The Imperative for Integrated Planning

The Power to Maximize Performance

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Effective Planning Produces Better Decisions

The purpose of planning is not planning; it is decision making. And the purpose of reimagining operational planning as a continuous, connected process is to deliver business value, making these processes faster, more agile and more intelligent so that contributors from across the organization can make better data-driven decisions faster and more consistently. The right technology makes it possible to design more efficient and effective methods for business planning that maximize productivity using a new generation of powerful, capable tools that are user-friendly for line-of-business personnel.

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Business Intelligence (BI) tools can provide a modern foundation that extends the value and power of spreadsheets being used for planning and analytics. For example, analytics technologies like Microsoft Power BI and SAP HANA can add value to planning spreadsheets being used by enabling data write-back for futur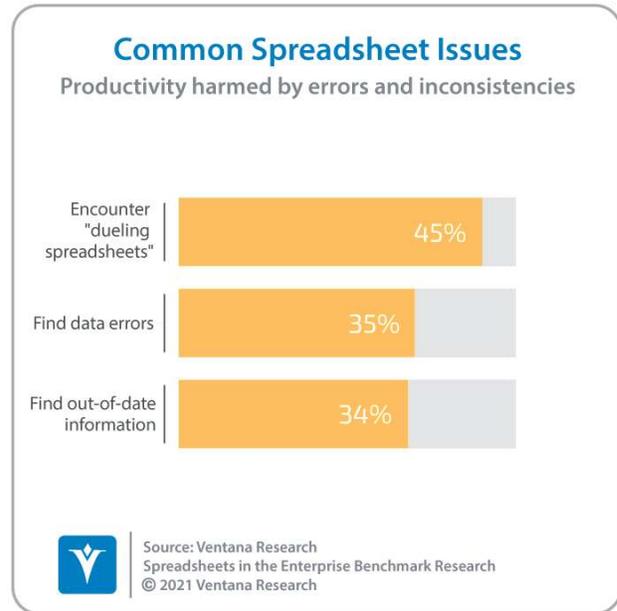e time periods. Power BI is a set of software services, applications and connectors that make it possible to link people, processes and data at a large enterprise scale. It was designed to make the capabilities of a powerful business intelligence tool available to a wider audience. Due to advances by software vendors utilizing Power BI, business analysts and others with spreadsheet skills can harness analytics and planning capabilities without needing to become experts in data management while also enjoying the freedom and confidence that structured flexibility provides when operating in today's "accurate insights on demand" business environment. This ease of accessibility means that they can have more time to make best use of their skills and business knowledge while also collaborating in a more continuous manner. They can transform analytics and planning processes to fundamentally improve their business value to their organization.

Technology to Support Planning

Newer technology makes it possible to provide analysts across the organization—not just IT professionals—with the ability to simplify access to larger data sets, scale to the requirements of large enterprises, and create highly flexible models for planning analysis and reporting for both operations and finance. Modern technology is designed to support an iterative, collaborative process such as planning and communicate results using a broad palette of data visualization methods. This facilitates a numbers-focused dialog that goes beyond generalities by rapidly exploring multiple scenarios to find explicit optimal approaches to support data-driven decisions. It is flexible and user-friendly but addresses the time-consuming spreadsheet issues that keep analysts from doing what they have been trained to do: analyze and plan.

Our Ventana Research "Spreadsheets in the Enterprise Benchmark Research" shows that 35% of individuals routinely find data errors in the most important spreadsheet they use, 45% encounter "dueling spreadsheets," (multiple versions that do not agree) and 34% discover out-of-date information in spreadsheets that support important business processes. Modern technology makes it possible to connect all people in the planning process to a single authoritative data source to address these issues and substantially reduce the time needed to prepare data for planning and analysis. Our Ventana Research Data Preparation Benchmark Research revealed that 49% of analysts spend a significant amount of time connecting to data sources and preparing data for analysis rather than doing the analysis.

Common Spreadsheet Issues
Productivity harmed by errors and inconsistencies

Encounter "dueling spreadsheets" — 45%
Find data errors — 35%
Find out-of-date information — 34%

Source: Ventana Research
Spreadsheets in the Enterprise Benchmark Research
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Deliver Business Value Across the Organization

To enable executives and managers to make better decisions more consistently and thus deliver business value, analysts must have technology that enables them to easily perform key tasks essential to operational and financial planning processes.

- <u>Flexibly model, record, analyze and report on data in multiple dimensions.</u> Desktop spreadsheets are two-dimensional grids, but business data exists in multiple dimensions, such as products, customers, location, currency and time. Going beyond two dimensions—as is possible with Microsoft Power BI—makes it easier to organize, analyze and report on data. This allows people to explore what-if scenarios, contribute their portion of a plan or forecast, or enter metrics that combine with driver-based formulas to aggregate up to an organization-wide view and provide real-time insights for leadership.

