
HUNTSWORTH

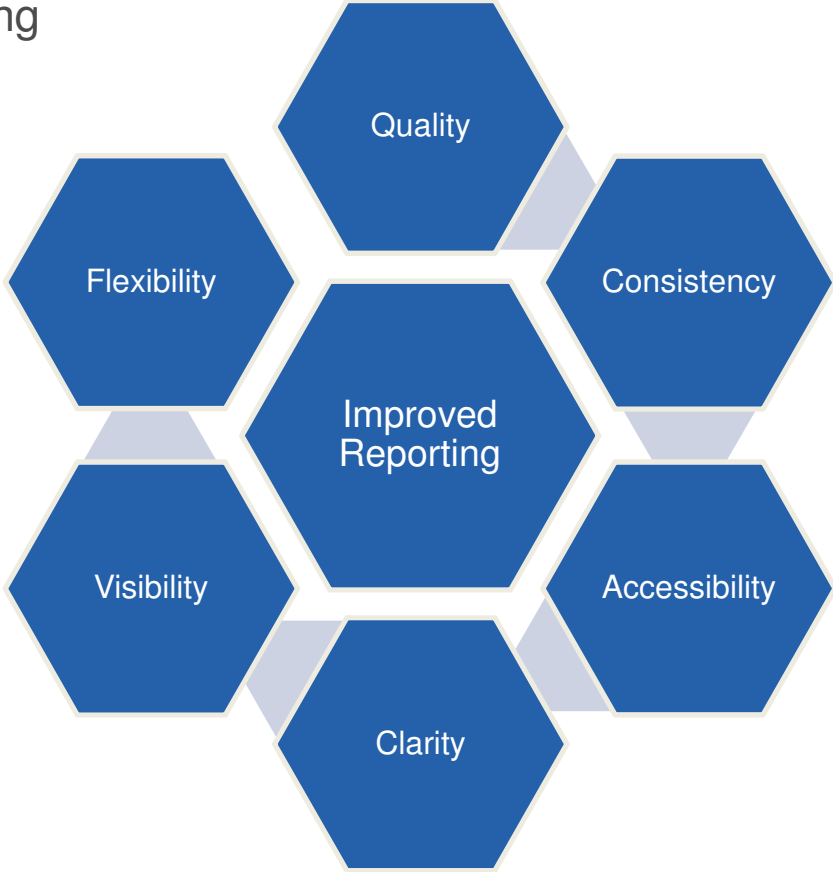
Bringing Data to Life

June 2015

Introduction

IBM systems at Huntsworth PLC:

- Monthly management reporting
- Budgeting and forecasting
- Financial reporting
- Compliance
- Scenario planning
- Working capital
- Client revenue



