

# THE COST OF USING EXCEL FOR STRATEGIC PLAN MANAGEMENT

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It's costing your organization money to stick with  
the status quo.

a guide from **achieveit**



## PREFACE

67% of well-formulated strategic plans fail.<sup>1</sup> There's a correlation between organizations not achieving their goals and the number of companies using Excel to develop, implement, track and monitor their strategic plans.

According to The Planning Survey done by BARC Research,<sup>2</sup> even in 2017 Excel is still the most widely used software for planning. However, of the 86% of organizations in the world that use Excel for planning, well over half of those users are not satisfied with the software, and only a quarter of users would recommend it to others.<sup>3</sup> It's insane to continue to use a tool you know doesn't work, but still expect better results next year.

<sup>1</sup> Carucci, Ron. "Executives Fail to Execute Strategy Because They're Too Internally Focused." *Harvard Business Review*, 13 Nov. 2017, <https://hbr.org/2017/11/executives-fail-to-execute-strategy-because-theyre-too-internally-focused>

<sup>2</sup> BARC Research. "The Planning Survey 17." [https://www.avantum.de/fileadmin/user\\_upload/Avantum/Studien/BARC\\_IBM\\_Planning\\_Analytics\\_in\\_The\\_Planning\\_Survey\\_17.pdf](https://www.avantum.de/fileadmin/user_upload/Avantum/Studien/BARC_IBM_Planning_Analytics_in_The_Planning_Survey_17.pdf)

<sup>3</sup> BARC Research. "The Planning Survey 14." [https://www.board.com/sites/default/files/BARC\\_PlanningSurvey\\_1404\\_EN.pdf](https://www.board.com/sites/default/files/BARC_PlanningSurvey_1404_EN.pdf)

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# YOU'RE NOT **EXCELLING** **WITH EXCEL**

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Spreadsheets are where organizational plans go to die.



## THE NEED FOR A **BETTER SOLUTION**

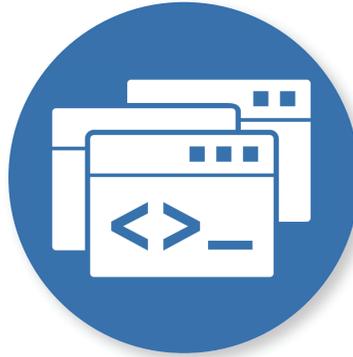
Excel and other live spreadsheet programs like SharePoint and Smartsheet are omnipresent in planning, which is stunning because only 17% of Excel users report having no problems in the planning process.<sup>4</sup> The other 83% are suffering in silence because it's too expensive and time-consuming to seek a more effective solution, and ironically, they're paying the price for not switching to something better.

If you were to create a list of the top ten things Excel does best, strategic planning would not make the list. Microsoft built one of the greatest programs of all time, but Excel – largely unchanged since its release in 1985 – was never designed to solve the problems for which Chief Strategy Officers, Enterprise Change

Managers, Process Improvement Coordinators and SVPs of Operations are looking for solutions.

There is a better way. The introduction of specialized planning software solutions has changed the game for organizations who have been quick enough to adapt. 53% of businesses using solutions specifically built for planning experienced better quality of results than they had the prior year, whereas only 5% of Excel users improved their result.<sup>5</sup> If your goals are to improve business outcomes and you're part of the 95% of organizations still using Excel to monitor unsuccessful execution of your strategic plans, there's money and time on the table that you must allocate more effectively.





## TRYING TO FILL THE **VOID**

About three-quarters of companies today are trying to make up for the inadequacy of using Excel alone, and are filling in the deficit with various other tools to reach a solution.<sup>6</sup> However, the ineffectiveness of spreadsheets can't be mitigated with a patchwork of home-built solutions, operational systems, email back-and-forth and half-abandoned tools from previous planners or consultants.

The "Patch Technique" only further complicates processes. According to The Planning Survey by BARC Research, organizations that use multiple solutions to monitor plans experience 15% more planning problems on average than if they were using only one tool.<sup>7</sup> Even more alarming, the amount of

time needed to provide, process and consolidate data increases by almost 50% in companies that use more than one software program.<sup>8</sup>

Even with less modern specialized planning programs like IBM Planning Analytics, Excel is often still used on the front end. This can help lessen the intimidation of training and adoption, but doesn't solve the many pains felt by those who use Excel, SharePoint or Smartsheet alone.

