CASE: BRFKREDIT

BRFKREDIT RUNS DYNAMIC DATA WAREHOUSE PROJECT

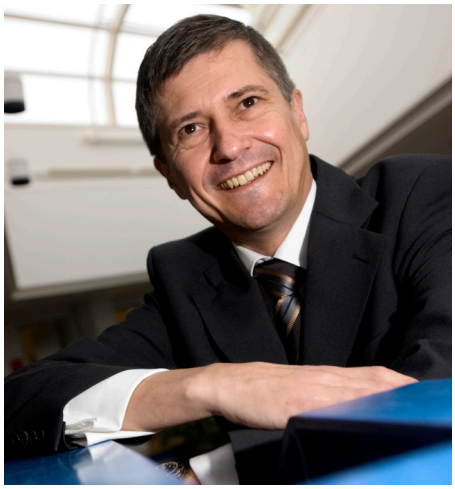
It started as a Data Warehouse project to support Basel II, but developed into a model example of how the right competences may run a complex project with much dynamics and sensible financial performance.

In just one year, BRFkredit has implemented an extensive Data Warehouse solution which forms the basis of the company's Basel II system. The solution, which is based on the SAS9 platform, has been implemented by BRFkredit with consultancy assistance from Platon.

- Basel requires both better overview and a closer monitoring of data compared with the existing requirements within the financial sector. Our source data is derived from many DB2 databases, which makes data acquisition both time-consuming and flawed. Today, most data at BRFkredit is found in one place and structured according to our core business areas. We are well on our way to meeting the Basel II requirements for audit trails and documentation of data flows, says Tim Thranegaard, Head of Budget and Planning at BRFkredit.

FULLY AUTOMATIC OPERATING EFFICIENCY

According to Tim Thranegaard, BRFkredit has reaped many benefits from the new Data Warehouse.



In particular, he points out that the number of errors has been reduced considerably, and an unambiguous definition of variables has caused a strong improvement in the use of data. At the same time, BRFkredit has obtained a highly stable, decentralised environment with automatic daily updates and ongoing monitoring procedures.

- The solution can be operated at very low costs because everything is fully automatic. In case of errors, simple procedures have been established in order to recreate the situation before the error through a so-called "rollback". It has reduced the amount of work considerably, and at the same time we no longer need to dedicate resources for physical monitoring and implementation of the processes, Tim Thranegaard explains.

- Platon is a business with sound knowledge of Data Warehouse development and many documented references from the financial sector. At the same time I am convinced that as an independent consultancy business, it is easier for Platon than for the product supplier to be objective in relation to the inevitable problems in a project

Tim Thranegaard, Head of Budget and Planning
BRFkredit

Tim Thranegaard also points out that
- We are one of the small players among the large institutions on the financial market, and it is therefore necessary for us to be able to deliver the same services, but at half the price and developed twice as quickly. Of course, this fact is reflected in our product choice, but it is also why we have this time spent additional time putting together a project group with exactly the right competences and experience. It has proved to be productive.

PLATON

UNCONVENTIONAL PROJECT GROUP

The Data Warehouse project included internal employees and Platon consultants. Both in the choice of internal resources and the selection of external competences, BRFkredit has used unconventional methods.

- An implementation process should not be controlled by the technology, but rather by the business. Therefore it is important for us to select the right people. Platon was involved with core competences within development and implementation, whereas SAS Institute contributed to the dialogue about the technical function of their products.

QUICK DECISION-MAKING PROCEDURES

According to Tim Thranegaard, the composition of the project group was the main reason why BRFkredit succeeded in implementing the Data Warehouse solution in just one year.

- The time from decision to action has been unusually brief, and we were very quickly able to see the consequences of our decisions. If anything turned out to be inappropriate, we could change it quickly, Tim Thranegaard explains.

It is also his opinion that the project group is the reason why the original scepticism towards the project has today been eliminated. Thus it was ensured that all relevant interest areas in BRFkredit were represented in the project group by involving employees across the organisation, thereby ensuring that the solution would fit all business areas.

IMPLEMENTATION STEP BY STEP

In addition, BRFkredit had chosen from the start that the Data Warehouse project would not be a huge project to be completed once and for all. Therefore, the project was divided into stages, which made the implementation process more transparent and dynamic for everybody.

- Each stage was completed before we started on the next stage, and I think this has been of great value, mentally as well as regarding the implementation. It is easier to keep up the spirits when the project is implemented step by step, and at the same time, the advantage is that you can benefit from the experience obtained during the previous stages, says Tim Thranegaard.

NEXT STEP

The Data Warehouse system is today used by 20 super users. It is the first part of a complete Data Warehouse package which BRFkredit is planning to implement. In the long term, the next step will be a Business Intelli-gence solution with analyses and performance tools. If consultancy assistance is required in this stage, Platon will definitely be on the short-list.

FACTS

BRFkredit is an independent mortgage credit institution that offers customers financial solutions and other services related to real property. BRFkredit employs around 850 highly skilled employees.

The solution is based on the SAS9 platform with ETLStudio as Extract-Transform-Load (ETL) tool. In the ETL process, data is extracted from a number of different sources, a.o. DB2, external files, SAS tables, etc. Data is stored in SAS tables and Microsoft SQL Server. The Data Warehouse system runs in a Windows based environment where the users use SAS software, web frontends, and Microsoft products in order to analyse and look into data.

ABOUT BASEL II

Basel II is a new set of rules regarding the calculation of credit institutions throughout the world. The aim of the rules is that the credit institutions should set aside capital corresponding to the risks assumed. In future, this makes new requirements regarding risk control and may increase the focus on the creditworthiness of the individual client when loan commitments are made.

In addition, detailed reporting procedures, new analysis methods, and close monitoring of data will be required. The users use SAS software, web frontends, and Microsoft products when analysing and looking into data.