EXCHANGE *views*

Project LION special

16 February 1998

Project LION goes live

If you hear a loud roar raging through the Tower today, chances are it is the Listing department cheering the success of Project LION. After more than a year of consultation and preparation, the new processes and technology brought in by Project LION went live today.

And the live date comes at the right time – with the Government's recent endorsement of the Exchange's role as the Competent Authority for Listing.

The main aim of Project LION was to improve the technology and processes in the Listing department – to boost service to both external and internal customers. As well as streamlining business processes, Project LION has brought in a new Lotus Notes-based IT system – ELSA – which was tailor-made to meet the needs of the Listing department.

In this *Exchange Views* special, the Listing department takes a look at the major changes brought in by Project LION, and highlights some of the practical ways that it has improved the way it works.

ELSA experts, from left:
Helen Butterworth, Grant Lochtie, Phillip Taylor, Chris Williams

"A tremendous achievement" for Listing

— Head of Listing, Paul Geradine, gives a personal account of what LION means to the Listing department —

Paul Geradine, head of Listing

"Today sees the completion of Project LION with 'go live' of the Listing department's new Lotus Notes-based IT system, ELSA.

The completion of LION is a landmark in the development of our Competent Authority and other company regulation activities. With LION we have enhanced our services to the market through the major improvements we have made to personnel, organisation, communications, accommodation and, now, to our systems and procedures.

Responding to market demands

ELSA itself will help us to respond more quickly to the market's demands and to track very easily progress on transactions and enquiries. ELSA also gives us a firm foundation to let us enhance further the services we deliver to our internal and external customers.

The completion of LION represents a tremendous achievement for a large number of people: everyone in the Listing department has been involved directly or indirectly; BSG, Andersen Consulting and NIP provided invaluable "know-how"; Project Support ensured that we all developed the necessary disciplines, and from the outset, Richard Kilsby has kept the whole project heading in the right direction.

In particular, I must thank everyone involved with the LION Dedicated Team. Without their skill, dedication and ability to adapt to new challenges, I am certain that we would have been unable to complete LION today.

Planning for the future

Looking forward, LION's achievements are not the end of the story. LION has helped us to start planning for the future: integration with the Office Systems strategy; enhanced management information; electronic links with our sponsors; and refinement of our regulatory priorities. But these are things for the future. For the time being, it is good to see LION successfully completed, an achievement for which thanks are due to everyone involved."

LION: Changing the way Listing works

A new structure within the Listing department – formed around service lines – has improved communication internally and with external customers.

At the beginning of the project, the Listing department identified its key responsibilities. These fell into three areas – or 'service lines' – which formed the building blocks for change under Project LION. These were:

- **R&A** – review and approve listing applications
- **M&E** – monitor and enforce the Listing Rules (the Yellow Book)
- **DC** – provide direction and clarification in response to queries coming into the department.

Below we outline what each area does and show some of the practical benefits that LION brings to the department.

Training R&A experts, clockwise from left: Iain Richards, Raj Mangroo, Michael Wallis, Iain Wright, Sue Moreman, Graham Walker, Simon Law

R&A – review and approve listing applications

This includes the Listing Group, Capital Markets and Listing Applications.

- The Listing Group and Capital Markets review listing transaction documents – such as placings, rights issues and open offers.
- Listing Applications collates information on applications and produces dealing notices. A large part of the team's work is raising invoices for listing fees.

Before LION, the R&A area used manual systems to record transactions. Once a Listing Adviser had reviewed a document, comments were typed up and faxed to the sponsor or broker. Listing administration staff kept records manually and cases were kept in index files.

Now, the process is managed electronically. As soon as a document is received, it is logged on to the system. Team managers allocate work depending on workloads viewed on the system. Advisers use electronic checklists, which are automatically tailored to the transaction, and record their comments on the system before faxing them directly from their PC.

Listing Applications then use the system to produce dealing notices automatically and to update the databases.

M&E – monitor and enforce the Listing Rules

M&E includes the Company Enquiries and Monitoring Group, and the Financial Review team. They look after:

- continuing obligations of listed and AIM companies – such as announcements of price-sensitive information
- enforcing the model code relating to directors' share dealings
- monitoring financial statements – including annual reports and accounts, and documents that can be published without prior approval.

