



RUNSVEN  
GRUPPEN  
www.runsvengruppen.com

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## Overview

### Business challenge

Runsven Group operates more than 85 retail stores under the ÖoB brand. The group consists of several companies, including associates and one foreign subsidiary, which was making its financial consolidation and reporting processes increasingly complex. It took weeks to collect and check data from different business units, and spreadsheet-based processes were error-prone and potentially insecure.

### Solution

Runsven Group worked with Addedo, an IBM Business Partner, to implement IBM® Cognos® Controller, which integrates with the company's IBS Enterprise financial system and a Microsoft® Excel front-end.

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# Runsven Group simplifies and accelerates financial reporting

*With help from Addedo and IBM Cognos software*

Runsven Group (Runsvegruppen AB) provides low-price retail of household goods, leisure articles, do-it-yourself products, home textiles, non-durables and food. Most of its sales are generated by the wholly owned retail chain ÖoB, and the Group also acts as a wholesaler that provides goods to independent traders. ÖoB is one of Sweden's leading low-price retail chains; it currently has 85 stores geographically spread across the entire country. Goods are supplied to ÖoB via the wholesaler Runsven AB's central warehouse in Skänninge, and also via direct delivery from distributors. The Group employs approximately 1,600 people, and generates revenues of 3.7 billion SEK (€415 million).

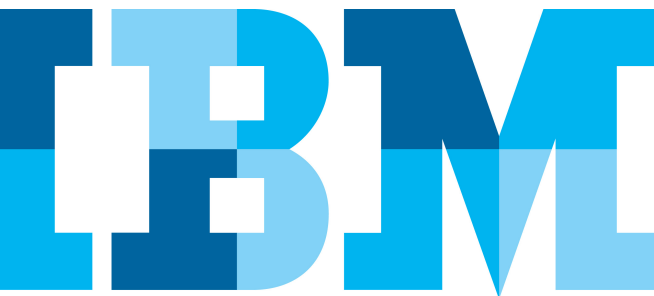
With three or four new stores opening every year, the Group found that its financial structure was becoming increasingly complex. The accounting department needs to perform regular financial consolidations to meet a range of needs – including both internal month-end reporting and a comprehensive annual financial statement. Runsven Group's group accounting also needs to comply with IFRS international accounting standards.

“We were using a manual, spreadsheet-based process for financial consolidation, and it took a long time to complete,” explains Olle Kalmelid, accounting manager at Runsven Group. “Our main currency is Swedish Kronor, but we also need to handle Chinese Yuan and US dollars, which meant that some of the currency calculations were quite complex. Moreover, we also had concerns about the security of the data and the risk of human error.”

### Gaining greater insight

Runsven Group wanted to find an easier way to handle the consolidation process, and also wanted to gain a more detailed view of financial performance across the Group.

“We had an overall picture of what was happening in the business, but we couldn't drill down and see how individual stores were performing,” explains Olle Kalmelid. “We realised that if we could find a way to do this, it would open up a number of interesting possibilities: for example, we would be able to follow up on marketing campaigns and see how successful they were at each store.”



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## Business Benefits

- Generates monthly, quarterly and annual financial reports with a few mouse-clicks.
  - Enables drill-down to the level of individual stores, enabling new types of analysis such as measuring the success of marketing campaigns.
  - Increases flexibility: if new stores open or the corporate structure is reorganised, the system can easily adapt.
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## Finding a solution

Runsven Group drew up a shortlist of possible solutions, including IBM® Cognos® Controller, SAP BusinessObjects Planning and Consolidation, and products from Swedish vendors OCRA and AARO.

“We wanted an industry-standard solution so that it would be easy for us to get support,” comments Olle Kalmelid. “Cognos is used by a large number of companies in Sweden, so there are many good consultants available. We were also impressed with the flexibility of Cognos, and the ease of integration with our IBS Enterprise financial system.”

## The right partner

To handle the implementation of IBM Cognos Controller, the Group worked with Addedo, an IBM Business Partner. The first step was to set up a project team, which included four Runsven employees and one Addedo consultant.

