

The Value of Business Intelligence - The value of better decision

Importance of a business intelligence solution to take better decision

Bucharest, 02 June 2009

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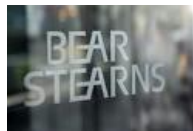
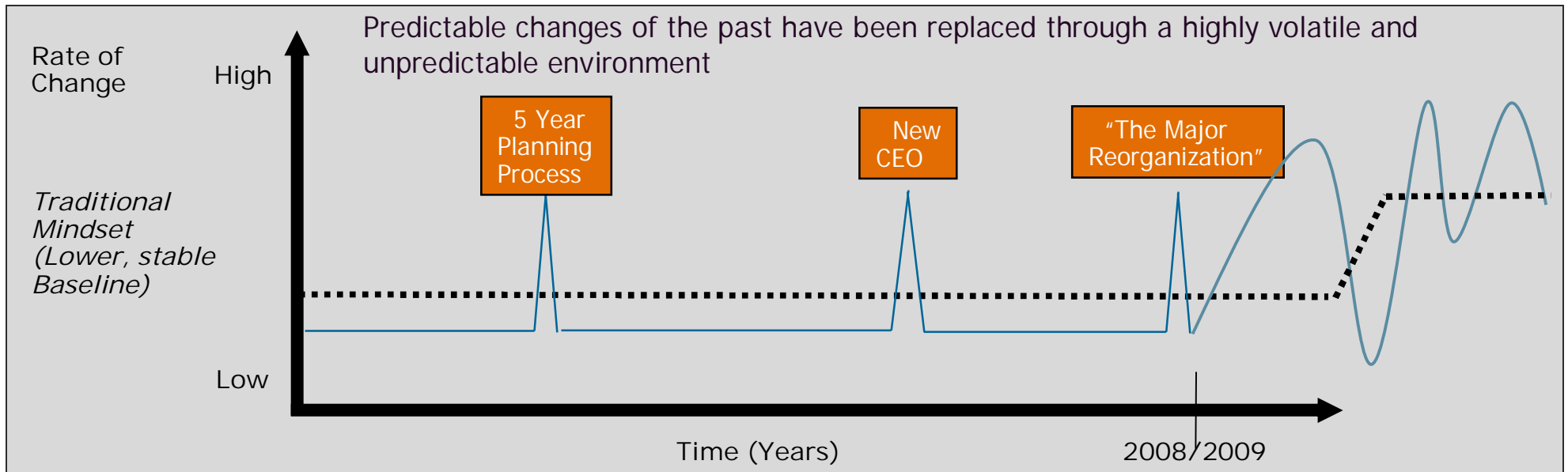
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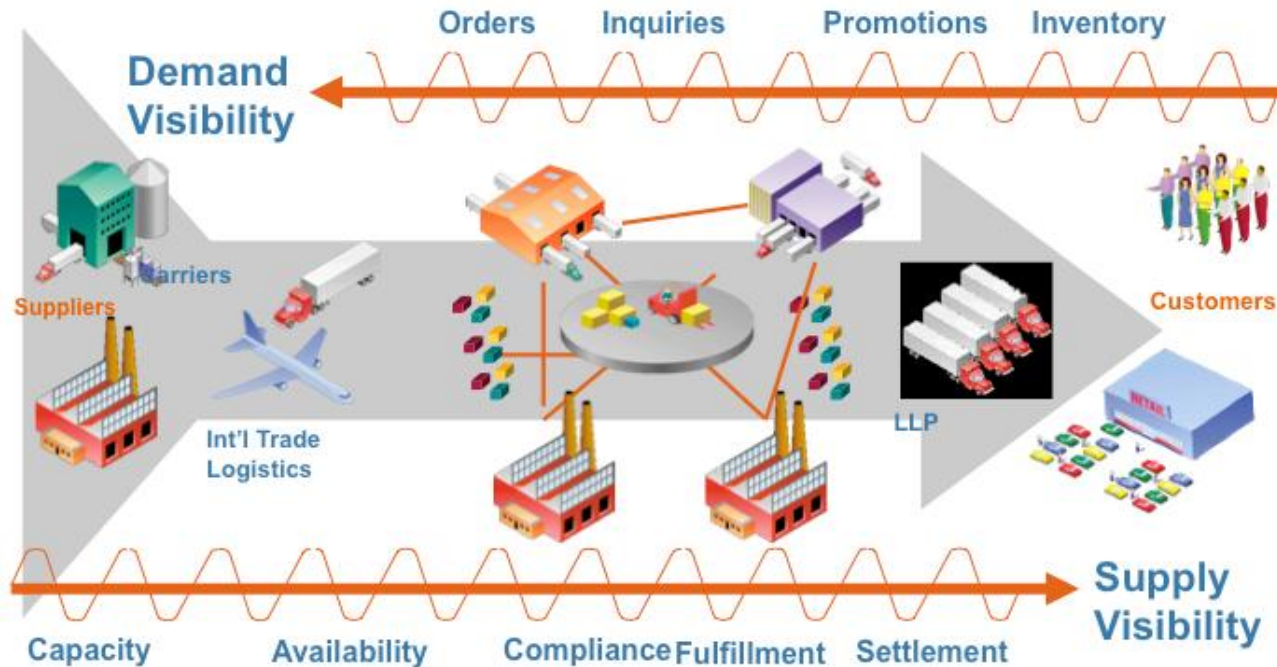
■ History

