

# Compliance can bring benefits

COMPANIES are beginning to realise that an investment in the right systems to meet compliance requirements can also provide a platform for becoming more competitive and even change the way they do business, says Bill Hoggarth, MD of SAS Institute.

For example, in order to comply with the act to prevent money-laundering, financial services organisations have been forced to verify the accuracy of customer data for the first time and they can now apply these accurate profiles in their marketing campaigns.

Similarly, telecommunications companies now have to provide on-line access to detailed customer call records for five years.

At the same time this provides the opportunity to build accurate customer profiles for marketing and product development.

Compliance issues are driving diversified corporations to gather and consolidate information, sometimes across hundreds of operating units and subsidiaries, to ensure the accuracy and integrity of their data.

"As a result there is a move away from having different accounting systems and information stored in spreadsheets across a group because of the huge potential for error," says Hoggarth.

He says the promise of IT and the goal of many information systems projects is to improve an organisation's decision-making capability. But while companies are getting closer to this goal there is still too much focus on software and hardware, instead of on information delivery and decision-making.

He says top management needs to achieve an enterprise-wide view of information before they can start relying on the integrity of data.

"They cannot do this if they have different views of the customer," says Hoggarth.



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He says poor data integrity can result in a situation where a company acquires a conglomerate with the deal calculated on, say, a customer base of 10-million and it transpires during the merger that there are in fact only 5-million unique customers.

For reasons like this there is a resurgence of interest in implementing enterprise-wide solutions instead of standalone applications.

"There is nothing wrong with standalone applications, but they will have to be integrated carefully

to ensure data integrity and an overall view of one version of the truth."

He says business intelligence solutions enable all types of raw data and voice recordings to be gathered across an organisation and from external resources, integrated, managed, and made available to the relevant people.

The information can then be transformed into reports, forecasts, insight as to what happened yesterday and predications as to what is likely to happen tomorrow, and used to make decisions, he says.