



CASE STUDY

Company

MTH Group

Industry

Construction and civil engineering industry

Uses of CCH Tagetik

- Finance Transformation Platform for Financial Modelling, Forecasting, and Planning
- Consolidation and Close currently being implemented

Key Facts

- A leading Nordic construction and civil engineering company
- Approximately 4,100 employees and in-house locations in 6 countries
- The MTH Group consists of the following companies: MT Højgaard, Enemærke & Petersen, Lindpro, Scandi Byg and Ajos, as well as the jointly-owned companies Greenland Contractors and Seth.
- Revenue for 2018 is expected to be around DKK 6.8B

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Mikkel Kvist Head of Business Intelligence, MTH Group

The Challenge

According to Mikkel Kvist, head of business intelligence, the challenges faced by MTH Group were similar to those of most finance organizations. “When it came to financial planning and forecasting, we simply didn’t have the tools to do what we wanted to do.”

Because of the volatility of its business and the many variables that could impact projects, the business intelligence group wanted to move into long-range and rolling forecasting, as well as detailed modeling and simulations.

But the team’s dependency on Excel limited its capabilities, and a technology ecosystem comprised of multiple source systems compromised data consistency and made efficient tracking virtually impossible.

The Objective

In addition to providing the functional capabilities needed for advanced forecasting and planning, the BI team needed a solution that would be easy to use, cost-efficient to maintain, and flexible enough to accommodate change without expensive and time-consuming customization. Because its operating companies relied on a range of different systems, the solution also had to be easy to integrate and provide a single set of numbers and a unified platform for all financial work.

Accurate, detailed project planning is also very important to the business. Therefore, the company also wanted the ability to revise project plans on an ongoing basis and show current impact on bottom lines, both at the project and company level.

“Excel kept us stuck in the past. We knew we needed to do more frequent updates, better track our numbers, and integrate our forecasting and planning work with consolidation. But without the right technology, we really couldn’t make any significant headway,” said Mikkel Kvist, who assumed responsibility for business intelligence approximately two years ago.

According to Mikkel Kvist, MTH Group’s selection process got off to a false start. Selection criteria weren’t clearly defined, priorities were muddled, and actual costs were not well analyzed. As a result, the solution initially selected had to be abandoned.

The second time around, Mikkel Kvist headed a process focused on the business intelligence needs of the company. He and his team made sure selection criteria, goals, and priorities were well documented. And while he kept the company’s finance and IT teams informed by conducting workshops to demonstrate capabilities of solution candidates, the final selection was made by the BI team and MTH Group’s CFO.



Requirements

- Single set of numbers
- Increased transparency and trackability of data
- Ability to generate reports more frequently
- Simulations for forecasting
- Streamlined processes
- Easy to use and maintain

Benefits & Results

- Ability to do long-range forecasting at company and project level
- Reduction of manual work
- Greater accuracy and control of data, with complete auditability
- Ability to manage workflows
- New capabilities to better service the business

“Every day proves we made the best choice!”

Mikkel Kvist

Head of Business Intelligence,
MTH Group

The Solution

MTH Group selected CCH Tagetik’s solution for financial modelling, forecasting, and planning about one year ago. For the most part, MTH Group completed the installation on its own, using CCH Tagetik experts for coaching when needed and to ensure use of best practices.

In addition to its use for MTH Group, the solution has been rolled out for Lindpro, its operating company focused on providing utility- and energy-related services. Other companies will soon be following. MTH Group is now in the process of implementing CCH Tagetik’s consolidation and close solution.

The First Success

The implementation started with a pilot in the subsidiary Lindpro retiring their proprietary excel model. User feedback is very positive with regards to functionality, ease of use and flexibility. We have implemented a model that supports quarterly forecast done by the business with a monthly top level update done by finance. The Lindpro CFO describes the project as “The most successful IT project in the last 5 years”

We have built a more simple and maintainable model for Lindpro, with built-in sanity checks of the planning assumptions and minimal manual entering of data. In addition the model includes Balance Sheet modelling in order to align Balance Sheet and Profit and Loss Statement for the planning horizon.

The BI team has done the pilot implementation with a minimal reliance on professional services aiming at building an in-house competency and prepare for group wide models as well as group consolidation and disclosure.

The Benefits and Results

“Every day proves we made the best choice,” said Kvist. His team is now independently managing the CCH Tagetik solution and only reaches out to CCH Tagetik support when pressed for time or in need of subject matter expert advice.

He cites praise from Lindpro’s CFO for a job well done as a testament to making the right choice. “Often our operating companies are critical or skeptical of what comes from headquarters. But not in this case.”

In addition to providing more detailed, forward-looking information on which to base decisions, Kvist also says the CCH Tagetik solution has increased the professionalism of the BI team’s work and has enabled it to provide new services to the business.

“The workflow capabilities as well as scenario management of CCH Tagetik is enabling us to build the planning and consolidation processes the business needs instead of settling on what excel can support” said Mikkel Kvist “we can keep track of progress and easily model different scenarios all based on one-source-of-truth, in a more lean and efficient process” and continues “the implementation project has helped us challenge the previous planning process, cutting out unnecessary detail and complexity”

“Looking forward we are hoping that the CCH Tagetik Platform will help us when migrating three legacy ERP systems into one MTH Group ERP system” – “The CCH Tagetik platform will help us bridge the gap between historical data and data from the new ERP platform”

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