

E-book

# 5 Best Practices for Moving Finance to Monthly Forecasts

Turn your infrequent, instantly obsolete budgets into an up-to-date, instantly actionable roadmap for business success

Sage



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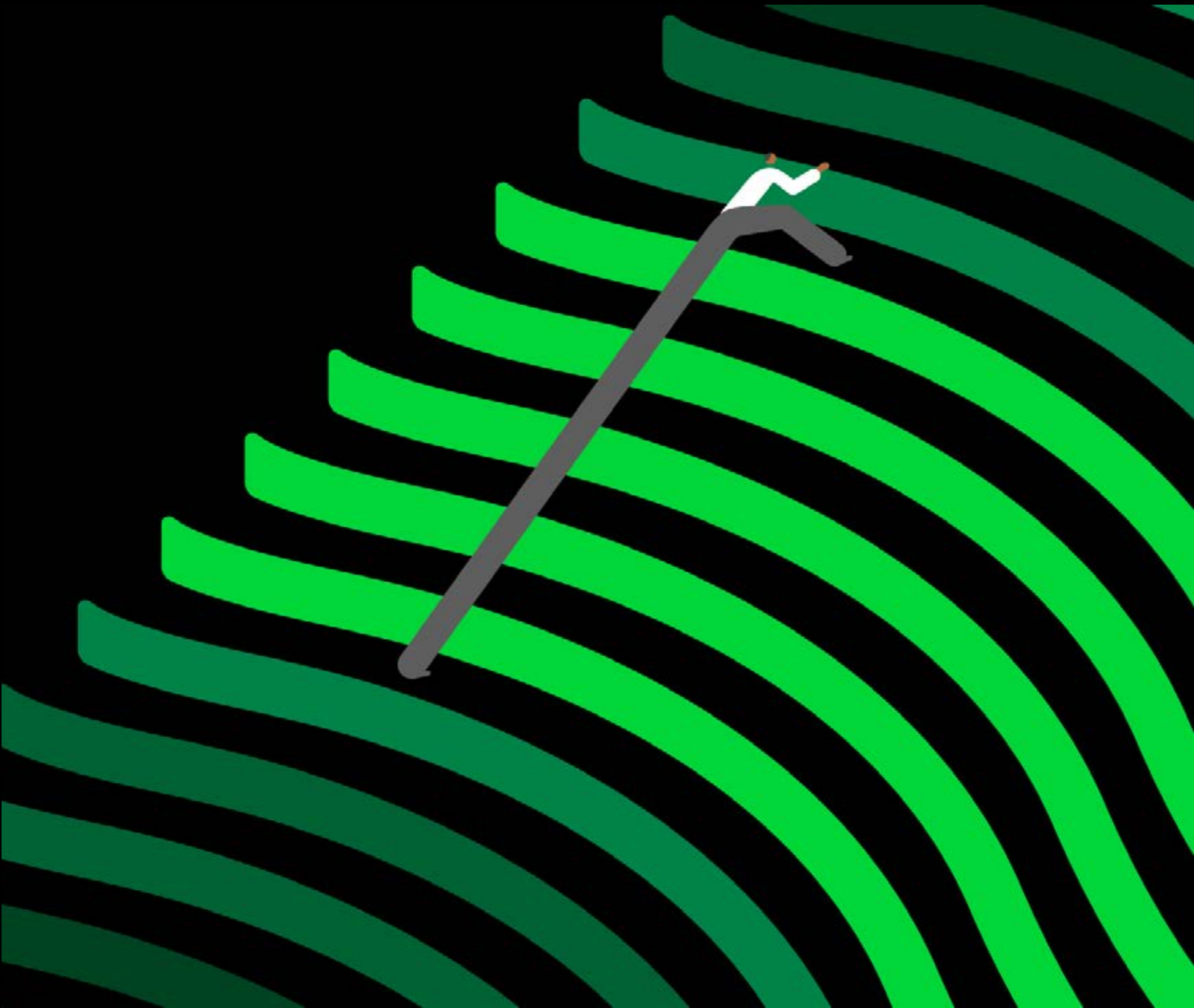
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# Introduction

When information is updated and assumptions change, your plans and forecasts must change, too. But taking weeks (or longer) to revise complex interconnected spreadsheets, slowly collaborate over email, and make manual, error-prone updates just isn't feasible or fast enough for today's business environment.

