

# The State of Connected Planning



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Our annual benchmarking report investigates how leading organizations accelerate business value through Connected Planning.

In The State of Connected Planning, we surveyed over 1,000 planning professionals across all business functions in 45 countries and 18 industries to uncover leading planning trends in finance, supply chain, sales, marketing, human resources, operations, IT, and workforce functions.

**Anaplan**

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### Decisions make or break a company.

### Don't let bad ones get in the way.

Every business leader knows that good planning is instrumental in improving outcomes across the company: increasing revenue, anticipating market trends, and optimizing resources, to name a few. However, the supporting data has been limited—until now.

Welcome to the first-ever survey on the State of Connected Planning worldwide. In it, more than 1,000 businesses around the world and across industries were asked about their business planning practices. We learned how they think, how they execute, what brings success, and what doesn't. We discovered top trends of the planning world and dug deeper into the technologies that businesses use, the processes they have in place, and the obstacles that prevent them from planning more effectively.

The data and analysis provided a glimpse into the future—and it revealed two truths:

First, **the more successful a company, the more advanced its planning.** The data reveals a direct

correlation between a company's ability to be agile in its planning and its success in achieving tangible business outcomes. Adopting a Connected Planning approach delivers real value.

Second, **companies that leverage advanced planning use enterprise-grade planning technology.**

Connected Planning requires technology that is sophisticated enough to bridge strategy and execution, but straightforward enough to be used consistently across the company. Manual processes and disparate tools are simply unable to meet these needs.

The research shows that planning is recognized as a critical and competitive component of business success. The study found that:

- 74 percent of companies plan more frequently than they did five years ago
- 92 percent of companies believe that better planning technology produces better business outcomes

At the same time, we saw that many companies still face legacy challenges:

- Only 15 percent of companies execute on all of their plans
- 86 percent face limitations to collaboration

This data reveals a new opportunity for companies: to leverage Connected Planning to drive more intelligent, collaborative, and dynamic decision-making in every area of the business. Connected Planning—an approach that uses next-generation technology to connect data, people, and processes across the enterprise—enables organizations to combine strategic insight with business foresight.

In the chapters that follow, we identify four major planning trends revealed in the data.

**Trend #1: Aggressively growing companies plan more, plan better, and prioritize planning throughout the organization.**

**Trend #2: Successful companies use enterprise-scale planning solutions.**

**Trend #3: The right decisions combine people, processes, and technology.**

**Trend #4: Advanced analytics yield the insights for competitive advantage.**

The study also examines C-Suite viewpoints, industry perspectives, and outlooks from various business functions.

At Anaplan, we know that planning needs to be different. It should create heroes who make intuitive, strategic, and impactful decisions within dynamic business environments. It should reduce the distance between planning and real-time decision-making to zero.

We look forward to establishing this survey as the yearly benchmark for business planning worldwide. I encourage you to use the insights that follow to see how Connected Planning is transforming businesses, and how it will continue to transform business in the years to come.

Sincerely,



*Frank Calderoni*

**Frank Calderoni**  
*President & CEO*



# The State of Connected Planning

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### TREND 01



### Aggressively growing companies plan more, plan better, and prioritize planning throughout the organization

- **82 percent** of aggressively growing companies incorporate market data into their plans within days or weeks.
- Aggressively growing companies are two times more likely to say planning technology is “dramatically better” for business outcomes.



### Successful companies use enterprise-scale solutions

- **77 percent** of companies who put all of their plans into action use enterprise-level planning technology.

### TREND 02



### The right decisions combine people, processes, and technology

- **97 percent** of companies say that planning well is critical to enhancing revenues, optimizing resource allocation, and converting strategies into actions.

TREND  
**03**

TREND  
**04**



### Advanced analytics yield better insights

- **94 percent** of survey respondents believe that machine learning will impact the future of planning.

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# TREND 01

**Aggressively growing companies prioritize planning throughout the organization**



Increasing our ability to deliver effective planning and forecasting is essential to helping us evolve our business.”

— Sam Fergus, Senior Manager: Logistics Excellence



**TARMAC**  
A CRH COMPANY



## Trend 01

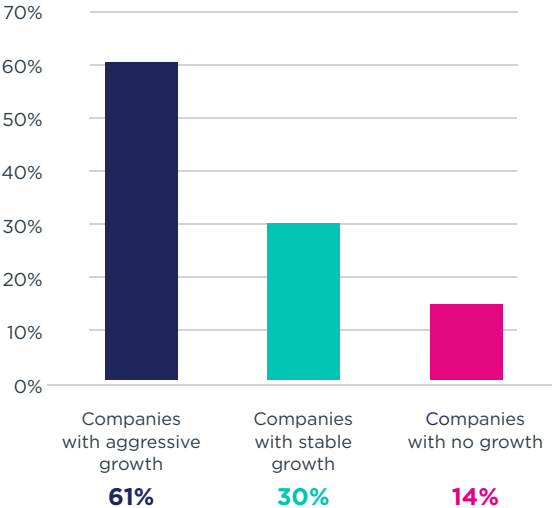
### If you want to grow, you have to plan

In today's hyper-competitive market, many companies privilege "rate of growth" as the metric that best measures a company's health and potential. This is true across industries and geography: in all cases, companies aiming for success measure their accomplishments by the level of growth they've been able to create and sustain.

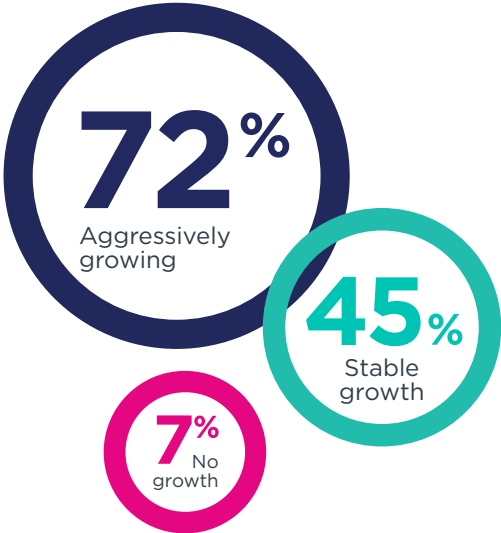
How do companies achieve this milestone? Our research suggests that reaching a high level of growth is difficult without robust planning. Questions throughout the survey showed that aggressively growing companies not only value planning more than other companies, they also plan more often and plan more effectively.

