

[12] Secrets to Successful Self-Service Financial Reporting

In the world of corporate reporting, one thing often stands between a finance manager and his database — IT. In many companies with SAP BW systems, IT creates the queries, taps the database, and produces the reports for a finance professional's inbox.

Avnet, a Fortune 500 distributor of electronic components and computer products serving more than 100,000 companies in 68 countries, is gracefully easing IT out of the reporting loop. "IT professionals are familiar with environments where they have to create reports; we wanted to put that power into the hands of the end users," says Steven Slatzer, Avnet's director of corporate finance.

"What we've tried to implement is a self-service reporting environment," he says. By automating report generation and the linking of data, the power of reporting is now in the hands of those who are best able to use the information, a tool that can produce business-process changing results, such as root causal analysis.

More importantly, Slatzer says, "it doesn't require an IT person to create a report."


Outgrows Legacy Financial System

Over the past decade, Avnet has grown to almost 10,000 employees and more than \$10 billion in annual sales due to acquisitions and organic growth. The company's financial systems swelled as the number of transactions increased and the reporting structure became more complex. This overwhelmed the legacy financial reporting system, which was neither scalable nor robust enough to handle the millions of records being generated each month. "It was pretty much falling apart on us," says Slatzer. "It was built by a small company, and we were having a hard time keeping it running. It certainly wasn't reliable."

Avnet selected SAP Business Information Warehouse (SAP BW) as the basis for its new reporting system "because it provided a robust environment, had the ability to house a lot of data, and provided tools the users needed to analyze

Self-service financial reporting provides the business with better, swifter insights into where it is spending money.

by **Evan J. Albright**, Senior Editor

A portrait of Steven Slatzer, a man with reddish-brown hair and glasses, wearing a dark suit jacket over a white shirt. He is looking slightly to the right of the camera. The background is dark with some green foliage on the left side.

“The power of reporting is now in the hands of those who are best able to use the information, a tool that can produce business-process changing results, such as root causal analysis. . . . We’ve gotten a lot of positive feedback from financial users on how good the system is and how they are able to look at data in ways they haven’t before.”

Steven Slatzer
Director of Corporate Finance
Avnet Inc.

that data,” says Slatzer. Moreover, it enables a rich, self-service environment. SAP BW Business Explorer (BEx) Analyzer, for example, gives users the ability to drill down into financial reports, which has proven to be a big bonus for Avnet’s financial community. “One of the real powerful things for end users is the ability to link data together,” says Slatzer. If someone wants to run an income statement for a particular region or branch office, SAP enables the user to click on a value in the report and directly access journal entries or other data behind that figure.

Thanks to the new self-service environment, finance is responsible for its reports and, more importantly, responsible for the quality of its reports. “Who better can validate whether a report is right or wrong than the

well only with SAP systems. That’s not a true statement. It can bring in data from other systems and still allow you to take advantage of the tools SAP provides.” Slatzer estimates that more than 70 percent of the data available to SAP BW at Avnet comes from non-SAP systems.

2 Keep users in their comfort zone as much as possible. If you can avoid bringing in new tools, do so. If your finance team is wedded to Excel, for example, your BI platform needs to be as well, Slatzer says. “All of our financial people use Excel,” Slatzer says. “The fact that SAP BEx Analyzer runs within Microsoft Excel was a big selling point to my financial users. Once they get data in Excel, they can do additional analysis with it.”

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end user?” Slatzer asks. “IT people can write a report, but when they run it and look at the result, they don’t know if it’s right or not. Today, we are putting ownership of the development of the reports into the hands of the subject matter experts of the data.”

Implementing a self-service environment is not as easy as throwing a switch. Slatzer offers the following advice for those contemplating such a move.

12 Tips for Successful Self-Service Reporting

1 Be comprehensive, yet transparent. All reporting activities are predicated on the notion that the underlying data store is not only accurate but comprehensive. The latter requirement is acute in a self-service reporting environment. According to Slatzer, you cannot expect users to locate and consolidate data from numerous sources. This has to be transparent to them, hidden behind a simple and intuitive interface. You want to isolate back-end integration and data management issues from users. You can do this quite easily with the SAP NetWeaver platform. Avnet’s SAP Business Intelligence (BI) setup draws and analyzes data from SAP and non-SAP databases alike. “In North America, Avnet does not use SAP R/3,” says Slatzer. The general ledger system, for example, was made by GEAC. “Many people think SAP BW works

Self-service activities would not take root if the BI platform didn’t recognize that marriage.

3 Remember – those who seek the answers are the ones best qualified to ask the question. The power to create queries needs to reside with the user group that needs the report, Slatzer says. Avnet established a class of power users or “query developers” from within the finance ranks whose role is to generate queries based on the requests that arise from within their own operating group. To help them, the corporate finance organization armed query developers with general templates, trained them on their use, and then showed them how to leverage them to create their own unique queries.

4 Don’t allow geography to become an obstacle. Avnet is an international company, and the finance organization is likewise spread around the globe. Financial analysts in Europe and Asia require access to the same tools as those at corporate headquarters. Users outside of Avnet’s wide area network, such as those in international offices, received Citrix remote access technology, which gives them the same functionality and performance as those who have the solution on their desktop without having to load the client on their individual machines.