The best solution? A single software solution that does it all. If we know that, why doesn't everyone make the switch?



## THE **CHALLENGES** OF A FINDING A NEW SOLUTION

Why don't we all find a better solution?

One third of companies still opt against using specialized planning solutions for two reasons:<sup>9</sup>

**1** High cost

**2** Insufficient support for individuals

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While smaller organizations cannot afford more expensive software than the Microsoft Office Suite, larger organizations actually fear that the planning tools on the market cannot fulfill all of the requirements they need to track. Furthermore, with the invention of an app for every task, it's not uncommon for organizations to suffer from software and change fatigue after going through multiple purchasing and training processes with every multiple software solutions.

When organizations make the decision to work with Excel for fear of a low cost-benefit ratio, with either side weighted too heavily, they continue to pay a price for poor execution.

# DANGERS OF THE **STATUS QUO**

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Organizations know that Excel isn't the best tool for ensuring the tracking of strategic plan progress, but professionals continue to choose to deal with these pains anyway.



## BAD DATA

Spreadsheets, whether live or static, are likely unable to integrate easily with Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) systems. 33% of Excel users struggle with poor data governance, while organizations who use specialized planning platforms only suffer 8% of the time.<sup>10</sup>

What spreadsheets don't offer are things like data storage separation and import to a common central database, comprehensive data input capabilities or the ability to add commentary and context to lines of data.

With little to no integrated support for reporting, analysis and dashboards, (much less financial consolidation, compliance and risk management or strategy management) exclusive Excel users are suffering on every front while those using specialized planning solutions are able to have up-to-date, easily attainable data at any given time.

With lack of real-time data, there's no chance for proactive decision-making. When the difficulty to consolidate information from different locations eats up valuable time, all the time that's left is used to be reactive and view actions in retrospect.

**33% of Excel users struggle with poor data governance, while organizations who use specialized planning platforms only suffer 8% of the time.**



## **BAD** DATA (CONTINUED)

With the stress and complication of compiling data, most organizations are driven to only visit their strategic plan quarterly. The amount of time it takes to gather updates manually from dozens or hundreds of people, then entering them into a better format for analysis or presentation, is a deterrent to creating a true governance process. Revisiting your plan only one to four times a year will guarantee your organization will never have access to real-time data.

Lack of real-time data hinders the ability to be proactive in making changes to strategy and execution efforts. The earlier you can pivot based on live information, the larger the impact of the changes you're able to make. When reviewing numbers at the end of a quarter, rather than a few weeks or halfway through, you lose the benefit of action for that entire quarter.

By eliminating all chances of agile reaction and flexibility, organizations using more than one unspecialized software to track their plans suffer from inadequate data quality because they're missing one key component to success – a common pool of data.

Moreover, when dealing with version control and edits from multiple people, a level of skepticism is introduced. It's difficult to focus on strategy and what comes next when there is always lingering anxiety along the lines of, "Is this really the most up-to-date version? When was this last updated?"

The struggle with version control also leads to another point of contention with data in a spreadsheet, which is the lack of context around the numbers and updates you're consuming. Or worse, if the data is not in a consumable format, the recipient is left wondering, "What am I even looking at?" If the data is in a different format every time a report shows up in someone's inbox, it further complicates their ability to understand the meaning of the data on the page.



## THE RISK OF BEING PRONE TO **ERROR**

In a Market Watch study, 9 out of 10 of all Excel spreadsheets have some calculation mistake.<sup>11</sup> With flexibility comes great responsibility, and great potential for error.

That said, not being cloud-based and living in multiple versions on multiple computers leaves your plan vulnerable to losing all your data. General experience points to the fact that the majority of computer users do not regularly back up their files. While more and more organizations are using cloud-based storages systems like Dropbox or SharePoint, many strategic planning Excel files still struggle with version control as there's no single designated source of truth.

However, on the other side of the issue, problems with permissions can come into play

when everyone can access the document. With live spreadsheet solutions like Smartsheet or Google Sheets, everyone can change everything – including your technically-challenged CMO who might accidentally ruin all of your formulas – or worse – delete an entire quarter's worth of tracking. Data can be overwritten without leaving an audit trail, and when you don't have regular snapshots of the live document, you lose that data. When data integrity is compromised, so is your decision-making ability.





