

# SUCCESS STORY

## HERMES GROUP

### Overall logistics controlling



The current market environment for companies providing courier, express and parcel services makes the use of best-in-class systems and technology indispensable

In order to make informed strategic decisions Hermes needed an efficient controlling and reporting system to provide detailed data from all operating divisions.

#### The Challenge

The current market environment for companies providing courier, express and parcel (KEP) services is highly dynamic. Product innovations are redefining the demarcations separating existing segments of the market. New options for cooperation between the service providers along the entire value-added chain are bringing radical changes to service processes. In this environment, it is essential for providers to have adequate support resources when taking strategic decisions. One component of any such support is an efficient controlling and reporting system, which collects detailed data from all a service provider's operating divisions and visualises these in a genuinely effective way.

#### Our solution

The objective was to create an instrument capable of controlling the Group's activities at and across all levels (cost centre accounting). It had to supply comprehensive and up-to-date data for strategic planning purposes. The resulting enhancement of cost transparency in all the Group's business divisions enables Hermes to pinpoint which customers have caused which costs in each area of the Group's activities.

#### Key Points

- As a globally unique company, Hermes offers its clients all the services they need along the whole of their value chain
- Hermes is Germany's largest independent consumer logistics company
- Over 266 million deliveries
- Over 14,000 acceptance points in Germany
- Hermes Group is a 100 percent subsidiary of Otto GmbH & Co. KG

In addition, a method of analysis of process costs has been developed for use in the control of the logistics processes. The sum of these requirements produced a single paramount need, namely, the ability to allocate the cost information produced by the financial accounting division from massive amounts of data to specific processes and customers.

## How we worked together

In close consultation with Hermes IT, Sopra Steria designed several scenarios for the technical linkup of the system and for routine extraction of data. This resulted in the creation of a data model forming part of a data warehouse and enabling consistent logical data visualisation, whilst making due allowance for performance requirements at data processing and data extraction level, transformation and loading of processes in the data warehouse.

Following visualisation of the cost-centre accounting, a top management reporting was designed and implemented. This displays not only key performance indicators (KPI) as defined by Central Controlling, but also key top management indicators from Transport, HUB and Last Mile.

## Results and benefits

Hermes was able to replace the numerous individual solutions with their specific sub-tasks in the logistics process chain and now has comprehensive information that is always up-to-date as the basis for strategic planning

- Automation of manual processes increases efficiency
- Accurate calculation of actual costs incurred for each step in the logistics chain (sea, air, road and rail), including collection, handling at the depot, HUB handling, long haul, handling at depot, last mile and returns
- Systematic and uniform application of data processing logic facilitates consistency management
- Use of uniform logic as source of unmanipulated data yields significantly better database for assisting strategic decisions (single source of truth)
- Plausibility checks based on good accounting principles yield improved data quality
- Group-specific definition of the logic of a CCA from direct input of large amounts of data
- Use of ETL software tools for data processing gives high flexibility
- Separation of monitoring of data processing from the underlying technical content cuts system's operating costs

“ In close co-operation with Sopra Steria Consulting we defined a way to replace numerous individual systems with an integrated solution. Now, we can draw upon comprehensive, up-to-date information for our strategic planning. With a high degree of automation, optimum data precision, uniform processes and group-specific tools we are now perfectly positioned to tackle future challenges. ”

JAN HELBACH,  
Director Strategy and  
Controlling, Hermes Transport  
Logistics GmbH



### About Sopra Steria

Sopra Steria, European leader in digital transformation, provides one of the most comprehensive portfolios of end to end service offerings in the market: Consulting, Systems Integration, Software Development, Infrastructure Management and Business Process Services.

Sopra Steria is trusted by leading private and public organisations to deliver successful transformation programmes that address their most complex and critical business challenges. Combining high quality and performance services, added-value and innovation, Sopra Steria enables its clients to make the best use of information technology.

With 37,000 employees in over 20 countries, Sopra Steria had pro forma revenue of €3.4 billion in 2014.

Sopra Steria  
9 bis rue de Presbourg 75116 Paris  
Tel : 01 40 67 29 29

[www.soprasteria.com](http://www.soprasteria.com)

