

## Central Planning and Control

Melitta achieves company-wide transparency with a solution from MIK

Nowadays, whenever anybody hears the name Melitta they think of coffee, but most of all of paper coffee filters. This filter was invented together with the associated filter body at the start of the last century by Melitta Bentz, who was not only inventive, but also a shrewd businesswoman; she had her inventions patented and founded a company. Today, her descendants administer an international company group with approx. 40 subsidiaries and associate companies in Germany, Europe, North America and Brazil.

### **Task definition: Transparency is decisive**

Every company in the group works independently and is accountable for its own business results; however the guidelines come from Melitta Beratungs und Verwaltungs GmbH & Co. KG in Minden, which serves in the group as a management holding company. "The Controlling Department in the management holding company has the task of making internal cost struc-

tures so transparent, that the management is able to make their decisions as objectively as possible and recognize the effects of their instructions at an early stage."

This is the only way it is possible to avoid making wrong decisions, optimize processes and also take advantage of opportunities quickly", commented Rolf Schäkel, responsible for planning and reporting in Central Division Business Development at the management holding company.

Until 1998, the Controlling Team in Minden regularly received reports from every business division – partly in electronic form but mainly in printed form. Every quarter, approx 50 forms per business division had to be prepared and consolidated into the Melitta Group, which took up approx. 70% of the working time. There was little time left over for deeper analyses, particularly since the main part of the remaining time was required for answering special questions of the stakeholders and the Central Division. The result was mountains of paperwork without any real transparency and it could happen that management personnel went to meetings with different figures.



### **Automatic reporting**

In order to solve these problems, the company decided to implement a management information system as early as 1997. Of the 50 quarterly reports used till then, 40 were done away with. Additionally, a new monthly profit and loss report with a one-page director's report was introduced. "It was important for us to have easily interpreted information, which was reduced to the essential figures, available to every decision-making level: Net turnover and profit margin according to product group as well as EBIT and shareholdings split into company divisions," Schäkel added.



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### Solution

The desired solution had to fulfill a number of important requirements. A management information system nowadays must comprise a multi-dimensional, above-average fast database. It is also important for it to recognize possibilities to integrate economic functions. Other than that, it should also be possible to answer complex questions on a large data basis. It would be ideal for the database to be able to handle regularly changing structures well and for quick and flexible analyses to be carried out," Schäkel said. He mentioned further requirements such as easy use, quick to learn, flexibility, quickness, data storage, consolidation,

base met the requirements. While previously only two controlling specialists were able to access the mainframe and thereby answer more detailed questions, now there are about 30 employees from the different central divisions who work with the solution from MIK and independently carry out analyses and interpretations. As a result, Controlling now has more time for comprehensive analyses, planning and controls.

"An important analysis is, for example, turnover deviation analysis, which is not contained in the standard report. Here it's all about finding out which deviations there were and what caused them – whether by amount, currency exchange or price-product mix", Schäkel explained.



can serve for other systems and, for example, websites and we're also planning to provide company departments with access to their data via the web in the coming future. Viewed as a whole, the solution is a very important aid nowadays in order to control the information flow in the company, optimize processing and co-ordinate procedures," Schäkel explained in rounding off.

» We are very satisfied with the decision of going with MIK – not least of all because the company has their eye on new developments and implementing them into their solutions. «

**Rolf Schäkel,**  
Planning and Reporting, Central Division  
Business Development, Management Holding  
Company Melitta

figures, standard reports, graphic analyses and especially service and hotline of the provider.

### More time for value-added tasks

After thorough market research and presentations by numerous providers, the decision was made to go with the management information system MIKsolution+ of the Reichenau supplier MIK, which is based on OLAP Databank (Online Analytical Processing). According to Schäkel, the advantages were that especially with both this solution and the analysis tool the data-

### Future guaranties included

Another thing important to Melitta was that the management information system would be able to grow further with the demands. As a result, structures and additional figures can be easily expanded and inserted in the database.

Lastly, the changeover from MIK-INFO to the new tool MIK-ONE took place. This provided the user with easier structural adjustment possibilities and even more analysis possibilities. As well, the central division Finance now uses the application of MIK with their own database; that means the annual financial statements which are created there are read from the SAP system into the information system and made available to the Management.

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