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Real World Planning

Dan Potter: Hello and welcome to our Customer Session Real World Planning for Mid-Size Companies. My name is Dan Potter. I'm with the IBM Business Analytics team and joining me today is Abraham Saka, who is the MIS Manager for Concept One Accessories. Hello Abraham.

Abraham Saka: Hi

Dan Potter: Also joining us is Chris Ferrara, the Managing Partner at ISA Consulting. Hello Chris.

Chris Ferrara: Hi Dan.

Dan Potter: Abraham, I'm going to start with you. And first, give us a little bit of background about Concept One Accessories.

Abraham Saka: Sure, Concept One Accessories is a premier resource for licensed fashion sports and entertainment accessories. Our integrated portfolio of licenses and owned-brands contain unprecedented product offerings for men's, women's and children.

We have a cross functional team of production, development, licensing, marketing, sales, advertising and merchandising. We are headquartered in New York in a 30,000 square foot showroom. We also have an office in Shanghai, China. And Concept One Accessories has aligned itself with over 60 premiere licensing partners in each segment of business such as fashion, entertainment, sports and consumer products.

Dan Potter: And you have some interesting labels in addition to some of the pro sport teams and others, is that right?

Abraham Saka: That is correct. Some of our licensed brands would include, like you mentioned, the major sports leagues like Major League Baseball, NFL, NBA, NHL and collegiate. We also have some pretty big apparel brands like Levi's, Sean John. We also do have some in-house owned companies such as Block Headwear and Blue Marlin.

Dan Potter: So Abraham, how would you characterize kind of the last few years at Concept One?

Abraham Saka: The last few years at Concept One has been amazing from my standpoint as the MIS Manager. To see how the company has grown from -- in 2007, Concept One Accessories acquired a company called Drew Pearson Marketing, which doubled the size of the business. And to see how we've been able to manage that acquisition and continue to grow has been great.

Dan Potter: I would imagine with that rapid growth, and as the guy in charge of MIS, you've had some very interesting challenges in front of you.

Abraham Saka: Yes I have. I started with Concept One after the acquisition, which was in April of 2007. And pretty much the MIS department is -- was myself at the time. And a lot of the challenges that I had were, you know, just being taxed with sending out reports to all of my users, making sure that all of our systems had the correct data and are working correctly; and it's been exciting to say the least.

Dan Potter: I would imagine having -- bringing together multiple systems was that a big challenge for you as well in trying to get insight to cross multiple disparate systems?

Abraham Saka: That was actually a very big challenge. That was one of the toughest challenges that we faced. We -- at Concept One we have a few different programs that we use. We have a main ERP system that houses all of our sales data and has all of our production orders and all of our inventory. And we use another program that has all of our images and all of our tech sheet information. And to get the two to talk to each other was extremely challenging, especially when trying to create reports for my management team. And prior to obtaining IBM Cognos Express, it was pretty much impossible to do, because it was just so time consuming.

Dan Potter: So how happy was the business users, with the MIS department, prior to your selection?

Abraham Saka: Not too happy. It was one of the weaknesses of the Company was the fact that we couldn't get good reports out to our users and it actually made us at Concept One, look at our ERP system to see; do we need to upgrade to a new ERP system because the one lacking part of the ERP system was a good report writing tool, especially for our end users, who are not tech savvy. And to say the least, the users of the Company they would understand the challenges of the MIS department, but they were also frustrated because they were not getting the information that they needed to help them do their job.

Dan Potter: So let's talk about some of the solution requirements. What did you set out to solve?

Abraham Saka: Well, the main thing that we set out to solve was number one to ease the workload for myself, because as the MIS Manager I was actually in charge of creating all kinds of reports to send out to my users. So I was doing reports daily, daily reports to my sales team. I was doing weekly reports as far as shipping statuses, as far as like a snapshot of their year of shipment, and I was also doing reports for my licensing team. So, at the time we had about, I would say, about 80 to 90 licenses. And our licensors wanted to see reports and the licensing team would come to me to create a report.

So, one of the major things that we were looking for was, to give the ability to the users to be able to run their own reports on the fly. To have set up canned reports where we could automatically e-mail them out to the team and just eliminate the need for the end user to have to contact somebody in an MIS department to create a report for them.

Another one of the requirements that we were looking for was the ability to merge data from different data sources. For instance our ERP system, our PLM system, you know standalone Excel sheets and even Access databases that are used around the company. And getting the ability to -- create a report that has data from all these different sources.

Dan Potter: So did you find in that kind of first step of trying to build out that single, trusted dataset the spreadsheets and small Access databases, you must have had a proliferation of data sources that you tried to get a handle on. Is that the first logical step?

Abraham Saka: As far as finding a solution?

