

# Arriva

## Business Intelligence Solution



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2003-2006

# Arriva Skandinavien A/S

## Activities in Scandinavia

- 1,800 busses in Denmark & Sweden
- 44 trains in Denmark
- Total revenue MDKK 2,500
- 4,600 employees

## Owned by Arriva plc

- Purchased Unibus in 1997 and later BusDanmark and Combus
- > 35,000 employees
- Activities in 9 countries

# Business intelligence - needs

## Reporting and follow up

- Business units
- Contract costing
- Management reporting to UK

## Track Rank Publish concept with reporting and follow up on operational performance

- Daily
- Weekly
- Monthly

# Business intelligence - reflections

Needs for decision ready information not data

Difference between ledger data and key performance indicators

Identification of drivers – cost or revenue

Understand your business – jointly

Change your business - jointly

# Business intelligence system - System overview

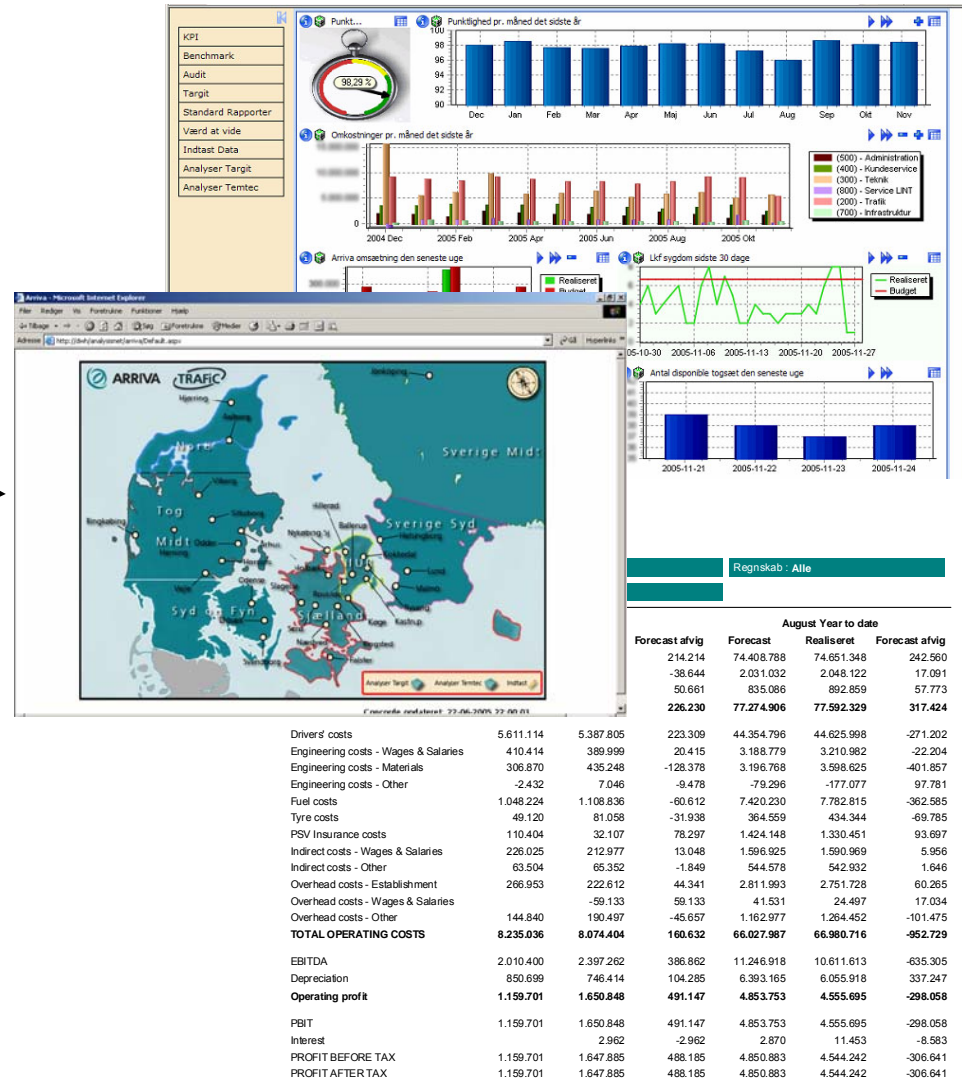
Arriva systems:  
Concorde, Damages,  
TR, IBS Payroll