Finance has an opportunity to change, modernize, and shine by delivering more frequent forecasts that are quickly updated when business conditions change. You need speed, agility, and strategic insights at your fingertips to navigate our increasingly unpredictable world. To do that, you must move to rolling monthly business and financial forecasting so you can stay ahead of today's (and tomorrow's) uncertainty.

**Here's how you can move from instantly obsolete budgets to instantly actionable forecasts.**



# Stop using yesterday's tools to forecast for tomorrow's success



## It wasn't that long ago that we relied on paper maps to guide our road trips.

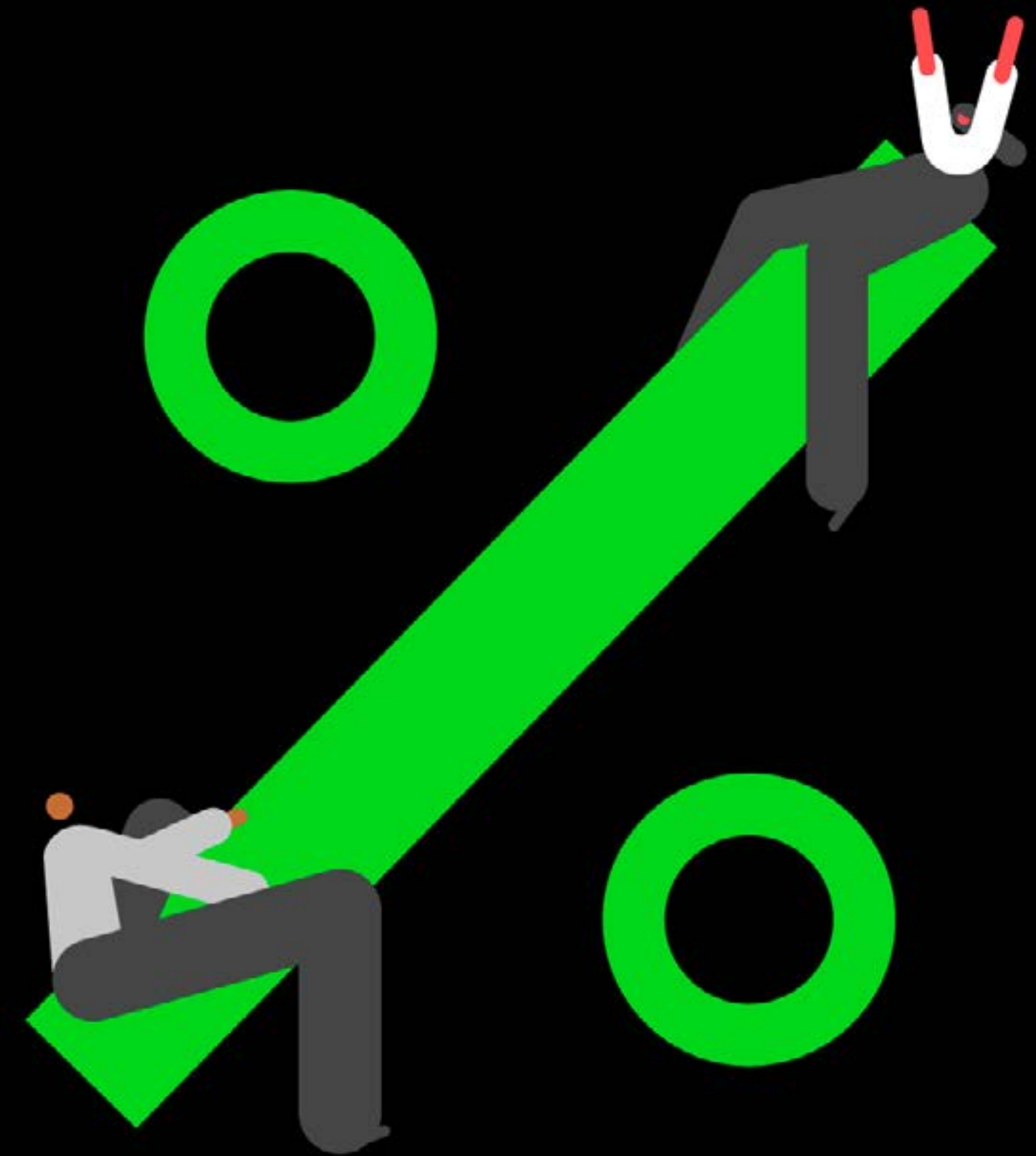
In the late 90s, MapQuest radically changed the game with easily searched maps and printable turn-by-turn directions. Soon after that, everyone had satellite-driven navigation in their hands, complete with real-time traffic, voice-activated routing, and crowdsourced location photos, data, and reviews.