Compared to companies with lower growth rates, aggressively growing companies were more likely to describe planning as essential to achieving their business outcomes. The data shows that **aggressively growing companies plan more frequently, rely less on spreadsheets, and put more of their plans into action** than companies with stable or no growth. As they plan for the future, aggressively growing companies are also more likely to value planning technology as a critical tool for improving business outcomes.

#### Better planning technology produces dramatically better business outcomes



#### We are very effective at developing, executing, and tracking plans



# Trend 01

Why do aggressively growing companies value planning so highly? To sustain an aggressive rate of growth, companies need to do two things:

- **Stay aggressively attuned to changes in the market, so they can accurately anticipate future trends**
- **Keep employees across the company aligned on business objectives**

This is why aggressively growing companies see planning as critical to realizing business goals.

### Putting plans into action

Aggressively growing companies don't see planning as an abstract idea. They also plan more often and more efficiently than other companies. Compared to their counterparts, aggressively growing companies plan with far greater frequency and are much quicker to incorporate market data into their plans

This emphasis on efficiency, speed, and agility produces real results. Compared to other companies, aggressively growing companies put more of their plans into action. Nearly half of aggressively growing companies turn more than three-quarters of their plans into reality.

### Pursuing aggressive growth raises the stakes for companies

Once a company hits an aggressive growth stage, success doesn't depend solely on executing their plans in the present. It also depends on executing those plans in the future.

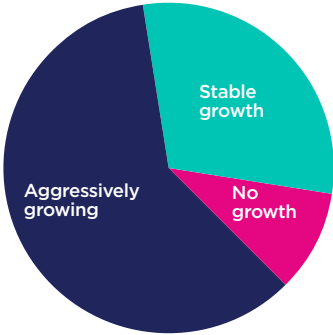
Success for aggressively growing companies also depends on planning correctly, which is why the ability to plan frequently is so useful.

**Growing companies value planning more than other companies. Aggressively growing companies value planning the most**

### Planning is critically important to the following business goals

	Enhancing revenue	Anticipating market opportunities	Responding to market changes	Aligning priorities across the organization
<b>Aggressively growing</b>	<b>82%</b>	<b>66%</b>	<b>65%</b>	<b>63%</b>
Stable growth	72%	49%	52%	56%
No growth	43%	23%	32%	41%

Aggressively growing companies are **twice as likely to plan monthly as companies with stable growth** and **six times more likely to plan** than companies with no growth.



### How quickly do you incorporate new market data or unexpected events into your plans?

	Within days or weeks
<b>Aggressively growing</b>	<b>82%</b>
Stable growth or no growth	59%

## Trend 01

Without establishing a cadence to revisit and modify plans, aggressively growing companies are unable to respond quickly to market changes or take advantage of new opportunities.

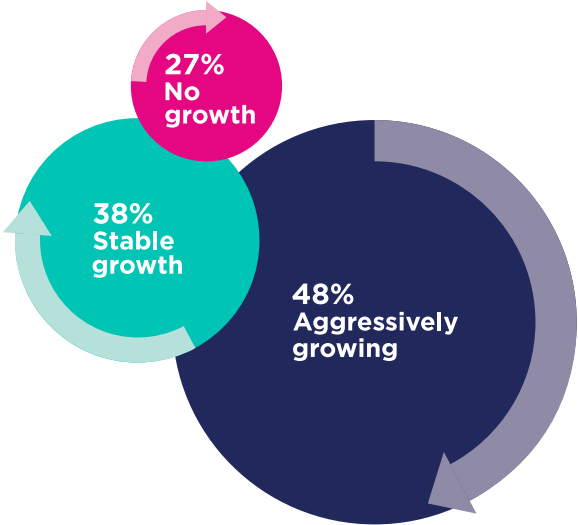
### Technology is essential for growth

Given the importance of planning for aggressively growing companies, it is no surprise that they embrace advanced software to address their planning needs. As the data indicates, best-in-breed technology allows them to be dynamic and collaborative, making intelligent decisions to sustain momentum.

When it comes to technology, for example, aggressively growing companies are twice as likely than other companies are to employ cloud-based platforms for planning.

To create and sustain an aggressive level of growth, companies need to invest in planning—the technology and the practice. They need to plan more frequently, put more of their plans into action, and leverage planning technology that connects people, data, and plans. Above all, companies aiming for aggressive growth need to champion planning throughout the enterprise.

More than three-quarters of our plans are turned into action



Aggressively growing companies use cloud-based planning platforms at twice the rate of companies with no growth



**THE BOTTOM LINE:**  
if you're shooting for aggressive growth, you need aggressive planning.

### BUILDING BLOCK 01: Plan, then execute

When it comes to improving business outcomes, planning is only half of the story. The other half is execution.

For many businesses, the gap between these two is significant. For example:

→ **Eighty-two percent** of executives report that their organization needs to plan more frequently than five years ago. But only **23 percent** can incorporate market changes into their plans within a few days. For businesses looking to capitalize on market trends, this delay can be the difference between success and failure.

Although 82 percent of companies say planning is critically important, nearly 75 percent of companies take weeks or months to incorporate market changes. This means that the huge

majority of companies are making decisions with outdated or inaccurate data. Simply moving execution time up by a week or two can give a company a substantial advantage in the market.

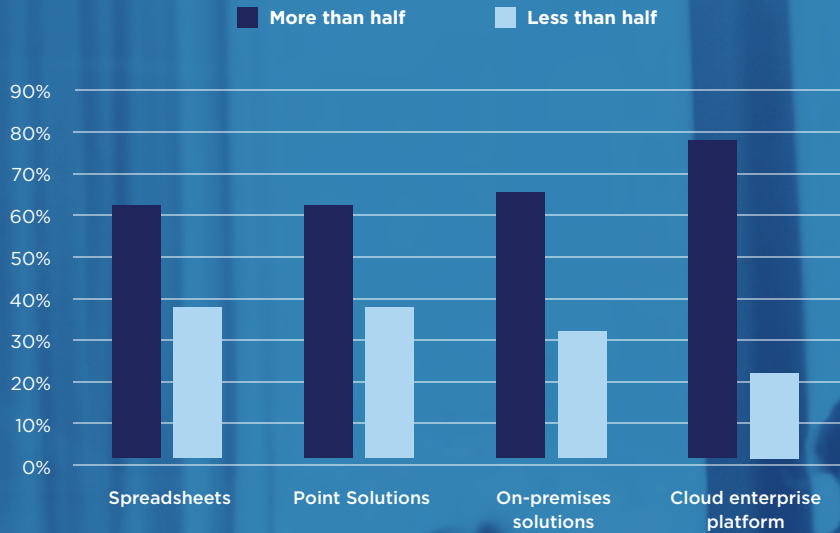
What can help with putting plans into action?

