



CASE STUDY SERIES

Bunker Hill Community College Profile

- Largest community college in the state
- Located in Cambridge, MA
- 9,300 learners
- Students from US and abroad
- College in strong growth mode
- Coursework in-person and on-line

BudgetPak Results

- More insightful resource allocation
- Reduced time spent on mechanics
- More realistic budgets the first time around
- Stronger spending discipline
- Budget owners involved and enthusiastic
- More accurate budgeting

Summary

Two years ago, Jeffrey Ginsberg, BHCC's Director of Fiscal Affairs and Central Services, saw that the growing college's budgeting process had become an obstacle to careful resource planning and allocation. That process, which relied on a seemingly endless cascade of multiple Excel spreadsheets and inefficient back-and-forth communications and negotiations, was considered an annoying chore by some busy deans and department heads. Mr. Ginsberg, for his part, found himself bogged down in transaction processing, data entry, and spreadsheet reconciliation. He wanted to spend more of his energy supporting the Executive Vice President & CFO (Jesse M. Thompson) on strategic financial planning—and less of his time chasing department heads with requests for missing data and entering that data into multiple spreadsheets.

After installing XLERANT's BudgetPak software and teaching budget holders how to leverage its unique combination of usability and ready-made features, Mr. Ginsberg today points to a significant boost in his own productivity. Meanwhile, budget holders have a new and positive attitude toward the financial management process.

Background

Mr. Ginsberg's primary role is fiscal oversight, with most of his time and energy devoted to crafting and maintaining the college's \$50 million annual operating budget. He must ensure that budget holders have the resources they need to meet the college's growth trajectory while also ensuring that spending is done in a disciplined and thoughtful manner.

BHCC has been in growth mode for some time, “and that presents a unique set of challenges,” says Mr. Ginsberg. The main building complex, which opened in 1973, was designed to serve 2,500 students. BHCC is currently embarking on a major construction program to alleviate space constraints and offer an improved environment to in-coming students.

THE DILEMMA

Mr. Ginsberg explains the situation that drove him to take action. “I was using a Microsoft Excel workbook, and I would send individual spreadsheets to the budget holders. Then I’d have to chase them down by phone to get the necessary context for their budget requests. I’d have to call them to obtain notes. It was hard to keep track of how far along individuals were in their budgeting process. And worse, people would send me multiple versions.”

He had sympathy for the non-finance managers who struggled to work in Excel. “People were just entering numbers with little thought put into it. The budgeting process, done with that tool, was not appealing to them, even though I thought it was easy to put a number in and then put a note in.” Some people would simply enter last year’s budget just to be done with it.

Unsurprisingly, Mr. Ginsberg also had difficulty enforcing deadlines. People would tend to wait until the last minute. “This is typical human behavior. We put off until the last minute things that are not appealing to us. And these are very busy people with major commitments. Consider this: here I am asking a Dean to submit budgets for 20 departments during our annual commencement period. You can understand the priorities this person has to juggle.”

FINDING THE RIGHT SOLUTION

Mr. Ginsberg and the Executive Vice President & CFO to whom he reports knew they had reached a pain point that had to be addressed. “We looked at one product, MS FRX, but it was too expensive and more than what we needed. We didn’t see anything else on the market at that time that addressed our situation. So, we gave up the pursuit.” he recalls.

In mid-2007, Mr. Ginsberg read a *CFO* magazine article entitled: “Sloppy Spreadsheets.” The title alone rang a bell. The article mentioned a new budgeting software solution called BudgetPak and he was intrigued.

BudgetPak—10 Unique Capabilities

BudgetPak is simply the best corporate budgeting software on the market today. Its unique combination of usability along with its powerful features make BudgetPak stand out from the rest. Below are ten unique specific capabilities you should take into consideration when shopping for corporate budgeting software.

SimpleStep Interview (in Coach Mode): Steps budget holders through an interview process the way a live analyst would, saving considerable time when developing corporate budgets while building line manager involvement and commitment.

Interactive Budget Map: An interactive, manager centric view of the corporate budget.

Extensive Library of Common Reports (out of the box): While custom reports are available, BudgetPak comes with an extensive library of budget reports that address most customers' needs.

Project BudgetBuilder: Allows users to group costs anyway they want. Can be used for "trip budgeting" when building travel budgets, or for constructing IT projects, or for building training program budgets, or for strategic initiatives, special projects, etc.

JumpStart What-If: While our corporate budgeting software can handle any what-if scenario, the pre-formatted what-if scenarios allow even new budget holders to quickly assess and understand their key leverage points (i.e., delaying new hires, adjusting annual salaries raises, etc.).

FogLifting Reports: Gets you the "story behind the numbers" in a way that traditional reports comparing general ledger account spending never could.

Intelligent Spreading: Budget Holders can provide the finance team with a well thought out monthly spread in just a couple of clicks.

