

INFORMATION TECHNOLOGY

the change processes. The effects of change can then be read and analysed. For example, Volvo Logistics uses COCPIT's analyses to produce realistic lead times in its distribution system.

Before COCPIT

To really appreciate the improvement that COCPIT has made to the Order to Delivery process, it is worth recalling the original methods of data gathering. Originally, a mainframe solution (MIS) covered sales, stock and orderbook processes. The cost of reporting was high, as information supplied from MIS were inflexible and had to be refined manually into new and usable reports both centrally and at sales company level. There was insufficient control for process monitoring, and human error was an ever-present factor, raising questions about static reports, necessitating extra time for management discussions.

In 1997 COCPIT was developed as a prototype using a step-by-step approach. Lead time and delivery precision was the first iteration. Since then COCPIT has grown to cover the whole Order to Delivery process including sales, stock, orderbook, leadtime, delivery precision and production areas. The main target groups were VCC Management, process and KPI owners.

With COCPIT

Today, using COCPIT, improvement can be seen in a number of areas:

- The cost of reporting - resources now analyse information instead of gathering and preparing data.

- "Only one version of the truth" saves discussions. This keeps costs down and profit levels up.
- Process monitoring - By intergrating data and having consistent reports, human error and down-times are reduced via a better overview (KPI reports), and continuous follow up of the whole Order to Delivery process is achieved.
- Proactive Management - Easy access to detailed data enables root cause analysis and answers. Problems can be pinpointed and solutions found quickly and efficiently.
- Empowered Organisation - availability for all employees creates attention to process performance. Work satisfaction and quality of work improves amongst the work force.

Facts about Volvo IT.

Volvo Information Technology AB is a wholly-owned subsidiary of AB Volvo. Volvo IT has annual sales of around SEK 5.9 billion and employs some 4,500 people worldwide.

Volvo IT provides solutions for all areas of the industrial process, and offers unique skills and expertise in Product Lifecycle Management, SAP solutions, and IT operations among other areas. Customers include Volvo Trucks, Renault Trucks, Mack Trucks, Nobel Biocare, ASSA ABLOY, Gambro, Kongsberg Automotive, Segerström Automotive, Atos Origin and the Ford-owned Volvo Car Corporation.

ADDING VALUE WITH BUSINESS INTELLIGENCE

COCPIT

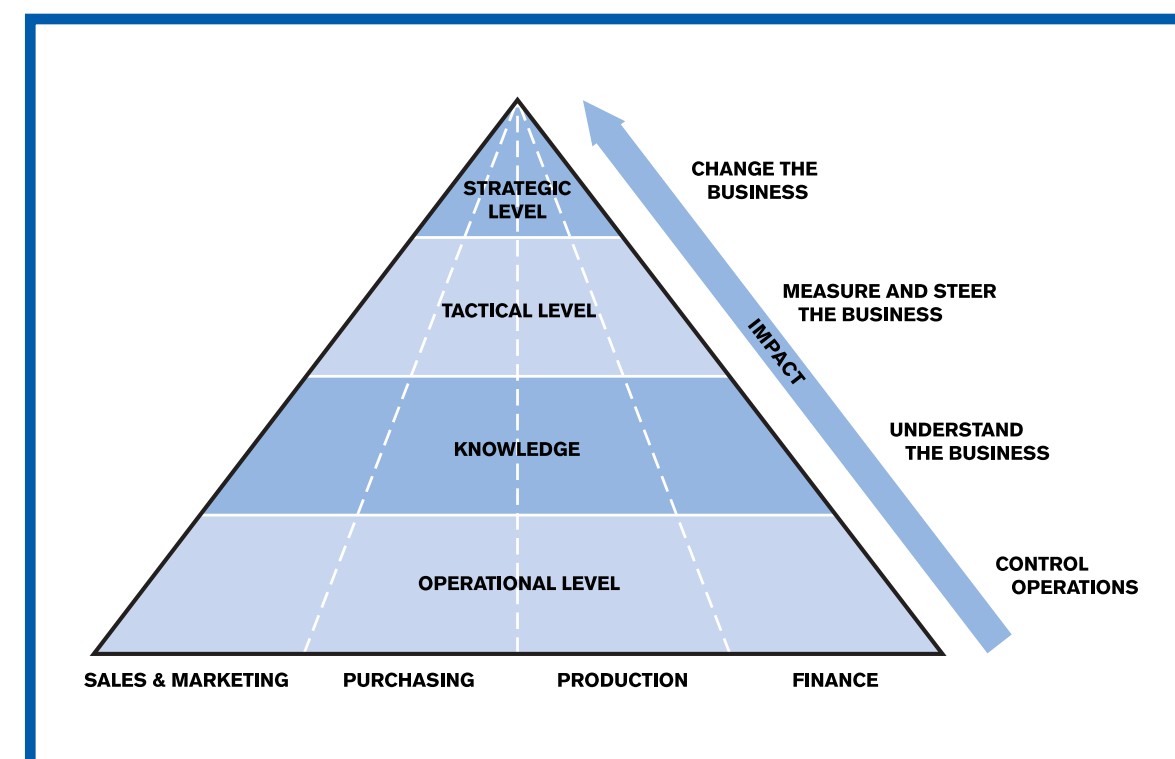
REFERENCE CASE

Better decisions in the Order to Delivery process with COCPIT.

