BBC: Leveraging Complex, Multisource Data to Enable Financial Transformation

Executive overview

Company

Vision

Why SAP

Implementation

Solution

Benefits

Company

British Broadcasting Corporation (BBC)

Industry

Media

Products and Services

Radio, TV, and online broadcasting

Web Site

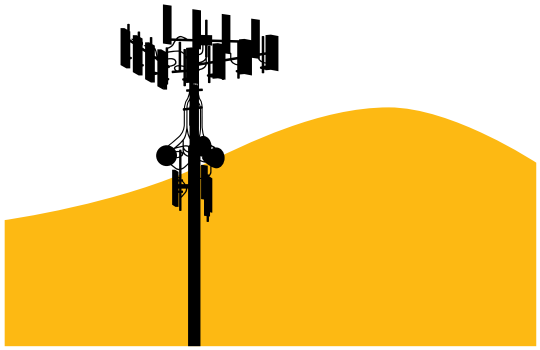
www.bbc.co.uk

SAP® Solutions

SAP® BusinessObjects™ business intelligence (BI) solutions, SAP BusinessObjects Web Intelligence® software, SAP BusinessObjects Dashboards software, SAP ERP application, SAP NetWeaver® Business Warehouse component

Partner

Computer Systems Integration (CSI) Ltd.



Reducing costs while increasing efficiency and performance is the mantra for one of the largest broadcasting organizations in the world – the British Broadcasting Corporation (BBC). As such, **the BBC looked to SAP® BusinessObjects™ business intelligence (BI) solutions as a means for financial transformation.** The result? A reporting application that provides managers of more than 1,300 cost centers with fast, easy access to financial data, allowing them to manage their businesses more effectively.

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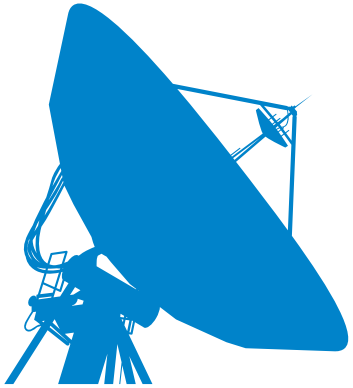
Upholding a long-standing mission

From its start as a radio broadcaster in the 1920s, the BBC has adhered to a consistent philosophy – to inform, educate, and entertain. Even as the broadcasting industry and the BBC specifically have evolved and expanded over time, the organization has held true to this mission.

Headquartered in London, England, in the United Kingdom (UK), the BBC has more than 22,000 employees, an annual income of £3.6 billion (approximately US$5.6 billion), and an operating budget (managed through cost centers) of £2.1 billion ($3.3 billion). Established by a Royal Charter, the public service broadcaster is funded by a license fee paid by UK households. Services include 8 national TV channels plus regional programming, 10 national radio stations, and 40 local radio stations. The organization also maintains an extensive Web site. Outside the UK, the BBC World Service broadcasts to the world via radio, television, and the Internet, providing news and information in 32 languages. The BBC World



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Radio stations

Service is funded by a government grant, not from the license fee. The BBC also has a commercial arm, BBC Worldwide, whose profits are returned to the BBC for investment in new programming and services.

Through these many media outlets, the BBC provides a critical link to news and information and, through its arts and entertainment programming, enjoyment to patrons worldwide.

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The need to reduce operating costs

Like many publicly funded organizations, the BBC must reduce operating costs. The broadcaster has an agreement with its governing body, the BBC Trust, to reduce costs by 20% by the year 2017. A key to achieving this objective is to enable fast, easy access to financial data, so cost center managers can make informed decisions for greater cost savings.

Still, managing a £2.1 billion budget across 26 brands and 30 operating divisions can be daunting. Cost center managers are responsible for tracking license fees, and they must report on how costs align with the budget, as agreed to with the BBC's governing trust.

Data was scattered across its 30 operating divisions – data that managers could use to tighten control and communicate results. Yet accessing the data was cumbersome. Managers had to log into the portal, request a report, provide parameters, and wait for the report to run. Accessing the data directly required specialized training. The resulting output was not easily customized, often needed further filtering, and required labor-intensive cutting and pasting to arrive at a presentable report.

£2.1 billion

Budget

The BBC wanted to equip its managers with the tools to spend less time gathering and sifting data so more time could be spent making decisions to manage costs. Ultimately, the goal of the BI team was to deliver complex, multisource data seamlessly and efficiently within the BBC.

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Leveraging an SAP software landscape

To equip cost center managers with the decision-making insight they need, the BBC leveraged its existing software infrastructure. The BBC was already using the SAP ERP application and other SAP software across its enterprise to facilitate business processes. Now, as it embarked on its financial transformation, the BBC's finance BI team looked to SAP software once again, shifting its emphasis to using SAP software for information management.