Before LION, staff checked RNS announcements manually to see if companies were complying with Listing Rules. The department's old computer system, ISIS, generated reports using old-fashioned system query facilities.

Now, RNS announcements can be accessed by everyone in the department through their ELSA workstation. Alerts are triggered automatically – as ELSA can recognise if there are compliance problems with an announcement, or if an announcement has not been received on time.

If there is an alert, a case file is set up and used as the basis for an investigation. The team uses a direct fax facility to send letters to companies.

DC – direction and clarification

This is a new service line which crosses the whole department and handles general queries.

The main feature is the introduction of the Help Desk.

The Help Desk was launched to provide a quicker response to general enquiries.

By calling a single number – 0171 797 3333 (STX 33333) – and selecting the appropriate option, a caller is passed to the relevant team in the department.

The Help Desk is open from 8.30am to 6.00pm Monday to Friday – and queries will be recorded on ELSA.

In addition, there is now a Listing Rules and Precedents database, managed by the Listing Policy group.

The database holds significant decisions made by the department – including issues raised at daily meetings and following appeals.

Listing Help Desk

STX 33333

Smart systems

ELSA, Listing's new computer system, was built using Lotus Notes – the software product which will be introduced across the Exchange through the new Office Systems project (OASIS).

While ELSA was tailored to meet the needs of each area in Listing, there are some standard features used by the whole department. These include:

- **The ELSA cases database**

  This main work area stores case information for all three service lines. It includes details of enquiries for Direction and Clarification, checklists and comment sheets for Review and Approve and alerts and cases for Monitor and Enforce.

- **The Companies database**

  This holds reference information for listed companies, sponsors and other department contacts – as well as block listing schemes, issuance programmes and rule breaches.

- **RNS**

  This shows all announcements published by the Regulatory News Service (RNS). Announcements are automatically filtered so that those of interest are flagged up.

- **Precedents**

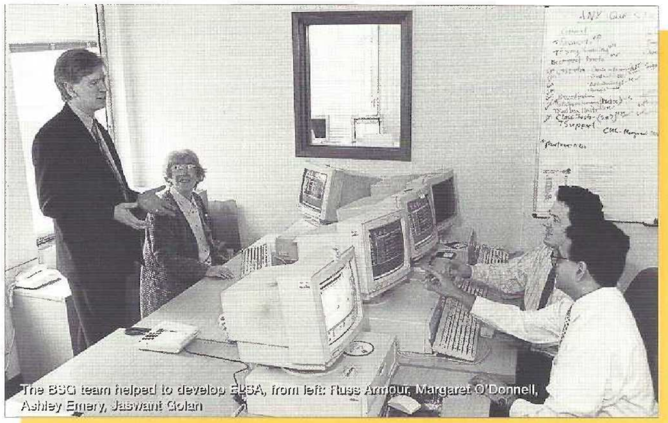
  Holds precedent information and a history of issues discussed at department meetings or taken to appeal.

A case study is being planned by the system's developers, the Exchange and Lotus Inc. Lotus is particularly interested in ELSA because of its innovative use of Lotus Notes.

Who built ELSA?

In November 1996, the Listing department and the LION team chose New Information Paradigms Limited (NIP) to build a software package for the department. NIP was chosen because it specialises in the development of tailor-made Lotus Notes applications – and would be able to meet the specific needs of the Listing department.

NIP has been in close contact with members of the LION Dedicated Team and the Exchange's Business Systems Group (BSG). Together they have developed the business processes within ELSA and the 'look and feel' of the new system. At the same time, Andersen Consulting built the framework within which Lotus Notes and ELSA sit. They also set up the RNS feeds and desktop faxing. All of these teams have played a key role in the success of ELSA.



The BSG team helped to develop ELSA, from left: Russ Armour, Margaret O'Donnell, Ashley Emery, Jaswant Golan

Listing department

Below is a breakdown of the different teams in the Listing department – with a list of managers' names.