- Definition
- Field of Application
- Case Studies
- Synthesis
- Appendix: Enight capabilities

In the past 9 months, we have seen unprecedented volatility in the global economy

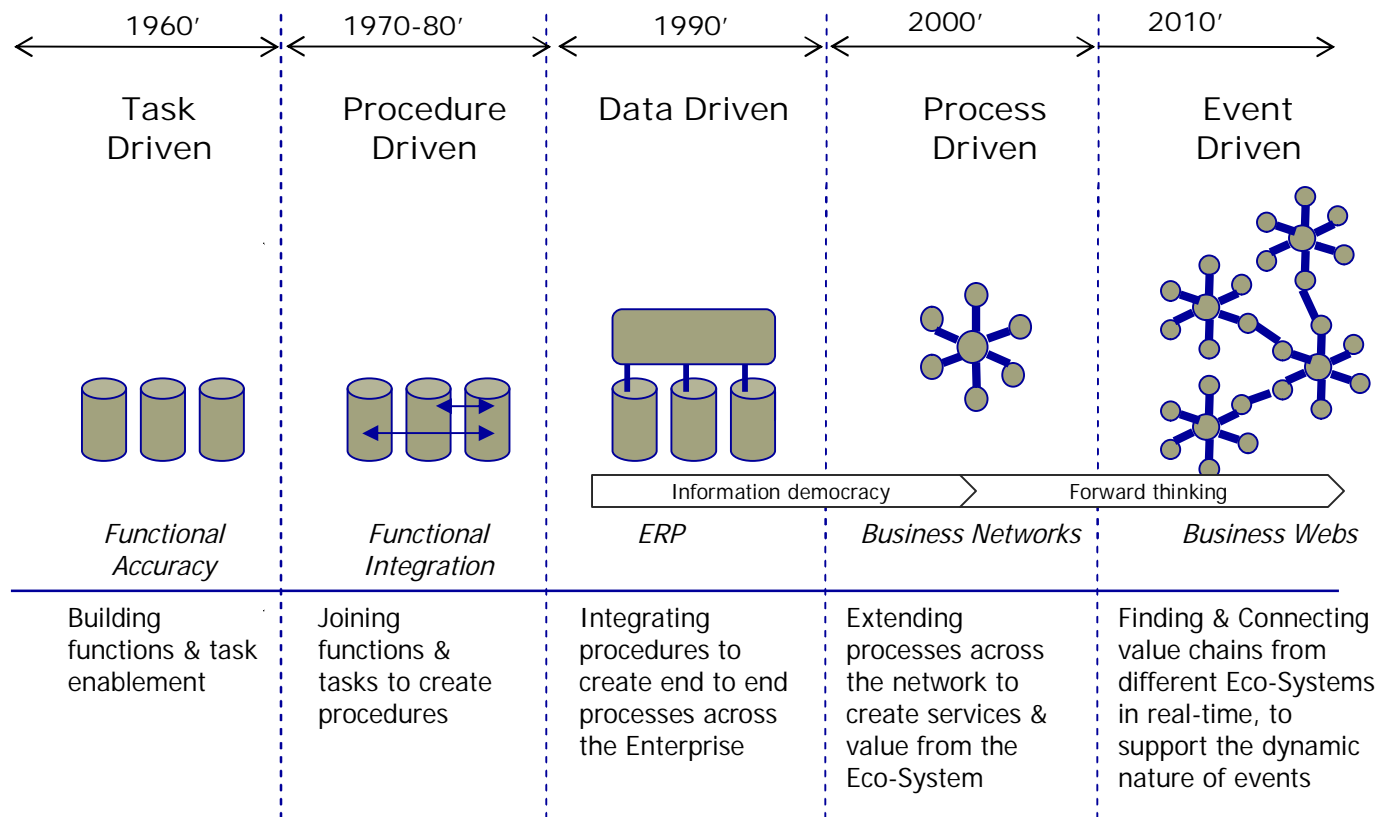


Read and React: Transparency and the ability to react has become a successful survival strategy



- Volatility has become a characteristic of the New Economy – the task of CEO has reached the limit of manageability.
- The key to thriving in a competitive marketplace is staying ahead of the competition. Making sound business decisions based on accurate and current information takes more than intuition.

“By 2000, information democracy will emerge in forward-thinking enterprises” – Gartner, 1996



