Empowered by Innovation

NEC

Partnership with NEC
Transforms iiNet's Financial Management Processes

iinet
connect better

Customer

Publicly listed iiNet is the leading challenger in the Australian telecommunications market. It is the country's second largest DSL Internet Service Provider and has the largest VoIP network, supporting more than 1.3 million broadband, telephony and Internet Protocol TV (IPTV) services nationwide. This Perth-headquartered organisation operates in three countries and has a staff of 2000.

Challenges

iiNet's growth trajectory, its enviable reputation for customer service delivery and the compliance structures of a listed organisation were outgrowing its business systems. The company wanted a system to transform its financial performance and management processes, along with sophisticated tools to gain reliable business insights.

It was taking too much time to generate departmental, month-end, half yearly and annual reports. The manual input required placed too much emphasis on developing and producing the reports rather than on content, business analysis and management action.

The budgeting process also required multiple inputs and spreadsheet consolidation with changes slow and potentially error-prone. Rolling re-forecasts were difficult to produce with little scope for scenario planning or version control.

Ben Jenkins, Financial Controller at iiNet, said: "Data integrity, budgeting, forecasting and reporting were our four main business issues, and it was clear that future acquisitions and organic company growth would only make the limitations of our systems worse.

"We set out to short-list enterprise solutions and find a partner to help us transform our financial management."

Heading iiNet achieving greater business value from its technology investments

The Solution

NEC won the contract to implement an IBM Cognos® TM1 enterprise planning and Business Intelligence (BI) solution. iiNet took a calculated risk choosing NEC which, at the time, had no customers in the IBM enterprise space in Western Australia. Jenkins said NEC won against the strength of an experienced competitor because of its demonstration of the BI elements and the team was hungry for success and prepared to try different ways of doing business for mutual benefit.

Working directly with the Finance team at iiNet, NEC conducted an initial assessment of the current vs. future state scenario and proposed a phased design and implementation.

Budgeting and forecasting was completed in the second phase. The detailed distributed planning application was activated with driver-based budget data collection, what-if scenario modelling, version control, workflow control with integrated security assignments, and monthly rolling forecast processes.

iiNet now has automated processes for subscriber revenue, operational expenses, capital expenditure, depreciation/ amortisation, COGS, acquired entities, working capital/debt modelling, interest and tax calculations, Top Budget financial statement (P&L, balance sheet and cash flow) generation; and Actuals mapping.

The reporting project was the third to be successfully completed. The integrated BI solution, running on top of the other financial data delivered by the earlier projects, automatically generates most of the financial month-end reports that were previously compiled manually.

The Results

The shift from spreadsheet to TM1 approach means iiNet can now trust the integrity of its data and attests to the benefits of the newly introduced efficiencies, workflow and version control.

Training was a crucial element to the overall success of this broad ranging migration project. NEC recognised the value in empowering the iiNet Finance staff from very early

in the project, to give them the opportunity to build some components themselves.

Ben Jenkins said: "There was a lot to learn with the new platform, so getting the right training from NEC was important to make sure we were making the most of its reporting power. NEC kept members of the project team on site after the platform went live so they were available to answer questions and help us with any problems. This saved us time and helped us get up to speed with the system quickly."

Open communication between NEC and iiNet aided the resolution of any issues that arose as part of this complex implementation.

> "iiNet leads on product and differentiates with award-winning service and a passion for helping Australians connect better. NEC demonstrated these qualities from pre-sales presentations through to the successful delivery of our project."
>
> **Ben Jenkins**
> Financial Controller, iiNet

iiNet is a rapidly growing organisation, and acquired two new companies prior to the new platform's implementation. Ben said this was a good time to invest in the platform to help with integration of the two companies, and would also ensure iiNet had the flexibility to easily integrate any future acquisitions.

NEC's now proven capability and service ensures there are prospects for working with iiNet on further projects, particularly in BI management; incorporating Cognos reporting throughout the organisation; predictive analytics; helping to develop structured and unstructured content for the Board Packs; and the potential for an ERP replacement is on the horizon.

About NEC Australia. NEC Australia is a leading technology company, delivering a complete portfolio of ICT solutions and services to large enterprise, small business and government organisations. We deliver innovative solutions to help customers gain greater business value from their technology investments.

NEC Australia specialises in information and communications technology solutions and services in multi-vendor environments. Solutions and services include: IT applications and solutions development, unified communications, complex communications solutions, network solutions, display solutions, identity management, research and development services, systems integration and professional, technical and managed services.

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