



Case Studies | Business Enhancement

Context

In 2004, one of the nation's top ten brewing companies, with \$4 Billion in net sales in 2003, undertook a strategic initiative to revolutionize its financial operations. In order to be successful in a more stringent SEC monitored environment, corporate accounting functions such as planning, closing, reporting and forecasting needed shortened cycle times with increased reliability and accuracy. The goal for closing their books and reporting results internally was 10 days from beginning of the close period, which was cutting the current cycle time by at least 50%. This vision for financial excellence required instilling discipline with regards to defining standards, documenting and improving processes and implementing technology solutions.

The Challenge

Finance Executives believed that there was significant opportunity for savings within their manual Finance accounting and reporting operations. Although the company had purchased and installed SAP, several challenges still existed. Critical functionality was not installed or enabled, users were not using SAP efficiently, and processes were not scalable for international subsidiaries and joint ventures. A program director and his team were chartered with identifying requirements and business improvements that would support cost reduction, efficiency, accounting accuracy, and adherence to federal laws (e.g. Sarbanes-Oxley). The initial estimated cost for the project was \$5M.

The Solution

The client identified the business domains that they believed had the most potential to impact the overall goal of instituting the large-scale business enhancements required for achieving financial excellence. BusinessGenetics® collaborated closely with the client to segment this initiative into five phases:

1. **Project Co-Formulation™ (PCF™)** – BusinessGenetics® modelers xBML™ to create a project schedule and timeline in Microsoft Project; a RACIN (Responsible, Approve, Concur, Input and Notify) matrix for guiding communication planning, a list of program deliverables; a resource estimate and allocation plan; and the corresponding formal program plan document containing all these items along with many additional traditional project management artifacts.
2. **Document Co-Formulation** – BusinessGenetics® modelers used existing documentation from the client to build the initial

set of xBML™ models (WHAT, WHO, WHEN, WHERE, WHICH and HOW).

3. **Current State Business Modeling** – BusinessGenetics® modelers facilitated workshops with client subject matter experts (SMEs) to validate the models and gather related issues, metrics, quick wins and system requirements. SMEs identified 115 business process issues associated with the modeling, which were prioritized based on business impact.
4. **Model Leveraging** – The client collected metrics according to top priority issues, exception handling, and process pain points. BusinessGenetics® modelers mapped the metrics to the xBML™ models and analyzed the models to identify process inefficiencies and bottlenecks, process gaps, and redundant efforts all of which all translate into ROI for the client. *(See Appendix F for specific highlighted example findings.)*
5. **Future State Business Modeling** – BusinessGenetics® modelers facilitated workshops with client subject matter experts to develop the new vision for their financial processes using model analysis findings and opportunities identified through current state modeling. *(See Appendix G. Model areas highlighted by blue circles indicate process changes.)*
6. **Develop and Execute Solutions** – Subject matter experts were able to implement many immediate process changes to realize immediate ROI. The next program steps were to use the requirements identified through modeling and design technology and process improvements to implement within the business.

The Result

Through the use of BusinessGenetics® xBML™ methodology, approximately \$1,500,000 in ROI was identified for the client. This was a 516% return on the client's investment. Although the elapsed time of the modeling effort was 41 days, each SME only needed to contribute an average of 4.5 days to the program effort. The client experienced the ability to accelerate and introduce rigor to process documentation and requirements definition. Subject matter experts identified 132 business requirements pertaining to SAP enhancement, user training, and process definition to accommodate technology change. By implementing new SAP functionality and leveraging existing SAP functionality, the client's Finance department will not only meet the new SEC reporting guidelines and deadlines but cut significant cost from its business operations as well.

For more information please contact:

BusinessGenetics®

9605 South Kingston Court, Suite 290 • Englewood, Colorado • 80112

E-mail: info@businessgenetics.net • Web: www.businessgenetics.net

Phone +1.720.266.1024 • Fax +1.720.266.1030