- <u>Encourage autonomy using self-service technology.</u> Business analysts once had to rely on skilled IT staff to move data from one source to another and build or adjust models, and this was a barrier to reducing reliance on desktop spreadsheets. New modeling and planning tools using Microsoft Power BI can provide the power of sophisticated analytical tools without requiring advanced IT skills, enabling users to be more efficient and focus on what they really need to do: analyze, plan and advise.

- <u>Automatically consolidate data from multiple contributors.</u> Analysts frequently combine data from multiple spreadsheets such as actuals and forecast submissions or the output from several systems, but must spend valuable time manually rolling these up. Modern business intelligence tools like Power BI eliminate the need for manual data consolidation and provide the same flexibility in modeling as a spreadsheet, while also being built on an analytical database structure.

- <u>Automate the movement of data from one or multiple enterprise systems.</u> Spreadsheets often serve as data connectors, taking output from multiple systems through reports for further analysis and reporting. Tools based on Power BI can automate these data connection processes, again saving time for business users and increasing their confidence in the data they are using.

- <u>Operate in real-time.</u> Being able to work in multiple dimensions with up-to-the-minute data from multiple sources that are immediately consolidated provides the organization with real-time insights. Connecting individuals for commentary and collaboration with real-time data and insights enables decision making in the moment, putting an end to "I'll get back to you with the answer later."

- <u>Immediately update reports with detailed formatting and visualizations intact.</u> Putting the finishing touches on spreadsheet reports can be time-consuming when they require updated formatting due to new planning data from other analytics sources. Updating the data in existing reports without breaking formatting helps to keep resources focused on higher value activities.

- <u>Establish a single authoritative data source for analysis, planning and reporting.</u> Combat the "dueling spreadsheets" reported by nearly one-half (45%) of participants in our research. Move to a single source of data and enable collaboration using models and analytics that address a wider range of planning requirements.

Enhanced Planning Use Cases

Modern technology makes it easier for business and financial analysts to harness Microsoft Power BI to save time and improve the scope, visual appeal and quality of the data, analytics and planning work they perform. Common use cases demonstrate key benefits.

Enable Up-to-Date Operational Planning

Analysts in operational and finance roles have the versatility to create and work with a wide range of business plans that model, for example, unit demand, optimal inventories, supply chain lags, headcount requirements and financial statements. Analysts can create and define their own planning formulas and then easily reuse them in modeling to save time and ensure consistency and accuracy. Goal-seeking avoids the time-consuming hunt-and-peck style of iterative planning cycles, and because the data used are sourced directly from enterprise systems such as ERP, this data is immediately incorporated for analysis and reporting. Models can show row and column data along with a balance of static and dynamic data that immediately update with every change in the forecast, plan and actual information. The ability to work with multiple dimensions simplifies the integration of operational and financial planning. For example, sales managers can submit forecasts that automatically push updates to demand projections, inventory needs or supply chain planning.

Automatically Engage with Relevant Planning Environments

When opening a planning environment, analysts can immediately start using up-to-the minute data without having to spend time downloading and manipulating it. Business analysts can provide managers with self-service analytical reports that allow them to review and explore the latest information across enterprise systems and that can also support a wide range planning uses across finance, operations, sales, workforce, marketing and supply chain.

Create Data Stores Without Overburdening IT

Those analysts with the appropriate skills can create data stores designed to address their business requirements without needing IT involvement. They can create data store versions on the fly that integrate with existing role-based security, which simultaneously respects, adheres to and unburdens IT. Business users across the organization then work with the same authoritative, up-to-date data set that can scale to larger enterprise requirements.

Streamline Financial and Operational Reporting

Reporting tools must be flexible, comprehensive and easy to use. Row and column definitions, layouts and style elements can be defined and controlled and then reused in any combination. This supports a consistent look and feel while eliminating the need to rebuild or reformat reports, giving back more time for value-added analysis.

Boost Productivity for Effective Planning

Access to technology for effective business planning is no longer limited by size of organization or system investment. Organizations can apply their Excel skills to enhance modeling, analytics and continuous planning without relying on a dedicated IT integration and support strategy. This technology enables business users—not just finance—to collaborate and streamline planning processes across the organization to boost their productivity and effectiveness. Building upon products like Microsoft Power BI supports a powerful approach for analysts and a practical approach for novices, thus allowing organizations to harness investments in technology and employee skill sets while simultaneously developing a modern, future-ready analytics and planning strategy. Organizations with current or planned investments in Power BI should consider it as a platform for improving productivity, agility and collaboration in planning and decision making. The opportunity today for organizations is to harness Power BI in ways that exceed original expectations.

Learn More

To learn how y**ou can extend your Power BI investment** to support **data input** or **collection, commentary**, or forecasting and **planning** with **real-time write-back**, visit **www.PowerOnBI.com**

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