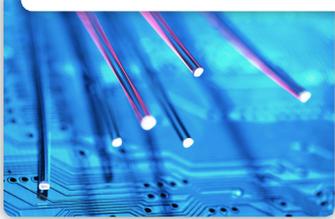# II-VI Finds One Source of Truth for Planning with Help from Apps Associates

**apps associates®**

II-VI Incorporated is a global leader in engineered materials and optoelectronic components that develops innovative products for diversified applications in the industrial, optical communications, aerospace & defense, life sciences, semiconductor capital equipment, and consumer markets. II-VI's rapid success led to an acquisition that doubled the size of the company to around 25,000 employees at 70 locations around the world, with combined annual revenues in the region of $2.5 billion.

As the company continued to scale and expand in market, they outgrew their planning process. II-VI initially leaned on their close and consolidation tool, Oracle Hyperion HFM, to house, aggregate, and report the planning cycles. They soon realized, however, that they needed a comprehensive planning solution with increased functionality to account for higher levels of detail, harmonious integration across stakeholders, and more streamlined processes. Further, in accordance with 2002 United States Sarbanes-Oxley Act, which raised the standards and requirements for transparency among all U.S. public company boards, management and public accounting firms, II-VI needed a solution that would provide microscopic views of the organization.

To eliminate the numerous pain points and data analysis limitations, the company chose to implement Oracle Hyperion Planning in order to ensure global use and consistency, with Apps Associates tapped as their partner to lead the project.

**AT A GLANCE**

$2.5B Revenue     70 Locations     25,000 employees

## Outgrowing DIY Solutions

Founded in 1971 and based in Saxonburg, PA, II-VI had been operating on a homegrown planning and forecasting solution made from a combination of Excel spreadsheets and Outlook. As company growth expanded, so did the number of owners and the disparate permissions and uses. In fact, just prior to the switch, in a pre-implementation workshop, the team found that between the 20 international team members who had access to the solution, all 20 had their own distinct forecasting processes. Some were using Excel, some the ERP system with the HFM only being used to load and consolidate the data. This led to rampant inconsistencies between forecasts and results, which in turn impacted reporting and planning for the upcoming fiscal year.

*We did not use HFM to actually forecast in any detail. That was done at the local levels all around the world. It was just a standardization of bringing in the data to HFM at a higher common level. We were using the consolidation and reporting functionality of HFM to compare the forecast data to actual results but unfortunately at too high a level for ideal managerial evaluation and effective decision-making purposes.*

**John Almquist, VP of Financial Planning & Analysis, II-VI**

Furthermore, two additional factors created urgency around their planning processes: the organizational shift towards optical communications products and the 2019 acquisition of telecommunications equipment supplier Finisar. Taken together, II-VI had exponentially increased its owned data, without a more comprehensive system to improve visibility into the planning process, process automation, consistency, scalability and profitability insights. II-VI also needed a solution that could simplify its historically clunky annual budgeting process — a 5–6-month endeavor that often stood in the way of a more rolling monthly forecasting approach.

## Why Apps Associates?

This was not the first time II-VI had considered partnering with Apps to lead a project of this size. In fact, Apps was a contender for a Hyperion HFM version upgrade project in 2010 and II-VI regretted going in a different direction, so when it was time to implement Hyperion planning, they were the obvious choice.

> **"**
>
> *The quality of the consultants is the best I've seen in my 40-year career in terms of personality, knowledge and fit.*
>
> **John Almquist**
> VP of Financial Planning & Analysis, II-VI

II-VI did not have an in-house person to run their planning solution, which made the need for a capable, experience partner all the more critical to success. Apps wasn't fazed by this vulnerability and demonstrated their ability to manage the solution remotely instead of entirely in the cloud, so that they stayed on in a capacity that fit the company's needs and budget.

## Transparency in Process, Transparency in Success

With a deadline of Summer 2020 for the completed implementation of Hyperion, the Apps team of experts implemented a phased approach to project management and execution.

While Apps owned the playbook, it worked closely with II-VI to provide feedback on the iterative build sprints — II-VI had a bird's eye view at every milestone, shaping the direction through prototype and development cycles. This way, II-VI could be confidant that not only would the technology work as intended, but that every aspect of the company's planning needs were being met.

For the implementation, II-VI had a small team of employees and stakeholders who would be owning the application — largely from the finance department. Throughout the project, the team relied on the initial Apps playbook designed by Apps as a critical resource guide. It served as a simple-to-use roadmap to track progress, deadlines and actions needed to support the overarching goal. For example, many items had numerous steps to them, and because both internal and Apps team members worked from the same playbook, held conference calls and mini sessions and were in regular communication, these actions were accomplished successfully.

## Benefits

Since completion of the implementation, the impact has been felt throughout the company. II-VI now has a consistent planning process that spans internal departments across the globe. Further, the company's improved reporting systems have enhanced planning and review cycles.

Additional successes seen since the project concluded include:

- **Increased visibility for executive reports comparing actual to forecast – complete with variances and greater levels of detail**

- **Increased communication among the global finance teams**

- **Aggregated information for seamless report design**

- **Greater communication among business groups for a wider understanding of sales**

- **Implementation of rolling forecasting for on-the-ground insights**

Working with Apps to implement their Hyperion Planning solution has connected the company through open communication and set them on a greater path to success with added insight into their data and reporting.

**Looking to learn more about how Apps Associates can support and guide planning implementation needs with Oracle? Visit us online or follow Apps Associates on social media Twitter and LinkedIn.**

## About Apps Associates

Apps Associates is an enterprise application services leader with a customer-first focus. Apps Associates has more than two decades of experience helping organizations innovate through digital transformation initiatives. Customers such as Brooks Automation, Hologic Inc., Edwards Vacuum, and Take Two Interactive Software turn to Apps Associates for strategic counsel, system integration and the services required to solve their most complex business challenges – utilizing experience in analytics, application modernization, process automation, digital systems, technology and operations. To learn more about how Apps Associates can help you align your business with the right technology, visit: www.appsassociates.com, or follow Apps Associates on social media on Twitter and LinkedIn.

### Our Strategic Partners:

aws **PARTNER** Premier Tier Services

ORACLE | Partner

salesforce **PARTNER**

snowflake **SERVICES PARTNER** SELECT