

The Future of Planning

Tackling changed requirements with comprehensive modernization

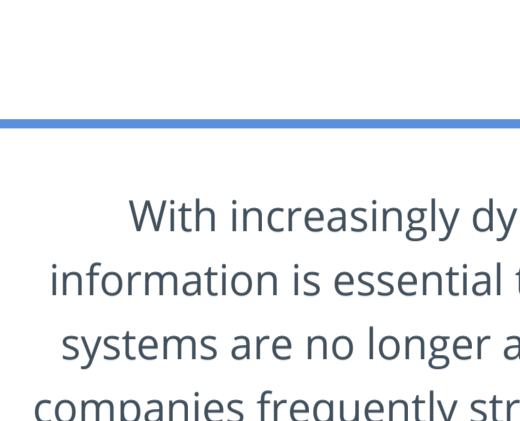


Key findings from the BARC survey

The COVID-19 pandemic caught most companies unprepared. Overnight, the impact of uncertainty, dynamics and complexity on markets could no longer be ignored. Local events in an increasingly interconnected economy and uncertainties will continue to create high volatility. Accordingly, many organizations will have to adjust their corporate governance to meet these requirements. This worldwide study of 401 participants examined the contribution modern planning and forecasting can make to corporate management.



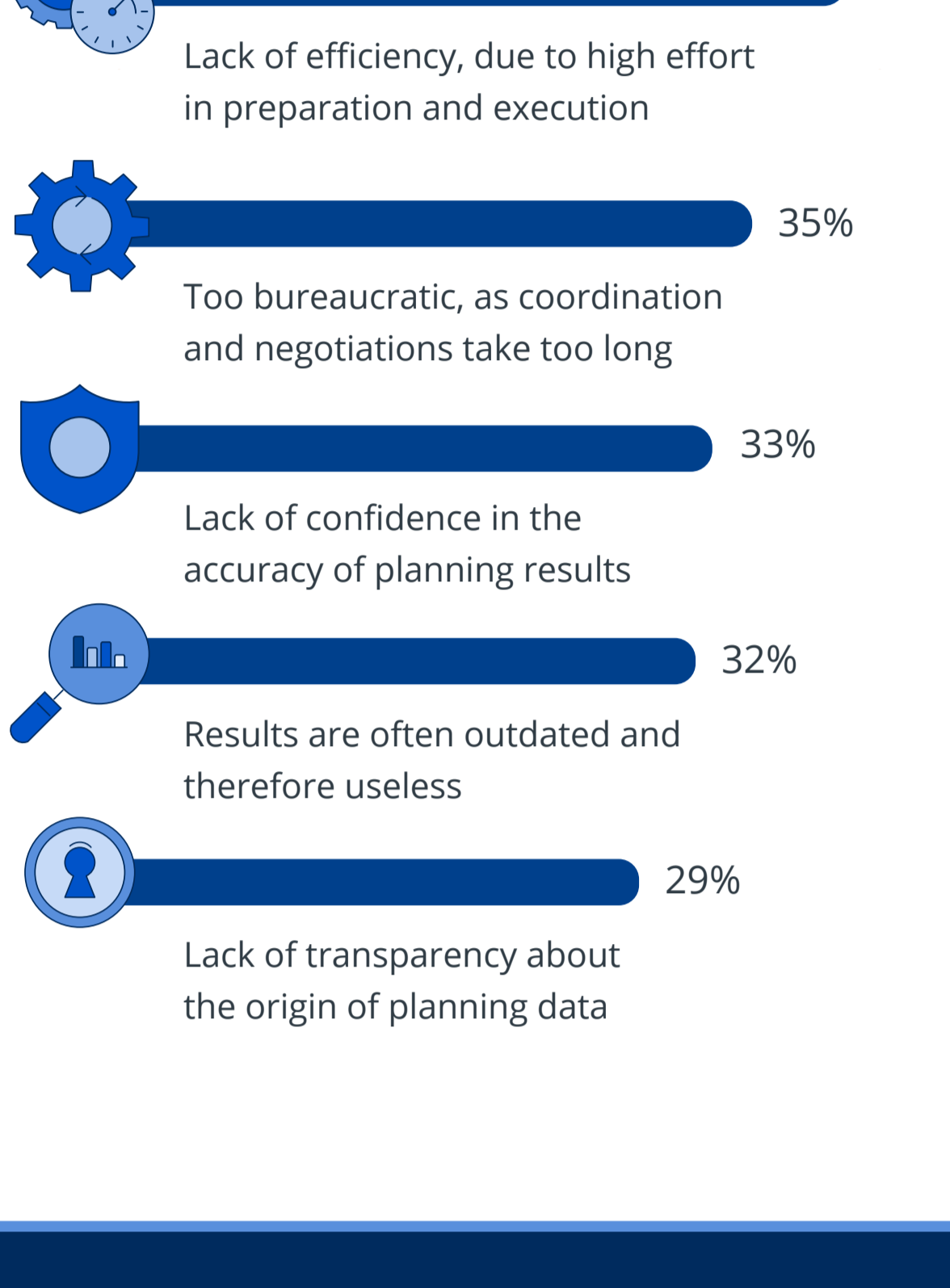
Challenges in planning and forecasting exist in almost every company



