

## Use Cases

Budgeting, Planning,  
and Forecasting

## Challenge

- Complex recognition rules
- Multiple forecast drivers
- Contributors in multiple countries for periodic P&L forecast
- Convert 100+ spreadsheet annual operating plan into single seamless process

## Solution

- Consolidate data from multiple sources into one repository
- Ready-to-use cloud-based system
- Single platform connects users across the globe

## Results at a Glance

- Enabled more consistent and transparent forecasting from bottom to top of organization
- Facilitated “better conversations” between executives and departments
- Reduced maintenance revenue forecast process from days to minutes
- Increased frequency of updates from quarterly to monthly
- Reduced annual operating plan turnaround from 60 hours to two hours
- Self-sufficient in two days
- Empowered team with accurate and timely forecasts



# Serena connects **complete global FP&A solution** in Anaplan

## Introduction

Silicon Valley-based Serena Software provides orchestrated IT solutions to the Global 2000. The company's core purpose is to advance the business value of IT. With over 4,000 active enterprise customers encompassing almost one million users worldwide, Serena is the largest independent Application Life Cycle Management (ALM) vendor and the only one that orchestrates DevOps – the processes that bring together application development and operations.

Over the past six years Serena has branched out from their core competencies in application change management to new business areas, including custom workflow and product release management. This expansion created the need to know precisely where revenue streams were coming from, how to forecast those revenues, and how to project costs. As is the case with most large enterprises, such questions fell through the cracks of Serena's tightly integrated SAP network into Excel, which was neither capable of delivering answers accurately nor on time.



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Nathan Tiller, director of finance, is responsible for financial forecasting and budgeting at Serena. After over a decade of running financial operations for the business, he worked closely with his team to oversee the company's transition to Anaplan in 2011.

## The Business Problem

Before Anaplan, Serena's finance function was running a large number of FP&A processes through Excel. "There was a lot of manual work," said Melissa McFarland, director of accounting, "and over time we'd ended up with this daisy chain of linked spreadsheets that would roll up and feed into each other. Different people in functions around the world would have input into this process, and they'd all be updating their pieces at different times. It was very inefficient, especially when it came to managing organizational change."

Serena's finance department had three key areas of pain: the annual budgeting process, the periodic P&L forecast, and the maintenance revenue forecast, each of which was managed with a combination of spreadsheet jockeying and blind intuition. "Excel wasn't cutting it," said Nathan. "It wasn't efficient or flexible enough. But we weren't interested in trading in the evil of spreadsheets for the evil of another cumbersome tool."

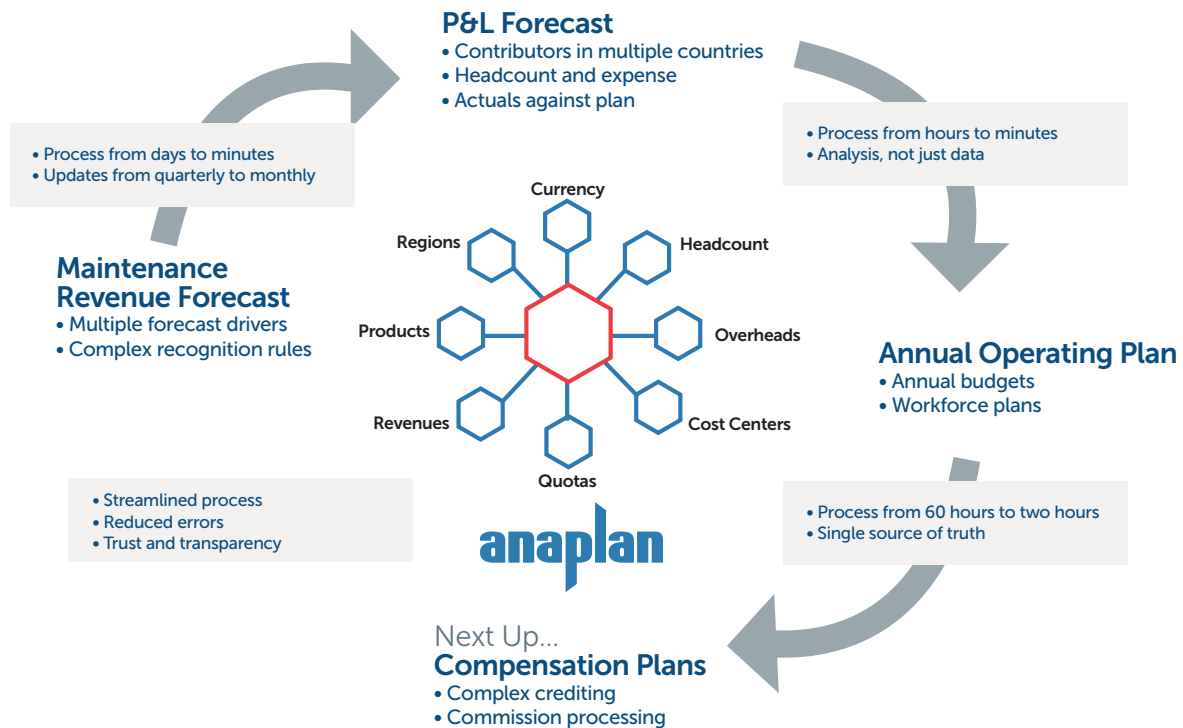
## Enter Anaplan

When Nathan heard that Anaplan was offering a powerful solution in an affordable SaaS cloud platform, he was skeptical. "To be honest, I thought I was pretty familiar with the market landscape and didn't think there was anything out there for us." But after hearing their pitch, Nathan realized Anaplan was presenting a third path. "At a certain point a light bulb went on for us and we thought, 'Wow, this is incredible. Here's a product that's easy to use, powerful and flexible enough for our needs, and doesn't require enormous up-front or on-going investments because we can maintain it ourselves.' It just made a lot of sense."

