

The advantages of automated financial planning & analysis

Automation can make financial modeling and planning faster and easier for your accounting firm.



Introduction

In a recent survey, 89% of accounting professionals said automation in financial operations makes them more profitable and efficient.

Case in point: services like accounts payable, accounts receivable, and spend and expense management. Automation can drastically reduce time spent on tasks and increase efficiency. After all, which would you choose: entering and reconciling expenses by hand or seeing spend in real time, without lifting a finger?

Financial planning & analysis (FP&A) is no different.

When automation combines with FP&A, accounting firms can open new opportunities to expand services, retain clients and talent, and attract new business. This guide will outline how by exploring:

- The complexities of spreadsheet FP&A and how they can impact your firm
- How automated FP&A works
- How firms can leverage automated FP&A to their advantage

A large, bold, orange graphic of the number 89 followed by a percentage sign, representing the survey result.

of accounting professionals said automation in financial operations makes them more profitable and efficient.¹

¹ [The BILL 2023 Accounting Firm Automation Opportunity Report](#)

FP&A locked in spreadsheets

Spreadsheets like Microsoft Excel or Google Sheets often serve as the de facto tool for FP&A. This approach, however, can complicate processes and delivery.

Spreadsheet challenges include:

- **Errors.** Manual processes have a track record of inaccuracy. It's easy for mistakes to creep in when you're working across several systems and entering information by hand.
- **Excessive hours.** Building financial models, creating graphs and charts, and maintaining a spreadsheet are time intensive.
- **Dated data.** Manual spreadsheet entry necessarily involves working with outdated information.
- **Traffic jams.** The complexity of spreadsheet FP&A means it's often handled by only managers or senior managers in a firm. This presents bandwidth restrictions, limiting the scalability of forecasting for clients.
- **Siloed information.** Not everyone has access to spreadsheets. Often, the accountant "holding the keys to the sheet" has to export or share different versions of it with clients and reconcile changes on the primary sheet. People's preferences and use of sheets vary, meaning it can take time for a new sheet owner to determine how formulas are set up and what cells are referenced.
- **Lackluster presentations.** Numbers are the lifeblood of accounting, but your clients may not share the same level of knowledge as your firm. Presenting forecasting results using spreadsheets may lead to a confused or unengaged client.

