

# Challenge

## 'Applix iTM1 revolutionises finance department at Jewson'



In 1997 when Jewson, one of the UK's largest builders merchants, acquired Harcros it effectively doubled its branch network overnight. The whole organisation, including the finance department had to undergo substantial restructuring.

At this time spreadsheets were the finance department's primary tool for budgeting and forecasting. The merger placed enormous strains on the existing

spreadsheet models. The new organisation needed a much more powerful tool to cope with the sheer volume of additional data at both branch and head office levels.

### The Situation

Prior to the merger, Jewson designed a budgeting system using a set of linked spreadsheets in Lotus 1-2-3 that enabled the financial team at head office to consolidate the phased branch budgets to produce a budget for the company as a whole. This system coped adequately before the merger but could not cope with the organisation's expanded branch network or the increased volumes of data requiring analysis.

As Chris Kenward, Finance Director, at Jewson, explains:

'I have heard many reports of





spreadsheets crashing and disks being sent by post for input at the branch level, and then sent back to the head office. The spreadsheet model could no longer cope: the amount of time lost going back and forth, generating incorrect data, was unacceptable.

Having acknowledged its need to invest in a new business intelligence application, Jewson looked at different software packages for managing input and real-time calculations between the head-office and the branches.

After evaluating a broad range of software from high-end business intelligence packages to basic accounting packages, Applix's OLAP software, Applix iTM1 was identified as the lead contender.

**A thunderbolt implementation**

Jewson concluded in Autumn of 1998 that it had no choice but to implement a new budgeting and forecasting system, and that the implementation needed to

occur very quickly. As Kenward explains: 'The chosen application had to be up and running very quickly due to the requirement for the annual budget to be available in the Spring of 1999 for the start of the next financial year. It also had to be easy to customise and extremely powerful. Applix iTM1 fulfilled all these requirements.'

Working very closely with the IT staff and the finance team at Jewson, a consultant from Applix partner, The Planning Factory created a business requirements specification and started designing the application in November 1998. By the end of December, The Planning Factory had implemented a pilot application that fulfilled the main requirements of the system specification. 'It was impressive - in two months The Planning Factory had installed a customised application that could be accessed both remotely and centrally and which met virtually all our needs and reporting requirements', commented Kenward.





### Time savings and results

Jewson used Applix iTM1 for the first time in Spring 1999 for its yearly budgets. Everything went smoothly and the budgets were delivered on time. As Kenward says:

'There are five to six levels of hierarchy from the head office to the branch. The levels of calculation and data entry are massive. With Applix iTM1, we could view multiple dimensions of data and also 'slice and dice' this data to quickly and easily create an unlimited number of custom reports.'

Applix iTM1 was initially implemented to produce the annual budget. However, after Jewson accountants became familiar with Applix iTM1, they concluded that it would be a useful tool for ad hoc reporting. Today, all the financial data held on the mainframe is imported into iTM1 on a monthly basis. This enables the accounting team to deliver ad hoc reports on the data as and when required.

'With the spreadsheet interface on Applix

iTM1, we can create reports and graphs very easily, and our workload is greatly alleviated', comments Kenward.

### The current situation

Today, Jewson derives enormous competitive advantage from iTM1 on an on-going daily basis. Alexis Reeves, a planning accountant at Jewson, says:

'Applix iTM1 makes our life a lot easier. It is a powerful and easy-to-use system which provides us with continual month-to-month management accounts that greatly facilitate our budgeting activities and give us comprehensive control over the costs that matter to us in our running of the business. In 1999, we merged with another chain of builders' merchants, Grahams. This development increased the number of branches under the Jewson umbrella to 540, a very significant expansion that would have been much more difficult to control from a management cost accounting perspective if we had been restricted to basing all our planning on spreadsheets.'





## About Applix

Applix provides an integrated suite of e-Business solutions that enable customers to capture information from every corner of their extended enterprise – internal and external customers, partners – and in real time, plan, measure and respond to changing customer requirements and business dynamics.



# Solution

iTM1 gives us both powerful functionality and greatly increased efficiency. It is a crucial element of our financial planning team.'

Alexis Reeves adds: 'As for the future, we expect iTM1 to play an even more crucial role in developing our business and in

giving us literally fingertip control over how we run everything from a cost perspective.

The iTM1 system is the key to us generating maximum quality of customer service and maximised overall corporate efficiency in return for minimum cost.'

All quotes supplied by Jewson.

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