

/IFP 2019

BOSTON | OCTOBER 20-23

Panel Discussion: Measuring the Success of Your FP&A Team

October 21, 2019

Agenda

How can we measure the value-added by FP&A?

- **Background and introductions**
- **Study results and panelist discussion**
- **Concluding thoughts**



Facilitators

Rachele Collins, Ph.D.
Principle research lead,
financial management,
APQC

Bryan Lapidus, FP&A
Director, FP&A practice,
AFP

About the Study

AFPonline.org/NextLevelofFPA

APQC web site:

[Preparing for the Next Level of Financial Planning and Analysis \(Collection\)](#)



Research Findings: Effectiveness of the FP&A team

How would you rate the overall effectiveness of the business analysis provided by FP&A in contributing to your organization's overall strategy?



Two-thirds of survey participants reported that their FP&A team's contribution is at best moderately effective in contributing to the organization's strategic goals.



N = 430

Meet the Panel



Craig Anderson

*VP of Finance and Head of FP&A
Tuneln*



Kevin Lennon

*Director of Finance
Aveanna Healthcare*



Mariah Guttoh

*VP, FP&A Manager
Bank of the West*



Carmen Turner

*Sr Finance Manager, Sales
McGraw-Hill Education*

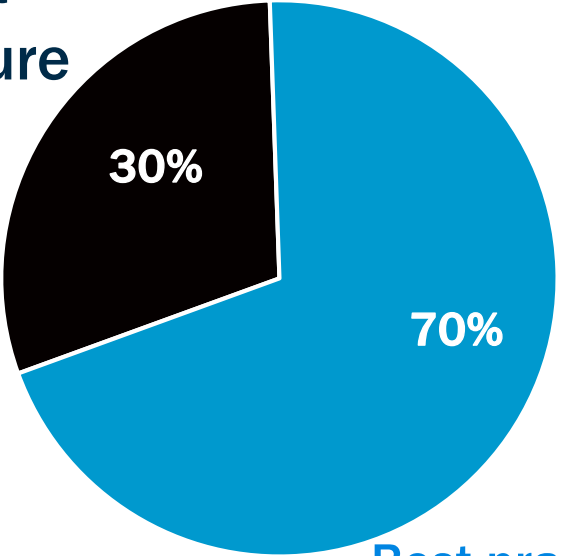
Panel Question #1

- **What do you do?**
 - **What is the scope of your FP&A?**
 - **How is your team organized?**

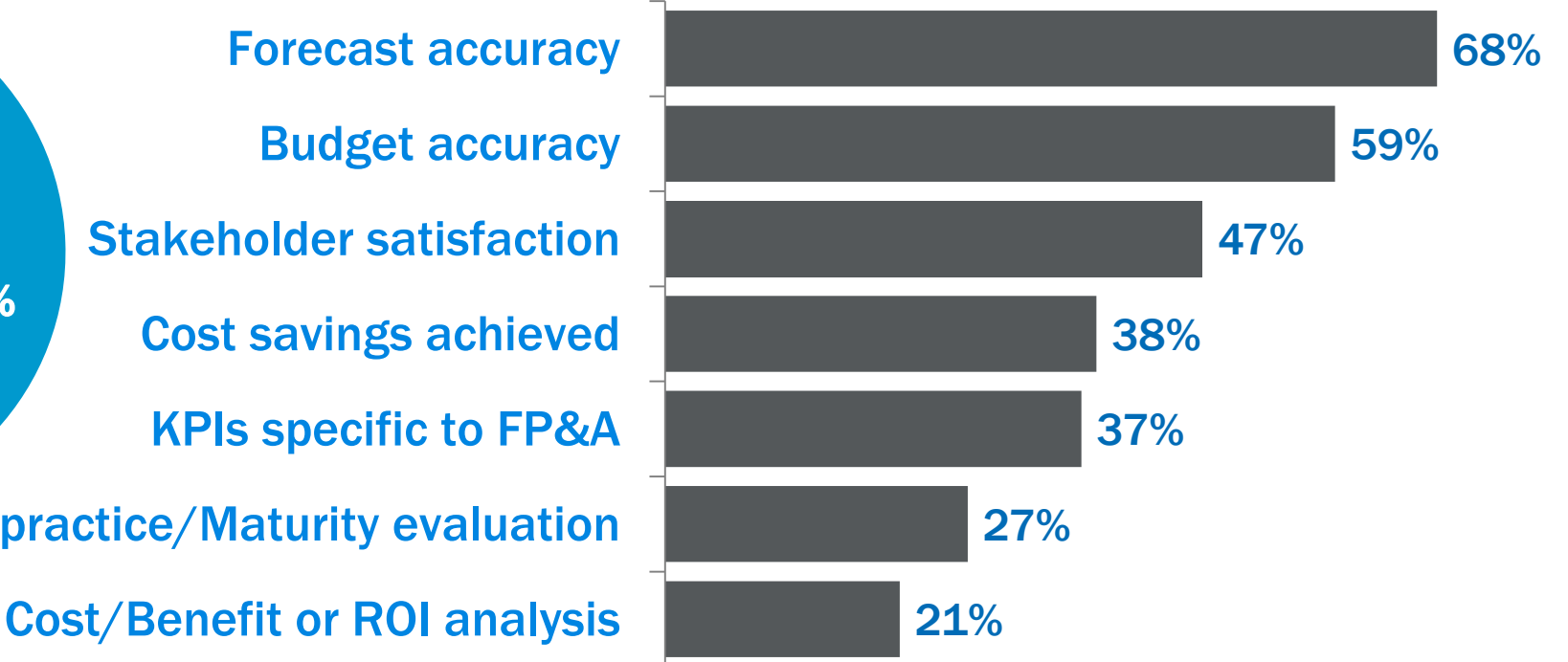
Research Findings: Metrics for Effectiveness

