyze BI solutions from various market leaders to ensure that they found the most user-friendly solution with seamless integration of SAP and non-SAP data sources. At the same time, Nexans Switzerland needed its BI solution to continue performing despite the ongoing changes and upgrades associated with SAP.

Through testing, the group discovered that they were able to put Cognos BI on their current version of SAP without performing an upgrade. Nexans Switzerland chose Cognos BI in part because it recognized the value of BI software that functioned regardless of changes to SAP or its proprietary data warehouse. The fact that Cognos BI is certified by SAP also increased the team's confidence that Cognos and SAP would continue to integrate easily into the future.

"During the evaluation phase, we rapidly realized that Cognos had the ideal solution for standardizing BI across our SAP and non-SAP data," says Cédric Zbinden. "It would unquestionably enable us to move further ahead in our reporting."

Nexans Switzerland implemented Cognos BI to work in conjunction with SAP BW, Oracle, Microsoft SQL Server, and other databases in their complex environment.

## Benefits Realized

Cognos BI allowed the team at Nexans Switzerland to build on its existing data and reporting investments, providing a cost-efficient solution to standardized reporting. In addition, duplication of software, hardware, management, and training was eliminated by the single user interface that manages all data sources.

In two years, user adoption of the company's reporting solution increased by more than 150 percent, and Cognos BI on SAP BW is now used by executives and managers affiliated with the Switzerland sales department. These are business rather than IT users, yet they can easily answer their important business questions and author their own reports. For the Finance and Accounts Receivable departments, statistics such as order, invoice, and delivery status; inventory position; customer and supplier information; and sales status, budget, and forecast are all at their fingertips.

The Nexans Switzerland sales portal is a clear example of how the firm reaps the benefits of Cognos BI. Used by internal and external sales engineers, project managers, and the credit and stock control departments, the portal draws from SAP BW and the Nexans Switzerland data warehouse to consolidate sales and customer data in a single interface. Users can raise queries according to a broad range of criteria and filters, and they can author reports with daily sales numbers and overall sales figures. The portal enables detailed analyses of the entire customer base as well as analyses by product group, salesperson, and team.

The sales portal allows users to be more proactive, negotiating more rapidly and responding more precisely to specific customer needs. "Cognos reporting is a great help to Nexans Switzerland in implementing its philosophy of customer orientation at all levels and in all processes," says Cédric Zbinden. "Individual users can determine what their customers need at any point in time. They can respond to these needs immediately and satisfy customer requirements before they become a problem."

For Nexans Switzerland's staff, a broad range of reporting capabilities is now part of their daily routine. In addition to using dashboards on SAP, querying relevant data at the push of a button, and authoring daily, weekly, and monthly reports, users now send and receive reports automatically by email. This feature reduces the time spent communicating information and shares the same view of the organization with all users at the same time. As a Web-based solution, users can create and distribute the reports they need from any location.

The multilingual capabilities of Cognos reporting also help to drive user adoption – especially in a country that hosts as many languages as Switzerland. Reports are available automatically to French and German language users.

"Cognos BI brings real added value to our data system," says Cédric Zbinden. "We can now spend time and energy exactly where it's needed without focusing on any unnecessary extras. We can be more proactive, and we're better armed to manage our processes to a successful conclusion."



## About Cognos

Cognos, the world leader in business intelligence and performance management solutions, provides world-class enterprise planning and BI software and services to help companies plan, understand, and manage financial and operational performance.

Cognos brings together technology, analytical applications, best practices, and a broad network of partners to give customers a complete performance system. The Cognos performance system is an open and adaptive solution that leverages an organization's ERP, packaged applications, and database investments. It gives customers the ability to answer the questions — *How are we doing? Why are we on or off track? What should we do about it?* – and enables them to understand and monitor current performance while planning future business strategies.

Cognos serves more than 23,000 customers in more than 135 countries, and its top 100 enterprise customers consistently outperform market indexes. Cognos performance management solutions and services are also available from more than 3,000 worldwide partners and resellers. For more information, visit the Cognos Web site at <http://www.cognos.com>.

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