

SOFTWARE COMPANY FINDS THE RIGHT FIT WITH RSM AND WORKDAY ADAPTIVE PLANNING

Automated, scalable budgeting and people solutions now align with business growth

Key takeaways:

- The client now has a unified budgeting and reporting platform that can scale with growth
- The time needed to close the month and provide accurate and complete reporting is reduced
- Newly strong scenario planning capabilities demonstrate changes in customer needs
- A better perspective on staffing enables more flexible and effective employee initiatives

As a business changes and grows, managing critical company data becomes more complex. Manual solutions that were sufficient in the past are typically no longer effective. And when growth comes by acquisition, multiple information sources often become difficult to integrate. The decision of when to implement a new technology solution and take advantage of automation is pivotal to maintaining business momentum and sustaining growth.

Growth requires a change in approach

After years of business expansion, our client recognized it was time to change their financial and operational planning approach. The growing software-as-a-service (SaaS) company provides accounting and productivity application hosting for more than 10,000 accounting firms, 60,000 small businesses and 250,000 users and counting.

Management knew that more demands were on the horizon for company data and recognized they would need better tools to govern budgets and reporting—managed previously within spreadsheets. In addition, with the company growing through acquisition in some cases, data was very nuanced and challenging to unify in their existing format.

“We went through a period of growth where we had a bunch of different acquisitions, and we were essentially operating each one of the businesses in a separate Excel file,” said the client’s manager of financial planning and analysis. “It just got too cumbersome to try to budget and plan for each individual entity separately and then try to roll everything up into one unified budget. That was when we said, ‘Maybe a tool would be better.’”

The client initially brought in an implementation provider to implement Workday Adaptive Planning to automate and eliminate roughly 30 spreadsheets that managed data on revenue streams and human capital planning. While Workday Adaptive Planning was the right technology solution for the company, the implementation provider took a rigid “lift and shift” approach to integrating data into the platform that did not work for the complexity of the business. The company therefore began the search for a first-choice advisor.



RSM has a strong reputation for delivering effective Workday Adaptive Planning solutions. And following a selection process, company leadership chose the RSM team to continue the implementation.

"RSM was very collaborative," said the client. "We walked through what was in our Excel files, and we talked about what might make sense in Adaptive Planning and what we might be able to improve in the process. Having that relationship really stood out."

A more tailored implementation strategy

Instead of a standardized approach, RSM met with the client's stakeholders to discuss potential use cases and options that best fit the company's needs. With the flexibility of Workday Adaptive Planning, the company had many options for the finished product. And RSM came alongside to collaborate on the desired outcome. RSM's people, process and technology approach ensured that the team was considering the end-user perspective, identifying opportunities to make processes more efficient and streamlining the platform development.

"We were told that while the project plan indicated that it was near completion, the client team wanted us to treat this like a new implementation as if no work had been done by the other provider. Therefore, we came in and performed many foundational processes, including walking through the options available within Adaptive Planning and their pros and cons," said Megan Riley, RSM consulting director. "Instead of just setting up a form for putting data into the system, we have to think through how the data will be used, and how we can improve the data entry process."

RSM implemented Workday Adaptive Planning in a way that enabled the client to unify their data across various legal entities to ensure complete and accurate data aggregation. For example, several revenue streams were standardized and simplified within the system while maintaining important complexity such as acquisitions and retention drivers for subscriptions as well as product add-ons. This approach alleviated reliance on spreadsheets which the company anticipated would not be able to scale with their operations.

