

Better budgeting and buy-in

The National Autistic Society's finance team needed to simplify its business intelligence to improve budgeting and staff input.



The Challenge

The National Autistic Society (NAS) has a staff of around 2,500, and runs six specialist schools and 17 clusters of residential and support services for adults with autism, which account for 85 per cent of the organisation's expenditure. Diversity of activity, a geographically split workforce and a requirement for flexible short and long-term planning resulted in a complex planning landscape for which a spreadsheet-based system was unsuited. Meanwhile, the users ranged from spreadsheet power-users to those who found filling in templates a difficult process which distracted them from their primary caring or service-delivery role. This led to a compromise in terms of the level of detail that the finance team could expect from the users.

According to NAS business manager Kelly Evans, the charity's existing processes did not offer any reliable audit trail facility or version control. "We had a bottom-up system, which was great until our users got the numbers back and found that they sometimes bore little resemblance to those they had entered. This was because other people had tinkered with them along the way and there was no reliable mechanism to record the changes and the rationale behind each amendment."

From a finance perspective, spreadsheets weren't flexible enough when it came to reacting to change.

For example, if a user wanted to add in a new account code to represent a change in the business, it had to be added into about 50 separate templates. "It was impractical for us to use spreadsheets to profile budgets over the 12 months of the year at the same time as putting together the initial budget. This was done as a separate exercise, which often resulted in changes to the original budget as people thought through their planning in more detail," says Evans.

However, when it came to central control, spreadsheets became far too flexible with the model often returned by users changed, either on purpose to represent something going on at a local level, or more likely by accident.

"Despite all of our efforts we always had the sinking feeling that they weren't really telling us the full story and we were less than 100 per cent confident in the numbers. We could not drill down into the figures and the process was inflexible for the users, making them very dependent on the finance department for clarification."

Solution

At the end of 2004, the NAS finance team started looking at alternative planning systems. Due to the complexity of the organisation, the low-end solutions were considered too basic. The team identified three key planning and business intelligence challenges:

- 1 The flexibility to plan fee income for every individual supported – essentially 800 separate care or education plans
- 2 Detailed staff planning for a workforce of 2,500, and a need to track remuneration levels driven by several factors such as training and skill levels, regions, grade, and contract
- 3 The need to allocate support costs accurately across the organisation on a clear and consistent

basis to ensure transparency when bidding for funding.

IBM Cognos Planning and IBM Cognos ReportNet were initially chosen as the most suitable products to deal with NAS's three main issues, and by March 2005 the [Inca Software](#) consultancy had helped the Society build a framework of the model. Impressed by initial successes of ReportNet in simplifying the monthly payroll reporting, and to release the finance team from report production, in the summer of 2006 NAS decided to migrate to IBM Cognos 8 Planning.

The migration process took two days and as there was little difference in the end-user interface, the need for additional training was mitigated. "Writing new reports in IBM Cognos has been simplified by the introduction of new drill-down facilities," says Evans, adding that with IBM Cognos 8 Planning, she can drill through profit & loss and balance-sheet reports to nominal group totals, nominal level, then transaction level.

"More departments and different applications are being reported through IBM Cognos, and this is likely to continue," says Evans. "The changes have resulted in a much better budget, giving us far greater accuracy and visibility. One of the budget-holders told me that two hours after they had submitted the budget, the finance director was on the phone discussing it with them. This level of interactivity would have been impossible previously, and has made a huge difference in the buy-in to the budgets and the sense of ownership." ●

