

# Moving Beyond Spreadsheets

Today, 79% of Finance professionals (across organisational levels and industries alike) are unhappy with their budgeting tools. At the same time, more than 70% of Finance professionals rely heavily on spreadsheets as the core tool with which they build annual budgets.\*

## The conclusion:

**Finance professionals want a better way to create and manage budgets.** If this sounds familiar to you, you can tap into a better budgeting process by taking the following three steps.



### Step 1: Envision a better way to budget

A better budgeting process is attainable. But, what does it look like? At its heart, a better budgeting process overcomes the deficiencies in spreadsheets that hinder Finance professionals from building timely, accurate and actionable budgets.

Budgeting Process Today	A Better Budgeting Process
Collecting finance (and non-finance related) data from people across the organisation who are responsible for contributing numbers, assumptions and insights	<ul style="list-style-type: none"><li>• Consistent formatting among versions</li><li>• Workflow that is traceable for audit purposes</li><li>• Workflow that automatically monitors progress as well as prompts input and/or approvals as required</li><li>• Consistent standards about data applied across all participants/contributors</li></ul>
Working with the collected data – including conducting analyses, calculations and creating initial outputs	<ul style="list-style-type: none"><li>• Automation of repetitive/tedious tasks (e.g. data entry and basic calculations) so that time spent on verifying and calculating can be devoted to more important tasks</li></ul>
Validating the assumptions and initial outputs	<ul style="list-style-type: none"><li>• A secure tool that ensures all data and related assumptions/versions are shared only among those with the proper authority levels</li></ul>
Creating and testing different 'what if' scenarios	<ul style="list-style-type: none"><li>• Ability to create a baseline and instantly see the impact of changing any aspect across departments, product lines, time periods, geographies, etc.</li></ul>



## Step 2: Investigate CPM

Simply stated, Corporate Performance Management (CPM) is a tool that automates repetitive and complex business processes. Built specifically for Finance professionals, CPM software improves the processes and outcomes of budgeting, forecasting and planning.

Because CPM has evolved over the last 20 years, it embodies all of the desired qualities of a better budgeting process – qualities identified by Finance professionals who are frustrated by the limitations of using spreadsheets to create and manage budgets. That means CPM combines multi-user data management, workflow collaboration, data security and consolidation features of a general ledger system, with the ease-of-use calculation of a spreadsheet.

The automation power of CPM also extends beyond the budgeting process. For example, it allows Finance professionals to conduct balance sheet and cash flow forecasting, consolidate multiple currencies, calculate depreciation on capital additions and conduct sales and personnel planning.



## Step 3: Determine when CPM is right for you

Will CPM software reduce the time, frustration and expense associated with using spreadsheets during your budgeting process? To answer that question, consider the following\*:

- 66% of Best-in-Class companies across industries have begun, or are well underway, automating their budgeting and forecasting processes
- As a result of adopting automation solutions for budgeting and forecasting:

82%

Of the Best-in-Class companies saw business units collaborating with Finance throughout the budgeting process.

77%

Of the Best-in-Class companies gained the ability to align sales forecasts with revenues and cost forecasts.

94%

Of the Best-in-Class companies were able to deliver their financial reports when they were needed.

\*Aberdeen Group, *Ensuring Timely and Accurate Financial Plans, Budgets and Forecasts Through Automation* (2015).

Contact Prophix and ask for the **Budgeting Without Spreadsheets checklist**, which helps determine when CPM software will help you improve your budgeting process and reduce your reliance on spreadsheets.

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