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Creating Value Together

Planning [as we know it] is Dead

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FOREWORD

Planning 'as we know it' is dead. After a golden age of relative stability, plans made in the heady days of a pre-Covid economy have been torn up and sent back to the drawing board.

The only constant now is change, but from that challenge comes opportunity.

Finance professionals are perfectly placed to support their business partners as the organisation navigates a rapidly changing world. The Financial Planning and Analysis 'FP&A' function has the skills and tools to plan for change and enable rapid and agile repositioning when it's needed.

In this eBook we're going to look at the history of planning, the drivers of traditional planning behaviour, and the key elements that help businesses to reach their goals. We'll examine how traditional budgets shape up against rolling forecasts and agile planning techniques, and start to define the new paradigm for planning that combines best practice and organisational expectations to deliver business-critical decision support in these unpredictable times.

At the Business Partnering Institute, business partnering is at the core of everything we do. Planning for agile responses to continuous and rapid change is a significant part of successful business partnering. We are sharing our learnings and the experiences of finance professionals in planning for the next normal, in the hope that these can help others to make a start in business partnering and, ultimately, to play a part in growing and shaping the future of this burgeoning field.

In the spirit of business partnering more generally, we have written this eBook in a way that we hope creates real value for anyone who reads it. It's an exciting time for the Finance Function and for business partnering - a time of flux, but also one of rapid advances. At BPI, we are pleased to be your guide.

Anders Liu-Lindberg
Business Partnering Institute

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PLANNING AS WE KNOW IT IS DEAD… LONG LIVE… WHAT?

We've all been there. The long hours of information gathering, moulding data into measurable KPIs and forecasting performance for the coming quarter, year, or even three and five year plans.

The constant revisions that have to be factored in from stakeholders with different agendas and motivations. The relief of signoff.

Then the reporting cycle begins, and at every period end the inevitable variances come under scrutiny. We spend countless hours discussing why real life has diverged from the predictions set in stone by the Board, and how to force operations back into line to satisfy stakeholders and markets.

The finance function's crystal ball is cloudy, we explain. The predictions made during the budget cycle cannot be perfect, and become less and less accurate as the time between planning and performance increases.

By the time you reach the extreme reaches of the five year plan, many of the headlines in the signed off forecasts will be largely educated guesswork, and susceptible to major changes in the operating environment.

There have been many strategies over the years to develop new and more useful ways of planning. Contenders have included everything from activity based costing to rolling forecasts, each with their advantages and drawbacks.

But what could we do, and indeed what should we do, instead?

PLANNING IN THE AGE OF THE 'NEXT NORMAL'

The planners and forecasters who set out to predict the future from around 2015 onwards had a nasty surprise in early 2020 with the advent of the pandemic.

Five year plans were suddenly cast to the four winds. Investors who might have requested a 'hockey stick' performance as new products reached maturity found themselves with anything but the return they expected. Markets were thrown into confusion, the existing crystal balls useless to predict performance.

Welcome to the 'Next Normal.'

The last two years have taught the finance function to be an agile partner to the business. We have had to think on our feet, gathering and interpreting real-time data for effective decision making. Where the business needed to pivot to survive and thrive, finance has been there to light the way.

Whither planning in the age of the Next Normal? It has become evident that traditional budget cycles cannot help us in times of rapid change. What is certain is that we can expect more disruption in the future. As the environment in which a business operates shifts and changes, so must finance change the planning paradigm.

LONG LIVE... WHAT?

In this eBook, we'll look at the history of planning. How did we get to where we are today? What were the drivers of traditional planning behaviour, and what are the key elements that we can take into the Next Normal?

Next, we'll review some of the contenders for the planning crown. How do traditional budgets shape up against rolling forecasts and agile planning techniques? What are the pros and cons of each for finance and for the wider business?

From these we can start to define the new paradigm for planning, and find the right planning approach for effective business partnering in the Next Normal.

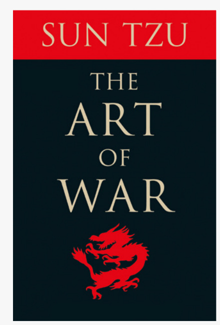
How do you approach planning in your business?
Planning as we know it is dead? Long live... well let's see!

A HISTORY OF PLANNING.
HOW DID WE GET HERE?

