Our customers speak for us.

American Gypsum

PowerOLAP cuts through costly inefficiencies, bringing a 50% reduction in monthly financial reporting time, delivering accurate data, and promoting better staff utilization. And, there's "much less stress!"
A case study with comments by Chad Childre, Systems Analyst.

"People aren't as stressed as they were," says Chad Childre, Systems Analyst for American Gypsum, an industry leader that produces, sells, and distributes more than one billion square feet of gypsum board each year. "PowerOLAP makes the reporting process easier. There aren't as many places to make mistakes with the data. Now the staff can just see what is not adding up, and drill into it and see where the data is off. Now we know that if the General Ledger is correct, then it's right in the spreadsheet!" Insight and control over data, confidence in the reporting process, and a more productive, relaxed staff are a few of the benefits American Gypsum enjoys with their Financial Reporting system based in PowerOLAP.

> **"Now we know, if it was right in the General Ledger, it's right in the spreadsheet!"**

Too Much Time, Too Many Steps with Room for Errors

The situation was much more cumbersome and costly a few months ago—financial reporting was neither quick nor easy: "For required monthly reports that were produced for our parent company, we used to run FRx reports," recalls Childre. "The financial staff had to run the report in FRx, see what was wrong, and then go back and fix any errors in our Solomon accounting system. After deciding the information was correct, the next step was to type the Actual financial and production information for the four plants and the corporate office into Lotus Spreadsheets. The bulk of time was spent on data entry. Then, when an error was found, we had to figure out what type of error it was—whether or not it came from Solomon or from the manual data entry process. Moreover, whenever we found an error, the steps were repeated until the data was checked and found to be OK. At the end of the process, the reports went to our parent company at the corporate office."

The PowerOLAP system has resulted in an impressive streamlining of four separate Access databases (one for each production plant) and the consolidation of those with the two Solomon databases that house the financial data. Everything has now been combined into a SQL database, which efficiently merges plant production reporting with financial reporting. "We just redid our production reporting, which was in Access, and now it interacts with the Solomon data because it's all in PowerOLAP." This is quite a difference from the days of keying all the data that came from Production into Lotus, along with the multiple steps and manual work to produce a finished report, on a monthly or even daily basis.

"The process would take 3 people about 6 hours a day, 8 days per month, or about 144 man-hours." Childre adds, "On the Production side of reporting, the Production Foreman used to do three times as much data entry work as he now does."

"PowerOLAP has basically been a time-saver: we have had a 50% reduction in time with PowerOLAP. (The staff still have to wait for other pieces of the reporting process which are done outside of PowerOLAP)," Childre notes.

> **"We have had a 50% reduction in time with PowerOLAP."**

"Plus we got some fringe benefits—our financial reports are much more accurate now. PowerOLAP forces the General Ledger to be more accurate and the production reporting to be more accurate. Before, you could type in any number in Lotus, and never go back and fix it in Solomon. Numbers might be transposed, and things could be a line off. But now the Solomon data is directly populating the PowerOLAP cube."

Setting New Standards

The PowerOLAP model for American Gypsum centers on financial reporting and production reporting to the corporate headquarters, which is Phase One of a complete PowerOLAP implementation that will include a budgeting application in the near future. The model is based on three main 'cubes': *General Ledger*, *Production*, and *Budget*. "The data contains Actual salary and maintenance expenses—basic profit and loss statements—per department and location. GL information and production information are brought into PowerOLAP from a clean format such as MS SQL tables."

Part of the development challenge—and part of the reward—was establishing the standardization process to assimilate different locations and account structures while designing the business model. "It was a challenge to standardize everything because different facilities have different departments and processes. We needed to understand the business processes and what exactly is done in the financials in each plant.

> **"The accountants can make a change, and the Officers can hit F9 and see report changes immediately!"**

For example, accounts were named differently, so we had to standardize them. Now, every plant is based on the same matrix. Hourly wages are all pointed at the same account. Now, when we have budgeting meetings and talk about 'Insurance,' the standardized data created by the PowerOLAP model allow us to discuss 'Insurance' for the entire company at once, rather than for a specific facility or department."

Real-time, Accurate Data in Excel Enable the Finance Department to Do It for Themselves!

"All the staging tables for PowerOLAP are updated in real time from the Solomon IV database by using log shipping, which is real-time updating of the data. Within 20 minutes the data shows up on the OLAP Server. The results also show up immediately: "For example, the accounting staff can say, 'Hey, we have made the following change' and the Officers can hit F9 [to refresh their spreadsheet reports] and see it immediately!"

"The Vice President of Finance likes it because it is almost real-time updating and his department is more efficient—they can do other things besides data-entry work!"

> **"The Finance Department doesn't need to call IT when they have an issue or need a report."**

"The PowerOLAP front-end in Excel is an environment that financial people are familiar with—they know how to work in it [Excel], so they are able to independently work with PowerOLAP as they work with Excel. It has helped a lot in IT, too; the support no longer requires much time. The Finance Department doesn't need to call the IT Department when they have a problem or need a report. This was a big issue in the company."

PowerOLAP Is in Your Future

The next step at American Gypsum is to incorporate the budgeting process with the Actual reporting in a PowerOLAP-based system. "Budgeting will come next, and that will be companywide," says Childre. This system will provide even more insight, flexibility and control over future-oriented decision-making. Beyond that, Childre looks ahead at better financial control over inventory and production: "The financial piece of Production will roll over into PowerOLAP too, so we can better see their efficiencies and deficiencies." All in all, future application development in PowerOLAP will build on the system currently in place, ever increasing resource effectiveness and continuing to allow the unprecedented insight into performance that is maximizing American Gypsum's return on their investment.

To learn more about PowerOLAP or PARIS Technologies International, Inc., please see www.olap.com or call 1 (215) 340-2890. For more information about American Gypsum, please see http://www.amerciangypsum.com/