

CASE STUDY

Financial Performance Management at SunTrust



SunTrust Banks, Inc. is one of the largest financial holding companies in the US. As with other large financial services companies, Information Technology (IT) enables all of SunTrust's products and services. Core operations, new growth investments, and regulatory projects all vie for funding within a large IT budget that needs to be planned and tracked accurately to ensure profitability and overall success. SunTrust was not atypical in struggling to achieve this delicate balance year after year within its IT Division, Enterprise Information Services (EIS). Ultimately, EIS needed to give the business a line of sight into IT spending, so that senior management in all areas could make the appropriate prioritization decisions and understand the types of commitments they were making to projects.

SunTrust faced obstacles to efficiency and visibility. Annual budgeting took months to finish and verify, reporting and analysis was a time-consuming manual process, and managers were often working from inaccurate forecasts that relied on a variety of manually consolidated and error prone spreadsheets used to track costs coming in from different sources. Often these spreadsheets were distributed in multiple iterations between departments and managers, resulting in confusion, inefficiency, and some high profile errors: on more than one occasion, IT project spending was underreported by millions of dollars.

SunTrust EIS correctly identified that it needed to improve its project management. SunTrust turned to Primavera's project management software. While deploying Primavera improved project planning and resource management, the solution didn't address fundamental gaps in the financial management process. After performing a gap analysis, SunTrust selected and implemented EcoSys EPC (Enterprise Planning & Controls) for project-driven budgeting and forecasting. The addition of EcoSys EPC has significantly improved SunTrust's IT budgeting and financial management process.

Company Profile

- 23,000 Employees
- \$180 billion in assets
- Provides deposit, credit, trust, and investment services to a broad range of retail, business, and institutional clients. Other subsidiaries provide credit cards, mortgage banking, credit-related insurance, brokerage, equipment leasing and capital markets services.
- Headquarters: Atlanta, Georgia

Challenges

- Poor integrated performance reporting – manual consolidation of too many sources
- The project management system wasn't suitable for managing non-labor expenses or capital and operational spending
- Incapable of pricing resource costs accurately
- Little business confidence in IT Finance

Solutions

- Project schedules and work plans automatically drive the financial forecasts
- Project managers submit centrally tracked budget requests to funding pools based on standardized forecasts in EPC
- Capital and expense project and operational budgets are reviewed and approved in EPC
- Labor rates stored in EPC are applied to resource hours to determine labor forecasts and actual costs
- Capital spending is differentiated from expense spending on projects
- Budget performance, trend analysis, and variances are always up-to-date and online
- Actuals are integrated from Oracle Financials

Benefits

- ✓ Annual budgeting process shortened from months to weeks
- ✓ Greatly improved visibility—drill downs, roll-ups, and multiple perspectives from which to view the data
- ✓ Full audit trail for all financial decisions and data repository with financial integrity
- ✓ Actuals reported to within 2% of the General Ledger within 3 months of implementing EPC
- ✓ Corporate Finance has greater confidence in reports from IT Finance

SunTrust's implementation of EcoSys EPC has greatly simplified their budgeting and planning process, removing their reliance on multiple applications and spreadsheets while providing flexibility and usability. The success from this implementation in Enterprise Information Services (EIS) has led SunTrust to consider EcoSys EPC a critical corporate performance management tool.

About EcoSys

EcoSys is the global standard for enterprise Project Controls software. Its easy-to-use web-based platform, EcoSys EPC, helps organizations worldwide plan and manage project portfolios, control project costs, and improve project performance.

EcoSys customers execute some of the world's largest projects and rely on EcoSys EPC to implement best practices for full lifecycle project controls including budgeting & forecasting, change management, contract management, progress measurement, performance and earned value management, capital planning, project portfolio management (PPM), and workforce planning.