



CAMBRIDGE SOLUTIONS LTD



CASE STUDY: *Webster*

CUSTOMER

Webster Financial Corporation is the holding company for Webster Bank. The bank operates approximately 150 branches in southern New England. These branches are primarily in Connecticut but are also found in Massachusetts, Rhode Island, and New York. In addition to providing traditional banking deposit products, Webster sells insurance, annuities, mutual funds, health-savings programs, and offers trust and investment management services to businesses, non-for-profits, and affluent individuals. Family mortgages, offered nationwide, make up over sixty percent of the bank's loan portfolio

OBJECTIVES OF ENGAGEMENT

Oracle Applications 11i (11.5.8 to 11.5.9)

Modules: General Ledger,

Payables

iExpense

Assets

Other

- Oracle Application Desktop Integrator (for General Ledger)
- Oracle Alerts
- Oracle Workflow

Tools:

- MS Project Access, Visio, Access, EXCEL, Word
- Oracle SQL, PL*SQL, Reports, Forms, Discoverer
- UNIX shell scripting language
- UNIX Cron

PROJECT STRUCTURE

At project initiation, Webster Financial had been using the MISER software to support its core bank operations and financial ledger (book of record). Additionally, other internally developed or vendor provided products were supporting functions such as WEB banking, ATM processes, and Federal Reserve transactions. Oracle 11i (version 11.5.8) Financial Applications (Payables, iExpense, Assets, and a limited General Ledger) supported the administrative functions.



The Core Systems Replacement Project was initiated by Webster (under the direction of senior IT, Operations, and Accounting management). The project's purpose was to update processes, supporting software, and infrastructure thus accommodating growth, fulfilling compliancy regulations, expanding customer service, and enabling Webster to remain a leading supplier of financial services in the Northeast. Two major initiatives and multiple lesser initiatives were undertaken. The largest initiative was to replace the existing bank operations software (MISER) with components of Fidelity's industry leading, banking software. Another major initiative was to establish the Oracle General Ledger as the financial 'book of record' for Webster Financial Corp.

In order to transform the Oracle General Ledger into Webster's 'book of record', the chart-of-account was re-designed and the historical, MISER, general ledger data was mapped and converted into the Oracle General Ledger. Webster Financial Corporation's existing Oracle Payables, Assets, and iExpense were re-implemented with the new chart-of-account, upgraded to release 11.5.9, and existing data (such as Employees, Banks, Assets, and Users) were technologically moved/converted into the new release.

In order to support the replacement banking software's mapping to the ledger, Oracle's re-implemented General Ledger needed to be in place prior to the operational systems conversion(s). Therefore, rollout execution occurred in four phases. These were:

- Oracle General Ledger re-implemented, MISER historical ledger converted to Oracle General Ledger, and MISER to Oracle GL daily transaction integration. (April 2005)
- Re-implementation and data conversion of Oracle Payables, Assets, and iExpense. (May 2005)
- Massachusetts and Rhode Island banking functions converted from MISER to Fidelity software and integrated with Webster Applications and Oracle General Ledger. (July 2005)
- Connecticut and New York banking functions converted from MISER to Fidelity software and integrated with Webster Applications and Oracle General Ledger. (Scheduled completion October 2005)

Ledger Integration Vendors / Software:

- MISER Banking Suite
- Automated Data Processing (ADP Payroll)
- Telesoft (telecommunications)
- CASS (utilities)
- Office Max (office supplies)
- United Parcel (UPS)
- Finance Master
- ACCPAC

Utilities:

- More-4-Apps (EXCEL macro to load Payables invoices)
- Open Document Image Network (ODIN - Report online viewer)
- Automated Control Reconciliation (ACR)

BUSINESS CHALLENGES

- Redesign of Oracle chart-of-account.
- Train client team members on differences between legacy ledger and Oracle General Ledger
- Ledger
- Coordination of multiple sub-projects, multiple teams and resources with different expertise and knowledge sets.
- Conversion and reconciliation of historical ledger transactions.
- Migration of previous customizations and data into re-implemented Oracle 11i (11.5.9)
- Applications.
- Resource constraints placed upon financial (Oracle) user team members.
- Support testing scenarios, system testing, and user acceptance.
- Reconciling bank operational systems with Oracle General Ledger.

