



CASE STUDY ON

Transformation of Financial Planning and Reporting

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Overview

We successfully implemented a comprehensive financial planning and analysis solution for MAS Holdings, encompassing key functionalities such as centralized planning, standardized reporting, and real-time collaboration. This integrated platform has enabled MAS Holdings to optimize financial planning and reporting processes, enhance decision-making accuracy, streamline data consolidation, and ultimately improve overall operational efficiency and transparency.

About MAS Holdings

MAS Holdings is a prominent South Asian apparel manufacturer delivering end-to-end solutions to world renowned brands.

Employing over 100,000 people in 17 countries, they have major manufacturing centers in Sri Lanka and advanced design & development hubs in NY, London, HK, and Colombo.



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Challenges

Lack of Standardization

Different divisions/ countries with varying methodologies & reporting standards, hindering comparability & alignment.

Data Fragmentation

Different divisions/ countries with varying methodologies & reporting standards, hindering comparability & alignment.

Manual Processes

Time-consuming manual processes, such as data entry and report generation, reduced efficiency and increased the risk of errors.

Integration Issues

Integrating financial data with other systems, such as SAP or ERP, could be complex due to differing data structures and formats.

Limited Visibility

The lack of a centralized platform made difficult gain a comprehensive view of the company's financial performance across all divisions.

Solutions We Provided

- Standardization**

Board enabled MAS to establish consistent methodologies, data formats, and reporting standards across all divisions, ensuring alignment and comparability.
- Automation**

Board's automation capabilities streamlined manual processes, such as data entry and report generation, improving efficiency and reducing the risk of errors.
- Integration**

Board offered seamless integration with other systems, such as SAP, facilitating data flow and eliminating inconsistencies.
- Enhanced Visibility**

Board provided a centralized platform that offered a comprehensive view of MAS's financial performance across all divisions, enabling better decision-making.

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Implementation Process

MIS Reporting

Various Reports were created of business analysis such as:

- Financial Statements**

Trial balance data from SAP is automatically uploaded to the MIS system to generate key financial statements, including P&L statements, Balance Sheets, & Cash Flow statements
- FY Projections & Customer Projections**

Forecast the company's financial performance for the upcoming months using historical data, market trends, and management assumptions at a higher level
- Headcount, Best estimates, Financial Indicators, & Capex Report:**

Reports are generated from the SAP and via APis connects to pull the data and generate the output as per the business requirement
- Stock Ageing Report**

Offered Stock Ageing Report that categorizes inventory by material type and age brackets, providing real-time insights through seamless SAP integration and calculating the stock value in the reporting system.
- Debtors Ageing Report:**

Tracked and categorized outstanding customer accounts into age brackets (0-30, 30-60, 60-90, 90+ days) for detailed analysis of individual customer accounts.

LRP (Long-Range Planning)

Strategic planning modules were prepared to generate the financial statements, and various sub-modules where prepared such as

- Sales Planning,
- Capacity Planning,
- Headcount Planning,
- Capex Planning,
- Overhead Planning,
- Debt & Liquidity Planning,
- Working Capital Management.

Workflow

- Implemented workflow mechanisms for individual modules, and division levels, ensuring that they pass through the appropriate decision manager, finance manager, and corporate and review and approval.
- Determined the sequence of approvals required based on the sensitivity or importance of the data.

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Budgeting

Various Reports were created of business analysis such as:

- Sales Planning**

Templates were prepared to calculate the revenue based on the market demand at the product, customer, and region level user would be inputting the per unit cost and price of the unit and the system was calculating different types of revenue as FOB sales, third-party sales. Intercompany revenue elimination calculation was built
- Capacity Planning**

Estimate maximum production capacity and utilization rate based on available resources and identify potential bottlenecks and also point out the capacity outsource or capex to be generated to meet the demand
- Headcount and labour Planning**

Determined the number of employees needed for each designation based on projected production levels and allocated headcount to specific cost centres.
- Overheads Planning**

Various overhead cost sheets were prepared to plan the cost at a detailed GL level for all the cost centres
- Capex Planning**

Categorized capital assets, estimated their total costs, and calculated depreciation expenses.
- Debt Liquidity Planning**

Projected debt repayments based on existing obligations & estimated interest expenses using outstanding debt
- Working Capital Planning**

Determined optimal inventory levels, estimated accounts receivable collection periods, and projected supplier payments based on purchase orders and payment terms



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Results & Benefits

- Achieved consistent methodologies and reporting standards**

Achieved consistent methodologies and reporting standards through an intelligent planning and reporting solution that would overcome the limits of spreadsheets and seamlessly combine the forecasting process. This consistency enables customer to identify trends, assess risk, and make forecasts with greater confidence.
- Reduced manual efforts & improved efficiency**

Reduced manual efforts & improved efficiency. Automated consolidations, eliminated manual efforts, and established a reliable master data set. Integrated workflow control, and more detailed planning are just some of the benefits.
- Consistent and accurate data flow**

Consistent and Accurate Data Flow. Robust platform for analysis, planning, and control which would give the business the agility it needed to monitor its ever-evolving position.

Conclusion

MAS has digitally transformed numerous processes to become a data-driven organization that empowers users with data-driven organization that empowers users with the information they need, driving greater visibility of performance.