How do you measure the level of effectiveness of FP&A?

Do not measure



N = 431



N = 300

Panel Question #2

- **How do you know if you are successful?**
 - **What is “success” for FP&A?**
 - **Quantitative or qualitative measures**

Examples From The Study

Quantitative:

- Budget and forecast accuracy
- Satisfaction scores
- Delivering on financial goals (e.g., profit margin, cost savings)
- Business input into FP&A performance evaluation

Qualitative:

- Business seek/rely on FP&A input
- Invitations to strategic discussions/planning
- Strength of relationships with the business
- Reputation in the company
- Level of empowerment of FP&A professionals
- Board satisfaction with the information provided

Potential Measurement Framework

Best practices for output metrics:

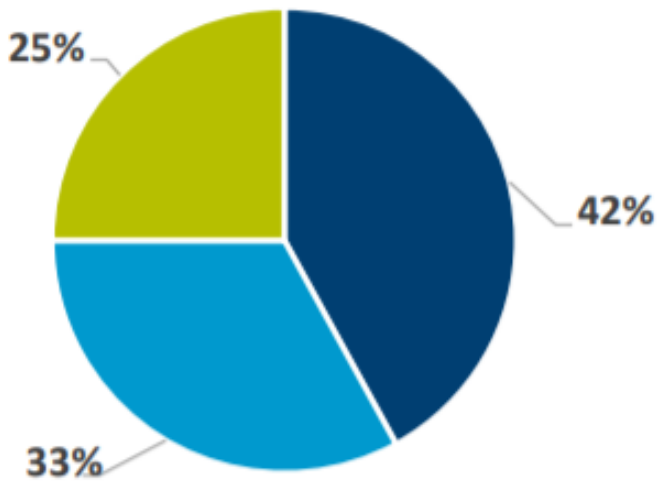
- Be aligned
- Be balanced
- Involve input
- Drive the right behaviors
- Be periodically reviewed

Panel Question #3

- **How do you put success measures in place?**

Research Findings: How FP&A Spends its Time

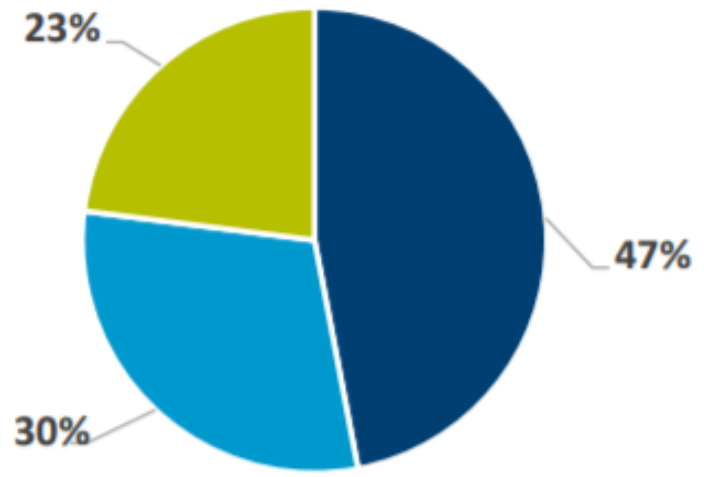
What percentage of time are FP&A professionals spending doing the following activities? (2019)