External systems:  
Falck, HUR customer  
& quality, DSB Rosa  
Insurance

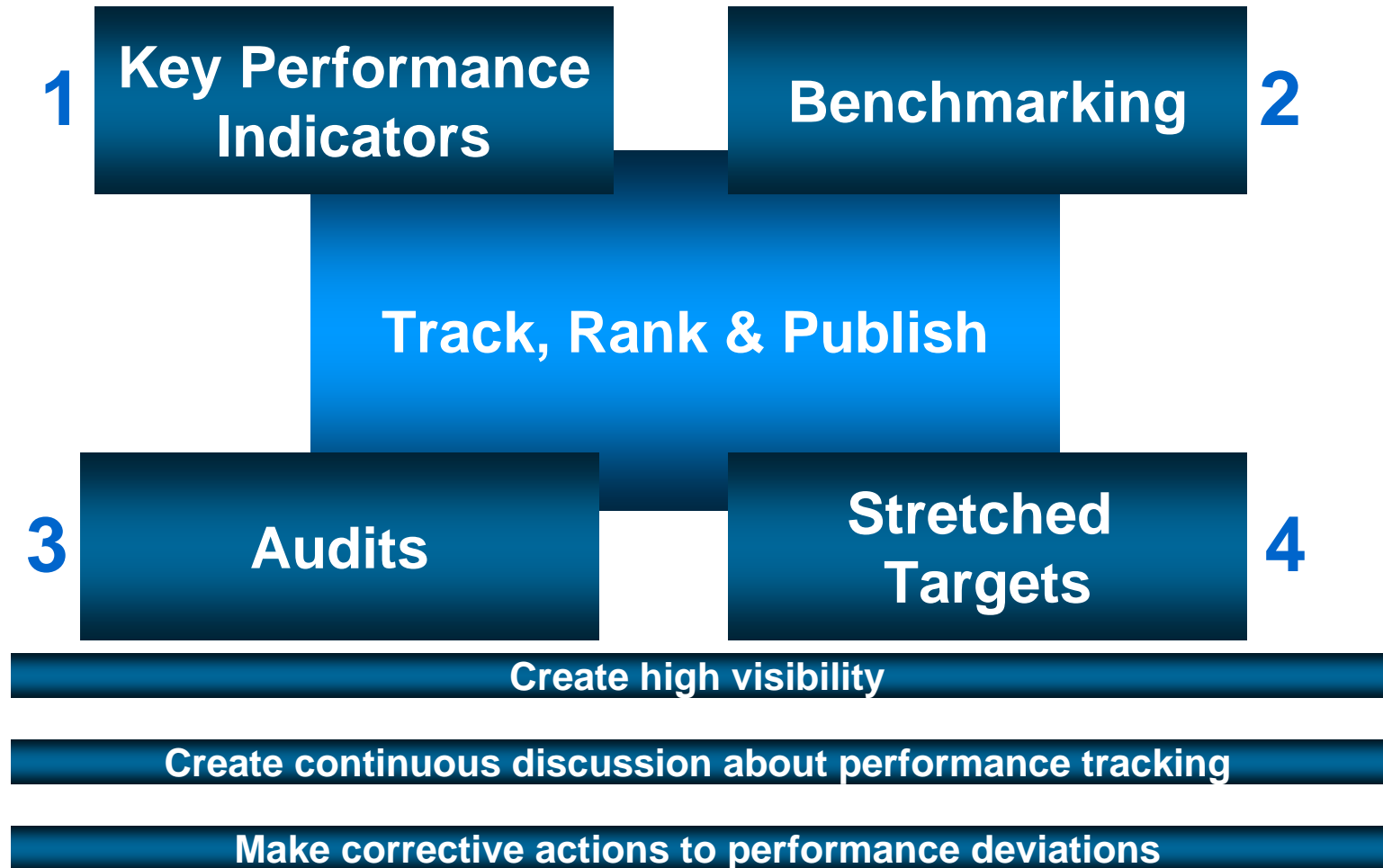
Manuel & Excel:  
Resources,  
"Monday figures",  
Fuel price

