



## University's Web Budgeting Saves Costs and Improves Forecasts

### Overview

**Country or Region:** New South Wales, Australia

**Industry:** Education

**Partner:** CALUMO Group

### Customer Profile

The University of New South Wales (UNSW) is one of Australia's leading teaching and research universities.

### Business Situation

University budgeting was insufficiently robust. Forecast spend data from individual faculties was manually collected and provided the finance team with insufficiently detailed information to the finance team.

### Solution

By building its performance management system on CALUMO and Microsoft® business intelligence (BI) technologies, UNSW expedited the budgeting process and gained access to sophisticated budget reporting.

### Benefits

- Significant cost savings.
- Simplified budget data entry.
- Outstanding reporting and analytics.
- Adaptability to different skills levels.
- High level of user acceptance.

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*Alister Cairns, Manager, Management Information Systems, University of New South Wales*

The University of New South Wales (UNSW) is one of Australia's leading teaching and research facilities. As the university expanded, its finance team struggled to gather sufficiently comprehensive budget data from individual faculties and schools. In February 2008, UNSW implemented the CALUMO Performance Management suite, which is built on Microsoft® business intelligence (BI) technologies. The open architecture solution enabled UNSW to devise a range of Microsoft Office® Excel and web-based forms that adapted to different staff skill levels. The finance team acquired more detailed information faster and was able to generate specialist, one-off reports. In addition, finance staff could easily interrogate financial data to identify exactly where individual faculty programs were exceeding their budget.

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## Situation

Based in Sydney, the University of New South Wales (UNSW) is one of Australia's leading teaching and research establishments. The university has expanded rapidly, and now employs 5,000 staff who support a community of 40,000 students.

As reporting requirements grew, UNSW's finance team found the budgeting process increasingly difficult to manage. The three staff in the Management Reporting and Budgeting Team (MRBT) had to individually contact staff in the teaching faculties and support departments to gather budget information. Data would be returned via standard and ad hoc spreadsheets which MRBT consolidated for review. The budgets were manually returned to individual faculties for adjustment before final approval.

This process suffered from a number of defects. The first was that the budgeting process was time-consuming. The MRBT spent many weeks completing tasks such as data collection, collation and revision. Second, because the process was manual, the risk of errors was high. And third, the budgeting process was not as rigorous or granular as managers needed for the development of a robust monthly management reporting framework.

“Budget information was only prepared at the highest level in each of the faculties,” says Alister Cairns, Manager, Management Information Systems, UNSW. “We did not get information from the individual schools. Therefore, the finance team could only keep a very high-level view of whether the faculty was actually on track as the financial year progressed.”

“If a serious discrepancy arose in the actual versus budget numbers, it was difficult to work out exactly where the problem was. It

was impossible to identify the root cause and take remedial action.”

Further, the consolidated spreadsheet reports could not provide managers with the flexibility of reporting that they needed. Besides being insufficiently detailed, managers could not easily configure the data to generate reports on individual types of expenditure. Nor did they have flexible access to the data to facilitate on-the-spot analyses.

In early 2006, the finance team began to research the market for a new business intelligence system that could help collect budgeting information and also provide detailed reporting and analysis. It assessed a range of finance products before choosing a dedicated financial reporting application. However, the choice proved not to be a success.

“We hoped that staff in all our faculties and schools would be able to enter much more of their financial information quickly and easily, but the system turned out to be unwieldy,” says Cairns. “In addition, the system was off-line during much of the budget process, to the frustration of our users. Initial set-up and tailoring was also a struggle.”

## Solution

Before joining UNSW, Cairns had developed a longstanding relationship with Gold Certified Partner, CALUMO Group, which has its own performance management suite based on Microsoft® business intelligence (BI) technologies. Cairns believed that since UNSW had already invested in Microsoft SQL Server® 2000, CALUMO could quickly develop a cost-effective, easy-to-use system for budget data collection.

Based on a set of specially designed reports, forms, workflows and analysis tools, the CALUMO product suite would enable the finance team to analyse actuals against

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budgets, and generate comprehensive performance management reports.

“We did a quick proof of concept at the end of 2007,” says Edmund Harvey, Engagement Director, CALUMO. “The objective was to see if we could reduce costs and provide a better user experience. It took six weeks, and demonstrated to the university the benefit of using the CALUMO product on the Microsoft BI Platform.”

