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Delivering Data as a Service

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FINANCIAL PLANNING &
ANALYSIS PROFESSIONAL

STAND OUT FROM THE CROWD

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"Earning my **FPAC played a critical role** in this promotion."

Natalie Morrison, CTP, FPAC
Manager of Financial Planning & Analysis, *WaterOne*

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Delivering Data as a Service

Jesse Todd

FP&A Transformation Lead
Microsoft
Seattle

AFP 2022

OCTOBER 23-26 | PHILADELPHIA

There's a space for you at AFP 2022:

FP&A HUB

FEATURING:

- FP&A Track of Educational Sessions
- FP&A Keynote
- Networking Events like Roundtables, Meet-ups, and Receptions

JOIN US IN PHILADELPHIA.
AFP2022.ORG

Geetanjali Tandon

SVP of Financial Planning & Analysis
Ceridian
Orlando

AFP FP&A SERIES

A Virtual Event for Finance Professionals

Delivering Data as a Service

Jesse Todd

Microsoft Finance

FP&A Digital Transformation Lead

Premier Sponsor AARP®

Our Finance challenges – look familiar?

Surging data + legacy systems + static reporting

Inadequate tools to anticipate growing business complexity

Manual, inefficient and error-prone processes

Increasing regulations, risks, and threats

Remote workforce juggling “new normal”

Our journey to Data as a Service

Business Case for Change

The State of the Business

Changing Customers, products, market opportunity

Increasing Competitive pressures

Siloed Each function "owned" their data and analytics

Slow Decision making hampered

Inefficient Duplicative work and data investments

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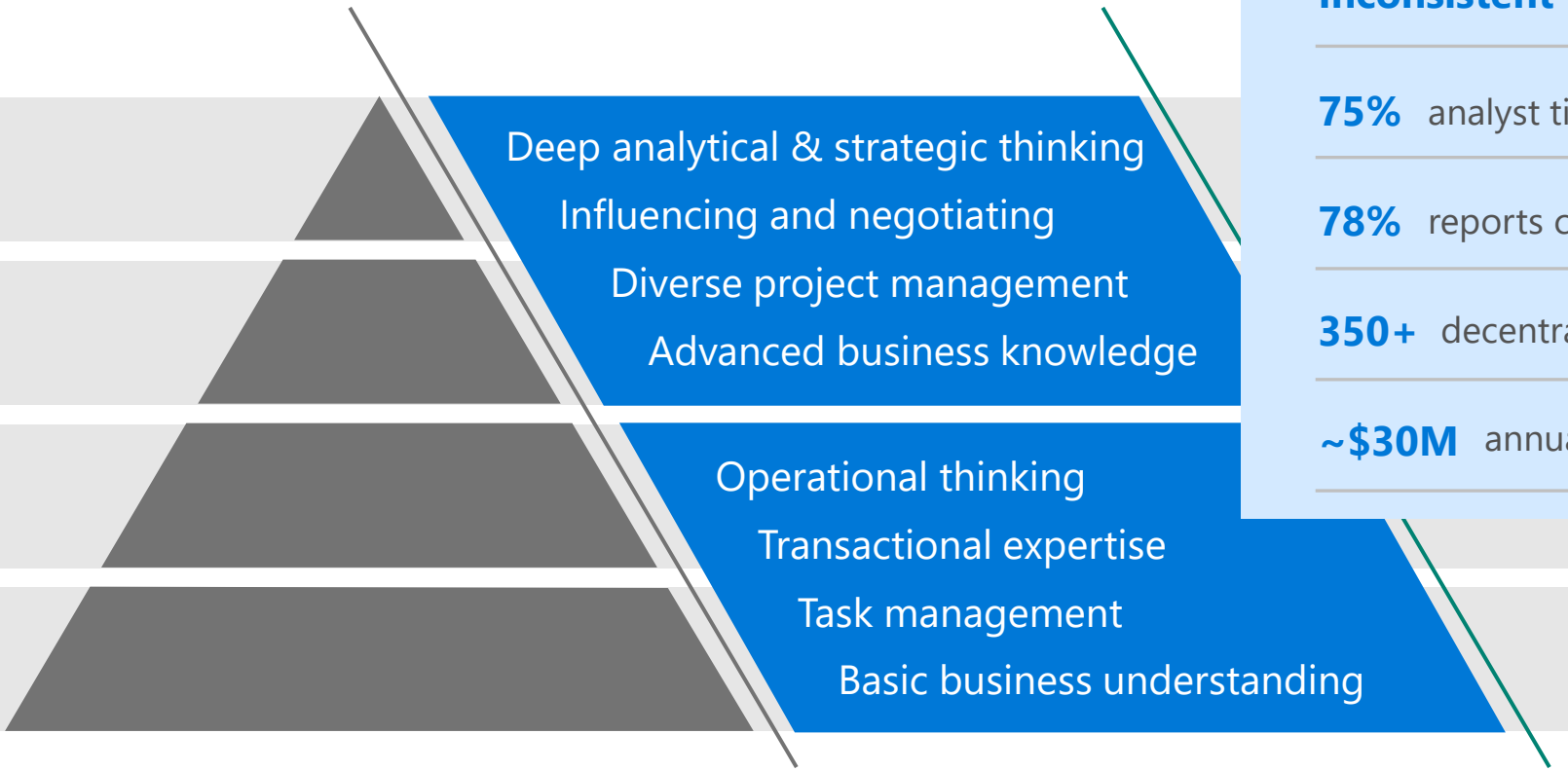
Where we started