The BBC began its initiative with a proof of concept of SAP BusinessObjects solutions. Valued software services partner Computer Systems Integration (CSI) Ltd. helped the finance BI team to configure the proof of concept. In addition to helping install the SAP BusinessObjects solutions, CSI made hardware recommendations and educated the team to make sure it was prepared to make the best use of the BI and information management software.

The concept met technical and functionality requirements, so the BBC proceeded with a full implementation. A side benefit of continuing to work with SAP was the BBC's existing in-house expertise. Since the BI team was already comfortable working with SAP software, it was able to avoid the issues and support costs it likely would have encountered by going to an outside software solution. Another deciding factor in favor of an SAP solution was the rich array of business intelligence and information management solutions from SAP that support the BBC vision.

Frontline software users were hit with a series of business demands that had to be mapped onto new solutions related to information. The new requirements led the BBC's financial applications and strategy team to adopt SAP BusinessObjects solutions.

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Pulling together relevant data in a single access point

Since it had already configured a working proof of concept, the implementation team was able to save time as it rolled out the solution to the broader enterprise. Pulling together relevant data in a single access point, the team extracted transactional data from SAP ERP, the SAP NetWeaver® Business Warehouse component, SQL databases, and other data points for self-service reporting and analysis.

The finance BI team chose to begin the implementation with the BBC news cost centers, which were reasonably indicative of the rest of the BBC. The team held meetings and workshops to identify how the software could help them work better, where they felt information was lacking, and where there was too much. It then adapted the solution based on end-user input.

Within three months, the BBC rolled out the solution across all 1,300 cost centers. Given the variable nature of business at the BBC, the implementation team deliberately kept the pace at a comfortable level. For example, the BBC needs to continually respond to world events and be prepared to send people to cover such events; in turn, the finance BI team must continually react to changes in cost and priorities. Thus, as the team rolled out new functionality, it was sensitive to the demands the cost center managers were facing.

The solution was accepted very well, and cost center managers can use it with minimal instruction.

The interface is designed to be intuitive, so managers can go in and within three clicks get useful information.

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Enabling information and insight with a click of a mouse

The new reporting application, based on SAP BusinessObjects business intelligence solutions, helps BBC cost center managers access the financial data they need quickly and efficiently, so they can better manage their businesses. Cost center managers open the reporting solution by clicking a link that is saved as a "favorite" in their Web browser or on their desktop. From the main screen, managers click different tabs to find information associated with their cost centers. Managers can view a summary of their cost center, look at forecasts, and see what they've spent by period or agency. Also, they can view administrative projects or see a staff list. SAP BusinessObjects Dashboards software displays the corresponding information on-screen, organized neatly in tables and graphs.

Although the back-end data-integration activity is invisible to cost center managers, managers can run queries using SAP BusinessObjects Web Intelligence® software to access more detail about what's appearing on-screen. For example, the managers can look at the aggregated information or drill down and see to the penny how much they're spending and who is spending it. This same level of detail is available across all of the categories.

With SAP BusinessObjects software, the solution is horizontally integrated to provide access to data held within various BBC software applications.

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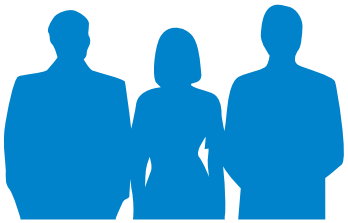
Embodying a culture of simplicity and effectiveness

The reporting application delivers significant benefits to the BBC user community while greatly reducing the back-office effort required to support individual cost center managers. Before, to run reports for the cost center managers, counterparts in finance spent up to two hours per month compiling and formatting data. Analyzing the reports could take the cost center managers a full day. With the new reporting solution, information is immediately available in a dashboard, allowing cost center managers to analyze it in a fraction of the time. The company is saving roughly 200 days per year across production accountants, finance analysts and partners, and business analysts.

Now, cost center managers no longer need to run reports to reconcile data as they review line-item information. Having the data readily available in dashboard format has resulted in dramatic time savings – roughly 1,755 days per year for production managers and 225 days per year for program managers.

2,100

Days saved per year among managers and analysts



The BBC is realizing other benefits as well. Because the interface is intuitive and standard across all divisions, training needs have been reduced. Additionally, by building onto the existing SAP software footprint, the BBC has been able to streamline IT support activities.

With improved data access and analytical functionality, cost center managers across the BBC can now use the reporting solution as it was intended – to inform cost-saving decisions while ensuring that value and quality of service is maintained.

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