

Adding external information efficiently for strategic decision making

What OnlyStrategic can offer the banking and insurance sector

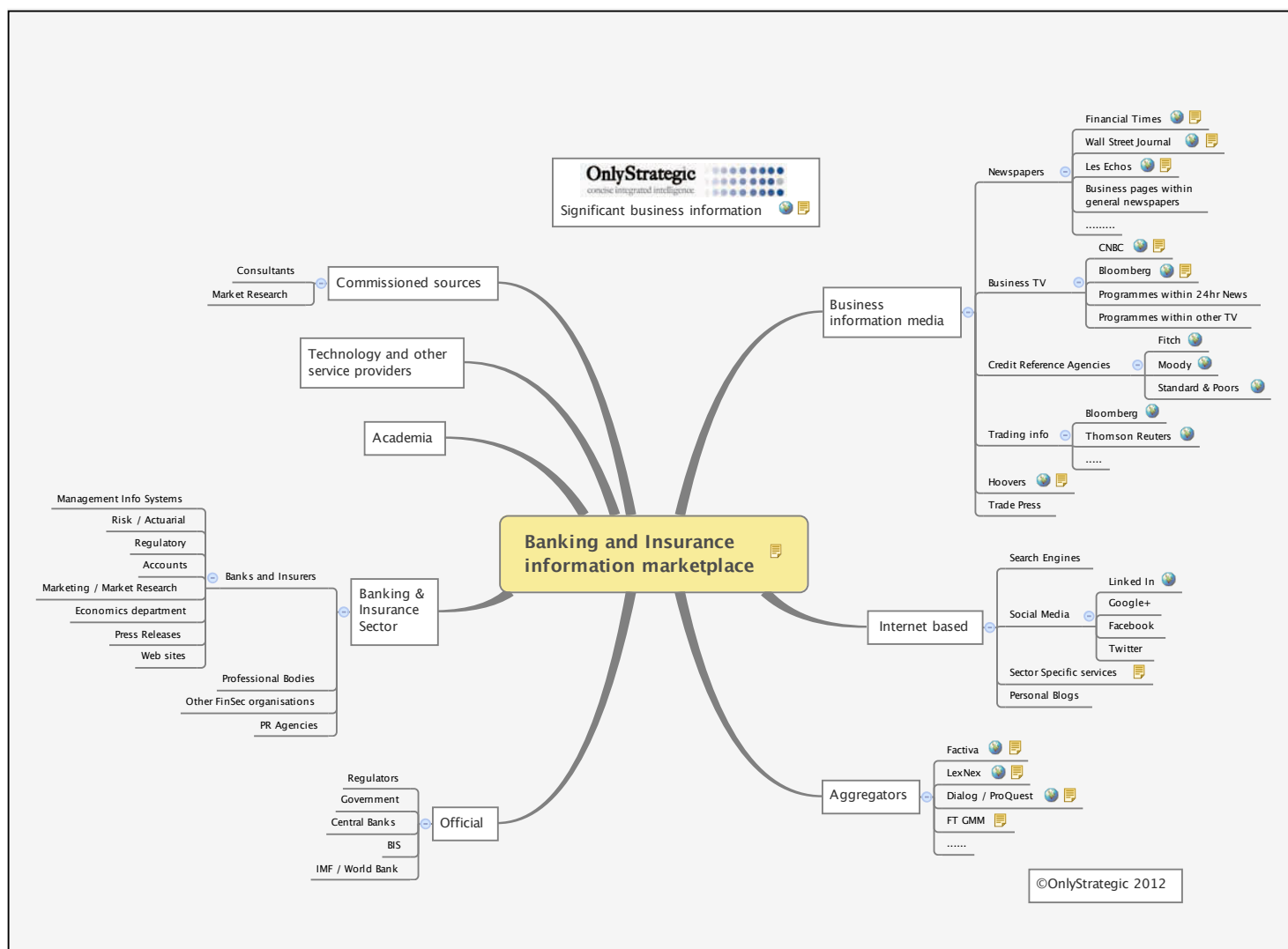
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<http://onlystrategic.com>

Introduction

The argument for taking into account both internal information and external intelligence when making significant business decisions would appear so obvious that it does not need mentioning - yet in many cases it either does not happen at all, or it happens in an imperfect or time-consuming manner.

