



Q&A

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Planning for Continuity in the Public Sector

What's the single most important business continuity lesson that public sector finance leaders should glean from operating in a crisis mode?



Being able to work virtually and securely from anywhere at any time is essential for maintaining business continuity through any crisis. Situations can arise at any hour when essential personnel are away from the office. For that reason, finance leaders must prioritize enabling finance staff to securely access systems and a single source of trusted data and collaborate with colleagues at any time regardless of their location. Many organizations have discovered that deploying software in the cloud facilitates working remotely. Cloud software vendors also mitigate the risk posed to continuity by fire, flood or malicious actions that all on-premises deployments face. With full-time professionals on staff, cloud software providers can offer superior data security compared to most organizations. Having this capability supports departmental continuity under all circumstances, whether disruptions come from a natural disaster, a serious local event that prevents the finance staff from getting to their office or simply from one or more key members being away from the office when time-sensitive actions must be taken.

What are the main benefits to public sector finance departments of using planning and budgeting software?



A planning and budgeting application improves departmental efficiency because it makes assembling and updating budgets a fast and easy process while also expediting the creation and distribution of reports. The software can improve the speed, scope and accuracy of information available to the department and stakeholders. Dedicated software increases accuracy because the information and analysis in reports are from a single authoritative data source and because there are no formula errors or hard-coded cells that can be difficult to spot. This software makes it possible for finance departments to provide responsive, efficient and value-added service to the organization and to the public.



Many public sector organizations now face fulfilling their mission with fewer resources. How does planning and budgeting software help?



The software helps in two ways. First, it makes budgeting, analysis and reporting more efficient and more valuable. Eliminating low-value manual steps to prepare a baseline budget, automating data imports and automating report creation and distribution frees up time—time that can be used for more in-depth analysis that provides more timely and incisive guidance. Second, it makes it possible for public sector managers to better understand trade-offs and options and to reduce spend in a highly regulated environment.

How can a software application provide greater fiscal control?



Planning and budgeting software provides immediate visibility into the status of a government body's budget, ensuring that finance executives and leaders are informed of issues as they arise. The software can be linked to the ERP or financial management system so that accurate, up-to-date information on actuals can be imported instantly. Using the current budget and historical spending patterns, analytics can predict the departments—even down to the line item—that may go over-budget during the fiscal year or identify situations where expected spending is lagging to prevent unnecessary year-end use-it-or-lose-it outlays.

How important are analytics and reporting capabilities in the software?



Analytics and reporting capabilities are as important as control since administrators and elected officials must be able to answer questions from stakeholders about how the money will be or has been spent and how that connects to the mission of the organization. Departments should look for software with built-in dashboards that give everyone a near real-time view of where things stand. Those evaluating vendor offerings should be looking at how easy it is to configure those dashboards, whether reports can be generated and distributed automatically, and whether there are self-service capabilities that enable those with appropriate permissions to create their own reports. Reports in electronic form can make it possible for budget analysts to drill down and “slice and dice” the data to quickly identify issues and anomalies. These capabilities can make it easier to spot spending irregularities sooner.



How do finance leaders deal with guiding staff through changes in systems and processes?



Leadership is essential. Leading by example, showing a positive attitude and demonstrating trust in department members are important to maintaining business continuity during crises, and then will also help when you ask people to stretch themselves and change how they do their work. Be flexible when possible but firm when it's not. Training is essential to success. It also helps whenever possible to use software that looks and feels just like what they're used to seeing. One of the great things about today's software is that change provides meaningful benefits to employees, making them more likely to embrace new technology. For example, finance leaders can demonstrate that the new software will give them greater autonomy and free up their time to do more meaningful work.



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Robert Kugel is responsible for the Office of Finance and business research, focusing on the intersection of information technology with the finance organization and business. His research agenda includes the application of IT to finance and business process optimization, looking particularly at ERP and continuous accounting, financial performance management, predictive planning, price and revenue management, revenue and lease accounting and robotic finance.