Beginning with the 60's business decisions were more and more based on information, provided by IT systems – beginning in the late 90's, specialized, demand focused, decision support systems evolved from the purely operational focused ERP systems – named after Gartner “Business Intelligence systems” (BI)
The term was used as early as September 1996, when a Gartner Group report said, “By 2000, information democracy will emerge in forward-thinking enterprises, with business intelligence information and applications available broadly to employees, consultants, customers, suppliers, and the public.

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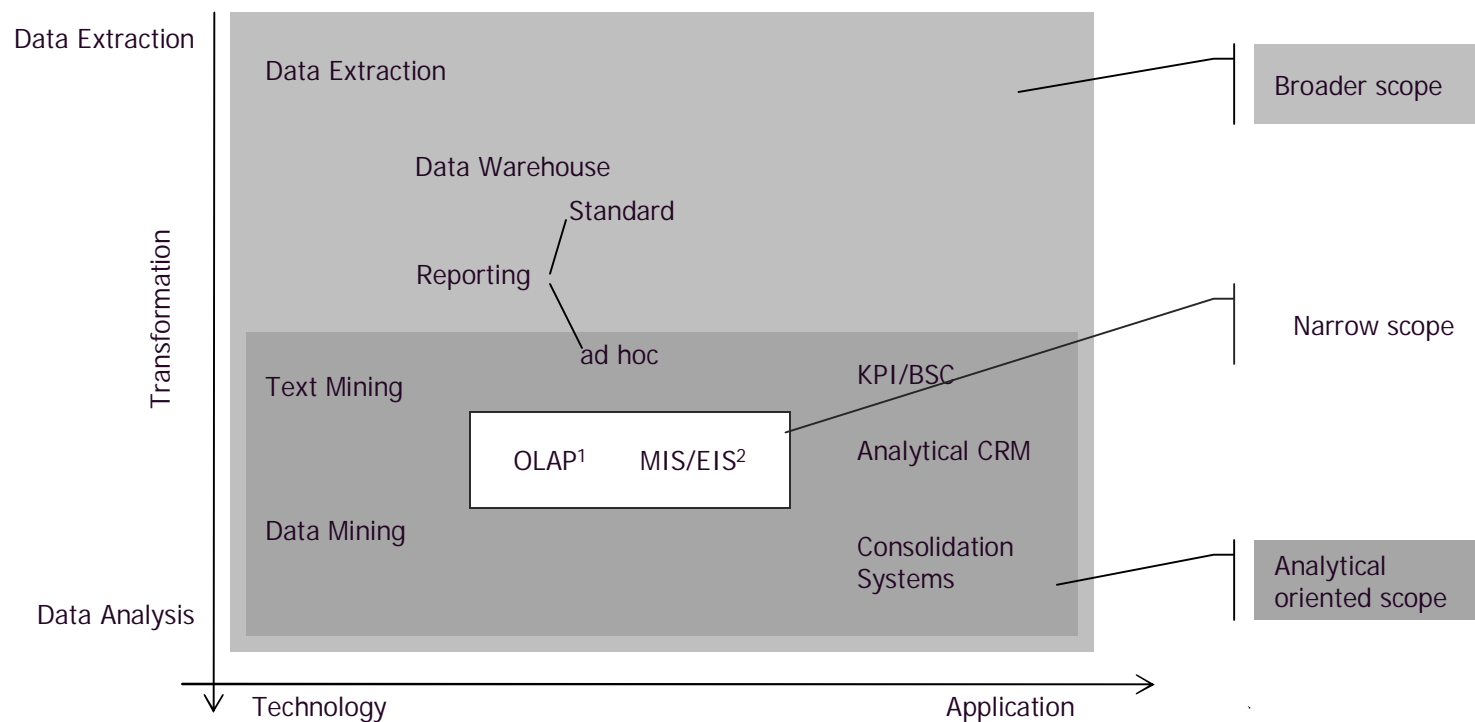
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BI is an umbrella term comprising all tools given business deciders at hand, to support the decision process