Dan Potter: Yes, as far as looking to solve the data inconsistency and then build out the analytics on top of that.

Abraham Saka: I would say more the first step would be, would have been to actually have a good report system was our main focus, because that would free up my time so that I could focus on different initiatives throughout the company. Before we had a good report writing system, my MIS department, we were more reactive as opposed to proactive. And I saw that as putting us behind the ball, not being able to help the company grow as far as MIS is concerned.

Dan Potter: And from the user's perspective, how savvy are those users? If you want to provide them with self-service access, did you have power users and very novice users, or how would you characterize that?

Abraham Saka: I would think that like every company you have users that are your power users and then you have users that are pretty much not tech savvy at all. We have all types of users. Most of the users don't want to be bothered with having to go into a system to figure out how to get a report. We push out most of our reports in the company, but we do also have the ability for -- if the user wants to go in and pull an ad hoc report, that they can as well. But primarily our users are more non-tech savvy as far as the report writing.

Dan Potter: So at what point, Abraham, did you look to an IBM business partner to help you understand the requirements and recommendations?

Abraham Saka: So, once Concept One Accessories identified the need for a good report writing system, we went out and did our due diligence. We reached out to multiple contacts that we had, to get their feedback on recommendations of systems to use. And throughout our research, one of the top programs that kept coming up was IBM Cognos Express.

We also had other users in the company who came from different companies that had the full Cognos program and told us, "You guys should really look into Cognos because it was great at my last job."

Dan Potter: Chris, do you want to talk about from ISA's perspective, when you came in and why the recommendation for Cognos Express?

Chris Ferrara: Sure. So, from our perspective, Cognos Express was a perfect fit for Concept One. Concept One was very new to the concepts of data management, advanced business analytics, and Express provided a good, simplified platform for them to do that. So we came in early on and really were able to match the benefits of Express directly to their business requirements and it just worked out as a perfect fit for them.

Dan Potter: Did you do a pilot or a proof-of-concept as part of that?

Chris Ferrara: We came in early on from a demo perspective, and we were able to use some of their data through a -- for the purposes of a demonstration as opposed to having to do a full blown POC. And then from there recommended a quick-start implementation that would allow them to see the tool in action against their data pretty quickly.

Dan Potter: And how long did that Quick Start take for you to be able to show kind of real value?

Chris Ferrara: The Quick Start was a 25-day Quick Start that involved everything from connecting directly to their homegrown ERP, creating a data foundation that was actually outside of the scope of Express. So we created a SQL Server data mark alongside with them so they would have data that was in a form that was more appropriate for the analytics. We then created metadata models and built a series of reports, provided the knowledge transfer and then some ongoing rollout and support, and that was all within 25 days.

Dan Potter: And Abraham from your perspective, what was ISA's role and what have been some of your results to date

Abraham Saka: ISA's role, to touch on what Chris was talking to, was exactly that. We had a 25-day plan, and through those 25 days I worked hand in hand with them. They came in. They set up our data structure. They took -- we spoke with our ERP system administrators and we got the data the way we needed to and we put everything into a SQL database. We got everything flowing. I would say, we launched live after about a month.

So, it was a very hand's on training, which was beneficial to me because as the MIS director, once they handed off the baton, so to say, I was able to then go in and import in more data and create new reports with the training that was provided within that time.

And the results that we've seen from that are again, was just bringing in data from multiple sources.

When ISA came into Concept One to first implement the system we were only focusing on our ERP system data and I would say about month, or a month and half after they trained and they implemented and left, my team was able to bring in data from multiple sources and create very powerful reports to our management team.

Dan Potter: Was your management team surprised at the results you were able to achieve in 30 days?

Abraham Saka: I would say, yes, only because the archaic way that we were doing things before. They were pretty much all blown away by the ability that we were able to implement and have automated reports. Whereas something would have taken me two weeks to do prior, it was the push of a button.

Dan Potter: Yes. Now why not just stick with some of the reporting capabilities of the ERP system?

Abraham Saka: The ERP system that we have in place today is a UNIX system, so it's pretty old. For an end user to pull the data from our ERP system, they would have to pull it into a text file, take it, put it into Excel, clean the data, format it the way they want it. Just very time consuming. It's not something that a normal end user at Concept One was -- would have a good familiarity of doing. So it would have provided a lot of training to get them to do it, and it was just very time consuming.

One of the other reasons why we didn't really like the idea of people taking reports from the ERP system is because pulling the data from the ERP system would mean pulling from the live database. So if at ten o'clock in the morning, I pull a report, I pull it in and I show it to somebody from my management team, and then they go in at two o'clock and pull the same report, they're getting different data. So we're looking -- within the same day we're looking at completely different data. And that was also one of the main focuses that we were looking at, was to make sure that everybody is looking at the same data.

