Oil Company Speeds Reporting, Improves Data Accuracy, and Gains Competitive Edge

Customer: Kosmos Energy
Website: www.kosmosenergy.com
Customer Size: 250 employees
Country or Region: United Kingdom
Industry: Oil and gas—Mining and extraction
Partner: Altius Consulting
Partner Website: www.altius-usa.com

Customer Profile
Kosmos Energy is an international oil and gas exploration company focused on emerging areas in Africa and South America.

Solution Spotlight
- Eliminates manual processes, helping analysts build reports in several minutes instead of weeks.
- Helps deliver multiple financial planning reports to executive leadership and board of directors annually.
- Boosts confidence and reduces risk by providing fully verified financial data.
- Helps company compete better in its industry.

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> Sanjay Malani, Advisor, Corporate Planning and Finance, Kosmos Energy

Kosmos Energy is a pathfinding oil and gas company focused on emerging areas in Africa and South America. The company's spreadsheet-based financial planning solution was manual, time-consuming, and prone to inaccuracies. With help from Microsoft partner Altius Consulting, Kosmos deployed a new solution based on Microsoft SQL Server. The company can now create reports and analytics in a very short time frame and analysts can deliver more-accurate data and meaningful insights.

Business Needs

Kosmos Energy, based in Bermuda, operates in a highly competitive industry, and its business depends on discovering and developing new petroleum systems. "This is a high-risk business with intense competition and if we don't have the capacity to make quick decisions, we could lose the opportunity to capture critical assets," says Sanjay Malani, Advisor, Corporate Planning and Finance, Kosmos Energy.

To support that kind of decision making, Kosmos management needed to have the latest and most accurate financial data related to the budget and long-range forecasts.

Previously, Kosmos relied on manual processes to forecast and capture actuals for reporting purposes. For example, the company had to manually extract actuals data from accounting systems and type it into Microsoft Excel spreadsheets each month. "That process often took a few weeks," says Brian Progar, Sr. Director Commercial & Treasury, Kosmos Energy. Information sharing relied on sending files via email, which often resulted in multiple versions with little or no control over information. Also, analytical reports built from the data were difficult to alter without major disruptions.

Another drawback was the time it took to get reports to executives. "It took up to 6–8 weeks to complete the process of pulling data together, verifying it, and presenting a financial plan," says Malani. "Because of the lead time, forecasts would often be stale by the time the final presentation was ready. For effective decision making, we needed to incorporate the most up-to-date information quickly to deliver high-quality analytics to our executives."

The company's business continued to grow rapidly, so addressing these challenges became urgent.

Solution

In late 2010, Kosmos turned to Altius Consulting for assistance in developing a new solution. Headquartered in Houston, Texas, Altius is a Microsoft partner with Gold Business Intelligence and Data Platform competencies. Altius suggested a database solution based on Microsoft SQL Server software. Malani says, "We really liked the reporting and analysis features in SQL Server."

Altius developed FlexMI™, a solution that uses SQL Server for relational data storage and SQL Server Analysis Services for multidimensional analysis.

The solution uses Microsoft Excel 2010 spreadsheet software for submitting planning assignments and reporting, and the solution's workflow pushes Excel assignments to analysts. Actuals data is automatically loaded from the accounting system into a central planning database, through Microsoft SQL Server Integration Services. Microsoft SQL Server Analysis Services cubes are used to store data and business rules in one place, and analysts use the cubes to query data for reports via Excel. Actuals data is merged with the forecast to present a complete view of the year.

With FlexMI, reports can be produced quickly and consistently from centrally

stored information in a 25-gigabyte database.

Benefits

With FlexMI solution based on SQL Server, Kosmos Energy has greatly reduced the front-end time required to capture the forecast data and build reports. As a result, Planning Team is able to spend more time doing high-quality analytics for effective decision making.

Helps Users Create Reports in Minutes, Not Days

With FlexMI, Kosmos can take advantage of an automated system that holds all data in a central location, with multiple versions to archive the information at different points in time for comparison and analysis. Users can perform ad-hoc analysis quickly and create reports in minutes instead of weeks. "It used to take us a few weeks to build reports, but with our new planning solution based on SQL Server, we can do it very quickly," says Malani.

Now, material changes in the forecast can be incorporated quickly, providing the most up-to-date forecasts to executives. "We used to do quarterly planning iterations each year, but with the current solution, we can deliver multiple iterations as needed." says Malani. "And it's not just the speed—the data itself is more meaningful."

Improves Accuracy and Increases Confidence in Data

The solution also eliminates inaccuracies

due to human error. "Using multiple files had the potential for error. This system ensures a consistent and current data set," says Progar.

With more accurate data, the company's business decision makers are more confident in the data they're getting. "Our executives know that the information they're seeing has been verified on multiple levels," Malani states. "That increases their confidence and reduces the company's risk overall."

Provides Competitive Edge

Kosmos now has a flexible data solution to gain an advantage in a highly competitive industry. "Because of the nature of our business, forecasts often change at the last minute," says Malani. "FlexMI is nimble enough that we can make updates and still deliver accurate data. This helps us get the right data to the right people in the company, so they can move on to new opportunities as quickly as possible. There's no doubt this will help us compete better in this industry."

Software and Services
- Microsoft Server Product Portfolio
- Microsoft SQL Server Microsoft Office
  - Microsoft Excel 2010
- Technologies
  - Microsoft SQL Server Analysis Services

  – Microsoft SQL Server Integration Services

Partner
- Altius Consulting

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