Classification

- „Data Analysis, reporting, and query tools can help business users wade through a sea of data to synthesize valuable information from it – today these tools collectively fall into a category called ‘Business Intelligence’“. Anandarajan et al. 2004 S. 18f.



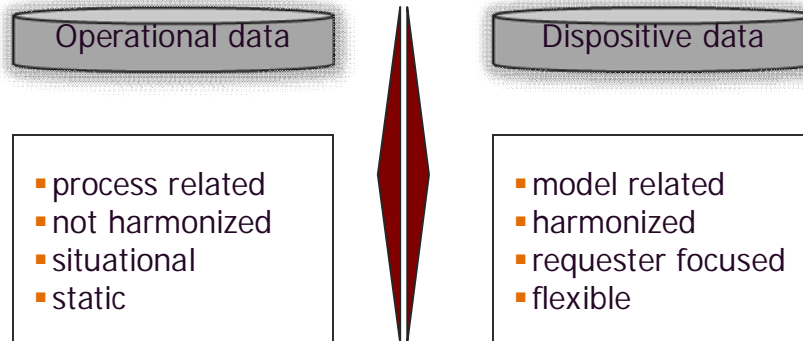
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BI-tools differ from reports in their dispositive, user centric data model from which information is obtained and on which decisions are based.

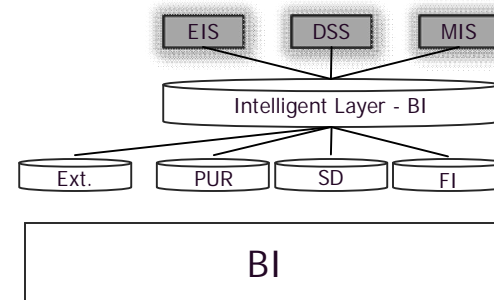
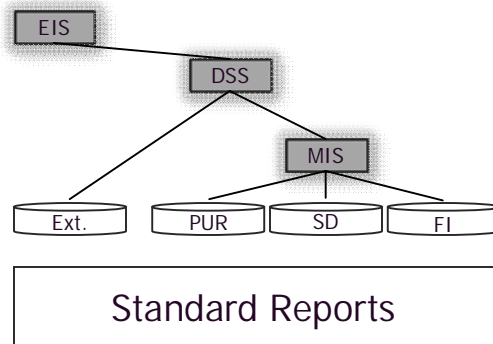
operational vs. dispositive data