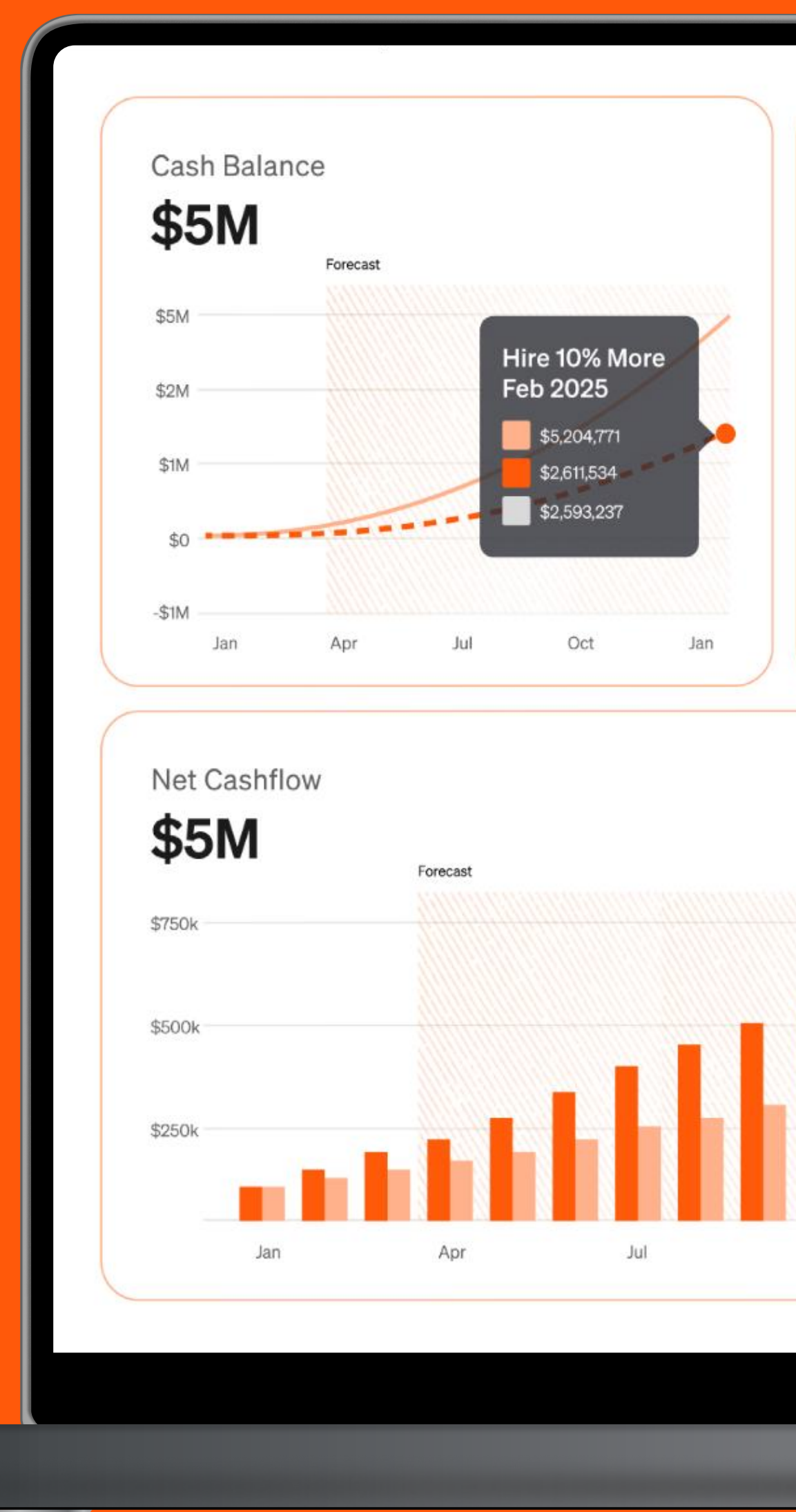


Advantages of automated FP&A

Automation creates a faster and more collaborative FP&A process—allowing you to focus on strategic decision-making, not tedious reporting.

Automated FP&A advantages include:

- **More strategic insight.** Flexible scenario planning and forecasting can inform timely, strategic recommendations for your clients.
- **Reduced errors.** FP&A software integrates with CRM, payment processing, payroll, expense and spend management, and accounting softwares to sync data and reduce the chance of errors.
- **Visibility.** Rely on timely data to advise clients on cash flow, expenses, and more.
- **Save time.** Automated reporting replaces manual, time-consuming processes, and modeling engines can build more robust financial models in a fraction of the time normally spent on spreadsheets.
- **Easier collaboration.** Create, manage, and share your financial plan with internal and external stakeholders. Software permissions help you curate access for each user so they see only what's pertinent for their role.
- **Presentation-ready results.** Build custom dashboards, drill down into details, and compare multiple scenarios in various formats, charts, and graphs, to help clients quickly digest forecasting data.



Head to head: spreadsheets vs automated FP&A

How does a spreadsheet compare to automated FP&A? Let’s dive in.

Automated FP&A advantages include:

Scenario: Your client, a marketing agency, is eager to hire more talent for their growing organization. But first, they need to understand how adding employees will affect their finances and if it’s the right time to hire.

With spreadsheets

- 1 Log in to payroll.
- 2 Download payroll report.
- 3 Summarize by payroll type.
- 4 Go to the revenue system.
- 5 Go to the revenue model.
- 6 Make a spreadsheet.
- 7 Put revenue model and payroll in spreadsheet tabs.
- 8 Summarize these over time.
- 9 Add a variable (employee count, for example).
- 10 Run the “what if scenario planning” function to adjust numbers.

With automated FP&A

- 1 Log in to automated FP&A system.
- 2 Payroll costs are pre-populated with integrations. The system can model cost over 12 months with any hiring scenarios you add.
- 3 Increase revenue per headcount

The winner: Automated FP&A



Automation advances FP&A even further for your firm, allowing you to create dynamic hiring plans based on thousands of data points. Now, you can instantly see how hiring impacts key metrics, find the best times to hire, identify which positions will impact goals the most, and reconcile new hires against your clients’ plans.

Leveraging automated FP&A

How can firms leverage automated FP&A to support growth, client retention, and more? Here are some options.

Upskill and retain talent

With automated FP&A, you can relieve talent strain with more efficient and less time-consuming processes. You can also upskill talent, as integrations, syncs, and automation make FP&A more accessible to more professionals in your firm. This can translate to a higher rate of employee retention, since talent can focus on higher-value contributions and expand their skill sets.

Expand services

If your firm offers outsourced CFO or controller services, it may already provide some financial planning services. However, automation makes it more accessible to create FP&A offerings for clients.

Consider client advisory services (CAS). While your firm may advise on items ranging from tax planning to benchmarking to grant optimization, automated FP&A can supplement with additional insight, like short-term cash flow management, capital asset planning, runway, and more.

It also fills a gap in work for clients. For example, if you're already creating financial statements for cash flow, P&L, and balance sheets, you have an entry point to sell clients on creating forecasts for each statement too.

Automated FP&A also complements bookkeeping services for clients. Since bookkeeping relies on AP, AR, spend and expense management, and payroll, data from these processes serves as a foundation for forecasting and analysis.





