Canrock Solutions Injects new life into Husky's ailing IBM Cognos Planning system

HUSKY
Keeping our customers in the lead

From a small machine shop to international leader

Founded in 1953 by Robert Schad, Husky started as a small machine shop in a Toronto garage. Today, Husky Injection Molding Systems is the world's largest brand name supplier of injection molding equipment and services to the plastics industry. With one of the broadest product lines in the industry, Husky equipment is used to manufacture a wide range of plastic products such as bottles and caps for beverages, containers for food, medical components and consumer electronic parts. The company has over 40 service and sales offices, supporting customers in more than 100 countries, and manufacturing facilities in Canada, the United States, Austria, Luxembourg, and China.

A few years ago, Husky selected IBM Cognos Planning to facilitate its annual budgeting process. Husky had outgrown its manual budgeting processes which had become cumbersome, fragmented, unable to accommodate growth and near impossible to maintain. Husky needed a suitable technology to support a globally distributed bottom-up budgeting process and decided IBM Cognos Planning was the best fit for its needs.

A looming budget cycle, with a broken system

A couple of years after implementing Cognos Planning, Husky's budgeting system became unwieldy and its administration team was unable to meet the changing business needs which included acquisitions and other forms of growth. The limitations were so significant that the administration team had to refuse routine changes to the model during the budget cycle. This was a significant business challenge in generating an acceptable budget. Some of the major issues faced included excessive maintenance effort and risk, lack of self-sufficiency in routine maintenance and extremely long and unreliable batch update processes that required overnight monitoring. This left Husky with a serious risk that the upcoming budget cycle would be unmanageable. The system was close to its breaking point.

With less than three months remaining before the beginning of the budget cycle, Husky engaged Canrock to rescue this ailing system and avoid a budget cycle disaster. Upon Canrock's review of Husky's system, it became apparent that this was a typical case where model components were built in short-

sight without an overall long-term solution and process in mind. There were 29 overly complex, fragmented applications that were pieced together with lengthy and unreliable batch processes.

Creating a Solution

To be ready for the upcoming budget cycle, the system needed a significant overhaul. Husky's primary objective was to simplify and automate maintenance so that its internal support team could be self-sufficient and quick in executing routine maintenance tasks (like adding new products, cost centers, etc.) during the budget cycle. At a minimum, this would allow Husky to meet the basic needs of the business during budget.

> *"Wow….Now I see why I bought the IBM Cognos software….this is what we thought we originally invested in"*
>
> *Said Scott Goodfellow, Planning Lead Administrator at Husky, as he joked (we think) about falling off his chair.*
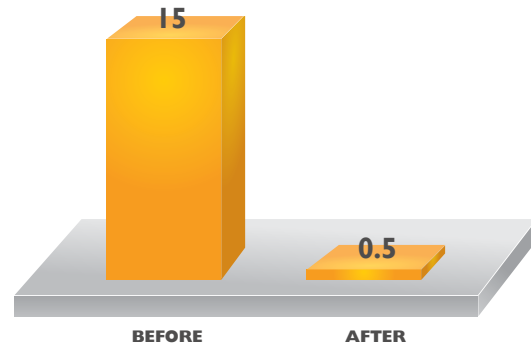
Improving total model update time was also important so that the business could view consolidated results of their budget quicker than they were currently able to do. The current state was 8-10 hours and required overnight monitoring to ensure it completed the following morning. Significant hardware investments made in the past to attempt to reduce this time had not yielded much improvement. And last but not least, additional functionality was required to improve data quality. Husky was spending several days in identifying missing or inconsistent data within the budget submissions. This translated to a need for automated checks and balances to improve the quality of the budget.

