

# DELIVERING DATA TRANSFORMATION



## **O2's Financial Data Hub**

Going beyond compliance  
to achieve transformation

# CLIENT PROFILE



Telefónica UK Limited is a leading digital communications company owned by Telefónica S.A. O2 is the commercial brand of Telefónica UK Limited and is the mobile network operator with the highest customer satisfaction in the UK according to Ofcom. With over 25 million customers, O2 runs 2G, 3G and 4G networks across the UK, as well as operating its nationwide O2 Wifi service. O2 has over 450 retail stores and sponsors The O2 arena, the O2 Academy venues and England Rugby.

# OPPORTUNITY

All telecommunications companies must comply with the new IFRS 15 global accounting standards by January 2018. Companies that fail to comply could carry a considerable compliance and audit risk. While meeting the requirement, O2 saw the potential to go beyond basic compliance to build something transformational.

Deploying innovations such as big data architectures, digital analytics and cloud environments would satisfy not only regulatory requirements, but also deliver foundations for O2 to operate as a truly data-driven company.

But first, O2 had to meet the considerable challenge of delivering the basics. It needed to create a centralised, highly-reconciled Financial Data Hub which would unify all financial reporting, delivering:

- Optimised month-end reporting with capabilities for working day 1 posting and daily general ledger views.
  - Enhanced business-wide analytics on revenue and subscriber information.
  - Data refresh and reporting available by 9am daily.
  - End-to-end data lineage.
  - Audited data to source systems for fully trusted analytics; reconciled daily to match 99.9% of the source data.
  - Automation and easy management of all reference data and business rules.
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# SOLUTION

Together, Accenture and O2 planned and implemented the end-to-end delivery of a new, unified Financial Data Hub. This provided consistent, highly reconciled, and granular information, accessible by self-service, for financial regulatory reporting and business intelligence.

The project team developed a ground-breaking, hybrid big data architecture, bringing together Ab Initio and Hortonworks technologies. This is the first time the companies have collaborated on a financial regulatory use case, delivering smarter, more data-driven solutions than the typical IFRS 15 response.

The hybrid architecture delivered:

- Daily reconciliation to source systems through a bespoke reconciliation layer.
- Interactive and dynamic monitoring of any issues.
- Customisation of the Ab Initio Metadata Hub to provide end-to-end lineage (source to end-user report).
- Implementation of Hortonworks NIFI, providing the ability to ingest large data sets related to individual consumer and business lifecycle and billing events.
- Use of the Accenture Insights Platform (AIP) to perform development, test and production reconciliation tests in the Cloud for speed of delivery and agility.



# RESULTS

From its launch in August 2017, the new Financial Data Hub has provided O2 a platform to enable IFRS 15 compliance and eliminate the risk of non-compliance to this brand-new regulation. By bringing all data together, O2 has reduced the number of separate data stores, simplifying the overall ecosystem and reducing ongoing costs.

The Financial Data Hub supports posting of all O2's revenue every month, delivering so smoothly and quickly that month-end revenue posting is now completed on the first working day of month end. The Hub can process more than 20 million records daily, fully reconciling each and auditing at the source to meet IFRS 15's 99.9% daily accuracy requirement.

O2 included more data feeds into its calculation system than compliance required so that the Financial Data Hub's support could stretch far beyond its basic accounting foundations. With so much quality data quickly available on a self-serve basis, O2 has laid the foundations for future data and analytics exploitation. And the architecture is scaled to grow with the business' needs: its future-proof, hybrid data architecture will ensure technical and business gains from using a big data environment alongside the existing one.

The Financial Data Hub substantially increases opportunities to explore new datasets in a controlled environment, since new data can be brought in and put in the hands of those who need it in a matter of days instead of weeks. It will also be used to support new machine learning and artificial intelligence use cases and will open many new opportunities to ensure the best service for O2's customers. This will include driving a personalised, contextualised customer experience; providing relevant and targeted conversations and achieving complete transparency to give customers complete control over their information.

O2's Financial Data Hub goes far beyond what was needed for basic IFRS 15 compliance. It is now delivering the foundations needed for the company to achieve its vision of a truly data-driven organization working with speed, accuracy and insight to improve the way O2 does business and interacts with its customers across the UK.

According to Stephen Devereux, O2's Head of The Lab, Digital Products and Insights, IT: **"The Financial Data Hub is a testament to what can be achieved when the business and IT collaborate to deliver significant results and huge steps on our transformation journey."**

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Stephen Jasper, Head of Finance Transformation and Systems, said: **"The Financial Data Hub has provided the foundation for our transformational journey. It's great to see it come to fruition."**

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Scott Gnau, CTO Hortonworks: **"It is great to see how O2 have leveraged an Open Source Modern Data Architecture to transform traditional financial reporting processes and enable a wide range of exciting new use cases."**

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Alan Parker, Ab Initio EALA Director, stated: **"O2 has implemented a world class, regulatory strength system that uses Ab Initio to provide a fully reconciled financial position. They have achieved end-to-end lineage across the entire system to support sophisticated legal and audit requirements. O2 has not just created a solution for financial compliance, but also the data foundation for all future expansion, business reporting and analytics."**

## **About Accenture**

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialised skills across more than 40 industries and all business functions – underpinned by the world’s largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 401,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.

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