## Would you ever go back to printed maps?

No. But your current forecasting process (if you have one at all) is using decades-old tools to guide your modern business through a highly competitive and fast-changing market. Disconnected spreadsheets and tangled email conversations can't provide the speed and agility you need to see through today's economic fog and around tomorrow's tight corners. Manual processes and siloed data further slow your progress as you drive to reassess conditions, adjust to competitive moves, and reroute around potholes in your existing plans. In contrast, today's modern planning software brings to you the financial equivalent of real-time, GPS-equipped navigation and traffic updates so you can act, reassess, and adjust based on current data.

**“The first time I pulled up Sage Intacct Planning in our executive team meeting, they were absolutely blown away by how quickly I was able to create a scenario, plug in what they were asking for, and show the results in real-time. Our leadership was impressed with how well the solution worked, saw its value off the bat, and now they want me to bring it every time they review budgets.”**

~ Natalie Bonczek, Controller, Red Door Interactive



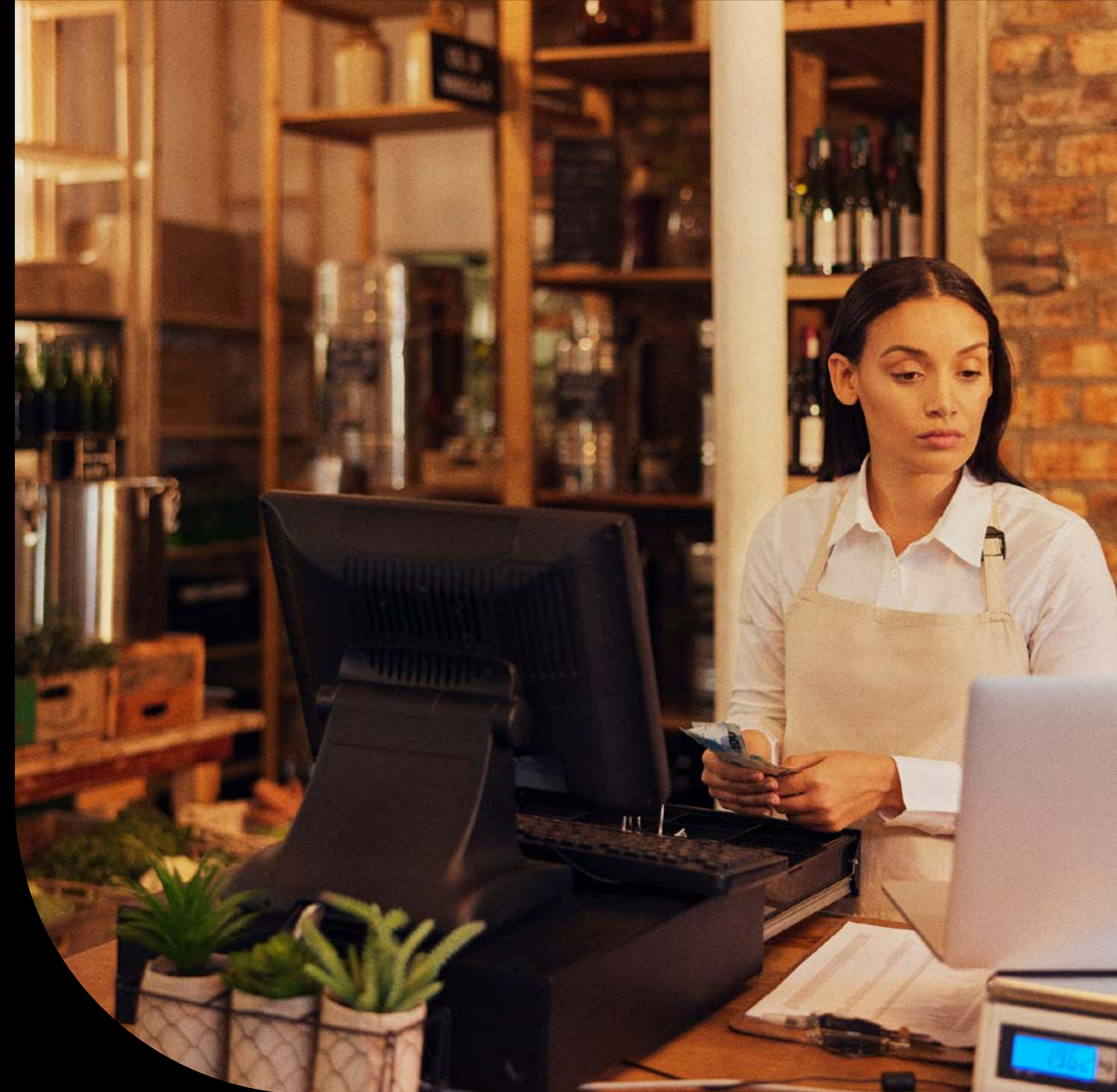
# Today's finance needs answers today

The pressures faced by finance during the pandemic—doing more with less, faster than ever, with incomplete information, and under constantly changing circumstances—created a new paradigm for what business leaders expect out of their finance teams. You do your best to re-plan and re-forecast at the speed of business, but you can only move as fast as your tools allow, and you can't continue working nights and weekends to make it happen—it's not scalable, and it's not sustainable.

**Today's C-suite and business leaders expect instant answers.** How can the business make more money? Why are we behind plan for our flagship product? What can we do about it? Where is our next opportunity? What are we missing? How do we react if this scenario happens? How will this breaking news affect our margins? These questions keep you up at night because the business is relying on you to provide answers, fast. Wait too long and the window to take corrective action closes, possibly forever.

Doing finance the old way no longer works, especially if you don't want to burn out your finance team. You'd like to accelerate your forecasting process, ideally getting to a monthly rolling forecast cadence, but you're already working as fast and furiously as spreadsheets will allow.

So where do you begin to increase forecast frequency, have answers always at your fingertips, and optimize financial performance? **Here are 5 best practices for quickly modernizing to a monthly forecasting process.**