TM1 & Controller

2 months'
work saved per annum

6x greater
frequency of reporting

Material Reduction
in working capital days

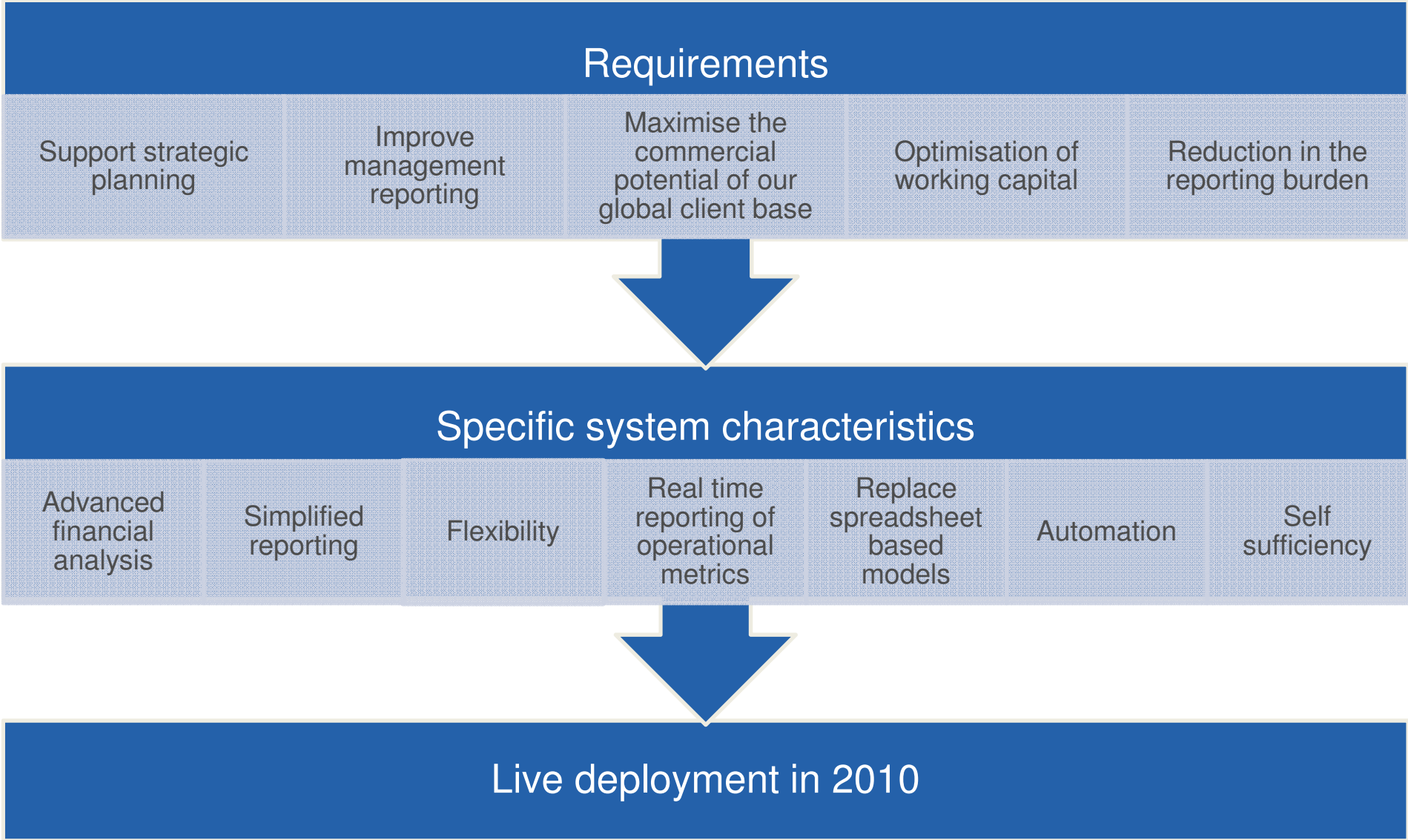
Valuable
Commercial tool

Huntsworth plc

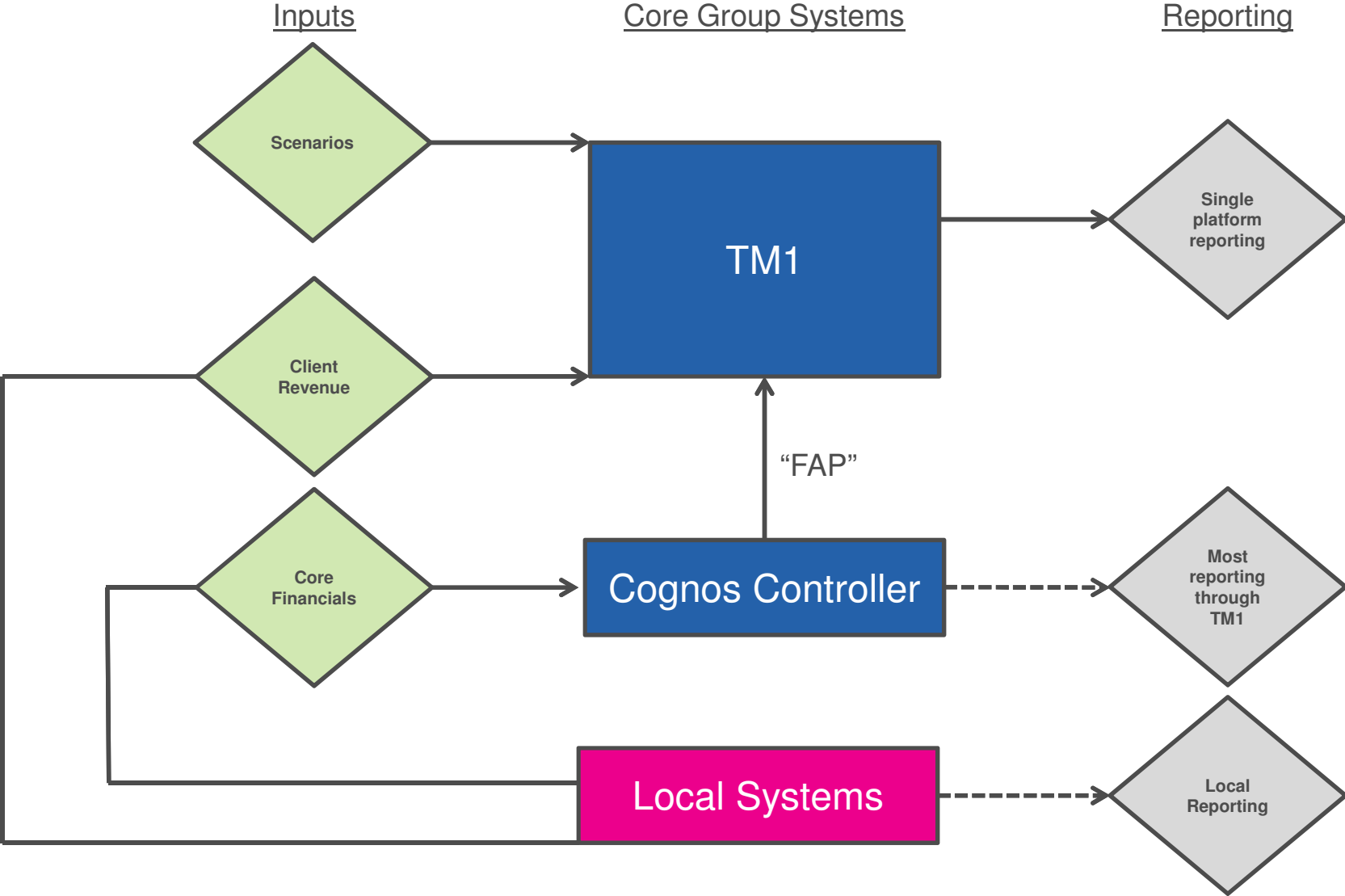
- International consultancy Group focused on public relations and integrated healthcare communications
- LSE listed with 1,600 employees in 28 countries, annual revenues of £165m and market cap of £140m
- Built through acquisition – many legacy systems
- 4 global brands – Red, Grayling, Huntsworth Health and Citigate
- Blue Focus – 20% stake
- For over 10 years Cognos Controller has provided an efficient month end close
- 2010 BI project resulted in TM1 investment
- Spreadsheets!

The logo for 'red' is written in a bold, lowercase, sans-serif font. The letters are a vibrant yellow-green color.The logo for 'Grayling' features the word in a white, sans-serif font. It is set against a background of three overlapping, semi-transparent rectangular shapes in green, red, and orange.The logo for 'huntsworth health' consists of a dark gray hexagon containing a white 'H' and a small yellow circle with a white plus sign. Below the hexagon, the words 'huntsworth health' are written in a lowercase, sans-serif font.The logo for 'Citigate' features the word in a red, sans-serif font. A vertical red line is positioned to the left of the first letter 'C'.