Every organisation must have a goal, a raison d'être. It is the role of Financial Planning and Analysis to express the steps towards that goal in specific, measurable, achievable, realistic and timely fashion, to measure success, and to apply data-driven insights to constantly refine the plan and keep the goal in sight.

In simple terms, if the aim is to reach a particular position in the market, finance helps to identify the path towards it, and refines the route as the structure of the business changes over time, and the external operating environment throws up barriers and opportunities.

Planning to reach a business goal is not dissimilar to planning for a military goal.



Sun Tzu's Art of War

It's hardly surprising that Sun Tzu's Art of War lurks on many corporate bookshelves. Those who argue that military planning is purely a zero-sum game miss the underlying detail that makes the discipline relevant to corporate strategy.

Sun Tzu's nuanced guide uses basic concepts that resonate with modern enterprises:

- Planning is the basis for success.
- Character may be interpreted as dealing with honour and showing flexibility in decision making.
- A strategic leader uses the advantages they have and establishes strong alliances and partnerships.
- There is no place for self deception; they understand the strengths and weaknesses of both their own enterprise and their competitors.
- Sun Tzu's discussions on 'Use of Spies' cover the value of data, and he also emphasises the importance of communication.

The parallels with corporate planning could not be clearer.

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PLANNING AS A CORPORATE DISCIPLINE

Almost two and a half millennia after Sun Tzu laid out his guide for strategic military success, the industrial revolution brought us the concept of commercial enterprise.

The first companies were registered in different countries around the mid-1800s, and with the arrival of shareholders came the need to define a goal, plan to reach it, and report on the results.

As corporate machinery evolved and expanded, so did the structure of planning, bringing us to the formal budgeting cycle that we know and, maybe, love. Business goals are broken down into steps, time horizons defined, and performance indicators for the short, medium and long-term are put into place. Projections and the actions needed to achieve them become the immediate strategy. A feedback cycle delivers the real-world data and compares performance to the plan, and the whole thing begins again, an endless loop.

The shortcoming of traditional planning leaps from the pages of Sun Tzu. Flexibility in the face of change has become increasingly important as business environments alter at speed. The past two years alone have thrown up extraordinary challenges, and continue to do so. But what is the alternative? How can we move beyond budgeting and embrace an agile, strategic mindset?

BEYOND PLANNING [BUDGETING] AND WHY IT DIDN'T WORK

How can the finance function move beyond budgeting? We started this series with a controversial concept: Planning as we know it is dead. What we see from history is that planning [budgeting] is just one part of a successful strategic campaign.

What has been your experience of becoming truly agile and responsive, and creating strategic value?

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The endless loop of traditional planning & budgeting

A REVIEW OF THE CONTENDERS FOR THE PLANNING CROWN

Planning may not, after all, be dead. We know that it is the foundation of corporate strategy. It is the original map drawn up to reach the goals set by the enterprise, the reference document to ensure that progress is made.

We also know that it cannot guarantee success in isolation. Agility and flexibility are vital ingredients, alongside a strategic mindset that takes account of the operational environment.

What planning techniques can be harnessed to deliver the detailed roadmap and reference document, while enabling an agile response and giving the organisation a chance to pivot when the need arises?

There are a handful of contenders.

- **Traditional budgets** are still the preferred planning method in most organisations, familiar to everyone and loved and loathed in equal measure.
- **Rolling forecasts** have gained traction in the past twenty years or so, an attempt to bring agility into the budgeting mix, but there are drawbacks.
- **Driver-based planning** brings a different perspective to the process, breaking down the activities and resources of the enterprise and expressing each element in financial terms as the plan is constructed.

Let's have a look at each of them.

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THE CONTENDERS

The vast majority of companies are still using traditional budgets, first employed almost two hundred years ago.

1. **Traditional Budgeting**
2. **Rolling Forecasts**
3. **Driver-based Forecasting**

1

Budgeting is a vast and complex task that reflects the organisation it serves. It can take months to finalise the budget, going through all the internal processes to reach something approximating to a roadmap for the year, three years, five years or beyond.

The advantage of a budget is its familiarity. Everyone has some understanding of what the budget does and what it means to them, whether it's their guide to what is expected or the benchmark against which their performance is judged.

