

“We wanted a solution that could accelerate and simplify our management reporting processes. With Tagetik’s disclosure management functionality, our finance department can work more effectively to ensure consistent, reliable data and faster monthly reporting cycles.”

Valentina D’Addario, Director of Group Reporting and Financial Controlling at Leonardo SpA

Company

Leonardo SpA

Industry

Aerospace, Defense and Security

Corporate Performance Management

- Disclosure management
- Management reporting
- KPI reporting

Key Facts

- Italy’s leading high-tech industrial group
- 67,000 employees
- 406 offices including 172 production sites in 50 countries on all continents

Requirements

- Simplify and accelerate the production of CFO reports
- Define clear ownership of the data for each controller
- Update and monitor numbers automatically

Benefits and Results

- View progress status through a built-in workflow
- Ensure data consistency and integrity
- Speed up monthly closing cycles
- Standardize report format and quality

The Challenge

Leonardo SpA (ex Finmeccanica SpA), is Italy’s leading high-tech group and one of the global top ten in the aerospace, defense and security sector. The group employs 67,000 people in 406 offices including 172 production sites in 50 countries worldwide.

Leonardo drives its entire business through innovation – to deliver competitive products and services, meet current and future market demands, and generate value for both clients and shareholders. In 2013, the group’s central finance department decided to implement an innovation of its own – a system for preparing, sharing and publishing management data throughout the group.

The Objectives

The group’s finance department is responsible for analyzing and reporting business and financial performance for the various divisions and companies in the group. As part of these activities, it monitors projects and orders as well as profitability and returns on invested capital so that top managers can identify risks and opportunities as well as take timely actions.

To support the process of preparing, sharing and publishing management data throughout the group, Leonardo decided to implement a performance management software solution based on Tagetik. Its prime goals were to simplify and speed up the process of producing reports each month – from general management reporting to specialized reports for the CFO. The project, which started in March 2013, was completed in a matter of months.

“Each month, we provide our CFO with a very clear, compact report on operations,” explains Valentina D’Addario, Director of Group Reporting and Financial Controlling at Leonardo. “Here, we not only compare actual revenues, orders, EBITA, cash flow and other KPIs to our forecasts, we also explain the reasons for the variances and suggest possible actions to mitigate risks.”

The group’s standard solution Hyperion Financial Management, however, only provides numbers – without any explanations regarding the variances to its forecasts. Accordingly, the process of drafting the report and writing quality commentary to support executive decision-making was very manual, complex and time-consuming. Nevertheless, the CFO needed the report within three working days following the monthly close in the system.

“Thanks to Tagetik, we can monitor the activities of each controller within a structured workflow and invest the time that we have saved in checking data and editing the document’s appearance to analyze and comment the numbers in more detail.”

Valentina D’Addario

Director of Group Reporting and Financial Controlling at Leonardo SpA

“We needed a solution that could precisely define the ‘ownership’ of the data so that each controller could only write comments about the specific subsidiaries or business areas that lie within his or her area of responsibility,” added D’Addario.

“To eliminate time-consuming manual checks to the underlying financial data, we needed built-in capabilities to automatically update the numbers throughout the different pages of the report. We also wanted to standardize the look and feel of the document to save time on tasks with low added value. By reproducing this standardized report every month, we can now base our new report on the one from the previous version instead of writing it completely from scratch. We can then use the time that we have saved for additional analysis.”

The Solution and Benefits

Leonardo has deployed Tagetik as a stand-alone disclosure management software solution which automatically extracts and loads financial data from HFM. The automated data checks and common coding across the document save users valuable time in the reporting process. In addition to assigning access rights based on each person’s responsibilities, the department can now follow the progress of each activity and see who has done what through the built-in workflow. With Tagetik, users can also generate reports in Microsoft PowerPoint and easily convert them to PDF files as well as support multiple versions of the same document. Features such as these promote a truly collaborative approach to the disclosure management process.

“Thanks to Tagetik’s disclosure management functionality, we can now deliver consistent, reliable information in our CFO report,” summarizes D’Addario. “The standardized format and quality makes it easier to read. Since we can produce new reports based on previous filed editions, we can concentrate on the commentary. Through the structured workflow, we even can carefully monitor the activities of each controller. Overall, Tagetik has accelerated our monthly closing and management reporting cycles, and we can invest the time we have saved to check, analyze and comment the numbers in more detail.”

The finance department already plans to extend the solution to produce the quarterly presentation to the executive team and board of directors. It is also evaluating options to extend the solution to include budgeting and other capabilities that are involved in the planning process.

Leonardo Today

Leonardo is Italy’s top industrial group in the high-tech sector and among the top 10 global players in the fields of aerospace, defense and security. Leonardo Group has three strategic sectors – helicopters, defense and security electronics and aeronautics – which provide 75 percent of its revenue, 73 percent of its orders and employ 74 percent of its workers. In addition to being Europe’s leading defense systems company, Leonardo has established itself prominently internationally and boasts a consolidated presence in the space sector as the leading satellite service provider. It also has a consolidated market share and capacity in the transportation and energy sectors globally.

Leonardo Group is headquartered in Italy and operates production plants in Italy, the United Kingdom, United States and Poland, where 90 percent of its employees work. It also has a significant presence in France and Germany.

Leonardo

Tagetik 

Leonardo has also established an extensive cooperation network in the world's emerging markets. Leonardo has about 67,000 employees, with 41.4% based outside of Italy, in 406 offices including 172 production sites in about 50 countries on all continents. Leonardo operates 135 branches including 61 production sites in Italy alone.

www.leonardocompany.com

About Tagetik

At Tagetik our mission is understanding the complex challenges that face The Office of Finance and translating that knowledge into intuitive, enterprise-scale performance management software solutions that drive business results. With Tagetik Cloud, or on-premise, you can unify financial and operational planning; shorten your consolidation and close process; immediately analyze results, model and compare full financial statement impact of business scenarios; adjust your strategic plan; seamlessly update rolling forecasts; produce formatted and auditable financial statements and management reports; collaborate on business reviews, and automate disclosure and board reporting. We've built-in the financial intelligence so you can orchestrate some or all of this in one place. Find out why more than 750 customers in more than 35 countries count on Tagetik to improve efficiency, reduce risk, save money and delivers results, visit www.tagetik.com.
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