

Case study: MIS & Analysis

Objective of MIS & Analysis

To professionally manage the collection, flow and direction of critical financial information so that management is able to take informed decisions. Timely and accurate information also empowers the Company to be proactive rather than reactive to trends or situations.

Company Profile

A leading retail food company, pan India presence, 500 employees, turnover INR 180 million.

Challenge

In the retail food industry, one of the keys to survival and growth is having timely information on food costs and other line items. Our client's accounts department was not able to put together this critical information in the desired format even after circulating a standard format among outlets. Further, there were many clerical errors and a lack of understanding about the real purpose of the information sent by the company's outlets. To make matter worse, the information received from outlets was irregular, making it difficult to deliver the MIS on a target date to the company's management.

Solution

Not only did the MIS function take up too much of the CFO's time and energy, in addition, it consumed the efforts of a dedicated professional, a qualified Chartered Accountant. Management recognized that better information was needed to understand where the strategies in terms of Food Costing were not working. BC was approached and contracted to streamline this function. Before this, BC had not worked with any client in the retail food industry.

Implementation

First, we conducted a professional due diligence process which took 5 working days to diagnose the real problems. Then, we prepared a short term view on issues to be addressed over the following 3 months. Also, we prepared a long term plan in which larger issues would be addressed over a period of 12 months. In the first stage, the real problem of co-ordination between the outlet personnel and accounts personnel was addressed by simplifying the format. BC undertook to educate them in why the information was required, and how it would improve the overall business. Within 2.5 months, the entire MIS was in place and the system was on the track.

Current Status

The biggest value addition by BC in the MIS area was its ability to help management to control Food Cost by 5 %. Another direct benefit of the whole process was the establishment of trust and respect between the outlets and the F&A department. We are now in the next phase of designing a system to track some specific cost items on daily basis.

Chandan Goyal

Director- Business Development

Blue Consulting Pvt. Ltd.

+91 9810410421

chandan@blueconsulting.co.in

www.blueconsulting.co.in