MS SQL Server  
with  
KPI-database

- Targit
- Temtec
- Web-portal

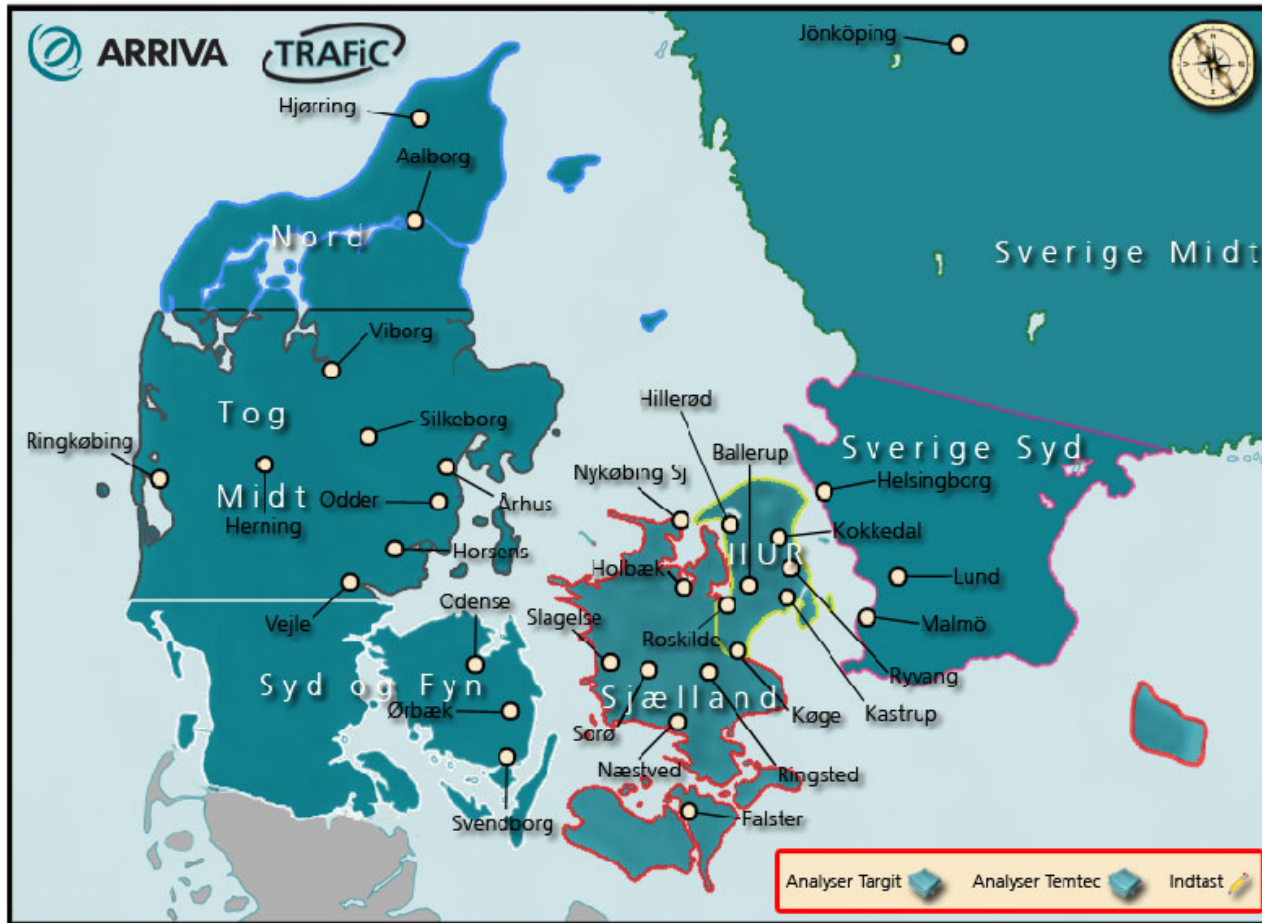


# Track, Rank & Publish - an iterative