- Data growth
 - Volatile market environment
 - Stronger demand on transparency
- Events

Fast, reliable decisions



Coding	Data	Value 1	Value 2
Coding	Gender	0,1	m,f
Synonyms	Employee	personal	employee
Homonyms	Partner	supplier	customer



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Case study – Inditex, the adaptive Supply Chain

INDITEX

ZARA

- Zara (www.zara.com) is the leading brand of Inditex Group, based in La Coruna, in the north of Spain. The founder, Mr. Ortega, moved into the retail business with the opening of the first Zara shop in 1963. The Group has gone public May 2001 and is public listed. Inditex is running 4.300 stores in 73 countries.
- Inditex has a turnover of 9.4b€ and employs about 80.000 people. Zara accounts for 78% of the turnover. The remaining 22% is split between the other seven brands: Massimo Dutti (traditional mid-price clothes for older men and women), Pull & Bear (Gap-like youthwear); Stradivarius, Berksha (hip apparel for young woman), Zara Home (furnishings), Uterqüe (accessories) and Oysho, its lingerie brand.

	Design	Manufacture and Supply	Distribution and Logistics	Retail Sales
UNITED COLORS OF BENETTON.	Seasonal collections 9 month to prepare line	Outsourcing focused on Cost reduction	Centrally organized, avg. time for consignment 7days	mainly franchise, avg. purchase frequency 3,5 times per year
GAP	Somewhere in between	Outsourcing focused on cost reduction	Locally organized, distribution centers in all main countries	mainly franchise, avg. purchase frequency 3,5 times per year
INDITEX	No seasonal planning, 4-6weeks to prepare line	little outsourcing, focused on flexibility	Centrally organized, avg. time for consignment 24h	Direct operated, avg. purchase frequency 17 times per year

The adaptive ability to design, produce and deliver warm cloths within 24h in the event of “cold weather”, enables Zara to turn a negative event into a success



Zara's business model is different:

“The key to this model is the ability to adapt the offer to customer desires in the shortest possible time. For Inditex, time is the main factor to be considered, above and beyond production costs. Vertical integration enables us to shorten turnaround times and achieve greater flexibility, reducing stock to a minimum and diminishing fashion risk to the greatest possible extent”.

From Inditex Dossier ITX 08

Information about consumer desires is collected at each Point of Sale and consequently made available in real time to all impacted areas of the supply chain. Volatility in consumer behavior leads to volatility in all subsequent supply chain areas, which can only be managed through the massive deployment of highly specialized business intelligence systems.

Why Business Intelligence:

- Huge data volume
- External data sources (Retail shop's competition watch reports)
- Speed
- distributed, heterogeneous systems landscape
- Demand focused modeling of data (Designer, Purchaser, etc.)

Case study – Oil & Gas corporation

Profile:

- Large Romanian corporation, covering the main Oil & Gas areas: Upstream, Refining, Distribution and Retail.
- Highly diversified: Exploration and Production, Gas, LPG, Petrochemicals, Filling Stations, Retail, Wholesales
- Public listed, International reporting requirements (IFRS, RAS)
- Business units operating to the greatest possible extend independently
- Operations of all units SAP based

Business request (CFO):

- changed market conditions demanded to focus on cash oriented management
- Cross unit managed Cash flow reporting
- comprising all cash relevant information, managed externally
- interactive planning scenarios

Solution:

- BW extraction features from CM and LP modules in SAP R/3
- BW-BPS planning functionalities used for liquidity items allocations (not assigned allocations or changing the assigned one)
- Integrated report for all the legal entities available on the daily base with a data granularity of
 - BANK
 - BANK ACCOUNT TYPE
 - CURRENCY TRANSACTION

BI empowers employees to make decisions based on relevant, entire and current information and hence enable them to better focus