> **Unfortunately for the finance function, the time and effort expended on budgets often detracts from value-added activity and effective business partnering.**

Budgets still need to be flexed through the year for effective performance management, especially as, after a long preparation cycle in a rapidly changing world, even Month 1 may be out of date when it's implemented - let alone Month 12 and beyond.

2 **Rolling forecasts** evolved to try and solve this problem. The intention was to respond rapidly to a changing environment, to take opportunities as they arose and build them into the plan.

The intentions are worthy, but a rolling forecast is in danger of becoming a never-ending budget cycle. If not properly managed, the finance function's commitment to constant forecasting can smother its value creation activities.

Processes reliant upon traditional budget cycles must also be updated to take account of rolling changes. One of the aspects that can be overlooked is performance management. People need to know on what criteria they are being judged, and regular changes can throw the incentive system into disarray.

3 The third contender, **driver-based forecasting**, looks at planning from a whole new angle. The budget cycle is still vital. Performance can still be benchmarked. But the agility that is required can be achieved at a granular level, adjusting for changes in resources and activities. It's not an easy process to set up, as it requires a thorough understanding of the value added effect of each driver.

It can be counter-intuitive and time consuming, but provides a worthy tool for scenario analysis and agile responsiveness lacking in traditional budgeting or rolling forecasts.

MOVING TOWARDS A NEW PARADIGM

All three of the main contenders for the planning crown have their pros and cons. None are perfect, but each brings something valuable to the table.

How can we harness the best of each approach and develop a new paradigm for planning?

ENTER THE NEW PARADIGM FOR PLANNING

**Step back in time to the military strategy of Sun Tzu.
The lessons for corporate strategy are laid bare for all to see.**

Unfortunately, true strategic thinking has become secondary to the act of planning, the hype of transformation, and management of siloed projects.

In the worst cases, we have seen organisations so driven by projects, not strategy, that they are unable to react to new opportunities or changes in the operating environment until their project has been completed, commissioned, then scrapped.

Planning is the foundation of corporate strategy, and planning itself begins with making the right strategic choices. It has to be an organisation-wide process, not hidden away in the finance function, with full engagement and understanding from each seat at the decision making table.

Our new paradigm for planning considers the whole organisation and its strategic needs. The methodologies will differ according to the business, not in line with the latest fashions, and need to be refined to ensure that planning is a value added activity in itself.

FINANCE AS A DRIVER OF STRATEGY

The CFO's seat at the table has never been more important. Planning in the 'next normal' becomes not a drain on value creation, but an opportunity for effective business partnering.

The importance of strategic thinking must be cascaded into the organisation, taking the focus from the planning framework to what it is intended to deliver.

Staying in the comfort zone of traditional budgeting is unlikely to be an effective planning strategy in our rapidly changing, 'next normal' world. The purpose of a budget, its application in operations, has to be revisited. For example, if it is used as a tool for performance management and incentive structures, then this is one of the strategic drivers of planning.