- **A corporate culture that is aligned on bringing planning into the daily business.**
- **A process that supports planning, execution, and on-the-fly adjustments.**
- **Best-of-breed technology that supports cross-company data and collaboration.**

As our data shows, the more powerful the technology, the easier it is for companies to execute on their plans. Companies who put less of their plans into action tend to rely on spreadsheets and point solutions.

## Trend 01: Building block

### How much of a plan is typically put into action?



For companies that experience a significant gap between planning and execution, here are three ways to begin to close it:

**1. Increase the frequency of your planning.**

By planning more often, you give yourself more flexibility, can incorporate market data more quickly, and have more time to change plans. A less frequent planning cadence, in contrast, leaves your organization working to incorporate plans that may lag months behind the market.

**2. Plan across the enterprise.** Execution can go awry when plans made in one area of the business don't take into account activities in

another area. This disconnect can produce un-reachable goals throughout the business, which can dramatically reduce the percentage of a plan that gets executed. To avoid this, create a culture of planning across the enterprise, ensuring that plans include relevant data from all business units.

**3. Leverage the best technology.** As the statistic above shows, the companies who best execute on their plans are those who leverage cloud-based enterprise technology. This ensures that companies can plan with all relevant data and incorporate all necessary stakeholders. By doing this, companies can set their plans up for execution as they are made.



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# TREND 02

**Successful companies  
use enterprise-scale  
planning solutions**



We plan quickly and have confidence in the output. Because we have reliable data insights, we can advise the Satsuma business with integrity.”

—Eleanor Thornhill,  
Finance Director - Consumer Credit Division

The Satsuma logo is contained within a semi-transparent grey rectangular box with a teal vertical bar on the left side. The logo itself consists of the word "Satsuma" in a bold, white, sans-serif font, with a registered trademark symbol (®) to its upper right. Below "Satsuma" is the website address "loans.co.uk" in a smaller, white, sans-serif font.

**Satsuma**<sup>®</sup>  
loans.co.uk

## Trend 02

### Good planning treats problems, not symptoms

Although the idea that planning assists all aspects of a business may seem like common sense, the survey data suggests that taking this assumption seriously can truly help companies come out ahead.

Executives across industries and geographies all agreed that planning benefits every single business outcome, including enhancing revenues, managing costs, optimizing resources, aligning priorities across the organization, making strategies actionable, anticipating market opportunities, and responding to market changes. In fact, 92 percent of businesses believe that better planning technology would provide better business outcomes for their company.

Yet planning by itself is not always a panacea. **Planning does not always equal GOOD planning.** What prepares a company for the future isn't the simple act of planning. It's the less-simple act of planning well.

#### In business planning, band-aids aren't solutions

What counts as good planning? As businesses know, planning is a complicated exercise, involving multiple processes, many different people, and data from across the organization. Doing planning right, therefore, requires adopting a wide-angle view. It requires planners to be able to see past their individual functions and understand how changes in one part of the organization affect the organization as a whole.

The survey results suggest that the best way to give planners this enterprise-level perspective is

to use the right technology. **Companies whose technology can incorporate data from the entire enterprise are more successful.** Companies whose planning technology cannot link multiple areas of the organization, or remove multiple obstacles to planning, in contrast, plan less successfully.

As the diagram below shows, companies that are successful at planning are far more likely to use enterprise planning software than they are to use point solutions or homegrown tools.

#### Companies that successfully develop, execute, and track their plans

Enterprise planning platform	70%
Departmental or point solutions	46%
Homegrown tools	37%

*The more robust the software, the better the planning*

When it comes to putting plans into action, we see similar results. Of the companies that successfully execute their plans, an overwhelming majority use enterprise planning software.

#### How much of a plan is typically put into action?

	All of it	More than three-quarters
Enterprise planning platform	77%	67%
Departmental or point solutions	53%	36%
Homegrown tools	36%	37%

## Trend 02: A closer look

### A CLOSER LOOK: The view from the C-Suite

#### Successful planning requires alignment across the organization

##### Executives view planning differently

To be done right, successful planning needs to incorporate the entire organization. Yet the research reveals a disparity between executives and non-executives in how each group values planning in the company.

For example, executives in all industries tend to value planning more than non-executives. They are also more likely to see planning as a key driver of business success.

Why this difference? Although non-executives plan to ensure that their work advances the organization's larger goals, executives are the people largely responsible for setting those goals. As those charged with making high-level strategic decisions, they need to be able to envision the future. Their ability to do so is what allows them to guide the organization.

This is arguably why executives tend to see planning as more crucial to business success than non-executives.

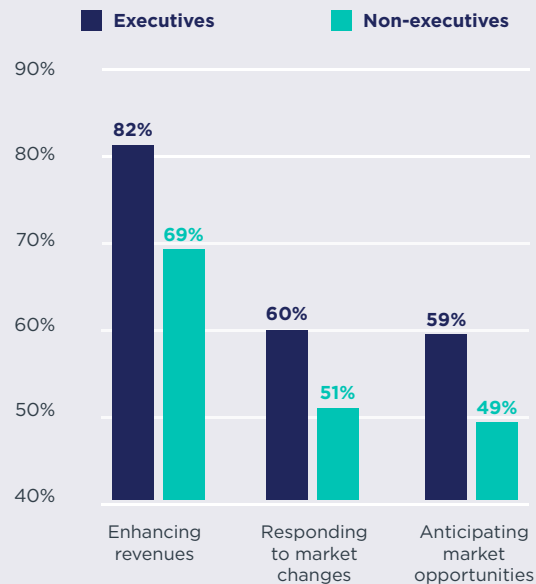
##### Better planning technology is "dramatically better" for business outcomes

Executives	53%
Non-Executives	30%

##### Planning is critically important in our company

Executives	90%
Non-Executives	77%

##### Planning is critically important to the following business goals

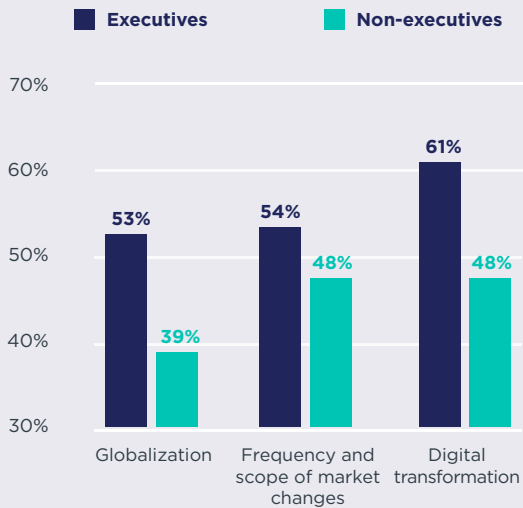




## Trend 02: A closer look

Similarly, when asked about the relative importance of different business changes to planning, executives tend to rank digital transformation, globalization, and pace of competition higher than non-executives do.

