



# Asymmetric Problem Solving with Structured Planning

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## Meet your speaker

Brian M Skelly, Director of Finance Manhattan Associates

Brian M Skelly is Director of Finance at Manhattan Associates, a provider of cloud-native solutions for supply chains, inventories, and omnichannel distribution networks. Brian's career spans intelligence interviewing, forensic accounting, operations, and business and corporate FP&A.





### Who is Manhattan Associates?

Atlanta-based software company that provides cloud-native solutions for supply chains, inventories, and omnichannel distribution networks.

- Multi-national
- Multi-currency
- Publicly-traded (Ticker: MANH)
- \$0 Debt

- 3,600+ employees
- 1,200+ clients
- 700+ go lives (2021)
- \$600M+ yearly revenue

#### Manhattan Associates.



### Contents

- MANH Planful Ecosystem
- Asymmetrical Problem Solving, Process
  - O Identify Force Multipliers
- The Problem
  - **Global Resource Planning**
- The Solution
  - Novel Use of Entity Hierarchy
- Impacts to the Business

#### Manhattan Associates.



## Manhattan Associates Planful Ecosystem & Stats

Structured Planning Workforce Planning Consolidation (in flight)

Two Boomi Integrations: Workday (HCM) Microsoft Great Plains (GL)

#### **20 Planners**

**5 Read Only Users** 

**5 Super Users** 

175 Departments 11 Countries across 4 Regions 11 Currencies

Annual Budget Monthly Forecast Consolidation & Reporting

Intercompany Borrow/Lending Automated Monthly Reporting FX Neutral Reporting



You men are now **Force Multipliers**. Your training, experiences, force of will, and character will consistently translate into abilities that are many times more efficient and effective compared to other men in the military. Not only are <u>you</u> more efficient & effective, every resource at your disposal and every team you're on will inherently become a force multiplier.

Colonel Charles Alvin Beckwith
1976 US Army Special Forces Graduation



## **Asymmetric Problem-Solving**

- Seek and identify your "Force Multipliers"
- Evaluate solutions by prioritizing those in which the least number of resources achieves the greatest impact
  - Reduce or eliminate indirect & cascading impacts to users/business
- Effects-Based Solutions
  - Based on the results of a WW2 study on US Air Campaign to disable German Railroads
  - The same objective of a campaign that used hundreds of bombs and flight hours could have been achieved with 10–20 targeted strikes on bridges & other critical junctures

#### <u>Effective Planning Solutions that have an outsized impact relative to the</u> <u>effort & resources used to achieve, while minimizing any unintended</u> consequences



## **The Simple Problem-Solving Process**

- 1) Identify your problem (Frame it with "I need to \_\_\_\_\_ but \_\_\_\_\_")
- Identify what information you know and what you information you still need
   a. Identify all Force Multipliers
- 3) Identify your constraints resources, audience, time, technology, etc.
- 4) Develop potential solutions within steps 1 through 3
- 5) Evaluate potential solutions to identify optimal choice

This is where we apply Asymmetrical Problem Solving – evaluating for greatest use of Force Multipliers while optimizing for direct, indirect, and cascading impacts







## Identify the Problem





## **The Problem:**

We know we need to build the resource borrowing and lending concept into Planful, but how do we translate the logic from Anaplan, build in the improvements requested by leaders... and do so <u>within</u> <u>system & resource constraints?</u>







## Knowns/Unknowns Force Multipliers Constraints



## **ID Your Force Multipliers:**



- Planful Experts
- MANH FP&A Team
- Planful Hierarchies/Dimensions
- Remaining Budget \$'s



#### The "Knowns"

- Logic used by business for borrow/lend
- P&L Mechanics (Revenue & I/C Cost Entries)
- Planning & Reporting improvements requested by leaders
- Past failures and limitations in prior system/logic
- Planful's Structured Planning capabilities alongside Planful Architecture (Hierarchies)

### **The Constraints**

- Resources Implementation team, project
   budget
- Time constraints for implementation team,
   Anaplan sunset, FP&A/day job
- System capabilities Planful
- ✔ Workforce Planning Security
- Solution must directly and indirectly serve multiple audiences – planners, finance, management, board







US Project requires resources from India Makes Request





Step 2

### India approves request Resource records client hours





#### Step 3

I/C costs generated via Project Hours & Transfer Pricing (\$/hr)



Step 4

Revenue generated as billable work is performed





#### Step 5

Project Revenue, Cost, & Margin accurately reported on P&L





### **Ultimate Solution Requirements**

- Align planning / inputs with real-world logic
- Prevent over/under borrowing
- Empower leaders with collaborative, decentralized decision-making
- Balance security with data transparency & reporting



© Australian Bureau of Statistics, GeoNames, Microsoft, Navinfo, OpenStreetMap, TomTom, Wikipedia





## **Evaluate Potential Solutions**



### **Possible Solutions**

#### Solution 1 Use statistical accounts to track borrowing/ lending in existing hierarchy dimensions

#### Solution 2

Create statistical

accounts unique to every

geo-department

#### Solution 3

Create a separate

dimension off the geo &

department hierarchies



### Solution 1

Solution 1 Use statistical accounts to track borrowing/ lending in existing hierarchy dimensions

#### Solution 2

Create statistical accounts unique to every geo-department Solution 3 Create a separate dimension off the geo & department hierarchies