- Gathering data
- Administering the process
- Providing value-added analysis

N = 416

What percentage of time are FP&A professionals spending doing the following activities? (2010)



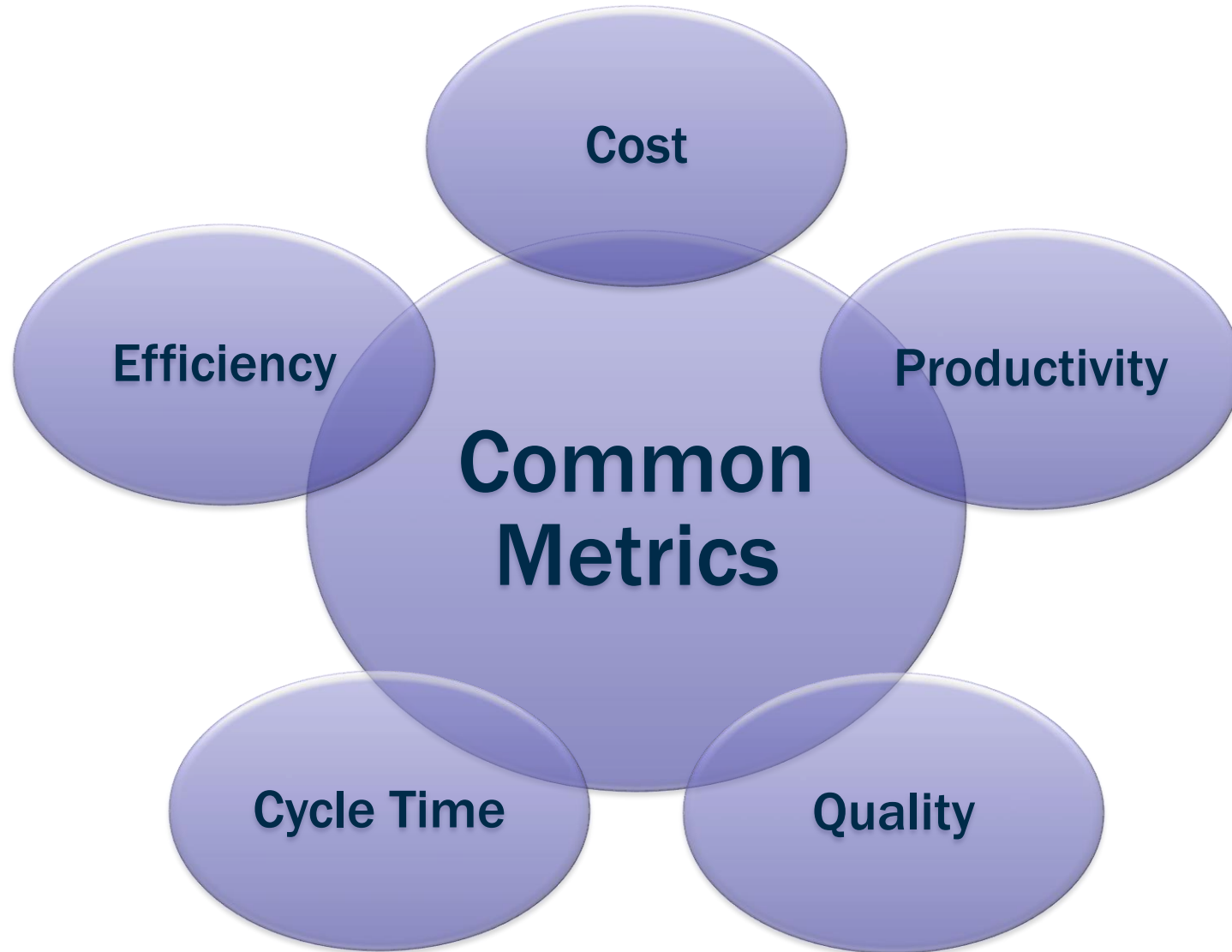
- Collecting and validating the data
- Administering the process
- Providing value added analysis

