Reducing Manual Data Entry by Auto-Certifying 66% of Reconciliations

"BlackLine was the solution to a complicated reconciliation problem. The platform provides sufficient reconciliation time savings, is cost effective, has low ongoing maintenance for user community, and requires very little IT involvement."

— Amanda Lam, vice president, finance operations, Aviva Canada

As one of the leading property and casualty insurance groups in Canada, Aviva Canada provides home, auto, and business insurance to more than three million customers nationwide. The company is a wholly owned subsidiary of UK-based Aviva plc and has more than 3,000 employees, 25 locations, and 1,700 independent broker partners.

The Challenge

For any company, account reconciliation is a key financial control in ensuring balance sheet integrity. However, Aviva Canada's reconciliation process was highly manual, costly, and ineffective. More than 1800 GL accounts across 6 insurance companies and 10 broker legal entities had to be reconciled every month. The highly manual process required 50 team members, many of whom spent their time on transactional processes, including matching and validating data between GL and third-party information in Excel.

According to Amanda Lam, vice president, finance operations, at Aviva Canada, "We needed a way to streamline our processes and reduce the workload on our already over-taxed staff and free up our team to perform other value-added tasks and analysis. There was also a desire for more visibility and transparency across the entire organization. We wanted one version of the truth."

INDUSTRY
Insurance

REGION
Canada

ADOPTION DATE
2014

ERP
Oracle

NUMBER OF USERS
58

PRODUCTS
Account Reconciliations

BUSINESS IMPACT
Saved more than $9k in 2014 (with expected $86k in savings for 2015), auto-certified 66% of reconciliations, improved customer service, limited time spent on non-value added work, improved visibility by creating a central repository for all reconciliations.

BLACKLINE

The world's most trusted solution for Finance Controls and Automation.

Why BlackLine

When evaluating potential new solutions, Aviva Canada had several requirements. Any new technology had to provide expanded—and versatile—functionality in automated account reconciliations, account matching, reporting, and support services. In addition, the solution had to have low ongoing maintenance costs, including minimal IT involvement, and ease of usability to operate in a secure data environment. Finally, the solution needed to offer a single, safe repository for all reconciliation data that was accessible.

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—Amanda Lam, vice president, finance operations, Aviva Canada

Aviva Canada partnered with BlackLine for several key reasons. While other vendors offered automated reconciliation functions, matching, and workflow, only BlackLine had built-in dashboards, a workflow that enabled seamless authorization, and user-defined business rules—all at half the cost of the competitor. In addition, BlackLine integrated seamlessly with Oracle with only minimal in-house IT support. References from other BlackLine clients finalized the decision. "We heard very good references from three of BlackLine's existing clients," said Lam. "We knew with BlackLine we could position Aviva Canada as a pioneer and drive a better reconciliation process within all Aviva companies."

The Results

Saved more than $9k in 2014 (with expected $86k in savings for 2015). By reducing manual effort during the monthly close, Aviva Canada has seen tremendous dollar savings. "When we calculate the benefits versus the costs, we saved $9,000 in 2014 by using BlackLine," said Lam. "We estimate $86,000 and $89,000 additional in savings for 2015 and 2016, respectively."

Auto-certified 66% of reconciliations. Aviva Canada expected to reduce over 50% of their manual reconciliations in their pilot unit within the first year of using BlackLine. Expectations were exceeded by 16%. "As of March 2015, 66% of the reconciliations prepared by the pilot team were system-certified and automated," said Lam. "We have more resources now to spend on quality analysis, instead of manually entering and reviewing data. Auto-certification of low-risk, rules-driven reconciliations greatly reduces manual labor and shifts focus to value-added activities and analytics."

Improved customer service. With BlackLine, Aviva Canada can ensure reconciliations are ready once the general ledger closes. "Our Oracle balances are uploaded and reconciliation templates ready on business day seven," said Lam. "This has led to improvements in customer service, as the finance teams are now able to work on the reconciliations as soon as the book is closed."

Limited time spent on non-value added process and increased time available for value-add work, like analysis. Aviva Canada has gained measurable efficiency in their administration, workflow, preparation, and review of account reconciliations. By implementing auto-certification of low-risk, rules-driven reconciliations, the team was able to greatly reduce the amount of manual labor and shift the team's focus to value-added activities and analytics. "The goal is to free up finance analysts' effort from transaction accounting to enable them to perform other value-add tasks," said Lam.

Improved visibility by creating a central repository for all account reconciliations. With BlackLine, Aviva Canada has complete visibility of all reconciliations, across all business units. "BlackLine's comprehensive dashboards and reporting give us real-time visibility into status, progress, exceptions, and risk points," said Lam. "BlackLine was the solution to a complicated reconciliation problem. It provides sufficient reconciliation time savings, is cost effective, has low ongoing maintenance for user community, and requires very little IT involvement."

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