

Transforming Your Financial Management Processes

Top Financial Managers across the services in DoD fear that the currently used manual, cumbersome budget process is making it difficult to innovate, resulting in delays to deploying mission critical resources to the field.

What if there was a better way to manage your PPBE process? Decision Lens can transform your organization by providing tools that:

Allow for real-time scenario planning: Developing up to 100,000 different plans to support a variety of COAs limiting decision making as mission priorities change.

Maximize Dollars: Identifying funding opportunities by tracking obligations and being readily available to spend additional funds on high impact projects

Reduce Administration: By having a single budget system which integrates with systems of record across the military, eliminates manual orchestration and provides battle-tested algorithms for rapid decision-making FM pros can focus on strategy, not email.

Some areas where we are seeing considerable innovation are with unfunded priorities (UFR) and midyear review reporting. Below are best practices shared by FM experts that can help you modernize financial management processes at your organization.

How to take your UFR from 1.0 to 2.0

Combining people, processes, and technology will make your UFR process more linear and dynamic, create less room for error, and provide more time to analyze data and scenarios. This can help ensure that you are effectively assessing risk and providing the best course of action to leadership. Here are three steps to help you take your UFR process to the next level.

1. Automate the process

Adopting software that links strategy goals to established criteria can help you weigh individual requirements to obtain an objective UFR list. Automation decreases turnaround time and the level of effort to populate data and provide information. An added benefit is that using a single secure platform to house documentation helps prevent version control issues and keeps your organization's valuable data safe.

2. Always present three courses of action

The UFR is an ever-evolving living list, which requires being able to predict potential outcomes from scenarios and being able to effectively assess risk. A technological tool such as Decision Lens helps organizations produce and analyze a variety of scenarios and outcomes. To aid in achieving favorable outcomes, present leadership with three Courses of Action (COAs) and recommend one of them for implementation.

3. Establish a fiscal strategy early

The year of execution is too late to begin planning. Beginning planning for the fiscal year in October can help ensure buy-in on a fiscal strategy that is tied to the overarching organizational strategy. Taking initiative in the planning can also help to lay out checkpoints to ensure that the funds are being distributed on time.

Providing the most information to get the most value from Midyear Review Reporting

Another area which subject matters experts are innovating is midyear review reporting. Improving the midyear review process has many benefits across the entire annual budget planning and execution process.

The ideal state is delivering the absolute most up-to-date information throughout the process with the ability to have already incorporated current requirements into the analysis. Better integrated tools reduce decision fatigue and allow leaders to always make the right choice without any unconscious biases.

1. Provide Dynamic Analysis

There are always unexpected curveballs that can pop up, whether it's mapping budget cuts, unforeseen events, or other scenarios. Thus, it is a good idea to develop multiple scenarios before the meeting to provide leadership with more than one option. Leadership will know the analyst has done their research and it could reduce the back and forth that can occur when leadership wants to try different scenarios.

If your organization has a tool that allows for real-time scenario planning, then leadership can see the impacts of potential tradeoffs during the midyear review meeting.

Benefits of Modernizing your Financial Management Process:

- Better line of sight of what could happen
- Adapt more quickly when conditions change
- More time to spend on data analysis

2. Avoid Decision Fatigue

Though the midyear review meeting itself does not take nearly as much time as the preparation that goes into it, changes made must carefully be considered to ensure that they are aligned with organizational priorities.

It may seem more efficient to hold as many decision-making meetings as possible as close together as possible, but leadership may need a mental break to continue feeling that they are participating meaningfully. Remember to schedule breaks and that a good, well-thought out decision is always better than a hasty one.

3. Improve communications across your organization

Communication is critical in the decision-making process, and a key part of the midyear review process that can often be overlooked is capturing lessons learned. PPBE is iterative. The cycle repeats itself over and over, offering additional opportunities to improve preparing and presenting information for leadership year after year. Improve your midyear review reporting communications using the 3Cs: Clarity, Continuity, and Communication.

Want to learn more about how you can transform your financial management processes at your organization?

Decision Lens is a flexible enterprise solution that can help your organization centralize data and modernize processes, eliminating the need for multiple disparate systems and spreadsheets.

Clarity

Commanders need to communicate clearly what should be done and why.

Continuity

In the military many staff are only stationed for a few years and then they move on. An SOP document can facilitate continuity in processes.

Communication

The commander should empower midlevel and lower-level tiers to make decisions for themselves based on the commander's priorities.

Let's get started.

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