|  |  |  |  |
| --- | --- | --- | --- |
|  | |  |  |
| Microsoft Dynamics  Customer Solution Case Study |
|  |  |
|  | C:\Users\chris\Documents\MDCE\Thomas Cook\logo_thomas_cook_medium.png |  | Travel Services Firm Cuts Overtime, Improves Accounting with Financial Management Solution |
|  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Overview  **Country or Region:** Scandinavia  **Industry:** Hospitality—Travel services  Customer Profile  Thomas Cook Northern Europe has 2,800 employees and provides travel services that bring people to more than 200 destinations in 40 countries.  Business Situation  Facing a mandatory upgrade of its financial management system, Lawson Insight, Thomas Cook Northern Europe considered alternate solutions to gain better advantages at the same price.  Solution  Thomas Cook Northern Europe deployed Microsoft Dynamics NAV with the help of Microsoft Gold Certified Partner NAB Solutions.  Benefits   * Reduced overtime 30 percent and increased productivity 8 percent * Achieved two-year payback * Gained flexibility * Eased training, adoption, and hiring * Simplified compliance |  |  | “We realized full payback within two years after deploying Microsoft Dynamics NAV.”  Klas Elmroth, Finance Director of Support Services, Thomas Cook Northern Europe |
|  |  | Thomas Cook Northern Europe provides travel services, including flight and hotel purchasing and destination management, to 200 locations across 40 countries. Facing a costly and mandatory upgrade of Lawson Insight, Thomas Cook Northern Europe considered moving to a new system for financial management. After examining SAP, the company decided on Microsoft Dynamics NAV because of its capabilities, flexibility, and ease-of-use. Working closely with Microsoft Gold Certified Partner NAB Solutions, Thomas Cook Northern Europe implemented the solution in only four months, completing the deployment to coincide with the onset of a new financial year. Since deployment, the company has improved accounting productivity 8 percent, reduced overtime in accounting 30 percent, achieved a full payback in two years, and greatly improved user adoption and training, simplifying hiring in the future. |
|  |  |  |  |
| C:\Users\chris\Documents\MDCE\Thomas Cook\NABlogo_SVV.eps |  |  |  |
|  |

Situation

|  |
| --- |
| “… [W]e were able to implement Microsoft Dynamics NAV in an extremely short period of time. We closed the books in Lawson Insight on September 30 and began using Microsoft Dynamics NAV on October 1.”  Carina Lööf, Finance Manager of Shared Services, Thomas Cook Northern Europe |

Part of the British group Thomas Cook, [Thomas Cook Northern Europe](http://www.thomascook.se/) has 2,800 employees across Norway, Denmark, Finland, and Sweden, and has been in the travel industry for more than 50 years. The company provides travel services, including flight and hotel purchasing and destination management, to 200 locations across 40 countries. In 2009, Thomas Cook Northern Europe sold 1.5 million vacations and drove annual revenue of kr13 billion (approximately U.S.$1.8 billion).

With the majority of its customers booking trips online, Thomas Cook Northern Europe recognizes the need to maintain an effective IT environment with capabilities spanning from booking to financial management and banking. For financial management, Thomas Cook Northern Europe previously relied on Lawson Insight. When the system came up for a costly and mandatory upgrade in spring 2008, company leadership at Thomas Cook Northern Europe took a second look at the solution. Says Klas Elmroth, Finance Director of Support Services for Thomas Cook Northern Europe, “Upgrading Lawson Insight was something we were going to be forced to do, and we felt it was very expensive and added no real benefit to our company.”

In fact, the upgrade would have cost Thomas Cook Northern Europe around kr1.5 million (approximately U.S.$208,800). The expense only amplified what the company already felt to be shortcomings with the existing system. Says Carina Lööf, Finance Manager of Shared Services for Thomas Cook Northern Europe, “Lawson Insight was not user-friendly and took as much as 15 minutes to get into. Also, it didn’t work with Microsoft Excel, because it was almost 10 years old; had more functionality than we needed; and was only supported by one company in Scandinavia, locking us in to working with them and slowing our ability to customize the solution to our unique needs.”

