

CASE STUDY

Hachette UK

The business challenge

Two years ago, the UK finance team at global publishing house Hachette found itself managing an increasingly complex and resource-intensive monthly consolidation process, due to rapid organic and acquisition-related growth.

The manual effort required to integrate and reconcile data within its aging financial reporting and consolidation system was increasing and the team also had concerns over system stability and data integrity.

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Owned by Hachette Livre, the world’s second largest trade and educational publisher, Hachette UK’s group structure encompasses several publishing companies. The UK division’s office of finance was using a version of Oracle Financial Analyzer that was no longer under mainstream support. Software issues all too often hampered up month-end reporting processes.

“The old system was breaking down constantly, taking significant IT resource and generally slowing us down,” said Will Hunter, Group Finance Controller for Hachette UK. “Our IT team is very good, and they had built clever fixes and workarounds, but there were too many manual processes required to get data from our entities into the system.”

As well as its age, the existing reporting and consolidation system was too inflexible to adapt to change. Hachette’s acquisitive strategy demanded the team create reporting and consolidation models that were proving difficult to accommodate.

“We’d known for some time that a replacement system would be required, but as issues with the software escalated we began thinking in earnest about a more efficient and responsive alternative.”

ABOUT THE CLIENT

Hachette UK engages in trade publishing business in the United Kingdom and internationally. The company publishes fiction and non-fiction books; a range of books for children across various age ranges; illustrated books under various imprints, including maps and globes; and educational resources for schools and colleges. The company also provides conference services; and distribution services to its companies and various third-party publishers. It serves authors, booksellers, and schools and colleges.

INDUSTRY

Book publishing and distribution

BUSINESS CHALLENGE

- An unstable legacy finance system causing delays and consuming IT resource
- Risk of error and data loss
- Manual, Excel-based systems for gathering monthly numbers from entities

EOH SOLUTION

- CCH Tagetik
- Simplified month-end close and reporting
- Budget and forecast consolidation
- Significant time saved from automated consolidation

BUSINESS IMPACT

- Reduced reporting cycle times
- Fast implementation
- Knowledge transfer to Finance Team
- Improved confidence in system reliability and numbers



*Technology makes it possible...
People make it happen.*

The requirement

Hunter and his team decided to update Hachette UK's consolidation system and established clear requirements for a solution that:

- Was simple and straightforward to use
- Could integrate data easily from the company's 25 entities
- Would require minimal training and support

The objective was to automate as much of the consolidation and reporting process as possible to produce a consistent and reliable version of the truth that would give Hachette's board complete confidence in the finance team's numbers, while reducing the time and resources required to produce them.

They decided to invest in a corporate performance management (CPM) solution. After reviewing the market and undertaking a rigorous selection process, CCH Tagetik quickly became the preferred vendor.

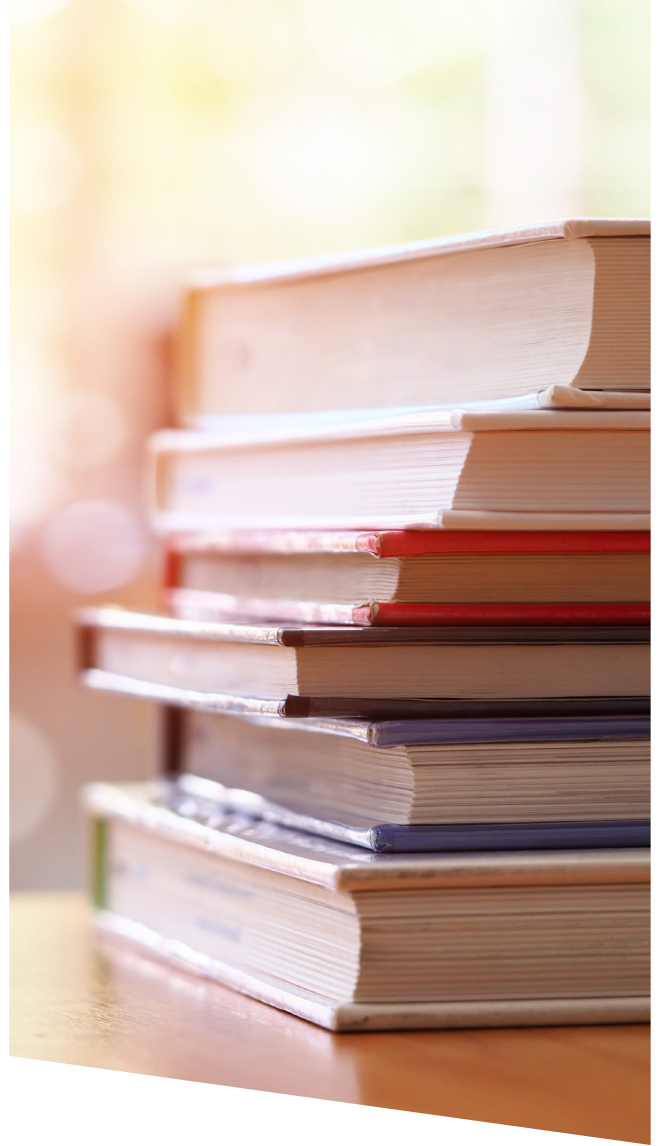
“The Tagetik interface and overall user experience was very impressive. Entities can now enter monthly numbers directly into the system and the ability to automate much of the consolidation and reporting process, was also impressive.”

