

Clerical Medical

Clerical Medical Investment Group Invests in its Future with Business Intelligence

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Clerical Medical needed to gain a consistent view of financial data to create management reports, budgets and forecasts. But this was made difficult by the fact that the company operated two incompatible ledger systems. By working with Microsoft Gold Certified Partner Comshare, Clerical Medical has created a Business Intelligence system for Corporate Performance Management that will increase productivity and provide one version of the truth for reporting, budgeting, and forecasting.

Situation

One of the biggest challenges facing the financial services industry today is ensuring access to clean, quality data in order to compile reports and analyse performance. Companies can only see how well they are doing based on the information at their disposal. If that information is inaccurate and cumbersome to obtain, the business risks losing out to competitors. And in a market that is so fiercely competitive, with mergers and acquisitions occurring on a daily basis, such challenges are only set to increase.

Clerical Medical is no exception. Part of the HBOS Group, the company is a leading provider of flexible financial solutions, such as pensions and investments. It has a potential reach of over 2 million customers, which generates masses of information.

HBOS was formed when the Halifax and Bank of Scotland merged in 2001. For Clerical Medical this resulted in incompatible General Ledger (GL) systems. With two main systems in operation—Aptos and Masterpiece—users were undertaking manual and time-consuming processes to present a consolidated view of information on more than 1,000 cost centres and account lines.

Steve James, Financial Analyst at Clerical Medical, knew from previous experience that the answer lay in a Business Intelligence (BI) solution: “We had a reporting problem as expenses and cost data were on different ledgers and in different locations. We wanted a consolidated view of this information. That was the core of our problem, but I knew that the solution we selected should also be able to handle other aspects of performance management including budgeting and forecasting.”

Solution Overview

Customer Profile

Clerical Medical Investment Group Ltd is part of the HBOS Group. The company is a leading provider of flexible financial solutions, such as pensions and investments, and has a potential reach of over 2 million customers.

Business Situation

Expenses and cost data were on different ledgers and in different locations. Clerical Medical needed a consolidated view of this information to reduce errors and increase efficiency.

Solution

The company is using a BI system based on Microsoft® SQL Server™ 2000 and Analysis Services and the Web-based performance management application, Comshare MPC. Reports are presented using Microsoft® Excel.

Benefits

- Reduced errors and lower costs
- Consolidated view of data
- Minimal training
- Increased accuracy and speed of reports

Software and Services

Microsoft® Windows® NT 4
Microsoft SQL Server™ 2000
Microsoft Analysis Services
Comshare MPC

Partners

Comshare



Solution

Clerical Medical was very clear about the criteria any proposed solution should meet. Ideally, the company wanted no or minimal customisation to eliminate problems with future upgrades and maintenance.

User friendliness was vital. All finance departments have grown up with Microsoft® Excel so it was essential that the solution could offer financial intelligence, data integrity, and flexibility in the Excel format over the Web.

“We also wanted a solution that was cost effective, and would provide a significant return on investment. There are many products out there with so many bells and whistles, and for the cost, most of that added functionality is wasted. You risk causing the business a great deal of pain for very little gain,” says James.

In September 2002, the company invited a number of solution providers to tender for the project. After being short listed and developing a prototype in just five days, Microsoft Gold Certified Partner Comshare was selected.

In line with the company’s stringent requirements, the new BI system is based on Microsoft SQL Server™ 2000 and Analysis Services running on Microsoft Windows® NT 4. Comshare’s Web-based corporate performance management (CPM) application, Comshare MPC™, sits on top and information is presented using Comshare’s integrated Excel functionality. Users have all the calculation and formatting capabilities of Excel coupled with the drill-down functionality and financial intelligence of Comshare MPC, with data available to them in both browser and Excel formats.

SQL Server delivers the required performance enhancements, dependability and scalability that enterprises need to react to change without impacting on business as usual.

SQL Server Data Transformation Services (DTS) packages are used to pull data from other systems. Analysis Services then use that data to build Online Analytical Processing (OLAP) cubes, which users can slice and dice to get the information they need.

