

TITAN

CONSULTING



BW AND FINANCIAL PLANNING

Funny Things Happen When Someone Retires!

After 35 years, the heart and soul of the global budgeting and reporting processes was retiring. Ingrid served the CFO, Finance, and country controllers group for this CPG cosmetics leader diligently and competently.

How was she ever going to be replaced?

Ingrid was responsible for maintaining the global transfer pricing system the company used for budgeting, reporting and margin analysis.

How many times have you heard of a well-respected producer retiring or leaving the company? The amount of knowledge leaving with them is devastating. Ingrid is a perfect example.

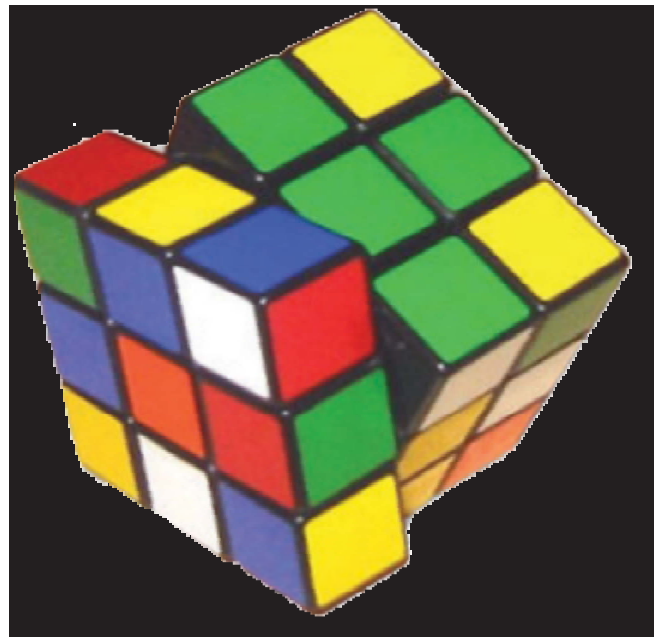
Sometimes these situations create opportunities to reinvent the process. The budgeting process for transfer pricing worked for many years, but lacked in many areas – technology, simulation, and foreign exchange.

The CFO was motivated to upgrade the process and only had Ingrid for a short time.

Organizationally, the country controllers had to own their numbers and the tool needed to be user-friendly for data entry and analytics.

In 15 weeks, we implemented the budgeting process on SAP BW Cloud that duplicated what Ingrid did for so many years on spreadsheets. To add more value to the process, we enhanced the capabilities to achieve the CFO's objectives.

To calculate the transfer price, we reviewed the sources of data that made up her spreadsheets. She was pulling data



from SAP ECC, APO and other data sources. Now, the transfer price is available at cost component level information by product and plant at the country level.

The pilot project allowed us to refine and enhance the process. Some stakeholders were initially resistant to change, but when they saw they could improve the process they got on board.

The functionality that lacked most was multiple versions and control. Enabling version control allowed us to track changes in the business, economy, and the underlying assumptions.

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C O N S U L T I N G



For example, if labor costs were higher than expected, looking back at the data and assumptions prompted meaningful conversations on cost drivers to account for the change – more labor resources, higher labor rates.



Previously, conversations got bogged down around the accuracy of the numbers. Accountants spent more time justifying the numbers and not enough time discussing on corrective action.

Getting all stakeholders to agree was a primary outcome of the project. Now the teams in Asia and EMEA were accountable and responsible for their submissions and results.

Ingrid retired and is now enjoying her time with grandchildren. The budgeting process is improved and supporting the global business in ways that were always wanted and needed.

Do you have business processes that are at-risk of losing key owners or obsolete and costly technology? At Titan, we believe that our expertise in business processes and technology will help you get more out of your SAP investment and reduce your TCO.

For more information on how Titan can help you understand your IT costs and reduce your TCO, contact Kent Lamb, kent@titanconsulting.net, 972.679.5183; or contact your Titan Consulting Director. You can also see additional information on our Advisory Services at Titan Consulting, www.titanconsulting.net.