### The following business changes increase the importance of planning



Given that executives need to stay ahead of trends in the marketplace, these data points suggest that executives, more than non-executives, focus their attention on the most forward-looking aspects of business.

The other main difference between executives and non-executives in the company resides in their view of planning as a temporal activity. Executives, perhaps because they are responsible for so many other decisions, are far more likely to see planning as an activity bounded by time. Non-executives, perhaps because they spend more of their time adjusting to changes throughout the organization or changes from the top, tend to view planning as an ongoing activity.

### Planning is an event with a beginning and an end

Executives	51%
Managers	26%

### Planning is an ongoing activity

Executives	49%
Non-executives	74%

In all cases, the gulfs between executives and non-executives when it comes to planning suggests that although both are crucial for successfully adopting and practicing Connected Planning, figuring out how to bridge the gaps would be useful for aligning efforts and securing buy-in for enterprise-wide planning initiatives.

## Successful planning is more than solving for symptoms

Because planning is a complicated process that needs to connect technology, people, and processes throughout the organization to be successful, potential obstacles can leap up anywhere.

Respondents across industries indicated that what prevents them from planning well can be any number of problems, all of which they rank equivalently.

### What challenges prevent your company from developing more effective business plans?

Takes too long	32%
Difficult to track outcome of plans	31%
Lack of clear ownership of planning	30%
Insufficient technologies to support effective planning	30%
Collaboration is ineffective	29%
No standardized format or process for sharing plans	27%
Planning data is inaccurate	27%
Process is error prone	23%
<b>Two or more</b>	<b>64%</b>
<b>Three or more</b>	<b>38%</b>

**More than 38% of companies say that three or more challenges keep them from planning more effectively**

For companies interested in improving their planning, the technology they employ needs to solve multiple problems at once. Because planning is a complicated activity, doing it effectively requires software with robust capabilities.

### What could your organization improve in terms of planning?

Have the right process	62%
Involving the right people	59%
Having the right software and technology	54%
Having the right data	54%
<b>Two or more</b>	<b>74%</b>
<b>Three or more</b>	<b>41%</b>

**74% of companies could improve multiple aspects of their planning**



## Trend 02

When asked about issues they face with the systems and technology they use for planning, respondents also listed multiple answers equally. This too suggests that solving for better planning and better decision-making means addressing a broader spectrum of challenges.

### Does your organization face any issues with the systems and technology you use for planning?

Different systems have different information	39%
Support for collaboration is inadequate	30%
Support for workflow or processes is limited	32%
Planning data is not current or complete	28%
We are not able to track execution and outcomes of plans	22%
Information used for planning can't be trusted	19%
Our planning is error-prone	18%
<b>Two or more</b>	<b>54%</b>
<b>Three or more</b>	<b>29%</b>

**29% of companies have three or more issues with their planning technology**

Although the survey showed that many companies rely on point solutions to handle their planning needs, the number of problems that companies list suggests that these point solutions are failing companies by not being robust enough to solve the multiple issues that get in the way of successful planning.

### Which technology capabilities would be beneficial to your company's planning efforts?

Integrates into existing technology and applications	52%
Provides collaborative platform used by all functions and departments	48%
Accommodates flexible business modeling including "what-ifs" and scenarios	47%
Enables predictive analysis that anticipates modeling outcomes	46%
Incorporates market and industry data for better modeling	42%
Is cloud-based	35%
Includes leading-edge security features (Bring Your Own Key, encryption, etc.)	32%
<b>Two or more</b>	<b>78%</b>
<b>Three or more</b>	<b>56%</b>

**56% of companies would like to find 3 or more capabilities useful**

Planning, the survey indicates, is a complicated process, requiring multiple technological capabilities and the ability to overcome obstacles to processes and culture spread throughout the enterprise. Companies interested in improving their planning benefit from adopting best-in-breed technology that gives them insight into the whole enterprise, not just a segment of it.

**THE BOTTOM LINE:**  
 Because planning is an enterprise-level process, doing it successfully demands enterprise-scale, multi-faceted software.

### BUILDING BLOCK 02: Connect business units across the organization

Eighty-six percent of survey participants stated that they currently face limitations to collaboration. These limitations range from misalignment and lack of transparency between individuals at different levels of the organization to technology challenges. Such misalignment impacts the overall business culture and can hinder a company's ability to plan well.

If your business planning is underpinned by siloed or traditional solutions, consider the benefits of adopting a continuous Connected Planning approach. By doing so, your business can build a culture that not only embraces but adapts efficiently to change.

Here are three areas of consideration that can help you begin your Connected Planning journey.

1. **Get the right tools.** Uncertainty and volatility continue to grow, and spreadsheets and point solutions lack the agility to pivot or accommodate the volumes of data needed to spot risks and opportunities. Consider tools such as cloud-based, collaborative Connected Planning platforms that use in-memory technology and execute real-time modeling with large volumes of data. Not only can teams work together but plans become more easily embraced and achievable.
2. **Operate from a single platform with reliable data.** Traditionally, companies have used individual applications to plan for each business function. These solutions are usually disconnected from one another, which makes data unreliable and cross-functional collaboration nearly impossible. A shared platform that brings together plans with access to shared data reduces or altogether eliminates process inefficiencies and common errors that can lead to bad decision-making.
3. **Transform planning into a continuous, connected process.** Sales, supply chain, marketing, and finance fulfill different purposes within the business, but they are inextricably linked and rely on each other for success. The ability to connect different business units through shared technology, data, and processes is at the core of a continuous and connected business planning process.

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# TREND 03

The right decisions  
combine people,  
processes, and  
technology

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We created a planning Center of Excellence at Unum to connect finance with the rest of the business. This governing body makes sure everything ties in with our broader connected plan.”

—Jacob Edds, Director of FP&A

The Unum logo is displayed in white on a dark grey rectangular background. It features the word "unum" in a lowercase, sans-serif font, with a small "sm" trademark symbol to the right. The letters are stylized with rounded tops and a consistent weight.

