

NUCLEUS
RESEARCH

ROI: 79%
Payback: 1.3 Years

ONESTREAM SOFTWARE

GUARDIAN GLASS

ANALYST

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THE BOTTOM LINE

Guardian Glass deployed the OneStream XF platform to modernize its corporate performance management (CPM) processes. The company realized time savings and increased productivity on its monthly close, streamlined its planning process, and introduced variance analysis to its forecasting initiatives. Nucleus found that OneStream enabled Guardian to standardize its financial procedures and drive value across all departments by delivering improved insights on the company's activities.

THE COMPANY

Guardian Glass (a subsidiary of Guardian Industries) is a manufacturer of float glass and fabricated glass products for commercial, residential, and automotive applications. The company was founded in 1932 and has headquarters located in Auburn Hills, Michigan. Guardian Industries has more than 18,000 employees and operates in more than 25 countries around the world.

THE CHALLENGE

Guardian had invested in Oracle Hyperion which could no longer manage the company's planning or reporting processes. The company could not see how it was executing operational plans, nor could it carry out global financial consolidations and reporting. Each of Guardian's plants had to assemble spreadsheets of monthly financial data in Microsoft Excel which then needed to be consolidated into a complex global spreadsheet sorted by regions—all of which made for an inefficient process that was prone to human error.

Guardian needed a CPM solution that would centralize its financial procedures in a single platform. The company also wanted to extend the breadth of reporting responsibilities to its various business locations and overhaul its forecasting and planning capabilities.

**Cost : Benefit
Ratio**

1 : 3.1

THE STRATEGY

Guardian Glass began its search for a new CPM solution in early 2013 and considered a short list of OneStream, CCH Tagetik, and Longview, as well as an updated version of Oracle Hyperion. Guardian chose OneStream for three primary reasons:

- **Consistency.** Guardian's top priority was to implement a global standard for its financial practices that could integrate all of its international locations and currencies. OneStream's guided workflows consolidated Guardian's processes and delivered more exact information on the company's performance.
- **Usability.** Guardian needed its new CPM solution to be easy to learn so it could smoothly transition from its old system. OneStream proved to be the most intuitive solution for Guardian's finance and operations users to learn.
- **Extensibility.** Guardian recognized that its new CPM software would need to last for a long time because of the high upfront costs of integration. OneStream demonstrated both the scalability and flexibility necessary for Guardian's ambitious growth targets.

TYPES OF BENEFITS

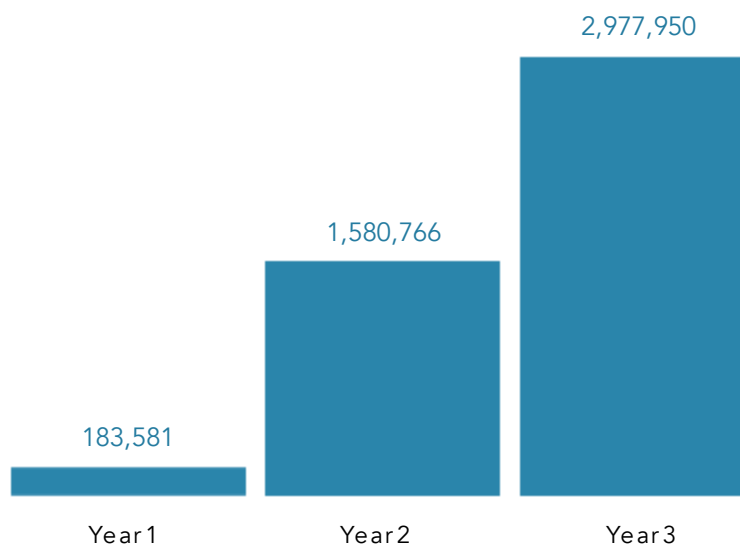


KEY BENEFIT AREAS

Key benefit areas seen as a result of Guardian Glass's OneStream Software deployment include:

- **Eliminated costs.** By centralizing its CPM processes into the OneStream XF platform, Guardian was able to retire all of its Oracle CPM hardware and software and eliminate their costs from the annual budget.
- **Increased user productivity.** OneStream's automation capabilities save time for all Guardian finance and accounting staff worldwide by reducing their amount of manual work. Guardian's corporate finance employees finalize strategic and operation plans faster with OneStream and spend more time on different value-add tasks for the company.
- **Increased organizational visibility.** With OneStream, Guardian has more granular insight into the performance of its component businesses, which contributes to more comprehensive reports and forecasts. Guardian can compile individual performance metrics from each of its locations into top-level forecasts and planning models for the corporate finance team.