# Best practice 1: Get cloud planning software

**You can have cloud-based planning and forecasting software running quickly** to create a foundation for forecasting best practices and increased frequency without disrupting your business. The cloud makes planning and forecasting modernization fast and simple with software that's easy to use, has the flexibility to meet your unique needs, and can leverage up-to-date data from your existing accounting and ERP solutions. Best of all, especially for small and medium-sized Finance teams, cloud planning tools can be affordable.

Cloud planning software can also automate processes; centralize data, reports, and financial information; and provide a unified data source to align teams and spur collaboration across your business. It also brings the power of cloud computing to enable you to update forecasts with the click of a button and quickly create what-if scenario plans. For daily tasks, it provides intuitive, spreadsheet-like formulas to ease your transition, robust scenario modeling, and BvA reports and data visualizations.

**More resources: how to justify, find, and deploy cloud planning software**

## Build your business case

Learn 6 steps for building your business case and demonstrating the clear benefits to your key stakeholders.



[Download](#)

## Choose the right solution

Follow these 9 steps for evaluating and choosing the right cloud planning software solution.



[Download](#)

## Deploy with speed

Ensure a fast, easy, and affordable deployment of your selected cloud planning software.



[Download](#)

**The capabilities of cloud planning software add speed and accuracy to your forecasting, let you forecast monthly for up-to-date insights, and give you more time to focus on strategy and analysis.**

# Best practice 2:

## Start with quarterly forecasts

**Cloud planning software can be deployed in just a few weeks.** But once you're on the path to forecasting modernization, it's important to remember to accelerate your processes in manageable steps, as you would with any new technology or process. Since you're focused on forecasting, it's best to first move to quarterly forecasts. This gives you more speed and insights, while also helping you create a process, refine it, and get more comfortable with the software's capabilities without feeling pressure to revise your forecasts every 30 days.

This is also a great time to look at your current forecasting process, identify common pain points, and capture ideas for improvement. As you learn your new solution, you'll have time to implement enhancements, new processes, automations, and other improvements without impacting your quarterly forecasting process.

