

Tapping Into The Analytics Of

# CORPORATE PERFORMANCE MANAGEMENT

Simplify and streamline your planning,  
budgeting & forecasting processes

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# We have seen too many organisations perform all their planning and forecasting tasks in **spreadsheets**.

The best in class corporate performance management companies have moved beyond spreadsheet only performance management processes to an integrated business planning solution that optimises core processes, data management and analytics to maintain their competitive advantage. By running operations with real-time information and instantly scalable data management and analytics capabilities instead of antiquated spreadsheets, you can save time, eliminate risk and make better strategic decisions for accelerated growth.

This paper analyses how employing **IBM Planning Analytics**, a complete performance management and business intelligence solution, can transform the budgeting, strategic planning, forecasting and integrated reporting processes dramatically improving an organisations bottom line.

# Do you trust the accuracy of the information you are using to make **critical business decisions?**

**Numbers don't lie: businesses love spreadsheets.**

An estimated **750 million** people rely on Microsoft Excel to calculate, analyse and present data to support their position.

As a personal productivity software, Microsoft Excel is great. It's familiar, easy and low cost. However, when you start to use it for critical business functions - budgeting, forecasting, data analyses and reporting – you soon learn that these advantages are washed away by the risks that come along with using them.

Spreadsheets rely heavily on manual input which is prone to human error and makes using them extremely time-consuming.

On top of that, spreadsheets lack version control, have never been intended to store historical data, can make collaboration difficult, don't allow for data discovery, are hard to translate data into tangible insights, and present huge security risks.

# How quickly can your organisation adapt to change?

## Every day the world becomes more complicated, interdependent and data-driven.

Things are changing rapidly; economic uncertainty, increasing compliance demands, shifting customer expectations and the impact of new technology has heightened the focus on cost cutting in order to remain competitive.

Businesses are focused on minimising expenses and stretching already-thin resources even more to drive value. We're being asked to plan and forecast more frequently and in greater detail but it's hard to find the time to thoroughly analyse these plans when the majority of the time is spent setting up the spreadsheets to capture the information, and source the data.

Using spreadsheets for performance management exposes companies to significant risks. While the flexibility of spreadsheets is highly valued, their usage presents challenges. We are dealing with greater volumes of data and so the volume of spreadsheets has increased as well. The data analytics workload piles up and leads to a massive bottleneck for decision making. Human data entry errors and redundancies are missed during manual data processing.

The information focuses on what happened in the past, not what will happen in the future. Most importantly, you can not provide insights at the exact time they are needed. Time-consuming manual reconciliation, non-standardised formats producing inaccurate data and a lack of audit trails begin to cut away from security of the familiar and begin to build up the danger of the outdated.

# In this era of rapid and continuous disruption, spreadsheets alone are **not agile enough** to keep up.

To stay ahead of the competition, your company needs accurate and timely information to drive your strategic and tactical business decisions. To move outside of the spreadsheet bubble, you need to deploy an integrated business intelligence and performance management solution which will support your business planning and reporting requirements.

Start by asking yourself the following questions:

01

## Where are you now?



Assess your current usage of spreadsheets to see where the risks are and what processes can be improved.

02

## Where do you want to be?



Map out your vision for an information-driven business culture that utilises timely and accurate data to provide analytical insight to improve decision making across all departments; finance, sales, operations, human resources, marketing, etc.

03

## How are you going to get there?



By upgrading to a centralised administration and data management system and encouraging all departments to work together to understand the risks of using a spreadsheet-only approach.

## Where are you now?

To assess the status of your company's spreadsheet dependency, you need to ask the following questions:



### Who creates your budgets, forecasts and plans?

A spreadsheet is the brainchild of one person. Anyone who has experienced a spreadsheet-based planning process has had conversations that begin with questions like; "How did you get this number? Where did it come from? Why is it different from mine?" Spreadsheets were not designed as a collaboration tool. As the number of authors increase so can the number of errors that creep in and so does the difficulty of maintaining an accurate spreadsheet with data that you can rely on.



### Where is your data stored?

Is your key data stored in a flood of two-dimensional spreadsheets? The bigger and more complex the spreadsheet, the more fragile it becomes with unreliable links and complicated macros. Spreadsheets can simply break at certain points. When this happens, the risk of data corruption and lost data increases exponentially.



