POSSIBLE (RE)DEFINED

FP&A for the Manufacturing Industry:
Navigating Pitfalls to Ensure Strategic Planning

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Certified
B
Corporation

WEBINAR OVERVIEW

Learning Objectives

Achieve valuable perspective for integrated FP&A processes and capabilities

Understand the importance of data integration in the evolving industry

Learn to recognize common underlying data structure problems that handcuff many organizations

WHAT WE'LL DISCUSS

Today's Agenda

- Learning Objectives & Introductions

- The Four Core FP&A Processes

- FP&A as the central point of collaboration

- Importance of People, Process, Technology

- Foundation Necessary for Efficiency

- Closing & Next Steps

Defining the Scope of "FP&A" (for today)

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Multi-Year Strategic Planning

- Typically high-level, "broad strokes"
  - Focused primarily on goals, direction, initiatives
- High visibility to strategic projects and capital plan
- Often includes year-by-year outline for Revenue, COGS, OpEx
- Some breakout of key segment/brand/account aggregations, but typically only for revenue

Periodic Forecast

- Frequently the last FP&A process to evolve
- Requires timely closing of periods, access to data, understanding of business drivers to be effective and worthwhile
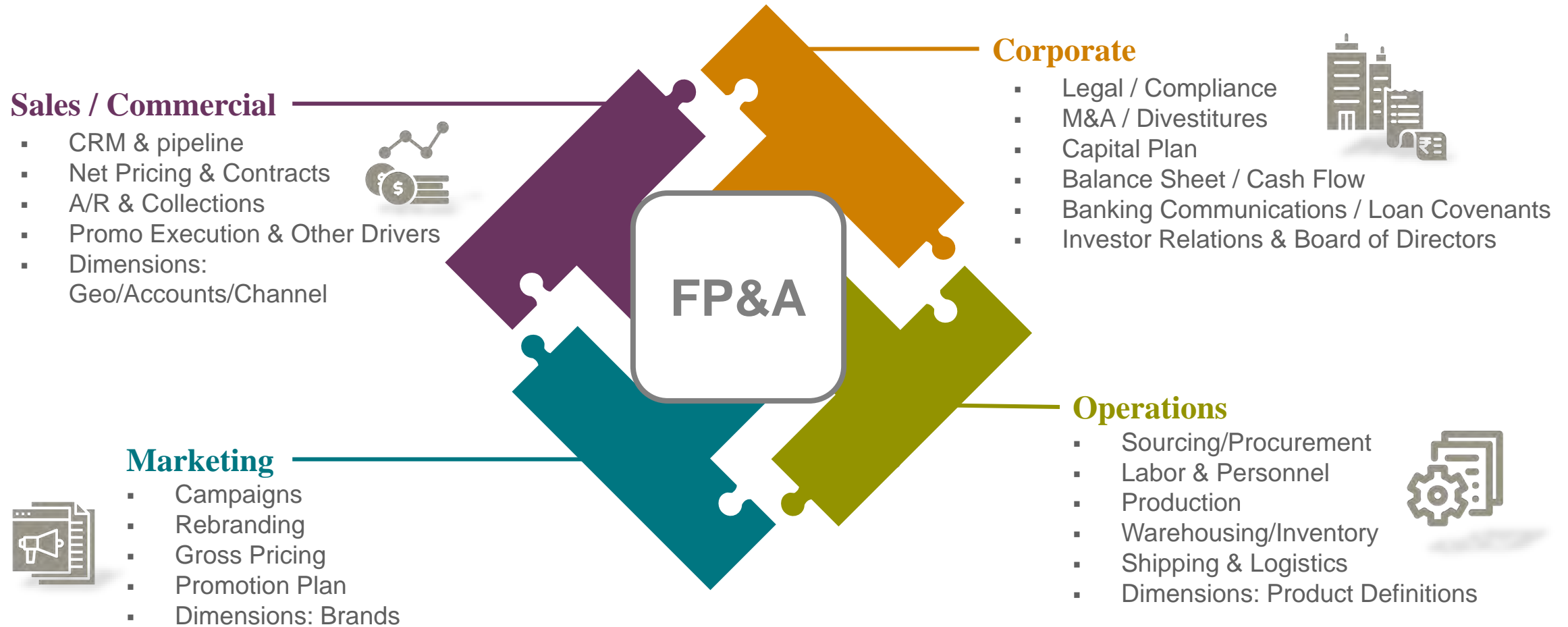- Can include complete P&L reforecast or modified for efficiency

