

QUICK FACTS

Industry: Distribution & Warehousing

Headquarters: Houston, TX

Website: www.hiscoinc.com

Revenues: \$200 million

Employees: 300

SAP® Solution(s) and Services: SAP

BusinessObjects Planning &
Consolidation (BPC)Implementation Partner: Column5
Consulting

www.column5.com



Financial Reporting and Operational Scorecarding

Supply chain leader Hisco has 26 branches across the US that are evaluated quarterly on key metrics. Their manual Excel based reporting process lacked consistency, flexibility, scalability, and security. Using SAP BusinessObjects Planning & Consolidation, they were able to standardize KPI's, streamline the reporting process, and gain greater visibility into their data.

Key Challenges

- Manual Excel-based operational reporting process
- Limited security, flexibility, and scalability
- Non-standardized application of key performance indicators (KPI's) by the field
- Large volume of spreadsheets and data sources
- Limited visibility and flexibility in reporting

Implementation Best Practices

- Project management to ensure on-time delivery of objectives
- Strong implementation partner
- High level of engagement from Hisco Finance team
- High level of knowledge transfer and training

Financial & Strategic Benefits

- Improved visibility into financial and operational performance
- Enhanced analytical value of financial data
- Created a standardized business process
- Increased satisfaction of senior management
- Reduced level of effort required to prepare reports and scorecard
- Increased accountability of operations management

Operational Benefits

- Reduced number of spreadsheets that had to be maintained
- Reduced number of points of failure; increased accuracy and reliability
- Reduced time required for reporting and analysis
- Created a unified database with detailed sales data and standardized metrics
- Enabled uniform financial and operational scorecards

Why SAP Was Selected

- Easy to use Excel interface
- Centralized database
- Strong reporting and analytical capabilities

Why Column5 Was Selected

- Proven expertise in SAP BPC
- Local presence
- Solid, enthusiastic references

Hisco is a specialty distribution company serving the electronic assembly and other industrial markets whose mission is to deliver value to customers through quality products, process solutions and local inventory.

With 26 facilities around the country, Hisco based its quarterly branch manager commissions on a branch scorecard consisting of both financial indicators (revenue, profit, days sales outstanding, etc.) and operational metrics (inventory, training hours, etc.). The problem was that the reporting process was based on manual Excel-based reports generated from the ERP system. The key performance indicators (KPIs) reported by each facility were not derived in a consistent way.

The process of collecting scorecard data and distributing reports was manual and time consuming. Reported data was difficult to verify, and the process did not lend itself to adequate security measures. Furthermore, the ability to analyze the data and produce reports was limited.

SAP Scores Big for Scorecarding

Hisco explored alternatives, choosing SAP BusinessObjects Planning and Consolidation (BPC) as the ideal solution. SAP BPC provided, first of all, a unified database which could serve as a centralized repository for all of the financials and operational data required for scorecarding and performance analysis. This enabled Hisco to apply standardized metrics across all operating units.

Detailed sales data and operating statistics could now be centrally stored, enabling the desired scorecarding as

well as easy reporting and analysis that previously as difficult to produce.

SAP BPC allowed Hisco to automate most reporting and analysis tasks, while maintaining the familiar Excel interface.

Visibility and Accountability

With the SAP BPC applications developed by Column5, Hisco was able to have an unprecedented level of visibility into their data. The operational and financial scorecards ensured a clear view of performance and enabled accurate calculation of the related variable compensation. Hisco could be confident that the data used for generating branch commissions was the same data being used for financial reporting. At the same time, branch managers were assured of transparency in the commissioning process.

The end result: the ability to make better business decisions based on better data, with less time spent on financial processes.

“SAP BPC enabled HISCO to automate their financial reporting processes, which not only saves them time and effort, it gives them confidence in the reliability of the data, and the ability to see and understand what is going on in the business in a timely fashion.”

- Hisco

About Column5

Column5 is one of the fastest growing consulting organizations in the U.S., and provides top expertise in business performance management. Founded in 2005, Column5 consultants have implemented SAP BusinessObjects Planning and Consolidation (formerly OutlookSoft) for over 300 customers across the Globe.

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