

Getting more from your data

Business Intelligence systems are providing companies with valuable analytical information, as Alan Johnson reports.

BUSINESS Intelligent (BI) systems have been around for many years now, but for some reason many manufacturers have been reluctant to invest in this technology.

For the uninitiated, BI can be described as “a set of techniques and tools for the acquisition and transformation of raw data into meaningful and useful information for business analysis purposes”.

BI represents the tools and systems that play a key role in the strategic planning process within a corporation. The systems allow a company to gather, store, access and analyse corporate data to aid in decision-making

Peter Stableford, Information Systems Manager with NGK Spark Plug Australia, recognised the benefits of BI several years ago when he invested in Board, an all-in-one CPM (Corporate Performance Management) and BI software package designed to make it easy to build business analytics and planning applications.

NGK Spark Plug Australia, a wholly-owned subsidiary of the Japanese headquartered company NGK Spark Plug, imports and distributes automotive parts, sourced from its parent and other manufacturers. Its customers include both OEM and aftermarket automotive businesses.

He explained that there had been no directive from Head Office on the decision. “We have a fair amount of autonomy here in Australia.”

Stableford said prior to deploying Board, the company relied upon multiple

Excel spreadsheets, Access databases and Word documents to compile operational business intelligence reports sent to its parent company in Japan.

“Staff had to spend nearly two days to generate hardcopy reports on its sales and distribution operations by cutting and pasting data from Excel spreadsheets and Access databases into Word, and then printing the results.”

Requiring manual operations each month, he said the process was slow, tedious and inefficient.

“It was a very messy process and prone to transcribing errors.”

Stableford also realised there were many more things the company could learn from the data.

“Especially as our sales force needed analytical tools that could give them a more accurate picture of what the market changes among their distributor customers were from week to week.

“So we approached Board International, and when we described our challenge to them, they were able to produce a prototype as a demonstration of what the product can do.”

Stableford was surprised that when the prototype came back in just a couple of days, it was around 85 per cent of what they needed.

“In those initial stages, it just needed some clarification and understanding from both sides of what people were referring to, and how we referred to our data.

“But the implementation was very easy and took just

a couple of weeks, without any need for development time.”

Being an out of the box product, Stableford said it was just a matter of designing the criteria around the parameters around what they needed to capture and how they needed it displayed.

“We also had to accurately define the input criteria, such as which files were needed from our JD Edwards ERP system to go into the BI system.

“Originally we took the approach where different business areas would come to us asking for certain information and invariably Board was able to deliver the statistics and the data in the way that we needed.”

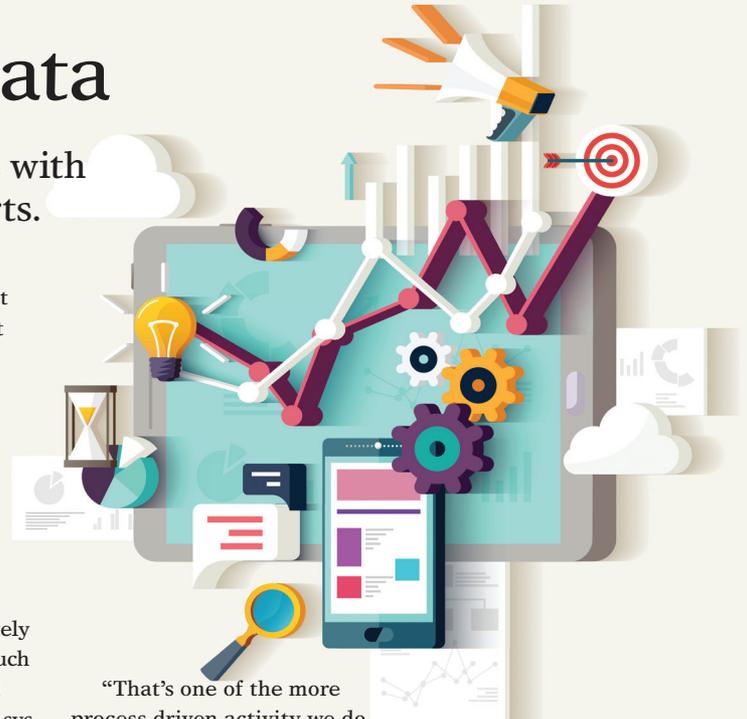
Later, the company started looking at the sales analytics, as well as invoice consolidation for shipping to its NZ customers.

“We would use that to consolidate invoices and to apply insurance and shipping rates across multiple invoices for multiple customers. That’s all done in Board.

“We just import the base invoicing data and from there we are able to enter in shipping fees and delivery costs etcetera and make allowances for zero value products such as merchandise products and catalogues.”

Stableford explained that customs still need a shipping value for these products.

“At the end BI software package delivers us the printed documentation; invoice consolidation and shipping documents that we pass on to customs.



“That’s one of the more process driven activity we do with Board now.

Stableford says the company uses it for calculating customer rebates, if and when needed, and as a budgeting tool, but instead of dollars it’s based on quantities.

“Plus we use it for analysing replenishment levels. Not for reordering but to help us with our calculations to see what is moving and what’s not, and cyclical variations in demand.”

Stableford explained that NGK Spark Plug Australia is essentially a distribution company, employing around 60 people Australia wide mainly in sales, warehousing and distribution.

“We have a 25 users’ licence, that’s broken up with three development licences, a number of power users, and a number of light use licences.”

While the company is presently on V 8.1, Stableford says they are looking to move to V 10 in the near future.

Interestingly, he said upgrading has been painless in the past and is expecting no difference next time. “Unlike our last ERP upgrade where we had to restructure our data.”

Stableford estimates the ROI on the company’s initial investment in Board to be around 12 months or less. “But it’s difficult to quantify as we are using the software in areas we hadn’t contemplated.

“We have found it really easy to develop a report or a screen to give us information that we needed, where previously it would take a person a day or two.”

At this stage, Stableford says he is looking at how the company can better utilise the product.

“We are looking at its mobile functionality and see how we can develop our systems to be a bit more intuitive and more efficient.”

Overall Stableford says he is very happy with the product and the support he has received.

“For us, and for other SMEs, Board is a really good fit as far as features, functionality and budget, and development time frames and the fact it was so easily demonstrated and developed,” he said.

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