



We have a vast collection of masterpieces

CASE STUDY

Mitsubishi adopts BOARD's "electrifying" toolkit to deliver pervasive BI and CPM



"The BOARD toolkit puts the solution in the end-users hands, taking the pressure away from other departments. The more I discover about the toolkit the more I realise I am on a learning curve."

John Quickenden,
Manager BSG

Industry
Manufacturing & Logistics

Application Area
Dashboard, KPI, Analysis, Reporting, Forecasting, Integrating data from SAP and Customer, Order Management System

Company

In 1996 Mitsubishi Electric Europe B.V was formed as a wholly owned subsidiary of Mitsubishi Electric Corporation Japan, the European sales and marketing businesses from other Mitsubishi Electric group companies were also acquired. As part of that acquisition the UK branch, Mitsubishi Electric Ltd was established. The company has 6 divisions within which it operates; Living Environmental Systems (LES) more commercially known as air conditioning systems, Factory Automation (FA), Visual Information Systems (VIS), Diamond Vision (DV), Lift & Escalator Division (LED) and Automotive.

The Hatfield branch is one of seven branches in the UK and contributes £200M to Mitsubishi turnover.

Architecture

In 1998 Mitsubishi Electric installed SAP and currently run version 4.6C. There is also an order and customer management system (System 42) which provides users with a user friendly front end to SAP. This allows the operator to key in data and check stock of materials, pricing and quantities, with the ability to produce and store quotations, which if accepted feeds and processes the order in SAP.

Business Challenges and Requirements for a BI & CPM Tool

It was thought the ERP system (SAP) would address all of Mitsubishi Electric's reporting requirements. However long-term, this proved difficult to sustain, due to the ever-changing procedures of the business. These required a continuous program of reporting requirements to be developed, in turn proving to be a complex, slow and expensive procedure.

Each time the business required a variance to the reports, it meant that they had to rely on the expertise of a programmer to code them. Depending upon the complexity, it could take anything from **hours to**



We have a vast collection of masterpieces

CASE STUDY

days to produce these variants. If this was in any way incorrect, the process had to be repeated. Mitsubishi Electric has produced hundreds of reports over the years, and there seemed to be no defined end, with the process just continuing ad infinitum. The complexity of the process also meant that they could not respond rapidly and sufficiently to the requirements of the business, which resulted in multiple spreadsheets being created, as a temporary solution to manipulate ERP data into the required form. Information would often exist in more than one spreadsheet and would differ from related spreadsheets.

They needed a tool to:

- Integrate data from disparate systems SAP and System 42 (Sales / Customer and Order Management System) into a single environment
- Provide Dashboard / KPI / Analysis / Reporting
- Forecast & Budgeting (Write-back) capability
- Ease the burden on the IT department to create reports and ABAP queries, as demand could not be met due to the complexities of existing technologies
- Speed up the delivery of information to the business from days to seconds / minutes
- Flexible – the need to quickly manage new requirements and data
- Self Sufficiency - empower the business to become self sufficient and create their own reports and analysis
- Ease the burden on SAP in terms of month-end productivity
- Real-time access to the transactional information
- Powerful – ability to view aggregated data and drill to the transaction detail
- Multi-dimensional analytical capabilities
- Pervasive delivery across the business

Software Selection

Mitsubishi Electric explored a number of products ranging from internal solutions to other BI vendors, following a Proof of Concept and integration test with their SAP system which is hosted in Japan; they selected the BOARD toolkit for the speed, simplicity, flexibility and integration of the system.

"BOARD has it all in one environment and has given us a future-proof platform to manage our BI and CPM needs."

"BOARD showed us a PoC with our data in a matter of days and the integrated BOARD Toolkit means that once we chose this solution we did not have to purchase disparate or additional modules. BOARD has it all in one environment and has given us a future-proof platform to manage our BI and CPM needs," explains John Quickenden, Manager - Business Support Group.



We have a vast collection of masterpieces

CASE STUDY

DELIVERABLES: Pervasive across the business.

Executive Dashboard / KPI / Reporting

The BOARD Executive Dashboard and KPI provides the business users with the information they require and the ability to then analyse these figures on the fly, without having to come back to the IT department.

- Turnover
- Turnover Vs Budget / Variance %
- Margin / Margin %
- Sales Budget (Value, Cost of Sales, Gross Margin)



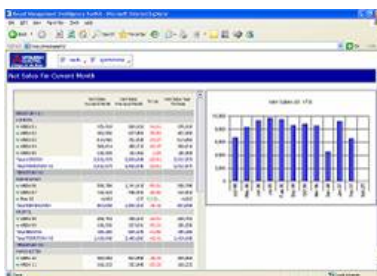
They can drill, slice & dice the above by any of the dimensions below:

- Time
- Company
- Division
- Profit Centre and/or Cost Centre
- Material and/or Material Group
- Quantities
- Customer
- Invoice Detail

To run this standard report it would take up to 25 minutes with set analysis parameters. This report was then cloned in BOARD and is available to all divisional heads immediately, with the ability to drill, filter and slice and dice in any variance required.