process of performance measurement



# Track Rank & Publish

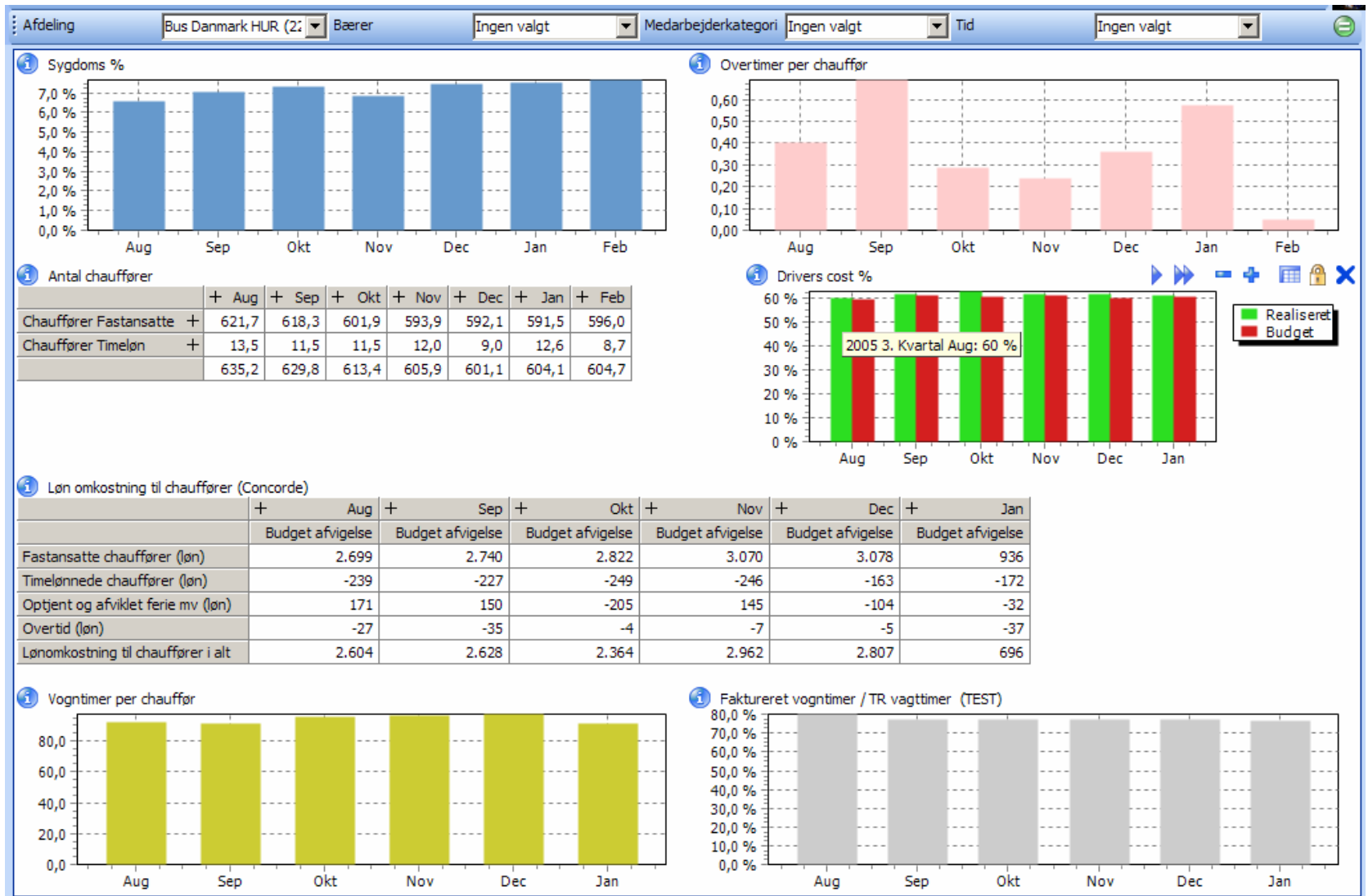
- our operations management system



