LVE

Strengthening Internal Controls & Freeing Managers to Focus on Problems, Not Processes

Liverpool Victoria (LV) serves more than 5.8 million customers with a range of financial products. The company was recently recognized for the second year running as Moneywise Customer Services Awards 2017 Most Trusted Insurer.

INDUSTRY
Insurance

ERP
Oracle

REGION
Europe

COMPANY SIZE
Enterprise

BUSINESS IMPACT
- Saved time with auto-reconciliation
- Freed managers to focus on problems, not processes
- Strengthened internal controls
- Streamlined audit process

THE CHALLENGE

As a result of continued expansion, LV has become one of the United Kingdom's largest insurance companies. Yet with that expansion came challenges, especially for the accounting and finance organization.

The company's existing reconciliation process was dependent on the use of spreadsheets—a system that not only couldn't keep up with the increasing amount of data but provided few internal controls. The process was also highly manual and lacked the real-time visibility so crucial to a rapidly growing global company.

"We were highly reliant on Excel, and all of our reconciliations were done in separate spreadsheets. With paper reconciliations, there's no guarantee that queries are resolved, and there's always the risk of lost or missing data," says Andy Young, head of finance at LV. "

We were reconciling 3,000 items, and the reporting of those reconciliations and their aging was a lengthy and cumbersome process. Plus, we couldn't always find supporting documentation."

WHY BLACKLINE

To reduce the organization's reliance on spreadsheets for the close, LV developed an in-house software solution. Yet the new system soon created additional challenges.

"It couldn't cope with daily reconciliations, and reporting was clunky and time consuming," says Young. "It also had very slow response times. Our managers would take work home and sit there, press the button, watch Coronation Street, then press the next button. That's how slow the system was."

When the in-house system crashed in late 2015, the company stepped up the search for a new reconciliation solution, one that would not only strengthen internal controls but also save staff time through automation. Because of the recent collapse of the old system, the new solution also had to be implemented quickly.

"BlackLine was our preferred option. We could attach all the documents we wanted, we could store them, we could have different people check in and review alongside reconciliations," says Young. "BlackLine gave us the control framework we needed to make sure everything was working properly, and we weren't getting any issues coming through in our balance sheet reconciliations that would cause problems later. And, we were able to go from implementation to go-live in only five weeks."

THE RESULTS

Saved time with auto-reconciliation. Young and his team rely on BlackLine to auto-reconcile thousands of items. "Our investment system and Oracle ERP are reconciled automatically in BlackLine, which has given us a huge benefit in terms of the amount of reconciliations we have to actively do each month. Plus, all non-moving balance sheet reconciliations can be pushed to 'reconciled' to save more time."

Freed managers to focus on problems, not processes. BlackLine's auto-reconciliation capabilities and real-time visibility have reduced the number of late nights required from managers during the close. Managers also now have time to focus on the value-added work of accounting, such as strategy and analysis. "BlackLine enables us to spend more time looking at problems, instead of processing data," says Young. "And managers are so pleased to have their evenings back."

Strengthened internal controls. LV's previous spreadsheet-based close process exposed the company to ever-increasing risk. Today, with BlackLine, the company has full end-to-end control of every process, with complete visibility into individual responsibilities. Standardized templates ensure processes are consistent across all business units. "With BlackLine, there's one version of the truth, which aligns with the GL," says Young.

Streamlined audit process. With BlackLine, LV staff no longer need to spend days aggregating paper files and spreadsheets prior to audits. Instead, auditors are granted instant access to the records they need, when they need them. Supporting documentation is attached within BlackLine, as well. "Our auditors love BlackLine," says Young. "They've been very positive in their reports to the Audit Committee."