

A leading commercial vehicle manufacturer in India.

In line with the fast changing and competitive market conditions, a requirement was identified for a robust financial planning and analysis solution. Cognos Planning was identified as the preferred solution, as it offered the flexibility of Top Down and Bottom Up planning and facilitates, as well as complex "what-if" scenario analysis.



Project Objectives

The overall objective was to simplify, streamline and establish an integrated finance information structure across key finance processes in the decision support area.

The key objectives of the overall project were as follows:

- Enable management to gain ready access to the financial performance of the company that is easily interpreted, standardized and able to offer fast in-depth analysis.
- Provide a single, coherent view of the truth as far as data integrity is involved.
- Enable a real time consolidation of the information in order to make the monthly MIS consolidation an efficient exercise.
- To make the planning process a participative effort.

Project Scope

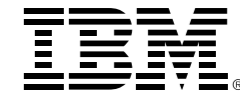
IBM Cognos Planning has been implemented in the following areas:

- Marketing and Sales** - Sales Volume planning at Vehicle part number level
- Operating Cost** - Estimation of operating cost for each production unit
- Corporate Pricing** - Arriving at sales revenue, Material Cost, Labour Cost and Margin for each product i.e. Vehicle part number
- Strategic Sourcing Unit** - Arriving at budget impact for buy-out materials
- Operating Cost and Others (Corporate)** - Collection of operating cost data from Sales & Marketing, HR and Corporate
- Corporate Treasury** - Arriving at net finance charges
- Profit and Loss, Balance Sheet and Cash Flow** - Based on the above models, Profit & Loss account, Balance Sheet and Cash Flow is generated

Benefits

Major benefits of the new system are as follows:

- More time can be spent analyzing the monthly management, budget and forecast information rather than collecting and consolidating the information.
- Automating data extract uploads from the individual General Ledgers, and so avoiding the need to re-key information into the application which will reduce the potential for errors and enhance the integrity and quality of the data in both systems.
- More extensive, faster, standardized and better presented management information across the organization, allowing drill down reviews and the potential for adding guided analysis of variances and exceptions.
- The application allows for selective and centralized control over the locking and re-opening of data by individual user and or business areas. This mechanism will help control the adjustment of data during each cycle.
- A quicker response to central changes and easier implementation of strategic initiatives achieved through the use of technology, which is designed for flexibility, adaptability and extensibility.



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