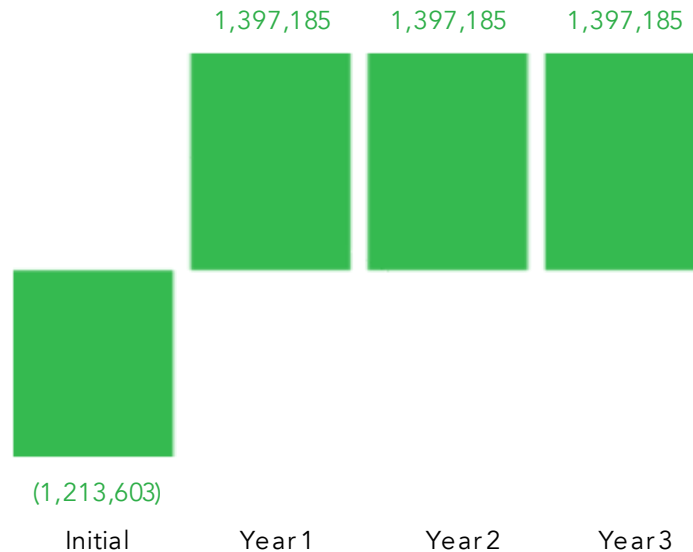
CUMULATIVE NET BENEFIT



KEY COST AREAS

The largest cost area of the Guardian deployment was the purchase and configuration of the OneStream XF platform. Other cost areas over the three-year period included the price of new hardware, professional services to aid in implementation and training, and employee time spent being trained on the new system.

NET CASH FLOWS



BEST PRACTICES

Guardian Glass was one of OneStream's first customers ever and thus implemented a phased deployment, starting with consolidations capabilities and adding financial and operational planning functionalities. Guardian was able to standardize its global planning and reporting capabilities and eliminate the spreadsheet-based models that each of its locations was employing. Employees now have real-time visibility into their operations and can correct data entry errors as they are uploaded.

OneStream equipped Guardian to implement a top-down re-design for its performance reporting and planning processes. Guardian now accounts for changing business conditions by creating multiple monthly plans for all its locations, which could not be done in Oracle Hyperion. With better intelligence on the factors influencing month-end results, Guardian has shifted its focus from information gathering to performance evaluation and improvement. Guardian now carries out variance analysis by comparing actual results with predicted outcomes, which further informs the company's strategic and operating plans.

CALCULATING THE ROI

Due to Guardian Glass's unique implementation experience, Nucleus Research estimated the costs to reflect a typical deployment of OneStream Software. Nucleus Research analyzed the costs of software, hardware, personnel, professional services, and user training over a three-year period to quantify Guardian Glass's total investment. Direct and indirect benefits were also quantified over the three-year period.

Direct benefits quantified included the cost savings realized from retiring Guardian's legacy Oracle hardware and software.

Indirect benefits quantified included time saved by OneStream automating repeatable tasks for Guardian's operational users, increased efficiency in completing Guardian's strategic plans, and increased productivity for Guardian's corporate financial employees. Nucleus calculated the time savings benefit using the fully loaded cost per hour of employees. Time savings were multiplied by a correction factor to account for the inefficient transfer of time between time saved and additional time worked.

Benefits not quantified included the process centralization and best practices that Guardian has implemented as a result of the OneStream deployment. The company can now identify forecasting weaknesses and has recently focused efforts on predicting maintenance and repair costs. Guardian can also compare cost predictions against the actual income statement and further analyze processes for improvement.

FINANCIAL ANALYSIS

Annual ROI: 79%

Payback period: 1.3 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	55,000	55,000	55,000
Indirect	0	1,408,985	1,408,985	1,408,985
Total per period	0	1,463,985	1,463,985	1,463,985

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	392,000	0	0	0
Hardware	500,000	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	892,000	0	0	0

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	78,400	78,400	78,400
Hardware	0	100,000	100,000	100,000
Project consulting and personnel	0	0	0	0
Total per period	0	178,400	178,400	178,400

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	300,000	50,000	50,000	50,000
Hardware	0	0	0	0
Consulting	0	16,800	16,800	16,800
Personnel	0	0	0	0
Training	21,603	0	0	0
Other	0	0	0	0
Total per period	321,603	66,800	66,800	66,800

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(1,213,603)	1,397,185	1,397,185	1,397,185
Net cash flow after taxes	(1,068,882)	848,732	848,732	848,732
Annual ROI - direct and indirect benefits				79%
Annual ROI - direct benefits only				7%
Net Present Value (NPV)				1,158,458
Payback period				1.3 years
Average Annual Cost of Ownership				471,334
3-Year IRR				60%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.