Benefits

The system has 30 users and is being used to produce reports from two ledgers. It was developed in just three months thanks to the strong partnership forged between Clerical Medical and Comshare. And speed was of the essence, according to James: “We also needed a fast implementation, as we were aware that other critical projects may come up at any time.”

One Version of the Truth

Clerical Medical is now confident that everyone is speaking the same language and has a consistent view of data.

David Swinburne, Comshare Consultant, says: “Two people could be looking at the same report, but essential data was sometimes inaccurate and interpreted very differently. The process was slow and occasionally prone to errors because of the manual intervention required to make changes and provide a common view.”

“Everyone is working from a single version of the truth rather than an interpretation. We now have peace of mind and can be confident about the enhanced quality and integrity of the data.”

Steve James
Financial Analyst
Clerical Medical

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“Overall the whole process was painful and cumbersome. Previously someone would take separate Excel spreadsheets, summarise the information and consolidate it manually. Now the reports are delivered instantly.”

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User Friendly

Usability was a key consideration for Clerical Medical. It wanted to ensure that users were comfortable with the new system, and be sure that both finance department employees and developers were using a familiar environment. Comshare MPC on the Microsoft platform caters to these needs.

“We wanted data to be stored on a single cube, to make it easier for users to manipulate the information. The system also had to be robust, scalable, perform well, and respond in a reasonable timeframe,” says James.

“Information is now available quickly in a consistent and consolidated way at every level from Cost Centre Managers to Senior Management. Users have different levels of access depending on their role and areas of responsibility. They will now spend their time analysing results, evaluating alternatives, and implementing effective business decisions.”

Commenting on the finance friendly interfaces, Swinburne says: “The real beauty of this solution is that every finance department is familiar with Excel so users require minimal training, saving a lot of time. Users can enter data, perform calculations, format and print reports, and work in a disconnected mode in a familiar interface. They also benefit from multidimensional rotation, drill down capabilities, user security and integration with the centralised, relational database for immediate deployment over the Web.”

Low Cost, High Value

Maintenance costs have been reduced as the control has been given back to those closest to the information—the finance department. This frees up valuable IT resources, as users no longer need to bring in the technology team to deal with changes or simple queries.

Swinburne says: “Clerical Medical was keen to implement a system that would be owned and driven forward by the finance department. The IT department maintains the application on the server freeing up considerable maintenance resources. Alternative solutions promised this but were very expensive—some by as much as 10 times the cost of this system. In just three months, Clerical Medical are now benefiting from the return on their investment through better quality information and increased productivity. Longer term, improved business decisions will help profitability, improved performance and competitive advantage.”

Investing in the Future

By using industry standard technology, Clerical Medical has a platform that will evolve to support current and future performance management needs. Thanks to the success of the project so far, the system will be extended to incorporate other data and areas of the business.

“We will expand it to cover budgeting and forecasting, and after that other ledgers. We are running it in parallel with the old system until the end of April 2003, at which time the new system will take over. I was confident that the original problem would be solved, but we now also have

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scope to extend the system for other data and potentially other areas of the business. And as time goes on I have no doubt that more benefits will become apparent", concludes James.

The .NET Enterprise Servers are Microsoft's comprehensive family of server applications for building, deploying, and managing next-generation, integrated applications and Web experiences. Designed with mission-critical performance in mind, the .NET Enterprise Servers provide fast time-to-market as well as scalability, reliability, and manageability for the global, Web-enabled enterprise. They have been built from the ground up for interoperability using open Web standards such as Extensible Markup Language (XML). The .NET Enterprise Servers enable a distributed computing model for the Internet, based on Internet protocols and standards in order to revolutionize the way computers talk to one another.

For more information about Microsoft SQL Server and Business Intelligence solutions, go to: <http://www.microsoft.com/sql/evaluation/bi/default.asp>

For More Information

For more information about Microsoft products or services, call the Microsoft UK Contact Centre on 08706 010100. To access information via the World Wide Web, go to: <http://www.microsoft.com/uk>.

For more information about Comshare's products and services, visit the Web site at: <http://www.comshare.com>

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