Quick

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Nicolas Van Brandt, CFO, Quick

Quick Restaurants Serve All Data to All Users

With 404 locations at the end of 2005, Quick is the largest European fast-food chain. Established in 1971, the company now has restaurants in Belgium, France, Luxembourg, and other international markets. 76 percent of these locations are franchises.

Overseeing operations and communicating information among all 404 locations is a challenge. The IT systems accumulated over three decades, the difficulty of integrating them, and the desire to insulate report usage from the constraints of ERP release schedules led Quick to restructure its financial and IT systems.

In the end, Quick standardized on Cognos business intelligence (BI) as well as Cognos 8 Planning to simplify budgeting and reporting while integrating SAP® and non-SAP data sources. The result was a unified, reliable system that could be used by employees and decisions-makers at all levels to make better decisions faster.

Problems Faced

Previously, enterprise planning was completed by circulating over 400 spreadsheets. Each franchise and company-owned restaurant produced a list of salaries and costs and sent it to the controller department for consolidation. Managers often called the controller department in a panic because they had delivered the wrong version. The planning process was inefficient and took three months to complete.

"Before Cognos, 50 to 70 percent of our time was spent obtaining data rather than taking action on it," says Nicolas Van Brandt, CFO of Quick. "You cannot spend your time managing spreadsheets. You need to use your brain to manage and control the company instead."

The lack of actionable data was hindering Quick's expansion. Business information came from a dozen different SAP and other operational systems that handled similar data resulting in contradictions and multiple versions of the truth. Enormous manual effort

Industry:
• Fast-food restaurants

Geography:
• Europe

Information Needs:
• Accelerated annual analysis of franchise performance
• Elegant IAS 36 rule compliance
• Simplified planning that saves time on an ongoing basis
• A single reporting interface
• One solution usable by all members of the company - from CEO to restaurant manager
• Integration of SAP and non-SAP data sources
• Reporting that functions regardless of ERP releases and changes

Platform:
• SAP® BW
• SAP® ECC 5.0
• Microsoft Dynamics AX (Axapta)
• IBM Informix
• Microsoft SQL Server
• Essbase
• Microsoft Excel
• Others

Users:
• 500+

Solution:
• Cognos 8 Planning
• Cognos 8 BI

Benefits:
• Self-serve reporting, analysis, and planning for technical and non-technical users at all levels
• Consistent information for a single version of the truth
• More management time focused on expansion rather than data management

was required to combine data in Excel and to create reports. According to Van Brandt, "it was a terrible nightmare finding appropriate data."

Quick was determined to create a reliable new system with a single user-friendly interface and rapid access to information. The company needed to extend its SAP

deployment with flexible and efficient reporting and planning against all its data sources. It was equally important that any new performance management capabilities continue to perform despite ongoing changes to back-end ERP versions or systems.

Strategy Followed

Van Brandt's past experience told him Quick should be working with Cognos, but he wanted his team to arrive at its own conclusion. To help reduce reliance on the corporate IT department, the team assessed a variety of vendors to find the best solution for use by everyone in the company, from the CEO to individual restaurant managers. Most importantly, the team sought a system that would bridge the gaps among SAP, MS Axapta, and other systems while sharing all this information through just one interface. A 25-person team participated in the selection process. Each member was given the opportunity to experience Cognos first-hand through basic demonstrations and training.

"The team quickly learned that Cognos was easy and exciting for all users to use, even for the manager of the restaurant who is not interested in reporting or BI systems," says Van Brandt. "Cognos had superior reporting capabilities and was quick to get information across the organization. Cognos was also the only company that could provide a prototype connection on SAP BW, so we were convinced of its significant real-time impact. The team realized, 'Cognos looks good. Cognos looks friendly. And most of all, it works.'"

Working with 2B Consulting, Quick adopted Cognos 8 Planning and Cognos 8 BI for their ease-of-use and ability to integrate with SAP ECC, SAP BW, and other non-SAP data sources. Quick is making all its data sources readable and giving all business users the power to perform their own cube-based analysis on the data. Van Brandt maintains that "Cognos was the best one-stop shop solution for integrated performance management, including BI and planning."

Benefits Realized

"The whole Cognos solution, whether planning or BI, is intended for the use of anyone looking for quantitative information," says Van Brandt. "From CEO to administrative assistant to treasurer to restaurant operator to property manager to lawyer, everyone uses this single, user-friendly system with guaranteed consistent information."

More than 500 users across the enterprise now use the system. The CEO receives daily sales reports and monthly consolidated balance sheets. Executives find relevant information fast; they can push profit and loss (P&L) to all their restaurants; and they can request revenue forecast, headcount, and expense reports. Most impressively, each location can now perform its own budgeting, reporting, and planning, and executives can get this information by pushing a button rather than pushing spreadsheets. The planning process that took three months to complete now takes just three weeks with Cognos 8 Planning.

In addition to budgets and business plans, Quick uses Cognos 8 Planning to optimize its restaurants. At the end of every contract period, each franchise restaurant is evaluated by controllers who use the planning software to simulate and compare four or five operating modes, such as continuing as a franchise or operating as a wholly-owned restaurant, to determine the best approach for the future.

Quick also relies on Cognos 8 Planning to help it manage IAS 36 rule compliance, which requires that the net book value for each of Quick's cash-generating units be equal to or greater than its recovery value. The software takes the net book value for a restaurant, performs the necessary calculation, and posts any gaps to the appropriate accounts so the company can make adjustments during the year-end closing period. With over 400 spreadsheets, this was a challenging and time-consuming process, but with Cognos 8 Planning, the model is built and verified automatically. The result is the elimination of hundreds of hours of manual accounting.

Quick's reporting lag has also virtually disappeared. For example, twice a year the CFO, the corporate financial controller, and the senior consolidator worked full time for three weeks to complete a detailed 30- to 40-page P&L and balance sheet report. This report now requires only one person working for three days. For monthly P&L reporting, Van Brandt previously needed up to five days

to analyse all accounts and another day to identify and analyze the yearly gaps. Now it takes him seconds because he can drill down to identify variances. "The added value is so huge that I can't quantify it," he says.

The new performance management system from Cognos allows users to personalize and manage their interface for total autonomy and increased user satisfaction which further reduces the information bottleneck associated with everyone relying on the same key IT staff for their data.

Implementing Cognos was critical to improving the company's efficiency and flexibility, reducing overall workload, and providing executives with the time to focus on expansion rather than on data compilation. Quick's success to date has led it to begin integrating Cognos 8 BI with its SAP BW system.

"We have built the ideal IT system," says Van Brandt. "We have changed everything. We have diminished the number of applications we use for data, and the ones we have left all communicate to each other through Cognos. This is the dream of all CFOs in the world. And we're proof that this is actually feasible in real life."

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