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Pablo Canto, Technical and Administrative Services Manager, Edesur S.A.

QUICK FACTS

Company

- Name: Edesur S.A.
- Headquarters: Buenos Aires, Argentina
- Industry: Utilities
- Products and services: Distribution and commercialization of electricity
- Revenue: ARS 2.2 billion (about US\$600 million)
- Employees: 2,600
- Web site: www.edesur.com.ar
- Implementation partners: SAP® Consulting and Crystal Solutions

Challenges and Opportunities

- Optimize business processes through the use of all data available
- Integrate a sophisticated tool to realize costs, calculate indicators, and analyze business processes within the SAP ERP application
- Ensure better insight to improve decision making

Objectives

- Extract, transform, and load the information into the SAP BusinessObjects[™] Profitability and Cost Management application
- Implement an activity-based cost model for the company's main processes, such as distribution, supply, and administrative support
- Train the business user to be able to expand Edesur's business cost and profitability analysis model in the long term

SAP Solutions and Services

- SAP BusinessObjects Profitability and Cost Management
- SAP Consulting services

Implementation Highlights

- Successful integration of data thanks to SAP's expertise in data services
- Short-term, dynamic process implementation, fulfilling high requirements and expectations
- Implementation on time and within budget

Why SAP

- Long-term, trusted relationship with SAP
- Most user-friendly solution
- Excellent customer experience with SAP in previous projects

Benefits

- Visualization of information throughout new areas and processes
- Improved decision making through efficient use of information
- Better understanding of business processes
- Quicker generation of reports
- Improved management of information

Existing Environment SAP ERP



Based in Buenos Aires, Argentina, Edesur S.A. is a public service company with 2,600 employees that distributes and commercializes electricity in the metropolitan area of the Argentine capital. It provides critical and vital services to satisfy the basic and comfort needs of companies, institutions, and private individuals. Its main customers are grouped by residential, general, and large – in total, more than 2.3 million customers.

The electricity is supplied to a population of 6.1 million people through an extended electrical network of 32,500 kilometers. The added value that Edesur provides is focused on customer orientation, quality, safety, and environmental consciousness. These values reinforce the key factors that determine Edesur's business success. The management strategy is structured on a set of policies that help track and ensure the quality of the products and services, the conservation and protection of the environment, and the safety and health of employees and the public.

Valuable Insights into Business Processes

In order to maintain high market competitiveness, Edesur started to look for a solution to integrate with its current tools that could provide the company with a deeper understanding of its business processes. The solution had to facilitate the use and management of information and also save time when generating reports. An important consideration factor was that it give Edesur

the ability to aggregate detailed views of the information, consolidating the available data from its different sources. The result had to aid and improve decision making in accordance with the successful company strategy.

Business Understanding Leads to Higher Competitiveness

Due to its dynamic business processes, Edesur was producing an increasing amount of data. The result was that efficient data management became critical in order to produce valuable information. Correctly processed information is a key factor in keeping the company's competitiveness in line with market expectations. Until the implementation, the business user was involved in a process that was time consuming because it required the person to manually collect the data and then process it using spreadsheets. A detailed view of the information was limited, which did not provide the best opportunity to save time and make better decisions. Edesur was desperately looking for a more sophisticated solution.

Consolidation of Data

The required solution had to add activity-based views for the calculation of indicators and realization of costs, allow deeper business analysis, and integrate with the existing SAP® ERP application. The business processes had to be standardized in order to help ensure that the information was reliable when being used. Report generation had to be faster and be available in a user-friendly tool.

"Since 1995 the collaboration between Edesur and SAP has been excellent."

Pablo Canto, Technical and Administrative Services Manager, Edesur S.A.

Edesur started a selection process of first-level products and decided on the SAP BusinessObjects™ Profitability and Cost Management application. Pablo Canto, technical and administrative services manager at Edesur, explains their decision: "SAP BusinessObjects Profitability and Cost Management was the technical and functional solution that best covered our requirements and was the most user-friendly." SAP BusinessObjects Profitability and Cost Management fulfilled Edesur's requirements, since it provided the additional views (product, client, channel, sales organization) with which detailed information analysis and management was possible, for better decision making.



"The application has helped us to save time generating reports, to speed up the extraction and preparation of information, and furthermore to reduce mistakes in data management."

Pablo Canto, Technical and Administrative Services Manager, Edesur S.A.

In addition to the fact that the solution fulfilled Edesur's requirements, SAP's reputation at the company was also a determining factor in choosing SAP BusinessObjects Profitability and Cost Management. Edesur had been in a long-term trusted partnership with SAP ever since it implemented SAP ERP with the help of SAP Consulting. This partnership had resulted in a successful and efficient integration of SAP solutions with Edesur's dynamic business processes. "Since 1995 the collaboration between Edesur and SAP has been excellent," states Canto.

Short-Term Completion

During the first phase of the implementation, the data was extracted, processed, and loaded. The team implemented an activity-based cost model for the company's main processes - such as distribution, supply, and administrative support - in SAP BusinessObjects Profitability and Cost Management. Besides providing the additional views, the implementation was also expected to simplify report generation, to support decision making. Another high priority was to complete a knowledge transfer to support the business user in the long-term use of the application. taking into account the requirements of Edesur.

The data services expertise of partner Crystal Solutions, part of the implementation team, was a key factor in enabling a successful integration, since

the data collection and preparation was completed within the expected short time frame, enabling the project to run on time into the next phases. The implementation was a dynamic process between the teams from all parties involved and was completed successfully within 12 weeks.

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Another highlight was the training by SAP Consulting. After the application was implemented, Edesur did not require any further help from SAP regarding the use of the new features available. "Our experiences with SAP were very good and highly recommendable: we received excellent service from SAP Consulting, from the meetings prior to the project to the implementation and postimplementation," says Canto.

Accurate and Efficient Decision Making

Thanks to SAP BusinessObjects Profitability and Cost Management, the business user now spends less time generating reports and information management has been simplified. This allows an easier and more accurate analysis and understanding of the business processes. "The application has helped us to save time generating reports, to speed up the extraction and preparation of information, and furthermore to reduce mistakes in data management," explains Canto. With the integration of SAP BusinessObjects Profitability and Cost Management, the company's business processes are now standardized and efficiency in all areas has been enhanced.

Information is now traceable - providing additional knowledge for improved decision making. The view of each activity in the supply chain, distribution, and support areas is now available in detail through different dimensions, like concept, area, activity, and process. As a consequence of the automated processes, the human error factor has been decreased and the information is also more secure and easier to manage. Since the implementation, the company has been able to use and manage the application without further help from the SAP Consulting team. Edesur is looking forward to future projects with SAP.

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