

WHITE PAPER

THE CASE FOR ENTERPRISE EXCEL IN CORPORATE FINANCE

► How the world's most beloved and loathed business analysis software will reclaim its rightful place as the Corporate Performance Management leader.



**AUTHOR***Rob Lutt, Co-founder and CEO of A3 Solutions***Introduction**

A financial analyst and I recently sat through a demo of a leading Corporate Performance Management app. As the sales representative finished, the analyst had a question: “What if I want to analyze against customer or product data from outside the system?”

“Sure!” the rep said. “Just click this button to export to Excel, and you’ll have all of Excel’s functionality at your fingertips!”

That was that – demo over. The app had a sexy interface, tons of customers and a ridiculous Silicon Valley valuation. But when the rubber hit the road, the user was still swapping back and forth to Excel for the heavy lifting.

That anecdote is a microcosm of the CPM Dilemma: Despite finance professionals’ commitment to Microsoft’s ubiquitous tool, vendors insist on trying to minimize or get rid of it.

In this white paper, we argue that there is a third path available to finance departments at large and mid-sized businesses. You don’t need to abandon Excel. Instead, you can upgrade to “Enterprise Excel.” That is, you can download and install an application that transforms end-user Excel into a secure, multi-user, enterprise-class corporate performance management platform. Take Excel to enterprise scale.

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You Don't Need to Abandon Excel to Succeed

Excel is the dominant and default tool in finance. This is both a blessing and a curse. Every accountant, analyst, treasurer and auditor knows the platform, learned it in school, and likely spends most of their waking hours tooling around in it.

At the same time, despite how familiar, flexible and productive Excel is for the individual user, it quickly breaks down when applied to multi-user, cross-departmental processes.

Yet, despite its clear flaws as an enterprise solution, finance stubbornly resists replacing it with corporate performance management apps. This is not a winning strategy.

Control. Self-sufficiency. Agility. Creativity.

Corporate financial analysts are an uncommon breed. Through sheer dedication and hard work, they alone acquire the deep knowledge of the corporate financial model. Not IT. Always under deadline and peppered daily with requests to answer the latest “what-if,” analysts are among the most dedicated and hardworking employees you will meet. As a survival strategy, financial analysts value agility and demand creative license. Loathe to give up control, analysts fear becoming dependent on less flexible tools. After all, their choice of a spreadsheet file-based system of their own design – one that they know inside and out – assures their self-sufficiency, and allows them to express their analytical creativity without external systemic or bureaucratic constraint.

But as analysts tenaciously cling to Excel for their own sanity, their bosses inevitably cast their gaze toward the universe of corporate performance management applications. After all, Excel can't work well at scale, can it? It doesn't provide much in the way of collaboration tools or version control, and spreadsheet-based models break easily. Rid ourselves of Excel, the thinking goes, opt for a more purpose-built, database driven solution, and all our problems are solved.

Unfortunately, driving any kind of wedge between Excel and the financial analyst costs your organization time and productivity.

This is our previously mentioned dichotomy: Choosing between desktop, file-based Excel versus partially or completely replacing Excel is a false choice. There's a third path. In this path, the financial analyst downloads an app that empowers her to take her Excel financial modeling game to the cloud ... and to enterprise scale. With 1,000 times the data capacity, ready for multiple users, and unbreakable, these cloud models are budgeting- and forecasting-ready. The analyst simply invites end users to the system, publishes input models and reports for them to conduct their budgets. We call this Enterprise Excel.

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What Is Enterprise Excel?

Contrasted with both end-user Excel and CPM software, Enterprise Excel is a finance technology paradigm that delivers the traditional benefits of Microsoft’s spreadsheet tool plus the performance, collaboration capabilities, unbreakability and security of a streamlined, modern platform. The result is a classic “best of both worlds:” Finance professionals are able to continue using their Excel skills and models without sacrificing the capabilities needed to unlock their creativity and make a true impact on the enterprise. Think of it as Excel with superpowers.

