

Suncorp banks on Cortell and leads the pack with next generation business reporting ... SBR XBRL 2.1

Suncorp Bank is Australia’s 5th largest listed bank, with banking origins dating back to 1902. They are part of the Suncorp Group, a top 25 Australian company operating some of the most respected banking, insurance and wealth brands in Australia and New Zealand.

As a regional bank, Suncorp delivers banking services to over one million personal and business banking customers including: Personal; Small to Medium Enterprises; Commercial Lending; and Agribusiness.

Suncorp Bank customers have access to 192 branches, agencies and Business Banking Centres across Australia.

The Challenge

APRA introduced XBRL 2.0 taxonomy in 2002 and it was replaced in July 2011 with the SBR Taxonomy XBRL 2.1. Being one of the early-adopters of the 2.1 taxonomy, Suncorp Bank quickly identified a substantial difference in the release of 2.1.

The introduction of dimensions to the taxonomy added the complexity of tagging source data across many different business dimensions and consolidating 14 source systems. Where previous versions may have required tagging against a single Profit and Loss account, 2.1 meant tagging had to be applied at a lower level and across not just one, but potentially many different dimensions, such as closing account balances (product dimension) for all non-resident customers (customer dimension) for a particular month, e.g. July (period dimension).

“The dimensional tagging forced us to rethink how we completed our tagging and reporting, and the tools we used to generate APRA forms,” said James Corner (Executive Manager Suncorp Bank Financial Control)

Their processes at the time involved tagging to be completed in MS Access databases or MS Excel. Data was prepared in a series of linked spreadsheets and databases that

passed through multiple teams and accountants and other financial leaders’ hands before a two-dimensional report was produced. These processes were inadequate to meet the multi-dimensional requirements of 2.1 and future taxonomy releases. Nor did these processes address the common problems of manual, error prone processes that were time consuming and difficult to audit.

The Strategy

James Corner was the owner of Financial Reporting for Suncorp Bank and was confident XBRL was critical to the success of the organisation. Corner had first-hand experience with XBRL overseas and could clearly see its many benefits.

Suncorp Bank went to market and evaluated a number of solutions to meet their requirements. It was critical the solution incorporate:

- an OLAP (or multidimensional database) with the architecture and process to support multi-dimensional tagging and aggregation of the tagged results
- a business rules or validation engine
- security and workflow process.

After considerable due-diligence, and a couple of pilots, Suncorp Bank validated that IBM’s Business Analytics platform with TM1 was their solution. During this time Cortell were identified as thought leaders, able to give advice and guidance that would add crucial value to the design and implementation phases. Corner stated “Cortell had great experience in delivering simple and effective solutions to challenging and complex scenarios. We needed a solution that would be effective for the long term, providing adaptability to the changing regulatory environment that we the business, in conjunction with IT, could maintain in a simple, controlled and governed way”.

The pilots proved Suncorp could use TM1

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CASE STUDY

> Suncorp Bank

AT A GLANCE

Challenge

> Suncorp Bank was not in a position to implement the new SBR Taxonomy XBRL 2.1 as a result of inadequate processes and technology. They could not meet the multi-dimensional requirements of the 2.1 taxonomy.

Solution

> Suncorp Bank engaged Cortell Australia to deploy IBM Cognos TM1 as their SBR XBRL 2.1 solution.

Benefits

- > Transparency in the numbers reported to APRA, with full audit trail back to source systems.
- > Gave the business end users access to their data in an easy to use, intuitive interface.
- > Makes submitting an APRA report as simple as pushing a button.

to review, do multidimensional tagging, allow version control of the whole process, including the ability for an end user of the system to drill from report to source numbers, reviewing how the number was tagged.

The solution validated Suncorp Bank could provide commentary and variance reporting direct from the APRA reports.