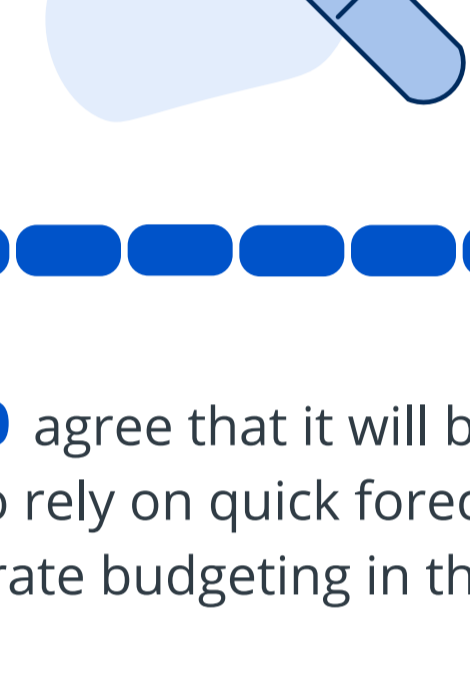
89 percent think that the predictability of important events is low or zero.

With increasingly dynamic markets and competition, up-to-date information is essential to make well-founded decisions. Many planning systems are no longer able to cope with this requirement. Accordingly, companies frequently struggle with problems, some of them serious, and often fail to achieve the benefits they expect.

What are the biggest challenges in corporate planning and forecasting today?



How companies deal with increasing uncertainty

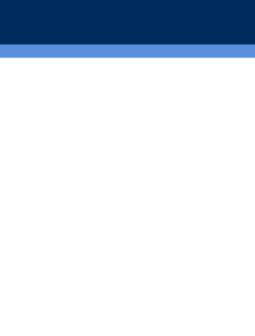


80% agree that it will be more important to rely on quick forecasts instead of elaborate budgeting in the future.

To adapt planning and forecasting to the demands of a dynamic environment, companies need to radically rethink what they want to plan and how (methodology), what they want to work with (technology), and how they can collaborate better (organization).