Annual Operating Plan (AOP) / "Budget"

- Operationalization of Strategic Plan
- Common evolution: small/centralized → larger/decentralized
- Setting of performance expectations for all business areas & teams
- Mirrors chart of accounts & data dimensions

Periodic Reporting

- Highly variable from business to business
- Grows with complexity & granularity
- Companies focus on moving up the info curve

FP&A as the Critical Communication Point

Corporate
- Legal / Compliance
- M&A / Divestitures
- Capital Plan
- Balance Sheet / Cash Flow
- Banking Communications / Loan Covenants
- Investor Relations & Board of Directors

Sales / Commercial
- CRM & pipeline
- Net Pricing & Contracts
- A/R & Collections
- Promo Execution & Other Drivers
- Dimensions: Geo/Accounts/Channel

FP&A

Operations
- Sourcing/Procurement
- Labor & Personnel
- Production
- Warehousing/Inventory
- Shipping & Logistics
- Dimensions: Product Definitions

Marketing
- Campaigns
- Rebranding
- Gross Pricing
- Promotion Plan
- Dimensions: Brands

Common FP&A Pitfalls

People
- *Personalities & Capabilities Fit/Gap*
- *Ownership & Responsibilities*
- *Bandwidth – the "Analysis" in FP&A*
- *Business Analytics & KPI Evaluation*

Process
- *Centralized vs Decentralized*
- *Bottom-up vs Top-down*
- *Level of Granularity*
- *Disconnected Methods vs day-to-day Business Management*

Technology
- *Strategy Alignment*
- *Governance Concerns*
- *Solution Integrations Limiting Efficiency*
- *Data "Foundation" Issues*

Typical solutions to get started:
- Vision & Goals Workshops
- Process Value Stream Mapping
- Design Thinking Workshops
- Functional Advisory & Outsourcing

Typical solutions to get started:
- Human Capital:
  - Skills Assessments
  - Org Structure Review
  - Change Management Advisory
- Automation analysis
  - Integrations
  - Robotic Process Automation (RPA)
  - Artificial Intelligence (AI)
- Functional Advisory & Outsourcing

Typical solutions to get started:
- Data/Tech Strategy Definition
- Tech Solution Selection
- Chart of Accounts & Data Structure Advisory

Structure of Technology & Data Transformation

Building the roots to your digital transformation enables all transformative outcomes.

