



Smooth Sailing Ahead for Western Wisconsin Health and Axiom



WESTERN WISCONSIN HEALTH

Rolling Forecasting and Performance Reporting drive transparency and credibility

Adam Gingery, Chief Financial Officer at Western Wisconsin Health, compares most finance reports to an evening news weather forecast that just recaps that day's weather. What viewers really want, though, is an informed and reliable forecast of tomorrow's weather and the week ahead.

Like a good weather report, ideal financial reporting acknowledges what has occurred while looking forward. "Let's talk about what's changing financially and what that means for us 12-18 months from now," Gingery said. "That's where I envision the future, and that's where I want to take conversations using Axiom."

Western Wisconsin Health implemented Axiom™ Rolling Forecasting and Axiom™ Performance Reporting following an enterprise resource planning (ERP) upgrade. Gingery knew the power of the software because he used Axiom at a previous hospital, so adoption was quick for the veteran user and his staff.

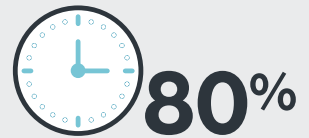
Since implementation, Western Wisconsin Health is closing its monthly books 80% faster, reducing the process from 25 to five days. The quality of decision-making and financial literacy among staff also improved, he said.

"With this tool, I can be much more transparent and accountable to not only our managers and staff, but to our board of directors and auditors," Gingery said. "I want to make sure that how I handle the books is clear and transparent to every stakeholder involved so that there are no surprises."

Axiom built for success

Previously, Western Wisconsin Health used Excel for financial forecasting, which provided little analytical support. When its former general ledger system sunset, the health system needed to quickly find a new ERP. Gingery seized the opportunity to also implement Axiom Rolling Forecasting and Performance Reporting to perform analytics based on data in the ERP.

"I knew we'd be moving to Axiom software, so we had dimensions already created when we built out our general ledger," Gingery said. "We started implementing Axiom in January, and I was using it by the middle of February."



Time savings
to close monthly books



Efficiency gain in
audit report creation



Increased financial literacy
across the organization



Western Wisconsin Health plans to leverage Axiom to provide data insights and benchmarking to drive transparent decision-making throughout the organization, while increasing the financial literacy of managers and staff. Gingery said the quality of decision-making improved dramatically following the implementation because decisions are now made from a position of confidence and knowledge. Closing the monthly books in just five days leaves ample time to prepare reports and better understand Western Wisconsin's financial outlook.

The CFO sends monthly reports to every manager detailing performance in that manager's area of responsibility. Gingery now includes quizzes with the reports, asking questions that managers answer by digging into their dashboards.

"One could argue that if I improve the financial literacy across my management team, it invalidates my purpose of being here because everybody is more aware of what I'm doing," Gingery said. "I think it's a lot easier to push financial initiatives if people understand their KPIs and how they impact the organization."

Increasing financial literacy doesn't equal blind adherence to the budget, however. Western Wisconsin Health is actively growing and improving market share. Sometimes, overspending a budget to bring in better equipment or in-demand surgeons pays for itself in the long run. Increasing financial literacy helps managers understand the difference, backed up by reports that justify the additional expenses.

Understand the impact of decisions

Axiom Rolling Forecasting helps executives quantify decisions and understand their impacts. Gingery likened his role as CFO to being a lookout on a ship. It's his job to point out an iceberg to the CEO and Board of Directors, but it's their role to determine when, how, or if to change direction. Gingery's job then is to quantify the potential impact of those decisions.

"Within Axiom, you establish credibility by demonstrating that when people have questions, we have the detail and the analytical support to back up the numbers," Gingery said. "We're definitely more transparent with the board for the same reasons."

Axiom also helps with the audit process. Gingery can give auditors their own Axiom accounts and pre-populate work papers with the relevant information. In the first year, he estimated the process was 15% more efficient than in previous years and projected an additional 30%-40% efficiency gain in future years.

Having worked with Axiom for more than a decade, Gingery underscored the importance of using organizational data to support decision-making in a transparent manner. "It's important to monitor your KPIs. You put out these red, yellow, and green stoplight reports, and green is always good," Gingery says. "But there is a part where it gets too green, and now it's almost too favorable of a variance from what we have been running year over year. That deserves some question too, as far as whether it's legitimate and sustainable. Prior to the analytical software we have with Axiom, we wouldn't have known."

Organization Profile

Western Wisconsin Health, Baldwin, Wisconsin

Number of locations: 2 Annual revenue: \$45 million

Number of patients: 48,000

Number of employees: 400

Number of physicians: 18