## Trend 03

### Traditional planning brings ideas for today. Connected Planning brings foresight for tomorrow.

As businesses examine different ways to drive faster, more effective decision-making, planning plays a critical role in meeting this goal.

Ninety-nine percent of businesses say that planning is important to managing costs. According to 97 percent of all survey respondents, enhancing revenues, optimizing resource allocation, and converting strategies into actions are all business objectives for which planning is extremely crucial. **Eighty-two percent of executives consider planning to be “critically important” for enhancing revenues.**

For planning to be successful across an organization, it need to extend beyond one or two siloed business units. The survey makes this clear: **96 percent of businesses state that planning is important for aligning priorities across the organization.** Yet even though companies recognize planning as a critical business activity, major inefficiencies exist: 97 percent of respondents say that their planning can be improved.

#### The more planners, the merrier the planning

When describing what they could improve in their planning, four components were all named essential by a majority of respondents.

- Having the right processes
- Involving the right people
- Having the right data
- Having the right technology

#### Ways our planning could improve



## Trend 03

Planning, the survey suggests, is a multi-faceted activity that requires an optimal balance of people, processes, technology, and data to be successful.

Achieving this balance is one of the key underpinnings of a Connected Planning approach, which connects planning across the organization through shared technology and gives organizations more insight and transparency into their business operations.

To do this, businesses need to implement collaboration throughout the enterprise—collaboration that incorporates technology, people, and processes in equal measure.

Nearly 60 percent of respondents say that more people and departments are involved in planning, showing that businesses are incorporating collaboration in their processes.

In addition, nearly half of businesses state that increased collaboration across teams and departments would better accommodate current market conditions.

More importantly, involving more people in the planning process is paying dividends when it comes to execution. Businesses that execute on all of their plans, for example, report higher numbers of planners than those who don't: **69 percent of companies that execute on all of their plans have more people and departments involved in the planning process.** In addition, nearly half of all organizations say a collaborative platform used by all functions and departments would benefit their business planning efforts.



## Trend 03: A closer look

### A CLOSER LOOK: Growing big by thinking small

#### Large companies demonstrate more gaps in their planning capabilities

##### Small companies and large companies reveal different planning needs.

As the earlier section on aggressive versus non-aggressive companies demonstrates, good planning is crucial for growth. Yet as a company grows, its planning needs change. With more people to include and more data to sift through, larger companies face a tougher road when it comes to collaborating across the enterprise and, consequently, face a much greater risk of breaking into silos.

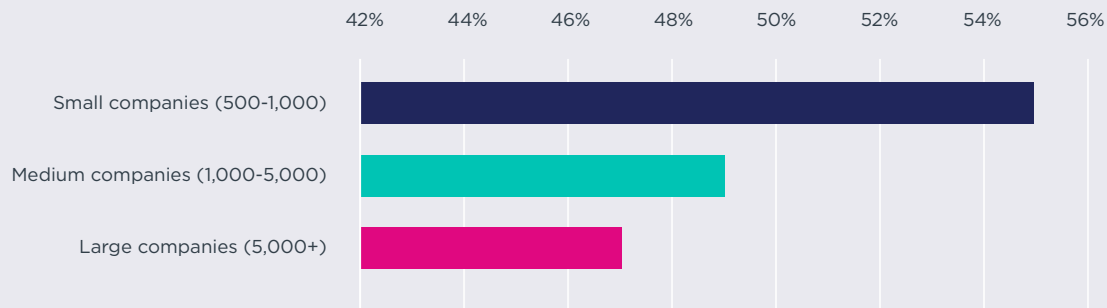
The data shows that small and large companies assess themselves differently when it comes to planning, placing different levels of importance on the role of planning in improving their business outcomes.

Most notably, **small companies consider themselves better at planning** than large companies do.

This is true across industries and regions. In all cases, smaller companies are more confident in their ability to create and follow plans.

Yet while small companies prize their ability to make plans, according to the survey, they also feel less confident about turning those plans into execution. Indeed, compared to small companies, **large companies are better able to put their plans into action.**

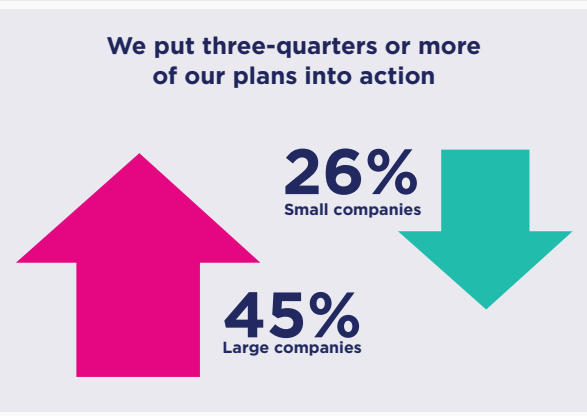
#### We are very effective at developing, executing, and tracking our plans





## Trend 03: A closer look

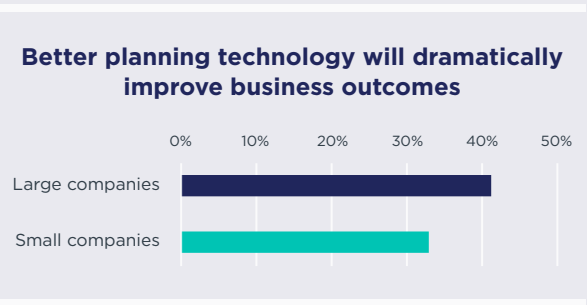
Given that large companies are able to become large because they have been able to execute, it makes sense that they would prize their ability to put plans into action.



### The importance of technology

Large companies tend more than small companies to emphasize the importance of planning technology on business outcomes.

Compared to small companies, large companies are more likely to say that better planning technology will dramatically improve planning.



### Planning for success

The biggest contrast between small and large companies may be how each views the potential of planning. Larger companies, in particular, consider integrations with other systems and predictive analysis as the most useful capabilities of planning technology. Smaller companies, in contrast, name cloud-based technology and heightened security measures as the capabilities that would most help them plan.

Although small and large companies may value different aspects of planning technology, reflecting different needs, both view technology as a catalyst to better decisions.

## Obstacles to collaboration

As the survey showed, not all companies are able to successfully implement this type of collaboration. Nearly 30 percent of respondents name “ineffective collaboration” as a challenge to developing more effective business plans.

**Over half of all companies say they need to increase collaboration across teams and departments.** One-third of organizations in the survey say that support for collaboration is “inadequate.”

What gets in the way for these companies? Of the limitations to collaboration that were reported the highest, three stood out.

