

CUSTOMER PROFILE

FINANCIAL SERVICES

LAWSON AT MANULIFE FINANCIAL



Manulife Financial Uses Lawson Financials Suite, to Obtain Faster Month-End Close Worldwide

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**Janet Hoadley-Redgwell, Assistant Vice President,
Integrated Financial Solution Development,
Manulife Financial**



More than 8.7 million people do business with Manulife around the world. To support this worldwide customer base with a diverse range of financial protection products and wealth management services, Manulife requires many administrative systems. These systems send about 1 million accounting detail lines to the Lawson General Ledger each day. During a month end, these accounting details are posted, revalued and the summarized results sent to analytical cubes — up to six times a day. Shortly after making an adjustment, finance personnel are able to analyze the results in multiple accounting bases, currencies, and business views. As a result, the month-end close process has been cut in half and the associated overtime dramatically reduced.

Customer Profile

Manulife Financial is a Canadian-based publicly traded company that provides a wide range of financial products and services including life insurance, group life and health insurance, pension products, annuities, and mutual funds, to individuals and group customers in Canada, the United States and Asia. In the United States, Manulife is the No. 1 provider of 401(k) defined contribution plans. In Canada, Manulife is the largest commercial mortgage lender; is second in the individual life insurance market, individual annuity market, and segregated fund assets, and is one of the largest managers of investment grade corporate bonds. Manulife is a leading provider of financial reinsurance and also has operations in China, Japan and throughout the Pacific Rim.

Manulife stock is traded under the ticker “MFC” on the New York Stock Exchange (NYSE), the Toronto Stock Exchange (TSE) and the Philippine Stock Exchange (PSE) and under the ticker “945” on the Hong Kong Stock Exchange (SEHK).

Business Situation

In choosing a software partner, Manulife had several goals. First, the company wanted to choose one financial package — and not separate applications for general ledger, reporting, cash processing, accounts payable, etc. Manulife wanted to deal with one vendor that would be accountable if there were problems. “When you have a problem you don’t want a group of vendors pointing their fingers at each other. So instead of looking for a bunch of one-off solutions, the team looked for a package that would provide the biggest ‘footprint’ solution,” said Janet Hoadley-Redgwell, assistant vice president, Integrated Financial Solution Development, Manulife. Second, as the company was in the process of changing from a mutual insurance company to a stock company in 1999, Manulife needed to streamline and upgrade its financial reporting capability. “Manulife needed a financial reporting environment that was robust enough to handle our volumes and complexity while still being adaptive to changing reporting requirements,” said Hoadley-Redgwell. And, because of its numerous administrative systems, Manulife wanted to implement Lawson without re-engineering any of those systems. Business Component Integrator (BCI) was used to map the details into the Lawson format. “Our implementation was able to go much faster and the process was standardized, which ultimately enhanced the controls around the process,” said Hoadley-Redgwell. “Our implementation was able to go much faster and the process was standardized, which ultimately enhanced the controls around the process,” said Hoadley-Redgwell.



Like other companies planning for Y2K, Manulife found that the upgrade process was costly — and customized applications even more so because of the re-development work required. “We were looking for the most functionality ‘out-of-the-box.’ We didn’t want to have to customize. With Lawson, we found the modules were already integrated, drill-around already built and the feed to the financial data marts already there. We were able to move quickly from design to implementation,” said Hoadley-Redgwell. What little customization Manulife has done has been outside of the application and has leveraged Lawson’s APIs (Application Program Interfaces).

At Lawson’s Conference and User Exchange (CUE), Manulife worked with a Lawson developer to ‘map out’ the accounting key. Manulife quickly grasped the power of Lawson’s attribute matrix functionality. Through the use of attributes, and the Analytic Architect product that pumps summarized data into analytical cubes, flexible and robust reporting capability was almost ‘out of the box.’ “Because accounting units can have an unlimited number of attributes assigned to them, the accounting key is virtually unlimited. This makes reporting very flexible. Attributes only need to be defined once, at setup, so users and administrative systems don’t need to provide static information like division, line of business, etc. on journals anymore. This effectively eliminates the need for combination edits and has drastically reduced user-encoding errors. It’s hard to imagine going back to a flat key structure,” said Hoadley-Redgwell.

With Lawson, Manulife has cut the time required to complete the monthly close process in half and drastically reduced the amount of overtime that was typically required. Lawson General Ledger now provides one consolidated source of financial statement information.

Solution

Lawson’s attribute matrix functionality combined with Analytic Architect provides easy-to-update analytical cubes and flexible roll-up structures. Business Component Integrator (BCI) helped provide the streamlined integrated systems and process Manulife needed without re-engineering.

Benefits

- Faster implementation because customization was not required to the Lawson application and BCI could be used to bring in the up-stream administrative feeds without re-engineering.
- Business organizational changes can be easily managed by making an attribute change. The roll-up structures can be updated in minutes. There is no need to maintain complex “tree structures.”
- Faster monthly close process because Lawson provides one consolidated source of information, Lawson attributes can be used to build flexible roll-up structures, and easy-to-update analytical cubes.

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About Manulife Financial

Manulife Financial is a Canadian-based publicly traded company that provides a wide range of financial products and services including life insurance, group life and health insurance, pension products, annuities, and mutual funds, to individuals and group customers in Canada, the United States and Asia.

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For more information about Manulife, visit www.manulife.ca.

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