Given the price of upgrading and shortcomings with the existing technology, leadership at Thomas Cook Northern Europe considered the benefits of moving to a new financial management solution. With the upcoming transition to a new financial year, the company would need to implement the solution in only four months, so leadership looked closely at two solutions that other Thomas Cook groups were already using: SAP and [Microsoft Dynamics NAV](http://www.microsoft.com/dynamics/nav). After researching the solutions, Thomas Cook Northern Europe decided on Microsoft Dynamics NAV. “Picking Microsoft Dynamics NAV over SAP was not a difficult choice,” says Lööf. “SAP was very similar to Lawson Insight: Both were not easy to use and were huge systems that were fine for very large companies that engaged in complex manufacturing and distribution but not the right fit for us—a smaller services firm.”

Adds Elmroth, “In addition, we felt that Microsoft partners in Scandinavia provide excellent support for Microsoft Dynamics NAV. We knew we would have freedom of choice in whom we worked with and were certain that we could get solution enhancements and adjustments we might need now and in the future.”

Solution

Working closely with Microsoft Gold Certified Partner NAB Solutions, Thomas Cook Northern Europe implemented Microsoft Dynamics NAV in only four months during the short Swedish summer, when most people take vacation and a number of contributors had to leave or join the project in midstream. Even so, Thomas Cook Northern Europe completed the implementation in time for the new financial year. “Thanks to NAB Solutions and an extremely enthusiastic team at our end, we were able to implement Microsoft Dynamics NAV in an extremely short period of time,” says Lööf. “We closed the books in Lawson Insight on September 30 and began using Microsoft Dynamics NAV on October 1.”

Core Accounting



From one central implementation of Microsoft Dynamics NAV in Stockholm, Thomas Cook accounting staff from across Norway, Denmark, Finland, and Sweden enjoy rich financial management functionality spanning general ledger, asset management, accounts payable, and accounts receivable.

“For accounting, Microsoft Dynamics NAV has been heaven,” enthuses Lööf. “We can go straight into the system and begin working right away because, for one, its functionality is intuitive, and two, it’s so well integrated with Microsoft Excel that we can work with the tools we want to.”

Thomas Cook Northern Europe offers travel services to 200 locations across 40 countries including Djerba, Tunisia. Photographer: David Johansson

Web Services Integration

Thomas Cook’s implementation of Microsoft Dynamics NAV is part of a larger business solution. By taking advantage of web services in Microsoft Dynamics NAV, NAB Solutions integrated Microsoft Dynamics NAV with Thomas Cook Northern Europe’s systems for booking and reservation, treasury, payroll, accounts payable, and banking. “Not much information is being entered manually anymore,” says Lööf.

Addressing Company-Specific   
Business Needs

NAB Solutions fine-tuned Microsoft Dynamics NAV to support three distinct business requirements of Thomas Cook Northern Europe:

* Cross-Company Booking. NAB Solutions configured the solution to handle multiple companies in one system. The companies include Thomas Cook offices in Norway, Denmark, Finland, and Sweden. When one Thomas Cook office books a trip that takes place in another office’s area of business, team members from that office can, as Lööf describes, “… [B]ook in other companies’ books, without the need to provide an invoice.”
* Multicurrency. By taking advantage of the robust multicurrency capabilities in Microsoft Dynamics NAV, Thomas Cook Northern Europe also gains peace-of-mind knowing that it correctly performs its financials across four offices. Says Lööf, “We’re working in four jurisdictions, in four countries, all with different tax regulations and banking systems. I don’t think many other systems could support the proper adjustments to comply with all our different businesses and legal requirements.”
* Currency Reevaluations. Thomas Cook Northern Europe also uses Microsoft Dynamics NAV to handle currency reevaluations. Two custom tables in the solution enable the accounting team to perform reevaluations against a six-month and monthly currency rate.

“With Microsoft Dynamics NAV, we have been able to reduce overtime by 30 percent.”