### Is your data safe?

Password protection, hiding or protecting sheets and other features are not actually designed to secure your information and can be easily bypassed. Critical business data flows from user to user with each email, the security risk becomes bigger and bigger. Emails can be forwarded to anyone and critical business information can find its way into unintended recipients



### Is your data accurate?

A reported 94% of spreadsheets contain some kind of error. Without an audit trail, how do you know where the error was made? Combined with the lack of control into who can edit formulas and it can become less of a matter of if something goes wrong and more of a case of when something goes wrong.



### How timely and useful is your data for analysis and reporting?

To drive faster decision-making in today's competitive business environment, you need to access and analyse large volumes of data and get answers fast.

But when a spreadsheet's single data file is too large, it can make the program run very slowly.

Spreadsheets are not designed to deal with large data volumes and merging multiple files. You can end up spending more time collecting and verifying data than you'd use analysing it. By the time the final version is approved by management, it is often out of date.



### Do you trust your data?

Spreadsheets promote decentralised data management and silos of information between employees and departments. Automating links between spreadsheets and applications is difficult to do and a key reason why so many costly mistakes occur during the manual, human error-prone handling of data.



### How do you collaborate across departments and business units?

Department to department, the spreadsheet gets passed around via email with no audit trail until everyone has been bombarded by endless spreadsheets attached to conflicting, outdated and often unread emails. Then all these spreadsheets need to be consolidated and reconciled – and the process needs to be repeated frequently.

# **IBM Planning Analytics** is an enterprise-class, integrated performance management solution.

**It delivers the essential reporting, analysis, dashboard, scorecard, planning, budgeting and forecasting capabilities that companies need and can be deployed on the cloud or on premise.**

When new opportunities arise, IBM Planning Analytics can help transform your business processes and strategic decision making to get you ahead of the competition. The execution of your business strategy can be debilitated by unreliable data. Running operations with real-time data and instantly scalable data analytics capabilities is a much more cost-effective strategy for growth than endless piles of outdated and inaccurate spreadsheets. No more juggling multiple spreadsheets or sharing confidential data via email.

A fully integrated performance management solution is essential to provide corporate visibility of the activities that directly deliver growth and provide a clear framework for determining how to allocate the necessary resources to support the strategy. IBM Planning Analytics is designed for multidimensional analysis and strategic planning tasks, increasing your accessibility of key metrics, enabling a new level of insight so you can take action at record speed.

With Planning Analytics you can avoid the mistakes and version control issues of manual, labour intensive, spreadsheet only processes but keep the same familiar Microsoft Excel interface for easy adoption. With the same look and feel, you also retain the full Excel functionality and formatting you know and love.



# How IBM Planning Analytics help **overcome** your spreadsheet challenges.

**01**

## Remove errors

The problem we encounter usually involves governance – whether or not there is a single source of truth. Templates are often revised, edited and changed by individuals resulting in duplicate entries, deleted data and multiple iterations of the template. We can help advise on a more governed environment for the collection and consolidation of data – removing simple errors that can have a huge impact on your business.

**02**

## Gain deeper insights

Spreadsheets offer limited dimensionality and in-depth analysis is sometimes not possible. And using them for complex business analysis can become tedious and exhausting. IBM Planning Analytics simplifies vast quantities of data by unifying data sources into one single repository and empowering users to build sophisticated, multidimensional models that drive more reliable forecasts.

By using a single solution in place of point solutions, you can integrate multiple data sources and align top-down strategies with bottom-up execution. You can slice and dice data across multiple dimensions to match the planning, forecasting or reporting needs in real time.

# How IBM Planning Analytics help **overcome** your spreadsheet challenges.

## 03

### Make smart decisions

The in-memory database capabilities of IBM Planning Analytics refresh data in real time to ensure that results are as accurate and current as possible so you can leverage internal and external data to make better decisions.

IBM Planning Analytics facilitates high participation and collaboration across your company by offering managed workflow that enables closely monitored data collection, rapid aggregation, clearly defined rules and hierarchies, a rigorous approval process, role-based security and a clear audit trail that facilitates accountability and accuracy so you can be confident of your strategic decisions.

By having an audit trail that facilitates role-based security and accountability standards you can be even more confident in your decisions. Significantly improved accuracy makes decision making better and easier.

## 04

### Encourage collaboration

Successful performance management is based on company involvement and collaboration to gain accurate insights. Spreadsheet-based solutions do not foster collaboration and stakeholder engagement. Sharing spreadsheet data is cumbersome, often requiring printing, collating and delivering sensitive data to each department separately. Even if information is disclosed via email, it takes time and resources to format it, verify recipient names and contact details and distribute the data.

