Company overview
Operating since 1902
Members (regional): 3.5 million
Number of employees (regional): > 2,500
Headquarters (regional): Providence, RI
G/L: Microsoft Dynamics GP 2013

ROI
• Automation of the organization’s financial processes
• Ease of use for AAA’s end users and buy-in from executives
• Complete data integration with their Microsoft Dynamics GP general ledger software
• Ability to generate variance reports and run ‘what if’ scenario planning on demand

Industry
Automotive services, financial services, insurance, travel, retail

Quick facts

Company background
One of the largest clubs within the AAA federation, AAA Southern New England provides a range of services, including automotive assistance, travel planning, insurance, and consumer loans to more than 3.5 million members across Massachusetts, Connecticut, Rhode Island, and New Jersey.

Upgrading from a homegrown solution that relied on complex spreadsheets, AAA Southern New England (AAA) used innovative Corporate Performance Management (CPM) software from Prophix to automate and advance their financial processes, including budgeting, forecasting, reporting, and consolidation. The organization has also developed the ability to analyze its operations from a number of angles and use these analyses to influence their decision making.
Recognizing the problem
Members of the office of finance at AAA recognized the limitations of the homegrown system that they had built for their budgeting, forecasting, reporting, and analysis. Preparing the budget and producing reports that showed the results for 20 standalone business units, as well as consolidated data, required them to maintain spreadsheets with complex formulas. As a result, the organization disseminated 200 spreadsheets of results across multiple sites in paper format.

End users, the office of finance, and the company’s executives all faced frustrations. While the finance group sought to at least provide executives with accurate monthly reporting, they sometimes struggled to provide timely results. With multiple spreadsheets circulating at any given time, they also encountered difficulties maintaining the security of financial and payroll data.

Evaluating solutions
In the course of investigating alternatives to their homegrown solution, AAA’s finance experts identified the growing use of CPM software. Among other competing solutions, they discovered Prophix, whose software features open architecture built on the Microsoft SQL Server platform. This meant that AAA could tailor the software for their specific purposes, starting small and building as their needs changed. When they realized the product’s capabilities, including its ability to integrate with any number of data sources and create a common chart of accounts, they recognized it as an all-in-one package, not just a reporting tool.

They could implement functionality for budgeting, reporting, and planning, and integrate their financial processes completely.

A demo of Prophix’s functionality showed them how the software was easy to use like Excel, with a familiar look and feel, but instead employed multidimensional cube design, rather than a simple x and y axis, for advanced business modeling. Their users would have the ability to ‘slice and dice’ data to analyze their numbers on an ongoing basis.

AAA Southern New England’s wish list for CPM software:
• Streamline, standardize, and accelerate processes for generating reports and preparing budgets
• Optimize the distribution of information, offering access to corporate stakeholders and end users based on their roles
• Ensure a seamless experience for non-financial end users who struggled to work with the organization’s home grown solution and had no understanding of programming language
• Gain the ability to analyze ‘what if’ scenarios and empower finance staff to evaluate the effect of the company’s business decisions
• Ease of use and maintenance
• Customer support for troubleshooting any potential problems
• Opportunities with an established and respected company
“With Prophix giving us a full understanding of our financials and how they relate to decision making, we hold our people accountable.”

—Richard A. Pacheco II, CPA
Vice President, Finance & Administration
AAA Southern New England

Benefits

Using Prophix as the unified solution for their business processes, AAA now develops instant standalone and consolidated reporting for the many business divisions that fall under their umbrella, as well as a budget that is ready to submit with both rolled-up figures and supporting details. AAA’s reports are consistent and accurate. They distribute automatically as needed, and the organization can easily produce them with alternate hierarchies, one of Prophix’s many plug and play functions.

AAA’s financial processes rely on Prophix’s workflow mechanism, which guides and tracks the movement of information, as well as role-based security controls that allow them to apply authorizations that limit or enforce transaction thresholds, approvals, and access to data.

Adopting Prophix has earned the support of AAA’s end users who have their work clearly defined for them and understand how their inputs integrate into the organization’s financial processes. These end users feel like they are working in Excel, but have no concerns regarding broken links or formulas. They access up-to-date data in the system when they want, and can drill across into their Microsoft Dynamics GP general ledger to investigate details as needed.

Forecasting, business modeling, and analysis

AAA has also used Prophix’s innovative CPM solution to advance their forecasting based on key business drivers. For instance, since their Q1 begins in January (one of the snowiest months of the year), the organization often needs to reforecast based on weather projections. Membership dues stay constant during the winter, keeping revenue the same, but AAA’s costs rise based on increased calls for service.
Many people call AAA when they run out of gas—particularly when fuel prices are high. So a potential spike in fuel costs (based on increased customer calls from their 3.5 million members, as well as additional expenses for the drivers filling their trucks) leads to a need for advanced scenario planning. Working with Prophix allows AAA to model and analyze these expenses with ease.

These are just a couple of the ways that AAA uses the multi-dimensional modeling capabilities in Prophix to track more than just financial information, evaluating personnel, locations, departments, and more. Principally through the software’s Detailed Planning Manager (DPM) module, the organization has developed valuable metrics and key performance indicators (KPIs). Combined with the advanced calculations that they have developed, they can easily evaluate a wide range of “what if” scenarios and report ratios for further analysis.

“We are now truly agile. Automating our feeds and processes means that we no longer just compile data; we analyze our position from a variety of angles. Prophix allows us not just to see what has happened, but to pinpoint what is happening and what will likely happen down the road.”

—Kevin F. Vieira, CPA
Director, Finance
AAA Southern New England