

CHARLES STANLEY

Overview

The need

Charles Stanley's finance team wanted to do more than just stand on the sidelines and keep score: it wanted to become a true partner for the business and provide more proactive decision support.

The solution

By setting up a new decision support team within finance and investing in analytics, Charles Stanley is transforming its finance processes – delivering new insights that support better decision-making.

The benefit

Automated budgeting has eliminated hours of manual spreadsheet work. Users can generate management reports with a few mouse-clicks. The intuitive interface means user training takes less than an hour.

Charles Stanley

Analytics helps finance evolve from a support function into a true partner for the business

As every prudent investor knows, past performance alone is not a reliable indicator of future results. To maintain a reputation for excellence, you must continuously deliver a high quality of service – which means finding the right balance between upholding traditional values and adapting to new challenges.

Charles Stanley knows this better than most. Even though the company has played a leading role in the UK's stockbroking and investment management sectors for more than 150 years, it has never been content to rest on its laurels. Today, while its brokers continue to focus on delivering a traditional, high-quality service to their clients, the company's support functions are constantly evolving to improve efficiencies and provide guidance.

James Rawlinson, Group Finance Director at Charles Stanley, elaborates: "18 months ago we decided to transform the role of finance by creating a decision support function within the finance department. Instead of our accountants just standing on the sidelines and keeping score, we wanted them to become more active participants in the business. By harnessing analytics to gain more insight into our financial data, they would be able to help the business set targets, manage performance, and spot opportunities to increase revenues or cut costs."

Ease of adoption has been one of the keys to the project's success. "If you can use a pivot table, you can use IBM Cognos TM1. The training requirements are minimal and the skills are very transferrable. We had one new employee who, by lunchtime on his first day with us, was already building his own reports," says Emma Williamson, Head of Decision Support at Charles Stanley.



Solution components

Software

- IBM® Cognos® Business Intelligence
- IBM Cognos Data Manager
- IBM Cognos TM1®

IBM Business Partner

- ICit
-

Key objectives for decision support

One of the first objectives identified by the decision support team was to revitalise the company's budgeting and forecasting processes.

"We wanted to help the business see our budgets and forecasts as a useful tool rather than an abstract concept," comments Emma Williamson, Head of Decision Support. "We needed a budget that both embodied the top-level corporate objectives and tallied with the realities that our brokers and investment managers see on the ground.

"We also wanted to free the business from the myriad linked spreadsheets that underpinned the existing budgeting process. There was scope for a much more automated and efficient process – we just needed the right tools."

Finding the right solution

Following a review of the performance management solutions available on the market, Charles Stanley decided to take a closer look at IBM Cognos TM1. The finance team engaged with ICit, an IBM Premier Business Partner, to run a proof-of-concept exercise to demonstrate the capabilities of the software.

"We simply gave the consultant some spreadsheets with our data in, and asked him to show us how to create a budget model," says Pete Dolan, Decision Support Analyst. "Within two days, we were convinced that the model would work and that IBM Cognos TM1 was the right solution."

As a final step in the selection process, the Charles Stanley team visited another financial services company that had already worked with ICit on a similar Cognos TM1 implementation. "The reference visit was extremely helpful and gave us a lot of confidence in the approach that ICit recommended – as well as highlighting some of the pitfalls that we should avoid," says Pete Dolan.

Rapid implementation delivers immediate value

The implementation itself was sponsored at board level by the Group Finance Director, and Anthony Doe was appointed as Project Manager. The project involved connecting the new IBM Cognos TM1 solution to the company's main data sources, which include a Coda general ledger system and several other legacy systems. In several cases, IBM Cognos Data Manager was used to handle the extract, transform and load (ETL) processes.

"The whole project took just three months, and we were actually able to release several applications to users even before the main go-live," says Pete Dolan. "For example, we set up some cubes to allow ad hoc analysis of bargains [trades] and funds under management – so we started getting value from the solution very quickly."

The project team was also pleased to find that the administration of TM1 was relatively simple to learn, even without any prior knowledge of the product.

“Our users tell us they couldn’t live without IBM Cognos TM1 now. It’s the first system they log into every morning.”

— Emma Williamson, Head of Decision Support, Charles Stanley

Faster, more detailed, more accurate budgeting

The main budgeting and forecasting application uses a driver-based model to assess the company’s income (which is based mainly on the total value of funds under management and the total number of bargains) and costs (based on salaries and headcount, which drives associated costs such as facilities and IT expenditure).

The new budgeting process gives Charles Stanley a more structured approach and greater control, with workflows and validation that help contributors enter their figures more easily and with less scope for error or inconsistency.

“Best of all, the consolidation of the figures is now completely automated, and creates total confidence in the numbers,” says Anthony Doe.

“The automation of the new process has enabled us to reach new levels of detail and rigour. It would have taken ten times more effort to achieve something as sophisticated and accurate as today’s budget with the old spreadsheet-based process.”

Besides the automation that TM1 provides, one of the most important benefits of the solution is transparency. Users can quickly trace results back through the model to understand

where the original data came from, and how any calculations were performed. As a result, it is easy to check that the figures are accurate and identify and correct any problems – which again adds to the confidence that users have in the solution.

Easier management reporting

Similar improvements have been achieved for management reporting. Instead of a lengthy manual process to create each month’s reports, Charles Stanley can now design a report once in Cognos TM1, and then re-run it at the touch of a button, whenever it is required.

“Removing the burden of manual reporting means we can focus on acting as trusted advisors to the business,” says Anthony Doe. “We have even started training our directors to serve themselves with the reports they want, which gives them much more independence and helps them get the insight they need, whenever they need it. Looking to the future, we would like to develop some scorecards and dashboards that we can deliver directly to their iPads.”

Finance-focused solution

Emma Williamson, Head of Decision Support, adds: “The ease of use of TM1 really sets it apart. Because the interface is based on Microsoft Excel, it’s instantly familiar to anyone who works in finance. There are no burdensome training requirements – most people can pick it up in an hour or two.

She concludes: “Our users tell us they couldn’t live without IBM Cognos TM1 now. It’s the first system they log into every morning, and it’s a fundamental part of their daily work. As a result of this success, we are keen to keep extending the scope of our analytics platform, and we are integrating IBM Cognos Business Intelligence to broaden access to analytics to more users both within and beyond the finance team.”

About Charles Stanley

Charles Stanley & Co. Limited is one of the leading stockbroking and investment management companies in the UK, dedicated to serving the private investor. It also acts for many national charities, trusts, professional institutes and major financial institutions. Charles Stanley & Co. Limited is a wholly owned subsidiary of Charles Stanley Group PLC – a public company whose shares are listed on the London Stock Exchange.

To learn more about Charles Stanley, please visit www.charles-stanley.co.uk

About ICit

ICit is an award-winning IBM Premier Business Partner and a leading IBM Cognos TM1 solution provider in the UK. ICit provides customers with complete end-to-end services including software sales, consultancy, training, support and financing through IBM Global Financing. All ICit solution consultants have achieved IBM Cognos TM1 Master accreditation, and are highly experienced and knowledgeable, with expertise in finance, information technology and business performance management. The team consists of qualified accountants (ACMA, ACA) and technical consultants (BSc, Masters). In addition, ICit is an IBM accredited Business Analytics solution provider for IBM Cognos TM1.

To learn more about products, services and solutions from ICit, visit: www.icitbi.com

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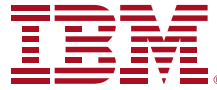
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IBM Business Analytics software delivers data-driven insights that help organisations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualise trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organisations can align tactical and strategic decision-making to achieve business goals.

For more information

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