

# CJ CHEILJEDANG

## WINNING GLOBALLY WITH ENTERPRISE-WIDE BUSINESS INTELLIGENCE

### QUICK FACTS

#### Industries

Consumer products, life sciences, media

#### Revenue

US\$2.78 billion

#### Employees

Around 4,000

#### Headquarters

Seoul, Korea

#### Web Site

www.cj.net

#### SAP® Solutions and Services

SAP NetWeaver® Business Intelligence component, SAP NetWeaver Business Intelligence Accelerator software

#### Implementation Partners

SAP® Consulting (Korea), CJ Systems

Established in 1953, CJ CheilJedang is a growing company with a vision: it wants to strengthen global operations as it competes in the areas of consumer products and life sciences. To meet this objective, the company needed enterprise-wide visibility and a reporting structure capable of supporting strategic planning and decision making. This is why the company upgraded to the SAP NetWeaver® Business Intelligence component and the SAP NetWeaver Business Intelligence Accelerator software.

#### Key Challenges

- Improve visibility of global business to support strategic planning and decision making and to coordinate operations enterprise-wide
- Introduce high-speed, integrated business intelligence (BI) tools that enable on-time, user-centric reporting
- Eliminate excessive implementation and maintenance costs

#### Implementation Best Practices

- Employed simplified data model, enabling new user-centric reporting structure
- Received C-level sponsorship and governance
- Used ASAP methodology for enterprise-wide implementation
- Addressed project issues by escalation committee as needed to keep project on track

#### Financial and Strategic Benefits

- Estimated annual savings of US\$6.3 million via enhanced business visibility and productivity
- Comprehensive, user-centric reporting for all levels of the organization
- Effective strategic planning and decision making through better utilization of business data
- Coordinated, global business operations via integrated, timely business intelligence

#### Why SAP Was Selected

- Tight integration with SAP® enterprise resource planning software
- Visibility across the business
- Robust support for data modeling and processing (including online analytical processing [OLAP] and other protocols)
- Proven track record by SAP Consulting for reducing risk in implementing BI projects
- Simplified implementation, lower training and maintenance costs

#### Low Total Cost of Ownership

- Implemented software in 5 months
- Involved minimal training (due to simple and familiar user interfaces)
- Reduced lead time for master data loading from 7 days to 1 day
- Reduced database storage by 50%
- Reduced lead time for restoration of backups from 72 hours to 6 hours
- Reduced required data models by 70%

#### Operational Benefits

Key Performance Indicator	Impact
Average query execution times	+2,000%
Reduction of business warehouse queries	-96% (47,000 queries to 2,000)
Lead time for business decision support	On demand (no lead time required)
User satisfaction rate for performance and usability	+80%
Productivity improvements in BI and analysis	+7%



“We achieved high visibility across the enterprise with our upgrade to SAP NetWeaver BI and the accelerator software. Best of all, the implementation was fast and risk free.”

Kim Ki Jin, Senior Manager, Business Management Team, CJ CheilJedang

## From Growing Pains to Growing Gains

CJ CheilJedang is growing fast. Based in Seoul, Korea, the company competes globally in the consumer products and life sciences sectors. To keep moving forward, the company needed to improve its strategic decision-making capabilities and coordinate global operations. This required enterprise-wide visibility and high-speed, integrated business intelligence (BI) tools that enable reliable, user-centric reporting.

## The Clear Choice for Enterprise-Wide Visibility

To fulfill this need, the company upgraded to the SAP NetWeaver® Business Intelligence component and installed SAP NetWeaver BI Accelerator software. Decision makers at CJ CheilJedang liked the fact that the software could integrate easily with the company's existing SAP® ERP application, improving visibility throughout the enterprise. They were also impressed by the SAP NetWeaver BI component's comprehensive reporting and analysis tools and simplified business data warehouse that could be customized according to the requirements of key users and business channels. In addition, they appreciated the software's easy-to-use interfaces, which could reduce the need for training and help improve user satisfaction.

For the implementation, CJ CheilJedang partnered with the SAP Consulting organization in Korea – based in large part on the organization's proven ability to reduce

project risk. Working in conjunction with CJ Systems, the SAP consultants used the ASAP methodology to contain project costs, minimize complexity, and stay on schedule. Executive-level involvement at all stages of the implementation proved critical to controlling project scope and ensuring fast problem resolution. An exceptionally responsive escalation committee promptly addressed all issues as they arose. This helped CJ CheilJedang complete the project within the aggressive five-month implementation schedule.

## Seeing Is Performing: Improved Business Success with Better Business Intelligence

Today, CJ CheilJedang enjoys enterprise-wide visibility coupled with fast, reliable business intelligence. It is now able to monitor corporate performance with greater ease, coordinate global operations more effectively, and make informed strategic decisions. All levels of the organization, including C-level executives, can now take advantage of simplified, user-centric reporting, leading to enhanced productivity and business agility.

The company realized several quantitative benefits. For example, it improved average query execution times by 2,000% and reduced business warehouse queries by 96%. It was able to reduce required data models by 70%, cut the lead time for master data loading from seven days to one day, and reduce the lead time for restoration of backups from three days to six hours. And, because the implemen-

tation successfully leverages the company's existing SAP ERP application, CJ CheilJedang was able to optimize performance in key areas of sales, financial accounting, and materials and production management. The result is the virtual elimination of lead times required for business decision support, which now occurs on demand. Users are also pleased with the result – reporting an 80% increase in satisfaction for usability and performance.

For CJ CheilJedang, the implementation of an effective BI infrastructure has facilitated the expansion of global operations by allowing the company to more effectively execute on corporate strategy. In fact, the company estimates that enhanced business intelligence provides an annual savings of US\$6.3 million.

As the company grows, it will expand its use of the SAP NetWeaver Business Intelligence component to gain even deeper levels of enterprise visibility and further align business processes to business strategy. In so doing, CJ CheilJedang will continuously sharpen its competitive edge as a global business.

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