



United Energy and Multinet Gas

The company

United Energy (UE) and Multinet Gas (MG) provide a safe and reliable energy supply to people across eastern areas of Melbourne and the Mornington Peninsula. UE and MG are separate businesses with different boards of directors and ownership structures, however they are managed by the same head office.

Industry Sector: Electricity and Gas Distribution.

Mission and Strategy: "Our customers and stakeholders have high expectations about the level of service we provide, the focus we have on distributing safe and reliable energy, the value we deliver for them and how we respond to their needs, individually and as a community.

These expectations are reflected in our values – safety, accountability, collaboration, communication, empowerment and respect – which guide us in everything we do."

Revenue: 600 -650 M / Employees: 300 / Location: Melbourne, Australia.

UE and MG both have SAP installations for running the respective businesses. Financial reporting for these businesses was performed via a mixture of SAP reports, an inherited BI data warehouse solution and a number of Excel Spreadsheets. This process was time consuming and required much manual intervention and checking by Finance Staff each month. The time taken to produce the end of month

P&L, Balance Sheet and Cost Centre reports was usually three to four days. In addition any late postings or manual adjustments would require a full run of the whole process causing further delays.

The needs

It was obvious that this lengthy and complex reporting process needed to be addressed and UEMG turned to Gartner for advice. They looked at the Magic Quadrant for alternative solutions and started by looking at the tier one Vendors. Such solutions required the establishment of a major project and at a significant cost and it was decided these solutions would be overkill for what was required. What UEMG wanted was straight forward financial reporting (P&L, Balance Sheet, and cost centre reporting) for each company as well as the option to extend the system to cater for Budgeting and Planning at a later date.

Returning to Gartner, UEMG decided to look at the tier two Vendors and came across BOARD along with three others which they called in for a Proof of Concept. On completion of the evaluation, it was decided that BOARD would best meet the requirements with regards to SAP integration and ease of use for the Finance Users.

The project

The project was driven by the finance department and funded by the IT department. The time taken to



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deliver the project was one month of implementation, one month of parallel running and then the BOARD solution went into production. In the first month the SAP connector and server environment was set up and account structures such as GL accounts, cost centres (including Hierarchies) and reporting formats were loaded into BOARD.

Basic reports were then able to be created, such as the P&L and Balance Sheet, followed by Cost centre reports. The first of these were done in conjunction with BOARD consultants, with the Balance Sheet and Cost Centre reports being developed by the Finance Users.

Functional benefits

The time to extract data has been greatly reduced due to BOARD's integration with existing SAP queries and reports, with finance staff able to create variants in SAP to extract the desired data. Finance staff now have the ability to create ad hoc reports instantly in order to enable further analysis of the data.

Initially BOARD was used for basic reporting against budget and forecasts, with this data uploaded from spreadsheets. However for the 2014-2015 financial year, the cost centre forecasts are being directly entered into BOARD, saving time, double handling of data and reduced errors, thus enabling forecast totals to be made available immediately. It is anticipated that in the budget process for the 2015-2016 financial year BOARD will be utilised in a similar fashion.

Organisational aspects

BOARD was implemented with minimal involvement from the IT department, and has allowed Finance to become self-sufficient in regards to their reporting needs. There has been a significant reduction in hours taken to produce month-end reports, in particular the cash flow report has saved half a day per month of manual production and error checking. A quicker and more accurate production of month-end financial reports has enabled asset owners and senior management to make informed decisions in a more timely manner.

Technological aspects

- SAP ECC6 ISU/ERP
- SAP object integrated SAP Query, Delta Queries ABAPS and tables
- Excel Upload of exiting Forecasts (to be replaced by BOARD data entry in future years)

Users have reported the following benefits from implementing BOARD:

- Data extraction from SAP into BOARD on demand
- Data extraction from SAP complete and accurate
- Financial reports available immediately following data extraction
- Manual adjustments to spreadsheet reports eliminated
- Increased accuracy and consistency of reports
- Ability to 'slice and dice' cost centre data on demand
- Ability to compare previous actuals and forecasts with current budgets and forecasts

There have been significant efficiency benefits, in particular with producing month-end financial reports. Considerable time savings in producing

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these reports allow more time for value add analysis and understanding of the numbers being reported for the senior management team.

In conclusion

From an IT perspective the project came in on time and under budget. BOARD improved the time taken to extract data from SAP and reduced the reliance on IT resources to extract SAP data.

From a Finance point of view basic financial reports were up and running within two months which was a big win for the business. To be able to create a report requested by the CFO within minutes was another plus for BOARD.

BOARD has been a success for UEMG. The outcomes of the BOARD implementation clearly show that needs of the organisation have been met. The success of the BOARD toolkit in Finance has encouraged UEMG to expand the solution into other business departments.

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