

Curing the Financial Reporting Blues at Virgin

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Megan Millman, Manager – Finance Services, Virgin Blue

The Virgin Blue board made recognition that the operating environment during the 12 months to June 2009 was expected to be one of the most challenging that the airline group had encountered in its short history. Coming off a year of excessively high fuel costs, only to fly directly into a global financial storm, meant that improving processes and identifying savings would be critical to maintaining business sustainability.

A key initiative instigated by the Finance Department was to replace the airline’s existing financial reporting system - which had proved to be time consuming and unresponsive to growing business needs - with a solution that was more efficient, cost effective and robust.

Megan Millman, Manager - Financial Services, had clear cut requirements: **“This was phase 1 of a 2 phase project to redevelop our monthly Board and Management reporting, as well as our Budget packs, to a robust Business Intelligence platform appropriate to the changing needs of our growing airline group.”**

After going to market with a Request for Information (RFI) and employing a rigorous selection process, Virgin selected Bistech, the Performance Management experts, to provide the cure to their reporting blues. Within twelve weeks, Virgin Blue had a first class reporting solution to help them navigate the financial horizon.

A key challenge of the project was to design a solution that automated the manual collection, collation and integration of financial data from Virgin Blue’s core Financial and Budgeting/Forecasting environment. The existing Management Pack preparation process was thus replaced with a robust method that delivered reports to management in an efficient, intuitive and consistent format through a ‘self service’ reporting environment.

As Millman notes, **“We have achieved the objective of having a single, easily accessible source of the truth, and initial feedback from users is that we should see time savings materialise over the coming months. We have also eliminated the formula errors that can occur in Excel and the inconsistencies that were sometimes created between different reports using our previous financial reporting system.”**

With a view to the future, Millman explains that **“Phase 2 will result in all of our Budget reporting produced during the annual budget cycle and quarterly re-forecast process being moved to our Business Intelligence platform.”** A further initiative will be a review of the current process for analysis of Route Profitability, thus enabling acutely accurate analysis of target destinations, potential yields and return on investment

The Problem

A time consuming, erroneous and unresponsive financial reporting process inadequate for the growing airline’s groups’ financial reporting requirements

The Solution

Bistech architected Business Intelligence solution

The Benefits

More efficient, cost effective and robust financial reporting environment



From its humble beginnings with 2 planes and 200 staff as the first sustainable low fare airline in Australian skies, Virgin Blue now carries some 20 million guests annually and has grown to be the nation’s premier provider of value based business and leisure travel.

“We really enjoyed working with Bistech. We found the team to be very customer focused. The quality of the work has been excellent, as was the level of training provided to the VB team”

Megan Millman - Virgin Blue