Aon Asia: Mitigating Risk with QlikView for Clearer Presentation of Summary Financial Information

In Asia, Aon is the leading provider of risk management services, insurance and reinsurance brokerage, human capital and management consulting. It is part of Aon Corporation, which employs approximately 47,000 professionals in its 500 offices in more than 120 countries. Backed by broad resources, industry knowledge and technical expertise, Aon's professionals help a wide range of clients develop effective risk management and workforce productivity solutions.

Aon Asia's goal is to become the partner of choice for companies throughout the region. QlikView's flexible business analysis tools are helping Aon Asia to achieve this by helping to provide consistent information and reporting to improve Aon's financial performance and provide a better service to clients.

"This is the information I have been wanting for ten years."
Bernard S.Y. Fung, Chairman and CEO, Aon Asia

Challenge: To provide reliable revenue data from multiple data sources containing inconsistent coding

Aon Asia's management needed a clearer picture of the company's revenue streams, starting with the ability to segment revenue by industry and product. The existing situation made it difficult to gain a true view of the company's income across different offices in the region or to allocate the correct fees and commissions among their regional directors and country segment heads.

Before using QlikView, it was all manual reporting – from regional director to country segment head to country finance. Each step in the chain required someone to manually compile the data and check for errors – a time consuming process involving a lot of following up with different parts of the business. It also lead to the possibility of different versions of data coming from more than one source. The search began for a packaged solution that could automate the process and analyze the financial streams.

Aon Asia had a challenge to find a good tool that could meet their needs. According to Glen Francis, the regional Project Manager for this initiative, cost and ease of use– the latter not only for the user interface and the former for ongoing support and maintenance of the applications – were extremely important. Aon Asia had only 3 employees supporting the 12 countries in the region with one other employee dedicating half of his time to the project. "We needed to find something other than traditional OLAP tools, which require a lot of internal and external resources to implement, deploy and support."

Glen was introduced to QlikView by a local reseller. They came in to do a presentation, and Tom Gill, regional CIO, and the rest of the team were soon impressed with the product. Aon Asia began a trial period. "We needed to develop a 'show and tell' demo for the management team, and the vendor was great in working with us to achieve this," said Glen.

Keith Edmonds, regional manager and their architect for the data warehouse built an application to analyze revenue across a number of dimensions: by region, local office and servicer (account representative); by product line; by industry; and by client type (new or existing client). The team demonstrated this application prototype during their annual regional CFO/CIO conference and later to the Chairman himself. When they showed the revenue detail by client, their chairman and CEO for Asia Pacific, Bernard S.Y. Fung, said, "This is the information I've wanted for the past 10 years." The project gained immediate approval.

Standard Templates with Multiple Dimensions for Easy Navigation

After further refining the revenue analysis applications, Aon Asia's regional CFO (project sponsor), Bill Hooper, initiated a project to use QlikView for their company's budget process. QlikView is used to create data for their budget worksheets, including actuals, current figures and forecasts for the next fiscal year. When these worksheets have been completed, they are uploaded to Qlikview for reporting purposes. The automated process saves a significant amount of time in getting and consolidating financial information from hundreds of employees.

Glen and his team found QlikView so easy to work with that they initially built 20 financial templates, each with three to six reports of drill-down detail. "But we needed to streamline the number of templates because it was too much information for the users to understand and act on," said Glen. They streamlined their portfolio to the following six most important standard financial templates, which could then be filtered according to a variety of dimensions.

- **Budget Summary**: Gives country management the ability to look at local office and overall revenues by actual, budget, variance and accruals.

- **Client Budget**: Provides detail by client group or individual client (corporate, commercial, retail, private individual or affinity clients & associations), income classes, and type (new or existing). This report allows management to see revenue performance throughout the complete fiscal year; analyzed by servicer if required.

- **Detailed Analysis**: Shows earnings based on the premium and how that breaks down to brokerage and fees for agents, any discounts and the net commission at the end of the period.

- **Top Client**: Enables management to see who Aon Asia's biggest clients are, (the top 10 top 100) and segregates data by country, industry, product, class of business and group of companies (for parents and subsidiaries), providing details by current year, previous year and the variance between them.