“The aim was for our in-house team to do as much as possible on their own, because we wanted to become self-sufficient,” explains Olle Kalmelid. “The consultant from Addedo was highly proficient, and we learned a lot from her during the project about how to build reports, so now we can manage and extend the solution without much external help. We were very pleased with the support we received from Addedo, and we hope to work with them again on future projects.”

## More detailed reporting

The IBM Cognos Controller solution treats each of the company’s 85 stores as a separate entity within the group, enabling users to drill down and gain a more detailed view of financial performance across the whole company. Operational data is imported and consolidated by product group, and financial data can be analyzed either by shops and business units or by business function. This enables more flexible and different analyses, which help to optimise operations.

“It is more flexible too,” comments Olle Kalmelid. “If we open a new store, we can add it in Cognos Controller very easily, which will give us much more agility as the business grows. Even if the business itself grows more complex, the financial consolidation will still be simple.”

## Eliminating manual processes

The solution eliminates a considerable number of spreadsheets and cuts manual workload considerably for the company’s financial analysts – enabling them to provide reports to senior managers more quickly and more frequently.

“It’s really a ‘push button’ solution – all the data collection, currency conversions and other calculations are done automatically, and we don’t need to worry about data quality because the process works without human intervention,” says Olle Kalmelid. “With spreadsheets, there is always a risk that mistakes will be introduced, or the spreadsheet will get sent to the wrong person. Now, we have full control of our data, since it is held securely in the Cognos system.”

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## Solution Components

### Software

- IBM® Cognos® Controller

### IBM Business Partner

- Addedo
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*“Working with Addedo to deploy IBM Cognos Controller has already had a significant impact on the ease of creating financial reports across the Runsven Group, and we hope to see further benefits when we roll it out to the other group companies.”*

— Olle Kalmelid, accounting manager, Runsven Group

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## Looking to the future

As a result of the success of this project, Runsven Group now plans to extend the solution to provide more operational key performance indicators, include the extra financial categories required by IFRS standards, and collect and analyse additional data and notes that are used to generate the company’s annual report.

There are also plans to expand the user-base – partly to include users who need to report into the system, and partly to include those who receive the reports and use the consolidated information for decision support. This will potentially expand the user-base from four to approximately 20 people. Ultimately, when store managers are also given access to the system, the number of users will increase beyond 100. The company is also evaluating IBM Cognos Business Intelligence at the moment, which should provide greater insight into other areas of its business.

Olle Kalmelid concludes: “Working with Addedo to deploy IBM Cognos Controller has already had a significant impact on the ease of creating financial reports across the Runsven Group, and we hope to see further benefits when we roll it out to the other group companies. Above all, the flexibility of the Cognos software gives us confidence that the solution will be able to grow to meet new business challenges in the future.”

## About Addedo

Addedo is a fast growing international consultancy. Its consultants work primarily for the CFO and Group Finance function, but also for LOB Managers. Through its management, application and interim consultancy, Addedo helps its customers gain better insight into their business performance. Specifically it helps customers improve on their reporting, consolidation, planning, budget and analysis processes and systems.

Addedo has offices in London, Malmö, Stockholm and Zug. Many of its consultants are however engaged in projects across the world, serving a large client base ranging from emerging business to the largest Fortune 3500. Addedo is partner-owned, and all shareholders are operative in the company. It strives to be the pan-European consultancy partner to Group Finance.



## About IBM Business Analytics

IBM Business Analytics software delivers complete, consistent and accurate information that decision-makers trust to improve business performance. A comprehensive portfolio of business intelligence, predictive analytics, financial performance and strategy management, and analytic applications provides clear, immediate and actionable insights into current performance and the ability to predict future outcomes.

Combined with rich industry solutions, proven practices and professional services, organisations of every size can drive the highest productivity, confidently automate decisions and deliver better results.

## For more information

To learn more about IBM Cognos software, contact your IBM sales representative or visit: [ibm.com/cognos](http://ibm.com/cognos)

To learn more about products, services and solutions from Addedo, visit: [addedo.com](http://addedo.com)



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