opentext

Data, dashboards, and drill downs: North Star BlueScope Steel makes costing clearer through analytics

Steel band manufacturer uses OpenText[™] AI & Analytics for a fuller, less resource-intensive view of customer costing and improved profitability



At a glance

Industry: Manufacturing

Location: United States

Challenges

- OpenText[™] AI & Analytics
- OpenText[™] Data Discovery
- OpenText[™] Intelligence

Results

- Analyze costing data to pinpoint higher profit potential
- Understand customer trends
 and needs
- Monitor KPIs related to safety compliance with self-service dashboards
- Enable predictive maintenance

A wholly owned subsidiary of Australia-based BlueScope, North Star BlueScope Steel is headquartered in Delta, Ohio. It produces and supplies hot-rolled steel bands for coil processors, cold-rolled strip producers, pipe and tubers, equipment manufacturers, and steel service centers. Founded in 1997, the company is the largest scrap steel recycler in Ohio, recycling nearly 1.5 million tons of scrap steel every year.

Better analysis, fewer resources

By 2015, North Star BlueScope Steel was already using OpenText[™] Intelligence, the BI and reporting component of OpenText[™] AI & Analytics composable platform, as a business intelligence platform, visualizing production and financial data through reports and dashboards. But the company realized it needed a new tool to assist in another area of the business that had been lagging due to outdated technology. Costing, at the time, was still being managed through Microsoft[®] Excel[®], a time-consuming process that saw disparate areas of the enterprise manually collecting data in a file so large and inefficient that it could take up to 10 minutes just to open. The system clearly wasn't meeting their needs.

"We had spreadsheets stored everywhere," said Mike Nippo, IT solutions manager at North Star BlueScope. "They were large. They were slow to load. One person was inputting all the data, all the information in there. And it was prone to error." "Now, in a few seconds, I can do all the comparative calculations needed, be it month-overmonth, quarter-overquarter, or any other time period. What we'll do is oftentimes study cycles of selling or view certain things that are going on in the market and apply these additional factors to the overall analysis."

Mike Nippo

IT Solutions Manager North Star BlueScope Steel North Star BlueScope needed a more efficient tool to help it more accurately understand its costing data and workflow, so the company could use it to engage with customers, conduct market-based analysis, and build purchasing breakdowns. The technology would have to eliminate the manually intensive process already in place, collecting data automatically from a variety of sources, including Microsoft® Access® databases and eventually even the company's electric arc furnaces (EAF). That way, the company could reallocate staff and save on resources, all while better meeting customers' needs.

Automated data collection and analytics

After considering three different solutions, North Star BlueScope opted to upgrade to the full analytics suite by adding OpenText[™] Data Discovery to its existing OpenText AI & Analytics composable platform implementation. Offering an advanced approach to analytics, the tool allowed the company to automatically access, blend, explore, and analyze data. With that data available at its fingertips, the company could start to better understand the impact on profitability that events such as plant delays and bottlenecking might cause, drilling down to a cost-per-minute understanding of its business dynamics.

"Now, in a few seconds, I can do all the comparative calculations needed, be it month-over-month, quarterover-quarter or any other time period," Nippo said. "What we'll do is oftentimes study cycles of selling or view certain things that are going on in the market and apply these additional factors to the overall analysis."

Improving profitability

Using the full suite, North Star BlueScope can now better engage with its business. By analyzing its costing data, the company can delve deeper into the grades and mixes of steel most likely to generate higher profit margins, identify customers apt to switch products, and determine future needs. "We're trying to leverage that to really look further out to help make better decisions down the road," Nippo said.

It's also easier to present up-to-date costing and sales information to its executives and sales teams, breaking it down as required. These reports mean the company no longer has to wait until the end of the month to make informed decisions, but can do so sooner and more intelligently, whenever needed. Comparing data to see changes and trends, tracking the performance of individual sales reps, and accessing information for regulatory and safety reviews are all easier than ever.

"As a manufacturing facility, we have a lot of regulations to follow," Nippo said. "By having automated, interactive dashboards, we can track and manage compliance. We utilize the reporting capability in OpenText Intelligence to ensure that regulators have access to the information they want to see, including the critically important date and timestamps of all safety-related incidents."

As North Star BlueScope expands the application of technologies, such as the Internet of Things, it will be possible to integrate data points from plant machinery into the full OpenText AI & Analytics platform to analyze electricity consumption, weather patterns, material usage and steel prices, establishing a better view of upcoming requirements and sales potential. "As a manufacturing facility, we have a lot of regulations to follow. By having automated, interactive dashboards, we can track and manage compliance. We utilize the reporting capability in OpenText [Intelligence] to ensure that regulators have access to the information they want to see, including the critically important date and timestamps of all safety-related incidents."

Mike Nippo

IT Solutions Manager North Star BlueScope Steel

Continuing the evolution

Building on its success, North Star BlueScope plans to continue leveraging and improving its OpenText usage, creating a Center of Excellence to ensure analytics is being used to its fullest company-wide. With that in mind, the team is evaluating additional OpenText solutions to build on its foundational components and extend it even further into a full, AI-powered analytics platform, including machine learning and text analytics. Additionally, North Star BlueScope is also evaluating the pairing of OpenText Intelligence with the voice-based Amazon Alexa service to create instant voice-activated access to the latest customer and plant status information.

The new functionality will help the company predict potential equipment failures. "If we can learn from that, obviously we can be proactive instead of reactive," Nippo said. "Reactive is 'slow it down.' Proactive is, 'Let's fix it before it becomes a problem.'"

