A Case for FP&A Transformation

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Learn from a seasoned CFO about the importance of evolving your tools and processes so your team can make the leap to a high-performing finance organization and keep pace with business change.

Hear Adaptive Insights founder Rob Hull discuss why now is the time for you to transform your FP&A practices.
The World is Changing

CFO Role is Evolving
CFOs Want Strategic Focus

CURRENT STATE

- 20% FINANCIAL PERFORMANCE
- 30% FINANCIAL REPORTING & CONTROL
- 50% FINANCIAL OPERATIONS

DESIRED STATE

- 50% FINANCIAL PERFORMANCE
- 30% FINANCIAL REPORTING & CONTROL
- 20% FINANCIAL OPERATIONS

Source: KPMG
Overview

Corporate Performance Management

PAST:
REPORT & COMPLY

PRESENT:
MEASURE AND OPTIMIZE

FUTURE:
PLAN & PREDICT

CPM FRAMEWORK

Source: Forrester's "Align Financial Processes And Systems For Better Business Value And Compliance"
Transforming: Tactical to Strategic

- Financial, Operational, Strategic
- Timely and Accurate Insight
- Continuous Forecasting
- Business Driver Focused
- Cross-Functional Collaboration
- Opportunity Identification
Typical Challenges to Success

- Lack of Resources to Focus
  - Solve Self-service and Automation First
- Organizational Resistance
  - Over Communicate to Stakeholders and IT
- Thinking Transformation is a One Time Event
  - Continually Evolve Journey

Source: CFO.com
What if your Team could?

Elevate the role of FP&A and become more strategic to the business

Spend **less time** on low value added tasks

Improve the **confidence and ownership** of the planning numbers

Deliver **insights and analysis**, with a single click
Adaptive Insights: The Leader in Cloud CPM

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<tr>
<th>CUSTOMERS</th>
<th>BIGGEST BRANDS: 350+ Large Enterprises</th>
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| 3,000+    | Coca-Cola, Boston Scientific, BlueCross BlueShield, Nikon, Arizona Cardinals, Y |}

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<tr>
<th>PARTNERS</th>
<th>HOTTEST COMPANIES: 20% of Deloitte Fast500</th>
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| 200+     | LinkedIn, Cloudera, MobileIron, FireEye, Zendesk |}

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<tr>
<th>EXPERIENCE</th>
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<td>Gartner, Forrester, Nucleus Research, bpm</td>
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Corporate Performance Management
Adaptive Products Address the Full Cycle

PAST: REPORT & COMPLY
- Account
- Consolidate
- Optimize
- Resolve
- Analyze

PRESENT: MEASURE AND OPTIMIZE
- Comply
- Plan and Strategize
- Forecast
- Budget
- Set Goals
- Measure
- Report
- Account
- Consolidate
- Optimize
- Resolve
- Analyze

FUTURE: PLAN & PREDICT
- ADAPTIVE PLANNING
- ADAPTIVE CONSOLIDATION
- ADAPTIVE DISCOVERY
- ADAPTIVE OFFICECONNECT

ADAPTIVE INTEGRATION
 Potential Benefit Metrics

INCREASED PRODUCTIVITY
- Faster planning and reporting cycles
- Reallocate time on value added planning and reporting tasks
- Increased productivity for business stakeholders

FASTER, HIGHER QUALITY INSIGHTS
- Faster more frequent data refreshes
- Enhanced trust and confidence in data (centralized/drill downs/comments)
- Intuitive more visual insights for business stakeholders

FINANCE AS A STRATEGIC PARTNER
- Support strategic initiatives like M&A, scenario analysis etc.
- Enhanced collaboration and decision support for business
- Enhanced engagement and accountability from the business

REDUCED COSTS AND INFLUENCE REVENUE
- Frequent more collaborative forecasts drive accuracy
- Reduced IT costs (lower SW licensing costs)
- Deeper insights, driving better decisions on costs and revenue
We cut our planning cycle from 4 months to days

Adaptive helped us become much more succinct in the way we use, present, and think about data. It’s central to how we run our daily business

The finance team can make quick recommendations to senior management about the profitability impact of any decision

“We are better able to manage expenses with Adaptive Insights. In the first year we saved $8 million

Source: Adaptive Insights Customer Quotes
## Proven Customer Success

<table>
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<tr>
<th>Boston Scientific</th>
<th>AVG. ANNUAL BENEFIT</th>
<th>ROI</th>
<th>PAYBACK</th>
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<td></td>
<td>$165k</td>
<td>299%</td>
<td>4.8 MONTHS</td>
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| GENTIVA®          | $915k               | 751%| 1.3 MONTHS |

| MONTCLAIR STATE UNIVERSITY | $115k       | 211% | 7.2 MONTHS |

| DocuSign®          | $269k               | 802%| 1.5 MONTHS |

Source: Nucleus Research

- ROI survey conducted by Nucleus Research
- Represents post implementation benefit realizations
Phased Roadmap
For Strategic Transformation

Enhance Planning
- Radical reduction in planning cycles
- Faster, accurate financial reporting
- Increased ease of use improves participation in the budgeting process
- Cloud-enabled “single version of the truth”

Optimize Finance
- Driver-based planning
- Flexible management reporting
- Operational KPIs exposed to business
- Increased business engagement and greater ownership of the numbers
- Integrate data from CRM, Billing, Proprietary DBs, etc.

