

## Nu Skin Consolidates Systems and Builds Simplicity

Nu Skin Enterprises is a direct selling company that distributes more than 200 premium-quality anti-aging products in both the personal care and nutritional supplements categories. They operate in more than 50 international markets and its global operations generated more than \$2.25 billion in revenue during 2015.

### CHALLENGE

Nu Skin's consolidation system had operated on SAP BPC 7.5 Netweaver for four years and they needed to expand BPC to improve their Budgeting, Planning and Forecasting system. This expansion would allow them to better manage the complex processes of consolidating, analyzing and reporting on the monthly, quarterly and annual planning and budgeting plans.

With offices from countries around the world, a change was critical as budgets came in via Excel spreadsheets and had to be manually uploaded and consolidated. The process was lengthy, error prone and didn't provide the reporting and analytical capabilities required to facilitate timely decision making in an ever-expanding business.

Nu Skin's current system, operating on SAP BPC 7.5, would no longer be supported by SAP and they needed to upgrade the software in conjunction with the Budgeting, Planning and Forecasting implementation. This upgrade would also provide an opportunity to reevaluate and improve the consolidation process.

### SELECTION PROCESS

Nu Skin met with multiple BPC implementation firms, including SandPoint. Prior to being selected:

- SandPoint met with Nu Skin's business owners and IT managers involved in the consolidation and budgeting, forecasting and planning processes. These business owners were diligent to ensure all the right people participated in and contributed to the overall design affecting the consolidation and FP&A components

- SandPoint provided several options from large multinational companies similar in size to Nu Skin for them to understand the different BPC design approaches and 'best practice' BPC implementation techniques.

### SOLUTION

- Replaced manual Excel process for Budget, Planning and Forecasting with BPC 10.1, including detailed solutions for HR and Cost Center Budgeting, improving the administration of BPC and end-user experience
- Streamlined the consolidation model with a different approach that met US GAAP accounting and provided the ease of use end-users needed
- Created a new design to improve the consolidation process
- Provided extensive training and seamless knowledge transfer of BPC 10.1 and EPM reporting
- Provided preparation for Go-Live support
- Added a Capital Expenditure solution to manage ongoing costs around Nu Skin's physical assets and future projects.

### RESULTS

The immediate benefits were ten-fold:

- Enhanced the overall end-user BPC experience with reporting and analytics "slice & dice" functionality
- Improved ongoing tax analysis and reporting
- Created new budgeting and forecasting processes to reduce the cycle time Nu Skin took to consolidate those same processes in Microsoft Excel
- Allowed BPC users around the globe to easily enter HR and Cost Center budgeting data and eliminate the manual consolidation of hundreds of spreadsheets
- The BPC input screens integrated a simple Excel environment to load the HR and Cost Center data

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- Analyzed data instantly with automation of the data loads and the real-time roll-ups
- Issues such as employee compensation, benefits and promotions could be easily managed
- Quicker turnaround of completed HR budgets for management's review
- More efficient handling of the depreciation, amortization and allocation processes
- Removed laborious, manual process and added flexibility to plan Capital Expenditures by Cost Center at the project-detail level, including reporting of plan versus actual spend

“Nu Skin needed a solution to improve its FP&A processes. With our rapid growth globally, Excel wasn't cutting it. It was time to implement BPC to streamline our FP&A processes. BPC 10.1 now allows us to focus on value added duties like analysis and reporting vs. data gathering. SandPoint provided the BPC expertise, implementation flexibility and the approach that fit our team's need to meet complex BPC requirements and goals. We are thrilled with our partnership with SandPoint and look forward to having them help support our BPC needs.”

Ryan Wood | Nu Skin Director of Planning