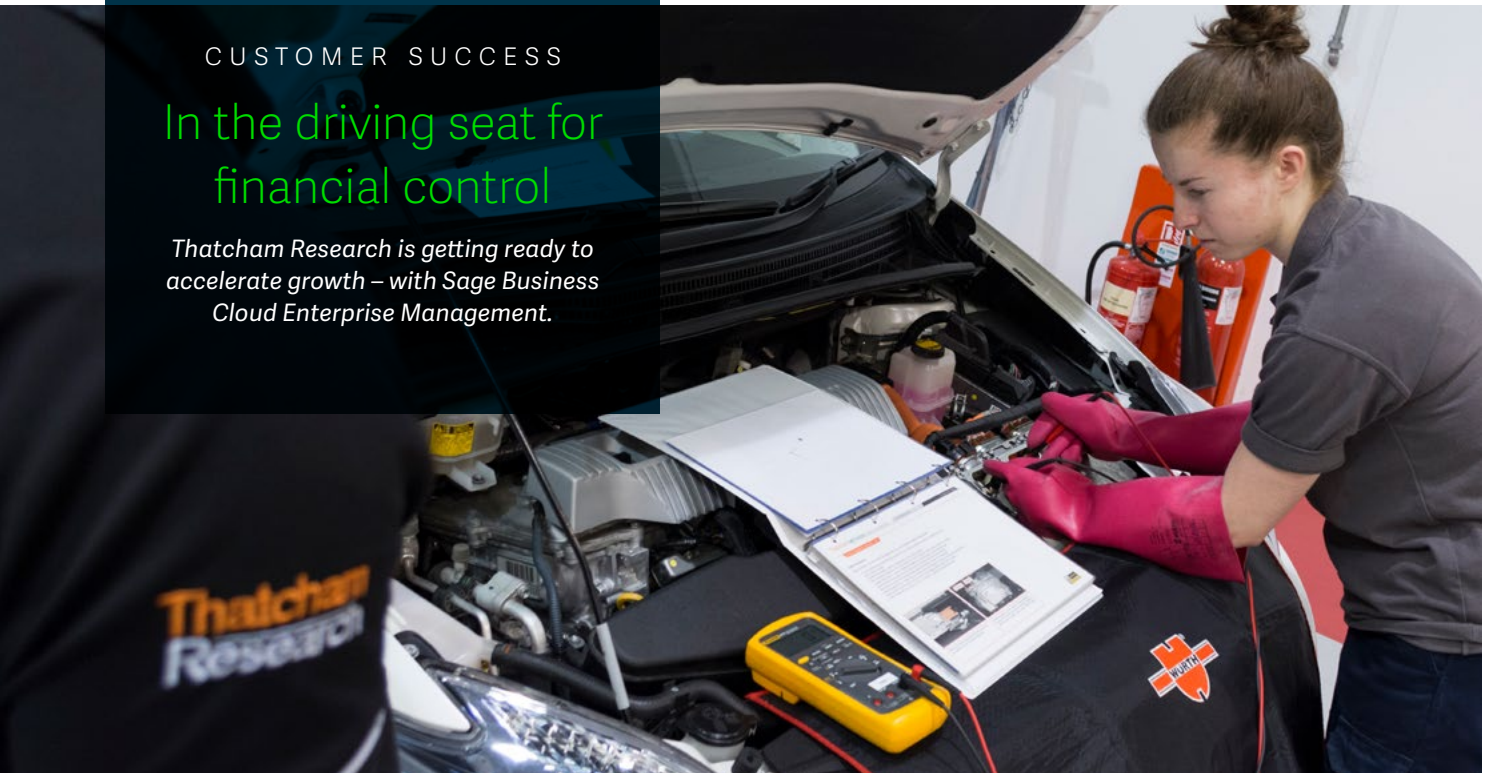CUSTOMER SUCCESS

In the driving seat for financial control

Thatcham Research is getting ready to accelerate growth – with Sage Business Cloud Enterprise Management.

As organisations grow, they can easily find that the finance and ERP systems they started out with begin to slow them down. Analysing data and handling information becomes laborious and inefficient, potentially putting a brake on performance and growth. For the vehicle safety, security and repair experts at Thatcham Research, this was the right moment to shift up a gear—and switch to Sage's enterprise management solution.

The challenge

Thatcham Research was established nearly 50 years ago by a group of motor insurance businesses. Its mission was to help these firms control the cost of their claims. Thatcham Research's primary focus was therefore on improving vehicle safety, making post-accident repairs more efficient and reliable, and strengthening vehicle security. Their remit has since evolved into being a recognised authority speaking on behalf of the motor insurance industry, involved in virtually everything to do with the safety, security and repair of vehicles.

