



HELP SHEET

# Choosing the Right Planning & Forecasting Tool

Top 8 Areas to Consider



The financial planning and forecasting process is a lengthy, burdensome annual occurrence for many organizations. Despite the importance of this process, planning and forecasting tools and software are often misunderstood and underutilized. While it is easy to be unsatisfied and frustrated with complex processes and tools, forward-looking organizations recognize that cross-departmental collaboration and planning provide significant opportunities to drive efficiency, provide necessary insights, and facilitate strategic business growth. If you are finally ready to upgrade from your existing BI tools—including an Excel-only muddle—there are several factors to consider in finding the right planning and forecasting tool for your business.

## 8 Key Considerations When Assessing a New Planning & Forecasting Tool:



## YOUR ORGANIZATION



1

### ▶ Business Model

Examine your current FP&A methods and tools—including your use of spreadsheets—and determine the capabilities needed to boost your existing processes and business model. **The right planning and forecasting tool will not only support existing processes, but also serve as a foundation for longer-term objectives—including the greater likelihood of business success.**



2

### ▶ Requirements for Planning & Forecasting or BI Tools

Organizations that are assessing planning and forecasting needs look at tools that provide all manner of modeling, planning, and financial reporting functions. The ideal tool would allow professionals to rely on a single, fully integrated financial process that incorporates and improves upon traditional capabilities.



3

### ▶ Organizational Planning Challenges

Though it is the world's most-used spreadsheet software, Excel has practically been declared “a disease that must be stamped out” by many business leaders. They know that spreadsheets and other single-tool methods encourage risky data errors and result in lost knowledge when pros leave. Financial planning and forecasting tools should incorporate spreadsheets, going beyond co-authoring and working dynamically with other end-user tools to facilitate true collaboration.



4

### ▶ People & Culture

Before purchasing a new system, align stakeholders within your organization around a common goal and create a process for utilizing the system across business functions. **Foster a culture of collaboration by choosing a solution rooted in data independence,** and one that will ensure synchronizing all data sets used by all users, reachable by their preferred front end (Excel, dashboards, or other products).





## YOUR NEW PLANNING & FORECASTING TOOL



### ► **Implementation Time**

**Choose a tool that meets the needs of professionals and complements your organization's existing infrastructure.** To identify how long implementation will take, you need to understand if the tool can integrate with your existing infrastructure. The longer it takes to implement a tool, the higher implementation and other associated costs become. To bypass this, consider choosing a cloud-based option that accommodates existing processes and tools.



### ► **Ad Hoc "Plan" Data Visualization Capabilities**

Historical data—what standard BI products show—alone cannot offer business leaders the information they need to proactively plan and take actions for better business outcomes. Collaborative tools that embrace forward-looking data and articulate visions with ad hoc visualizations will drive valuable insights and serve as a roadmap to the future. Without this flexibility, dashboards can only take leaders so far.



### ► **Accessible Data Analytics**

Data visualization is an important consideration, but more important is how the tool incorporates data analytics. Best-in-class planning and forecasting tools provide a range of analytics—including custom/user-created—and are adaptable to a variety of industries, enabling different methods of planning and forecasting.



### ► **Ease of Use**

**If an FP&A tool is unnecessarily complex or difficult for users to understand, it can make planning, analysis, and related tasks even more difficult.** This can result in the tool being underutilized within the organization. Robust financial planning and forecasting tools will provide a multitude of capabilities while remaining user-friendly. Consider how end-users interact with the tool and whether or not it makes tasks easier.

## The right planning and forecasting tool should:

- Drive collaboration between business functions
- Facilitate continuous planning and forecasting
- Provide complete data independence
- Feature relational, spreadsheet & dashboard transformational connectivity
- Ensure timeliness and reliability
- Enable end-user tool & collaboration transformational connectivity

# Transform Excel for True Financial Process Improvement

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## SOURCES

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- 2 [How to Choose the Right Demand Forecasting Software, Institute of Business Forecasting](#)
- 3 [3 Considerations For Selecting the Right Financial Forecasting Software, eCapital Advisors](#)
- 4 [The Importance of Planning and Forecasting in Business Intelligence, CFO University](#)
- 5 [Reasons Why Replacing Microsoft Excel Is Worth Money To A Boss, Forbes](#)