- Educating extensive geographical user community.

SOLUTIONS

Challenge 1 – Redesign of Oracle chart-of-account

Cambridge facilitated sessions with senior financial managers. Sessions gathered business requirements and future corporate direction(s). Chart design was time critical because formation of the Oracle team had been delayed until after start of other sub-project teams. Other team's progress was slowed until chart design was released. Multiple design considerations were analyzed against financial and statutory reporting, usability, maintainability, and ability to convert legacy ledger.

Challenge 2 – Train client team members on differences between legacy ledger and Oracle General Ledger

Formal classes were provided to Oracle team members prior to initial system testing and informal overviews were delivered to all other sub-project leads. The Oracle team worked with Webster's training department to publish (on corporate internal website) the chart design philosophy, tools mapping old account structures to their new counterparts, new business processes and procedures, and educational training materials.

Challenge 2 – Train client team members on differences between legacy ledger and Oracle General Ledger

The Core Systems Project consisted of over twenty sub-teams representing business areas, corporate external communication, training, and testing. Most teams had a Webster project manager and a consulting project manager. Knowing and locating the correct resources was sometimes difficult; therefore, verification and re-validation with other sources was imperative. The Oracle team scheduled weekly internal team meetings and daily meetings during critical periods. Webster's program manager instituted weekly project manager meetings to facilitate coordination between teams. Extensive use of facilitated meetings, email, and documentation and functionality signoff were used to progress the project(s) and contain scope. The Oracle team assigned specific members to be communication liaisons and technical support to other sub-teams, thus, decreasing confusion and minimizing distractions for the Oracle team members dedicated to the Oracle Applications upgrade.

Challenge 4 – Conversion and reconciliation of historical ledger transactions

Multiple years of ledger data were converted and reconciled. Historical ledger transactions were not consistent due to legacy purging functions / limitations, one-sided transaction functionality, and inability to precisely fix transaction to ledger period. Extensive summary and detail financial reconciliation reports were developed, utilities to audit old-to-new mapping were created and several accounting temps were added to team.

Challenge 5 – Migration of previous customizations and data into re-implemented Oracle 11i (11.5.9) Applications

Limited documentation existed from prior Oracle Applications installation/upgrade. Cambridge consultants reviewed the production system for customizations and user meetings were conducted to identify and understand customizations. Team policies were initiated that enforced creation of setup documentation, function/technical specifications, code release controls and user acceptance signoffs. Data cleanup was required for employees and users, asset categories were changed (and therefore assets were reorganized), and depreciation was adjusted

Challenge 6 – Resource constraints placed upon financial (Oracle) user team members

In many cases, client financial team members needed to continue their daily functions, assist with Oracle re-mapping and setup decisions, and also dedicate time to other sub-projects. Cambridge and Webster recognized this as a limitation. Additional user and consulting resources were added to the team and the go-live dates were extended several months to relieve the resource constraints .

Challenge 7 – Support test scenarios, system testing, and user acceptance

Cambridge Solutions provided business process test scenarios and functional expertise for each re-implemented Oracle module. The scenarios assisted in the testing of Oracle Application functionality, validated the custom migration of data, programs, and reports.

Challenge 8 – Reconciling bank operational systems with Oracle General Ledger

Journal reconciliation between disparate systems (doing one sided journal transactions on multiple hardware platforms) presented numerous issues. New reconciling processes were established and special clearing and suspense accounts were required. Programmatic utilities were developed to verify integration consistency; and, additionally, a reconciliation overlay product, Automated Control Reconciliation (ACR), was utilized to capture out-of-balance inconsistencies.

Challenge 9 – Educating extensive geographical user community

Cambridge’s initial training materials were adapted and personalized for Webster. Formal classes were conducted at field sites to insure appropriate users attended necessary ledger training. Teams conducted training events in Connecticut, Massachusetts, Rhode Island, New York, and Wisconsin.