**You'll quickly become adept with your cloud planning software and see how easy it will be to accelerate to monthly forecasting.** And, you'll have time to explore scenario analyses, work with the business to incorporate more variables, and collaborate with other teams to deliver more insightful financial guidance.



# Best practice 3: Choose high-impact areas for your initial forecasts

**Starting with a high-level, top-down forecast is best.** Choose a level you're already comfortable with because building a new method and forecast from scratch can distract you from the goal of faster, more accurate forecasts. Lean towards speed over change management at this phase. You want to get forecasts and insights into the hands of decision-makers, not overhaul how finance or the business operates.

It's helpful to focus on specific areas of your business where better forecasts will really make an impact. Categories, lines of business, or product lines that have high variability or are more impacted by external variables are all great places to start. Plus, focusing here will give you those quick wins needed to rally more support around your new forecasting process. Maybe ask the business where past forecasts have been unreliable, if the cause was identified after the fact, and if other variables should have been considered. **The answers can help you improve your forecasting and deliver more accurate and actionable insights in the future.**

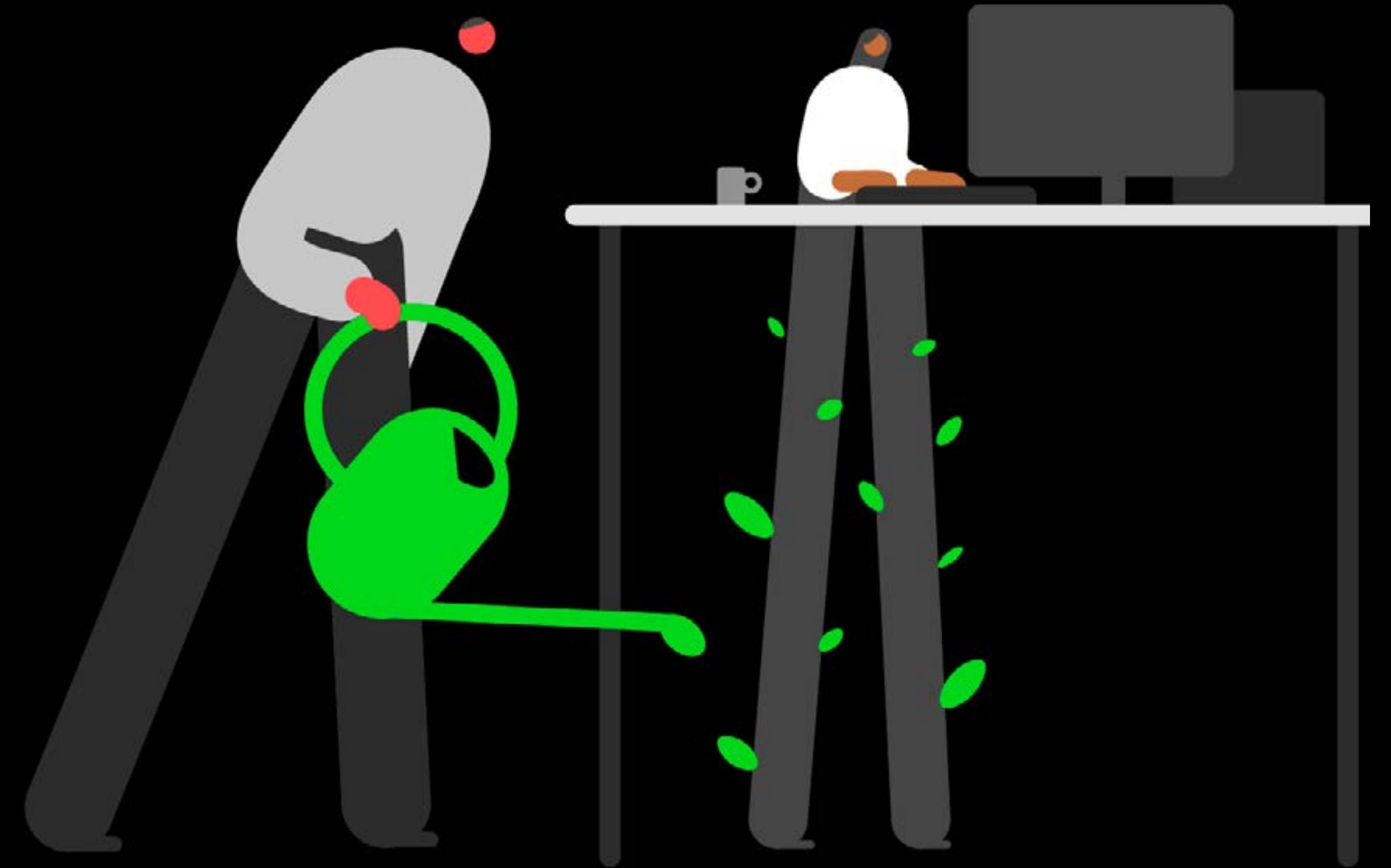


**Consider comparing revenue, margin, EBITDA, and other projections with your prior forecasting methods.**

As you modernize how you forecast, consider comparing revenue, margin, EBITDA, and other projections with your prior forecasting methods. It's a good way to demonstrate the accuracy, speed, and usability improvements of your cloud planning software investment. You can even tie revised forecasts to revised decisions and the resulting financial impact to calculate and communicate your project's return on investment.