# Track, Rank & Publish - Key Performance Indicators



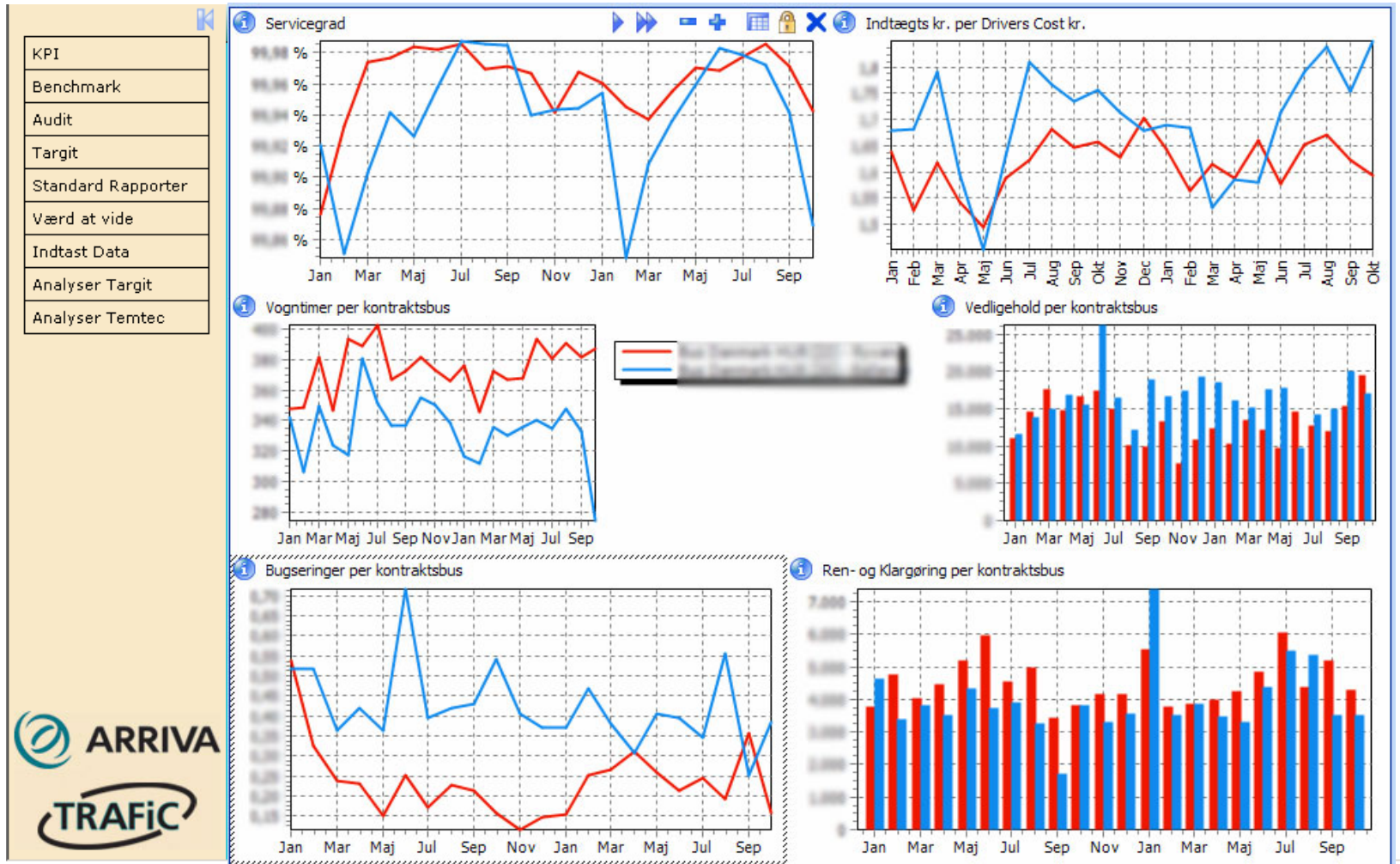
# Follow up on Drivers costs



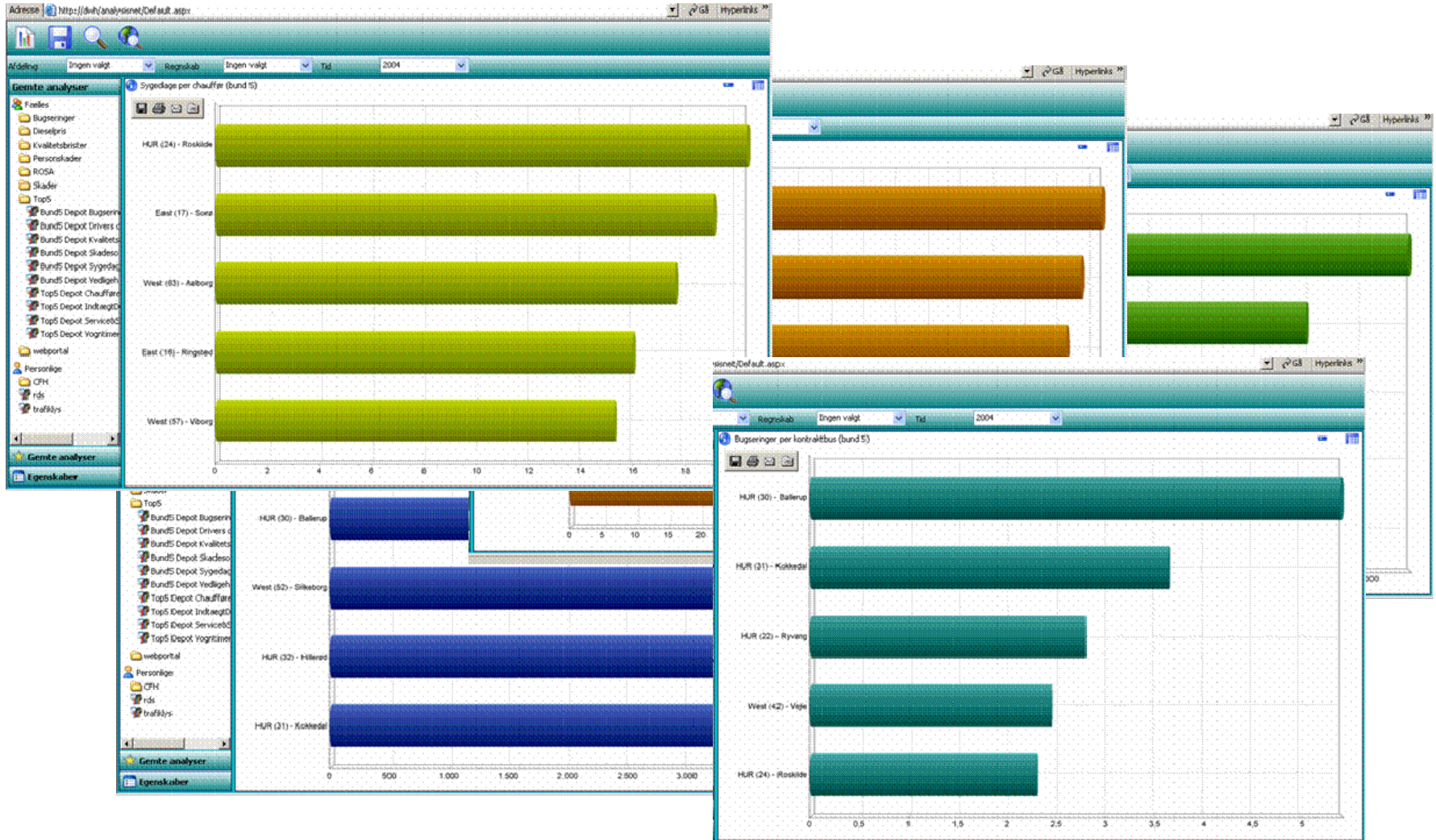
