



Simpson Associates

Telegraph Media Group

Case Study: Planning, Budgeting & Forecasting

Client Overview

Telegraph Media Group, the £350m company behind The Daily Telegraph and Sunday Telegraph, is an internationally recognised publisher of record.

Client Response

"The big change has been that the process from weekly reporting through to annual forecasting or even three-year forecasting is practically seamless now."

Andy Nash, Finance Director



Key Benefits

- Single structure across weekly, monthly and annual outputs.
- Dramatic improvement in reliability vs linked spreadsheets.
- Greater confidence in business decision making.
- More robust forecasts/budgets integrated with actuals.
- Rapid adoption via intuitive interfaces and Excel integration.

Summary

Telegraph Media Group (TMG) replaced a 'beast of integrated spreadsheets' and isolated reporting routines for one integrated system built around a common set of actuals and a single base model.

The result has been greater confidence in the financials the business uses to drive decision making at all levels, delivered more rapidly and in an easier to consume format.

A beast of interlinked spreadsheets

Today, we live in a world assaulted by news; words matter. They should be chosen carefully. A newspaper of record like the Daily Telegraph is challenged daily to get underneath the issues of the day. In parallel, it must maintain its place in a world exploding with new media outlets and new consumption formats.

You only survive for 160+ years by having a good handle on the finances. To deal with a major shift from print to digital, this meant building systems to manage existing and new business models with their different reporting requirements.

Excel is a superb tool. So adaptable and simple in fact – at least for those whose brains are configured in that way - that we can overlook its downsides. What works well for the individual, can cause major headaches for others in the business, as Andy Nash, Finance Director explains:

"Everytime was slightly bespoke and very time-consuming; just a painstaking exercise. Always a concern that something had been missed."

TMG's planning and reporting processes, as with many businesses, were built upon a manual system of ever more sophisticated spreadsheets that required extremely disciplined processes to make it work. But it was the tool available. And everybody knew how to use it.

The catalyst – a single reporting error

Version control was particularly vexing with different instances of sub-reports on different people's machines, ultimately causing understandable concern within the finance management team over the robustness and accuracy of information.

The process was recognised as less than ideal, but fixing it was not prioritised until it misfired. And a significant reporting error within a single budget cycle tends to have an impact. This was the catalyst for change; a new way of doing things was needed. Fast.

Choosing a solution – people count

The change project was commissioned internally, led by Rebecca Peach, Planning & Reporting Manager, who drove a tender process with a shortlist of five of the leading systems in the marketplace. The end result was the selection of Simpson Associates and BOARD. Rebecca describes her reasoning why:

"We felt that any one of the five shortlisted systems would be a really good tool; but Simpsons were the partners we could work with the best and that was the thing that gave BOARD the edge."

This was down to Simpson Associates' ability: to communicate; to understand the business; to demonstrate BOARD using the TMG magazine/publishing model; and the confidence given through continuity of contact with the same technical consultant throughout the project.

From the first time they saw BOARD, Rebecca and Andy were impressed. The tool just felt innovative in comparison to the other systems they had seen. BOARD's one version approach means that there is no division between the reporting and the planning part of the system and this was seen as a definite advantage.

Choosing a solution – what works, works – adoption is all

The TMG finance team liked the functionality of the new software, especially the interfaces with their two major databases - payroll (time heavy to manage) and circulation (the core P&L) - and the integration of actual data into the budgeting/forecasting models.



“Everyone in the business knows exactly where we are with our forecast and is responding to that performance to make sure that we hit our targets”

Andy Nash
Finance Director



However, with a strong eye on the team who would be expected to take on the new system, two factors played especially strongly; The user interface was very attractive and refreshing; Excel could be used as the front end for those who couldn't, or wouldn't, kick the habit, as Rebecca explains:

"I personally also love the fact that it had the Excel interface. Trying to get users to move away from Excel is a very hard thing, so this is sort of a halfway house to give them the ability to still work within Excel."

To fully maintain ongoing adoption, TMG commissioned Simpson Associates to deliver a simple, tailored training programme, built using in-house terminology and examples.

Robust confidence

Today, the finance team at TMG are completely on top of the numbers – weekly, monthly, annually.

"We've built real structure, routine and familiarity into the reporting process which didn't exist before. Everybody's fully aware of the times when they should be doing something, what they need to do, which updates they need to make. This just makes the forecasting of the operating profit much more reliable." said a delighted Rebecca.

Reporting is now robust, not subject to errors or omissions, and the time to execute month end has been, more or less, halved to 3 days.

"The big change has been that the process from weekly reporting through to annual forecasting or even three-year forecasting is practically seamless now," states Andy.

Importantly, wider stakeholders have visibility into parts of the business where previously there was little or no light shone. There was no explicit need to present the positive impact back to stakeholders – they were experiencing it directly.

In particular, the Finance Director now has far greater insight into the subscriptions model – fundamental to the business' viability in an age of massive competition for advertising revenue. Pricing changes can be modelled, rate and volume variances understood – the model can be fine-tuned for maximum benefit and tweaked to meet the ever-changing context in which the company operates.

The future

With rock-solid confidence in the solution, TMG are keen to take full advantage of the increasing capabilities of BOARD. A move to the cloud based SaaS format will meet the desire for an access anywhere tool that TMG retains from their initial project. It will also further boost processing speeds, releasing more time to better understand the numbers being reported.

Equally, integration with Microsoft Office should cut the time for the TMG Management Information Pack to be finalised and circulated from days to hours. Ultimately, the goal is to roll BOARD out to a wider set of stakeholders and the operational teams, thus moving measurement and reporting ever closer to those responsible for the day to day decision making of the business.



Simpson Associates is a Gold IBM Cognos partner; a Gold Microsoft partner; and a Premier Board MIT partner . We give forward looking organisations the ability to make better informed decisions.

Our work with Finance Directors in industry gives confidence in the Budgeting and Forecasting processes: our clients can efficiently collect, verify and amend budget submissions and crucially, generate the time to analyse and scenario plan before signing off the process.

Simpson Associates Information Services Limited
Third Floor, Regency House, York Business Park
Poppleton, York, North Yorkshire
YO26 6RW

T: +44 (0) 1904 234 510
F: +44 (0) 1904 789 182
E: info@simpson-associates.co.uk
W: www.simpson-associates.co.uk

 @simassoc  Simpson-Associates