

Vaillant Group



CASE STUDY

Company

Vaillant Group

Industry

HVAC technology

Key data

- A leading provider of highly efficient products and solutions for heating, air conditioning and warm water with 10 production and development sites
- Approximately 13,000 employees
- Annual turnover: approx. €2.4 billion

How it uses CCH Tagetik

Multi-year planning

Requirements

- Optimize the planning process and rework the reporting system
- High functionality
- Administered directly by the planning team
- Quick turnaround

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Christoph Siemons Head of Planning & Forecasting, Vaillant Group

Solution overview

In an IT landscape dominated by SAP solutions, the internationally operating family company Vaillant decided to use CCH Tagetik as its tool for multi-year planning. It was fully integrated into the SAP HANA environment introduced at Vaillant. Employees have a direct link to the data from the business warehouse, making planning processes significantly faster and more accurate.

Initial situation

From gas heating to ventilation systems, the Vaillant Group is one of the leading providers of heating, ventilation, and air-conditioning technology in the world. With 13,000 employees, the company generates almost €2.4 billion in sales each year. With eight brands and eleven locations in six European countries as well as China, the family-owned company is internationally positioned.

In order to harmonize its processes and rework its reporting systems, the Vaillant Group launched an overarching program called "Controlling Excellence." Planning processes and, in particular, multi-year planning were also put to the test in this context, reports Christoph Siemons, Head of Planning & Forecasting for the Vaillant Group.

"Previously we had been using an older planning tool for this purpose. But it was no longer state-of-the-art. Users in individual departments and locations were barely integrated and, in some cases, Excel-based solutions that could only be used by individual persons in the head office were still in circulation."

Results and benefits

- Complete integration of CCH Tagetik into the SAP-HANA environment without additional interfaces
- Use of driver-based approaches in planning
- Mapping of many individual special features within the planning processes
- Integration of product roadmaps and data from market research
- Budget figures significantly closer to targets

Working with external consultants, Vaillant investigated which planning solution would best suit the company, with a clear emphasis on meeting its requirements. Functionality accounted for the lion's share of the score (50%), while cost accounted for 35%. The extent to which the solution is future-proof made up the remaining 15% of the score, a wise move given the strongly SAP-oriented IT landscape at Vaillant.

Multi-year planning with CCH Tagetik

Application-related selection procedure

In order to implement as practical a scenario as possible, the team defined a series of concrete application cases for the planning solutions being considered. A user day provided the framework for a detailed check by selected users. CCH Tagetik not only convinced based on the evaluations of potential users, but also stood out from an alternative because it offered logics already used by other companies.

"The other option would have been a modular system with theoretically almost unlimited possibilities, which is something we do not actually need. We were looking for a planning tool that really thinks ahead in tandem with us and that's exactly what we found with CCH Tagetik," Siemons explains.

Agile project implementation enabled fast implementation

Since the final decision was made towards the end of the year and the Vaillant Group's multi-year planning process was due to start in April, the project faced a tight deadline. Thanks to agile project management, CCH Tagetik and its implementation partner pmOne were able to completely implement the planning tool within four months. A number of special features were especially challenging at Vaillant.

"Due to the tight schedule, we had to incorporate a large number of individual planning processes into CCH Tagetik within a few weeks," says Siemons. "The group, for example, is not organized on an accounts basis, but via organizational structures. Contribution margin accounting is also relatively complex. In general, there is no universal top-down planning process. Instead, we had to take into account special aspects when it comes to planning warranty and goodwill costs, service costs, and spare parts, for example."

"The high level of detail in the business plan was a real highlight. Previously, we used a variety of solutions to handle these issues, but were unable to come anywhere close to this kind of detail in the figures."

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Further benefits

In the course of implementing CCH Tagetik, a number of supporting functions were also integrated. For example, one can use the figures on market sizes and shares from the Vaillant Group's internal market research tool and the product roadmap from the research and development department is also linked.

Optimal integration with SAP HANA

Since Vaillant introduced the SAP HANA platform in parallel to the Controlling Excellence program, the implementation of CCH Tagetik also focused on the corresponding integration. By setting up communication from SAP ERP via the business warehouse to Tagetik and using SAP Open Hub, it was possible to achieve complete integration without adding interfaces.

This gives users a direct connection to reporting functions, so that they can view data normally in SAP BW and also compare it with budget data from the previous year as required. This allows adjustments to be made much more quickly than before. CCH Tagetik also offers the Vaillant Group the opportunity to pursue driver-based approaches within the planning process. For example, price developments based on percentage increases can be included in the business plan.

Christoph Siemons: "The high level of detail in the business plan is a real highlight. Previously, we used a variety of solutions to handle these issues, but were unable to come anywhere close to this kind of detail in the figures." The data is 1:1 comparable with the information from the budget or the forecast. As part of the budget process, we have already established that the initial figures submitted are much closer to the targets than used to be the case. Another big advantage for us is that the planning team can handle the administration themselves. Before, they always had to call in IT to handle that."

Further expansion of CCH Tagetik at Vaillant already planned

In the next steps, Vaillant plans a significant expansion in the use of CCH Tagetik. In the course of integrating planning & forecasting, cost center planning, fully integrated balance sheet, and cash flow planning, as well as consolidation will be integrated in the future.

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