## LIMITED ACCESS

*Is your Excel spreadsheet saved on one person's computer? How about in multiple versions on multiple desktops? Is that file now too big to keep reloading into your shared document manager?*

*If it's in a shared cloud storage solution, can multiple people access and update it at the same time? Does it automatically save? Track changes? Is past data recoverable in case there's a mistake?*

*Is it easy to export with real-time data? How do you know if the data is updated or past due? When was it last updated, and what is the context of the update? How do you know who missed their deadline?*

*Who's verifying the updates for accuracy of input? Can coworkers comment and provide their own information?*



## LIMITED ACCESS (CONTINUED)

Without team-wide transparency, the one person tasked with keeping the spreadsheet is spending all of their time (and a lot of it) versioning and practicing quality control.

In a recent survey, 26% of Excel users reported that their spreadsheet solution couldn't handle the number of users that needed to provide updates, compared to the 3% who suffer from the same issue that use specialized planning solutions.<sup>12</sup>

“26% of Excel users reported that their spreadsheet solution couldn't handle the number of users that needed to provide updates.”

In order for organizations to be able to effectively execute, it's critical that the plan be readily visible and accessible to all contributing members. When opting for

a static spreadsheet (instead of a live, dynamic platform), all of these questions should be taken into consideration to make the path more traveled at least a bit less frustrating.

57% of organizations using specialized planning software saw an increased transparency of planning and an overall visibility improvement with reporting capabilities while only 10% of those using Excel reported an improvement in making their plan more visible and relatable to their employees.<sup>13</sup>

Multiple editor spreadsheet tools like SharePoint and Smartsheet solve some of the problems surrounding access and visibility, but the biggest issue left unaddressed is data flow. Even though these solutions accept changes from many users, they still require someone to look for the data in another program and manually enter it into an ever-growing multi-tab monster.

Essentially, when you're trying to execute your plan, you need to hold people accountable for two things: 1) executing the items they're responsible for, and 2) making regular and timely updates. If you're missing either of these elements, your plan will be in danger of failing. Excel's inability to provide an easily filtered big picture view and provide quick and simple updates fails with both scenarios.



## THE “EXCEL GURU”



You’ve overcomplicated your Excel tracking template to a point where now only one person knows all the formulas and what to add where. We all know that single team member with an honorary degree in using VLOOKUP who gets asked to do it every time.

In the case that the Excel Guru, who alone knows how to decipher the information, leaves the company, do you have a clear way to onboard and train multiple people? Have you documented the color coding, conditional formatting, dependencies and naming conventions so that the document can be picked up and used by someone else?

Furthermore, with turnover rates being what they are in your industry or organization, what does knowledge transfer look like for project owner reassignment? Is the history of the tracked success of that project easily accessible?

It’s a laborious task to document all of this information, as it is subject to becoming outdated quickly, but if you’re going to use the “Keeper of the Keys” solution to keep your data tidy, the responsibility of the organization is to keep all of this documentation on hand.

The other side of this problem is lack of uniformity in planning. If you don’t have an Excel Guru to keep everyone’s data in line, you likely have fifteen different departments who all use Excel, but when updates come in, you likely suffer from fifteen slightly differently formatted versions of the same document. It’s almost as if everyone is speaking the same language in different dialects – and it falls on someone to translate. In this situation, it’s impossible to run a report that gives you the status of how the organization is doing as a whole, because you’re forced into departmental silos.



## LACK OF HIGH-LEVEL OVERVIEWS AND NOT ENOUGH PLAN DETAIL **AT THE SAME TIME**

Global organizations who use Excel to track and monitor their plans can have hundreds of sheets in one complicated spreadsheet that still doesn't track everything they need. And yet, the spreadsheet also doesn't provide a good executive dashboard view of everything at a high level.

It's an odd limbo to be caught within – not detailed enough and too detailed at the same time. When in this state of not-enough-but-also-too-much, important information can get lost in all the clutter because the data is difficult to analyze, agitated by the fact that it's done as an afterthought after several hours are spent just pulling a report together.