Transform Performance
- Rolling forecasts (course corrections)
- Long-term planning
- Strategic scenarios
- Scenarios bring strategic insights
- Culture of analytics
- Visual insights and rich dashboards

Release FP&A Capacity
Planning Process is More Agile and Relevant
Elevated the Role of Finance to be more Strategic
Cloud startup in application management
1500+ customers
HQ in San Fran I Global Customer base

CHALLENGES

• Disconnected data stores, and Excel proliferation for planning and reporting was clearly not sustainable, given the growth aspirations
• Significant senior management time being spent on debating/validating numbers, rather than making decisions
• Finance needed to focus on strategic initiatives and operations

SOLUTION

• Deployed Adaptive Suite to reduce cycle times for annual planning cycles
• Planning focused on expenses, HC, recurring usage revenue and customer churn

BENEFITS

• Single source of truth reduced data debates and enhanced collaboration with business
• Finance delivering analytical support for strategic decisions like M&A
• Driving organization wide performance, by exposing dashboards with operational KPIs (customer, usage, churn etc.)

“With Adaptive Insights, it’s all in front of you in real time. It can be frustrating for a CFO if finance says one thing about a statistic or metric, while marketing says something different based on another data source. We now have one view of the truth, driven out of Adaptive.”
Enhance Planning
- Streamlined planning process
- Improved business participation
- Reduced Excel related error risk

Optimize Finance
- Quarterly rolling forecasts
- Initiated collaboration with business on KPIs
- Single source of truth

Transform Performance
- Long-term planning
- Finance supporting strategic decisions
- Standardized KPIs to manage performance

Milestones in Engine Yard’s Transformation Journey
CHALLENGES

• Few mature forecasting, budgeting, and reporting processes in place
• Huge variance in sales forecasts, that were driven by sales staff
• Company missed guidance estimates of net sales by 30%

SOLUTION

• Leveraged Adaptive as a repository to deliver insights and analysis
• Deployed 12 month rolling forecast process

BENEFITS

• Improved forecast accuracy to course correct earlier, and avoided wasteful manufacturing & distribution costs
• Achieved deeper visibility into COGS and margins by products
• Realized margin improvement of 5% across the company’s entire product portfolio

“We are better able to manage expenses with Adaptive Insights. In the first year we saved $8 million ”
Enhance Planning

Automated budgeting and planning process
Streamlined sales participation
Reduced data integrity issues

Optimize Finance

12 month rolling forecasts
Greater analytical support, what-if scenarios analysis to sales
Improved accuracy and ownership of the sales forecasts

Transform Performance

Dashboards for sales and executives
Finance is supporting all parts of business in a strategic manner
Integrating broader set of data sources and KPIs

Milestones in ZAGG’s Journey
245 million people reached each week | 454 owned-and-operated radio stations | 90 US media markets

**CHALLENGES**

- Cumulus quadrupled its revenue; however planning processes did not scale; Excel based budgeting was manual, error prone and in-flexible
- Reporting was cumbersome, accessibility challenges; majority of reporting at corporate delivered via email
- Significant IT costs associated with legacy reporting platform (Microsoft FRx)

**BENEFITS**

- Increased productivity; faster cycle times for budgets and reports
- Reduced IT infrastructure costs (FRx licensing)
- Increased collaboration with business stakeholders and enhanced analytical support
- Increased forecast accuracy, resulted in accurate guidance to the analysts

“Adaptive singularly changed the culture and focus of our company. We have 110 businesses across 30 states, collaboratively reviewing financial performance on daily basis. Adaptive has enabled accessibility, with accountability and unbelievably it has saved us money”

**SOLUTION**

- Automated annual budget; strengthened the sales forecasting process
- Enabled easy-to-use self-service reporting for growing user base
Milestones in Cumulus’s Journey

**Enhance Planning**
- Automated budgeting and accelerated reporting
- Improved business participation in planning
- Eliminated IT bottlenecks to access data quickly

**Optimize Finance**
- Developed a more intelligent and segmented budget
- Rolled out a weekly sales forecasting process
- Improved accuracy of data and ownership of the forecasts

**Transform Performance**
- Visibility into cost of different revenue streams, program investments and product profitability
- Stronger collaboration between finance and business, enhanced analytical support
- Self-service reporting by department heads and markets, driving better business decisions
3000+ Customers Across Verticals

Software
- NETSUITE
- AppTio
- SurveyMonkey
- linkedIn
- KAYAK
- Zendesk
- Hortonworks
- DocuSign

Manufacturing
- PHILIPS
- SIEMENS
- TOYOTA
- RIGID
- EMBRAER
- FUJITSU
- TOSHIBA
- YAMAHA
- Nikon
- SMP

Healthcare
- fallonhealth
- IntegraMed
- Blue Cross Blue Shield
- MAYO CLINIC
- A+ Cancer Care
- Corizon
- Laser Carle
- NASCO
- Gentiva
- Air Medical Group Holdings
- Lifeguard

Non-Profit
- University of Central Florida
- Stanford University
- Special Olympics
- Scouts USA
- Salvation Army
- Duke University

Consumer
- Coca-Cola
- 7-Eleven
- PAPYRUS
- Brookstone
- Ralph Lauren
- Specsavers
- Steve Madden
- Lucky Brand
- Sur La Table
- The Container Store
- Avis

Financial Services
- AGF
- Arizona First Bank
- Stewart
- International Medical Corps
- NCR
- Sterling Agee
- Harland Clarke
- Belco
- SierraPacific

Media
- Cumulus
- The Boston Globe
- Chicago Sun-Times
- The Printing Plant
- Oxenden
- Ziff Davis
- Wikimedia

Other
- Etihad Airways
- Arizona Cardinals
- Snap-On
- DHL
- Mustang
- USA Volleyball
- Jacksonville Jaguars
- Maple Leaf Sports Entertainment

Biggest brands & hottest companies
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