



# Transforming financial operations with ERP and EPM at a leading insurance firm

Grappling with challenges stemming from manual processes, lack of reporting and analytics, and a reliance on outdated, disparate systems, a provider of insurance and financial services solutions, catering to the credit union and community banking sectors, was challenged by inefficiencies that hindered its ability to respond effectively to the shifting goals and preferences of their customers.

Recognizing a critical need for modernization, the organization aimed to overhaul its financial accounting and planning operations to achieve enhanced efficiency, transparency, and data quality. Together with Huron, they took a systematic, multi-pronged approach, utilizing Oracle's industry leading enterprise resource planning (ERP) and enterprise performance management (EPM) cloud solutions and best practices to tackle these issues head-on.



## The challenge: Legacy systems and inefficiencies

The organization faced numerous challenges in its financial operations that urgently required addressing. Chief among these was an overdependence on a manual close, consolidation, and planning processes, resulting in a lack of clarity around crucial business drivers, performance metrics, and operational transparency.

Some of the direct impacts, felt enterprisewide, included:

- **Aging systems:** The organization's operations were anchored by an aging on-premises legacy ERP system, which was outdated and had become a bottleneck for innovation. This led to inefficiencies, escalated operational costs, and an inability to adapt to market changes — deterring them from leveraging the full potential of their data.
- **Fragmented processes:** Financial planning processes, primarily managed through Excel spreadsheets, constrained scalability and accessibility. While Excel has its utility, it is ill-equipped for the high velocity demands of modern financial planning. As a result, the organization struggled to react promptly to market fluctuations or changing regulatory requirements, which ultimately jeopardized strategic decision making.
- **Lack of insight:** The organization's limited visibility into performance metrics fundamentally hindered sound business decisions. Delays in identifying and responding to operational issues not only affected internal efficiency but also posed a risk of compliance and reporting accuracy to its customers and suppliers. With ongoing technological advancements and evolving customer expectations, the organization recognized that it must revamp its operations to mitigate these challenges, enhance processes, and curtail costs to ensure its viability and long-term competitiveness.

## The approach: Optimized solutions to drive digital transformation

In response to these challenges, Huron helped the organization execute a comprehensive transformation program designed to address the root causes of its inefficiencies. The strategic approach focused on several key initiatives, each crucial to laying a resilient and progressive foundation for the organization's financial operations.

- **Refining finance and accounting processes:** Teams meticulously reviewed and reengineered existing financial operations to realign them with industry best practices. This included redesign of the Chart of Accounts, eliminating redundant steps in the close process and ensuring compliance with regulatory requirements while enhancing reporting accuracy. By streamlining workflows and implementing standardized procedures, the teams placed an emphasis on aligning financial outcomes with strategic business objectives.
- **Developing cloud strategy and roadmap:** A robust cloud architecture was developed, ensuring seamless integration and transition to cloud capabilities. This architecture was designed not just to improve operational efficiency but also to support future growth and scalability.
- **Enhancing analytic capabilities:** By deploying advanced performance management reporting, the teams facilitated deeper insights and data-driven decision making. These capabilities provided leaders with the tools to sift through vast amounts of data, identify trends, and predict future performance, allowing the organization to pivot quickly in response to changes in the financial landscape.
- **Improving budgeting and forecasting:** The launch of annual budgeting and forecasting planning with Oracle Cloud EPM Planning facilitated accurate, real-time financial planning. By replacing the outdated use of spreadsheets, this solution allowed for more comprehensive and

flexible approaches to financial forecasting, driving alignment between strategic objectives and resource allocation.

- **Embracing next-gen close and consolidation:** A modern close and consolidation solution was implemented with Oracle Cloud EPM Financial Consolidation and Close, allowing for accelerated reporting timelines. This significantly reduced the financial close process duration and ensured that stakeholders had timely access to crucial financial data.
- **Automating core processes:** The team deployed Oracle procurement modules to streamline workflows, enhance automation, and significantly reduce manual intervention across all financial processes. This shift to automation reduced errors, guarded against compliance risks, and freed up valuable employee time for more strategic pursuits.

## The results: Enhancements in financial and operational efficiencies

The collaborative efforts between Huron and the organization yielded substantial enhancements in both financial and operational efficiency.

Equipped with agile processes, enhanced operational efficiency, and comprehensive data-driven insights, the organization is now poised for sustained growth and a robust competitive advantage in an ever-changing marketplace. This transformation serves as a testament to the power of strategic collaboration and the potential for innovation in overcoming significant operational challenges.

- **Standardized driver-based planning:** The initiative achieved consistent planning for premiums, operating expenses, and employee forecasts that were aligned with the organization's financial objectives. The driver-based methodology not only provided clarity into financial drivers but also facilitated agile responses to market shifts.

- **Faster close and consolidation:** Streamlined processes led to a significant reduction in the monthly close timeline by ten days. This efficiency gain has not only improved the speed of financial reporting but also enhanced the quality of insights available to leaders to aid their decision making.
- **Improved data quality and transparency:** Unified Oracle reporting tools across both EPM and ERP systems bolstered data integrity and visibility. This integration ensured that financial reporting was accurate, timely, and conducive to regulatory compliance, instilling a culture of transparency throughout the organization.
- **Enhanced process transparency:** The launch of a cloud-based integrated finance platform elevated controls and decision-making capabilities by granting stakeholders timely access to insights. This fostered an environment of informed decision making, enabling proactive engagement with financial performance.
- **Future-ready operations:** The organization emerged from the transformation process equipped to operate on a flexible, scalable, and sustainable platform. This new operational architecture not only aligns with leading industry practices but also prepares the organization for any forthcoming market shifts.



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