Business Intelligence Project



System Structure



Improve Management Reporting

- Internal process to create a new format standardised board pack, directly supported by TM1
- Enable a consistent approach to monthly board meetings Group wide
- Amalgamation of previously disparate reporting streams into a single TM1 model on a single common platform
- “Group reporting portal” created
- All numerical data, reporting pack & drill down data can be run:
 - At any time
 - In any currency
 - At any point of the consolidation
 - Within 30 seconds of updating the base data
- Full automation of all KPIs eg growth, like for like growth, margin,
- Flexible hierarchies

Less time creating reports = more time analysing and acting on the data

Key Features of Standardised Reporting

Enter Operating Unit Code	Grayling Consolidated	
Enter Month End	Dec 2013	

HEADLINE NUMBERS - GBP				
FY - 2013	Actual	Budget	Fcst	Var
Revenue	1,560	1,560	1,560	0
<i>L4L growth</i>	5.0%	5.0%	5.0%	0.0%
Operating Profit	312	312	312	0
<i>Margin</i>	20%	20%	20%	0%
<u>New Biz Wins</u>				
Client 1 - name	350	350	350	0
Client 2 - name	330	330	330	0
% Committed	94%	94%	94%	0
<u>Working Capital</u>				
Debtor Days	8	8	8	0
NWC days	6	6	6	0

Note:- these numbers & format are for illustrative purposes only

Commentary

Headline 1 :-

Headline 2 :-

Single platform

KPIs automated – no manual calculations

Automated functions - top 10, bottom x%

Real time link with Cognos Controller

Instant consolidation, any currency or consolidation point

Embedded commentary

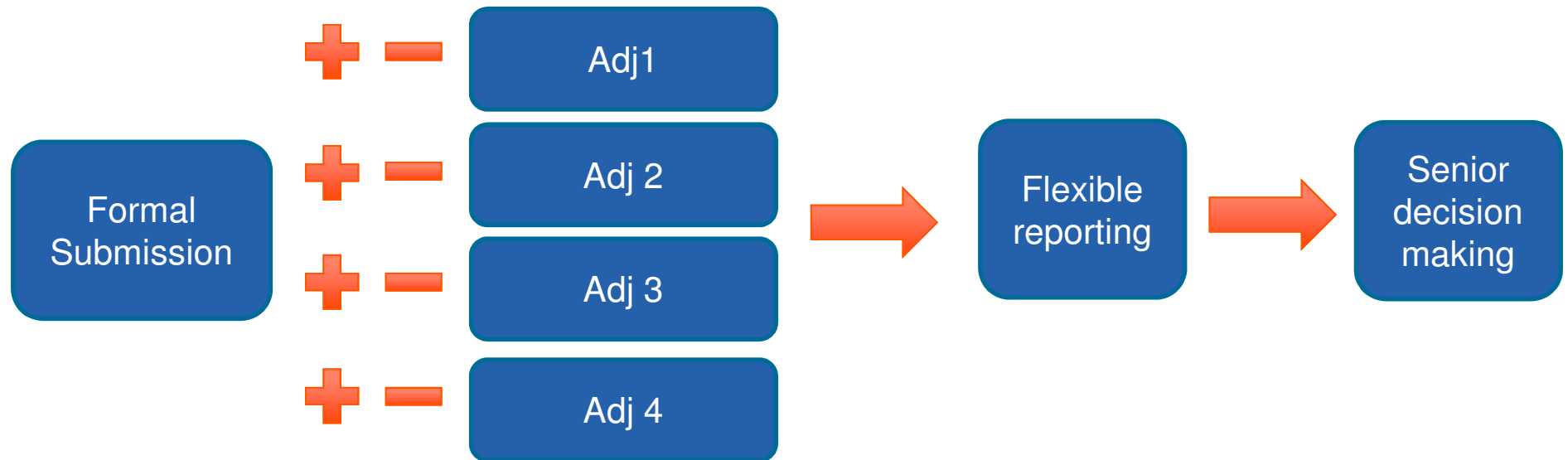
All metrics supported by detailed models

Drill down and ad hoc reporting

Functionality brings data to life

Scenario Planning

- Ability to run all financial models across multiple scenarios
- Real time update of proven models & reports
- 'what-if scenarios' run during senior meetings
- Provides flexibility within our solution
- Directly supports strategic decision making
- Other automated adjustments applied in the background eg common currency adjustments, underlying margin



