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*Arnold Pureveen, Group Manager,
Finances and Information Services, De Alliantie*



De Alliantie is one of the largest housing corporations in the Netherlands with over 750 employees and over 65,000 dwellings in the Northern Randstad. With the head office in Huizen, the organisation also consists of a project development company and four regional subsidiaries in Flevoland, Amsterdam, the region of Gooi and Vecht, and Amersfoort.

Challenges faced

De Alliantie was created in 2001 via a merger of four housing corporations and a project development company. After a wave of mergers in the sector and the government's decision to withdraw as financier, the competition in the housing sector was intense. Housing corporations were required to find new activities outside of the traditional scope of business in order to help them remain profitable.

“We were required to switch from a budget-based business model to strategic planning to help further develop into an effective and professional real estate company,” says Arnold Pureveen, Group Manager, Finances and Information Services for De Alliantie. “The difficult part was maintaining the right balance between attaining a good return on our investments while providing affordable social housing for our customers. We needed to maximize the return on our project development and sales activities, and optimise the return on social leasing. We need to be able to really focus in on what we were able to sacrifice concerning return and what would we gain back in terms of meeting our objectives.”

De Alliantie went in search of a suitable management information environment. “We wanted to support of our management cycle with a single solution that could link strategic information, financial information, and risk profiles to help obtain optimum insight into the activities,” says Pureveen. “For us this meant Cognos.”

Industry:

- Public Housing

Geography:

- The Netherlands

Information Needs:

- An integrated Performance Management platform
- Faster, more strategic budgeting and planning processes
- Ability to link disparate data across the organization

Platform:

- SGI Tobias ERP System

Solution:

- Cognos 8 BI
- Cognos 8 Planning

Benefits realized:

- A complete Performance Management system that functionality for reporting, analysis, scorecards, planning, budgeting, and more
- Planning processes that take days rather than weeks.
- Concise information across the organization via an easy to use Web portal

Strategy followed

De Alliantie opted for a Performance Management solution based on Cognos 8 BI and Cognos 8 Planning. Within only nine months they were able to create an integrated platform for planning and budgeting, consolidation, reporting and analysis, and scorecarding. The platform makes direct use of data from the SGI Tobias ERP system.

Personalised Web portals with standard reports give the users—budget managers and controllers of the subsidiaries and management at group level—access to

the required information. In addition, OLAP cubes make it possible to analyse core areas such as ownership, maintenance, finances, and collection policy. Soon the link with a risk management system will follow, and risk management will be added. A scorecard with ten key performance indicators (KPIs) allows management to measure and fine-tune the performance of the strategic objectives.

“A major reason for choosing Cognos software was that it was the only platform that truly offers a total solution for Performance Management,” says Pureveen. “Not separate modules, but a system in which all parts communicate directly with each other and make use of unambiguous data and definitions. With Cognos we can now view information from different points of view, always based on the same data.

Benefits realized

People across the organization at De Alliantie have enjoyed immense benefits from the Performance Management platform. In addition to enhanced reporting analysis and scorecard capabilities, the planning and budgeting process has been substantially improved. “Budget managers communicate the current state of affairs via standard reports, so that at group level we have clear insight into the financial results,” says Pureveen. “If there are deviations with respect to the yearly prognoses, we can make timely adjustments. The budget managers and controllers of our offices analyse the figures and justify the findings that are visible in Cognos. This ensures an extremely transparent audit trail. This new clarity into the business has also meant that budget managers who perform well can be rewarded in order to motivate continued good results.”

With Cognos, the consolidation process has also been accelerated considerably. The creation of a consolidated quarterly report can be done in three days as opposed to six weeks. The annual accounts are now ready within four weeks, less than half the time it used to take. In addition, the chance for error is minimal because the controllers no longer have to retype data into spreadsheets.

The scorecard ensures that De Alliantie not only is managed based on financial results, but performance can also be evaluated from other points of view. For example, to what extent was the organisation successful in making available a suitable level of housing, and what

is the status of the dynamism among the personnel or of maintenance? “Together the KPIs constitute an early warning system. We can see whether we are achieving our objectives, measure the effectiveness of measures taken, and manage in an integral way,” says Pureveen.

Next steps

Currently De Alliantie uses Cognos scorecards at the group level, but soon the subsidiaries will also begin working with them. They also plan to integrate the Performance Management platform with the back office, and transform the system into a shared service center. “Invoicing data, for example, will then be directly entered into the financial administration component of the ERP system using OCR technologies. This information will then be available in digital form to all working locations,” says Pureveen. “This will mark another major improvement in efficiency for the organisation.”

About Cognos

Cognos, the world leader in business intelligence and performance management solutions, provides worldclass enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance.

Cognos brings together technology, analytical applications, best practices, and a broad network of partners to give customers a complete performance system.

The Cognos performance system is an open and adaptive solution that leverages an organization’s ERP, packaged applications, and database investments. It gives customers the ability to answer the questions — How are we doing? Why are we on or off track? What should we do about it? — and enables them to understand and monitor current performance while planning future business strategies.

Cognos serves more than 23,000 customers in more than 135 countries, and its top 100 enterprise customers consistently outperform market indexes. Cognos performance management solutions and services are also available from more than 3,000 worldwide partners and resellers.

For more information, visit the Cognos Web site at <http://www.cognos.com>.