The journey to sustained competitive advantage begins with strong roots.
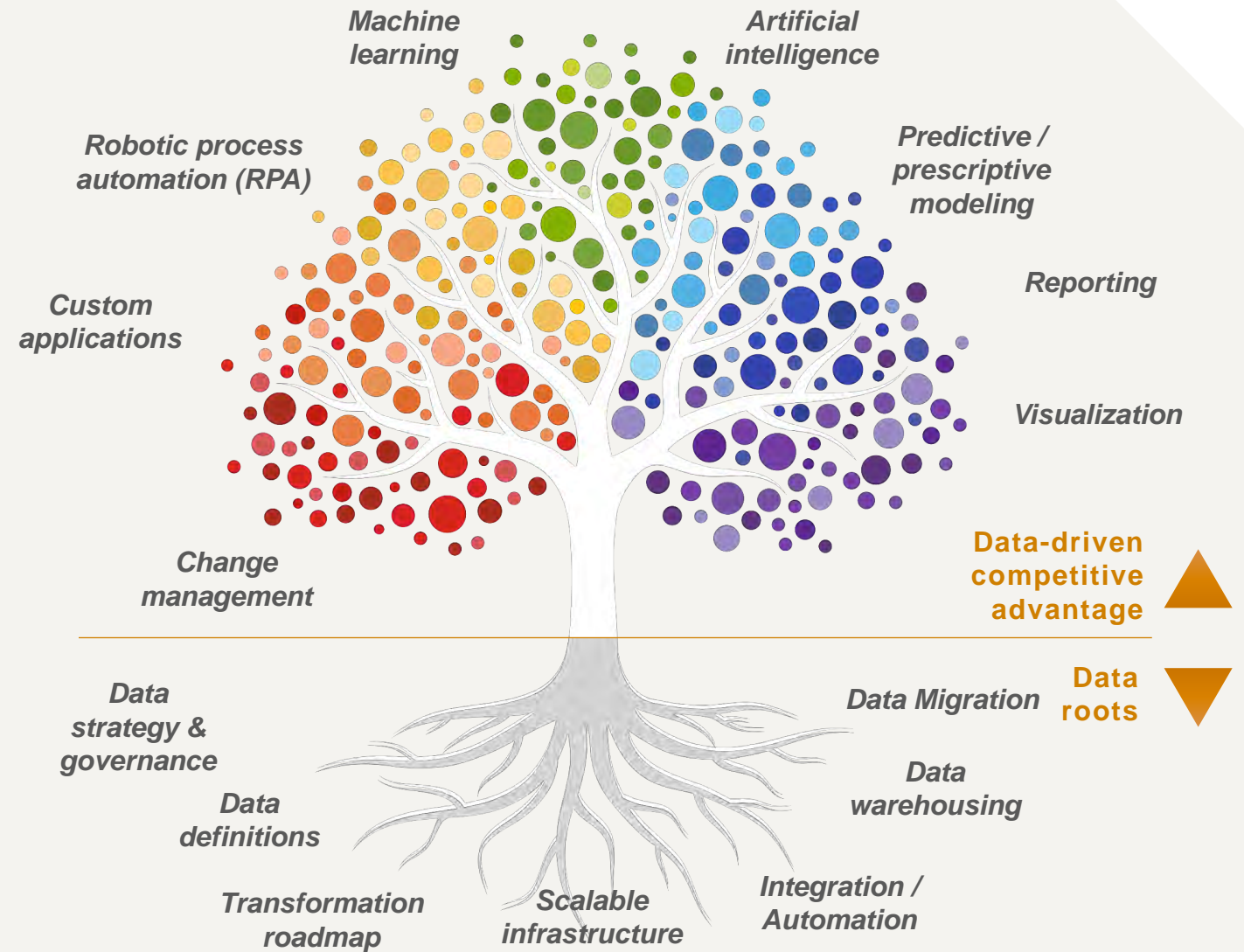
What to Listen For

"It's not that easy"…"Getting the data is hard"…"Data is all over the place"

Typical issues:

- siloed data sources
- incomplete data capture for drivers and outcomes
- misaligned data understanding
- inconsistent data definitions

"It takes forever to [x]"…"[x person] is the only one that knows about that"

Typical issues:

- highly manual processes
- lack of process clarity/RACI
- single point of failure risk

Let's Talk Workday's Adaptive Planning & Manufacturing

➢ Armanino has been a trusted partner to implement Workday's Adaptive Planning for over 13 years
➢ Enterprise planning and reporting cloud solution (login right from your browser)
➢ Integrate your data from your systems/applications (ERP, CRM, HRIS, etc.)
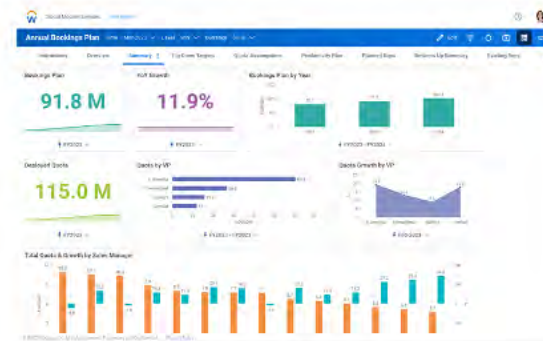➢ All actuals and plan data, reporting, modeling, versions, dashboards all in one silo!

