

Performance and agility: keys to continuing success in PFA, Denmark's leading pension provider

Founded almost 100 years ago, PFA is now Denmark's largest pension provider, and has recently proven resilient in the face of difficult market conditions. Earlier this year, Group CEO and President Henrik Heideby confirmed "a positive investment result for the last 10 years." Anne Broeng, Group Director, attributed success to "active management and good diversification."

Underpinning this continuing success lays a combination of agility and operational efficiency. Achieving the first of these implies an ability to change direction fast in response to the market; achieving the second means continually driving down the overhead base.

Sustaining this degree of performance in the business needs an equally performant, low-cost and agile IT delivery capability, together with a strong and professional collaboration between relevant roles.



This is not straightforward in an organisation dependent upon 200 systems and too many applications. Effective IT is crucial to the operation of the business, and so smart ways are needed to get maximum value for minimum cost. **Søren Staun**

Biangslev, the PFA's CTO, took the decision five years ago to leave behind the traditional Enterprise Architecture approach, and instead to focus attention solely on business outcomes: "we aimed our attention only at what was needed to deliver value, and a key part of this has been encouraging positive involvement of both business and IT specialists in respect of decisions." Biangslev's conviction is that "it's not about building architectures – it's about applying a model-driven, architectural approach to create a decision environment to support the business; it's all about showing value here and now, not spending valuable effort boiling the ocean."

This vision is shared by those responsible for driving PFA's continuing success in the market place. Says Michael Biermann, the PFA's CIO: "Our continuing achievement of the company's ambitions demands strong support for business decisions and this approach ensures we focus rapidly on what really makes a difference to the company's performance."

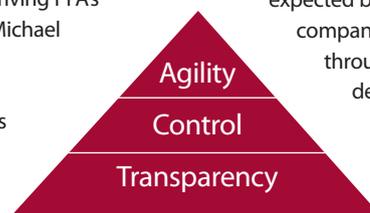
PENSION IS MUCH MORE THAN FIGURES AND NUMBERS BUT IT STILL TAKES A FEW...

- PFA is Denmark's largest commercial pension company owned by its customers
- 1,200 employees at three different premises
- Total assets amount to more than DKK 295 billion
- More than 575,000 individual customers have their savings with us
- PFA's market share among the Danish market-orientated pension companies is 28 per cent



This focus on business outcomes, informed by strong support for business decisions, prompted the team to develop a multi-role concept of "Team around the customer" and to select Mood software. Biangslev: "the perspectives given have helped to move from a situation of business disinterest in IT to positive involvement and engagement whereby business stakeholders work jointly with IT specialists to create transparency, and therefore to understand and explore options and implications. We did this by providing the business with the kinds of perspectives that directly support the decisions that are needed.

It also helps that Mood is fast, as this fits with the agility expected by the business. Money and speed matter in this company." This increasing transparency is feeding through into increasing control over assets and decisions, which in turn feeds the agility of the organisation.



The MoodD solution that has been developed by Bianglev and his team is currently organised to address four domains of decision making:



The technology strategy: sets out core principles and standards as common criteria that ripple through the organisation, providing a common basis for assessing options. Principles are pragmatic and actionable, including, for example, in respect of new functionality, a priority sequence “re-use, buy, build”, and the forbidding of any duplication of business functionality across systems. Together, these provide a common “lens” that drives coherence into the way decisions are taken across initiatives.

It has so far been used to develop and support over 40 initiatives, and has directly yielded a number of specific savings. For example, in one case the approach led directly to the recognition that an existing OCR component was capable of satisfying a new requirement, at a significant financial saving to the business.



The application landscape: ascribes qualitative measures for all systems in terms of value contributed to both the business and the technology architecture, and aligns this with key facts, including cost profile. Innovative visualisations of these factors are then generated to support investment decisions through collaborative analysis of change options.



The business process landscape: supports scoping and business case development for change initiatives, enabling business stakeholders to understand and analyse impact, using heat-map overlays to indicate resource intensity considerations.



The Strategic dialogue (also referred to as “development methodology”): designed to support the taking on of a new idea by the business. It provides a shared environment for assessing prioritisation and projected effect, and for managing the portfolio of business change programmes.

Together, these four domains comprise a live business application that supports the running, growing and transforming of the business, balancing across these considerations. Driven through a coherent business model of the PFA’s operations and assets, and deployed using MoodD Active Enterprise, this application offers an interactive web environment that gives personalised access across business and IT roles, providing an environment within which users participate and collaborate in key decisions, supported by common information and principles.

Bianglev: “We could have bought something off the shelf, and it wouldn’t have done what we needed. As MoodD is very quick for creating a complete decision support environment, we have been able to ‘roll our own’ solution. Our focus is now on the continuing evolution of the MoodD application. This is meeting business need through increasingly interactive support embedded within our business’ decision processes.”

Benefits to PFA business:

- Transparency of information and process, giving improved control
- Collaborative analysis of options, giving improved support for change decisions
- Decision insights generated fast, fitting the agility needed by the business
- Additional cost savings through identified re-use of existing assets
- Shared environment for managing the portfolio, embedded within key business decision processes