**“The move to Sage Intacct has been a huge turning point for our organization. Sage Intacct Planning gives us great flexibility to expand our reporting and forecasting and increase visibility much more efficiently than if we stuck with Excel.”**

~ Kyle MacDonald, Director of Finance and Operations, Aegis



[Aegis case study](#)



# Best practice 4:

## Build bridges with key business leaders

**When you're able to deliver more accurate forecasts to decision-makers** and quickly revise forecasts when scenarios change, you're building trust with stakeholders across the business. The better your forecasts get, the more confidence they'll have in working with the finance team.

Of course, you're building a two-way bridge that eases the gathering of needed information, gets you invited to critical meetings, and opens up requests for guidance when it matters most. The benefits will continue to compound as you collaborate on not just forecasts, but scenario modeling, reporting, planning, and more. It also gives you more opportunities to find out what those stakeholders really need, such as information presented in different ways, more interactive dashboards, or more guidance on how to interpret and use financial information in their domains.

**Treat these forecast improvements as a value that's shared with everyone across the business and be sure to reinforce that value along your journey.**

You're empowering them to make better decisions and maybe improve their standing, salary, and opportunity within the company. Of course, it all works in your favor, too, as the business increasingly looks to you for strategic guidance and your role becomes more invaluable to driving growth and business success.



# Best practice 5: Turn forecasts into actions

**Your business decision makers may be wary of forecasts if past insights have been less than completely accurate.**

So, you may need to work diligently to show improvements and point to decisions that were better informed and had better outcomes. This might require more education on how forecasts are now using up-to-date data from more accurate sources and with more informed assumptions. Bringing the business behind the curtain of the new forecasts can give them more buy-in on the data and more confidence in your input and their resulting decisions.