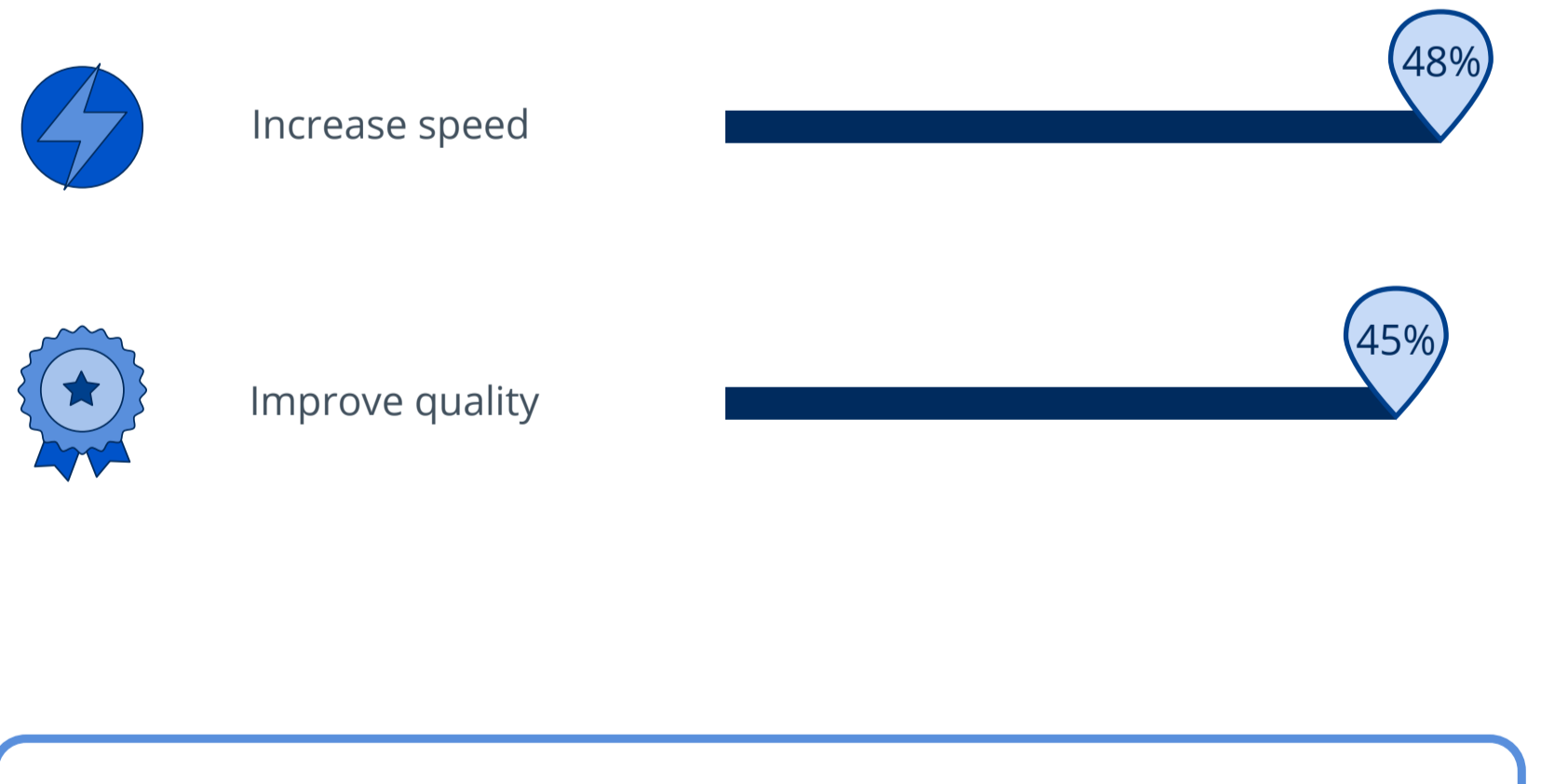
These are the top initiatives (technological, methodological and organizational) that companies want to implement in the future:

- Stronger automation of data management** 52%
- Increasing the methodological competence of employees** 51%
- Rolling forecasts** 43%



Citius, altius, fortius - turning all the screws for fundamental improvement

The key objectives for improving planning and forecasting:



By concentrating on the key parameters of the business and automation, planning and forecasting are less time-consuming and yet the quality increases. Simulations and scenario analyses, which are becoming increasingly important, benefit from this and can thus provide further important insights.



BARC recommendations

To make planning and forecasting fit for current and future requirements, BARC recommends:



Use rolling forecasts. Regularly updating forecasts and projections is a core requirement in dynamic markets to quickly assess the impact of changes in the market.



Automate wherever it makes sense. Data management should be largely automated, as should many projections. Often, new software must be purchased for this purpose or existing software must be utilized more effectively.



To make optimal use of modern planning approaches, you need the right skills in your company. A good understanding of the methods and data is needed in controlling to obtain valid results.

The survey "The Future of Planning" was prepared by BARC, an independent market analyst firm. The study is available free of charge thanks to sponsorship by Board, Corporate Planning, Jedox, OneStream und Unit4.



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