## **Solution (1):** Use statistical accounts to track borrowing/lending in existing hierarchy

Geo	Department	Stat Account	Resources
10	133	Avail Resources	50
	·		"
??	???	Borrowing Request	25
??	???	Borrowing Request	15
??	???	Borrowing Request	5

Solution (1) has limited reporting visibility



### Solution (1) vs. Solution Requirements



Align planning / inputs with real-world logic

Prevent over/under borrowing



Allow collaborative, decentralized decision-making



Balance security with data transparency & reporting





### Solution 2

#### Solution 1 Use statistical accounts to track borrowing/ lending in existing hierarchy dimensions

#### Solution 2 Create statistical

accounts unique to every

geo-department

#### **Solution 3** Create a separate

dimension off the geo &

department hierarchies



### Solution (2): Create statistical accounts unique to every geo-department

	Geo	Department	Item Description
Requires <mark>192</mark> unique stat accounts	10	103	Borrowing Request

		Stat Accounts	
10 - 103 Borrowing Request	10 - 103 Approval	10 - 103 Revenue	10 - 103 Intercompany Cost
10 - 108 Borrowing Request	10 - 108 Approval	10 - 108 Revenue	10 - 108 Intercompany Cost
10 - 109 Borrowing Request	10 - 109 Approval	10 - 109 Revenue	10 - 109 Intercompany Cost
10 - 110 Borrowing Request	10 - 110 Approval	10 - 110 Revenue	10 - 110 Intercompany Cost



### Solution (2) vs. Solution Requirements



Align planning / inputs with real-world logic



Prevent over/under borrowing



Allow collaborative, decentralized decision-making



Balance security with data transparency & reporting





### Solution 3

#### Solution 1 Use statistical accounts to track borrowing/ lending in existing hierarchy dimensions

#### Solution 2

Create statistical

accounts unique to every

geo-department

#### Solution 3 Create a separate dimension off the geo & department hierarchies



### Solution (3): Create a brand-new dimension based on geo & dept hierarchies

Geo	Department	<b>Resource Department</b>	Stat Account	Resources
10	133	10-103	<b>Borrowing Request</b>	25
10	133	10-108	Borrowing Request	15
10	133	10-109	Borrowing Request	5



New dimension provides data transparency!



### Solution (3) vs. Solution Requirements



Align planning / inputs with real-world logic



Prevent over/under borrowing



Allow collaborative, decentralized decision-making



Balance security with data transparency & reporting





## **Implemented Solution/Process**

Create resource-departm ent dimension Design input templates for resource rates (revenue & cost) Design input templates for resource requests & approvals

Business submits resource requests and approvals

Leaders re-evaluate resource levels and phasing

FP&A generates P&Ls and resource reporting

Visibility into resource requests, approvals, and remaining availability

Revenue & intercompany costs accurately tracked by country and posted to P&L

Regional security uncompromised





**Hierarchy Selection** 

 Resource\_De Future1 Scenario Cloud\_Res Reporting CSO\_Reso Time

Associates.

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Type

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#### Resource\_Depts / Resource\_Depts Main

Type Finance Hierarchies

Geography Hierarchy Department

Account

Product

Resource\_Depts Future3

Dimension Resource\_Depts

IDX	Label
388	Training_ResourceDepts - Training_Resources
387	Cloud_ResourceDepts - Cloud_Resources
386	CSO_ResourceDepts - CSO_Resources
385	PSO_ResourceDepts - PSO_Resources
100	0 - None
190	Non_ResourceDepts - Non_Resources

:

Select a node to see properties.

PSO\_ResourceDepts - PSO\_Resources

Non\_ResourceDepts - Non\_Resources

Resource\_Depts dimension added to Finance & Entity (Budget) Hierarchies

\*\*Key to Security and Reporting requirements\*\*x Get Help Q 🗍 💠 😚 🛱 🖪

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Budget Entity Hierarchy / Budget Hierarchy

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## **Borrowing Templates**

#### **Planning Control Panel**

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Role

Budget Preparer w/HR

▼ Budget Preparer w/HR

Budget Preparer w/HR

Budget Preparer w/HR

Budget Preparer w/HR

▼ Budget Preparer w/HR

Budget Preparer w/HR

Budget Approver w/HR

Budget Preparer w/HR

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#### **Approval Role Setup**

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## **Approval Templates**





## **Reporting in Practice**

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Quickly identify excess unborrowed headcount.... Saving time and Budget dollars!



## Reporting Improvement Realtime, Collaborative Decision–Making by Biz Leadership

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Resource Department allows us to create rules so our users can quickly identify revenue sources

planful

### Solution (3) vs. Solution Requirements



Align planning / inputs with real-world logic



Prevent over/under borrowing



Allow collaborative, decentralized decision-making



Balance security with data transparency & reporting





### Outcomes

 Fewer Budget iterations, decrease in FP&A reporting cycles



 Budget outputs <u>TRUSTED</u> by Biz leaders and MANH Exec Leadership Team





### Key Takeaways:

Asymmetric Problem–Solving & Planful

- Identify your Force Multipliers
- Step through your problem-solving process
- Evaluate options for solutions that optimize impact & use of resources
- Reduce unwanted indirect & cascading effects







## Q&A