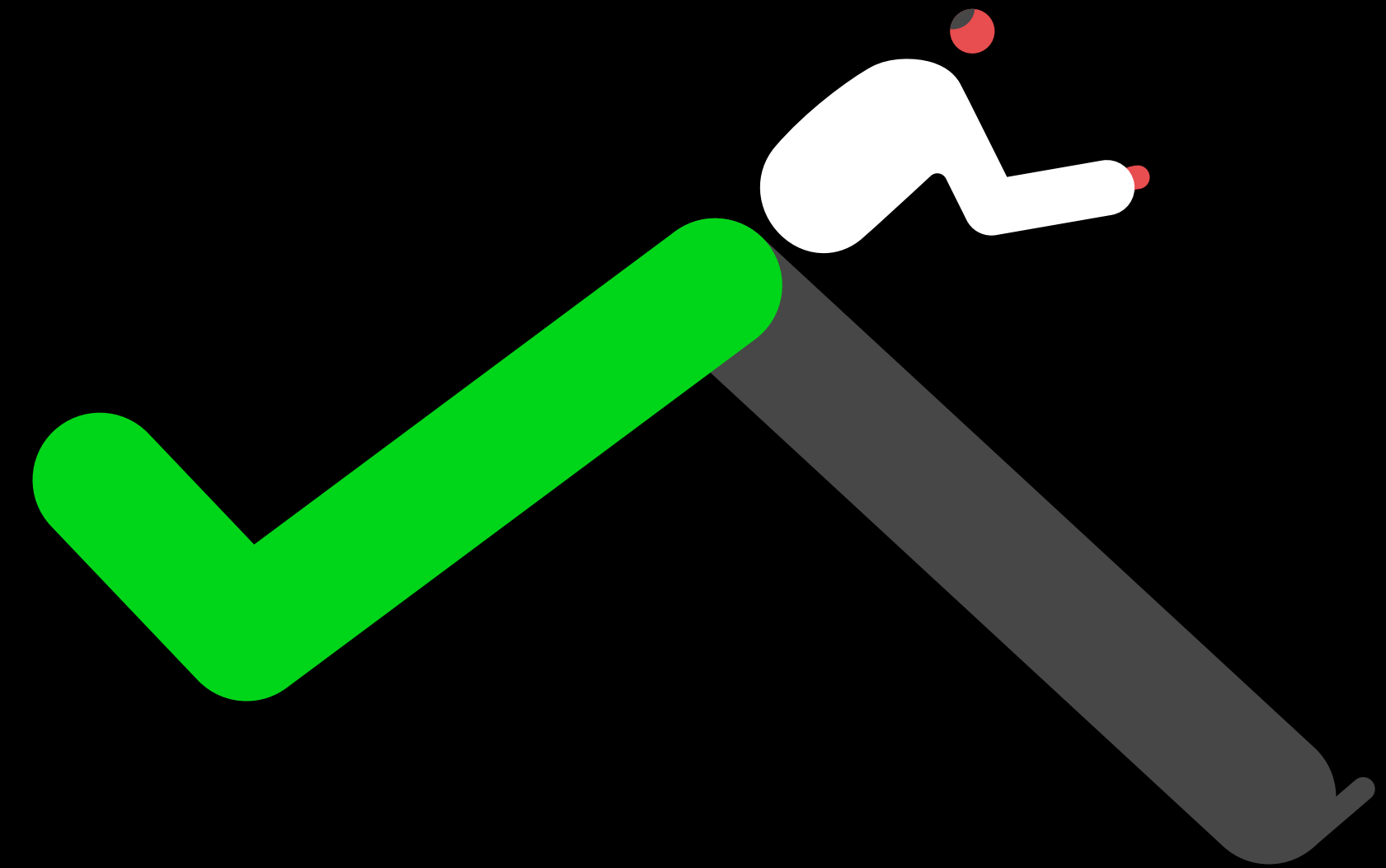
You're there to guide and influence those decisions. **When you're confident in the data, they'll feed off that confidence.** You'll then have more influence to help them make changes and continue to measure the impact and further improve forecasts over time.

When you do find new opportunities or course-correct based on revised forecasts, be sure to communicate and celebrate those wins for the benefit of the business. They are making the risky decisions so let them bask in the glow of success, even if you know it was you and your finance team that made it all possible behind the scenes.



**“We’re able to budget more efficiently with Sage Intacct Budgeting and Planning and invest our time savings into analytics and strategy so senior management can make more informed decisions. The improved transparency and collaboration we have across the organization is proving to be extremely valuable.”**

*~ Michelle Emeh, Senior Director of Finance, FoodCorps*



# Get on the road to monthly forecasting

**Change is happening fast. When you're driving through chaotic traffic, you know your navigation system has you covered with intelligence, insight, and real-time data.** But as you navigate the business through uncertainty, are your forecasts up to the task?

The easiest way to modernize, improve, and increase the frequency of your forecasts is by using cloud planning software. It gives you and your business colleagues the flexibility to adapt to changing trends, the speed to stay ahead of those trends, and the insights needed to make the right decisions with confidence. It's also the fastest, easiest, and most affordable way to move to monthly forecasts.

[Sage Intacct Planning](#) is a great place to start. It offers an intuitive cloud planning solution that eliminates your reliance on slow, risky spreadsheets and replaces them with a real-time, centralized source of financial truth for more accurate forecasts, more nimble plans, and more agile and confident decision-making. All at a price tailor-made for small and medium-sized businesses.

So, what are you waiting for? [Check out this 3-minute video today](#) to learn more about Sage Intacct Planning.





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