Enhance client relationships

Clients will appreciate the additional insights that come from your firm and FP&A. For example, many businesses would consider weekly cash flow forecasting based on timely data a valuable addition as they develop and grow. Want to go the extra mile? Automated FP&A may let you offer this to clients at no or low cost, enhancing the value offered by your firm.

Attract new business

Happy clients often lead to more referrals. Plus, your firm can leverage FP&A as a competitive advantage when pitching new business.

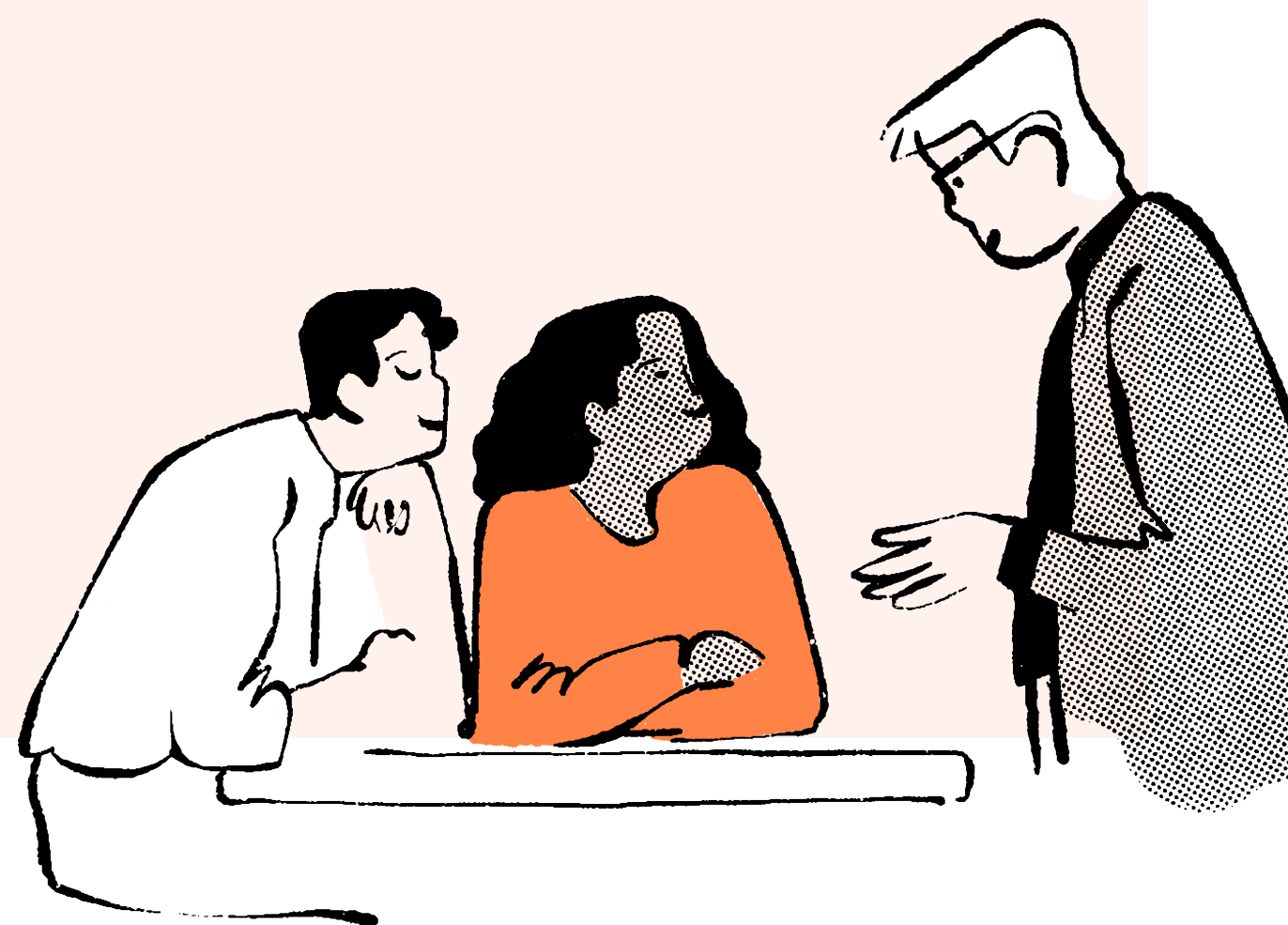
Next steps

Ready to learn more about automated FP&A and how it can benefit your firm? Reach out to your account manager if you are a BILL customer.

If you'd like to learn more about BILL, [visit here](#) to sign up for a risk-free trial or request a demonstration.

Examples of forecasts and insights provided by automated FP&A

- Cash inflows and outflows
- Scenario analysis
- Runway
- Customer lifetime value (LTV)
- Cost of acquisition (CAC)
- Sales growth rate
- Revenue per headcount by department
- Cash balance vs goal



Ready to help your clients spend smarter?

Reach out to your BILL account manager today
or visit <https://www.bill.com/for-accountants>