Financial Service information comes from many sources. It's richness can be very useful, but often also be confusing, and costly, when assessing its relevance and value to the company. Below is a map we use identifying just some of the myriad business information sources for Financial Services.



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Integration in the real world

A company should first consider the data continuum looking at what resources it currently has and what it requires for sound strategic decision making.

Data	→	Information	→	Intelligence	→	Analytics
Individual facts, suspicions or opinions		Tentatively identified as to whether fact, suspicion or opinion and placed into some form of context		Information that is meaningfully indexed, easily found and retrieved when required		Business decisions based on analysis of intelligence.
Found in all environments		Sources include, meetings, books, internet, external news services. Internal analysis or research processing of data		Follows systematic examination of information. Usually added to computerised systems for retrieval. May be in-house, external or in-cloud and may be dedicated or shared resource		Strategic and marketing decisions can only be formed from the analysis of BOTH internal and external intelligence
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Typical problems organisations face when wishing to integrate external information in their decision making:

Left to the business naive

Collecting relevant external information is often left to either the young and junior, or the older staff who have spent their whole life as “research type” people. The result is that it may not be understood what should be looking for or significant information recognised when seen.

External not put side to side with internal

Any external information gathered is often in a different and perhaps unfamiliar format and not put side to side with the internal. The result is that the external information may not be read fully, not understood, or missed out altogether.

Not quick to find when you need it

Decisions cannot always wait. Sometime the decision time window is shorter than the time to gain the relevant external information. Operational managers may not be familiar with the use of any information sources the company has or have the time to read the voluminous output.

Limitations of general internet searches

Using search engines or business portals linked to your business sector have the big advantage that they may be free of external expense. It is not a comprehensive method of ascertaining the relevant external information to input into a business decision. There is an internal cost connected with internet searches - that of management or analyst time. For example there are over 33m references to Basel III and over 4m to Solvency II on Google - thus the requirement to sort the significant from the non-significant, irrelevant or plain inaccurate.

Over reliance on management experience

- Of course the experience of staff, perhaps from previous jobs, should be a key input - but the management cannot know all of the external information you need.
- Be very wary of Group Think. In a short time period, a newly recruited manager will start believing the same things to be true as their peers - probably without the evidence to support this.
- The managers with the relevant experience don't always have time to provide input to every decision.

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Example embedded search links within Excel

My Bank		2012	2011	Change
Interest Income		36450	34900	4.4%
Interest expense		-13581	-14318	-5.1%
Net interest income		22869	20582	11.1%
Fees and commission income		12301	10325	19.1%
Fees and commission expense		-859	-1226	-30.0%
Net trading income		6958	7803	-10.8%
Other operating income		2098	3513	-40.3%
Non-interest income		20498	20415	0.4%
Operating income		43367	40997	5.8%
Staff costs		-15566	-13262	17.4%
Premises costs		-2160	-1885	14.6%
General administrative expenses		-5127	-4919	4.2%
Depreciation and amortisation		-1509	-1404	7.5%
Operating expenses		-24362	-21470	13.5%
Operating profit before impairment losses and taxation		19005	19528	-2.7%
Impairment losses on loans etc		-2384	-5400	-55.9%
Other impairment		-205	-275	-25.5%
Profit from associates		113	57	100.0%
Profit before taxation		16529	13908	18.9%
Taxation		-4612	-4520	2.0%
Profit for the year		11918	9388	26.9%
Attributable to Non-controlling interests		221	262	-15.5%
Attributable to shareholders		11696	9126	28.2%

OS External information	
Results Only	All News
Barclays	Barclays
HSBC	HSBC
Lloyds Banking	Lloyds Banking
RBS	RBS
JPMorgan Chase	JPMorgan Chase
Citigroup	Citigroup
Wells Fargo	Wells Fargo
Bank of America	Bank of America

Example using links integrated in clients worksheets. This allows client to select OnlyStrategic information on competitors. In this example the user can select between articles specifically relating to results or all articles.

