

customer case study

SBA Communications owns and operates wireless communications towers across North America and also helps wireless service providers develop their own networks. SBA's financial organization oversees both of those business lines and consists of some 25 departments and more than 100 business entities. Each department has to create and manage a budget for selling, general and administrative (SG&A) expenses.

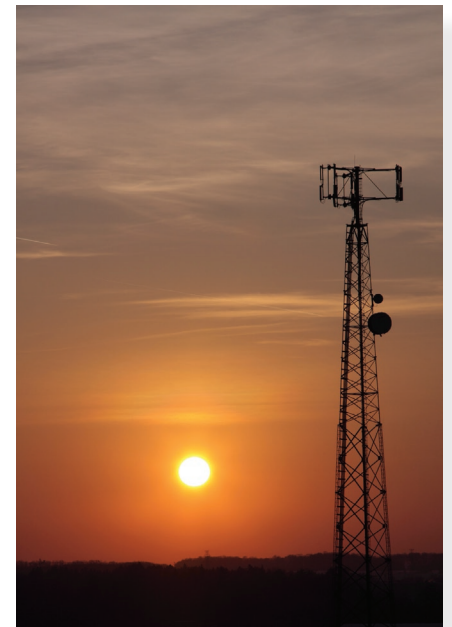
Until SBA adopted the Host Analytics Budget module of the Host Analytics Corporate Performance Management (CPM) Suite, everyone had to make do with Microsoft Excel. To create an SG&A budget, departments input their data into spreadsheets. Then a financial analyst consolidated them into a single spreadsheet and sent it to the departments – a process that usually took a month. It was also prone to errors from mistakes in data entry and incorrect links between cells, and correcting them after review added more time.

Host Analytics gave these managers timely and accurate information. Easy access to up-to-date comparisons of budgeted-to-actual data reports enables them to keep monthly spending in line. “The Host Analytics software allows department heads to take control of their own budgeting process and better administer the economics of their individual department,” says Brian Lazarus, chief accounting officer for SBA. “As they go through the year now, they can manage those results.” By seeing the full implications of decisions, they’re able to avoid budget overruns and get more value from the dollars they spend.

Software selection

Jorge Grau, SBA's chief information officer, spent two months evaluating software from half-a-dozen vendors, including Forecaster (a third-party add-on to the Great Plains accounting database), Clarity and Hyperion. Ultimately he chose Host Analytics Budget. “It was the most flexible in performing the financial analysis and could most easily accommodate the variances we had in the charts of accounts across all these entities,” Grau says.

Another selling point was Host Analytics' delivery model of Software-as-a-Service (SaaS). Host Analytics maintains the system remotely, charging only a subscription fee, and users log on to it through a Web browser, so SBA's in-house IT staff doesn't have to manage it. The same is true when it needs to be upgraded to a new version. “With all the new projects and initiatives our IT organization is involved in at any point in time, it's rather painful to have to keep up with the updates and integrations of an on-premises solution,” Grau notes. Deploying budgeting by SaaS relieves that pain. “The SaaS solution has allowed us to reduce costs and maintain a more stable environment,” he says.



“Every month Host Analytics shows us where we stand at any given point in time – where the expenditures are relative to the budgeted amounts.”

**—Brian Lazarus, CAO,
SBA Communications**



Deploying the software as a service appeals to users as well as IT, providing flexibility of access no matter where someone is. "I have received numerous compliments from executives who were able to start their budget here at work and finish it off easily at home over the weekend," Grau reports.

Improved integration and reporting

When reporting was performed manually, the financial analyst had to download actual expenses from Great Plains and match numbers one by one to those in the budgets. The process took so long that the data was often out of date when department heads received their reports. With Host Analytics Budget, importing data from the accounting systems is a snap. SBA's analyst, Debbie Woodside, simply uploads that data within the SaaS host. "It's a lot easier to do, and during the upload, if it rejects any account numbers or departments I can fix it quickly," she says.

Variance analysis and reporting have become straightforward. The reporting of budget-to-actual comparisons also used to be manual. Now, Woodside simply creates a monthly budget-vs.-actual report that includes details from Great Plains so the department heads can see the data. Seeing complete and up-to-date data helps them make proactive decisions with confidence.

Grau, who is also a department head, has seen an immediate process improvement. "At the end of every month I'm provided with full visibility as to where my expenses are, whereas prior to this I would receive it two or three months after the fact," he explains. He can complete his annual budget in less than two days, whereas in the past it took him and an assistant nearly a full week.

Looking to do more

Pleased with these results, SBA intends to implement more Host Analytics functionality. "We want to incorporate forecasting and financial modeling," says Lazarus. Currently, accounting performs this using Excel spreadsheets. The idea of automating these processes has support from the chief financial officer, Brendan Cavanagh, according to Grau, who plans to explore that soon with Host Analytics. "If we incorporate those two functions, our return on investment would increase significantly," he says.

Moving forward, SBA also will provide more tools for the department heads. "I'm happy with the results so far and look forward to taking it to the next level," says Woodside. In particular she wants to investigate the scorecard and dashboard capabilities of Host Analytics CPM, which could help her provide information to the managers in visual formats they can grasp at a glance and work with more intuitively.

A major reason SBA is able to consider further steps such as these is that the original problem has been fully resolved. "SG&A budgeting is almost a non-event now, whereas before it was a painful process, and we couldn't benefit from the results," Grau says.



challenges

- Creating annual budgets was a slow, manual process using spreadsheets
- Data in budget reports was out of date because GL data had to be matched to budgets manually
- Department heads had little insight into current spending trends or variances to budget
- Limited IT resources prevented SBA from updating software regularly

solution

- Department heads can create and analyze their own budgets rapidly
- Departments receive accurate, timely reports because GL data is integrated into Host Analytics
- Departments receive variance reports and can drill down to accounting details
- Host Analytics' Software-as-a-Service (SaaS) delivery method relieves IT of support and maintenance

results

- Budgeting now takes only a day or two
- Department heads can control spending and be proactive when making spending decisions because the data is comprehensive and current
- Relieved of manual tasks, the financial analyst can provide forward-looking information and explore options available

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