

Swarovski Crystal-clear Consolidation



CASE STUDY

« CCH Tagetik's consolidation engine was one of the clear benefits over the competitors.»

Thomas Bode

Global Head of Enterprise Data & Analytics, Swarovski

Company

Swarovski

Industry

Crystals, optical precision instruments, grinding tool

Key Facts

- Around 34,500 employees
- Annual sales: approx. EUR 3.5 billion
- Around 3,000 stores in 170 countries
- Corporate group with 200 companies

Uses of CCH Tagetik

Consolidation and Planning on SAP HANA

Requirements

- Implementation of a new consolidation solution using SAP HANA
- Tight integration into the existing business intelligence landscape
- Modelling of the complex consolidation requirements for a corporate group

Overview of the solution

The Swarovski Group's goal was to integrate consolidation much more tightly into the business intelligence landscape. At the same time, the rise of SAP HANA as a back-end for ERP and data warehouse applications increased the likelihood of achieving the "one single point of truth" for all finance data. After evaluating various providers in detail, the world-renowned corporate group decided to select CCH Tagetik. Users benefit from much faster data delivery, improved data quality and the basis for the optimal integration of consolidation was established at the same time.

Initial situation

Sparkling, cut crystal glass in the form of top-quality gems, accessories and sculptures: the Swarovski Group is mainly known to the public through its crystalline products. Swarovski has a worldwide presence with around 3,000 stores in some 170 countries. Beyond the crystal business, the corporate group is engaged in other business areas that are involved with optical precision instruments and grinding tools.

The Swarovski Group covers more than around 200 reporting subsidiaries that have to be included in the scope of consolidation. In order to streamline these comprehensive processes in the finance department as well as to increase the consistency of financial data, the Swarovski Group released its BI strategy. As consequence, the enterprise initiated the integration of their consolidation process into the business intelligence (BI) landscape. Here business intelligence with the data warehouse was meant to clearly function as the single source of truth for all data used in reporting. Within the scope of this objective, consolidation was to operate as an effective, optimally integrated engine rather than as a second database. Having the data for financial reporting in one place with operational data in another database was to be avoided.

Realizing this vision with the present system landscape was unthinkable. The existing consolidation solution did its job, but did not really fit into the BI infrastructure. An OLAP tool was additionally used for reporting, so that multiple solutions needed to be operated and maintained – with all the associated consequences regarding additional interfaces, the required expertise and the maintenance effort for the flow of data between the solutions. Therefore, the goal was to switch to a high-performance consolidation software designed for the complex requirements of a corporate group with around 200 companies enabling "one single source of truth".



Benefits and Results

- Implementation of CCH Tagetik on SAP HANA after a detailed selection process
- Data warehouse and CCH Tagetik together form a single source of truth for data, consolidated data and reporting
- Leaner and simpler, system and data, landscape
- Improved data accuracy and consistency
- Flexible, expandable platform for future growth

« Today all data is available for a review in CCH Tagetik within a maximum of two minutes. »

Thomas Bode

Global Head of Enterprise Data & Analytics, Swarovski

CCH Tagetik's interplay with SAP HANA proved to be convincing

Important criteria was that the new solution had to run on the SAP HANA data platform and merge as seamlessly as possible with the existing BI infrastructure. Swarovski launched a very comprehensive selection process. Starting with 16 solutions, a short list was prepared with six providers whose systems were evaluated in the course of detailed workshops. Two solutions that also met the requirement of support for SAP HANA made it to the proof of concept phase.

"Several factors tipped the scales in favour of CCH Tagetik," reports Thomas Bode, Global Head of Enterprise Data & Analytics at Swarovski. "We noted that the provider was very dedicated, even during the selection process. Detailed information was provided in response to enquiries, and that was a good sign. CCH Tagetik's consolidation engine, which is integrated into a clear consolidation framework, was also a clear advantage over the competitors. What's more, we got the impression that we were gaining a strong partner here for further development in respect to SAP HANA."

Transferring the existing data proved especially complex in the course of implementing the new consolidation solution. For example, past consolidation data and data from the OLAP reporting solution had to be converged. In cooperation with CCH Tagetik's experts and the corporate performance specialists of the partner Satrium, the implementation of CCH Tagetik was successfully completed during the period March through October 2017.

Today CCH Tagetik is used for consolidation and planning processes on SAP HANA within the Swarovski Group. Local accountants & controllers submit their financial statements to the group through CCH Tagetik. A workflow guides them through the required steps, which has considerably simplified the process. The underlying data is requested directly from the data warehouse and quickly available in CCH Tagetik. Here it is important to note that changing the numbers in the consolidation solution itself is not permitted. If adjustments are required within the scope of the income statement for example, the changes can be made in the ERP system. This need to go "back" a step has had a big impact on data quality and consistency.

"It used to take 15 to 20 minutes per company to load the required data into the consolidation," Bode says. "Delays soon occurred for multiple companies. Today all data is available for a review in CCH Tagetik in a very short time. Currently we are working on optimising the outbound process as well – the way back to the data warehouse allowing our users to explore finance data from the consolidated results to the line transaction."

Swarovski intends to make planning considerably smarter in the future. Instead of complete records, central drivers will be mainly used in order to develop the forecasts – and ultimately to make even better decisions on this basis.

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