The Cure

Collaboration and a joint team effort between Canrock and Husky led to a very successful outcome in which project objectives were not only met but exceeded. The project breathed new life into a budget system that was once ailing. Model maintenance was reduced from 15 days to 0.5 days (Chart 1) allowing Husky's budget support team to now focus on assisting the business instead of maintaining and running manual and error prone
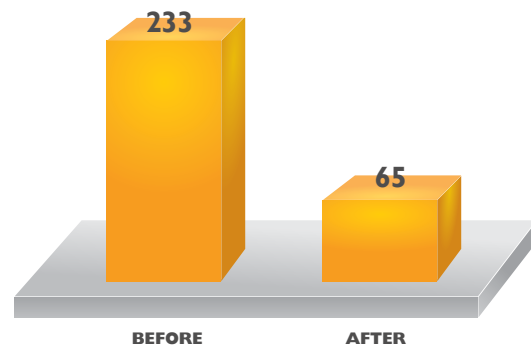
processes. Husky is now enabled to run its complete budget model update multiple times during the day and easily accommodate routine business requests relating to new products, cost centers and other hierarchies without consulting assistance.

Chart 1: Model Maintenance (days)
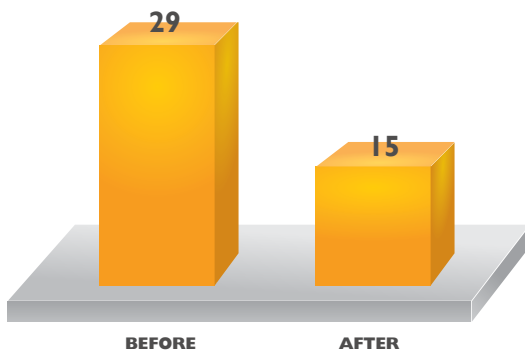

15

0.5

BEFORE   AFTER

Other optimization results were staggering and led to falling-off- the chair results, literally! Witnessing a real time single sales application instead of five different applications that required an overnight update prompted a reaction from Husky's lead administrator "Wow... now I see why I bought the IBM Cognos software... this is what we thought we originally invested in". Overall, primary model update was reduced from 233 minutes to 65 minutes (Chart 2). That's a 72% time saving!

Chart 2: Primary model update (minutes)

233

65

BEFORE   AFTER

The overall environment was significantly simplified despite adding additional business functionality (e.g. data quality controls, payroll model and other model enhancements) as a result of Canrock's innovative approaches to solution design and process improvements. Optimizing the solution design led to a removal of 14 out of the 29 application databases! (Chart 3). This not only led to a significant reduction in maintenance and reliability of the system, but drastically improved usability and user-friendliness.

Chart 3: Number of Applications

29

15

BEFORE   AFTER

Husky invested in IBM Cognos Software and a lengthy implementation to enable its budgeting process and instead ended up with a frustrating system that was near impossible to maintain and required round the clock attention. In only a few months, Canrock was able to assist Husky in drastically reducing the complexity and required maintenance of the system, while improving overall performance and usability – leaving Husky with a much improved Budgeting solution. By wading through an oversaturated market of service providers and finding a business partner that is truly an expert in planning and performance management solutions, Husky was able to carry out this rescue mission.

The Road Ahead

Due to this success, Husky is now planning to explore taking their performance management solution to the next level by working closely with Canrock's trusted advisors and experts. Some other initiatives being considered are Forecasting using IBM Cognos TM1, optimizing its existing TM1 financial reporting system with the help of Canrock's proprietary TM1 Toolkit, and further enhancing the budget solution to take advantage of leading IBM technologies like IBM Cognos 10 and TM1. In an industry where significant software investments are often lost, Husky now has a trusted expert to help them optimize their Planning and Performance Management solutions.

ABOUT CANROCK

Expertise. Innovation. Quality.
These are the three guiding principles of Canrock Solutions, a leading Planning and Performance Management services provider. We leverage IBM Cognos TM1 and Business Analytics technology and many years of expertise to deliver Reporting, Budgeting, and Forecasting solutions that simply work.

CONTACT CANROCK

Learn more about how Canrock Solutions can help your company succeed with its Planning and Performance Management initiatives, visit **www.canrocksolutions.com** or contact us at **info@canrocksolutions.com**.