QMetrix

taswater

How Tasmania's water authority *sped up their budget cycle by 10x*

" *The teams are more engaged in the budgeting process, which is a significant win given the typical challenges organisations face when it comes to having the wider business involved in budgeting.*

— TasWater

TasWater is the main water and sewerage authority in Tasmania, owned by 29 local councils and the state government. It is accountable to those shareholders and is responsible for providing essential services to many Tasmanians.

Their responsibilities include sourcing and treating the water, metering and maintaining the infrastructure, collecting and treating sewage, and returning water safely to the environment.

Challenge
Manual and long budget cycles

Before engaging QMetrix, TasWater relied on a manual spreadsheet-based budgeting process.

Their finance department prepared individual input templates and emailed them to over 50 cost centre managers across the business. Each of these needed to be emailed back (or followed up) before the finance team collated the information into a consolidated master spreadsheet.

The finance team often went through several iterations of this process because consolidated numbers were required to go to the board. The board would then review it, seek further information or make adjustments before the final budgets were signed off.

The entire process would take upwards of four to six months to completely finalise. Variations of this process were also required for re-forecasting and long-range planning over multiple years.

They needed:

- Faster budget cycle completion times

- More accountability from their cost centre managers as to how the budget numbers were derived and what drivers and assumptions were used. On this basis, managers would not only be accountable, but would also take ownership of the numbers they approved

- A technology solution which was easy to use and powerful, yet could be owned and managed by the finance team

Solution

A cloud-based system that is easy to adopt for the finance team and wider stakeholders

TasWater knew they had a problem and wanted to better understand the solutions available to them. They chose QMetrix for its deep budgeting and forecasting understanding, and expertise in scoping, designing and implementing the right solution to solve the challenges at hand.

After initial discussions, QMetrix recommended Adaptive Insights, a market leading cloud-based Corporate Performance Management (CPM) tool which is very 'finance friendly' in terms of how it can be deployed and administered across the organisation.

While easy to use, it has the right controls and mechanisms at the back end to ensure that the planning process is efficient and effective, and that the underlying numbers are accurate.

QMetrix undertook various workshops with TasWater's finance team as well as the wider business to build mutual understanding for the project.

It was important for all stakeholders to understand there was technology that could improve the process, , reduce the amount of double handling and time required to perform budgeting tasks, encourage greater accountability and ownership from managers, and be easily adopted and managed.

Through these workshops, QMetrix defined basic driver-based planning methodologies to underpin TasWater's revenues and expenses, and designed the models to ensure cost centre managers could easily interact with the application.

We extended functionality by incorporating the use of commentary and explanations to better record and communicate how cost centre managers devised their numbers.

TasWater's solution

Budgeting and Planning consulting
Learn more

Implementation

Phase 1: 2 months
Phase 1 included all analysis, scoping, development, change management and training activities required to deploy the technology across 50 users. The delivery of the foundation profit and loss model was completed on time and within budget.

Phase 2: 2 months
Phase 2 incorporated a 3-way profit and loss, balance sheet and cashflow model as well as expanding the capability to undertake forecasting and long-range planning.

Phase 2 substantially enhanced the foundation profit and loss model delivered in the first phase and was also completed on time and within budget.

Impact
For TasWater

Completed their entire profit and loss budget process for 50 contributors within 3 weeks of starting the process, saving months of time and significant costs

Quick adoption from managers who could use Adaptive Insights with ease. Due to the way it is set up managers can understand how their numbers are derived and be accountable to it

Produced their first budget cycle (for the following financial year) in December – for the first time ever

Completed numerous iterations of the budget and undertook various scenario modelling, while closing the elapsed time between board review and finalisation of the adopted budget

Provided various reporting requirements for the board, internal stakeholders and external stakeholders, with updates to budget versions immediately reflected in reporting packs

Everything is managed by the finance team without need for IT

By completing a more 'driver-based' budgeting model, TasWater can better understand the numbers behind their budget and focus on what those numbers mean for them as a business.

This approach substantially enhances their variance reporting capability as they can more easily understand variations between budgets and actuals once the budget year has commenced.

" *Adaptive Insights is fast and easy to use. It has the same look and feel of Excel, without the usual pain points associated with Excel. The teams are more engaged in the budgeting process, which is a significant win.*

– TasWater

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Learn about QMetrix's Budgeting and Planning solutions →