And you still need to deal with errors and corrections once the data is distributed. A rapid flow of data between all stakeholders is a valuable asset for midsize companies. Cloud-based applications allow all authorised stakeholders to add their input regardless of their geographic boundaries.

# How IBM Planning Analytics help **overcome** your spreadsheet challenges.

**05**

## Streamline processes

With a spreadsheet-only performance management solution, managing process workflow is nearly impossible. Following data contributions is difficult - you're never quite sure if data contributors are progressing according to plan or if they've begun work at all. What is the process for sending a spreadsheet from one person to another? Who did it come from and where does it go next? And with spreadsheets, greater participation does not mean greater effectiveness.

Integrating IBM Planning Analytics gives managers the freedom to schedule tasks and monitor participation progress from conception to final approval. Transparency, accountability and review times improve when you have a workflow process moving everyone along the quickest path.

**06**

## Be agile and proactive

Move beyond the limitations of spreadsheets by automating the planning process to drive more accurate results faster so you can keep pace with the speed of business. With a single source of truth, you can reduce planning cycles, get real-time insights and make more informed decisions. Easily perform data analysis, use what-if scenarios and adjust plans and forecasts in real time to anticipate and adapt to change.

# How IBM Planning Analytics help **overcome** your spreadsheet challenges.

## 07

### Respond faster

When conditions change, as they frequently do in the business world, notifying contributors is simplified with a performance management solution. Whether you need to change a revenue forecast or update an approval status, each change is stored along with task status updates, leaving an audit trail for future reference.

## 08

### Manage data aggregation with ease

Consolidating input from multiple users into spreadsheets inhibits performance management process effectiveness. An individual or department must collect and collate numerous spreadsheets and amalgamate them in a single version.

Even if individual spreadsheets are error-free, aggregation is a huge task that can take up a lot of time. IBM Planning Analytics streamlines data aggregation and lets you perform precise and fast data loads, by easily connecting to your key data sources.

# IBM Planning Analytics: Intuitive Planning Environment.

01

## Define Views

Drag & drop Views from the TM1 Objects to the Views area of your application.

02

## Define Approval Hierarchy

Drag & drop a Dimension Subset from the TM1 objects to the Approval area of your application.

03

## Deploy The Application

Deploy the application to the portal to make it available to your users.

04

## Define Security

Secure the application and define rights for individual users and user groups by using the approval hierarchy.

# Almost every business uses spreadsheets for reporting purposes despite them not being the **right tool** for the job.

Spreadsheets were designed primarily as an accounting tool, to digitally represent worksheets. They are not the versatile, multi-purpose solution that many businesses believe them to be. As a result spreadsheets have become a problematic, cumbersome way to track your business functions; information is easily lost, quickly outdated and irreparably siloed. In the end, relying on spreadsheets becomes much more costly to your business.

Almost anyone can build a spreadsheet . Data is useless if the people you give the trust results to do not what you did or how you did it. Worse still, management is expected to make decisions based on increasingly large amounts of data drawn from a multitude of disparate sources. Attempting to manage all that information in a spreadsheet becomes less and less practical.

IBM Planning Analytics integrates data management, consolidation, reporting and analysis to improve your company's planning and budgeting outcomes. Through a highly collaborative environment, the solution allows enhanced data aggregation, rigorous approval processes and workflow management within a clearly defined protocol.

Spreadsheets have their place in the business world. But the risks associated with planning, budgeting and forecasting based only on spreadsheets are too significant to ignore. Clearly, a spreadsheet-based approach to corporate performance management is inadequate to meet the unique challenges facing businesses today. Integrating a complete business intelligence and planning solution enables collaboration across all stakeholders while virtually eliminating the errors and inconsistencies rife in spreadsheets.

IBM Planning Analytics supports key planning, budgeting, forecasting, consolidation, reporting, analytics and data management processes in one integrated solution. With IBM Planning Analytics, companies can achieve their strategic vision by turning disconnected data into information, turning information into valuable insights and turn insights into action with effective plans, budgets and forecasts. Immediate feedback enables managers to make better decisions faster so they can drive greater efficiencies, minimise costs and take advantage of new opportunities.

## **The Cornerstone Group**

The Cornerstone Group is the largest IBM Business Analytics focused partner in Asia Pacific with an experienced team delivering integrated business planning, business intelligence, information management and predictive analytics solutions.

As an IBM Platinum Business Partner, Cornerstone provides management and technology consulting services to help you analyse, visualise and optimise your business the way you've always wanted to.

Contact us for advice on your  
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