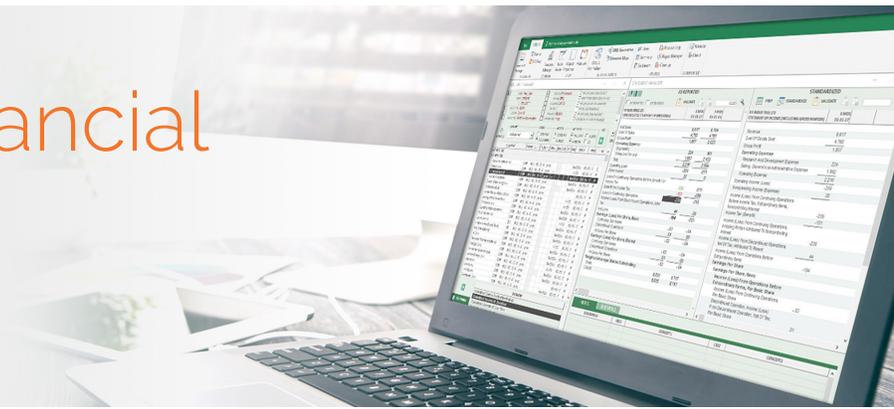


Fast-tracking Financial and Solvency II Reporting



The arrival of the Solvency II regulation framework brought about big changes to the way that insurers across Europe manage and report on risk. As reporting requirements grow more complex, how can companies step up to deliver reports with speed and confidence?

Swedish Insurer Folksam has transformed its approach to financial and Solvency II reporting, automating manual processes to make the last mile of finance less labour-intensive. Faster reporting cycles mean less time and personnel are needed to complete the close-to-disclose process, which leads to significant cost savings.

Moving away from manual processes

As a customer-owned company, Folksam works to satisfy the needs shared by many, and is always looking for opportunities to deliver greater value for its policyholders. The company realised that it could unlock considerable savings – and reduce business risk – by adopting a more efficient approach to financial reporting.

Folksam

CDM Customer Profile

Company Name:

Folksam

Industry:

Insurance

Client Position:

Business Specialist - Finance

Key Result:

CDM has reduced the time taken to create annual reports by 40 percent on average

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Anders Jansson, Business Specialist – Finance at Folksam, explains: “We wanted a better way to manage the last mile of financial reporting. In the past, group companies created annual reports in Microsoft Word. It was a completely manual process in all aspects – different contributors had to copy and paste data from multiple source systems and spreadsheets. This introduced a high risk of error, and was also very time-consuming.”

Recognising that its traditional, manual approach to financial reporting was no longer capable of meeting the demands of the business, Folksam sought a way to shorten cycle times and increase the accuracy of its reporting processes.

Taking financial reporting to the next level

To consolidate and streamline financial reporting processes Folksam uses Certent CDM. The solution automates the collection of business intelligence and performance management data from numerous source systems, including Cognos Controller and Cognos TM1 environments.

Today, approximately 45 contributors from across the enterprise take advantage of the unified reporting and analysis platform to produce annual reports for a total of seven group companies. As up-to-date figures are integrated directly from source systems into the final report documents, Folksam can rest assured that all areas of the business are working with consistent, accurate information.

“The business has a lot more confidence in the data,” notes Anders Jansson. “Standardising processes and reducing manual data entry has enhanced the quality of the data itself, and the focus has changed from manual processes to analysis and validation.”

The Need

The reliance on manual processes was threatening to hold Folksam back from delivering annual reports rapidly and reliably, and meeting the tighter quarterly reporting cycles required under Solvency II.

The Solution

By adopting a streamlined, automated approach to reporting, supported by CDM, Folksam can keep pace with ever-growing internal demands and Solvency II requirements.

The Benefit

CDM enables rapid reporting; for example, annual reports can be created 40 percent faster on average. CDM also saves hours previously spent on manual validation, and drives more consistent, accurate reporting

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“What’s more, we have established a series of business validation rules that help us to ensure the accuracy and consistency of reporting figures. Whereas teams used to spend hours validating figures in the past, this process is now done automatically, which saves a great deal of time.”

Better control and visibility

With full visibility into financial reporting, users can easily monitor the status of the process, seeing which partners have completed their contribution workflows, and which are still outstanding.

Anders Jansson comments: “The annual reports we generate are quite extensive, each totalling around 100 to 120 pages, so there are a lot of people involved in the writing and review process. Having better control and visibility of the entire process allows these teams to work together much more effectively.

“Users can clearly see who has responsibility for each part of the process, whether it is writing a certain section of the text or updating a table or chart, and the current status of each task in the workflow. It’s much easier to identify the source of any delays or bottlenecks, so that work can be kept moving.”

Saving time and money

Bringing enterprise-wide data together allows Folksam to create reports more easily and quickly than ever before, which is driving significant savings.

“Teams no longer need to hunt down data from multiple locations and enter it into different spreadsheets or documents – all the information they need is automatically integrated from source systems, and can be accessed with just a few clicks of a mouse,” says Anders Jansson.



“Certent CDM has become an indispensable part of the reporting process”

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“While the time savings vary from report to report, we estimate that CDM has reduced the time taken to create annual reports by 40 percent on average. The time savings and quality improvements that we have achieved are directly contributing to a reduction in operating expenses.”

Meeting Solvency II requirements

Following the success of its initial project, Folksam worked with Business Partner Attollo to extend the CDM solution to manage Solvency II reporting. Here, data is imported from a central DB2 database into CDM, where it is automatically integrated into a number of reporting templates. The solution also generates the relevant XBRL tags required to pass the automated validation process.

“Our users really appreciate the flexibility that CDM brings to the regulatory reporting process,” states Anders Jansson. “The solution is very easy to work with, and has greatly simplified Solvency II reporting.”

“Of particular benefit is how easy Certent makes it for us to keep up with changes to the Solvency II quantitative reporting templates [QRTs]. Without CDM we would probably have to devote one to three full-time equivalents [FTEs] to development and maintenance work.”

Looking to the future

Folksam is looking forward to driving greater efficiencies around other areas of enterprise reporting, and have decided to use CDM to support the qualitative reports required under Pillar 3, and the ORSA under Pillar 2 of the Solvency II framework.



“Our users really appreciate the flexibility that CDM brings to the regulatory reporting process. The solution is very easy to work with, and has greatly simplified Solvency II reporting.”

Fast-tracking Financial and Solvency II Reporting

Anders Jansson concludes: "We consider CDM to be an indispensable part of the reporting process. The solution has already brought about big changes to the way our teams approach reporting, and we expect it to deliver even greater value as new business demands and regulatory requirements continue to emerge."



"We estimate that CDM has reduced the time taken to create annual reports by 40 percent on average."

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ABOUT ATTOLLO

Attollo AB is a consultant company specializing in financial and regulatory reporting, business intelligence and corporate performance management. Attollo was founded in 2007 and are based in Stockholm, Sweden, the company employs around 50 people, averaging ten years' professional experience in these fields. Attollo has strong partnerships with Certent, IBM and Microsoft.



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