



White Paper: No More Spreadsheets

Top 5 Reasons to STOP Using Excel for Planning and Performance Management

Running a successful business starts with effective planning and performance management, and the data you generate during these critical processes is among the most important and sensitive in your organization. A miscalculation, oversight, or a security breach could be financially devastating.

Despite the high stakes, many businesses still rely on disparate, outdated tools for planning and performance management—usually Excel spreadsheets (passed from person to person via email), which must be reconciled by the finance department at the end of the planning process.

At first glance, spreadsheets seem like the obvious choice for planning and performance management. They're easy to use and easily distributed; and nearly everyone has a copy of Excel or its equivalent on his or her desktop. In reality, however, using Excel to generate and maintain your critical planning data is quite expensive in terms of resources and risk. Email handoffs and manual reconciliation are incredibly time-consuming; Excel sheets are notoriously error-prone; and sharing sensitive planning information via email poses serious security risks.

Enterprise Performance Management (EPM) systems allow businesses to streamline their planning and performance management processes, keep sensitive data secure, and reduce the potential for human error. But many companies are hesitant to adopt EPM software for fear of sky-high license fees and long, risky implementations traditionally associated with on-premises EPM applications. Choosing a cloud-based EPM system allows an organization to enjoy the benefits of centralized planning and performance management without the up-front investment, risk, and complexity that come with on-premise software.

Your Top 5 Challenges... And How Excel Falls Short

Let's take a look at five of your greatest planning challenges and how a cloud-based, centralized EPM beats Excel (and on-premise software) every time.

Challenge #1: "Our planning process takes too long."

Planning isn't planning if it takes all year to do it; and if you are relying on Excel spreadsheets, you're wasting precious time. In most Excel-based processes, each department uses some kind of template that they often modify with no audit trail and no easy way for finance or others to understand those changes. Then sheets are passed up the chain of command for additional input or approval, typically via email, again usually without any audit trail outside of scattered email threads. Sheets are sent back and forth for comment and edits until everyone is either tired of the process, or satisfied with the numbers. When the collection phase is finally complete, the finance department must gather and reconcile each department's data—a process that is both tedious and time-consuming.

EPM to the rescue

If you're looking to cut your planning time and get your finance professionals out of the "data wrangling" business, you'll find that streamlining the planning process is what EPM systems do best. Because EPM is centralized, there are no individual spreadsheets to create and maintain—all of your planning data is entered, secured, edited and stored in the same place. By utilizing a shared tool and data source, you completely eliminate the need for manual handoffs, and because the data is compiled for you, there is no need for reconciliation at the end of your planning process. You use fewer resources to produce better results in less time.

Challenge #2: "I worry about security..."

Email is inherently insecure. Once it's left your outbox, it's out of your control. By allowing your team to share planning spreadsheets via email, you're leaving those spreadsheets vulnerable to unauthorized access or even alteration. And in today's environment of compliance and controls, password-protected sheets and locked cells are flimsy and inadequate. Keep in mind: email can be forwarded to anyone, inside or outside your company's walls. Once you've hit "send," you've lost total control over who can view the information or how it will be used. Doesn't your company's most sensitive data deserve to be better protected?

Lock down your data

When it comes to data security, EPM systems beat Excel hands down. By eliminating the need to share planning spreadsheets via email, an EPM tool creates an essential barrier between your company's most valuable numbers and the outside world. It also gives you total control over which employees can view, enter or edit that data; and employees join or leave your team, access can be easily granted or revoked. And if you choose a cloud-based EPM system that leverages the latest security technologies and conforms to the highest industry standards, you can rest easy that your data will stay yours and yours alone.

Challenge #3: "I'm tired of all these mistakes!"

According to The Wall Street Journal's MarketWatch, nearly 90% of spreadsheets contain errors, and planning mistakes can mean BIG problems for businesses of all sizes. It's estimated that 1% or more formula cells contain errors, and it's no surprise. Excel spreadsheet creators have very little control over who can edit formula cells, so sooner or later, there's going to be a problem; and the more complex the models, the more the potential for human error. When mistakes are detected (often well after the fact), tracking down the source of the trouble can be a nightmare. Who changed what and when?