# Track, Rank & Publish - Key Performance Indicators



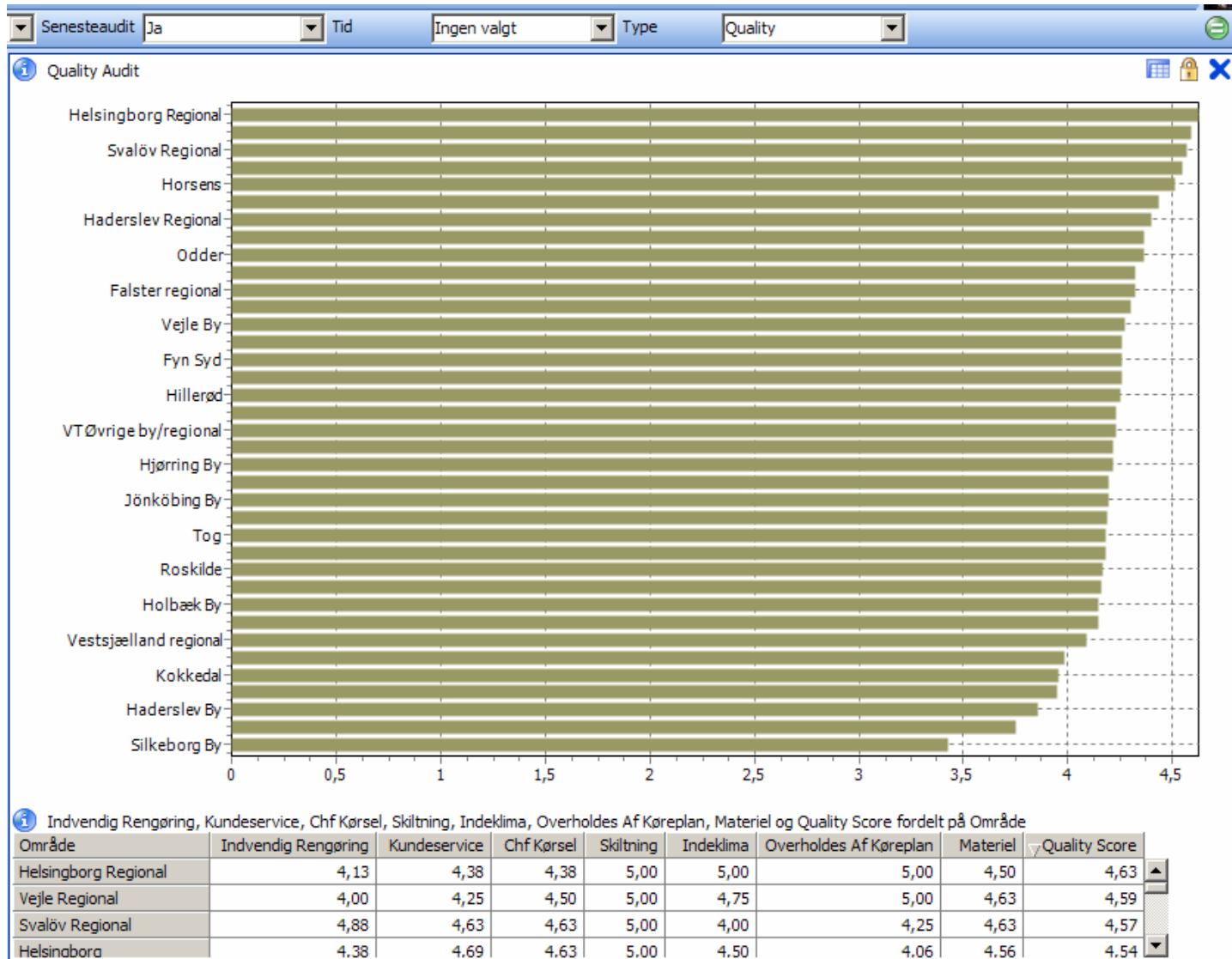
# Track, Rank & Publish – Benchmark Standard Report



