



## *4-Step Guide: From Spreadsheets to Integrated BPM*

**How to Make the Leap from Spreadsheet Budgeting to a Business Performance Management System (BPM/CPM/EPM) for Budgeting, Planning, and Reporting**

# From Spreadsheets to BPM



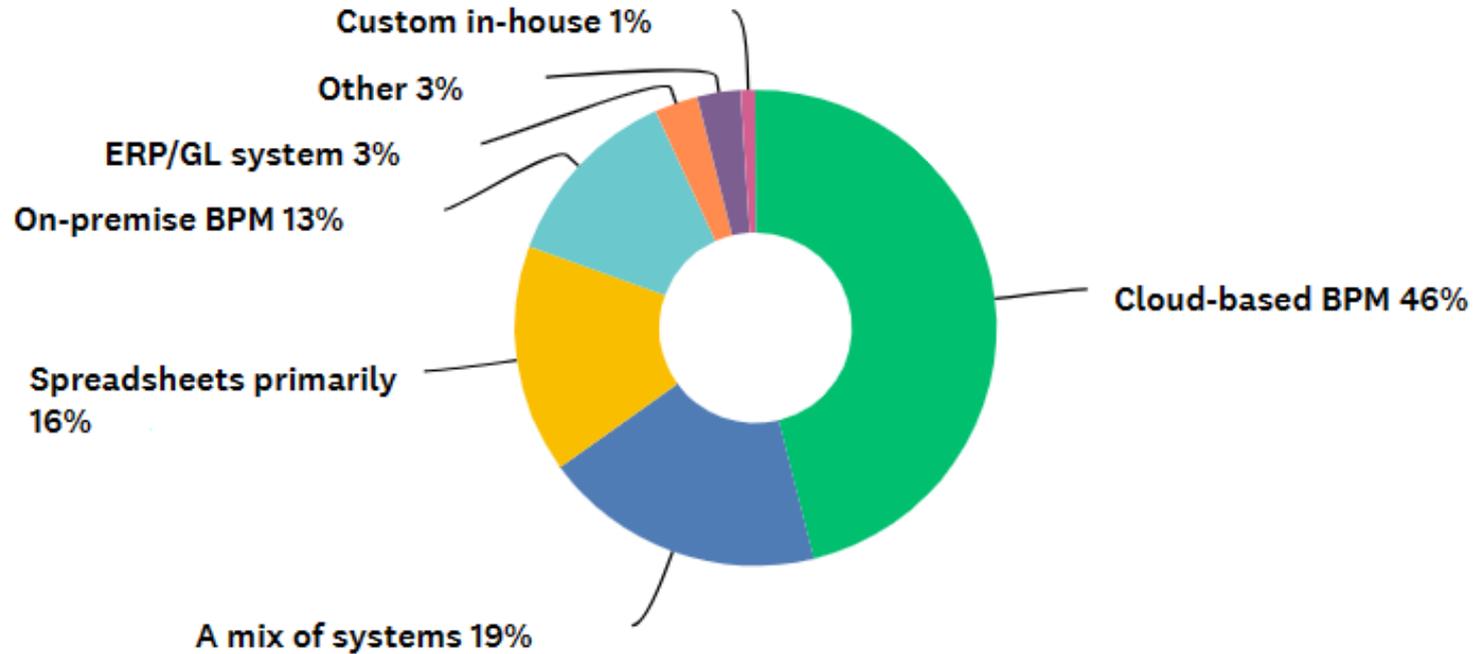
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# Why Make the Move?