Scenario Planning

Enter Operating Unit Code	<u>EVOKE</u>
Enter Forecast Version	<u>Dec 2013</u>

Scenario Summary

OPERATING UNIT:- Evoke - USD				
<u>FY - 2013</u>	Submitted	Best	Mid	Worst
Revenue	1,560	1,660	1,600	1,570
<i>L4L growth</i>	5.0%	6.1%	5.8%	4.8%
<i>Revenue per head</i>	500	550	475	400
Operating Profit	312	387	344	322
<i>Margin</i>	20%	23%	22%	21%
<i>Staff Cost %</i>	12%	10%	11%	15%

DIVISION:- Huntsworth Health GBP				
Submitted	Best	Mid	Worst	
1,000	1,064	1,026	1,006	
3.0%	3.5%	3.2%	2.9%	
350	425	400	375	
200	248	221	206	
20%	23%	22%	21%	
12%	9%	10%	15%	

Enter Adjustments				
<i>Turnover - fees</i>		100,000	40,000	10,000
<i>Other admin costs</i>		0	0	0
<i>Staff Costs</i>		(25,000)	(8,000)	0
<i>No Staff</i>		3	1	(3)

	64,103	25,641	6,410
	0	0	0
	(16,026)	(5,128)	0
	8	4	(5)

Note:- these numbers are for illustrative purposes only

Working Capital

- Interactive dash board available to all users
- Identical format to the new internal board report
- Simple set of system generated KPIs with full drill down functionality
- Pinpoint and target issues quickly
- Direct reduction in the Group's working capital requirement
- All of the data was pre-existing

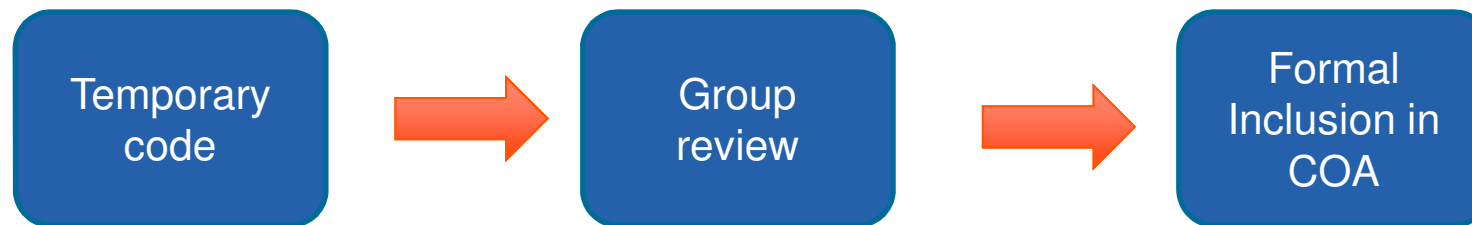
Client Revenue

- Spread sheet based models fully replaced by automated processes = two months full time work each year saved
- Client information reports produced monthly instead of twice a year
- Data quality improved – validation at source, control of new clients
- Bespoke fully automated new biz models computed by TM1
- Direct access to client reports through Group Reporting Portal – data available “on demand” for all users with further reports circulated to key operations eg top 50 clients
- Direct insight into
 - forecasting risk
 - visibility of pipeline and client attrition
 - support tenders – leverage global expertise
 - client conflict

We have created a valuable tool that commercial operations want to use daily

New Client Process

- Previously this area was difficult to control
- New process built in TM1 providing integrity to our client database



- Temporary codes allow subsidiaries to submit their results without Group involvement
- Group review all codes before formally committing the codes to the chart of accounts
- Dynamic reporting automatically update for new codes

Conclusions & Next Steps

- 'Bringing data to life'
- Core models unchanged
- Flexibility vs Control
- Divisional system projects
- Revised client revenue models
- Group debtors ledger
- 3 year plans