- **Revenue Analysis**: Provides an overall analysis of each country's performance with dashboard dials for a quick view. It calculates the renewable business as total and percentage of new revenue, and the total gross brokerage.

- **Top Revenues**: Shows a graphical view of the performance of products, product segments and industry-specific offerings. The template visually depicts performance with bar charts and includes dashboard indicators to highlight variances at a glance.

All of the templates include both local currency and US dollars for reporting, and are filtered for security according to logon. In addition to the financial templates, Glen and his team built a glossary with a definition of terms so that everyone is working with the same terminology and can search reports according to specific keywords. A home page provides an overview of all of the templates so that management can get a quick sense of what's inside.

QlikView Provides Standardization across the Region

Now, revenues are more clearly understood and segmented by geography, product, industry and client through the easy visualization of data using Qlikview. Overlap has been eliminated, making performance very clear to each manager and thereby driving greater accountability.

This tool has also allowed management to identify and address the non-standard segmentation and identify strategic opportunities. "The beauty is that we can now see exactly where things are performing well and where things have gone wrong. Before, we had multiple sources and never knew if a reporting problem was just bad data or a real issue. Now we can look at reports to see how the business is doing," said Tom Gill.

An Innovative Mentoring Program for Roll Out and Buy In

Currently, Aon Asia's regional management relies on QlikView to manage financial performance, and is planning to use the applications more widely in the organization. The Chairman, regional COO and regional HR and Communication Director came up with an interesting approach to bring new users on board – using senior business people as mentors to train and guide each country's CEO. The mentors will guide the CEO in using the tool and provide follow up support. Glen believes that the approach this will help ensure better buy in and use of this tool throughout the region. "Data accuracy is the 'bottom-up' key to success, but management buy in is needed from the top as well."

Benefits: Results Prove the Initial Case

According to Glen, "We were very cautious in projecting the amount of savings for this initiative. We calculated tangible cost savings of $221,000, not counting the resource time involved in manual budgeting identifying figures for actual, budget and estimates (for its initial deployment)." In addition, Glen and his team identified several "soft" benefits:

- **General productivity gains** from spending less time reviewing and building reports and with instant access to information when out of the office

- **Communication benefits** in the identification of issues, such as coding, and segmentation variances

- **Strategic benefits** from being able to drive segmentation more clearly, identifying cross-selling opportunities, building greater accountability through transparency and speeding the strategic decision-making process

- **Sales and service benefits** from better understanding of new market opportunities, from seeing trends and from improved chances to convert prospects to customers

"We started out modestly so our story would be more believable," said Glen. He revealed that the tangible cost savings realized could be significantly higher than originally estimated and that the qualitative value was already huge. The initiative also uncovered and corrected all of the inconsistencies in transactional coding of products, industries and clients.

Considerations and Best Practices

According to Glen, it took only about two months after their purchase until regional management considered QlikView an essential part of their business. In fact, the chairman has QlikView as part of his balanced scorecard – using the tool several times a month.

Based on their fast, cost-effective and easy to support deployment, Tom and Glen developed several "best practices" that could be used by other companies evaluating and deploying business intelligence solutions:

- Get buy in from the customer (defined as whoever is paying for it). Get a good understanding of the data and reports they need, as well as their objectives for using it. Do build active prototypes using live data to ensure that it meets their requirements and expectations.

- The project sponsor should be as senior as possible. They should be knowledgeable in the business and able to remove obstacles in the way of the project. It's important because dealing with revenue figures makes is political by definition. "We owe our thanks to our regional CFO, as our business sponsor, for pushing this through," said Glen.

- To determine the real Total Cost of Ownership (TCO), decide at the outset how much you are willing to spend, and estimate how easy it will be to maintain and grow the applications. "If you want a quick sell, QlikView is the way to go because it is easy to use, customizable and affordable. When you buy a tool that is too robust and too expensive, the project will take a long time and dealing with the inevitable changes of focus will be more difficult," said Glen.

- Adjust people's performance appraisals to incorporate the use and interpretation of these reports.

- Understand and plan for the security and access management issues at the outset, especially when dealing with sensitive financial data.

- Sell the benefits continually to all.