



Microsoft Dynamics Customer Solution Case Study

Media Company Streamlines Accounts Across Europe with Business Management Solution



Overview

Country or Region: United States/Europe
Industry: Telecommunications

Customer Profile

International media company VNU operates in seven countries across Europe. VNU companies include analyst firm AC Nielsen and publisher VNU.

Business Situation

VNU operations in Europe relied on different financial applications across different territories, making it difficult to integrate with an existing Hyperion system at the New York head office.

Solution

VNU engaged Peracto Solutions to deploy Microsoft® Dynamics™ NAV, integrated with Microsoft SQL Server™ 2000 and Windows Server® 2003 enterprise operating system.

Benefits

- Familiar, user-friendly interface.
- Integration with existing solutions.
- Clear view of data for managers.
- Centralized deployment.
- Easily customizable.

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Mike Donlan, European Project Manager, VNU

Without standardized reporting processes, employees at international media company VNU found collating reports from its European companies a time-consuming manual process. VNU operations in Europe relied on Oracle Financials to create reports, but employees found Oracle both expensive to support and difficult to integrate with Hyperion, a business intelligence solution employed at the VNU headquarters in New York. The result was a disparate network that invited data inaccuracies. VNU engaged Microsoft® Gold Certified Partner Peracto Solutions to deploy Microsoft Dynamics™ NAV across Europe—complemented with a scalable Microsoft SQL Server™ infrastructure and a Citrix network. With the implementation, VNU employees now enjoy improved access to information. The IT team finds the solution more cost-effective and easy to support, upgrade, and scale to new employees when required.

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Situation

VNU is an international information and media company with dual headquarters in New York and Haarlem, the Netherlands. VNU owns a number of companies, including: AC Nielsen, a market leader in research and analysis; Nielsen Media Research, which measures audiences for TV and print; and VNU, a leading publisher of business magazines and trade journals. Worldwide, VNU has more than 41,000 employees in more than 100 countries.

For finance employees at VNU European Publishing, the process of reporting account information and finances to the New York office was difficult and error-prone. More than 100 employees handle accounts for the 14 VNU European operations spread across seven countries—Belgium, France, Germany, Italy, the Netherlands, Spain, and the United Kingdom (U.K.).

These operations used to rely on different financial packages to create reports and finance intelligence. The VNU head office in New York, however, employs the Hyperion business intelligence tool to analyze these reports, and Hyperion did not integrate easily with the different financial solutions. Sometimes information could not be migrated directly from application to application.

On these occasions, employees had to manually key in data from individual country reports and collate them into another report. U.K. employees were forced to delve into individual reports from some subsidiaries to extract this information and put it into Hyperion. This affected the company's ability to deliver reports in a timely manner, caused data inaccuracies, and increased operating costs.

Furthermore, each country's operations relied on different solutions to create a chart of

accounts, and each subsidiary relied on a local partner to implement, so each deployment was configured and modified differently according to local requirements. In effect, every company was running a separate, individually configured system.

Due to the complex and disparate nature of the network, individual subsidiaries had also developed their own individual business processes. Lacking a standard reporting format, VNU subsidiaries created reports in a range of formats. Consequently, the accuracy of information was increasingly difficult to control.

Mike Donlan, European Project Manager for VNU, says: “Our financial system was highly customized in each subsidiary and office. We lacked a standard business process. With our highly decentralized working culture and no central access to information, it was almost impossible to ensure data was accurate. One of our key objectives was to make our chart of accounts and reporting structure identical in each country. This way, we could guarantee to our New York head office that our reports were accurate, standard, and delivered on time. We realized that implementing an identical solution across Europe for our accounting system would support this objective.”

Solution

In 2003, the organization decided to centralize its accounting function. VNU employed IT services provider and Microsoft® Gold Certified Partner Peracto Solutions to complete an analysis of VNU operations in Europe.