Organizations using specialized planning tools reported that 51% of users were able to improve the precision and detail of their structured plans, while only 8% of Excel users were able to build more detailed plans than before.<sup>14</sup>

It's nearly impossible to easily understand something like, “How are we doing in the area of safety across the organization?” when many activities live under many major strategic priorities and they're scattered across twenty different workbooks and tabs. The inability to filter by status and area across multiple plans hinders companies looking for the overall view without spending weeks in meetings.

Just as important as the level of detail itself, how are you able to view and present the data? How many additional views do you need to create in your spreadsheet to suit the day-to-day requests for information from different departments with different interests? Summarizing roadblocks and showing team progress and initiative updates can be cumbersome when you need to create and export specific filters and tabs for every request – and remember which one is which.



## TIME

Manual reporting wastes time. It's more than just data entry. It's chasing updates, compiling information from email into Excel into graphs into PowerPoint into a PDF, accuracy verification, formula creation and template maintenance (fixing what others may have inadvertently changed).

Out of those who exclusively use Excel for planning, the dissatisfaction with quality of results and the amount of work (time) it takes to provide data is felt by 93% of users.<sup>15</sup>

However, the real problem isn't the cost in hours and dollars. Your organization's loss of time is measured in the inability to get to market faster and losses to competitors. Your dulled reaction time and general business is keeping your organization from starting development on something new, stopping an expensive project that's not paying off or double down on what's working.

The real threat is the opportunity cost of the time it takes for someone to chase down updates, manually input data, compile information for consumption, etc.

Your planning manager could be working on projects that generate significant growth for your company, or they could dedicate the majority of their time reminding stragglers to email updates to an overflowing inbox and formatting a spreadsheet.



## TIME (CONTINUED)

It's the cost of what "could be." It's the gap between your strategy manager's (and organization's) potential, and the reality of how much time these pains consume.

This loss is amplified by the fact that the people charged with managing execution, and the executors themselves, waste phenomenal amounts of time trying to document, track and report their own progress, manually pull data from several programs, format it, send it to the right place and remember when updates are due in the midst of their other project timelines. It seems clear that most leaders would rather make it possible for all of those employees to do the jobs for which they were hired.

This price doesn't go away when using specialized planning software, but it is cut down significantly by just enabling multiple users to input data into one common location without compromising the integrity of the data and tracking. With things like real-time data integration, the company spend on human resources to do manual reporting in Excel is chopped down even further.

Outside of what it costs your organization to not be executing your plan to reach your goals, companies are likely spending thousands of dollars just to keep the cogs turning on a machine that doesn't work. Organizations are often relegating top talent to low value work by paying someone hired to ensure a bright future for a company to look at Excel all day.



# THE WAY OF THE FUTURE: **INTEGRATED PLANNING**

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Adapting to today's evolutionary state of organizational planning.



## SOLVING FOR **PLAN RIGIDITY**

Organizational planning is in a state of evolution. We're not putting together strategic plans the same way we did in the 90s. Strategic plans today are all types of plans – mergers & acquisitions, product roll-outs, risk management and compliance, operational excellence, etc. – that require strategy. With the scope of “planning that is strategic” in flux, the way we're tracking and adapting has to bend with us and become more flexible and agile.

Chasing updates and copying and pasting numbers into a spreadsheet isn't going to cut it anymore.

Integrated planning is the way of the future, as we align individuals to strategic initiatives to show their direct impact on organizational goals. As we make way for more detailed planning, better integration with other performance management processes, shorter planning cycles and a stronger focus on key factors and value drivers, the need to save time on the front end of data collection to be able to spend more time on analysis is increasing.

Right now, it takes so long to coordinate resource-intensive planning efforts that the plan is often outdated by the time it has been signed off on and implemented using multiple planning tools.

Some of the issues we've seen with inflexible, unspecialized software are:

- Prolonged process length
- Insufficient plan detail
- Difficulty of data updates
- Unsupported plan implementation/integration/adoption
- Abysmal employee engagement
- Unreliable data quality and overall poor results

If the only reason you're continuing to use Excel is because your employees already know how to use it, it's time to stop paying the price of being inadequate and commit to a culture of execution with specialized planning software.

# APPENDIX

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We've put together a checklist and chart to help when evaluating strategic planning software to cure your Excel pains once and for all.



