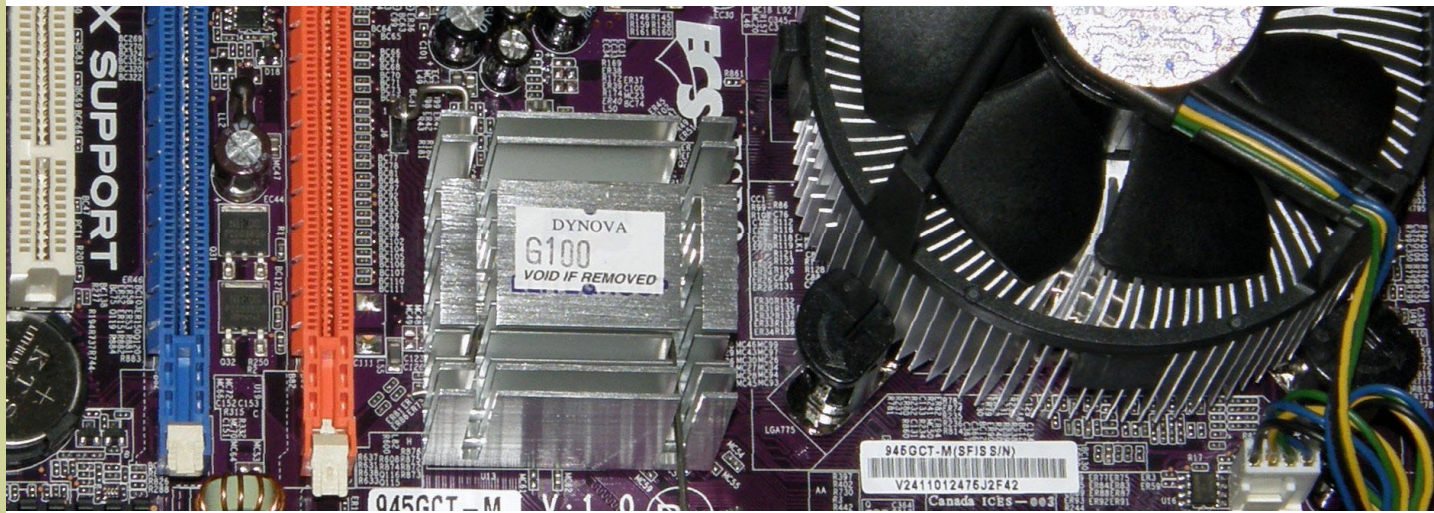


CASE STUDY

ANADIGICS Improves its Budgeting and Forecasting Processes



THE CLIENT

ANADIGICS is a supplier of radio frequency/microwave integrated circuit solutions for the communications industry. ANADIGICS combines research and development, innovative design and manufacturing expertise to deliver high performance RF ICs (radio frequency integrated circuits) for high frequency and broadband communications markets. Their ICs can be found being used in:

- Cellular and PCS handsets and base stations
- Fiber optic telecom and datacom networks
- Cable TV set top boxes, cable modems, and infrastructure products.

THE CHALLENGE

ANADIGICS had grown to 500 employees in 60 different departments. Their large IT infrastructure was making it difficult to fulfill basic budgeting and forecasting functions in a timely manner. ANADIGICS had been relying on single-user forecasting systems and Microsoft Excel spreadsheets to collect and view its budgeting data. The prior forecasting system was inefficient and not user-friendly. For instance, financial data was unavailable until the end of the forecast process, and it was difficult to run top-down adjustments. Data had to be re-keyed to transfer it between databases.

Adding another layer of complexity, ANADIGICS also had a number of significant business issues to overcome:

- IT had previously experienced failures when attempting to implement Data Warehouse/Data Mart solutions
- Management felt there might be some challenges in changing the mindset of its user community - Any new solution must be easy to use
- ANADIGICS also needed to streamline their processes. At the time, they had four different Budget/Forecast cycles - each with different rules

THE SOLUTION

In an effort to identify the best solutions, ANADIGICS engaged Praxinet to assess, recommend, and implement a strategy to improve its Budgeting process. Praxinet worked with select end-users and members of the Finance group to form an implementation team. The team held Joint Requirements Planning sessions (JRPs) with users throughout the company to define the requirements of the new application. Praxinet determined that ANADIGICS needed the ability to forecast Manpower, Capital, and Operating Expenses within a simple, integrated interface. The team recommended that ANADIGICS utilize Hyperion Essbase as the base technology in conjunction with A3's Vision software for Budgeting.

The SABRE system simplified end-user procedures through both its features and user interface. Certain SABRE features simplify the capital budgeting process. For instance, it ensures the manager applies the correct depreciation basis for each capital class (machinery & equipment, PC's, etc). SABRE provides a more accurate view of actual and forecasted expenses. It promotes better tracking of actual capital purchases in comparison to the budget. ANADIGICS now has an automated process to upload data back into their general ledger system.

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THE TECHNOLOGY

Hyperion Essbase Multidimensional database

Microsoft Windows NT Server

Microsoft Visual Basic

A3 Vision

Integrated core financial systems: Ceridian Payroll Service, MAPICS, Harris Asset Management, and Advanced Logic General Ledger

THE BENEFITS

The SABRE system provided ANADIGICS with several benefits including increased budget system flexibility, increased analysis capability, an intuitive enduser interface, and more accurate and comprehensive access to their data. SABRE effectively consolidated all of ANADIGICS' legacy application data.

The SABRE system simplified end-user procedures through both its features and user interface. Certain SABRE features simplify the capital budgeting process. For instance, it ensures the manager applies the correct depreciation basis for each capital class (machinery & equipment, PC's, etc). Lastly, SABRE provides a more accurate view of actual and forecasted expenses. It promotes better tracking of actual capital purchases in comparison to the budget. ANADIGICS now has an automated process to upload data back into it general ledger system.0

Praxinet developed a flexible yet extensive, multi-tiered allocation process for R&D Expenditures as well as those Operating Expenses or Departments that can be allocated across the business.

CASE STUDY

ANADIGICS was thrilled with the success of the engagement. “Since we had unsuccessfully attempted similar initiatives in the past, we wanted a partner that could develop a comprehensive plan. We found one in Praxinet,” says Julie Mahoney, Director of Financial Planning & Analysis, ANADIGICS. “They assured us success and then delivered on their promise. By helping us analyze our existing practices and applications, they were able to customize a solution that seamlessly fit and optimized our overall process. SABRE allows us to perform end-to-end budgeting and analysis while integrating with our back-end Accounting and Manufacturing systems. We couldn’t be happier with the outcome.”

About Us...

Praxinet, Inc. provides consulting and software solutions that improve business performance across government and private enterprise. Praxinet leverages its core competencies in strategic consulting, Internet technologies, and business intelligence to enable its clients to manage their operations more efficiently and intelligently. Praxinet has designed and developed mission-critical solutions for major clients such as Avaya, Swiss Re, Pitney Bowes, GE, Star Gas Partners, Deloitte & Touche, PricewaterhouseCoopers, Citibank, Pfizer, Verizon, UPS, IRS, NH Dept. of Health & Human Services, and Tishman Speyer Properties.

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