# Track, Rank & Publish – Benchmark Top / Bottom 5 analysis



# Audits





# The Track, Rank & Publish system

The TRP board is placed in all relevant Operational departments





# Business intelligence system – Contract costing

Analysis of contract performance across depots and business units:

- Each depot can have several contracts
- Each contract can be performed by several depots
- No complete registration of revenue and costs on individual contracts

Solution: Allocation of revenue and costs based on cost drivers

# Business intelligence system – Contract costing

## Specification of cost driver for each cost pool

	210 Nøgle 1 - kontraktbusser	211 Nøgle 2 - arbejdstimer	212 Nøgle 3 - kilometer	213 Nøgle 4 - busser i alt	214 Nøgle 5 - Indtægter if VGT-ark
6000040 Tendered/Concessions					
6000070 Other PSV revenue - Other					
6000080 Non PSV revenue					
6000105 Drivers' costs					
6000110 Engineering costs - Wages & Salaries					
6000115 Engineering costs - Materials					
6000120 Engineering costs - Other					
6000125 Fuel costs					
6000130 Tyre costs					
6000135 PSV Insurance costs					
6000140 Indirect costs - Wages & Salaries					
6000145 Indirect costs - Other					
6000150 Overhead costs - Establishment					
6000155 Overhead costs - Wages & Salaries					
6000160 Overhead costs - Other					
6000250 Depreciation					
6000370 Interest					

## Registration of cost drivers for each depot / contract

	I alt	CØ1-HUR 7.	CØ3-HUR 9.	CØ5-HUR 10	CØ7-HUR 12	CØ12-HUR 13.	CØ0-Servicebusser
Nøgle 1 - 2004	2.262	336	256	976	156	514	24
kontraktbusser							
Jan	191	28	23	86	10	42	2
Feb	191	28	23	86	10	42	2
Mar	191	28	23	86	10	42	2
Apr	191	28	23	86	10	42	2
Maj	191	28	23	86	10	42	2
Jun	189	28	23	84	10	42	2
Jul	189	28	23	84	10	42	2
Aug	189	28	23	84	10	42	2
Sep	189	28	23	84	10	42	2
Okt	189	28	23	84	10	42	2
Nov	181	28	13	63	28	47	2
Dec	181	28	13	63	28	47	2
Nøgle 2 - 2004	830.067	120.150	100.516	346.750	70.265	188.927	3.459
arbejdstimer							
Jan	71.905	10.000	9.428	31.974	4.869	15.372	262
Feb	67.905	9.100	8.900	29.947	4.555	14.441	238

