



3 DAYS

Spent on Data Preparation
Now Spent on Analysis

4,000

Power Users Worldwide
Inputting Budget Data

25%

of FTE Time
Reallocated to Value-Added Work

ABOUT COMPANY

Costco Wholesale Corporation operates an international chain of membership warehouses, mainly under the “Costco Wholesale” name, that carry quality, brand-name and private-label merchandise at substantially lower prices than are typically found at conventional wholesale or retail sources. Costco operates 800+ warehouses and a number of e-commerce websites across four continents.

- Headquarters: Washington, USA
- Industry: Retail Trade
- 800+ warehouses across four continents

SOLUTIONS

- Financial Close and Consolidation
- Planning, Budgeting & Forecasting
- Reporting & Analytics

BENEFITS

- Single system of record for financial results, P&L reporting, budgets, forecasts and variance commentary.
- Eliminated 90+ Excel spreadsheets.
- Streamlined entries of monthly updates to rolling 3-month forecast.
- Delivered a more powerful model and reporting system.
- Reallocated 25% of FTEs to value-added work.
- Cash flow reporting previously taking five to seven days has been reduced significantly.
- Warehouse manager’s time spent budgeting is used more efficiently.

“

We were able to meet nearly all of our needs with OneStream. We’ve had lots of positive feedback from our business partners. They are using the new system to improve and streamline the budgeting process..”

— Joshua Dahmen, AVP, Financial Planning and Investor Relations



RECOGNIZING A NEED TO EMPOWER THE ORGANIZATION

It's a major feat, and yet just a piece of this unique story. Beyond the automated efficiencies, Costco Wholesale Corporation has seen improvements across the enterprise since discovering the OneStream Intelligent Finance platform. Recognizing a need to empower the organization with improved insights, the Costco team has been able to create intuitive, easy to use dashboards in OneStream that provide warehouse managers with clear visibility into key metrics and business trends. These managers now have the support they need to easily create their annual budgets, plus the ability to streamline entries of monthly updates to their rolling 3-month forecast. Costco took the initiative to replace an outdated CPM system and since has evolved to support growth and new business requirements in a unified software platform.

“

Our biggest win was getting out of the business of manual work, which creates risk and reduces visibility.”

— Courtney Stricklin, AVP of Global Financial Reporting



HITTING THE WALL WITH ORACLE HYPERION FINANCIAL MANAGEMENT

As a global retailer with over 800 warehouses around the world, Costco was running their financial consolidation, reporting and budgeting processes using multiple SAP and I-Series ERPs, Oracle Hyperion Financial Management (HFM), Excel, and Cognos BI.

Their outdated HFM application and reliance on Excel and complex data movements made it increasingly difficult to maintain the organization's 1.5-day financial close process. Reporting was highly manual and Excel-based, with over 40 Excel sheets for internal reporting and another 50 for external reporting, creating layers of complexity and painful review and analysis processes.

The trigger point finally came when Costco was evaluating how to modernize their aging HFM application, which could no longer be upgraded. It needed to be replaced, which would result in a reimplementation. So the Business and Finance teams began looking at their alternatives and landed on OneStream.

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While there was initial preference for selecting an SAP-based reporting and planning solution, stakeholders evaluated OneStream vs. SAP BPC and felt that OneStream better met our business requirements and offered more flexibility.”

— Joshua Dahmen, AVP, Financial Planning and Investor Relations

MAKING THE COMPLEX SIMPLE

The Costco team swiftly implemented OneStream for financial close, consolidation, reporting, cashflow, and budgeting.

The overall goal was to make the complex simple for managers at the warehouse level, providing access to data and analytics – **all within an 18-month implementation plan.** The focus of the budgeting project was to enable budget

input for 4,000 users worldwide, with guided analytics and drill-through to their SAP ERP for transaction detail for warehouse level managers.

Said Mr. Dahmen, “We needed to make it super easy for warehouse managers to quickly enter their budgets and let them focus on running their business.”



“As an extension to OneStream, Finit’s DrillIt Tool eliminates the need for reviewers of periodic results to reach out to accounting or finance to inquire about the driver of a particular number on a PDF,” said Thomas Leinenbach, Financial Reporting Manager at Costco. “DrillIt takes the drill-down concept to a new level with easier to follow drill paths, ranking, expansion types, and fully exportable, multi-tab results. We now have 4,000 power users.”



Said Mr. Dahmen, “They could do the monthly updates in 15 minutes in the old system – so we needed to replicate that and reduce the need for other tools being used on the side.”

CREATING A SINGLE SOURCE OF THE TRUTH

With the OneStream project completed, Costco now has a single system of record for close and consolidation, P&L reporting, variance commentary, budgeting, task management and workflow for warehouse and corporate users. The accounting and finance teams now have one place to see all their financial data, spending more time on financial statement review and less time on manual creation and review work.

By moving many of their processes from Excel and into OneStream, the Costco team was able to re-allocate 25% of FTE time to value-added work.

“From a financial reporting perspective, we needed to focus on the work and a lot of time was spent manipulating spreadsheets in the past. Now that everything is in OneStream and things are automated, we can produce timely reports, make changes visible, and better support reviews.”

— Courtney Stricklin, AVP of Global Financial Reporting

They shifted three days of the team’s time from preparation to analysis of financial results. The rollout of the system to the warehouse level has created goodwill with the warehouse operators and improved communication across the business.

Cashflow reporting has also improved. This was highly manual before, performed in Excel and took five to seven days, with a complex workbook that crashed regularly. In OneStream the preparation and review is all completed within the platform, with automated roll-forwards. The time required to produce cashflow statements has reduced significantly.

“We’ve had lots of positive feedback from our business partners. They are using the new system to improve and streamline the budgeting process.” Mr. Dahmen concluded:

“We were able to meet all of our needs with OneStream.”



OneStream Software
191 N. Chester Street
Birmingham, MI 48009
Phone: +1.248.650.1490

onestream.com
sales@onestream.com

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