Connected finance planning at AXA with Anaplan

With a premium income of €10.86 billion (2017) and 9,087 employees, AXA is one of the largest primary insurers in Germany. AXA Germany is part of the AXA Group, a leading global insurance and asset management company, with its core business in Europe, North America, and the Asia-Pacific region.

"As soon as we launch a new product, we need to know what we need in terms of salespeople, admin staff, or marketing resources to achieve the objectives we've defined," says Moritz Knorr, data strategist at AXA Germany's Data Innovation Lab, explaining one goal of its project—dubbed "AXAPLAN"—to implement the Anaplan platform. AXA Germany is part of the AXA Group, one of the largest direct insurers and asset management companies in the world, with revenues of €98.54 billion in 2017. In 2015, the company launched a strategic plan called "Ambition 2020" to strengthen its leading role in the insurance industry throughout the world.

Planning process transformation: "Order globally, transform locally"

Over 200 initiatives in Ambition 2020 reposition AXA Group as a data-driven company ready to take on the challenges of the digital world. One key focus is innovation through data excellence, which includes transforming the planning process. With this in mind, the AXA Group established a Competency Center (CC) in Paris in 2015. After running international workshops to define its requirements and make comprehensive market comparisons, the CC placed the Anaplan platform on top of its approved solutions list.

In September 2015, AXA Group's IT board also approved Anaplan as a strategic tool for planning, forecasting, and simulation and recommended it to all the group's business units, which were more than willing to sign up. In 2015, 438 Anaplan users created around 225 GB of planning data. By 2017, 1,287 users in 20 countries were working with 650 GB of planning data. This included AXA Germany and Knorr's team.

Before AXAPLAN: "Unmitigated Excel hell"

The German team's initiative quickly came under the spotlight. "We immediately saw the opportunity for digital, automated, and Connected Planning," Knorr recalls about the launch of the AXAPLAN project in Germany in early 2016.

Planning in Germany lacked a consistent approach. It relied on complex spreadsheet-based simulation and calculation models, often in conjunction with home-grown products built on Access, Visual Basic for Applications (VBA), SAS, and even pen and paper. This meant "a high margin for error, a huge manual workload, and considerable time and resources spent on data and plan consolidation," Knorr says, adding: "A plan that relies on 18 linked spreadsheets and five handwritten annotated printouts is hardly transparent. It was unmitigated Excel hell."

Rollout in three phases

Finding a new way to work can require a steep learning curve for trailblazers and their specialist departments. AXAPLAN has undergone three major phases, with the preliminary implementation being the easiest part. As Anaplan is cloud-based and compatible with existing IT systems, virtually no technical preparation was needed. After giving the go-ahead to the Anaplan CC in Paris, a database link was established to launch phase one.

Specialist knowledge required

At the end of 2016, a separate Anaplan CC focused on Knorr's team in Germany was created. Working closely with the Chief Financial Officer, the Chief Data Officer, and the Management Controlling department, work began to set up around 60 selected employees from Controlling on Anaplan. Developing planning models centrally proved to be a tricky approach.

Although the CC had plenty of technical expertise, it did not have enough knowledge of business requirements. "Life, health, and property insurance have fundamental differences when it comes to planning. Without profound specialist knowledge, we'd have soon found ourselves lost," says Knorr.

Change and improvement

Phase two used a different approach to overcome this challenge. The CC focused on its role as a consultant, while the departments set up their own planning models in Anaplan. Each model had an owner, who would get all the support they needed. With this approach in place, the difficulties of the existing planning processes became clear. "Two years ago, everyone was doing their own thing. Controlling and Sales had different product breakdowns, for example," explains Knorr. "Anaplan is a great process tool, and it makes process breaks painfully obvious, but it can't mend the processes themselves."

Applications
- Planning and budgeting
- Financial and volume planning
- Complete planning procedure and business management

Challenges
- Complex, manual, error-prone planning processes
- Planning silos with fragmented and isolated processes
- Lack of transparency and flexibility

Solution
- Automated, Connected Planning on the Anaplan platform
- Optimized planning processes
- Coherent integration of planning requirements across the company

Results
- Planning processes cut from three months to one week
- Transparency and efficiency across connected plans
- Support for a data-driven company, as outlined in Ambition 2020

Why Anaplan?
- Fast implementation and integration
- Easy to use, highly automated
- Solid technical foundation for future AXA strategy

For the Anaplan planning model to work, the teams needed to answer a fundamental question: What would the ideal process look like? Who makes a plan, when, and what for? The CC and the AXA departments defined the optimal planning steps in phase two, bringing about changes in processes. As a result, they significantly increased planning efficiency and transparency. Anaplan was able to handle financial and volume planning for life, health, and property insurance, as well as planning for direct and indirect sales.

Harmonize models, connect plans

Then, it was time for the third phase of the project: harmonizing the planning models. This phase concluded at the end of June 2018, when all the Anaplan planning models were connected. "This is financial and volume planning 2.0," Knorr rejoices. "Because everything is harmonized, we can link in all the individual plans, which will take the design to a whole new level."

Redesigned, reimagined planning

User responses to AXAPLAN range from "good" to "enthusiastic," and 80 percent of users feel positive about Anaplan after basic training. Knorr believes Anaplan has gained momentum at AXA Germany because it looks good, it's easy and enjoyable to use, and it has boosted efficiency. "Thanks to Anaplan, our controllers can plan effectively, set the company's direction, and think about the future, instead of gathering data manually or sorting out technical issues. In this age of digital and automated planning, our days of spreadsheet clutter are well and truly behind us," sums up Knorr.

Foundation for a data-driven company

Thanks to Anaplan, AXA Germany can accurately determine forecasts and allocate resources. Planning that used to be fragmented is now standardized, and all data and processes are connected on a single platform. Planning processes that previously took up to three months have been reduced to one week and can be developed into a rolling forecast. Nobody needs to scroll through 18 spreadsheets to get an overview anymore—Anaplan automatically takes care of all of those steps. It also drastically reduces the time spent on making decisions, as simulations and "what-if" scenarios are available at the touch of a button.

The foundations are now laid for total connection, because AXA can easily integrate and connect additional planning needs, such as in operations and workforce planning. "With state-of-the-art planning methods, we can ask a question and Anaplan automatically calculates the consequences and results," Knorr says. "This is totally Connected Planning. With Anaplan, we've successfully taken steps toward becoming a data-driven company."

About Anaplan

Anaplan (NYSE: PLAN) is pioneering the category of Connected Planning. Our platform, powered by our proprietary Hyperblock technology, purpose-built for Connected Planning, enables dynamic, collaborative, and intelligent planning. Large global enterprises use our solution to connect people, data, and plans to enable real-time planning and decision-making in rapidly changing business environments to give our customers a competitive advantage. Based in San Francisco, we have over 20 offices globally, 175 partners, and more than 1,000 customers worldwide. To learn more, visit anaplan.com.