Take control

With an EPM system, you can improve the accuracy of your planning data while dramatically simplifying the troubleshooting process. EPM gives you complete control over your planning models, significantly reducing the potential for human error. With EPM, only designated users can add/edit data or change formulas; and a detailed audit trail gives you complete visibility into changes, approval flow, and more.

Challenge #4: “Excel is all we can afford.”

While Excel may seem like the most affordable approach to planning and performance management, its real costs to your company in terms of time and risk are steep. But despite the obvious advantages of EPM over Excel spreadsheets, many companies simply can't afford to implement traditional EPM software. An on-premises EPM implementation means a big up-front investment in hardware and software, including expensive software licenses and a long, costly implementations process. And once the system is in place, your busy IT team will be responsible for upgrades and maintenance. Not only does on-premises EPM software come with a hefty price tag, it also requires a significant leap of faith. What if the software just doesn't work for your business? What if the cost of ownership is just too high over time? What if your company outgrows it?

Take it to the cloud

Welcome to the cloud, where financial applications are more agile, less risky and far less expensive than on-premise systems. A cloud-based EPM solution makes it possible to experience the benefits of EPM typically for about one-fourth of the cost of conventional on-premise software. Because cloud-based tools utilize a subscription model rather than license fees, you won't need to make a huge up-front investment. And because there is no hardware or software for your IT team to install or maintain, cloud-based EPM offers a lower cost-of-ownership overall, providing a system that finance can maintain with leaning on scarce IT resources or expensive outgoing consultants. As the product evolves, you'll enjoy new functionality through seamless automated upgrades; and you'll never have to worry about swapping out systems as your company grows.

Challenge #5: “We’ve already put SO much time into these spreadsheets...and we don’t have any more to waste!”

If you're using Excel for planning and performance management, you've probably invested a LOT of time and effort in creating models that reflect your organization's unique approach to planning and measuring your business. Implementing an EPM system has historically meant starting all over and getting traditional software ready to work with your existing systems could take months of customization and coding. While the long-term benefits of EPM are clear, many companies simply can't afford to wait, and they're not willing to throw away the money they've already spent on Excel skills development and model creation.

Clicks, not code

When it comes to implementation speed, cloud-based tools win out over on-premise software every time. Cloud-based EPM applications are configured rather than customized, which makes transforming all of your spreadsheets into a streamlined, secure and reliable planning tool much quicker and more cost-effective. Beyond that, some cloud solutions provide tools to make it easy to move your existing models to the cloud, dramatically accelerating your deployment and letting you reuse your investment.

Welcome to Host Analytics

The Host Analytics EPM Suite is a cloud-based system designed to make planning and performance management much faster, more secure and more accurate than Excel. Host Analytics gives you a single, seamless platform for planning, close, reporting and analytics, which means you'll never again have to juggle multiple Excel sheets or share sensitive company data via email. You'll dramatically streamline your processes and reduce the potential for human error with best-in-class security and a complete audit trail. And the Host Analytics cloud platform saves you significant time and money over on-premise software.

With your yearly subscription, you get:

- An EPM solution you'll never outgrow
- No hardware or software to install, customize or maintain
- No software licenses to buy
- No large up-front investment or risk
- No ongoing dependence on scarce IT resources
- Fast implementation

Security and ease of use are Host Analytics' specialties. With the Host Analytics Cloud EPM Suite, you benefit from extremely fine-grained security controls. Administrators have total control over data access, loading, and editing, reporting and approvals, and more.

Host Analytics also makes it easy to access the data you need when you need it—and in the right format. You'll generate meeting-ready reports and presentations in minutes, directly from within the Host Analytics EPM Suite.

Most importantly, thanks to the new Host Analytics AirliftXL solution, Host Analytics **dramatically reduces set-up time and risk** by making it possible to bring your Excel models with you.

What is AirliftXL?

With the introduction of AirliftXL, Host Analytics has made escaping Excel and implementing your EPM system even quicker and more efficient by allowing you to reuse your Excel models rather than starting from scratch. AirliftXL uses a patent-pending Application Transformation Engine to import even the most complex Excel models seamlessly into the Host Analytics EPM Suite. With AirliftXL, all the time and effort you've already put into developing your Excel models earn you a faster EPM implementation, easier transition and reduced risk.

Ready to make the switch?

Learn about upcoming Host Analytics events and view in-depth product demos at <http://www.hostanalytics.com/events-demos>.

