



Overview

Country or Region: Singapore
Industry: Electronics

Customer Profile

Hitachi Asia co-ordinates marketing and sales activities for industrial, electrical, and electronics products.

Business Situation

Hitachi Asia wanted to improve the operational efficiency of its supply chain by deriving more business value from internal IT systems.

Solution

The group deployed Microsoft® SQL Server™ 2005 and SQL Server Reporting Services to enhance reporting and analysis functions and boost the efficiency of its e-procurement operations.

Benefits

- Business intelligence improves analysis.
- Microsoft Select License reduces costs.
- Reporting tools improve supply chain efficiency.
- SSIS saves time and resources.

Japanese Electronics Firm Improves Supply Chain Efficiency with New Reporting Tools

“We brought our application to the Microsoft labs and Microsoft tested the migration itself. Consequently, we were certain it was risk free when the time came to introduce it to our environment.”

Yeow Shih Yeh, General Manager, Information Technology Centre, Hitachi Asia

Hitachi Asia developed an electronic procurement system based on Microsoft® SQL Server™ 2000. The company decided to upgrade this architecture and take advantage of a range of new business intelligence features available with Microsoft SQL Server™ 2005. In particular the company wanted to use the rich reporting functionality of SQL Server 2005 to increase the business value of its IT systems. Specifically, it aimed to reduce costs by assessing the service delivery of suppliers more effectively. As a member of the Microsoft Select License programme, Hitachi Asia received significant support for the new technology roll out, while minimising deployment costs. The company has now enriched its reporting processes and enhanced efficiency through increased understanding of its supplier base.



i n v e n t



Situation

Hitachi Asia was formed in Singapore in 1989 and is one of the company's four regional headquarters, with the other three located in the United States, Europe, and China. Hitachi Asia offers a wide range of systems, products, and services in market sectors such as information systems, power and industrial systems, digital media systems, consumer products, and international procurement.

To maximise productivity and increase efficiency across the supply chain, Hitachi Asia produces a wealth of reports. These outline performance data such as supplier turnaround times, purchase order (PO) acknowledgement times, delivery forecasts, and order balances.

For five years, Hitachi Asia used Microsoft® SQL Server™ 2000 to keep track of this information, and provide rapid analysis of its supply chain data. However, the group identified areas of the supply chain where efficiency could be increased. In particular, it wanted to derive more business value from internal IT systems and reduce costs by accurately analysing the efficiency of suppliers.

To achieve this, the group needed to upgrade its internal reporting facilities. In doing so, it hoped to:

- Provide end-users with tools to analyse supplier performance.
- Reduce manual intervention and speed up reporting processes.

Solution

Hitachi Asia is a member of the Microsoft Select License programme. This is a software volume licensing initiative designed for corporate, government, and academic customers with more than 250 desktops and mixed product and purchasing requirements. Select License customers receive a volume price level for each pool of products they

select (applications, systems, or servers) based on a three-year software forecast.

As a participant in the Select License programme, Hitachi Asia was able to replace its existing SQL Server 2000 infrastructure with SQL Server 2005. While the company was still satisfied with SQL Server 2000, the latest version of the technology offers a range of new data analysis features. In addition, the Select License programme made it possible to upgrade the technology at low cost.

In particular, Hitachi Asia wanted to explore the depth and scope of SQL Server Reporting Services and the business intelligence capabilities of SQL Server 2005. The new functionality available with the latest release of the technology greatly increases the efficiency of report creation and analysis.

HP supported the migration to SQL Server 2005. Diane Liao, Alliance Manager, HP, says: "HP provided test platforms for Hitachi's technical benchmarking and evaluation. HP Server technology, including 32-bit Proliant servers, was the technical platform that Hitachi used to conduct testing for the proof of concept (POC). The remote manageability of the HP servers and ease of deployment during upgrades helped Hitachi in its technical deployment challenge. HP also provided server installation support during POC testing."

Together with Microsoft Gold Certified Partner Avanade Asia, Hitachi Asia began rolling out a pilot business intelligence system based on SQL Server 2005 in August 2005. The whole process took just eight weeks to complete. The procedure was broken down into three stages:

- Requirements gathering and design (two weeks)
- Development (two weeks)
- Pilot (four weeks)

Low Yin Yee, Senior Business Applications Consultant, Avanade Asia, says: "Hitachi Asia's e-procurement system was the data source for the pilot. We worked closely with the Hitachi Asia team to ensure the SQL Server 2005 implementation process was kept simple, with minimal disruption to users and minimal negative impact on the system."

