



Giant Tiger enhances its business planning

Faster budgeting, new target and staff data management tools, and smarter investments with IBM Business Analytics

Overview

The need

With the variety of pressures on the retail sector in Canada, Giant Tiger recognizes the need for continually improving its operational insights to help grow its business.

The solution

Giant Tiger uses IBM analytics solutions to monitor key performance indicators, manage budgets, automate complex calculations, and determine its return on investments.

The benefit

85 percent reduction in quarterly budgeting cycles – from three weeks to just three days. Other analytics projects have saved countless days per year by automating the calculations for a variety of end-users. Full return on investment within 18 months.

Giant Tiger is a Canadian retail chain with more than 200 stores coast to coast. The company employs more than 7,000 people and has built an extensive network of franchise stores. Aiming to maintain a local presence even in smaller communities, Giant Tiger competes with both large out-of-town chains like Target, Walmart and Loblaws, and smaller local stores.

“To stay ahead of the competition, we need to plan and budget very carefully,” explains Jane Foster, Manager, Planning, Budgeting and Analysis at Giant Tiger. “Our existing, spreadsheet-based financial and operational planning processes made it difficult to achieve our data management goals.”

Improving planning processes

Giant Tiger’s planning processes were largely manual: data was extracted from the corporate financial system into a Microsoft Access database, and then processed into more than 200 separate spreadsheets, one for each of the company’s stores. Collecting and validating the data took two or three weeks each quarter, and creating the spreadsheets and distributing them to the stores took an additional two days.

“The process was slow and cumbersome, even when everything ran smoothly,” explains Foster. “But if something needed to be changed at a late stage, we had to update each file manually, which was really painful!

“More important, though, was the effect on the business. The lead time on the budgeting process made it difficult to react in an agile way to changing market situations, and it was difficult to get an accurate overview of operations.”



Solution components

Software

- IBM® Cognos® TM1®
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Finding a solution

The Giant Tiger team began looking for a solution to these problems, and quickly selected IBM® Cognos® TM1®. Working with IBM, the team implemented a planning solution that extracts data from the company's Teradata warehouse and analyzes it in IBM Cognos TM1. This has reduced Giant Tiger's planning cycles and extended its analytics capability, as well as maximizing the value of its Teradata investment.

"We're now working on a closed-loop process where the results of the planning process are transferred from TM1 back into Teradata and made available for further analysis in the future," says Foster. "The integration between Cognos TM1 and Teradata is very stable and reliable – the close strategic relationship between IBM and Teradata is a big advantage here."

New insight for different user groups

The solution provides different groups of users with different levels of access, helping them find the information they need quickly and easily. End-users can drill up and down through product hierarchies, and individual store managers can submit actual data into the Cognos TM1 web interface on a daily basis, helping to track results against projections in real time.

Faster processes, greater agility

With IBM Cognos TM1, the quarterly budgeting process is largely automated and can be completed in three days – an 85 percent improvement on the previous lead time of three weeks. The solution also reduces workload for more than 280 users, who can each save approximately one hour per week by submitting data directly into the system via the web instead of using spreadsheets.

"Since the process can be completed so much faster, we are also now considering types of analysis that simply wouldn't have been possible with our old system. Above all, the solution helps us give users more timely access to budgeting and forecasting data, which is helping us become more agile in our response to changing market conditions."

“By eliminating the spreadsheets in one particular case, we have saved 20 days’ work per year. And we’re currently working on phase two of the project, which we predict will save a further 12 days.”

— Jane Foster, Manager, Planning, Budgeting and Analysis, Giant Tiger

Eliminating spreadsheet “solutions”

The early successes of the solutions created in IBM Cognos TM1 have inspired new projects in areas where existing spreadsheets prove to be cumbersome, or the work to complete analysis is extensive. Foster says that a steady stream of new ideas and projects have been coming her way, and she has created solutions for a number of departments beyond the expected use of TM1.

“When someone comes to me with an idea, we can generally solve it and save others a great deal of time. Return on investment calculations and staffing issues are big areas of concern for any business, and we are pleased to be able to utilize our knowledge in improving these kinds of analyses and save time for our colleagues.”

In one instance, TM1 was used to solve some complex calculations based on large volumes of data. “By eliminating the spreadsheets in one particular case, we have saved 20 days’ work per year,” says Foster. “And we’re currently working on phase two of the project, which we predict will save a further 12 days. Since many parts of the process need to be done at the end of the financial year (our busiest time), the time we save is even more valuable, because it allows us to focus on other vital year-end tasks.”

Self-sufficiency and ease of use

Over the three years since Giant Tiger first implemented the IBM Cognos solution, Foster has become largely self-sufficient in the development and deployment of TM1 models, cubes and other tools. She and her team rarely require support from IBM or external consultants.

“One of the best things about TM1 is its ease of use – not only from an administrator’s perspective, but also from the user’s point of view,” comments Foster. “If you are familiar with pivot tables in Microsoft Excel, you can understand how TM1 Web works, so there’s hardly any training required for people with a finance background. And because user acceptance is so easy, we don’t spend much time on support – so my team and I can focus on developing new tools and capabilities instead.”

Rapid return on investment

Foster concludes: “At all levels, IBM Cognos TM1 is helping us understand our business better. As we continue to extend the solution and bring new users on board, we expect to gain additional benefits – and as it only took 18 months to achieve a full return on our investment in the software, any further savings from TM1 will now contribute directly to our bottom line.”

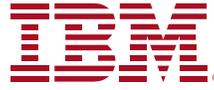
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IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

For more information

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