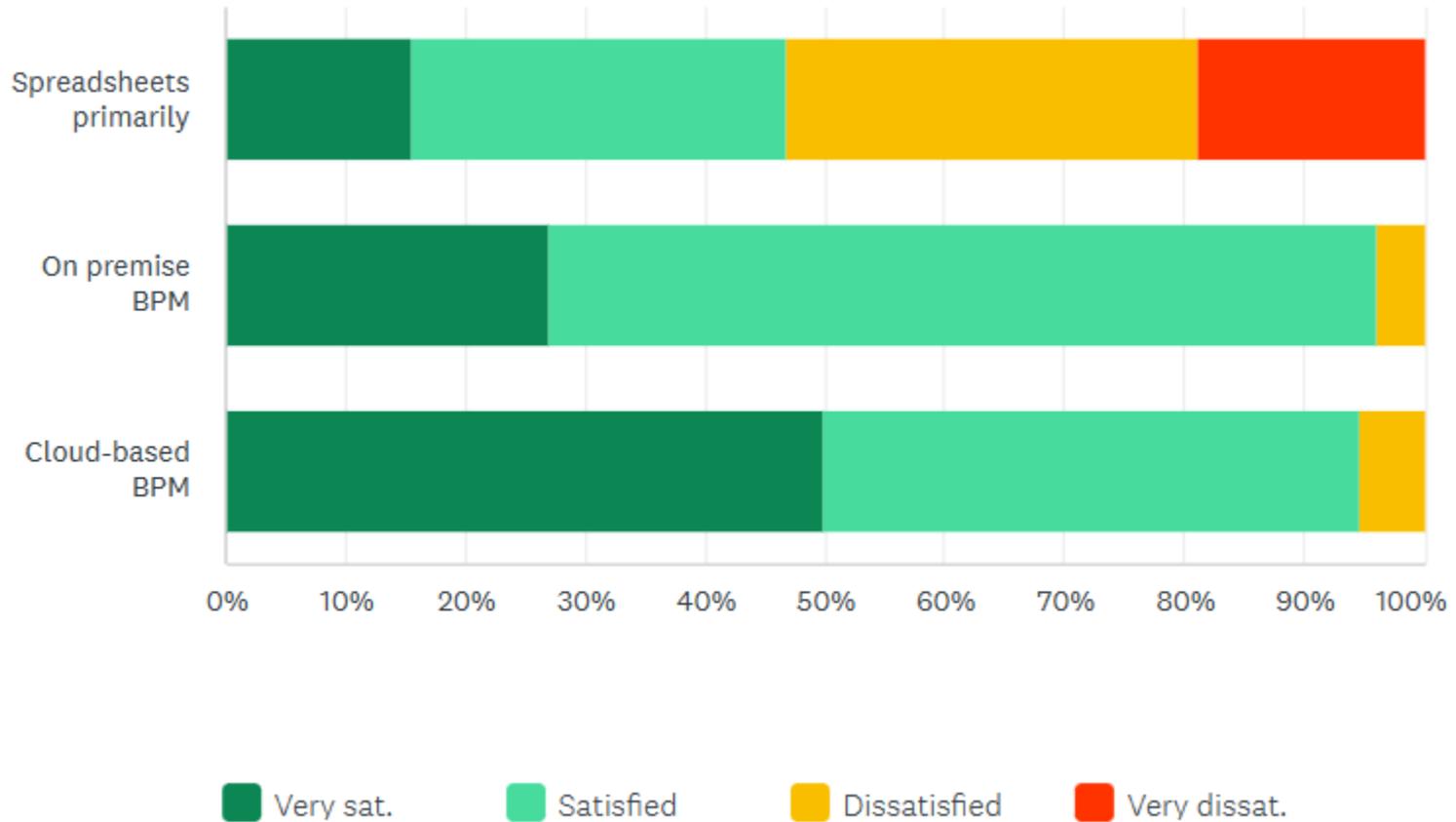
- Spreadsheet Budgeting Has Many Drawbacks
  - Labor intensive
  - Time consuming
  - Error-prone
  - Lack of workflow and collaboration
  - Manual process to create actual vs. budget reports
  - Little time left for analysis
- Result: A budgeting process that takes too much time and effort for too little return
- BPM Partners Research:
  - Many companies have already made the move to a Business Performance Management system
  - Those that have are far more satisfied than those still relying on spreadsheets as their budgeting 'system'