Financial planning.

Flexible budgeting, scenario planning, and reporting let you continuously plan for what's next and respond to changes with agility.
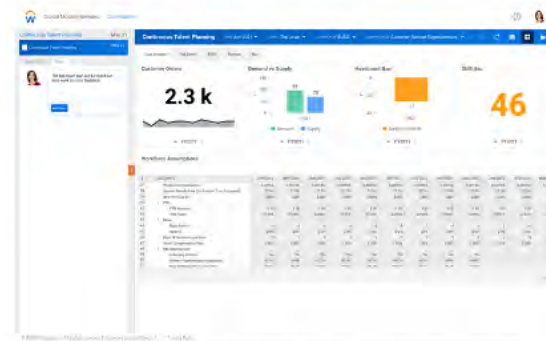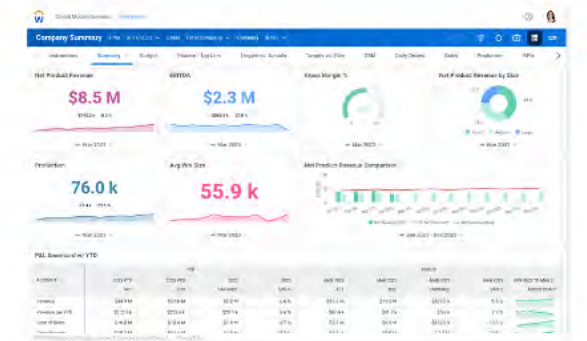
Workforce planning.

Plan for the skills you need today and tomorrow by department, cost center, level, location, and more.

Sales planning.

Dynamically plan sales resources, set quotas, and optimize rep capacity—all while keeping your eye on the bottom line.

Operational planning.

Enable company-wide planning in concert with finance, and drive better collaboration across departments and functions.

Thank you for attending

Additional Questions?

Reach out to us at

Experts@armaninoLLP.com

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Additional Resources & Information

