



SUCCESS STORY

If Insurance gains deeper insight into performance data

AUTOMATED RECONCILIATION DELIVERS FASTER, CLEARER, MORE ACCURATE RESULTS



INDUSTRY: Insurance

SOLUTIONS: SkySparc OmniFi and Consulting

ABOUT IF INSURANCE

If is the leading property and casualty insurance company in the Nordic region, offering the full range of non-life insurance solutions for everything from private individuals to major global companies. If has approximately 3.6 million customers in the Nordic and Baltic countries and has also had a presence in Russia since 2007. If has 6,400 employees and gross premiums written totaled SEK 40 billion in 2012. The company is a fully-owned subsidiary of Sampo plc which is listed on the NASDAQ OMX Helsinki. If's investment strategy is to maintain a balance between currency distribution and durability. Surpluses are re-invested, with the intention of increasing the total return. The asset management unit within If Group provides centralized management of the Group's investment assets and bank balances. The Investment Accounting department's role is to meet interested parties' needs for financial information on assets under management.

CHALLENGES

If uses Wallstreet Suite version 7.4 to manage its investments and cash flows through the front, middle, back-office and accounting processes. The Investment Accounting department also runs Oracle's JD Edwards EnterpriseOne (E1) accounting software. As part of the control function, the accounting team reconciles the performance data against the accounting

data on a monthly basis. This is done by extracting instrument details (such as individual transaction data) from the portfolio management system and comparing them against bookings in the accounting system. This task used to be performed manually using a cumbersome and time-consuming process of cut-and-paste. Anita Enström, Head of Investment Accounting at If explains: "the cumulative amounts of data

to be reconciled for each instrument or transaction are large. For example, a single bond, paying twelve monthly interest coupons, could generate over 100 rows of data." Apart from the time required to transfer the data manually, it was also a repetitive, error-prone process, so the accounting team was anxious to find a better, more efficient and more accurate way of working.

QUICK FACTS

- OmniFi's Reconciliation Module **proved ideal** for automating the monthly performance data reconciliation between its portfolio management system and If's accounting system
- Automating the reconciliation process has improved the transparency of the data as well as the **accuracy** and **speed** of the process
- The data is presented in a format **familiar** to accountancy professionals; specialist systems knowledge is not required

SOLUTION

SkySparc consultants had worked with If during the upgrade to version 7.4, when SkySparc tested data for migration to the new production environment and also configured the data using OmniFi, SkySparc's automated integration and testing platform.

During the upgrade work, it was clear that OmniFi, which offers an automated Reconciliation Module as standard, would be the ideal solution to improve both the speed and quality of the monthly reconciliation between its portfolio management and accounting systems.

SkySparc's consultants mapped the instruments and transactions from the Wallstreet Suite configuration to the E1 formats using their specialist knowledge, working within OmniFi's standardized, easy-to-use format. When the reconciliation is run, the data from the portfolio management system is matched against the transactions recorded in the accounting system, and any discrepancies that fall outside the set tolerances are flagged up.

Some fine-tuning was required to ensure the parameters were appropriate and the presentation as clear and logical as required. "SkySparc's consultants were very supportive and knowledgeable, ready with alternatives and solutions to every small issue," says Enström.

RESULTS

After some testing, the reconciliation process was ready to go live. Today, If's Investment Accounting department can extract the data it needs to perform the monthly performance data reconciliation "at the press of a button". As well as automating the process, speeding up the reconciliation and reducing errors, there are further benefits as a result of the project: "The quality of the reconciliation report from OmniFi is excellent and consequently we have a faster process and better understanding of the data. The solution makes the data more transparent," says Enström. It also provides good control of the data, allowing, for example, some differences to be accepted or rejected on a case by case basis.

Enström and the team also appreciate the fact that the process can be run each month within the Investment Accounting department without the need for any specialist systems expertise because OmniFi fetches the data from the portfolio management system and presents it in a familiar format. "It's very easy for us accountancy professionals to use," she says. In the future, the time needed for this task is likely to reduce to less than an hour.

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ABOUT SKYSPARC

SkySparc, an independent solutions provider trusted by banks, central banks, Fortune 100 corporate treasuries and asset managers, offers complementary software, outsourced support and a wide range of financial and technical consulting services. Outsourced support enables our customers to focus on their core business and benefit from attentive service from our financial and technical experts. SkySparc OmniFi delivers sustainable business value to customer through advanced management reporting, process automation, system integration and fully automated testing. SkySparc is a four-time winner of *Dagens Industri's* Gazelle award for fast-growing companies, and has also won both *Central Banking's* Consultancy and Advisory Award and *Treasury Today's* Adam Smith Award for Best Risk Management Solution.



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