

Goodwill Cuts Financial Planning and Analysis Process by 50%



Overview

For the past 90 plus years, Goodwill Industries of Denver has been a major force in building the local metro Denver and northern Colorado economy. Goodwill provides education, career development, and employment opportunities to help Coloradans in need achieve self-sufficiency, dignity, and hope through the Power of Work.

Nonprofit improves data integrity, creates collaborative FP&A process with Adaptive Insights

If you think accurate and efficient financial planning and analysis is a lower priority within the nonprofit sector compared to other industries, Mike Pritchard would strongly disagree. Pritchard is the CFO of Goodwill Denver, one of 165 community-based Goodwills across the United States helping people in need to reach their full potential through work and education. Goodwill's Denver branch alone serves more than 22,000 people each year across 85 locations combined, which includes retail stores, schools, and donation centers.

For the finance team, 85 locations plus multiple programs equates to 237 financial budgets and forecasts to roll-up into a high-level, corporate view. Such a granular financial management process is something that the company's homegrown, Excel-based system could no longer handle.

Easy Implementation Leads to Immediate Time-Savings

Following a recommendation from another Goodwill branch already using Adaptive Insights, Pritchard demoed and eventually implemented the solution in his location. Working with Adaptive Insights' partner IntuitiveTek for all the consulting and implementation services, the benefits were quickly evident.

"Moving from our Excel-based financial models to Adaptive Insights was transformational," said Pritchard. "We started implementing in June and were done by August, in time to import our actuals and use Adaptive Insights for our next budgeting process. It saved everyone involved an incredible amount of time."

A Higher Level of Productivity and Accountability

Adaptive Insights has helped set a higher standard of financial accountability among budget owners across the organization. Instead of creating single, yearly Excel budgets, budget accountability is now a bigger part of budget owners' roles. "They own their budgets in Adaptive Insights," said Pritchard.

Owning those budgets includes producing monthly financial reports with balance sheets and income statements used to create future month-end cash projections. Those projections are instrumental to making important decisions, like determining when to open new locations.

"Adaptive Insights has a very user-friendly interface, so it's easy to access important data when we need it. That made it a lot easier to get people to buy-in," said Pritchard. "We've used Adaptive Insights to create things like cash-flow projections, which were challenging before. As a result, our financial forecasts are more accurate than ever."

The increased collaboration and involvement in the FP&A process has led to finance cutting their time spent on administrative tasks by up to 50%.

Guiding the Business with Financial Analysis

The finance team is using their newfound time-savings to dig deeper into financial metrics and produce reports that include more valuable performance analysis. "Financial reporting within Adaptive Insights is incredibly flexible," said Pritchard. "We can quickly create reports, make changes on the fly, and even drill into specific account details at the transactional level."

Using the "track changes" feature, the team can see a clear audit trail of changes that budget owners make to their plans. Monthly reporting then provides clear insight into performance against original plans and budgets by department. In the end, all that analysis rolls up to the corporate level.

"Adaptive Insights has a clear hierarchy of levels, making it easy to rollup reports," said Pritchard. "We can also group reports by specific sets of locations and compare their performance to another set of locations. That's key to understanding how to operate more efficiently every month."

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