Dan Potter: How much effort do you think or human intervention did you eliminate by moving to this Cognos Express system versus having business users go through that pain of pulling snapshots and cleaning and reporting?

Abraham Saka: I would say that there was definitely a lot of time saved. I know firsthand because I used to be the one to pull all of the reports and send them out to the management team, to the end users, and from my standpoint, just based on the ability of what I have been able to accomplish since implementing Cognos Express, I would say it really eliminated the need for us to hire another person in the company. And the reason I say that is because now that -- most of my day, a year ago, was pulling reports. Now that time has been freed up for me I have been able to focus on bigger projects, different

initiatives, and if I didn't have that time, I think that the MIS department at Concept One would still be one of the biggest problems of the Company for the end users.

Dan Potter: And to your goal of empowering those business users with self-service, what's been the learning curve, and how is that going so far?

Abraham Saka: It's actually been easier than training my end users in advanced Excel. I say that because if I take my users and I try to teach them a pivot table and pivot table options in Excel, to teach them how to pull -- how to create a pivot in Cognos Express was actually easier for them to understand than within Excel. So, the training and learning curve for my end users, even the most basic end user, could go into the system and pull either a canned report that we have, or if they wanted to see an ad hoc report they can do that as well.

Dan Potter: So Abraham, you talked about your ERP system being one of the pains in the organization, tell me a little bit about how Cognos Express capabilities have augmented that and the plans going forward?

Abraham Saka: About two years ago we've identified that one of our weaknesses with our ERP system was the lack of a good report writing tool. We actually went out and did some research, we brought some other ERP systems in and we looked into upgrading the system. Because we were able to implement IBM Cognos Express, that eliminated the need for us to go ahead and upgrade to a newer ERP system. So, in essence, we saved the Company about a couple hundred thousand dollars in an upgrade plus the pains of a learning curve of a new ERP system, just by replacing it with IBM Cognos Express at its very low price point, which was definitely one of the main factors of why we chose IBM Cognos Express.

To look back from, I'd say a year and a half ago, two years ago, to today where two years ago one of the hot items on our management team was the need for an upgrade of an ERP system and today that conversation has been -- has gone away. It doesn't even come up any more. So IBM Cognos Express completely eliminated our internal need to upgrade our system.

Dan Potter: So what would you guess the payback? Have you done a payback calculation on the Cognos Express investment versus the need to upgrade the ERP?

Abraham Saka: I haven't done any kind of formal trade back investigation, but I could tell you right now it saved us a couple hundred thousand dollars for the Company. As well as, a very big, I'd say, thorn in our side as far as report writing.

Dan Potter: So tell us a little bit about your future plans now that you've provided some greater insight to the business users, I would imagine they're probably asking for more.

Abraham Saka: That would be correct. So, right now at Concept Once Accessories, we only have the Reporter version of -- the Reporter module of IBM Cognos Express. We

are planning on bringing in the rest of the product. So we're going to be buying all four modules, which includes the Xcelerator, Planner and Advisor. We plan on using them for different things.

One of the main things that drew our eyes open for the release of 9.5 was Planner. Right now we do forecasting quarterly, so we do it four times a year. The system that we built is very tedious and it's very time consuming for our users to go in and put a plan. So one of the things we looked at with Planner was, we saw a demo with ISA Consulting about a month ago. We brought in our top management team and so far we love what we see and we can't wait to implement.

Dan Potter: So the ability to move from more -- from static, long duration, quarterly-planning to more continuous planning, faster cycles, and more responsive; is that kind of what the business users were looking for?

Abraham Saka: Yes. What the business user is also looking for, from the purpose of putting in the plan review, the ease of input of data. And Planner would provide that. And as well as from a management standpoint, the ability to be able to track to see status and progress of where the end users are on filling out their plans, that was another key feature that our management team loved.

Dan Potter: So, Chris, from the partner's perspective, did you come in and paint the vision of having a big end-to-end solution but starting small with reporting and then adding additional capabilities over time?

Chris Ferrara: Absolutely. I think from the very beginning Concept One has demonstrated the need for planning. Early on we talked about the whole scope of what the Express tools offer. We just really decided to target the most painful parts first and the reporting piece was the most urgent need in the beginning. So, the vision had always been there, we're just executing it in phases.

Dan Potter: So, let's talk a little bit about lessons learned. Chris, tell me a little bit about some of the lessons that you learned in working with Concept One.