Head of Department: Paul Geradine

Capital Markets Group

Head of Capital Markets Group: Megan Butler
Team manager: Ramila Patel

Enquiries & Monitoring Group

Group Manager: Maria Clohessey
Enquiries team manager: Stephen Caplen

Listing Group

Group manager: Penny Partridge
Team managers: Sue Moreman, Diane Stewart, Phil Tinkler, Iain Wright

Listing Policy Group

Group manager: Fiona Gatchfield

Sponsor & AIM Regulation

Group manager: Peter Jackson

Support Services

Group manager: Peter Wells

Listing Applications/ Financial Review Team

Leader: Matthew Middleton
Administration: Ian Taber

You can see ELSA in action ...

LION's Dedicated Team will be talking about the project and giving a demonstration of ELSA on Monday 23 February at 10.30am, 2.00pm and 4.00pm. To book a place, please call Michael Wallis on STX 33508 (maximum 25 people per session).

Meet the Dedicated Team

The LION Dedicated Team was set up in April 1997.

One of its first jobs was to write the technical specification for ELSA – based on the Listing department's business needs.

Sue Moreman took responsibility for this, and managed contact between the department and the software developers, NIP. As the Listing department's implementation manager, Sue was also a key player in the testing and training of ELSA, particularly on the Review and Approve parts of the system.

Jonathan Rees co-ordinated the Direction and Clarification service line – liaising with the department and guiding the set-up of the new Help Desk and its procedures, as well as system testing and rehearsals.

In the earlier part of the project Marcus Stuttard put together the business requirements which influenced the selection of Lotus Notes. He was also responsible for training – in particular for designing the ELSA training approach, training materials and running training sessions.

Grant Lochtie is the monitor and enforce (M&E) expert in the team and worked with members of the Company Enquiries and Monitoring Group and Financial Review team on testing, as well as running the M&E training.

Iain Wright worked with Sue and the Review and Approve team on testing and procedures in the early months of the dedicated team. In recent weeks, he has returned to help with training.

Su Fitzgibbon is the team's testing guru, having worked on many other system developments. She managed timetables and problems, as well as giving advice on countless testing issues.

The Project LION Dedicated Team. Front row from left, Marcus Stuttard, Emma Vick, Su Fitzgibbon, Sue Moreman, Surya Fletcher. Back row from left, Iain Wright, Michael Wallis, Grant Lochtie, Jonathan Rees

Michael Wallis joined the team at the beginning of the year and is the ELSA administrator, responsible for the databases on the system.

Project managers Surya Fletcher and Emma Vick have seen the project through to implementation with the Dedicated Team, the department's management team and Richard Kilsby, the project sponsor.

A personal note of thanks ...

— Richard Kilsby, director of Market Services, pays tribute to the people that made LION happen —

Richard Kilsby, director of Market Services

"I still can't quite believe that LION has gone live. Until you start to get into the detail of ELSA, it is difficult to appreciate both what a complex project this was and how fundamentally it will change working practices in the Listing department.

LION started with a need to replace ISIS and a desire to take the department from having only the most rudimentary systems in some areas, to the leading edge of modern office systems.

As we start to use this system live, I am sure that we will see how much more efficient it will make us – both by getting rid of tedious manual practices and enabling us to respond to customer queries much quicker.

The power will be in capturing and having readily available almost all of the information that comes into the department. This will range from simple things like being able to find out who exactly did take the phone call on a document in one of the Listing teams, to being able to do a free text search on any of the case notes or documents held on the database.

We are now most of the way towards achieving what we set out in our original vision document – and we have built the infrastructure for making the rest happen, such as the electronic submission of documents when the time is right. We are also going to experiment with voice recognition systems to see if we can make life even easier for those who have to write case notes and other documents.

I would like to say a personal thank you to all those who have contributed to getting us where we are today – both in helping design and build ELSA and in changing the culture and work practice within the department.
I would also like to pay special thanks to the Dedicated Team, without whom we certainly would not have got this far. Also NIP for their creative and innovative input – I am sure at some stages they knew where we needed to go and we were slowly catching up – and also to Andersen Consulting for their work in putting in the infrastructure."