N = 290

Source: Corporate Planning and Performance Management

Panel Question #4

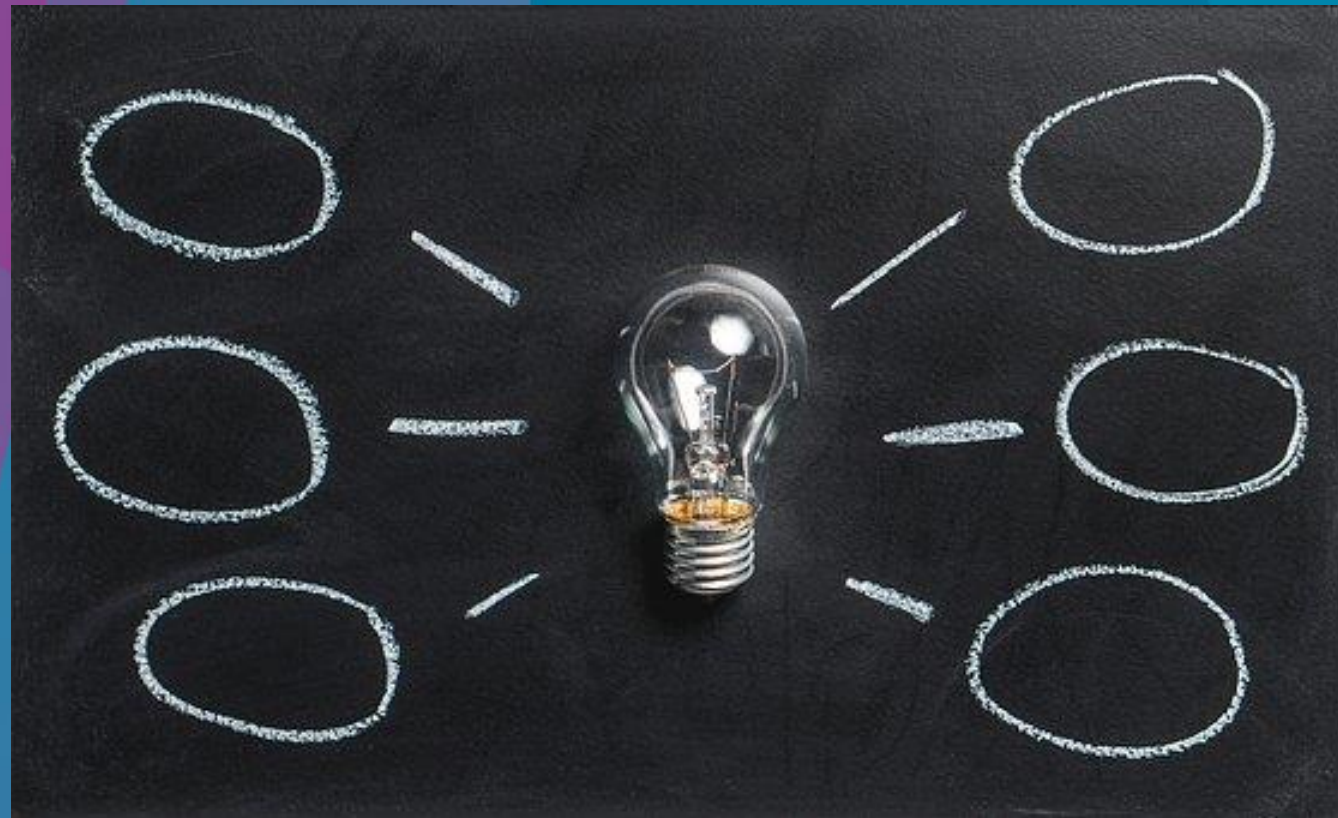
- **Can internal FP&A metrics help with external success metrics?**



Panel Question #5

- **What is next for success metrics?**
 - For your team
 - For FP&A in general

Audience Questions for Panel



Back in the Office

Measures of success → Desired outcomes

- **Define effectiveness**
 - Qual + Quant
- **Get data on current level**
- **Set a goal**
- **Get people on board**

Recommended resources

- [AFP: Preparing for the Next Level of Financial Planning and Analysis Dashboard](#)
- [AFP: Preparing for the Next Level of Financial Planning and Analysis](#)
- [APQC: Preparing for the Next Level of Financial Planning and Analysis \(Collection\)](#)