Says Cairns: “The trial established that a performance management system based on SQL Server – with its Analysis Services and Integration Services functionality – could resolve all our problems. It looked robust, it could handle more transactions, there was no intervening software level for administering the metadata and database layers, and we could use the Microsoft BI platform to full effect.”

CALUMO also devised a set of Microsoft Office® Excel®-based template forms that automated the flow of data from faculties and schools to the MRBT, expediting the data gathering process and reducing the risk of inaccuracies.

In February 2008, UNSW gave approval for the finance team to implement the SQL Server 2005-based performance management system. The process took two months and was completed in early July.

### **Benefits**

The university gained immediate relief from its existing budgeting process difficulties. The finance team was able to collect better data faster and the whole process took less time. In addition, finance managers were able to generate sophisticated reports that enabled them to keep a closer track of spending and exert effective budgetary control.

### **A less expensive solution**

Despite being a replacement solution, the Microsoft-based CALUMO system rapidly returned the university’s investment.

“It was far cheaper,” says Cairns. “We saved \$30,000 in fees, and even taking account of the investment in the original system, we still have a lower average cost over time.”

In addition, the SQL Server 2005 system is easier to maintain. Members of the MRBT find it easy to update the core financial information in the database.

“Just managing data on the new system saves us the equivalent of one week per month,” says Cairns.

### **Faster data gathering**

The process of creating budgets and forecasts has been made simpler and faster. The CALUMO application contained a number of standard financial template forms. Staff enter financial data with these forms, then, following workflows, the data is automatically fed to the database.

To these standard forms UNSW has added a number of its own web interface forms that also use workflows to navigate between the finance team and faculties and schools.

“Because we used an open architecture, we have been able to cater for different user experiences,” explains Cairns. “Some staff needed to be given a simple user experience, or we weren’t going to get their engagement. So we designed some forms that were very simple, and they can simply log on to a website and enter their data there.”

“Then we have the power users. They need much more flexibility: besides entering data, they also need the ability to produce many and varied reports for their individual faculties or departments. They use Excel-

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based forms, which can be specially configured.”

By opening up the system to the lowest data collection points, the MRBT has been relieved of the administrative burden of collecting a large amount of financial data from across the university.

### Sophisticated analysis

“The revolution was in the ease with which you could cut the data to analyse it,” says Cairns. “For example, say there is a list of accounts on a page, with current year-to-date figures: actual versus budget. Maybe the consulting cost item is over by 10 per cent. What we can do now is to select the consulting item, and slice a report showing consulting spend across all departments and faculties that are using consultants.”

Consequently, managers can locate the variance between budget and actual on a single line item. Then staff can slice the data again, and either look at all time periods – to see when that school started overspending on consulting.

“Generating standard reports is also much faster because we can download the figures from our enterprise resource planning tool more quickly,” says Cairns. “That has saved us at least a day per month, just in helping the MRBT generate reports.”

“The performance management system is a massive benefit to the finance team and the university as a whole,” says Cairns. “It means we can do high-quality analysis very quickly, identify issues and take immediate action.”

### More flexible reporting

Especially helpful to the finance team is the ability to access and generate reports from anywhere.

“Reports are also more widely available,” says Harvey. “Using CALUMO, finance staff can browse the relevant university data through the internet. They can also convert these views back into a spreadsheet, do their own formatting and even publish these reports online to share with other users.”

“It’s very dynamic,” adds Cairns. “Staff don’t have to be on site to do their analysis or devise their reports. And in terms of security, this application is very safe. Access is managed at the web-browser level, combining SQL security with single sign on through CALUMO and Microsoft Active Directory.”

### An appreciative audience

The SQL Server 2005–based performance management system was judged an immediate success by the UNSW staff that used it.

“We had a budget meeting with the business three weeks ago,” says Cairns. “The finance team was actually applauded. I think it was the relief of having something that did what they needed it to do and so effectively.

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### Software and Services

- Microsoft SQL Server 2005
- SQL Server Analysis Services
- SQL Server Integration Services
- Microsoft Office
- CALUMO Performance Management

### Partners

- CALUMO Group