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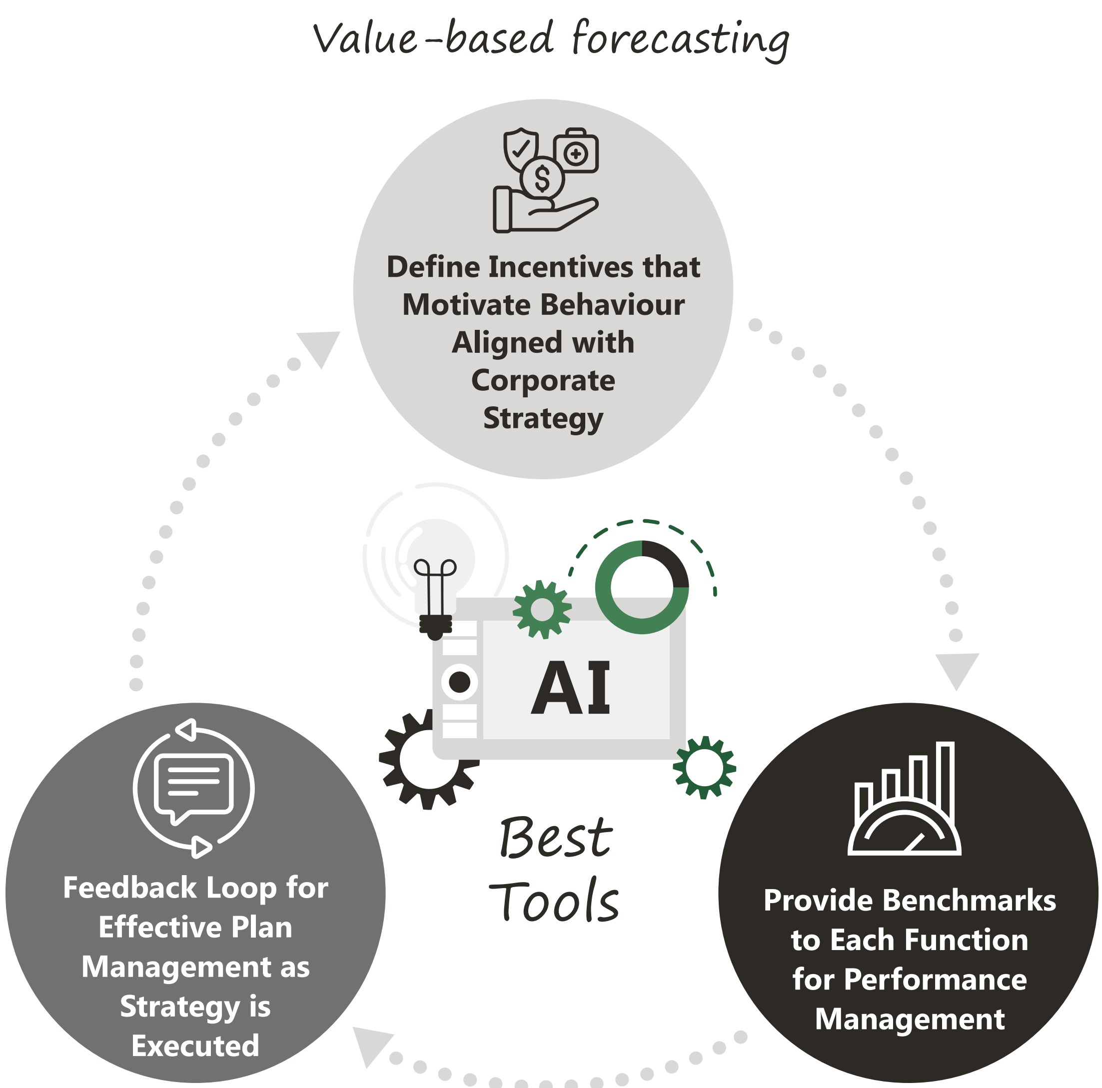
FP&A steps up to help define the incentives that will motivate the right behaviours to align with corporate strategy. They can then define the benchmarks to be set in the corporate planning process that will give their peers an effective tool for performance management.

This process can be replicated across every function of the organisation. Resource management can be addressed with techniques from driver-based forecasting, enabling granular sensitivity analysis and an agile response to changes in the operating environment. A tailored planning approach for the organisation provides the foundations of a successful strategy.



FP&A IN THE NEXT NORMAL

The traditional budget cycle remains relevant when taking a strategic approach to planning, but we have reached another watershed in its history, a paradigm shift for the next normal.

Planning is nothing without an effective feedback loop to analyse, refine, and recast where necessary.

FP&A is responsible for designing the feedback loop, and here choices need to be made too. What is the most effective way of managing the plan as strategy is executed? We need to consider the best use of resources to deliver value to the business, rather than the finance silo. We have to identify the best tools available to us, from process automation to artificial intelligence, in order to deliver on the promise of effective strategic planning.

What does your organisation need to form a new paradigm for planning?

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A PLANNING APPROACH FIT FOR THE NEXT NORMAL

Where does the new paradigm for planning take us?

We have learned the lessons of the Art of War and understand the holistic journey towards our corporate goals. We need planning, good data, flexibility in decision making, communication skills, and an understanding of our strengths and weaknesses and those of our competitors and our partners.

- **Synthesising information**
- **Thinking strategically**
- **Generating insight**
- **Enabling better real-world outcomes**

We have examined different trends and preferences for planning, from traditional budgeting through rolling forecasts to the deep detail and nuance of activity based costing and drivers of value. From these we can draw out three common threads, three pillars of a planning approach fit for the next normal.

Planning in all its forms relies upon historic records, real time strategic tracking, and predictive analytics. Whatever approach we take to planning, we must know where we have been, where we want to go, and how we can get there.

Let's look at these in more detail.