They green-lit a proof of concept (POC) to target the maintenance revenue forecast model. "That's not as easy as it might sound because of all the moving parts involved," explains Melissa. "In any given month there are three major pieces that feed into the maintenance revenue. Putting all of them together to understand the waterfall of licenses, the assumptions in different regions, and how maintenance interacts with them was very complex."

In the previous Excel forecast, the team would spend three to four days updating the model, and even then that was only for the Americas, while the rest of the world remained in the dark. "We were doing it once a quarter because of the time commitment," Nathan said. "We knew we wanted to do it worldwide so we weren't just relying on gut instinct for our revenue forecast, but it was too much for Excel."

# MODELING FP&A AND BEYOND



## Implementation

Melissa sat down with an Anaplan architect to discuss the maintenance revenue forecast model design. A week later they had a working prototype in their hands, and after two days of training she dove in. "A savvy Excel user can pick up Anaplan without much difficulty," she said. "At the end of the prototyping process Serena had a maintenance revenue forecasting model that covered them worldwide and could be updated every month – which was the frequency they wanted – in about twenty minutes." she continues, "We went from 3 or 4 days of work to update one region once every quarter to a world- wide update in 20 minutes every month. That was our first success story with Anaplan and we decided to become a customer."

## True Self-Service

With the POC up and running, Serena moved on to the monthly P&L forecast. "We built the monthly P&L forecast on our own, which gives you a sense of how easy it is to pick up Anaplan," recalled Nathan. "We didn't have to hire consultants. I'm sure we asked the Anaplan gurus a couple questions along the way, but in general with only a little trial and error we were able to build on what we'd learned from the maintenance model to create a new model from scratch."

The P&L forecast enabled personnel in the accounting and finance function around the world to forecast their expected revenue and costs, load in actuals on a monthly basis, and build P&Ls based on that data. "I think I had it done in under a week and it required very little training for our users to transition from Excel right in," said Nathan. Almost overnight, Serena had connected their global finance function to a single seamless P&L process that facilitated a better conversation companywide. "That was our second big success with the product."



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## “What-If” Modeling

In the fall of 2012, the team tackled the annual budgeting and planning model, by far the most ambitious project to date. “We’re a software company – our assets are tied up in people, so being able to model them accurately and accommodate assumptions around attrition and reduction in force and hiring is vital to us,” said Melissa.

An Anaplanner went out to Serena to act in an advisory capacity in the early stages of design. Then they were on their own. As they worked through different iterations of the model, Nathan and the team gained a new appreciation for Anaplan’s revolutionary flexibility. “With Anaplan the cell references are dynamic, which enables you to play with all kinds of different “what-if” scenarios and save the versions as you go. It’s instantaneous,” explained Nathan.

## Always Getting Better

“During our two years with Anaplan, every single wish list item that I can think of has become a reality,” said Nathan. It’s not just the fact that updates and innovations are seamlessly pushed out to users on a regular monthly schedule. What sets the business apart is the way customers directly influence the product roadmap. “Anaplan really listens to its customers, understands what they want, and responds in a timely fashion to their needs. The response time is quite incredible.”

## ROI

“I can’t even tell you how many mind-numbing hours we used to spend dealing with broken links and disconnected versions,” said Nathan. “Anaplan has done away with all that. It’s given us a platform that everyone has selective access to. Versioning is easy. It has facilitated a combination of speed and accuracy we couldn’t have dreamed of before—everybody is looking at the same thing.”

Nathan estimates that the platform has saved him and his team “hundreds of hours” of work in each of their processes. “But I don’t think a statistic like that really captures the value of Anaplan,” he clarified. “Sure, those saved hours are important, but more important is the fact that Anaplan has given us a way to communicate that we didn’t have before. Now we’re having better conversations that lead to a better understanding of our business.”



## The Road Map

Moving forward, Serena wants to take Anaplan in two different directions. The first is to continue to improve models they're already using, and on this front they have plans to enhance their variance reporting and start using more of Anaplan's dashboard functionality. The second is to expand usage into new areas of the company. Next up is a replacement of a manual sales compensation process that's currently held together with "a little duct tape and good luck" in Excel.

"When we're finished, sales managers won't have to wait for spreadsheets to get sent out," explained Nathan. "They'll be able to log in and self-serve, see the modules and reports we create for them, and understand commission data for each rep."

"I think there's actually a third direction, which lies across the first two," mused Nathan. "And that comes back to communication. Anaplan enables so much possibility that it forces you to really question what you want your processes to be. At Serena it's started a discussion at the executive level that is helping us to articulate what it is we're trying to measure and understand in our business. I've come to realize the platform isn't just about what the numbers are, it's about the why's behind them."



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## About Anaplan

Anaplan is driving a new age of connected planning. Large and fast-growing organizations use Anaplan's cloud platform in every business function to make informed decisions and drive faster, more effective planning processes. Anaplan also provides support, training, and planning transformation advisory services. To learn more, visit [anaplan.com](https://anaplan.com). Join us on twitter: @anaplan