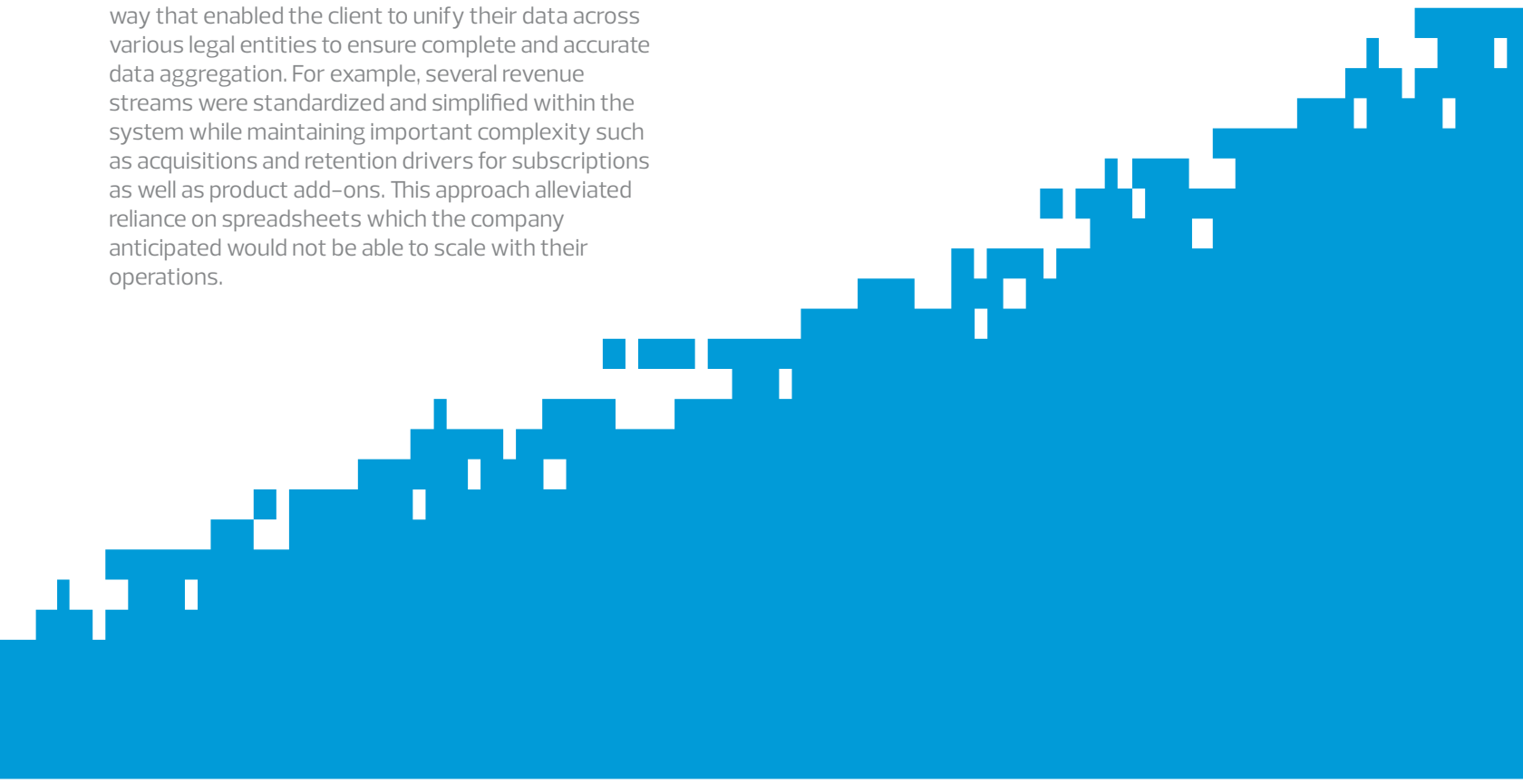
"We are always thinking through the future state of the business with them," said Kathleen Buelt, RSM consulting manager. "We are demonstrating the tangible, physical solutions that are possible and not just focusing on concepts. Our team has detailed what can be delivered and utilized with Workday Adaptive Planning, giving the client options while still enabling them to use the system practically. By balancing the art of the possible with a solution that is user-friendly and practical, the client can use this technology and processes to understand the now, the near future and their long-term outlook."

Greater efficiency and planning capacity

Ultimately, the client is in a much stronger position from a budgeting and forecasting perspective with Workday Adaptive Planning in place. The time between when the accounting department closes the month to when it is possible to access accurate and complete reporting has decreased. This in turn has increased the time available for analysis, decision making and planning as well as improving forecasting accuracy.

"We have many allocations because we have several different revenue segments, and we have to allocate our costs across them," said the client. "With the way we were able to build the model, it's pretty seamless in terms of how costs are now automatically allocated as we do the budget. In the past, we had to wait until we were completely done and then go back and allocate all the expenses, which was extremely time-consuming."

The company also has much more robust scenario planning requirements as it grows. Many of their products have add-ons, and RSM structured Workday Adaptive Planning to show how many and which add-ons could be expected as the various customer bases grow.



"Having everything in Adaptive Planning has allowed us to move quickly and effectively plan for different business scenarios," the client commented. "What if we do a 10% increase versus a 5% increase? Being able to quickly set up different scenarios by just changing a few things within Workday Adaptive Planning and then seeing what those changes could mean to our business has been huge."

More insight into key personnel processes

Finally, the most expensive asset for many organizations is their employees, and the client now has more effective tools in place to plan for their people. The company now has key metrics that accurately detail projected expenses by person. When a position needs to be filled, stakeholders can now gather more precise information and specific calculations, building an accurate plan in less time.

Most recently, the client has been aggressively growing their personnel count and needed a better mechanism to support multiple human capital initiatives. For instance, in a fluid staffing environment, budget managers needed the ability to analyze "trading positions" by hiring two associates, for example, instead of one manager.

The client also required a solution that enables a shift to a more scalable personnel planning approach by position counts rather than by person. With Workday Adaptive Planning, the organization can seamlessly make these transitions within the system and adjust reporting, which would be extremely difficult and time-consuming in a spreadsheet environment.

"When someone asks us for a particular custom report, we can now deliver it quickly," said the client. "In the past, it would have taken us a lot longer to gather all the data from various sources and then put it into a format that would be digestible for our end user. Now it's much faster, and I can just pull in the elements I need and generate a report."

An evolving solution

With the initial Workday Adaptive Planning implementation completed and adjustments ongoing, the client has successfully moved away from spreadsheets and is conducting their budgeting and planning processes within the system. The company is already investing in enhancements to build on their collaboration with RSM to further extend the platform's functionality.

Now with an automated, more standardized, scalable and consistent planning foundation in place, the client can make more confident decisions faster and focus on sustained growth.

"The process has been very smooth overall," said the client. "We now have a solution that can grow with the business, and we aren't in a situation where in two or three years we'll have to rework many different sheets. As we continue to add in layers, we can make additional improvements and make some of the formulas even easier."

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I really like the collaborative effort with RSM where it isn't just 'this is the solution; this is what you should do.' Instead, RSM always has a few recommendations. We walk through them, and then we collectively decide what makes the most sense for our model and where we think the company is going in the future.

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