THE THREE PILLARS OF PLANNING

In actuals we trust. Our historic records show us what has been achieved with which resources in the past.

From these we can create trends of past performance to prove whether we have the capabilities for executing our future choices. There is, however, an important caveat. Data collection, the gathering of those historic records, must be well structured and granular to reveal accurate trends, reduce bias, and enable agile and flexible decision making.

1. Consider this when compiling your **historic records, the first pillar of planning**. What makes your strategy a good strategy? Identify the key assumptions that would have to be true in order to follow an achievable path to success. What are the critical data points for growth that have to be tracked over the noise of the day to day running of the business?

2. Build a real time tracking regime around those key assumptions. Whenever reality moves too far away from the assumptions it should trigger an action planning conversation. **Real time strategic tracking is the second pillar of planning**, helping you to react with agility to changes in the operating environment.

3. **The third pillar is predictive analytics**. Whatever people sometimes think, a crystal ball is not part of FP&A's essential equipment. Take advantage of the advances in technology and let the machine take the strain.

The three pillars of planning

1 Historic Records
Proving that we have the capability to execute future choices

2 Real-time Strategic Thinking
Reacting with agility to changes in the operational environment choices

3 Predictive Analytics
Track performance vs current conditions and action plan to close gaps

Cross-functional data gathering and interpretation
Clear understanding of the corporate strategy
Harnessing new technologies

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If you've been diligent in collecting structured, disaggregated, granular data on past performance and current conditions, machine learning and AI can support you with the best possible predictions. If too big of a gap emerges between these and your strategic expectations, this should also trigger an action planning conversation to close the gap and challenge your strategic thinking.

How can you establish these three pillars of planning in your company?

IMPLEMENTING THE THREE PILLARS OF PLANNING

Developing your planning approach for the next normal relies on cross-functional cooperation for data gathering and interpretation, clear thinking on the key assumptions of corporate strategy, and harnessing new technologies to support and enhance FP&A delivery.

We need to break through the cultural norms of long budget cycles and heavy paperwork to focus on strategy and flexibility. Resources should not be entirely focused on the five-year plan and iterative forecasts, but instead freed to manage real-time strategic tracking and agile action planning, and to gather data for future decision making.

This is a planning approach fit for the next normal.
Where will it take you, and how will you implement it?

FP&A PERSPECTIVES FROM THE FRONTLINE

We live in the world of the Next Normal where unimaginable changes are coming at us at breathtaking speeds. Doing things like we used to do seems to be out of the question.

That also goes for financial planning and analysis.

Doing a 12-month budget that takes three-five months to produce just seems silly. Why? Because already two Next Normals might have passed in the period it takes to produce the budget!

BPI spent half a day with some of the leading companies in financial planning and analysis. They have all experienced the pandemic, the supply chain crisis, the sky-high inflation, and latest the war in Ukraine. We couldn't think of anyone better to ask how they are dealing with the Next Normal world.

We specifically asked them what they have learned about financial planning and analysis in the past years and how it has changed the way they approach their standard practices on planning. Here we share the answers, and we hope they can inspire you to make some much-needed changes too!

More frequently and faster

You've all heard buzzwords like agile, xP&A, and beyond budgeting but when it comes to reality the answer to dealing with the Next Normal is much simpler. Companies simply responded by doing things more frequently and faster.

If they used to do quarterly planning, they now did monthly. If they were used to monthly, they changed it to weekly. And they also started to run the processes faster. Seems obvious since you need to run it more frequently. However, you can argue if they could run them faster due to better processes or simply working more. Likely it's a combination of both.

However, it's fair to ask how in reality they made this happen. Couldn't be with unchanged processes, right? It wasn't but again the answer was simple. They asked for fewer details and they rather did their planning top-down than bottom-up. To be frequent and faster they gave in to the need for details.

And it seems like an obvious choice because what's the point of forecasting details when you know you're not going to be anywhere close to accurate. Even if you only did a high-level forecast, you'd most likely be quite wrong but better to be roughly right than accurately wrong as one of the companies mentioned using a very popular phrase in the FP&A world.

> *"Better to be roughly right than accurately wrong"*

Planning for the Next Normal

What we heard during this meeting very much aligns with our way of thinking. When planning for the Next Normal we must do something differently. Otherwise, everything breaks down and we don't get any planning we can rely on anyway.