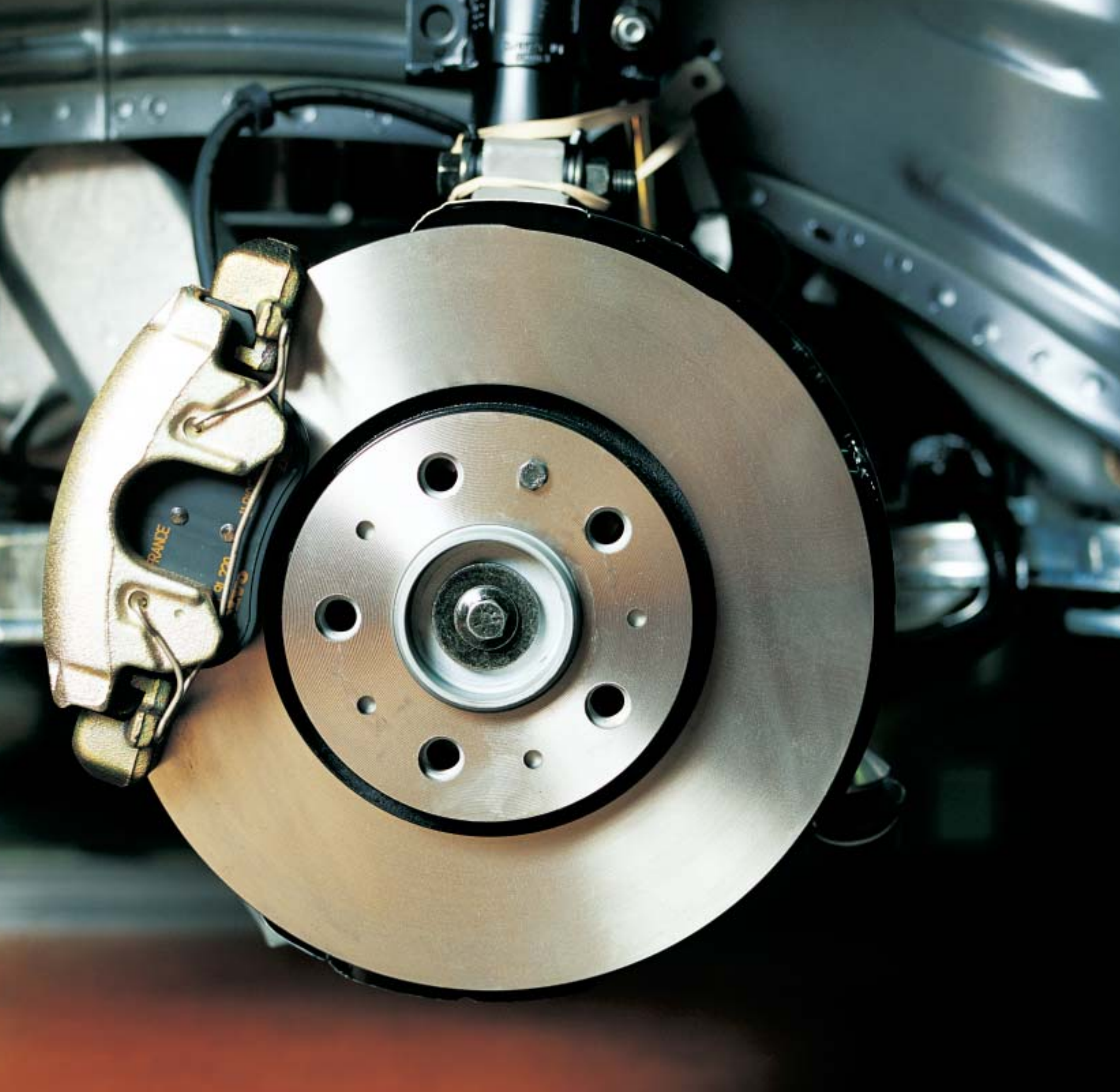
Business Intelligence (BI) is aimed at supporting and improving decision-making by facilitating analysis tools and accessing centralized, consistent and quality-assured information. BI involves selecting, analysing and visualizing information in order to reach insights, draw conclusions, make decisions and communicate findings and results.

At Volvo IT we feel that BI should be used to support decision-making across your business at all levels. More importantly, by using BI properly you

can turn data into information that supports and creates better decision making, allowing your organization to become a marketplace leader.



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COCPIT is the solution

One of the BI solutions that Volvo IT has developed is COCPIT, the Car Order Car Pipeline Information Tool, a BI system available to all employees via the intranet. The system was created in 1997 and has been continually developed ever since. COCPIT integrates information across business functions and enables VCC to follow a car from order to delivery. Since COCPIT is easily available to all employees, VCC can work with “one version of the truth”. COCPIT is filled with information each night from order, planning, factory and distribution systems, enabling follow up of a number of key performance indicators such as: sales, stock, lead times, delivery precision, production and order type.

COCPIT produces output at three levels:

- Fixed reports for days, weeks or months
- Flexible reports (using Office Web Components) comprising analysis functionality and finished reports as a basis for improvement measures and root cause analysis
- Query tool (Business Objects) for detailed analyses in specialist areas.

COCPIT provides an overview and a panorama. It follows cars from order to delivery. Information is gathered and presented in neat reports, accessible to all employees.

Customer reference

“COCPIT is an extremely useful instrument,” says Fredric Lundkvist, Process Owner of the Order to Delivery process. “By looking at certain key ratios you can explain why certain things have happened and see future trends. The analysis tool is capable of a great deal,” he says. “Take delivery precision, for example. There are huge amounts of ready-to-use data. It would be a shame if people didn’t use COCPIT, because it’s easy to use and informative. But there is now an e-learning program at the top of the website, so all you need to do is get started.”

The data collected from COCPIT can be used as a basis for analyses and reports, or as a follow up in