Carina Lööf, Finance Manager of Shared Services, Thomas Cook Northern Europe

Benefits

For Thomas Cook Northern Europe, the decision to move to Microsoft Dynamics NAV rather than upgrade Lawson Insight proved to be the right one. With the solution in place, the company’s accounting teams benefit from an easy-to-use solution, streamlining accounting and leading to tangible results in productivity and cost savings. What’s more, with the solution’s flexibility and support through a local partner, Thomas Cook can continue to realize ongoing benefits as the company grows.

Reduced Overtime 30 Percent and Increased Productivity 8 Percent

Because of the ease-of-use of the system, as well as other efficiencies, Thomas Cook Northern Europe made considerable improvements in accounting. Says Lööf, “Now, it takes considerably less time to close the books at the end of the month. With Lawson Insight, nearly everyone in accounting had to work overtime when we were closing the books at the end of the month. With Microsoft Dynamics NAV, we have been able to reduce overtime by 30 percent.”

Elmroth adds, “We have also been able to improve productivity overall to equate the time of 2.5 full-time employees.” With 20 people in the company’s accounting group, this means a productivity gain of 8 percent.

Achieved Two-Year Payback

Looking back at the cost of upgrading Lawson Insight versus deploying Microsoft Dynamics NAV, Lööf notes that, “The new solution cost us slightly more than upgrading, but we felt it would be cheaper in the long run.”

The return-on-investment validates the company’s decision. Says Elmroth, “We realized full payback within two years after deploying Microsoft Dynamics NAV.”

Gained Flexibility

With Microsoft Dynamics NAV, Thomas Cook Northern Europe gains the confidence that it can adjust the system to changing business requirements in the future, thanks not only to the flexibility and ease-of-use of the system but also to the ample resources made available by its partner. Says Elmroth, “The ease-of-use of Microsoft Dynamics NAV paired with the fact that our partner and its programmers can quickly make adjustments to the system mean we can always keep the system aligned to our business model.”

**Eased Training, Adoption, and Hiring**

Thomas Cook Northern Europe found the familiarity of Microsoft Dynamics NAV critical to its success with the solution. “We required no training to get started with Microsoft Dynamics NAV,” recalls Elmroth. “We deployed the solution, and because it was like the other Microsoft software we’re using, we were able to start at once.”

Elmroth goes on to note that, because of this, “It’s now easier to provide backup schedules for when people go on vacation, and it’s also easier to recruit new staff, because they do not need experience in a specific system.”

**Simplified Compliance**

Because Microsoft Dynamics NAV accounts for all legal requirements across Thomas Cook Northern Europe’s four different business entities and can make that information easily available through Excel, regulatory compliance is greatly simplified. Says Lööf, “Through Microsoft Dynamics NAV, our accounting procedures are much more transparent to the auditors. We can draw on any information we need and easily present it in Excel.”

Additional Resources

* [Read about Microsoft Dynamics NAV](http://download.microsoft.com/download/5/8/8/5888391D-B2F9-4F38-87AB-377CD195ECE0/NAV2009_overviewbrochure.xps)
* [Learn about the Microsoft Dynamics NAV RoleTailored User Experience](http://download.microsoft.com/download/5/8/8/5888391D-B2F9-4F38-87AB-377CD195ECE0/NAV2009_RoleTailored_brochure.xps)
* [Join Microsoft Dynamics NAV webcasts and other events](http://www.microsoft.com/dynamics/en/us/events.aspx)

Microsoft Dynamics

|  |  |
| --- | --- |
|  | |
| Software and Services   * Microsoft Dynamics * Microsoft Dynamics NAV * Microsoft Office * Microsoft Excel | Partners   * NAB Solutions |

|  |  |
| --- | --- |
| This case study is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY.  Document published November 2010 |  |

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

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

For more information about Thomas Cook Northern Europe services, call 011 (46) 8 555 133 10 or visit the website at:

[www.thomascook.se](http://www.thomascook.se)

For more information about NAB Solutions products and services, call 011 (46) 0470 53 00 00 or visit the website at:

[www.nabsolutions.se](http://www.nabsolutions.se)

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what’s most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)