Main limitations to collaboration	
Insufficient time to reach out to stakeholders for input	37%
Confidentiality concerns	34%
Not enough time for stakeholders to give feedback	30%

These answers indicate the scope of inefficiencies in collaborative processes and technologies: inefficiencies that leave companies unable to leverage the stakeholders necessary to make decisions in changing business conditions.



## Connecting people and processes through technology

What makes this kind of collaboration possible? The survey suggests that the answer is collaborative technology. Ninety-three percent of executives agree that better planning technology would produce better business outcomes. Yet many organizations still plan through siloed technology stacks built on an unreliable foundation of spreadsheets, legacy applications, and disconnected homegrown systems.

Our survey suggests that a reliance on this combination of traditional planning methods isn't going anywhere: 81 percent of companies reported that they still use spreadsheets as a part of the planning process and 72 percent of organizations use on-premises solutions.

Business functions still overly rely on manual tools and legacy applications.

These traditional approaches to planning hinder organizations from gaining the agility they need to collaboratively plan, especially as over half of all companies say the right software, technology, and data would improve their planning process.

**For supply chain professionals, tools are a top opportunity: 63 percent of supply chain professionals say having the right software and technology is a key area of improvement.**

This is where the adoption of a cloud-based Connected Planning platform is critical: a cloud Connected Planning platform can reduce costs, heighten security, improve and encourage enterprise-wide collaboration, and provide greater flexibility than on-premises solutions and spreadsheets.

**Business functions still rely on manual tools and legacy applications.**



IT teams that use spreadsheets for planning



Sales teams that use spreadsheets for planning



Supply chain teams that use spreadsheets for planning



Executives who use on-premise tools for planning

**THE BOTTOM LINE:**  
Traditional planning handcuffs planning to the present. Alleviating traditional planning limitations through Connected Planning allows businesses to focus less on tactical tasks and more on strategic insights for the future.

## Trend 03: Building block

### **BUILDING BLOCK 03: Process is key, coupled with a strong change management plan.**

Sixty-two percent of companies, including 65 percent of executives, say that having the right processes would improve business planning. Through the adoption of best practices and efficient processes, businesses can improve productivity, increase performance, and alleviate tedious workflows.

Processes ranks high among all business units and industries as an opportunity for improvement, especially in the supply chain, IT, and finance business units. Seventy percent of technology companies say that processes are a top area for improvement.

61%

Finance professionals seek process improvements and best practices for planning

66%

Supply chain leaders want more effective processes for planning

76%

IT professionals seek improved processes for planning

## Trend 03: Building block

However, organizational change can also bring conflict. When asked about the things that keep their business from implementing new planning approaches, change management—which involves people, processes, and technology—was identified as a frequent concern.

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### What keeps your organization from adopting new ways to plan?

Different systems have different information	25%
Support for collaboration is inadequate	25%
Support for workflow or processes is limited	19%
Planning data is not current or complete	26%
<b>Three or more choices</b>	<b>29%</b>

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To support strong and effective change management initiatives, successful businesses can build a **Center of Excellence (COE)**. A COE is an internal knowledge-sharing community that brings domain expertise in creating, maturing, and sustaining high-performing business disciplines. It is comprised of an in-house team of subject matter experts who train and share best practices throughout the organization.

By designing a Center of Excellence framework, businesses can get more control over their planning processes with quality, speed, and value, especially as they continue to expand Connected Planning technology into more complex use cases across the company.

Here are six primary benefits that a COE can provide:

- **Maintaining quality and control** of the planning platform as use case expands.
- **Establishing consistency** to ensure reliability within best practices and business data.
- **Fostering a knowledge-sharing environment** to cultivate and develop internal expertise.
- **Enabling up- and downstream visibility** within a single, shared tool.
- **Driving efficiency** in developing, releasing, and maintaining planning models.
- **Upholding centralized governance** and communicating progress, updates, and value to executive sponsors.

# TREND 04

Advanced analytics  
yield the insights for  
competitive advantage

“

AI has already had an impact at HP Inc., and it is helping us transform planning at the company. We're not talking about solutions or technology anymore—we're talking about business outcomes.”

—Yves Cabanac, VP of Digital Solutions and  
HP Data & Analytics



# As big data flows out, advanced technology rushes in

Today, 82 percent of executives say that their organization needs to plan more frequently than they did five years ago. Even so, only 23 percent are equipped to incorporate market changes into their plans within a few days.

Disruption is no longer disruptive for businesses—it's an expectation. Wide-spread globalization, fluid economies, emerging technologies, and fluctuating consumer demands make unexpected events and evolving business models the normal course of business today.

This emphasizes the critical need for a more proactive, agile, and responsive state of planning. As the data shows, companies that have implemented a more nimble approach to planning are more successful.

### Planners don't have to look far to find better insights

Companies who plan monthly or more are more likely to quickly incorporate new market data into their plans—updating forecasts and plans, assessing the impacts of changes, and keeping an altogether closer eye on ongoing business performance and targets.

However, not all companies are able to plan so continuously: Almost half of respondents indicate that it takes them weeks or longer to update plans with market changes. For businesses that operate in rapidly changing

and competitive markets, this lag in planning can be a significant disadvantage.

Advancements in technology can alleviate this challenge. Ninety-two percent of businesses state that improved planning technology would provide better business outcomes for their company. The C-Suite, in particular, is even more optimistic about the adoption of improved technology: **More than half of executives say that adopting better planning technology would result in “dramatically better” business performance.**

### Planning goes digital

Rather than planners hunting for data that simply validates a gut-feeling approach to planning, the survey results indicate that **data now sits behind the wheel**—informing, developing, improving, and measuring plans.

Organizations, as well as a majority of executives, describe digital transformation as a top priority. Over half of all organizations and 61 percent of executives say that digital transformation amplifies the importance of planning. As businesses move into the future, the increasing use of advanced analytics, which includes predictive analytics and spans to machine learning and artificial intelligence, will determine which businesses come out ahead.

### Roadblocks to data-driven planning

Increasing uncertainty and market volatility make it imperative that businesses operate with

## Trend 04

agile planning that can be adjusted quickly and effectively. However, as planning response times inch closer to real time, nearly a third of organizations continue to cite two main roadblocks to implementing a more data-driven approach:

- **inaccurate planning data and**
- **insufficient technology**

Inaccurate data plagues businesses in all industries. Sixty-three percent of organizations that use departmental or point solutions, for example, and 59 percent of businesses that use on-premises solutions identify “having the right data” as a key area for improvement in planning. The use of point solutions, in particular, can keep data siloed. When data is stored in disparate technology across the organization, planners end up spending more time consolidating systems and information, which can compromise data integrity.

