



## Virgin Money Australia

[www.virginmoney.com.au](http://www.virginmoney.com.au)



### At A Glance:

- **Company:**  
Virgin Money is the financial services arm of Sir Richard Branson's Virgin Group.
- **Location:** Sydney, Australia
- **Industry:** Financial Services
- **Challenges:**
  - Bring outsourced accounting function in-house, while enabling more robust reporting and more efficient financial processes.
  - New platform had to be flexible enough to integrate new product lines, users, and subsidiaries — while not requiring large capital expense outlays.
- **Results with NetSuite:**
  - Significant savings compared to other solutions — due to NetSuite's SaaS model, avoiding need for expensive servers/hardware.
  - More efficient processes (bank reconciliation, expense payment, and purchase orders) enabling cost savings that can be passed along to customers.
  - All financial functions brought in-house — with the addition of only one part-time staffer.
  - Room to grow: New product lines can quickly be incorporated into the system, as can new users, locations, and subsidiaries.

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*Virgin Money Australia*

### The Results:

For Virgin Money Australia, one of NetSuite's key benefits was evident right from the start: It simply saves the company money. "NetSuite meant a significant saving for our business when we compared it with other solutions," says Andy Sampson, Financial Controller at Virgin Money Australia. "It lets us avoid the big capital expense of non-Web-based packages."

Other savings have been less tangible — but equally important. Internal processes, such as bank reconciliation, purchase order processing, and paying expenses, are now automated, simplified and more accurate. "NetSuite improves our processes and increases our efficiency in the way we do things, helped in part by bringing all our previously outsourced financial functions in-house," says Sampson. "That's important because if we can do all of our processes better and more cost effectively, we can pass the savings on to customers."

Finally, NetSuite gives Virgin Money room to grow — crucial for a fast growing business. The Web-based architecture means that new locations and new users, such as call centers, can be brought onto the system easily. And NetSuite OneWorld, which integrates multiple companies into a single instance of NetSuite, is ideal for Virgin Money's business model, where different product groups — such as its pension arm — are structured as separate subsidiaries.

"NetSuite OneWorld has the multi-company capabilities and Web-based nature that make it ideal for our business requirements," says Sampson. "As a result of the success we have had, we wouldn't hesitate to recommend NetSuite to other Virgin businesses."

### The Challenges:

Since May 2003, Virgin Money Australia has shaken up the country's financial services industry by fighting to keep the big banks honest with home loans, superannuation and credit cards. The company's ambition for financial services provides customers with great value for money products and services, innovation and excellent customer service. By early 2007, the company was looking to shake off its outsourced accounting and bring the task in-house on a platform that could handle more of Virgin Money's needs.

"We're a rapidly evolving business," says Sampson. "We needed our financial function to provide more effective control and reporting so we decided it needed to be brought in-house, and that meant we needed the right software."

The simplest move would have been to go with the ERP package its accounting providers were already using. That would have been a less-than-ideal solution as there would have

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been significant capital outlay. "We would have needed servers, air conditioning — you can't just put it all in any old room," says Sampson. In addition, Virgin Money was less than enamored with the legacy ERP's reporting capabilities, lack of dashboards. On top of that, the program was not user-friendly.

So Sampson and his team went looking for an alternative.

NetSuite quickly won over the Virgin Money team. "The cost was right and is expected to deliver a significant savings over the next three years — especially when compared to our previous solution," says Sampson. This is because the web-based nature of NetSuite required no servers (or server rooms). And then there were the features: not just accounting functions, but financial processes that were better implemented and integrated. Through NetSuite OneWorld, Virgin Money would also have the ability to handle multiple companies in one instance of the platform — important for a business that treated different product lines (such as its superannuation business) as separate entities. NetSuite, unlike other packages, "does the consolidation of our subsidiary businesses into our main business," says Sampson. "And it works very well."

Finally, NetSuite offered the flexibility, and room to grow, that Virgin Money didn't just need but demanded. "We have a lot of different roles in the company, and NetSuite can be tailored to suit every one of them, giving them the information they need and the access rights we want them to have," says Sampson. "And if, at some point, we want to roll it out to our call center or another location, that's easy to do."

### **The Solution:**

Once the system is fully rolled out, Virgin Money will benefit from more efficient internal processes — getting more done in less time, with fewer mistakes. Expenses and purchase orders, for example, will no longer need to be processed manually — a time-consuming task where the necessary paperwork has to be printed out and passed along to various departments and managers for approvals and payment. Instead, NetSuite automates the job.

"People can simply log onto NetSuite, enter their request, and from there on, the workflow is automatic," says Sampson. Purchase and expense requests are sent to managers via email, and if they forget to take a look, reminders will appear on their NetSuite dashboards. Once all the necessary approvals are received, the requests go to the finance department for final signoff. For a purchase order, an email will then be sent to the appropriate supplier. "There is no duplication of entry, and the process improves on accuracy and saves us time," he says.

Also speeding things up is the way NetSuite automates Virgin Money's bank reconciliation process. "We've always had a completely separate banking system that's used to pay suppliers," says Sampson. In the past, these transactions would have to be entered manually into the accounting software. "But now the banking system is tied into NetSuite, so transactions are imported directly, speeding things up significantly."

Proving equally important, however, is NetSuite's flexibility. "New products we will be introducing, like Virgin Money Personal Loans, can be set up in NetSuite very quickly," says Sampson. "That's important because there's plenty to do when launching a new product, such as setting up a new department, a raft of new accounts and new reporting." NetSuite's Web-based architecture means that the platform can be rolled out quickly to new users.

"NetSuite's flexibility is key, especially for a rapidly evolving business like Virgin Money," says Sampson. "It gives you a system that can adapt to fast-moving changes, and allows companies to grow — and succeed."

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