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these processes had been defined by the limitations of our previous applications, including Oracle Financials and a number of custom-built applications, which would have resulted in the same complex and time-consuming methods. We chose Peracto because the key project staff challenged and questioned the way we do our work. Peracto looked at our workflow and our business processes and offered us a way to streamline and simplify our business in a way that would dramatically reduce overheads and save us time.”

With Peracto, the VNU project team visited all its European entities and analyzed the end-user requirements in each country. VNU looked at its business processes in creating invoices and bills, reports, and budgets. “The solution we chose needed to encompass all the local user requirements, such as language, local legal requirements, and currency,” Donlan says.

After evaluating various solutions, VNU chose to replace its financial systems with Microsoft Dynamics™ NAV 3.70. VNU wanted to host and manage Microsoft Dynamics NAV centrally in its U.K. office and roll out one solution across Europe using a Citrix network. This would remove the need for local support.

In conjunction with this Citrix network, VNU depends on Microsoft infrastructure to support the application. This includes Microsoft SQL Server™ 2000 and Windows Server® 2003 enterprise operating system. Finance employees now use a central repository of data, supported by a SQL Server 2003 and Windows Server 2003 platform. This database is used by multiple VNU entities to create a single view of European operations.

The seamless integration of Microsoft Dynamics NAV with existing Microsoft technologies—such as Microsoft Office—also

supports the company’s goal to create a completely transparent organization.

Benefits

With Microsoft Dynamics NAV, finance employees have gained a single view of data across VNU operations in Europe. VNU has realized many benefits as a result of this clear view, such as improved efficiency and service and greater insight.

Familiar Interface Minimizes Training and Enhances User Efficiency

Microsoft Dynamics NAV provides an easy-to-use and understand interface, with improved menu structures and navigation and advanced data management.

Employees at VNU found Microsoft Dynamics NAV integrated easily with the Microsoft Office suite and used common design elements. With the familiar setting, employees needed very little training, which lowered costs and ensured efficiencies occurred from the start. It also enabled employees to use Microsoft Office Excel® spreadsheets and migrate them to Microsoft Dynamics NAV.

“The ability to integrate Microsoft Dynamics NAV with our Microsoft Office system and applications was attractive to us,” Donlan says. “Our accountants still depend on Excel for older reports, and they can still open and work with these documents, while also integrating them with Microsoft Dynamics NAV. Also, its interface mirrors that of Microsoft Office applications, which are familiar to our employees.”

Integration Brings Single Data View and Greater Value to Existing Investments

Close integration with other Microsoft technologies provides greater value from existing Microsoft systems. The VNU Europe chief financial officer (CFO) can make more informed business decisions with powerful

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reporting tools available through the solution's integration with SQL Server.

“Our European CFO is based in the U.K., yet he can effectively ‘visit’ all countries from his desktop,” Donlan says. “Whereas before he relied on receiving monthly reports from all VNU European entities to review financial accounts, now he can view it all on his desktop and look at every company in every country. He can manage the quality of reporting far more effectively and rapidly as a result. Our CFO can have up-to-the-minute information on the state of the business, so there is no surprise at the end of the month.”

Solution Presents Clearer and More Accurate View of Information for Employees

Microsoft Dynamics NAV also integrated with the Hyperion solution, which made reporting to the New York head office a simple process. Previously, this was done manually because employees needed to extract data from Oracle and put it into an Excel spreadsheet. These spreadsheets were then uploaded to Hyperion. The process was time consuming and error-prone.

Microsoft Dynamics NAV provides a Hyperion export file, which allows VNU employees at any point in the process to press a key that automatically converts all information into a Hyperion format. This avoids the need to re-enter data.

The integration capability of Microsoft Dynamics NAV has also significantly reduced the amount of work required to produce the month-end reports, cutting production from more than two days to around two hours.

“Because information was being reported in a range of formats by various companies, the accuracy of information had fallen to an unacceptable level,” Donlan says.