We need a new driver-based approach. Here you will employ top-down forecasting and shift the dialogue from what the number should be to how we can realize [or even beat] the number. It's the only way to give management a reasonable view of expected future performance in a fast-changing world.

What changed in your FP&A processes in the last few years. Did you also go fast and frequent or did you stick with your processes? And are you taking a bottom-up or top-down approach?

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CAN WE TRUST THE MACHINE FOR FINANCIAL PLANNING AND ANALYSIS?

Ask yourself how to make things happen, not whether they are possible. Because anything is possible today at least when it comes to using technology in FP&A.

However, we're yet to see a technology revolution, and whereas 60%+ of transactional finance processes are now automated the rate of automation is much less in FP&A. This is also the simple driver of spending up to 70% of our time on data, reporting, and analysis.

However, one thing is for the machine to predict the future yet it's another for trusting it to lock in your bonus target. And companies still have bonuses. Some may have switched to more aggregate bonus schemes while a leading few have completely skipped them. And while skipping them may sound crazy you'll be hard-pressed to find studies that show a high correlation between bonus schemes and performance.

Still, most companies use bonuses and as an individual, you feel you have a need to be in control of the number you're being measured on. This seems like a natural need, and it certainly also was a theme when we got together with leading companies in the FP&A space to talk about FP&A practices fit for the Next Normal. Let's discuss some of the issues involved in trusting the machine.

Should we trust the machines?

It's a complex question obviously that goes beyond the pure technicalities of producing the numbers.

You can easily point to moral and ethical dilemmas. However, we're simple and practical people so we'll skip the philosophical question for another day.

Instead, let's focus on what we know. Leading companies are today using machine learning to produce forecasts that are more accurate than what they ever got bottom-up from the human hand. This is a fact. And they're much more efficient doing it this way too!

And this should not come as a surprise to us. Why? Because machines are not biased. They are not sandbagging. And they're certainly not playing politics. They provide an objective view of what future performance will be given everything we know at a certain point in time. That doesn't mean we cannot change that of course through the actions we take but all things equal this is the most accurate view on future performance.

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We CAN trust the machine. The question is if we want to?

Seen from our perspective it comes down to accountability. Can we be accountable for delivering a number that we've had no control over in any way? Most people would probably say no. However, it's likely due to being rooted in old processes and beliefs rather than being a logical assumption for how things work today and in the future.

We cannot answer this question for you, but we could challenge you and say 'why not'. Wouldn't it be time better spent to focus on how to improve performance the most rather than on how to have the most negotiated... excuse us, accurate number? Let's instead talk shop and focus on moving forward the business. That is guaranteed to create more value than discussing what the number should be.

It's a huge mindset change to start trusting the machine and leaving your compensation in its hands. However, the alternative is simply to deliver worse performance. Feel free to challenge us on this notion but we're willing to promise that it will lead to better performance in the long run if you let the machine do the predictions.

Are you ready to make the shift?

First you need to build a model that works of course. That will take time as you'll need to train it and it will need to compete against your current practices to convince people that it's more accurate.

Once you've done the overall testing you can try to have two parts of the business run on different models. One uses the old bottom-up budget model and the other goes by the machine predictions without much challenge.

We wouldn't be surprised at all if the machine-driven part of the organization performs the best. Of course, the humans might get lucky and win round one. Play ten rounds though and the machine will win out! We strongly advocate starting trusting the machine today. Then you can stop sandbagging and play politics while not letting your own biases get in the way. What's not to like?

How much do you use machine predictions in your organization, and would you be willing to completely let go of the control of the forecast? If not, what's stopping you and what do you think is the best way to optimize performance across the company?

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PLANNING IN THE REAL WORLD

How are companies currently managing planning, particularly in such a volatile business environment as we have experience in the last two years?

We spoke to *Tom Seegmiller*, VP of FP&A at Vena. Vena's Complete Planning and Analysis platform drives agile, business-wide planning, resilience and growth, and we were keen to understand the current state of play.

How would you describe the current state of planning in companies?

> *"Planning is constantly evolving at this point in time," says Tom. "It is in a state of flux. Since the pandemic hit, you have two different camps: Companies that have chosen to evolve, adapt and understand that the environment they are operating in is different, and those that have failed to make the changes."*

Change is not easy but it pays off. It involves a constant assessment and overhauling of people, process and technology. "*Those that have chosen to take a good hard look at their organisations and ask, how do we get ready for what the new future is going to look like, are probably even getting to the point where they're thriving compared to where they were at before,*" says Tom. "Those that haven't are probably struggling at this point and failing to keep up."