5 Don't overburden users with more technology than they need. It's important to provide the appropriate reporting tools to users at all levels of the organization. Some users may require nothing more than a simple Web-based query to pull summary-level data. Other users may require the ability to write advanced queries using complex formulas and conditions. By creating user-friendly queries with variables, it's also possible to provide access to senior executives. "I'm pleased to say that the CEO and CFO of Avnet are both BW users," Slatzer says. "They frequently access the system to get bookings and billings data for our various operating groups and regions around the world."

6 Put the business in charge of the project throttle. Self-service reporting projects must be managed by the business they are intended to serve, Slatzer says. "I was the functional project manager, reporting to the CFO," he continues. In any given finance BW project, "there are two or three people who can make or break your project." As a member of the finance team, Slatzer was able to identify those crucial stakeholders and gain their trust and their buy-in.

7 Security is important, but don't overdo it. "Go as far as you need to be secure, but secure only what you need to secure," Slatzer says. "More security equals more maintenance."

8 Be aware that putting power in the hands of the users will transform SAP BW into "mission-critical." "BW is so integrated into our closing process that it's now a mission-critical system," Slatzer says. "If it's not up and running in the morning, I'm getting phone calls from all over the company asking, 'where's my data?'" Because Avnet has offices in Europe and Asia in addition to North America, the company must run SAP BW 24/7. "We're running batch jobs all the time," he says. Maintenance must occur during weekends and requires regular communication with users.

9 Develop your own internal training program. "Do it in-house," Slatzer advises. "The problem with going to SAP or a vendor is that training will not be on your data." Users respond better to their own data in a production environment. "I teach some of the classes," he says. "We get a lot more for the money."

Avnet's global IT systems are managed 24/7/365 at the data center in Arizona so that SAP BW is always up and running.



1 A business-driven project is not an excuse to drive IT out. “Our BW implementation was a joint project between finance and IT,” Slatzer says. “As the finance project driver, I’m going to make sure the requirements are met. IT is going to keep us honest, to make sure we’re not cutting any corners and we’re following a viable development methodology.”

1 Don’t be afraid to use outside resources. “My advice is to make sure you have a mix of internal and external resources,” Slatzer says. “If you can do it all internally, that’s great, but it’s money well spent to have external resources.” External resources can bring in skill sets and perspective that may be missing internally. “I’m not suggesting you start out with a large team of consultants,” he says. For his project, he brought in external resources for a finite period, in this case to work on tasks such as security, performance tuning, and new applications such as SAP Strategic Enterprise Management Business Planning and Simulation (SEM-BPS). “It’s important to focus on knowledge transfer. You need to build up your internal support organization as quickly as possible.”

1 Make pilots real. The pilot is the best opportunity to advertise the new system and get users excited about it. “When we built our BW system, we started by bringing in our most critical data,” Slatzer says. The project team got finance to use the system with a small number of InfoCubes, but it was enough to demonstrate how powerful and useful the system was. “I’m a big believer in starting small but finishing big,” he says. “Don’t assume you have to have everything done for the system to be useful to people. One cube the users can use right away is enough to get them talking about it.”

BI Benefits Beyond Finance

SAP BW has given finance the ability to provide management with richer data content than before, Slatzer says. Finance is now able to give the sales team reports that help them better understand supplier and customer profitability, key metrics that speak directly to the health of the company.

External departments have also begun to embrace SAP tools. Avnet has embraced SEM-BPS. “The nice thing is that it provides a fixed, structured tool to collect budget

Avnet Electronics Marketing Warehouse, Chandler, Arizona



data for various cost centers,” says Slatzer. Managers throughout the company can access the system, fill out their budgets in Microsoft Excel, and save them directly into SAP BW, providing corporate financial analysts with a real-time snapshot of the budgeting process. “We can use BW as a tool to consolidate and roll up that data, and then use the analytical ability with BW to slice and dice and drill down on that data,” he says. BPS replaced what had once been a manual system.

SAP has provided an “exciting” benefit to inventory management, says Slatzer, “because it’s allowed us to identify root causes of problems.” Avnet, like many companies, has complicated systems that manage inventory and material. SAP BW enables financial analysts to quickly find issues in inventory reports and, from there, the ability to drill down to find the source of the issue. “It’s almost like root causal analysis,” Slatzer says.

“We’ve gotten a lot of positive feedback from financial users on how good the system is and how they are able to

look at data in ways they haven’t before,” Slatzer says. One area Avnet is moving into is costing and activity-based management. “Most of our corporate shared services functions such as IT and HR charge time to their internal customers based on activity,” Slatzer says. “It provides the business with better visibility to understand where it is spending money. In the area of IT spending, BW enables us to analyze how much we are spending on infrastructure versus sustaining versus development.” The result is that the business begins to change its behavior as it understands where it is spending the company’s money and can now find opportunities to focus on containing costs.

As Avnet continues to grow, the power of technology will continue to shift into the hands of the end users, not only in finance but in IT and throughout the business. By bringing data closer to those who are responsible for making corporate decisions based upon it, Avnet believes it can continue to grow without sacrificing efficiency or agility. [NWM](#)