

LBS Norddeutsche Landesbausparkasse

Total solution for controlling, reporting and planning

Hartmut Görlitz,
Ulrich Steinhauer
LBS Norddeutsche
Landesbausparkasse
Berlin-Hannover
Ralf Beckers
ifb group

When it comes to performance, LBS Nord offers its customers a significant edge in an extremely competitive market environment. In order to increase this competitive edge, we decided to implement an integrated control solution on the basis of ifb-OKULAR®. The result is impressive in every aspect – functionally, commercially and technically.

Hartmut Görlitz
Head of Controlling/Financing,
LBS Norddeutsche
Landesbausparkasse
Berlin-Hannover

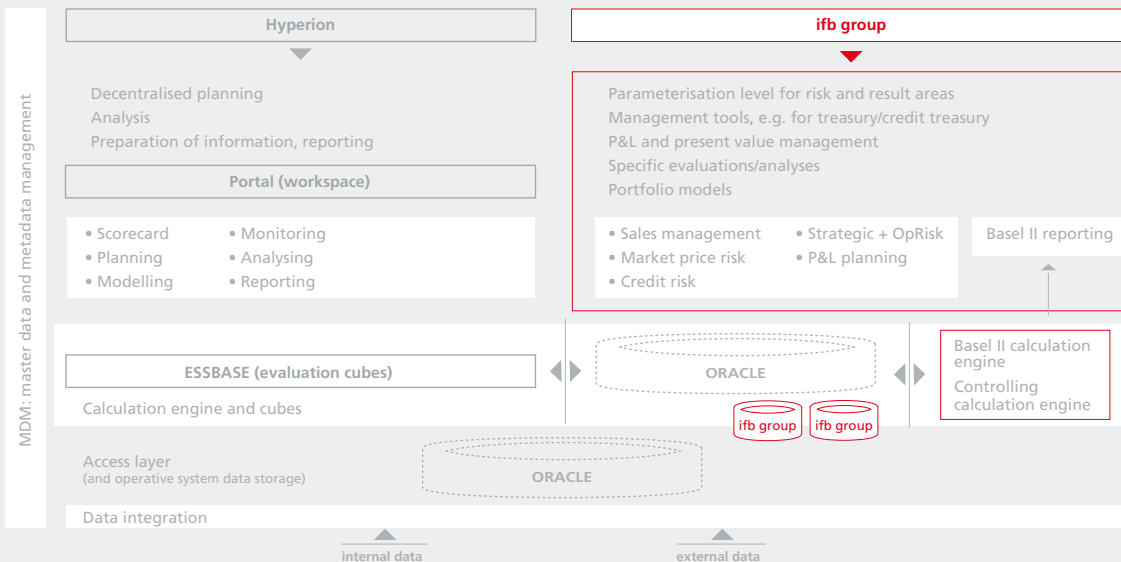
LBS Nord relies on ifb-OKULAR® for implementation of its business intelligence system

“A future-oriented restructuring of the company’s management systems rather than punctual optimisation of the existing systems”, was the pivotal decision upon which the Norddeutsche Landesbausparkasse Berlin-Hannover, LBS Nord, introduced the development of a state-of-the-art integrated management control system. The fourth largest regional building and loan association in Germany envisaged a high-performance data warehouse solution and business intelligence system that created optimised conditions for controlling, reporting and planning, while simultaneously achieving an exemplary audit compliancy of all the relevant processes.

Professional selection process with challenging specifications

The LBS Nord objective is to ascertain all business data using reliable methods of a high technical quality and to consolidate such data in a clear and controlled process. In accordance with specific building and loan business criteria within the scope of the data warehouse solution, this comprehensive approach required the implementation of high performance components for calculating market price, floating rate and counterparty risks as well as for client transaction management. In addition, a solution was also required for the implementation of Basel II.

In light of these program specifications, LBS Nord brought in the Würzburg Business Application Research Centre (BARC) as a specialist partner to support in selecting an appropriate partner. The subsequent joint analysis concluded that two providers would be able to implement the required solution most efficiently. As a result, LBS Nord opted to commission ifb group and Hyperion (now ORACLE) as product suppliers and PROLOGIS as consultants in relation to the Hyperion environment.



Overall bank management with Hyperion and ifb group



□ Professional implementation on the basis of ifb-OKULAR®

While Hyperion implemented the reporting and planning systems linked to the data warehouse, based on the modular overall bank management system ifb-OKULAR®, the ifb group was tasked with preparation of the technical solutions for counterparty risk, LBS Nord securities business management, sales management – including client transaction planning – and the management of operational risk and Basel II requirements. The ifb-OKULAR® applications will be used directly and exclusively by the controlling/financing department at LBS Nord.

One challenge needing to be resolved parallel to the implementation activities already being carried out, is to achieve consistency in terms of all the ratios and calculation methods employed by LBS Nord. To this end, supported by the ifb group team, LBS specialists will clarify the nature of data the company generates for a given purpose, the methods applied and which data will be required in future. Ultimately, future calculation methods will then be established in a comprehensive glossary with binding effect.

□ Optimal conditions for controlling and planning

Drawing on this technical basis, Hyperion furnishes a state-of-the-art, web-based business intelligence solution for reporting and planning at LBS Nord. In future, in combination with a precisely developed access rights concept, Hyperion will provide the relevant management levels with the possibility of accessing an extensive range of current ratios and reports at any time via the intranet or internet.

This not only includes the immediate retrieval of clearly presented information on all the relevant controlling aspects, but also provides a balanced scorecard from Hyperspace GmbH that allows the implementation of strategic decisions to be continually monitored. In addition, the intensive cooperation of LBS Nord with savings banks and independent commercial agents that is decisive to market success is sustainably improved through the straightforward availability of current counterparty reports. Moreover, supported by ifb-OKULAR® SOLVARIS, the reporting system generates the relevant LBS Nord reports required by the Deutsche Bundesbank in compliance with Basel II.

In view of these individual obligations, the LBS Nord planning system, on whose conception ifb group is acting in a consulting role, is the 'mandatory element' in terms of the BI solution. Supported by the sales units and on an expandable basis, the complex LBS Nord planning process can be implemented with an absolute minimum of effort using the required number of iteration cycles. This procedure not only takes into consideration all the relevant factors, such as volume of new business, personnel costs and sales commission, but also embraces qualified risk assessment. In this respect, the complex collective simulations that savings banks use to forecast development of their loan and deposit-taking business represent a supplementary challenge. Specialist service providers are incorporated into the planning system to provide support with the extremely comprehensive calculation processes. Bringing the data warehouse and business intelligence solution successively on stream will position LBS Nord Berlin-Hannover as one of the leading financial institutes in its sector in terms of IT.

Ralf Beckers