We are in a period of change in our general, political and macroeconomic environment. Inflation is raging after 20 years of stability, and the war in Ukraine is resulting in supply chain challenges. "*It's not like we're exiting COVID and coming into a calm time that's downright predictable,*" says Tom. "*It's just change, change, change. We maybe need to acknowledge this might be our new norm, at least for the midterm, which I would define as the next three to five years, if not permanently. Who knows what the future will hold, ultimately, but I think the last two years have told us to be prepared for change.*"

Which planning methodology do you consider the best in reacting to this new era of change, and why?

> *"I would say agile planning, leveraging a driver-based methodology," says Tom. "When the only constant is change, it really begs the question, do you want to be tied down to a budget that is set once per year?"*

There are still valid reasons to undertake the annual planning or budgeting process, for example to set expectations with investors, board members and executives, but as you fast forward into the year you want to act in an agile fashion and adapt to what's happening in as close to real time as possible.

How often is practical? "*That's probably quarterly updates, being realistic," says Tom. "You don't want to have knee jerk reactions every day or week. But you do want to monitor over a relatively short period of time, and then adapt for one of two things. Either risks that are prevailing in your business that you want to mitigate against, for example, if you're not achieving revenue targets, should you be trimming your expenses? Or alternatively, maybe there are extraordinary opportunities in the market that you weren't aware of when you planned, and it's time to capitalize on those opportunities. This is the real reason to constantly be focusing on rolling forecasts and agile planning. That annual budget that you set at the beginning of the year becomes dated and stale. When you kick off the year, you're really being asked, what is going to happen a year from today? And there's so many elements and factors that people sometimes can't predict what's going to happen in the next hour. So why would you think you're going to be right over the course of the next year?*"

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Why do you think most companies still use a budget as part of their planning?

"I think you still want an anchor point and the ability to set expectations," says Tom. *"If you operate without some form of target setting, it often throws people into disarray. And so you find it's a smaller group of folks working on agile planning to capitalise on additional opportunities or help to mitigate risk, but you're still going to report against that initial plan. So that people can see where we were able to capitalise on some opportunities, and the corresponding higher revenues, expenses and net income that justify taking a detour from the plan, but they have that anchor point, the North Star for the year, so they know where the company is going."*

How would you say the age of the "Next Normal" and constant change has impacted how companies plan today?

> *"Those that have continued to adapt are running rolling forecasts, operating in an agile fashion, and are probably doing scenario planning," says Tom. One of the benefits of doing scenario-based plans at the beginning of the year is exploring possible responses to positive or negative events.*

"When you're updating your rolling forecast and you see the triggers or levers or milestones that you had laid out in your scenario forecast, you already know which general direction you're going to head in. You've vetted it with your executive team, you've stress tested your ranges and the what if scenarios, making it easy to adapt." Tom estimates that there is a 50/50 mix between those that have just maintained an annual budget and those who have adapted to agile planning methodology to gain constant insights. There is a lesson to be learned.

"Pre-COVID we were in an economic boom, things were chugging along nicely. Nothing seemed to be getting in our way. It's easy to become complacent in those times, but that's probably the exact timeframe where things are good, and you have enough resources, and you aren't in crisis mode, to be thinking about how best practices should be evolving here."

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If you were to build a company's planning process/model from scratch, how would you do it?

"I actually really like this question," says Tom. *"I'd probably take all of the good things that are already happening in companies and bundle them together. When you think about the ecosystem of teams that work together - data analytics, teams, CPM functions, FP&A teams - I would bring them all under one roof. Those are all teams that are inherently joined, whether you're leading the planning process, helping with operational metrics and drivers, helping to enhance data and get greater analytics, or managing the corporate performance, it doesn't really matter. You're all operating in a similar realm, so bringing it under one roof gives better and more informed planning."*

> *"You've gotten more cohesion amongst these processes, you're thinking about both the upstream and downstream effects of data, you've probably got more consistent leveraging of technology, generating efficiency out of the process, and you've thought about it together collectively as one team, enhancing the insights.*

"On top of that, we're very lucky at Vena to have a planning platform with Excel at its core. A lot of companies kick off planning processes, and try to push new technology into the hands of folks. When I think about change management, and wanting contributors to have an extraordinary experience, I would think very carefully about not having them learn new technology and let them leverage what they know in a familiar Excel interface. I'm not thinking specifically about the operations team or the FP&A team, but rather the budget owners and business owners. If you can make the process as easy as possible for them, the likelihood that they're going to want to engage increases in leaps and bounds. It's really incumbent on us, as FP&A practitioners, to create greater buy-in and have fewer hurdles in terms of change management."