# Current Budgeting Solution



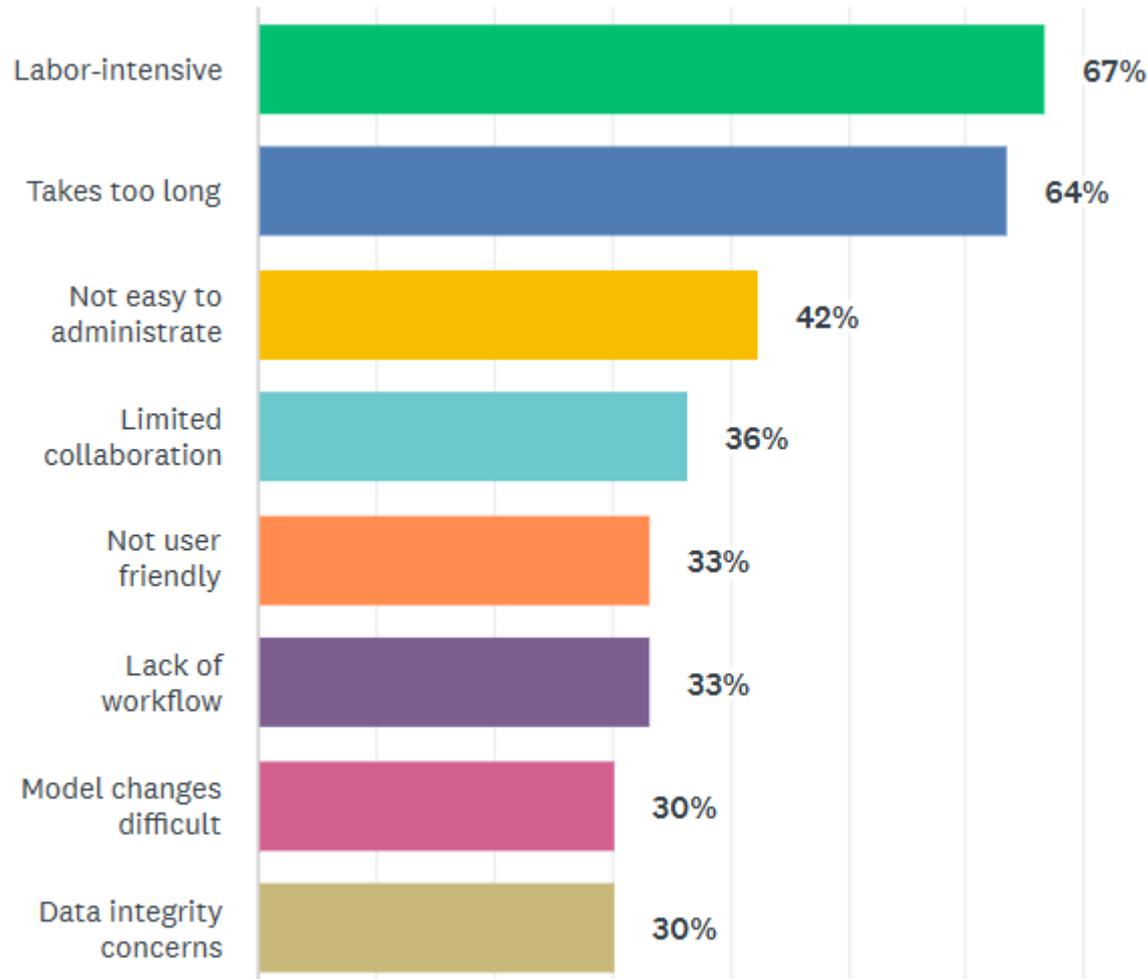
Source: *BPM Partners* [2023 BPM Pulse Survey](#)

# Budgeting Satisfaction by Solution



Source: *BPM Partners* [2023 BPM Pulse Survey](#)

# Dissatisfaction with Just Spreadsheets



Source: *BPM Partners 2023 BPM Pulse Survey*



# From Spreadsheets to BPM

## 4-Step Guide to Move From Spreadsheet Budgeting to a Performance Management System

## 4-Step Guide

- BPM Best Practices
  - Involve the right people, set goals, understand short and long-term requirements, thoroughly evaluate solutions, move forward with a phased approach
- 4 Key Steps that Implement BPM Best Practices
  - #1 Initiation: assemble and educate the team, define scope, create a phased roadmap
  - #2 Analysis: gather business requirements, convert to list of product capabilities needed to address those requirements
  - #3 Evaluation: identify potential vendors, compare their performance against a consistent demo script tied back to your requirements
  - #4 Selection: services scoping session, proof steps, reference checking, software and service pricing and terms negotiation