Synthesis

- **Entirety of Information:** Business Intelligence can improve the decision support significantly – decisions are as good as the choices you have to choose from. Typical scenarios where BI completes the choices to the “full picture” are usual those which come along with high data volumes, distributed systems and heterogeneous, not harmonized data. Examples:
 - Cash Flow Management
 - ABC product analysis
 - Risk analysis
- **Accessibility of Information:** BI gives all deciders on all levels, always and everywhere access to enterprise information and hence encourages and mobilizes the entire company.
 - CxO
 - Managers
 - Users
 - Consultants
 - Business Partners
- **Flexibility:** BI is the flexible umbrella like backend integration tool, connecting bits of information cross system boundaries to an entire, meaningful ensemble. Connections can be flexibly established and cut, in accordance with the current market situation.
- **Performance:** BI discharges the operational ERP backbone from analytical tasks and thus leaves legacy capacity and performance for operational tasks

Thank you for your attention

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Service Portfolio (1)

Our Business Transformation capabilities



Strategy



- Envisioning the future
- Positioning the business
- Designing the transformation
- Increasing company value
- Supporting M & A's
- Restructuring

Operations



- Developing Marketing & Sales
- Optimizing Supply Chains
- Reengineering business processes
- Reducing costs

Finance



- Enhancing Finance and Controlling
- Evaluating Financials
- Advising on taxes

People



- Transforming Human Resources
- Managing performance
- Managing change
- Developing capabilities

Technology



- Defining IT strategies
- Implementing ERP
- Selecting systems
- Auditing IT
- Improving IT operations

Service Portfolio (2) Strategy & Operations

Practice	Capability	Service Offerings
Strategy	Market analysis & company strategies	<ul style="list-style-type: none"> ▪ Market studies (market entry, industries) ▪ “Direct strategy” ▪ Business positioning ▪ Branding and marketing strategy ▪ Strategy reviews ▪ Company value creation ▪ Due Diligence and company valuations ▪ Pre-deal structuring and support ▪ Post merger transformation design ▪ Restructuring ▪ Transformation design and business case
	Positioning the business	
	Financial diagnosis and company valuations	
	Mergers & Acquisitions	
	<i>Analysis & Design (A&D) ¹⁾</i>	
Operations	Sourcing/ Procurement	
	Logistics	
	Fleet Management	
	<i>Business Process Reengineering¹⁾</i>	
	Marketing & Sales Management	
		<ul style="list-style-type: none"> ▪ High performance Procurement – Design & Implementation ▪ High performance Supply Chain – Reengineering & Implementation ▪ Car Fleet Optimizing & Management ▪ Process mapping and redesign (business or IT driven) ▪ Marketing Performance Evaluation & Management; Customer Relationship Management ▪ Sales Management; Customer Service Excellence; Customer Experience Management

Service Portfolio (3)

Finance & People

Practice	Capability
Finance	Financial and accounting consulting
	Tax Consulting
	Bookkeeping and Payroll

People	Analysis, design and transformation for HR & Payroll functions
	Performance management systems
	Change management / Communication
	Capability development

Service Offerings
<ul style="list-style-type: none"> ▪ Financial and Accounting Consulting ▪ Analysis and redesign of the financial processes, accounting and internal control ▪ Accounting training (local/ IAS/IFRS/ GAAP) ▪ Tax Consulting/ Review of tax returns/ Tax training ▪ Bookkeeping/ Payroll/ Preparation of financial statements ▪ IAS/IFRS compilation of accounts

<ul style="list-style-type: none"> ▪ Reorganization & Transformation ▪ HR & Payroll processes, procedures, Roles & Responsibilities ▪ Competency modeling & assessment, capability development ▪ Performance management models ▪ Change Management strategy and implementation ▪ Implementation of HR information systems

Service Portfolio (4) Technology

Practice	Capability
Technology	Strategy & IT Governance
	IT Services & Operations
	Enterprise Architecture (Infrastructure & Applications)
	IT-Performance



Service Offerings
<ul style="list-style-type: none"> ▪ IT-Strategy; IT Audit; Security Reviews ▪ Project Portfolio Review; IT-Process Improvement; Project Management ▪ Software Selection; Infrastructure-/Application review; System Integration; PM ▪ IT-Performance Measurement