What tips do you have for companies to make their planning process more effective?

"This is an exercise in patience. I would start out with, where is the organisation going to be in five years? I try to think about our process evolution to get to where we would need to be in five years. As you shift out a year, you're still asking the same question, where should we be in five years? This is a constant evolution."

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"It can seem like a monumental task but I always try to break it out into baby steps. One little step at a time is very manageable. I love the saying. 'you need to eat the elephant one bite at a time.' You're not necessarily going to notice the progress on a daily basis. But if you reflect back, a quarter later, or six months, a year later, you're going to see the sum of all of the little steps added up to something meaningful on your journey towards planning excellence."

"But of course, after five years the organisation will have evolved. It's going to keep growing and scaling and morphing into something new. What you're targeting is planning excellence at the time, and being ready for that next state of evolution of the company. Be ready for it, and have the right mindset to keep pushing forward with a constant desire to evolve and improve as a team."

Lastly, what do you think will be the next big thing in planning i.e., use of AI or a whole new planning methodology?

"It's probably twofold. First, leveraging of AI. A lot of work is still done in a very manual and monotonous process and very small percentage of folks are actually leveraging AI and predictive analytics. There's a high interest level in doing so but not a lot of skill set or knowledge as to how to deploy it yet, but it's going to come. The other thing is self service and enablement of the business. When you think about wanting to improve upon planning, things like just simple dashboarding, or leveraging Power BI to share data and insights, the greater the chance you have that when you go out and engage with those budget owners, they know what they want to do next, because they have an even better understanding of past performance and what drove them to the current outcomes."

"The more people are in there and reviewing results, the better they understand those drivers, those metrics and the levers that you can pull within the business to change outcomes. They're better informed to plan for the future."

What is the ultimate watchword for planning in the 'Next Normal?' Adaptability in the face of constant change. "The world's changing so fast at this point, we just have to adapt and keep up with what's occurring."

How have you fared in this changing environment, and what tools and processes are you putting in place to thrive and survive?

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For over a decade, Vena has collaborated with Microsoft to empower the strategic office of finance and transform how businesses Plan To Grow™, creating the only native Excel Complete Planning platform built for Microsoft 365 with Power BI Embedded.

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Vena Complete Planning is a secure, easy-to-use and collaborative cloud-based CPM platform that:

- Automates key processes and synchronizes workflows with Excel
- Powers best-in-class and multidimensional modeling, AI-powered analysis and company-wide business intelligence that enables real-time data and collaboration capabilities
- Streamlines FP&A, extended planning and any complex, spreadsheet-powered business process
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"Vena gives us the freedom to envision what our own growth looks like. We don't have to fit into a 'box'—it's allowed us to get creative, answer the tough questions and really help the company succeed."
Kristina Bittorf, Sr. Manager Finance, Sprout Social

"It's really exciting because now our users are able to come forward and say, 'I have an idea.' They're getting way more in-depth with what they're working on. They have more time to learn. They have more time to analyze. They're more engaged. They're not as rushed. Vena has given us that time back!"
Christine Harms, Controller, Arizona Cardinals

"The information we generate is being used across the business to better understand results and to make better business decisions. Vena is probably the best professional decision that I've made in my career."
Matt Blickley, Vice President, FP&A, Coca-Cola Consolidated

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To enhance your impact as a business partner, you must develop new capabilities and a new way of working. It sounds simple but can be difficult to do in practice. Business partnering should considered a change project and a learning journey. We take your team on a learning journey to elevate their influence in your company through business partnering.

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Thomas Auerbach, VP Finance at Danfoss

"It was the best and most effective use of a consultant that I have experienced - combining deep finance expertise with change management and communication skills. The solution was of high quality, pragmatic and tailored to our needs"
SVP at Global Retailer

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