board

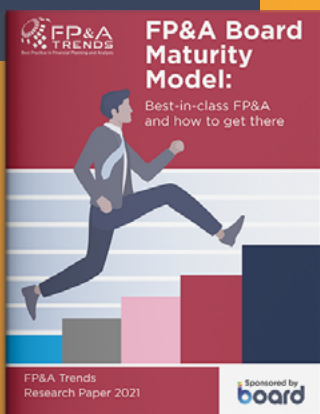# FP&A Board Maturity Model Mini-Guide

Technology

In this mini-guide, we've extracted the top tips and best practices for finance technology from the [FP&A Board Maturity Model](#) research report. Use it to focus your transformation efforts and increase your overall FP&A maturity.

Best-practice technology: what you're aiming for

You'll reach a leading state when:

The organization has implemented a modern FP&A platform, and advanced techniques such as AI/ML, robotic process automation (RPA), and predictive and prescriptive analytics. The platform offers integrated and flexible self-service collaboration and supports driver-based models with a bridge to the corporate datastore.
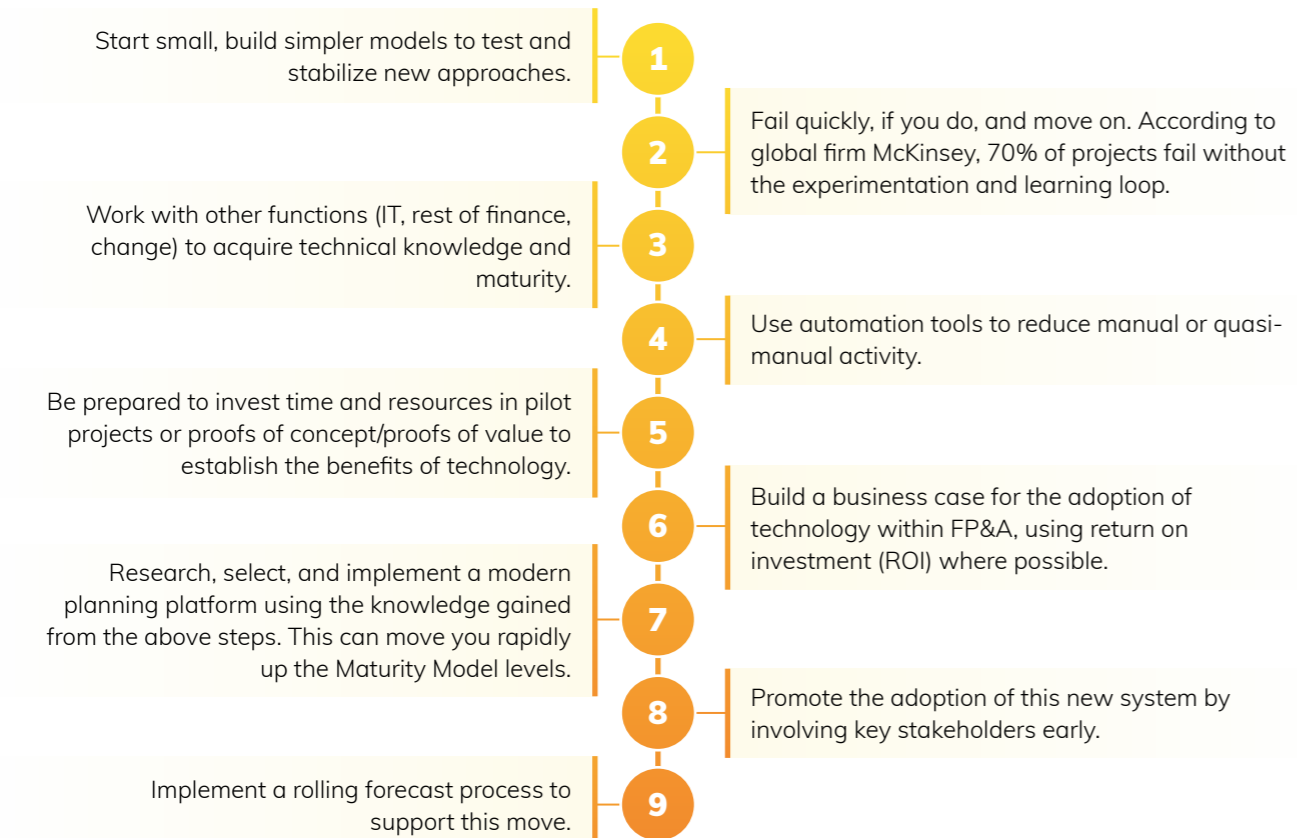
Automated systems have replaced manual or quasi-manual FP&A tasks.