Sales & Order Analysis/Planning

- No. of quotations prepared
- Which individual was responsible for these
- The rate of conversion from quote to order
- What were the associated activities
- Branch comparisons
- Details on the delivery note
- Budget (quantity, net sales, cost of sales, gross margin)
By: Month, Material, Profit Centre, Budget Version, etc
- Sales & Order Value (Quantity, Net Sales, Cost of Sales, Margin)



The above can be analysed by any of the dimension below:

Day - Material - Sold To Customer - Ship-To-Party - Salesperson - Record Type - Invoice Type/Number (ability to retrieve the actual document).

For Mitsubishi Electric to then understand:

- How accurate on average is a salespersons forecast
- What is the purchase trend of customers



We have a vast collection of masterpieces

CASE STUDY

"Previously it would take us 10 hours to generate, with BOARD it now takes 2 seconds."

- How long is the sale cycle
- Average discount allowed to a group of customers
- How many quotes are issued for a project
- Average win/loss rate and/or who's the competition
- What are forecasted sales for the next six months

Supply Chain & Logistics

- Inbound & Outbound (quantity, value, volume, weight)
- Warehouse capacity planning
- No. shipping notifications outstanding
- No. shipping notifications due in today / next day / week etc
- 'Goods In' and 'Good Out' activities
- Missed deliveries (with audit of reason(s) why)

Previously it would take 10 hours to generate, with BOARD it **now takes 2 seconds**.

- Utilisation of warehouses - We record volumetric and weight information on materials so we can now see:
 - % of total volume of a warehouse is being used.
- Stock values (quantity, value, volume, weight)

The above can be drilled, Sliced & Diced by any of the dimensions below:

Time - Plant & Storage Location - Warehouse - Material No. - Material Goods - Profit Centre - Status - Shipping Notification - Purchase Order - and other dimensions.

Credit Control

The Automotive division at Mitsubishi Electric has a number of plants in the UK and abroad, which sell automotive parts, in car entertainment systems and satellite navigation systems. Components are shipped out to client's plants (car manufacturers). The client will then pull the material they need and self-bill sending Mitsubishi Electric back the hard copy invoices.

"It would take the accounts department two weeks to reconcile the accounts; BOARD does this within an hour."

Historically the accounts department would manually have to reconcile these invoices which would take them two weeks complete.

They now receive a soft copy of the invoices from customers which are loaded in BOARD and reconciled **within an hour**, also highlighting any miss-matches and inconsistencies for further analysis.

Integrated Budgeting & Forecasting

The accounts department traditionally used a third party tool to write the budgets and would then send the spreadsheets to the various Divisions. They would in turn enter their 'Forecasted Budgets' and send it back to the accounts department who would load this into the third party tool.

BOARD's fully integrated environment - which also supports write back, has integrated and extended the capabilities. The users can now write



We have a vast collection of masterpieces

CASE STUDY



back their forecasts, down to 'Material' level directly into BOARD, providing greater flexibility and analysis, whereas in the third party tool they were forecasting at an aggregated level ('Cost Centre' and 'Profit Centre').

Forecast Procurement of parts for Automation Division:

Mitsubishi Electric has a 4 month rolling forecast which is entered into BOARD. Users enter their forecasts based on:

- Sales history - Current sales rate - Current stock

They are able to analyse their position on a daily basis by any of the dimension they require.

Broadcasting

Mitsubishi Electric integrate the broadcasting function in BOARD by pushing a series of reports and information to the users on a daily basis.

Timescales

"Within three weeks BOARD began to show results back to the business."

"The more people that use BOARD the more they want from it and BOARD has provided us with the flexibility, capability and speed to support this change across the business."

'When we started delivering BOARD the specifications were a certain size and we found that as we implemented BOARD and people saw what it could do these grew and grew,' comments John Quickenden. He continues, "The more people that use BOARD, the more they want from it and BOARD has provided us with the flexibility, capability and speed to support this change across the business".

He concludes "The BOARD toolkit puts the solution in the end-users' hands, taking the pressure away from other departments. The more I discover about the toolkit the more I realise I am on a learning curve."

This is attributed to BOARD's programming-free and integrated environment. Users can navigate through the information interactively and build their own analysis on the fly without having to come back to the IT department.

Business Partner

"SDG Consulting, BOARD's business partner who has supported us, have been amazing."

SDG Consulting was the chosen BOARD Business Partner. John Quickenden comments, "SDG Consulting, BOARD's business partner who has supported us, have been amazing." He then goes on to say "They have provided us with both implementation skills and crucially also industry and business knowledge to challenge, support and deliver the solutions to the business. They are professional, competent and deliver results."



We have a vast collection of masterpieces

CASE STUDY

Future Plans

BOARD was originally intended as a UK tool but the success of the solutions has meant that Mitsubishi Electric are now looking to expand its use internationally to France, Germany, Ireland and other regions.