It’s perhaps these reasons that lead 46 percent of the organizations using point and on-premises solutions to say that better technologies are necessary to accommodate current market conditions. In addition, **43 percent of executives say that a move to cloud-based technology would benefit existing planning.**

In both cases, data-driven planning remains difficult, as businesses not employing cloud-based, enterprise technology struggle with poor data accuracy. By moving to cloud-based technology, businesses can automate and streamline tedious processes, which reduces human error, improves productivity, and provides stakeholders with increased visibility into performance.

### The role of machine learning

Businesses continue to employ machine-learning methodologies to help identify patterns and issues undetected by the human eye, as well as alleviating overwhelming and time-consuming efforts.

**Ninety-four percent of survey respondents believe that machine learning has a role in the future of planning technology.** Multiple options were all ranked similarly, which suggests that businesses view machine learning as important to nearly all aspects of planning.

The chart below shows responses from survey participants who were asked to elaborate on how they perceive the potential role of machine learning in planning.

<b>What potential role do you see for machine learning (ML) in the future of planning technology?</b>	
Improve accuracy of forecasts	48%
Perform what-if analysis with confidence	45%
Allow us to move more quickly when unexpected changes occur	43%
Provide automated insights, in context, where applicable	43%
Respond to market changes	40%
Help execute on decisions through real time collaboration	39%
Understand risk and design appropriate response	39%
<b>Two or more</b>	<b>78%</b>
<b>Three or more</b>	<b>55%</b>



## Trend 04

Roughly half of executives and IT professionals believe that machine learning will be able to provide automated and contextual insights. What-if analysis was another key consideration for IT, with 55 percent stating that it will allow the organization to better perform these analyses with confidence.

For business units, improved forecast accuracy ranks high for expected benefits; half of finance and sales professionals anticipate that machine learning will enhance business forecasting

### THE BOTTOM LINE:

Disruption doesn't discriminate—to survive and thrive in today's tumultuous business environment, data considerations are key to a more proactive, agile, and responsive state of planning.

## BUILDING BLOCK 04: Using collaborative, machine-learning technology

State-of-planning research reveals that organizations identify multiple business planning obstacles as equally problematic, indicating a need for increased analytics in solutions that can eliminate multiple challenges at once. Nearly half of all respondents shared a high desire for a collaborative platform that can be used by all functions and departments.

Highly analytical capabilities in planning solutions further support the evolving needs of today's businesses. In sales forecasting, machine-learning methodologies can quickly analyze past pipeline data to make accurate forecast recommendations. When working in financial planning, machine learning can help businesses analyze weather, social media, and historical sales data to quickly discern their impact on sales.

Here are some additional benefits that machine-learning methodologies in a collaborative planning platform can offer businesses:

- **Manage change to existing plans and respond to periods of uncertainty with accurate demand forecasting and demand sensing**
- **Develop enlightened operations, real-time forecasting, and smart sourcing and resourcing plans**
- **Operations that maintain higher productivity and more control with lower maintenance costs**
- **Targeted customer experience programs that increase loyalty and improve customer engagement**
- **Products and services that are offered at the right price with effective trade promotions, resulting in higher conversions**

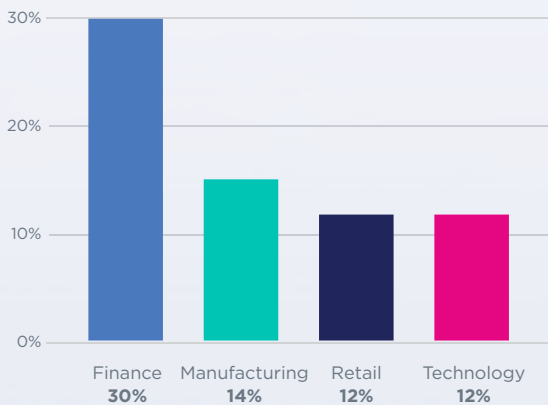
# At a glance: Planning by Industry

## Pace of competition

The business change that companies in all industries say most increases the importance of planning

### Financial companies put more of their plans into action...

We put all of our plans into action

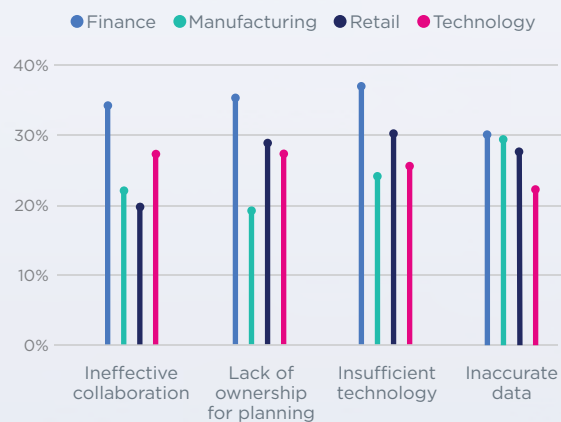


## Enhancing revenues

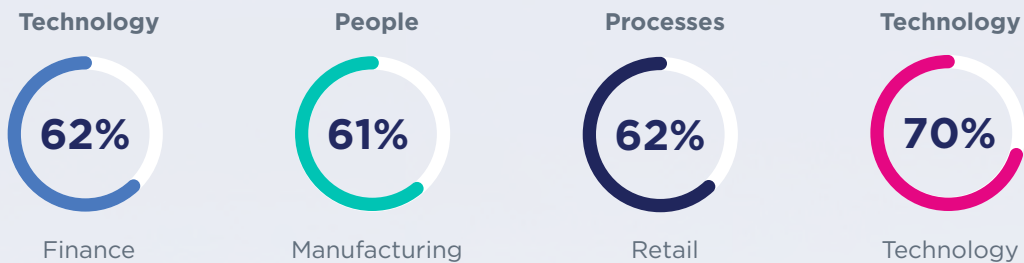
The business goal for which companies in all industries say planning is most important