# Business intelligence system – Contract costing

Each cost pool is allocated on contracts based on cost drivers

→ Contribution margin on each contract

	I alt	Kontrakt 1	Kontrakt 2	Kontrakt 3	Kontrakt 4	Kontrakt 5	Kontrakt 7	Kontrakt 8	Kontrakt 9	Kontrakt 10
Tendered/Concessions	811.090.246	63.398.462	71.054.338	128.911.090	170.917.908	40.378.888	156.349.811	100.194.375	69.528.035	10.357.338
Other PSV revenue - Other	3.625.959	9.836	80.074	850.294	970.325	198.546	1.260.975	15.410		240.500
Non PSV revenue	15.790.477	1.106.299	1.525.771	2.332.052	3.064.213	926.716	3.034.532	1.733.202	1.542.779	524.913
<b>TOTAL REVENUE</b>	<b>830.506.682</b>	<b>64.514.597</b>	<b>72.660.182</b>	<b>132.093.436</b>	<b>174.952.446</b>	<b>41.504.150</b>	<b>160.645.318</b>	<b>101.942.987</b>	<b>71.070.815</b>	<b>11.122.751</b>
Drivers' costs	490.720.855	38.454.239	42.414.070	81.429.793	107.612.636	21.649.077	92.972.488	61.472.934	39.115.855	5.599.763
Engineering costs - Wages & Salaries	44.530.707	3.177.454	4.158.636	6.861.285	8.590.432	2.747.815	8.922.186	4.978.011	3.808.539	1.286.350
Engineering costs - Materials	38.826.470	3.023.009	3.309.068	6.579.544	8.722.415	1.794.319	7.617.653	4.832.493	2.563.214	384.755
Engineering costs - Other	1.694.616	44.707	138.175	372.290	198.057	213.419	440.836	70.042	162.104	54.987
Fuel costs	53.458.804	3.280.986	4.950.834	10.310.949	10.643.758	2.962.074	11.073.841	5.244.977	4.385.599	605.785
Tyre costs	5.226.000	309.591	572.637	982.083	1.008.218	295.721	1.044.098	494.883	456.564	62.206
PSV Insurance costs	13.918.047	1.245.571	1.032.242	1.917.653	3.084.021	770.108	2.665.746	1.951.395	910.780	340.531
Indirect costs - Wages & Salaries	15.345.658	1.139.693	1.870.470	2.179.532	3.151.243	806.461	3.010.533	1.785.519	945.969	456.238
Indirect costs - Other	61.094.163	2.069.243	9.251.218	10.254.630	7.630.641	4.377.041	11.154.221	3.241.813	10.555.870	2.559.486
Overhead costs - Establishment	18.305.052	1.346.592	1.420.372	2.795.038	3.736.182	1.051.352	3.718.384	2.109.661	1.546.219	581.252
Overhead costs - Wages & Salaries	506.661	2.738	26.464	102.616	14.052	36.310	74.773	4.289	211.076	34.344
Overhead costs - Other	6.929.450	412.574	1.073.030	1.077.875	1.182.468	597.239	1.436.419	646.366	324.449	179.029
<b>TOTAL OPERATING COSTS</b>	<b>750.556.482</b>	<b>54.506.397</b>	<b>70.217.216</b>	<b>124.863.287</b>	<b>155.574.122</b>	<b>37.300.936</b>	<b>144.131.176</b>	<b>86.832.383</b>	<b>64.986.238</b>	<b>12.144.727</b>
EBITDA	79.950.200	10.008.200	2.442.966	7.230.149	19.378.324	4.203.214	16.514.142	15.110.604	6.084.577	-1.021.976
Depreciation	43.470.596	3.887.377	1.279.765	6.786.178	10.091.217	2.714.496	9.562.352	6.090.224	2.038.787	1.020.201
<b>Operating profit</b>	<b>36.479.604</b>	<b>6.120.823</b>	<b>1.163.201</b>	<b>443.971</b>	<b>9.287.107</b>	<b>1.488.718</b>	<b>6.951.790</b>	<b>9.020.380</b>	<b>4.045.789</b>	<b>-2.042.176</b>

# Business intelligence system

## Arriva BI-solution

- Fast and easy access to financial and operational performance
- Efficient reporting and analysis process
- Improved information flow to middle managers and employees
- Improved business results

## Prerequisites

- Focus from management
- Dedicated resources to implementation
- Project driven by operations