Digital on-demand planning, incorporating AI/ML, can be invoked whenever it is needed.

Practical steps for increasing the maturity of your technology

1 Start small, build simpler models to test and stabilize new approaches.

2 Fail quickly, if you do, and move on. According to global firm McKinsey, 70% of projects fail without the experimentation and learning loop.

3 Work with other functions (IT, rest of finance, change) to acquire technical knowledge and maturity.

4 Use automation tools to reduce manual or quasi-manual activity.

5 Be prepared to invest time and resources in pilot projects or proofs of concept/proofs of value to establish the benefits of technology.

6 Build a business case for the adoption of technology within FP&A, using return on investment (ROI) where possible.

7 Research, select, and implement a modern planning platform using the knowledge gained from the above steps. This can move you rapidly up the Maturity Model levels.

8 Promote the adoption of this new system by involving key stakeholders early.

9 Implement a rolling forecast process to support this move.

Peer advice

The key to becoming best-in-class in Technology is to apply the experience gained with Excel to modern FP&A tools such as integrated planning systems and new technologies such as AI/ML and predictive and prescriptive analytics.

Much can be achieved in the other categories, but technology is important in FP&A with a whole new industry growing up to support and enhance it. Advanced and leading organizations have invariably invested heavily in technology, so there is a strong correlation.

The most popular tool is Excel, which still accounts for over 73% of tools used in planning. However, it is a standalone, non-collaborative tool and carries many other constraints. As Vignesh Dumonceau, CFO at Flex explains:

> *Excel-based models can't meet the following needs: deep data mining, cross-industry insights, testing of hypotheses, and examination of correlations.*

Excel has been used in the earlier stages of the journey to build and test driver-based modeling and to support process improvements. The experience gained from these initiatives will be invaluable when applying them to the implementation of a planning tool.

Don't be afraid to start small:

> *Quick wins are important, start with a small project. It will highlight poor data quality so that the next quick win might be to improve that.*

Advises Patrick Jung, Senior Manager at Horvath & Partner.

We are seeing advanced technologies being deployed to good effect. Adri Purkayastha, Group Head of AI & Digital Risk Analytics at BNP Paribas Group, has been involved in hundreds of projects using such technologies as AI and ML. One example was time series forecasting where outlier detection was used across 10 lines of products:

> *It would not have been possible to have found the outcomes manually. The result was that the client organization's expenditures to legal firms were transformed, with millions of dollars of savings by identifying overbilling.*

Need further guidance?

The text above was extracted from the FP&A Board Maturity Model research report. If you'd like to expand your knowledge by reading the full report, you can download a copy [here](#).

If you'd like to discuss any of the advice above or discover how the Board Intelligent Planning Platform can help increase your financial maturity, our team would love to help. Get in touch via [board.com](#) today.

About the FP&A Maturity Model

For many years, the International FP&A Board has been developing an FP&A Maturity Model. The aim is to highlight the attributes of an FP&A department that is best able to support management in achieving organizational objectives. We based our FP&A Maturity Assessment Tool on this research, and the content on this page is taken from the final report.

The model was conceived by the London FP&A Board in 2016 and further developed by hundreds of practitioners in all 27 chapters in 16 countries across 4 continents. It reflects extensive research, current realities, and the latest developments in FP&A best practices. As the result, it is a collective, balanced view of thousands of professionals from different organizations around the globe.