Enight management team (1/2)



Robert MAXIM



Professional experience:

- 15 years in management consulting
- Assignments for large multinationals and local companies as a Manager for KPMG Consulting and e-Business Head for Citibank
- Certified Management Consultant (CMC)
- Certified Information Systems Auditor (CISA)
- Member of ISACA Romanian Chapter (Information Systems Audit and Control Association) and of PMI
- University of Bucharest, Faculty of Political Science, bachelors degree in International Law
- International Business School, UK, degree in Financial Management
- Ecole Nationale des Ponts et Chaussées, Paris, France (MBA)
- Managing Partner – Enight Management Consulting

Mihaela DANALACHE



Professional experience:

- 15 years of consulting expertise
- 20 years in accounting and taxes
- Key skills: Financial management, Assistant Accountant, Training for clients for IAS / IFRS and Fiscal Code of Romania, Audit, Business Process Redesign, Evaluation and Redesign of the Support Functions
- Chartered Accountant/ Financial Auditor
- CEO - TMF Gontard
- Director Accounting and Payroll Services Department - KPMG
- Executive MBA in International Business, ENCP France
- MBA Certificate in International Business, University of Bristol
- The Academy of Economic Studies Bucharest
- Partner - Enight Management Consulting

Enight management team (2/2)



Roland TEUFEL



Professional experience:

- 15 years in strategy and management consulting
- Vice-President with Capgemini (former head of Energy & Utilities in Central Europe)
- Capgemini Account Executive for the transformation of Petrom
- Program Manager for the acquisition of Petromservice by Petrom
- Program Manager for a number of large scale transformations (e.g. Syngenta, VAW Aluminium, RWE Power, OMV, Petrom)
- Multiple M&A assignments (e.g. Shell DEA, Vattenfall, e.on)
- Business Economics degree from Hochschule fuer Wirtschaft, Pforzheim and University of Brighton
- Lectures at the HSG, Hochschule St. Gallen
- Partner – Enight Management Consulting

Harald DITTER



Professional experience:

- Former Head of Service Line “eCommerce” at Ernst & Young Consulting, Germany
- 15 years experience in implementing ERP Systems Leader “SAP/Technology” within Central Europe’s regional service line “SAP-EEA” (Germany, Austria, Switzerland and CEE countries).
- Over 10 years experience in managing projects in the Oil and Gas sector and several years of experience in e-Business solutions
- Expertise in Package Integration and Standard Software Solutions (mainly SAP R/3)
- Program Manager for the SAP Implementation of Petrom Finance- and Logistic processes in Bucharest.
- Partner – Enight Management Consulting

Ensignt consultants team



- A team of 70 top quality professionals comprising currently 60 consultants (internal - 50; external associates - 10) and 10 – enabling staff (located in Bucharest, Romania)
- Professional and clear methodology
- Transparency and objectivity
- Reliable partner for the decision making process
- Excellent quality/cost ratio for our deliverables
- Experience in working with & within multinational companies
- Experience in handling large projects
- Industry specific expertise

Our certifications and affiliations



Affiliations



- AMCOR (Romanian Management Consultants Association)



- ISACA (Information Systems Audit and Control Association)



- ITIC (International Telecommunication and IT Consultants Group)

EUROGROUP CONSULTING ALLIANCE

- Eurogroup Consulting Alliance
- ### IT certifications



- CISA (Certified Information Systems Auditor) IT auditors



- Microsoft specialists: MCP (Microsoft Certified Professional),
- MCSE (Microsoft Certified Systems Engineer)

Management certifications



- CMC management consultants (Certified Management Consultant).



- PMP (Project Management Professional Certification)



- ISO 9001:2000 quality certification

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Finance certifications



- CECCAR (Certified members of Chartered Accountants Body)



- CCF (Certified members of Chamber of the Tax Advisors)



- CAFRA (Certified members of Chamber of Financial Auditors in Romania)