


MTU Detroit Diesel Australia

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Steven Delianachi, Finance and Accounting Manager, MTUDDA



MTU Detroit Diesel Australia (MTUDDA) is responsible for the distribution network of diesel engines, automatic transmissions, generator sets, stern drives, and aftermarket products in Australia and the Pacific region. It has 19 remote branches and more than 110 dealers nationwide representing brands that include MTU, Detroit Diesel, Allison Transmission, VM Motori, Mercedes-Benz, SeaGen, Lombardini, and Konrad, as well as aftermarket products from Mobil, Donaldson, AC Delco, Dura-Lite, and Nalco.

With monthly financial reports taking up to six working days to reach executives and remote offices, MTUDDA embarked on a change management process to collate and distribute reports in a timelier manner. A collaborative partnership with Cognos Consulting rejuvenated the company’s Cognos business intelligence (BI) implementation and put MTUDDA on track to achieve its long-term business objectives.

Problems faced

Like many organizations, MTUDDA relied on manual processes for the collation and distribution of monthly financial reports, including profitability monitoring, sales performance for different franchised brands, and overall results.

“When we closed the books each month, it took up to one-and-a-half days to prepare, run, and check the reports. We used to print, bind, and send the reports out to all the various decision makers, which took up to four-and-a-half days,” recalls Steven Delianachi, Finance and Accounting Manager at MTUDDA.

MTUDDA replaced the binders with compact discs four years ago, but delays and inefficiencies in the process remained.

“We recognised the need to start a change management process on how our people thought about the business,” explained Delianachi. “We wanted people to be more

Industry:

- Industrial

Geography:

- Australia and Pacific region

Information Needs:

- Collate and deliver monthly financial reports, including profitability monitoring, sales performance, and overall results

Platforms:

- IBM ASw400

Solutions:

- Cognos 8 BI

Benefits:

- Reduced time to collate and deliver reports from up to six days to several hours
- Single source of data increased reliability of figures for analysis
- Reduced storage and hardware costs

proactive in analysing numbers and to identify problem areas before they started to have an impact on the business.”

The company initially engaged a management consultancy organization, which implemented a Cognos solution on top of a data warehouse that pulled information from an IBM ASw400 enterprise resource planning (ERP) system. MTUDDA also evaluated solutions from Business Objects and Oracle/Hyperion.

Delianachi describes MTUDDA’s initial Cognos implementation as a “false start.”

“The partner we used was not accredited by Cognos Services, nor were the consultants Cognos Academy Certified,” said Delianachi. “The legacy of that is a system with major limitations. Our long-term strategy is to replace IBM ASw400, but until this happens we wanted to improve our current reporting structure to unlock the full potential of Cognos 8 BI.”

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Strategy followed

MTUDDA engaged Cognos Consulting as a business partner to revitalize its reporting structure. Cognos Consulting upgraded MTUDDA's system to Cognos 8 BI and worked closely with the company on-site to understand its business challenges and tailor the Cognos solution to meet present and future requirements.

The company used the services of Cognos Training to prepare its user audience with the right knowledge and skills. Power users and support personnel attended comprehensive Cognos classroom training, and a short customized classroom course was created to introduce the current user base of 50 staff to the reporting portal.

The support personnel now have access to both the knowledgeable support analysts from Cognos and online resources like the Cognos Knowledge Base to help solve issues and minimize downtime.

“Cognos consultants understood our pain points, effectively identified and managed our issues, and were able to draw on their experiences from other implementations to ensure we didn't make the same mistakes,” said Delianachi. “They also delivered quality documentation and knowledge transfer on-site.”

MTUDDA IT Manager, Greg Trevena, describes Cognos Consulting as a trusted business partner to the company.

“We needed a collaborative business partner who could work with us effectively as a team. Cognos Consulting has done an excellent job in that regard,” said Trevena.

The company also used the Cognos Solutions Implementation Methodology (SIM) over the course of the project.

“The SIM templates definitely saved time on the implementation. We could just use and extend them for our particular environment—it meant we didn't have to rework the implementation from scratch,” added Trevena.

Benefits realized

Cognos Consulting played an instrumental role in the success of the project, revitalising MTUDDA's reporting structure in preparation for the next phase—a new ERP system.

“The Cognos solution was the icebreaker—the first step in a much larger change process, but we might not have been able to even complete this first step successfully had it not been for the expertise of the Cognos Consulting team,” explained Delianachi.

“We've been able to use the capabilities of Cognos Consulting to bring a solution to the company that otherwise would not have been possible,” he added.

From an end-user perspective, MTUDDA has achieved a drastic reduction in the time taken to collate and deliver financial reports to decision makers.

“We've gone from three to six days down to a couple of hours for the information to be ready and in the hands of executives and branch managers for analysis,” said Delianachi.

MTUDDA is also seeing other benefits ranging from having a single source of data to hardware cost savings.

“Having one source of data and set of numbers that pops up on-screen and can't be modified is a big benefit,” explained Trevena. “Cognos 8 BI has also enabled us to save on storage capacity, which has lowered our hardware running costs.”

The solution's ease of use enabled it to be deployed rapidly and the users to learn skills quickly and easily.

“Because Cognos is Web-based, staff can interact with information and do their own filtering on the data in an interface they are comfortable using,” added Delianachi.

MTUDDA plans to expand the system to 70 users within 12 months. The transition to a next-generation ERP platform will also enable MTUDDA to further enhance their use of BI beyond the finance department and into other areas of the company.

“Balanced scorecarding is something we're striving towards and we know Cognos 8 BI has the capability, but we need a new ERP system to facilitate it, hence the current change process,” explained Delianachi. “We really want to change the way staff monitor and track their performance.”

“The inclusion of data from subsidiary ledgers is also an area of interest,” adds Trevena.