### ...but also have more challenges to planning.

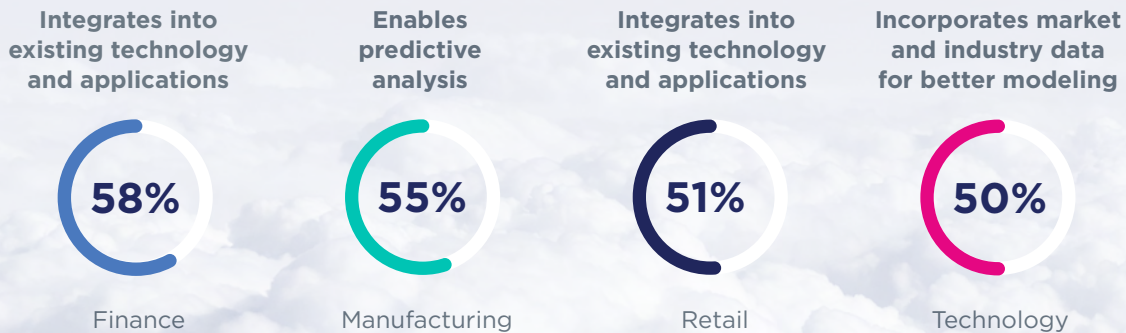
Main challenges to planning



## What could we most improve about our planning?



## Which technological capabilities would most benefit our planning efforts?



# At a glance: Planning by Business Function

## Planning is an ongoing activity

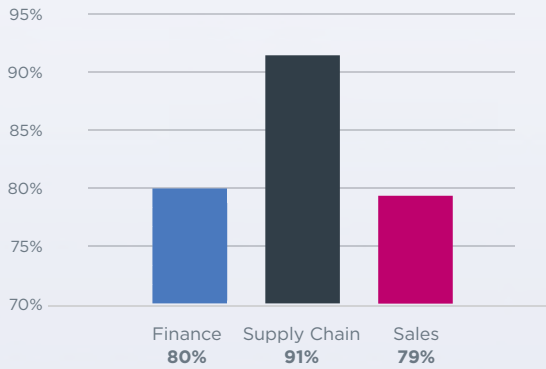
say a majority of planners in all business functions

## More people are involved

in planning than five years ago, say planners in all business functions

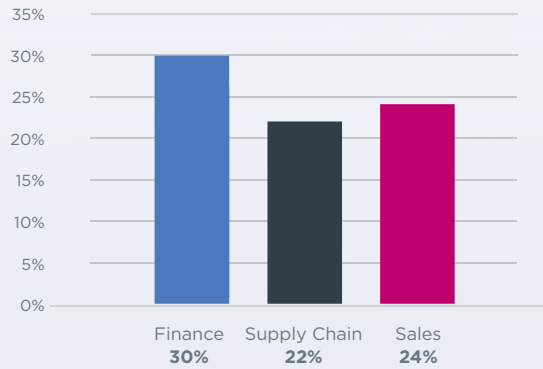
### Supply chain is most likely to see planning as critical

Planning is critically important in our company



### Finance is quickest at incorporating new market data

We incorporate new market data into our plans within days



## What challenge most prevents us from developing more effective business plans?

Insufficient technology



Finance

Process takes too long



Supply Chain

Process takes too long



Sales

## Which technological capabilities would most benefit our planning efforts?

Integrates into existing technology and applications



Finance

Integrates into existing technology and applications



Supply Chain

Flexible business modeling and "what if" scenarios



Sales

## Conclusion

When surveyed, respondents around the world demonstrate that the business world is ripe for Connected Planning. They acknowledge that planning is crucial to achieving their business goals, yet at the same time, they recognize that traditional planning approaches are insufficient for moving confidently and intelligently into the future.

At Anaplan, we believe that Connected Planning is the solution. By connecting people, plans, and data across the enterprise, businesses have unprecedented power to make better, faster, and more intelligent decisions. As the survey results indicate, planning is undergoing historic disruption. Forward-thinking businesses are in an optimal position to capitalize on these changes by leveraging Connected Planning approaches and technology that gives themselves an enormous competitive edge—now and in the future.

We encourage you to explore the Connected Planning methodology and to learn more about the Anaplan platform for Connected Planning.

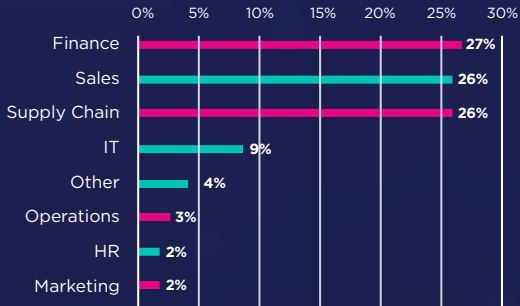
# Methodology

The survey was commissioned by Anaplan and independently carried out by Dimensional Research. The total sample size was 1036 professionals, each of whom had a responsibility for planning at their organization. Respondents came from 45 countries and over 18 industries. Companies were classified by size: 500-1000 employees, 1000-5000 employees, and over 5000 employees.

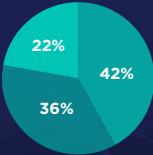
Respondents' job titles included executive (361), team manager (449), and individual contributor (226). The survey queried professionals in multiple business functions, primarily Supply Chain (269), Sales (274), and Finance (282).

Research was carried out in July/August 2018.

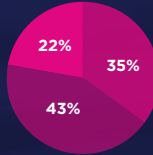
## Job Function



## Region

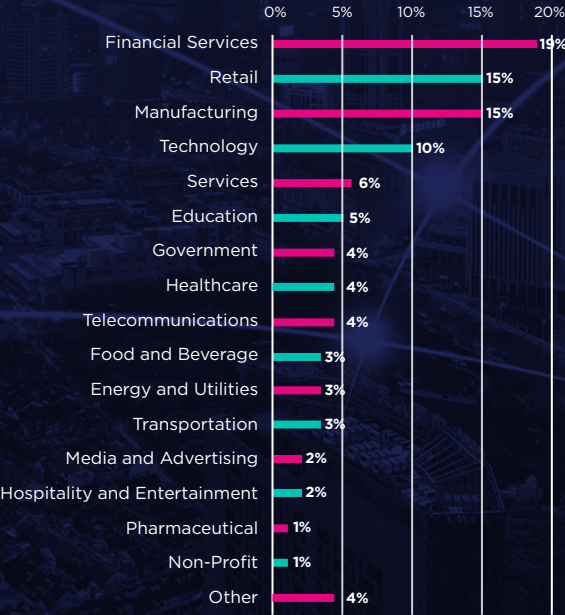


## Job Level

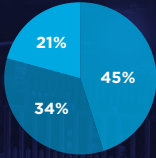


- APAC
- AMER
- EMEA
- Individual contributor
- Executive
- Team manager

## Industry



## Company Size



- 500-1,000 employees
- 1,000-5,000 employees
- More than 5,000 employees

## Country