Chris Ferrara: I think the biggest lesson for me is that a lot of small organizations might not be as mature as some of the larger organizations we have dealt with in terms of the use of data, in terms of best practices of how data should be organized and formed. Concept One, I think, did a great job of really adopting that and moving forward with it. Creating a best practice in data foundation and using the tool for the advanced analytics and the reporting and data interfaces and using the concepts of ETL and data storage for appropriate formation of that data.

Dan Potter: Abraham, how about from your perspective? What are the lessons learned?

Abraham Saka: From my perspective it was great to see that there's a product such as IBM Cognos Express that gives a mid-sized company like ourselves the ability to have

such a powerful tool to create reports, to create -- to be able to combine data from different -- multiple data sources. And to be able to provide our management team with unbelievable decision making tools. From the -- all the way down to the end user to as high up as me, as the MIS director, it's just such an easy product to learn with such a small learning curve to be able to manage it, to be able to use it and be able to obtain all the data that's needed.

Dan Potter: So Chris, tell us a little bit about ISA Consulting. In this instance and in most that we see for mid-sized organizations who are really getting started in business analytics. The business partners play a large role, both in the solution definition and the implementation services. Give us a little bit of background about ISA Consulting.

Chris Ferrara: Sure. ISA Consulting we consider ourselves a management and a technology consulting services firm. So it basically means our strength is not just technical implementation. We also bring business acumen and process improvement capabilities along with us.

We have four main service lines that directly overlap with Express, which is a great fit for us: financial performance management, which is traditional budgeting, planning, forecasting, consolidation, sorts of capabilities. Business intelligence, which is your dashboarding, recording, analytics, score carding sorts of capabilities and then data integration, which is really setting up the platform for both of those other capabilities. Proper storage of data, proper movement and data cleanliness, and data governance, sorts of things fit into that bucket. And then the last practice is advisory services, which is really meant to be more of the process improvement, software selection sort of capabilities. So we provide end to end services from the resale of the software right through to the implementation and then support and potentially hosting, if customers are interested in that.

Dan Potter: So ISA Consulting is no stranger to IBM Cognos Express. You're a premier partner and have been engaged in a wide variety of different Express deployments. Do you want to talk a little bit about your experience with Express?

Chris Ferrara: Absolutely. The experience with Express has been great. I think we were one of the first adopters of it. Since day one we have been a fan and advocate of Cognos Express, primarily because I think it helps smaller organizations to really get involved with advanced capabilities in a simplified way and at a lower cost point.

So generally speaking, an organization that's new to these technologies may not really understand the full value they can get out of it. So with Express we found we can come in at a relatively low cost point. We can get things up and running very, very quickly and then immediately they start seeing the value. And in the majority of our experiences we have seen that companies, within a very short period of time, will move aggressively into either additional implementation.

So, expanding into other functional areas, maybe starting out in sales and then moving out into other areas such as marketing or additional rollouts within the sales community. Or they will expand to other components of Express because they start to gain the value. They start to see how it's going to benefit them as an organization and they continue moving with it, which I think is a great success story in most of our accounts.

Dan Potter: So, I know Abraham took advantage of the Express Quick Start program, which I think is really interesting. Do you want to talk a little bit more about the methodology behind that?

Chris Ferrara: Sure. The methodology for our Express Quick Start service is intended to somewhat match the whole concept of Express. The software itself, where you're really starting small and you're growing and your expanding into additional areas. So Express was also -- our Express Quick Start service was intended to bring the cost of implementation down as well. So in a very abbreviated period of time, we focus on making sure that the customer is able to gain access to a certain set of data, they're able to build metadata environment and potentially build cubes to support their reporting requirements, create some reports, create some dashboards and some screens that make the tool available to the end user community and then roll out.

What's unique about the Quick Start service is that it's completely focused on empowerment. So, really, throughout the process, throughout the implementation while we're making sure we're getting deliverables done, we're also making sure that the customer truly understands what are the practices you need to follow, what are the important factors of the tool that you need to focus on first, and we make sure that they're able to do that on their own. So they participate in the implementation with us so that reinforces the training that they're getting simultaneously as we're doing the implementation. And then, our goal is that after that first phase of that Quick Start service, the customer is pretty much empowered.

Concept One has been a great example of that. After the first Quick Start they were up and running, and as Abraham mentioned, they started expanding not only from an Express perspective, but they were expanding from a data perspective, pulling additional information into the Express system and then focusing on growing out their Express deliverables.

Dan Potter: Yes, thanks Chris. I think the approach that you're taking with the Quick Start is a very good marriage to the Cognos Express solution. And you know Concept One is a great example of that, so thanks for sharing that with us.

Abraham, congratulations on your success so far with Cognos Express and we very much look forward to hearing your continued success as you roll out additional capabilities in the future.

Abraham Saka: Thank you.

Chris Ferrara: Thanks, Dan.