Company
Thatcham Research

Location
Thatcham, Berkshire

Industry
Automotive

System
Sage Business Cloud Enterprise Management

Partner
K3

Thatcham Research's activities have correspondingly diversified, now ranging from putting together the intellectual thought behind deciding what insurance group a motor car is in, through to being the UK test house for The European New Car Assessment Programme (Euro NCAP), providing consumer information on the safety of new cars.

But as Financial Controller Ian Butterfield points out, success has brought its own challenges:

"I'm sure that when we first started our finance and ERP systems were very crude. As we've grown, we've had to improve our ability to analyse data and handle information. About five years ago it became increasingly obvious to our business that the system we had at that time for ERP and finance was no longer fit for purpose. It wasn't supported by its original developers and we needed to find an alternative, moving onto something that was based on modern technology providing an improved pathway to information and giving us better control over business processes."

The solution

Like many businesses in a similar position, Thatcham Research invited multiple suppliers to tender and assessed the market. Butterfield made sure that the organisation's expectation for the new system were clear-cut and explicit:

"We are not a massive enterprise. We're a 200-strong not-for-profit team and we were looking for simple solutions that would help us manage our business in a better and more efficient manner. At the same time we recognised that our requirements would continue to grow, so any new system would need to be on an open and flexible platform that the business could build upon in future as needs changed and opportunities arose."

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Sage's solution, a large range of capabilities under one roof. Sage Business Cloud Enterprise Management (formerly known as X3) ticked all those boxes for Thatcham Research—especially as the company already had contacts within an established Sage partner organisation: the K3 business technology group.

"We were one of the very early adopters of enterprise management", Butterfield continues, "probably one of the first five that K3 had implemented within the UK and I suspect that may well have been true of Sage themselves as well. As a result, we had a great deal of support from K3 and Sage alike. We also put the highest priority on the project ourselves. When organisations implement new initiatives like this, you can often predict the eventual level of success by the degree of effort and commitment they put into it. Thatcham Research actively seconded personnel to concentrate on the deployment of enterprise management and I was brought in from outside the organisation to really ensure a focus on its success. Thatcham took it seriously, K3 took it seriously, and Sage themselves took it seriously too. It was the right approach and as a result the deployment came in under budget and hit the milestones we set ourselves."

Thatcham Research predominantly use the Finance module within enterprise management because they wanted to streamline the whole of that business process from recording through to reporting, and gain a clearer insight into the costings and commercial performance of their diverse range of activities.

"It was the right approach and as a result the deployment came in under budget and hit the milestones we set ourselves."

As Ian Butterfield describes it:

"Much of the success we've had has been on the Financials side because we've been able to say to the business: We've made it easier for you to place an order, approve the order, get the goods in, get an invoice, match it and pay it. Sage Business Cloud Enterprise Management works very well for all of those basic yet essential actions."

The bottom line

When it comes to the wider business benefits of the switch to enterprise management, Butterfield identifies two in particular:

"The first was that switching to enterprise management gave us a blank sheet of paper. So we were able to do a degree of database cleansing that we would not have had an opportunity to do had we not put in a new system. The old system had grown in a way that veered out of control. There were customers on there that we no longer dealt with, or hadn't dealt with for a very long time. Transactions, analysis and reports had been added without any planning or organisation. A good exercise in basic housekeeping was well overdue and the new system provided the perfect prompt for getting on with the job."

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"...the Sage solution is built on technology that can support whatever we want to do."

"The second big win was that Sage Business Cloud Enterprise Management allowed Thatcham Research to gain maximum benefit from the straightforward but robust processes it already had in place, making it possible to achieve the right balance between encouraging individual initiative and maintaining organisational control.

To take one example: the process for small orders of around £100, £200, £300 etc is now different and easier than for larger orders, but control still needs to be applied. So we've worked on creating reports that have to be pre-approved or post-approved to smooth the processes internally but still retain control. And we can afford to be ambitious with innovations like these because we know the Sage solution is built on technology that can support whatever we want to do."

Such improvements are indicative of a new efficiency in the way Thatcham Research now manages its Financials—an efficiency which translates into measurable cost savings thanks to a significant reduction in rework, as Ian Butterfield concludes:

"I can tell you that under the old system one of our teams had two full time employees who worked flat-out making sure a particular process was carried out. At the time Sage was deployed we were thinking that additional part-time cover would be required as well. With enterprise management in place, that part time person wasn't required and one of those FTEs is now only required four days rather than five days per week. That's a real saving for the business, and it's certainly not an isolated example."

The future
Looking ahead, these relationships look set to strengthen. Thatcham Research is currently working with K3 on upgrading to a web-based package which will make the solution much more accessible for users throughout the organisation who may not have a background in accountancy.

Building on this upgrade, Thatcham Research will also have an even easier route for widespread adoption of the other modules within Enterprise Management as the need arises, driving the organisation towards even greater success in the future.