## STRATEGIC PLANNING SOFTWARE EVALUATION CHECKLIST

Once you've decided to break free from the chains of Excel, here's a checklist to help evaluate a better solution.



- 1. Is data stored in a location that can be accessed anytime, anywhere, by anyone?
- 2. Does the solution provide a simplified user experience?
- 3. Does the platform/software provide one version of the truth?
- 4. Is the data provided in context? Is commentary easily visible?
- 5. Can you easily filter initiatives by status? By owner? Due date?
- 6. Can you visibly align initiatives to overarching strategies?
- 7. Is it easy to view who's on and off track and what data is missing?
- 8. Can you reorganize the data into different views?
- 9. Can information from multiple plans be viewed at once?
- 10. Can you access real-time updates? Is live data integration available?
- 11. Is it possible for multiple users to access the platform and make changes at the same time? Does the software make composite changes automatically?
- 12. Are there options for permissions-based editing?
- 13. Can reports be automatically scheduled and sent?
- 14. Is information compiled into a customized, live dashboard?
- 15. Does the platform make it easy to remind users to provide their updates?
- 16. Does the software include a support system behind it to ensure a successful implementation and overall ROI?



## HOW ACHIEVEIT COMPARES TO EXCEL

Excel	Achieveit
Filterable data	Filterable data
Manually-built organizational goal roll-up view	Organizational goal roll-up view
Static	Dynamic
Spreadsheet	Aligned view
Document version control	Cloud-based, real-time data
Manual reporting export	Automatic reporting export with scheduled deliveries to specific people
Complicated formulas and conditional formatting	Automatic formulas and conditional formatting
Editable by one person at a time	Editable by multiple people at a time
Manually sort by priority and status to know how/what to attack	MeetingManager: Sort by priority and status to know how/what to attack
One tab at a time	MultiPlan View: Track overall success across numerous plans
Hours spent chasing updates and compiling information	SmartAlerts: Automatic email reminders sent automatically to project owners
Time wasted in status update meetings getting qualitative reasoning for data	CriticalContext: An audit trail of every past update, and the story around each update
Exporting data and reorganizing for executive consumption (probably using PowerPoint)	InsightDashboards: High-level summaries at your fingertips
Accessible for employees in a shared file location	True, real-time organizational visibility
Meeting overload to stay up to date and collaborative for every initiative	Save time in status update meetings to talk about what comes next, not just give data updates
Either everyone can view and make updates, or one person can	User permissions allow for various levels of access and viewing
The Microsoft file linking functionality leaves you susceptible to losing the linked files due to renaming and file location	Upload files to the cloud-based system once
Strategic planning Excel templates online	Your Customer Success Team will provide training and best practices, and you have access to 24/7 Technical Support
No roll-out or training necessary, since everyone uses Excel – but implementation, adoption and reinforcement are difficult	Workshops run by Achieveit Professional Services work to level up the strategy and execution knowledge of the entire organization, creating a culture of execution

## THE BENEFITS OF EXECUTING WITH ACHIEVEIT:

For successful execution, you need more than a software solution – you need a partner to help shift the organizational mindset, get leadership buy-in and address key roadblocks. At Achieveit, we help our customers every step of the way.

### Here is what you'll get with Achieveit:

- Built-in tools that elevate strategy development and broaden the collective thinking of the organization.
- Tools that allow your team to provide and aggregate individual, frontline input regarding organization issues.
- A best-of-breed planning methodology that ensures your plan contains clear actions and measurable objectives,
- Balanced scorecard creation and tracking to ensure you remain focused on the big picture.
- Tracking and monitoring of key performance indicators.
- Assignment and escalation capabilities of every piece of your plan.
- Dashboards, scorecards, and trend lines for your plans, balanced scorecard and KPIs.
- Robust, built-in reporting.
- Individual and unique user views that allow your team to see their specific assignments.
- Easy updating and tracking to ensure compliance.
- Ability to upload and link documentation to specific plan items.
- Automatic plan modeling and forecasting, including revenue, cost-savings and cost-of-plan projections.
- Automated email reminders, alerts, notifications and escalations.

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## ABOUT US

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Hundreds of businesses are growing farther and faster with Achieveit's Execution Insight Platform, the only solution on the market that provides both meaningful intelligence on execution and the ability to drive results with it.

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