“In a way the requirement was quite simple – implement something that works,” said Hunter. “But looking at the solutions available on the market we realised there was an exciting opportunity to enhance our processes as well as improve our tools.”

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The solution

Tagetik Cloud CPM enables Hachette UK's group finance team to manage consolidation and reporting without depending on IT for support. The solution is designed for ease of use, minimal training, scalability -- and meets the most stringent security standards. Given the number of entities and expected growth, the advantages of easy web access and always having the latest software without pausing for patches and upgrades, persuaded Hunter and his team to opt for an SaaS deployment.



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Once the solution and vendor had been selected, Hachette needed an implementation partner. Having successfully completed more than 50 Tagetik implementations, EOH demonstrated the solution expertise that Hachette UK required.

“The people at EOH were of a very high-quality, with backgrounds in accountancy as well as technology, so they really understood the practicalities of our workflow as well as the technical capabilities we needed to make the most of the software,” said Hunter. “They were also able to support our ambitious implementation goals as we needed to get the new system up and running without disrupting monthly close and group reporting.”

While having a cloud solution eliminates most of the IT management responsibility companies need to assume with an on-premise deployment, the EOH philosophy is to ensure complete knowledge transfer – leaving clients as self-sufficient as possible, even where the simplicity of SaaS has already reduced the maintenance burden.

“With some consultancies there’s a sense that you need to think about formalising a support relationship after implementation,” added Hunter. “We know EOH are there for us when we need them, and they were extremely diligent about handing over all the knowledge required to run the systems ourselves.”

Rupert Madath, Delivery Service Director at EOH UK, agreed: “This established approach is not only a key ingredient for driving successful implementations and robust legacy but importantly helps our clients realise a quicker return on investment, lowers the TCO and strengthens a partnership for future initiatives supporting the Office of Finance.”

The results

After a 6-month implementation, Hachette UK has realised efficiencies and time savings in its monthly close process.

The previous reliance on manual Excel packs has been reduced significantly. Individual publishing companies are able to input most numbers directly into the company ERP system, which Tagetik draws from automatically, resulting in greater speed and consistency. Manual adjustments have been all but eliminated.

Hachette generates the same reports it did under the previous system but with Tagetik the granularity of information is much more detailed.

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By moving its finance processes into the cloud, Hachette UK’s finance team can deliver faster, clearer information to the CFO, CEO and other stakeholders across the company.

“The CCH Tagetik CPM solution is fully flexible, intuitive, and works very well. It is also very reliable and that alone makes month-end process much smoother,” said Hunter.

About EOH

Founded in 1996 EOH UK has been making a tangible difference to the finance function for decades. We build trusted relationships by bolting deep business know-how and proven technology capabilities to our collaborative leadership values.

At the heart of our success is the recognition that building trust with clients is critical. We go to extraordinary lengths to understand the full picture, from current challenges to future goals, while inspiring clients to become more visionary across the system landscape.

Breaking away from legacy systems and streamlining processes is a bold and increasingly necessary step. Choosing EOH UK ensures you have a partner with you at every step of that journey.

Together we deliver the optimum technology solution – grounded in pragmatism but always with an eye on innovation. The result? A faster, leaner, smarter solution delivering returns as well as improved business performance.

Technology makes it possible, people make it happen.