



Breakaway's budgeting system implementation gave Urban Outfitters out-dated system a real time enterprise wide view. Urban now has enterprise wide budgeting, forecasting and analytics capabilities with SAP's BPC.

Cost Conscious Retrofit

Consider that the specialty retailer now encompasses some: 143 Urban Outfitters stores in North America and Europe with a catalog and two websites, 123 Anthropologie stores with a corresponding catalog and website, the newly launched Anthropologie wholesale concept Leifsdottir, Free People wholesale, 32 Free People stores with catalog and website, and a Terrain garden center. Together, they require enterprise wide budgeting, forecasting and analytics capabilities.

When Janice Milley arrived at Urban Outfitters, it didn't take long to come to the realization that the company's budgeting system was woefully out of date. During her first year with the company, the budget was produced "Using the existing budgeting tool, but it was a fairly manual process that required linked Excel sheets to understand where we stood in total," says Milley, the company's director of budgeting and analysis. "Following that process, I talked to our controller and said, 'This is old; this is antiquated. Things really shouldn't be this hard.' It took quite a bit of persuasion, but ultimately, I was able to convince him to upgrade systems," she says.

Milley chose SAP Business Planning and Consolidation application for Urban Outfitters because of a previous success with the product. The SAP BPC implementation provides applications for finance, finance allocation, salary planning and vendor allocation, as well as data and logic processes.

In essence, it allows Urban Outfitters to budget at detailed levels for each arm of the organization, including entire profit and loss statements for each stores, rolling out the results nearly instantaneously.

Before, she says, "If someone asked, 'Where do we stand?' It would take two to three hours before we had an answer. It's clearly a much more efficient process. We put in a back-end database, so when I put those numbers in, they're sent to that database, and you, as my manager, can open that up and see it in real time. We're always staying in sync."

The Breakaway Difference

- We assess processes rapidly and thoroughly, whereas the competition takes two to three months.
- We commit chief thought leaders with BOTH technology and business analysis backgrounds to each project.
- We have extensive industry expertise in Financial Services, Retail, Life Sciences, and Manufacturing.

Breakaway Technologies

Corporate Office
770 Township Line Rd.
Suite 100
Yardley, PA 19067
P 215-369-7200 ■ F 215-369-1161
www.breakaway-inc.com



Incorporating state-of-the-art business performance management and intelligence applications, as well as best-practice process solutions, Breakaway's cost-effective programs enhance any business model.

Functional Expertise

- Planning, Budgeting, and Forecasting
- Closing Cycle and Monthly Consolidations
- External Reporting and Analyses
- Manufacturing, Distribution, and R&D
- Decision-Support Analytics and Metrics

Workshop Focus

- Reengineering and Work-Flow Analysis
- Performance Enhancement and Best Practices
- Cycle Time Reduction
- Standardization and Simplification
- Organizational Assessments and Performance Metrics
- Data Definitions and Mapping



Corporate Office
770 Township Line Rd.
Suite 100
Yardley, PA 19067
P 215-369-7200 ■ F 215-369-1161
www.breakaway-inc.com



In the case of Urban Outfitters, one of the biggest challenges was to integrate the salary planning application with expense inputs that come from a variety of sources. Employee information, for instance, was derived from ADP, but the financial information came from Island Pacific. "There were just so many different sources," says Tom Rowland, President Breakaway Technologies. "It really was about the length of time it took Janice to be able to pull together an income statement and balance sheet, as well as head count and budget planning."

It's not just about the preparation of budgets; it's also about the ability to better analyze the results. An automated feed from the general ledger updates every hour. In addition, a salary planning application allows Urban Outfitters to budget by person and look at the supervision in each store.

Managing staffing needs

"One of the things we've been able to do is put together an analysis that showed us how many managers there were in each store against sales volume," Milley says. "We could sort the information and look at why this one store has x number of managers, but all the rest, x minus one. Then it became a question of why the store needs that number. In some cases, we may need to spend more managers on a store; it may have longer operating hours. But it was the first time we could easily look at this and see that some things were inconsistent [and] what the right staffing levels should be."

Since she had used the system previously, Milley was "fully aware" of what the benefits would be. Her biggest challenge was getting all of the solution's users to adopt it as a reporting tool, and getting the accounting team to stop working out of the ledger system. "At the point we implemented it, a number of the people in accounting were tasked with having to develop budgets," Milley says. "At the first round of training, they all thought the tool was awesome. We took them through a variety of reporting that they could use, even though they were focused on 'What do I need to get the budget areas I'm responsible for into this system?'"

Seamless process

Tom Rowland states, "Milley was really good at looking at the source data and structure of her underlying financial system and determining how she should structure the new system in order to develop the best analytics for her business." "It was a fairly seamless process," she says. "It all went very smoothly."

For those without prior experience with the system, Breakaway offers help. The Breakaway Learning Center, for example, trains people to use the various technologies implemented. As in the case of Urban Outfitters, the SAP BPC system is most often used for budgeting and forecasting across different brands. "But the big advice, if you haven't purchased anything yet, is to go for proof of concept," Rowland says. "Show me that you're talking about the things I need. And the second piece of information to really think about is your total analytical needs for the company."