

Adapt to Moving Markets with IBM Planning Analytics

With UK interest rate changes, inflation, and the price of fuel influencing consumer behaviour¹, financial decision makers need to be able to predict and manage business costs in a dynamic fashion.

Having helped organisations improve their financial planning position using data analytics for more than 30 years, we've experienced economic fluctuation before and understand the need to operate at speed while avoiding drowning in a sea of spreadsheets.

In this guide, we'll share how you can confidently set out your stall during periods of uncertainty using IBM Planning Analytics.



Establish a firm footing

When economists predict a potential downturn², it makes sense for finance leaders to switch their focus towards protecting cashflow. Suppliers need to raise prices where they have to, and organisations that can quickly re-forecast and re-plan will be better placed to make decisions that secure their cash position and support long-term business ambitions.

IBM Planning Analytics presents accurate, integrated forecasts for the following areas:

- **Cash flow**
- **P&L**
- **Balance sheet**

Working with organisations that include one of the UK's largest property builders, we understand how important this capability is for distributed companies with a high dependency on external suppliers. With a truly integrated planning solution, the power is placed in your hands to calculate the impact of new input costs in advance of them reaching your bottom line and your bank balance.



Scrutinise your supply chain

With fuel and supply chain unpredictability likely to continue into the near future³, some firms are preparing for a “second wave of inflation⁴” related to costs ranging from raw materials to wages. And while we can’t help you negotiate costs with suppliers, we can provide the tools and expertise to help you size the problem and create a plan of action.

During Brexit, we worked with a leading kitchen retailer that was experiencing significant challenges related to the cost and supply of one of their most widely-used materials. Trying to predict the impact of increased costs using spreadsheets proved to be a labour intensive exercise that produced largely static results. Using IBM Planning Analytics, we were able to help the CFO and the rest of the C-Suite see the full extent and impact of movements in price so they could effectively model and plan their response.

Right-size your resource

Maintaining operational costs within an acceptable range can be hugely challenging during times of uncertainty and seasonal spikes. Comparing the true costs of running services via contractors vs full-time employees is complex and should not be restricted to spend – organisations need to be able to model the business outcome of each approach before making a firm decision.

IBM Planning Analytics allows you to undertake resource optimisation exercises which take into account parameters set by your business. This means that the impact of changes in headcount can immediately and accurately be reflected in all relevant business reports.



Protect your most valuable assets

With clients such as Farrow & Ball, we understand the value and power of a brand – and the role of finance in ensuring quality investments and decisions are made to protect that asset. Because IBM Planning Analytics fully integrates the most important financial planning and analysis capabilities, you're presented with a clear view of your business that can be dynamically adapted for whenever you need to re-forecast or re-plan. So, no matter how uncertain things may be outside of your business, you can quantify the impact of movement in the market and plan to protect the entirety of your assets accordingly.



Getting to market first, and fast

When markets are moving rapidly, there isn't time to wait 12 months for an implementation. Based on our experiences and our long-standing partnership with IBM, we've developed FORECASTED – an integrated forecasting solution hosted in the cloud at a low monthly cost which could have you up and running in as little as 10 days.

We've also developed a Planning and Forecasting Health Check Workshop which benchmarks your maturity in the following areas:

- Collaborative Working
- Connection to core systems
- Consolidating figures
- Forward planning



Ready to adapt to moving markets?

Speak to one of the team on **01904 234510**, at **info@simpson-associates.co.uk** or via our live chat function at **www.simpson-associates.co.uk**

About Simpson Associates

At Simpson Associates data is in our DNA, and knowing how to leverage it in all its forms enables us to never miss the mark. That's the power we can bring you. The power of deeper understanding, effective decision-making, and ultimately the ability to innovate and to grow – by spending less and knowing more.

We've been supporting customers using IBM solutions for over 30 years. From reporting and analysis to planning applications, IBM Cognos software can provide what your organisation needs to become top-performing and analytics-driven.

About IBM Planning Analytics

IBM® Planning Analytics with Watson is an AI-infused, continuous integrated planning solution that allows you to transcend the limits of manual planning. This solution breaks down business unit siloes so you can quickly create more accurate plans and forecasts for FP&A, sales, supply chain and beyond—all on one platform. Pivot in real-time, accelerate decision making and drive higher performance, all at the speed of modern business.

Sources

¹ <https://www.reuters.com/world/uk/how-is-britains-cost-of-living-crisis-affecting-consumer-behaviour-2022-08-09/>

² <https://www.bbc.co.uk/news/business-62405037>

³ <https://think.ing.com/articles/the-sectors-most-affected-by-soaring-energy-prices>

⁴ <https://www.ft.com/content/56ad9174-a095-47b1-aeeb-44ffd6cecf68>