Integrated Asset Planning: Users select from a catalog of assets (such as new PCs or leased cars) and BudgetPak corporate budgeting software automatically calculates depreciation or lease expense.

Impact Box: Provides real-time comparison of budget vs. latest forecast or prior year or baseline budget.

One Click Export to Excel: BudgetPak can export any report directly to Excel, with an option to strip formatting to easily create pivot tables.

When Mr. Ginsberg saw the XLERant BudgetPak demo, "I saw immediately that this was going to make me much more efficient. By making life better for our managers, XLERant would make life better for me."

BENEFITS REALIZED

1. *What-if Scenarios at a Glance*

XLERant allows Mr. Ginsberg to run a number of handy reports with ease. For example, "I can run a report by department or college-wide. I can easily look at the impact of employees coming on or leaving. I can quickly analyze the impact of raises, or I can compare the projected costs for our next fiscal year with last year's spend rates. I also like that I can easily run reports by, for example, expenditure class, say, IT equipment."

2. *Controlling the Spend in Real-time*

Mr. Ginsberg enjoys the transparency that BudgetPak offers on spending dynamics during the fiscal year. For the current fiscal year, he notes, "I have actual expenditure targets by account. That allows me to see if, for example, a department is heading for trouble by overspending early on in the cycle." The budget owners can also check on their spend rate. "People can easily go in two or three times a month and check on the 'run rate' of, say, office supplies."

3. *No More Telephone Tag*

BudgetPak offers sufficient notes space for budget holders to clarify why, for instance, a spending request is significantly out of line with the prior year's number for a specific line item. Consider, for example, that a department head can put in \$10,000 for office supplies, which, on its face, appears vastly swollen. The department head can easily insert a note that explains to Mr. Ginsberg why they need the spending; and also provide line item detail around three pieces of new software that will provide a clear and reasonable pay-back. The explanation and line item detail, he says, allows him to then describe the new software packages to the CFO and the planned impact they will have on the college's ability to meet a specific growing need.

4. *Deadline Discipline*

When it comes to keeping budget holders on deadline, Mr. Ginsberg turns to a BudgetPak's feature called the budget status report. "It helps me to track where individuals are in the budgeting process. I can check up on people to see if they are using the program, or what version are they using."

5. *Non-finance People Enjoy the Built-in Proactive Assistance*

BudgetPak is designed to be used equally well by first-time budget managers and those with financial management expertise. BudgetPak actually assists department heads in creating carefully crafted budgets the first time around, saving countless hours of validation and rework by the controller or CFO. BudgetPak steps budget holders through an interview process the way a live analyst would, saving considerable time while building line manager involvement and commitment. This software also offers an interactive, manager-centric view of the budget in a feature called "Interactive Budget Map." What's more, BudgetPak provides real-time comparison of budget vs. latest forecast or prior year or baseline budget, etc. No need to go to a report to "see how you're doing."

6. *Training End Users Is Easy*

BHCC's strategy was to start with a small group of five test users and get them comfortable with all the features. This training takes about 1 hour for a non-finance manager to get up to speed. "We had a user from each division of the college to test it out," says Mr. Ginsberg. "The plan was to empower the test users to share knowledge with other users in their areas. My goal was to have these test users up to speed when the budget process started in earnest. Of course, I did have to walk people through some things, and that's fine. I'm happy to take time to teach rather than force something on them and leave them stranded and frustrated. Overall, though, it's an easy program. And it gets easier for the non-finance people the more they use it," he adds.

SUMMARY

Mr. Ginsberg is confident that BHCC's new budgeting software will have a significant impact on financial management integrity going forward. "We are just in our first year of using XLERANT, but I already see an improvement. Over time, I believe we will succeed to the point that we will have a truly revolutionized budget process." People at BHCC are quickly getting use to BudgetPak. "We are all on a learning curve," says Mr. Ginsberg. "Eventually, I want to get their budgeting processes and tasks in alignment with me. To that end, I will be teaching them how to leverage deeper and deeper aspects of the functionality to become more efficient.

As for end-user acceptance, "I have gotten a lot of positive feedback so far from the budget owners. They say XLERANT is easy and intuitive. They like it better than a spread sheet. It helps them think more carefully about the budget. It helps them to see that budgeting process is vital to their ability to pursue their professional goals," he says.

For more detail on this application or to discuss how XLerant can help you with your analytic requirements, send an email to Info@XLerant.com.

About XLerant

XLerant helps companies save time and add strategic value to their budget process by moving from accounting-centric to business-centric budgeting. XLerant's award-winning BudgetPak software redefines Financial Planning & Analysis (FP&A) by guiding business managers through the process of building their budgets while providing financial managers a powerful front-end to any existing G/L, CPM, or ERP system. Hundreds of business managers are now engaged in budgeting in a very powerful new way.

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