The key reasons Suncorp Bank chose the IBM Business Analytics solution were:

- In-Memory server architecture - the ability to load volumes of data at all levels of aggregation (and non-aggregated data) from many source systems. The in-memory architecture also leads to very fast delivery of results, especially when performing very complex calculations on large data sets
- supported Multiple Linked Cubes - separate in dimensional qualities, but integrated to form a single return or report
- a Business Rules Engine to support calculations within the data model such as percentage allocations or validation rules as stipulated by the taxonomy
- auditing and checking of results - all data can be traced to the source and calculated results analysed for parameters used and any variables that apply within the calculations
- easy integration with source systems - as tagging in 2.1 no longer solely applies to financial data, tagging against banking system data, claims data, and other data sources is extremely important when analysing results or auditing of data.

The strategy required a solid and flexible architecture to support the current 2.1 requirements. It also needed to handle any change of requirements with minimal re-coding and maintenance effort. The IBM Business Analytics TM1 solution proved effective on both counts. The pilot further validated Suncorp Bank would have the ability to add new data sources or cubes to the core design while maintaining the tagging methodology separately as a layer over the top of the data source. The solution incorporated the ability to change where the data is tagged against new dimensions or even remove tagging from dimensions as the requirements dictate, without impacting the core design or history.

Key Benefit Areas

"Prior to Cortell's fully automated solution, it took several people, several days to provide the numbers. Submitting an APRA report is

now as simple as pushing a button and analysing the data," said Corner.

Suncorp Bank is now in an excellent position with the means to give fully reconcilable, transparent numbers in a timely manner, and a full audit trail back to source systems. For the first time, business end users have access to their data in an easy to use, intuitive interface.

Corner believes it is the ability to support internal reporting that will be of the most benefit. "Regulatory reporting in Australia is very granular, so once enough tagging has been rolled out to satisfy the regulators there's already enough work done to see huge improvements in the quality of management reporting," he says. (Quote from Financial Review, 18 Oct 2012, article titled "Automating reporting worth it says Suncorp" by Sally Rose.)

Post Implementation

As a result of the Cortell design, Suncorp now have a comprehensive model that allows them to analyse their entire business at a granular level over and above the core requirement of the APRA reporting. The solution integrates Tax, Financial and Management Accounting Methodologies in a single location. The bank has discovered they can leverage the solution for greater ease and efficiency in reporting to other authorities like the Australian Taxation Office and ASIC.

Furthermore, Suncorp is able to stay on top of changes in APRA reporting whilst retaining the integrity of history and point in time requirements through Reporting Process Control. To enhance the end-user experience contextual model navigation was also deployed, integrated with approval workflow, commentary and security.

As Suncorp Bank extend the use of the IBM Business Analytics platform, they expect further wins from streamlining the way information is reported, automated and shared within a common reporting platform. The cost to produce information going forward will be greatly reduced and accuracy greatly improved.

"We are currently exploring further IBM products to support the implementation of TM1. These products will assist with further streamlining other forms of internal and external reporting whilst also embedding an enhanced governance framework, it really is an exciting time realising the benefits of these transformation initiatives." (James Corner)



About Cortell Australia

Cortell Australia is the region's largest and most experienced provider of Business Analytics and Business Performance Management solutions.

We're also a multi-awarded preferred partner for the full suite of IBM Cognos applications:

- IBM Cognos TM1
- IBM SPSS
- Cognos BI
- Information Management
- Cognos Express and
- Cognos Disclosure Management

900 successfully delivered solutions and counting

Our globally recognised expertise is built on experience. And with over 900 business-changing solutions delivered to more than 500 companies across a diverse range of industries, we know exactly how to deliver exceptional results on tight deadlines and budgets.

Customer focus

Our strong focus on customer success has been recognised across the industry.

- IBM Business Analytics Asia Pacific Partner of the Year 2011, 2012, 2013 & 2014: Excellence Award
- IBM Software Australian Partner of the Year 2013
- IBM Worldwide BI & Advanced Analytics Partner of the Year 2013
- IBM Business Analytics Australian Partner of the Year 2013
- IBM Business Analytics FPM Partner of the Year 2010
- IBM Business Analytics Industry Partner of the Year 2009

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