OUR CLIENTS' VIEW

We're Just What You Need

A Net Promoter® Score (NPS) is used by more than two-thirds of Fortune 1000 companies. **Armanino's NPS (68) is almost two times higher** than the accounting industry average (38), and it places the firm scores closest to household name brands such as Starbucks, Peloton and Zoom.
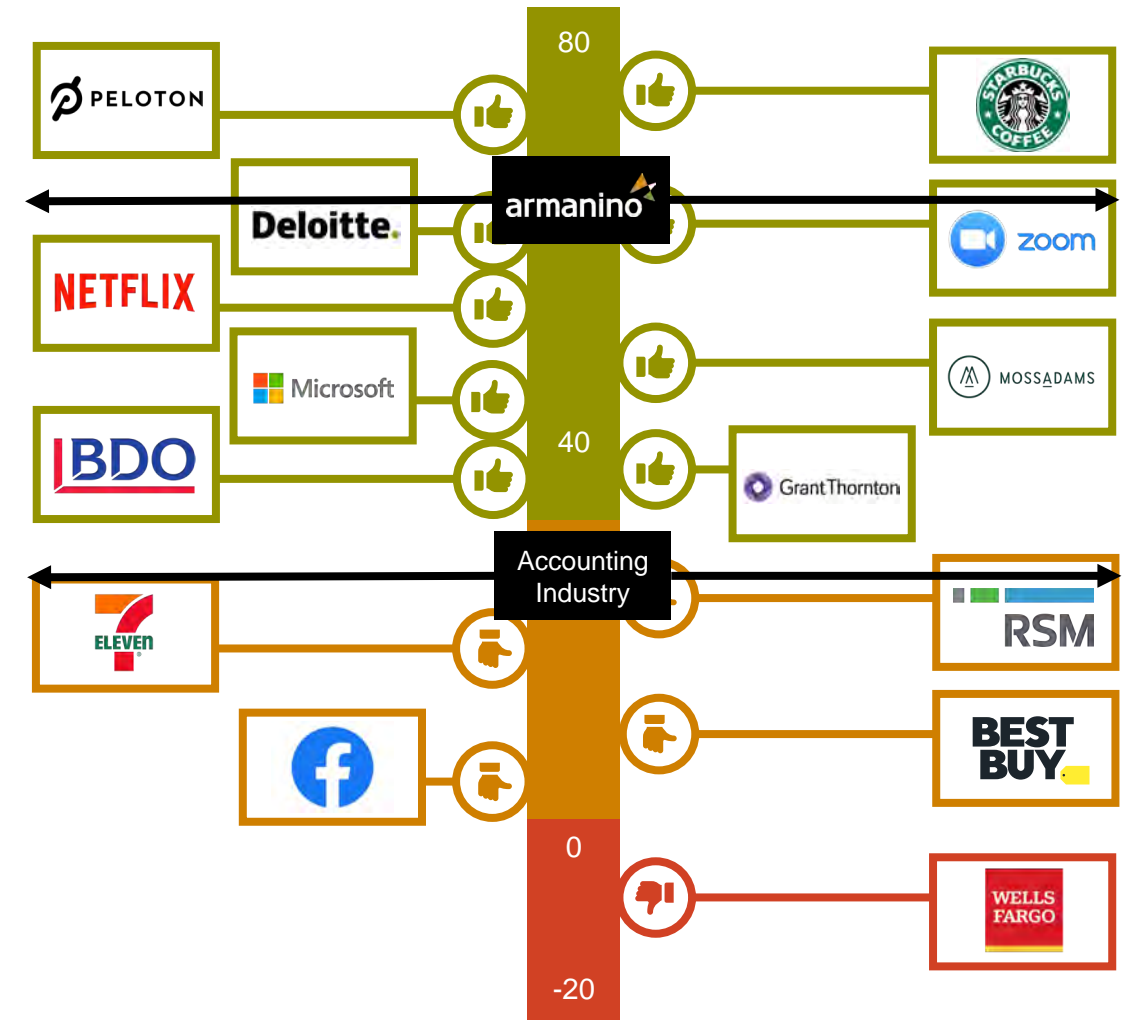
OUR PROMISE TO YOU

Reimagine Your Potential

Unconventional Approach

We're a vested, entrepreneurial partner who sees your organization through a 360 lens and finds opportunity at every stage

Comfort in Change

Our experts provide guidance and support while quickly facilitating transformation that gives you a competitive advantage.

Focused on You

Our integrated teams and solutions deliver tailored insights to bring you more value and clarity throughout your journey.

A New and Better Way for Today and Tomorrow

Equipping you with the insights and tools needed to redefine what's possible

COMPLIANCE & REGULATORY

- Tax Planning
- Trust & Estate
- SOX
- Contract

ASSURANCE & ADVISORY

- Cybersecurity
- SOC
- Restructuring
- Revenue Recognition

STRATEGY & PLANNING

- Corporate Strategy
- Strategic Advisory
- Benchmarking
- Business Transformation

STAFFING & DEVELOPMENT

- Payroll
- Health Benefits
- Executive Search
- Interim Placement

TECHNOLOGY SYSTEMS

- ERP
- CRM
- Business Intelligence
- Managed Services

ACCOUNTING & BACKOFFICE

- Bookkeeping
- Budgeting/Forecasting
- Account Receivable
- Accounts Payable

Delivering impactful, bold solutions that increase clarity
and spark success for today and tomorrow.