“Standardizing our reporting on Microsoft Dynamics NAV has made it simple to monitor

and transfer data and ensure the accuracy and quality of our reports. Recently, our IT director said our data was the most accurate he's ever seen, after more than 11 years in his role. Business users can take advantage of ad hoc reports, which are fast and accessible, and help them work more efficiently. Tight integration with other systems and applications enables all areas of the organization to access and share accurate information.”

Central Deployment of Standard Solution Reduces Support Costs

IT employees have also benefited from a standardized Microsoft Dynamics NAV deployment. Previously, each company and country supported its own infrastructure. Microsoft Dynamics NAV can scale to suit a large global organization. Rather than travel to each country to customize and deploy Microsoft Dynamics NAV, IT employees can handle this centrally from the U.K. office. The IT team can also provide upgrades and maintain the solution centrally.

“The cost of ownership with Oracle, particularly around IT support, counted against it,” Donlan says. “We now have the easy-to-manage Microsoft Dynamics NAV, complemented with a scalable SQL Server infrastructure and a Citrix network to support a thin-client deployment of a feature-rich application across Europe. With centralization, the total cost of ownership is greatly reduced and our IT support far more cost-effective”.

“IT support for this core financial system is now managed from the U.K. by two employees,” Donlan says. “This has reduced our IT costs. Previously, our annual U.K. support costs were around £150,000 (U.S.\$183,900) per country. The cost of implementing Microsoft Dynamics NAV was far less than that—around £80,000. We have

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achieved savings in our IT support as a result.”

Vanilla Solution Streamlines Business Processes and Improves Productivity

Microsoft Dynamics NAV is a completely customizable business solution geared to align with business needs. With the solution, VNU could replace outdated business processes—characterized by time-consuming work-around systems—to overcome the restrictions of its previous IT solutions. Often, information was stored in multiple data sources, and entering data was labor-intensive. Without access to timely financial data, it was difficult for employees to make decisions about critical processes.

“The challenge was not really from an IT system perspective, but from a people perspective,” Donlan says. “Using other platforms, each individual country subsidiary had evolved differently. Although all of our companies publish the same products across all our countries, they each had a slightly different way of reporting. Some had even implemented further workflow tools because of the limitation of the applications they were using. So we had a separate accounting IT support function for each country, and this amounted to increased operating costs because we managed both in each business.

“Because all of these businesses are, in effect, selling similar products across Europe, there needn’t be much difference in the workflow, country by country. While we do sophisticated selling, the reporting, analysis, and the processing of these transactions should be the same in all countries. NAV allowed us to standardize these processes.”

Microsoft Dynamics NAV enables VNU to run its business in a new way. VNU worked closely with Peracto to map out new business processes with the intuitive, task-based design of Microsoft Dynamics NAV. As a

result, employees can now work faster and more efficiently because they feel at home with the application. VNU has improved employee productivity because information is centralized within the solution.

“In its vanilla form, Microsoft Dynamics NAV was almost perfectly aligned with our business needs,” Donlan says. “Microsoft Dynamics NAV provides all the functionality we needed to support all of our business processes without requiring a high level of customization. There were only minor customizations required to suit the particulars of our publishing business and language considerations to make the solution a complete fit.”

For More Information

For further information about Microsoft products and services please visit <http://www.microsoft.com/uk/> or call 0870 60 10 100*

For hearing impaired customers with a Minicom contact: 0870 50 30 400*

*Lines are open 8am-6pm Monday to Friday. Please note Numbers prefixed 0870 will be charged at national call rates. For details of national call rate charges please contact your telecoms provider

For more information about Peracto Solutions Ltd products and services, visit the Web site at: <http://www.peractosolutions.co.uk/>

For more information about VNU products and services, visit the Web site at: <http://www.vnunet.com/>

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: www.microsoft.com/dynamics

Software and Services

- Microsoft Server Product Portfolio
 - Microsoft SQL Server 2000
 - Microsoft Windows Server 2003
- Microsoft Office
 - Microsoft Office Excel
 - Microsoft Office Word
- Technologies
 - Microsoft Dynamics NAV 4.0

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