Integration with Analytics Platforms

Available as a 'stand-alone' or as part of an integrated reporting tool, OnlyStrategic Newslink allows executives and line of business managers to understand their current performance results in the context of external information and market trends.

Our products

Our combined product is **Financial Newslink** giving full access across both banking and insurance. For those who only wish banking or insurance information we also offer **Banking Newslink** and **Insurance Newslink**.

Scaleable

We have small businesses client and at the opposite extreme the largest client we have worked with has over 50,000 members across the globe. We understand that individuals across the company will want to use the service in different ways and frequency. Our licensing allows everyone access without paying heavy duty prices for the occasional users.

Quality information

The best evidence we can offer to the quality of our information is that amongst those with long-term licensing of some of our information output are Dow Jones, Financial Times and Reed Business Information.

Matching the OnlyStrategic solution to the external information integration in the real world

To conclude lets return to those data integration problems we mentioned before and match against OnlyStrategic Newslink.

Problem	OnlyStrategic solution
Left to the business naive	Insurance articles are selected and edited by Douglas Shillito FCII and well known insurance commentator. Banking articles are selected and edited by Andy Miller, well known financial marketing man (See biographies)
External not put side to side with internal	We offer a range of possible integration methods to allow this
Not quick to find when you need it	<ul style="list-style-type: none"> Any browser on almost any device gives you access, or available on your own internal systems. Variety of search tools and reports because our system is designed just for banking and insurance, it is very fast, simple and easy to use output fast to review and include in report
Limitations of general internet searches	Our editors have: <ul style="list-style-type: none"> Selected only the significant information based on their sector experience Summarised the information, often from multiple sources into one concise article indexed the articles using the OnlyStrategic developed indices generated for banking and insurance markets
The experience of managers	Our independent information compliments the in-house experience of your managers
Market information budget cuts	It is true that you have to pay for our service, however consider: <ul style="list-style-type: none"> The cost of the wrong decision brought about from lack of external information The cost of internal time saved (we SAVE companies money) We may replace more expensive or multiple other sources

Who provides the service



**Editor Insurance : Douglas Shillito FCII,
Chartered Insurance Practitioner**

Douglas is a leading insurance business analyst and commentator.

After starting his career with Royal Insurance in a variety of management roles, followed by a spell as a business consultant with a company of insurance systems analysts, he formed Shillito Market Intelligence in 1981. He started Insurance Newslink in 1993.

Douglas acts as chairman, facilitator, speaker and trainer at public and private events worldwide. In a consultancy capacity he has advised over 100 clients-market players and leading IT suppliers. He regularly writes sponsored white papers for major IT companies on the insurance markets and the business impact of IT. He is a past vice president of the Chartered Insurance Institute, was a founder and past chairman of the CII Society of Fellows, and has been a judge at the British Insurance Awards, the Insurance Times Awards and School of Finance Innovation Awards. He is a member of the Geneva Association Communications Advisory Committee.



Editor Banking : Andy Miller

Andy is an experienced marketing manager and consultant.

Andy spent 20 years working for leading financial service organisations. Management positions were held with Norwich Union, Avco Trust and Standard Chartered Bank Group. His earlier career included periods working for a leading credit card company and in Marketing Research.

One of the objectives of the first company Andy founded was to provide concise global financial service information. This arose from the frustration of never having this information available when in corporate life. This service was developed originally under the name of the Swiss company established, futurevantage GmbH, and later under the SigBizInfo brand. Banking Information from these services was incorporated into Banking Newslink, which was formed in 2004.

Andy provides marketing and management consulting for companies of all sizes.

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