Because the data was migrated from SQL Server 2000 to SQL Server 2005, the whole process was very simple. It followed three stages:

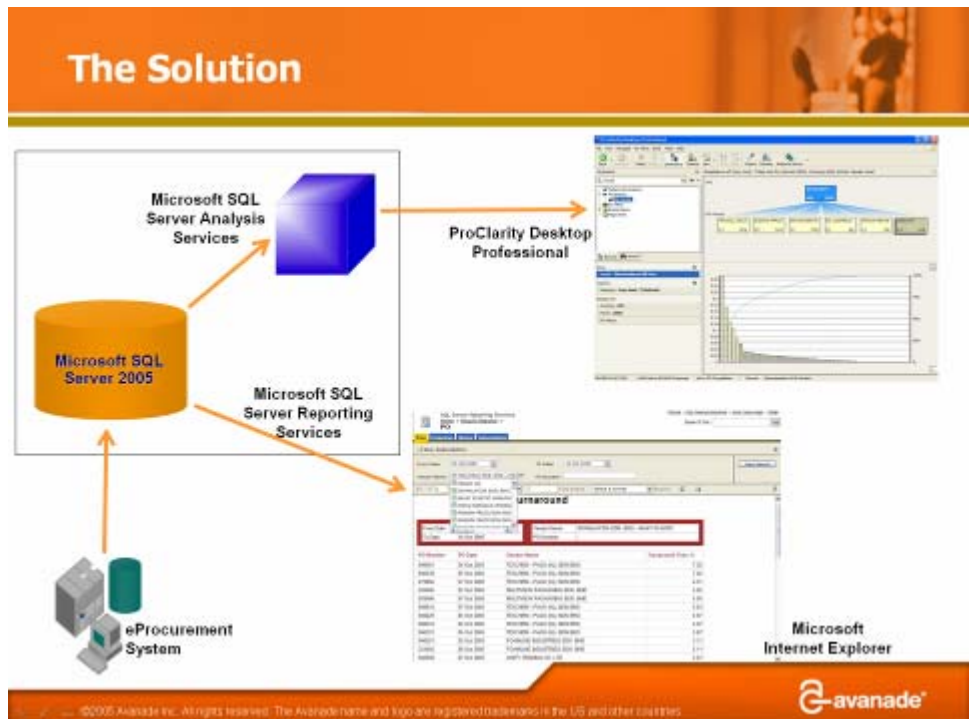
- Requirements were gathered for the scope of the prototype.
- Data was extracted from the e-procurement system, transformed, cleansed, and loaded into a SQL Server 2005 database.
- Users perform reporting and analysis using a combination of SQL Server 2005 Reporting Services and ProClarity Desktop Professional.

Yin Yee from Avanade Asia, says: "The value of a business intelligence solution is only as good as the quality of the information we seek to get from the system. To help Hitachi Asia extract the most value from the solution, the source data was transformed and cleansed. We also created a number of reports and an Analysis Services 2005 cube to help Hitachi users analyse and track fulfilment and response times."

The reports list the time required for suppliers to acknowledge purchase orders (POs) and map delivery forecasts and order balances.

The Analysis Services cube facilitates analyses of supplier PO cancellation behaviour in the following measures:

- Number of POs issued.
- PO amounts.
- Number of POs cancelled by suppliers.
- Cancelled PO amounts.



“Business intelligence improves our analysis and reporting structure, making life easier for the developer and the user.”

Yeow Shih Yeh, General Manager,
Information Technology Centre, Hitachi Asia

Yeow Shih Yeh, General Manager, Information Technology Centre, Hitachi Asia, says: “We had good support from Microsoft. We brought our application to the Microsoft labs and Microsoft tested the migration itself. Consequently, we were certain it was risk free when the time came to introduce it to our environment. Microsoft was on hand at all times to ensure the migration was seamless and no disruptions occurred.”

Benefits

The migration to SQL Server 2005 has provided Hitachi Asia with a range of benefits, as well as enhancing a number of features the group already used.

Business Intelligence Improves Analysis

The business intelligence functionality was a valuable addition to the group. Shih Yeh says: “Business intelligence improves our analysis and reporting structure, making life easier for the developer and the user. With integrated reporting controls, developers can more easily conceptualise data to form better drill-down information for individual users. In addition, the front-end interface is much more user friendly thanks to its simple and clear dashboard tool set.”

Microsoft Select License Reduces Costs

Because it was already a member of the Microsoft Select License programme, Hitachi Asia was able to save money in its acquisition and deployment of SQL Server 2005. Shih Yeh says: “The Select Programme gave us huge discounts on new technology and we received excellent value from Microsoft.”

In addition, Hitachi Asia is enjoying greater value, manageability, and assistance, through the Microsoft Software Assurance programme. This provides a powerful combination of benefits that include new version rights, the Home Use programme, productivity benefits, support, tools, and

training to ensure Hitachi Asia's migration was seamless.

Reporting Tools Improve Supply Chain Efficiency

The rich functionality of Reporting Services has helped the group monitor and enhance the performance of its suppliers. Because Reporting Services allows e-procurement users to better analyse and understand the activities of its suppliers, Hitachi Asia can identify those that are under-performing. In the past, this would have involved individual report requests that took up to a week to produce. Now, this information is available instantly, helping the group maintain maximum efficiency across the supply chain.

SSIS Saves Time and Resources

The SQL Server Integration Services (SSIS) element of SQL Server 2005 has proved extremely valuable for users, helping them to drill down into individual projects, and achieve time savings of approximately 50 per cent. The new version of SSIS goes beyond the extract, transform, load (ETL) tools definition, allowing users to orchestrate code and create workflow that is clear and concise.

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