POLEST★R

# Revenue Forecasting & Deal Margin Management

Working on multi-million dollar deals might seem like a breeze for many service organizations, but juggling the right resource allocations while keeping that bottom line intact can be quite the puzzle. This is where the magic of revenue forecasting and deal margin management comes into play, serving as the bedrock on which the whole service operation dance rests. Yet, surprisingly, many companies are still stuck in their old-school ways, holding on to traditional processes and practices for dear life.

## Key challenges with this traditional approach

In addition to the fragmented data, manual calculations, and time-consuming nature of this approach, the output is also questionable sometimes. Some key pain points encountered wrt both business and techncial perspective are:

| Category | Challenge Area | Pain Points |
|---|---|---|
| **Business Process** | Lack of visibility | Cross-margin and Revenue visibility for service or business unit levels |
| | Difficulty factoring external conditions | Creating multiple models based on currency or macro-economic factors |
| | Strategic flexibility | Can't re-calculate with changing team constructs or conditions |
| **Technology** | Data Integrity Management | Significant effort in maintaining accuracy |
| | Model Adaptability | Can't adapt to rapidly changing project dynamics |
| | Scale of Complexity | Inability to handle large datasets or unreliable predictions |

## Signs that you need to move away from this

If you notice any of these signs, it's time to ditch legacy systems and consider smarter planning solutions for your revenue forecasting and deal margin management.

- ☐ Confusing and hindered collaboration
- ☐ Want better analytical capabilities
- ☐ Too many manual and repetitive tasks
- ☐ Facing missed growth opportunities
- ☐ Lack in real-time insights
- ☐ Increasing complexities in handling data

### How can you measure them?

If you're confused about whether or not you need to move away, measure these KPIs and get the answer yourself.

| | | | |
|---|---|---|---|
| **Project Pipeline Value** | **Contribution Margin** | **Gross & Net Profit Margins** | **Revenue Concentration** |
| **Project Profitability** | **Resource Utilization Rate** | **Billable Utilization Rate** | **Project Overrun Percentage** |

POLEST★R

# Revenue Forecasting & Deal Margin Management

To address these challenges and create a journey where every step is clearly visible and scalable, we've created a comprehensive solution on Anaplan to help users combine data from from their CRM, HRMS, Finance, etc. and plan all their resource needs.

## Key Components of our solution

Our fully integrated solution based on Anaplan not only has a data layer to ensure data truth but can also directly access data from multiple sources with the help of APIs and Connectors. The output of this is clear dashboards from which users can access all their information from one place.

### Reports

**Margin Reports**     **Variance Report**     **Revenue Reports**

**Timeline & Milestone based reports**

### Calculations

**Deal Margins     Forecasted Margins     Variance     FX Fluctuations     Scenario Models**

**Reports can be personalized as per**

- Verticals and projects
- Local and Reporting currency
- Hierarchical levels like
  - Project
  - Service
  - Region

### Sources

ERP     CRM     Pricing model     HRIS     Historical data

**Integrated directly through connectors, APIs, and our Anaplan Wormhole**

**Revenue Forecast**

**Confirmed Revenue**

**Committed Revenue**

**Uncommitted Revenue**

**Built in models for complex calculations**

**Persona + Hierarchy based reports**

## How we approach it

Our process starts at initially assessing your current as-is and identifying the requirements and needs. Our Anaplan and industry experts not only create the solution but also ensure change management for the adoption of solutions.

**Discovery and Assessment** → **Requirement Gathering and Solution Design** → **Solution Implementation** → **Data Migration and Training** → **Testing & monitoring**

### About Polestar Solutions

As an AI & Data Analytics powerhouse, Polestar Solutions helps its customers bring out the most sophisticated insights from their data in a value-oriented manner. From analytics foundation to analytics innovation initiatives, we offer a comprehensive range of services that helps businesses succeed with data.

### About Anaplan

Anaplan (NYSE: PLAN) is a transformative way to see, plan, and run your business. Using their proprietary Hyperblock™ technology, Anaplan lets you contextualize real-time performance, and forecast future outcomes for faster, confident decisions. Because connecting strategy and plans to collaborative execution across your organization is required to move business FORWARD today.