Enterprise Excel vs. End-user Excel

	Traditional End-user Excel	Enterprise Excel
Powerful Cloud Computing Resources		
Unbreakable Models		
Secure, Real-time Distribution of Reports & Analysis		
Push Out Global Changes Instantly		
Establish a Single Source of Truth		
Top-down Modeling with Bottom-up Integrity		
Instantly Add, Delete or Move Items Within Hierarchies		
99.9% Uptime		
Create Controls for Regulatory Compliance		
Secure Multi-user Data Collection & Analysis		

Enterprise Excel vs. CPM Apps

In recent years, a large percentage of the Fortune 500 has attempted to reach Enterprise Excel’s benefits over end-user Excel by deploying “corporate performance management” applications. There are two issues there. First is the squandering of institutional knowledge and training; existing models inevitably live in Excel and must be rebuilt in the CPM app, and every finance professional knows the Microsoft platform inside and out. Second is functionality; Excel is Excel for a reason. It does just about anything you want it to do. CPM apps (even mature ones) only scratch its surface; when the going gets tough – or even moderately tough, as in our opening anecdote – users are sent scrambling for the “Export XLSX” button.

Enterprise Excel vs. CPM

	CPM Apps	Enterprise Excel
Non-disruptive, Low-risk Deployment		
Rapid Finance Self-sufficiency with Minimal Need for IT		
Total Control Over Data		
All Excel Functionality Supported		
Cube Data Model & SQL Server Technology		
Instant Integration with ERP, MRP & GL		
Easy Access to Transaction-level Data		
n-Dimensions/Hierarchies		
Capacity to Consolidate Billions of Source Data Cells		

How Enterprise Excel Works

At the core of Enterprise Excel – powered by A3 Solutions – is a “cube” with 1,000 times the capacity of desktop Excel. With Enterprise Excel, data is stored and processed in a spreadsheet-friendly, multi-dimensional (“n-D”) array of values utilizing Microsoft’s SQL Server Analysis Services, the most powerful consolidation technology on the planet. Think of it like a pivot table on steroids, or Power BI with write-back, what-if modeling and templating capabilities.

In essence, Excel itself becomes the user interface, while SQL Server Analysis Services does the heavy lifting so that, between the two, Excel and Analysis Services, every nuance of the business can be modeled. The entire general ledger – including years of transactions – is available at a moment’s notice, and consolidations and data refreshes occur in real time. The result is massively scalable, unbreakable models.



Templating

Further differentiating Enterprise Excel from end user Excel and CPM is powerful and flexible “templating.”

Enterprise Excel goes much further than end-user Excel in terms of templates, allowing for the configuration of dynamic, data-driven spreadsheet models that are personalized for the user, contain live data from the cube, and support what-if modeling, writeback and forecasting. These models leverage both Excel’s best-in-class functionality and the unique data capacity of the cube, easily customized as necessary using just Excel spreadsheet skills.

Analytics Capabilities

Enterprise Excel allows for *ad hoc* slice and dice analysis, top-down target-setting, drillthrough to transactions, line itemization, breakback spreading supporting seasonality and growth factors, interactive what-if analysis, and unlimited scenarios and variance comparisons.

Enterprise Excel Is Changing Lives. No ... Really.

When your analysts are empowered with tools that free them from drudgery and encourage their creativity and challenge their professional chops, they will step up. They'll do more. They'll get *inspired*. That's the magic of Enterprise Excel.

Enterprise Excel capabilities are not supported by the application out of the box, nor can they be created *ad hoc* due to factors innate to SQL Server. **The only way to get to Enterprise Excel – with its cloud data storage and processing, unbreakable models and single-source-of-truth collaboration – is to deploy the A3 Modeling app.**

Developed by San Francisco-based A3 Solutions, A3 Modeling takes Excel to enterprise scale, allowing for modeling, forecasting, budgeting, reporting and performance management within the application finance teams just can't quit. Basically, A3 turns Excel into the tool CPM apps and end-user Excel wish they were.

Isn't It Time You Empowered Your People?

Sign up for your completely free, no-obligation demo.

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