# Best Practices for BPM Project Success

- Create the vision
- Establish objectives
- Initiate and enable change
- Sets the cultural tone
- Make tough decisions

## Establish Appropriate and Active Executive Sponsorship



- What are the primary goals of the BPM initiative?
- Start small with multi-phased project
- Build on foundation of successful “quick wins”

## Define Project Objectives and Measures of Success



- Corporate and Business Unit stakeholders
- Finance and IT
- Establish and promote enterprise wide “buy in”
- Effective communication

## Involve Key Stakeholders



- Corporate KPIs supported by business unit KPIs
- Differentiate KPIs from Metrics
- Key business driver focus

## Determine KPIs Using “Top-Down” Approach



- High-level roadmap first
- Functional requirements
- Technical requirements
- Corporate / Business Units
- Cross functional requirement prioritization

## Define Requirements



- Require customized demos
- Focus on “how”, not “if”, requirements are met
- Understand ongoing maintenance requirements
- Prioritize ease of use

## Thoroughly Evaluate Solutions



- Were goals achieved?
- Are users using system?
- What’s next?

## Continually Analyze Results





Step #1  
Initiation

Analysis

Evaluation

Selection

- Assemble the Team
  - Key stakeholders across the company
  - Senior executive representation
  - Finance and IT
- Engage an Expert
  - Saves time, money; reduces risk
- Avoid RFPs
  - Ineffective
  - Slows down the process
  - Negatively impacts price negotiations



Step #1  
Initiation

Analysis

Evaluation

Selection

- Educate the Team
  - Get everyone on the same page with BPM knowledge
- Agree on Scope
  - Budgeting, Forecasting, Reporting, Dashboards
  - Operations, Consolidation, Profitability ...
- Develop a Roadmap
  - 2 - 3 year outlook
  - Phased approach
  - Key to selecting the right software that not only meets today's needs, but future phases as well



Initiation

Step #2  
Analysis

Evaluation

Selection

- Gather Requirements

- Interview senior execs, Finance, IT, business unit teams, international operations
- 1 - 2 hour sessions focused on business needs (and technical requirements from IT)
- Eliminate ‘blue sky’ items, prompt for potential missed benefits

- Prepare Application Requirements Report

- Consolidate and prioritize raw interview data
- Translate to functional capabilities needed



Initiation

Analysis

Step #3  
Evaluation

Selection

- Identify Vendors

- Select several that appear to meet business/functional, technical, and project budget requirements
- Keep a focus on ease of use or adoption will suffer
- Based on preliminary research/expert guidance develop shortlist of 3 - 4 vendors

- Develop Custom Proof Of Concept Demo Script

- Focus on your specific requirements
- End user view and administrator view



Initiation

Analysis

Step #3  
Evaluation

Selection

- Evaluate Vendors with On Site Demos

- Half-day sessions utilizing custom demo script
- Create a scoring tool tied back to (weighted) requirements
- Scoring done by the original team

- Analyze Results

- Identify highest scores overall and in key areas; watch out for significant scoring variances across the team
- Select the winner and a backup



Initiation

Analysis

Evaluation

Step #4  
Selection

- Finalize Vendor Selection

- Bring one or both vendors back on site for a services scoping session and any required product proof steps (complex calculations, integration with existing systems, processing speed)
- Perform *thorough* reference checks
- Request software and services proposals



Initiation

Analysis

Evaluation

Step #4  
Selection

## ○ Review Proposals

- Software: check for modules/user types, compare to recent similar sales for discounting, check contract for future year price protections
- Services: check for industry standard rates, days by consultant title, reasonableness of estimate, check contract for overrun protections

## ○ Purchase the Best Fit BPM Solution, at the Best Price, and Say Goodbye to ‘Excel Hell’!

## Learn More

- **Contacts Us For:**

- Questions about any of the material in this guide
- Specific questions about your own project or vendors you are considering
- Additional tips for BPM success

- **How to Reach Us:**

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- Phone: (203) 359-5677
- Email: [info@bpmpartners.com](mailto:info@bpmpartners.com)

*Even if you are not planning to engage an expert consultant such as BPM Partners, we'd still be happy to speak with you and answer your questions.*

## Next Steps ...

Let BPM Partners put you on the road to performance management success.



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