Why we were "stuck"

Inconsistent definitions, hierarchies, metrics & KPI's

75% analyst time spent collecting and compiling data

78% reports created in "offline environments"

350+ decentralized Finance Tools and Systems

~$30M annual spend on "shadow applications"

A page from our past: Executive Reviews

Manual, labor-intensive process with numbers prone to "individual interpretation"

Segment (ST)	YoY%		FY15 - H1 Actual			FY15 - H2 Forecast			FY15 Full Year Forecast			Fcst Seasonality (Change YoY)		
	FY13	FY14	Actual	$/TB	YoY%	Forecast	$/TB	YoY%	Forecast	$/TB	YoY%	H1	Q3	Q4
EPG Commercial	3,7%	10,6%	98.666	(2.026)	(10,5%)	226.875	(17.820)	(3,9%)	325.434	(19.983)	(6,0%)	-1,6 pts	-1,2 pts	2,8 pts
EPG Government	(0,2%)	3,8%	51.817	4.650	24,5%	65.480	2.713	(5,1%)	117.297	7.363	6,1%	6,5 pts	-1,0 pts	-5,6 pts
EPG Education	(2,9%)	0,6%	6.262	5.542	936,3%	32.949	(7.328)	(10,6%)	39.211	(1.786)	4,6%	14,4 pts	-14,8 pts	0,5 pts
EPG Public Sector	(0,9%)	2,9%	58.079	10.192	37,5%	98.429	(4.615)	(7,0%)	156.508	5.577	5,7%	8,6 pts	-4,7 pts	-3,9 pts
EPG	**2,2%**	**8,2%**	**156.745**	**8.166**	**2,8%**	**325.305**	**(22.435)**	**(4,8%)**	**481.912**	**(14.406)**	**(2,5%)**	**1,6 pts**	**-2,1 pts**	**0,5 pts**
Corp AM SMSBP	9,6%	11,5%	88.011	(9.879)	2,4%	125.267	7.643	5,9%	213.089	(2.425)	4,3%	-0,9 pts	2,1 pts	-1,3 pts
Corp TM SMSBP	14,8%	12,4%	90.356	300	14,5%	111.527	(2.129)	21,8%	201.657	(2.055)	18,3%	-1,6 pts	1,3 pts	0,3 pts
Corporate Accounts (AM + TM)	11,9%	11,9%	178.367	(9.578)	8,2%	236.795	5.514	12,8%	414.746	(4.480)	10,7%	-1,1 pts	1,8 pts	-0,7 pts
Breadth SMB	6,1%	14,8%	91.946	(4.824)	14,0%	120.308	5.378	24,9%	212.173	473	19,9%	-2,3 pts	0,0 pts	2,3 pts
SMSBP Other	(3,7%)	(12,6%)	28.816	(4.653)	(8,6%)	38.215	438	0,9%	67.532	(3.715)	(2,7%)	-2,0 pts	0,1 pts	1,9 pts
SMSBP	**7,9%**	**9,3%**	**299.128**	**(19.055)**	**8,0%**	**395.318**	**11.330**	**14,9%**	**694.450**	**(7.721)**	**11,8%**	**-1,5 pts**	**1,1 pts**	**0,4 pts**
EPG Commercial Surface			291		864,2%									
SMSBP Commercial Surface			6.316		1505,8%									
Commercial Surface			**6.607**	**(181)**	**1460,1%**	**9.593**	**-**	**200,2%**	**15.934**	**(447)**	**340,3%**	**28,1 pts**	**10,1 pts**	**-38,2 pts**
Managed Retail incl. Surface	(14,5%)	9,5%	49.025	(2.053)	9,3%	30.072	1.022	(7,5%)	78.438	(1.689)	1,4%	3,7 pts	-3,3 pts	-0,4 pts
Online Stores incl. Surface	85,4%	(0,8%)	8.062	1.607	86,8%	9.053	2	57,6%	17.115	1.608	70,1%	4,2 pts	-7,4 pts	3,2 pts
Retail	(8,3%)	8,2%	57.087	(446)	16,1%	39.125	1.024	2,3%	95.553	(80)	9,3%	2,8 pts	-3,7 pts	0,9 pts
Other Distribution	(19,4%)	11,2%	10.915	(1.901)	3,6%	11.370	(1.248)	(48,5%)	22.237	(3.197)	(25,0%)	13,3 pts	-4,8 pts	-8,5 pts
ODM Field	(11,5%)	31,0%	14.167	(210)	(26,9%)	15.358	0	(38,4%)	29.993	258	(32,3%)	5,1 pts	-3,6 pts	-1,4 pts
OEM Field + Other Distribution	(15,2%)	22,3%	25.082	(2.112)	(16,1%)	26.728	(1.248)	(39,3%)	52.231	(2.940)	(29,4%)	8,4 pts	-4,1 pts	-4,3 pts
CCG	**(11,4%)**	**14,2%**	**82.169**	**(2.558)**	**3,9%**	**65.853**	**(224)**	**(20,0%)**	**147.784**	**(3.020)**	**(8,4%)**	**6,4 pts**	**-4,5 pts**	**-1,9 pts**
Total Field Billed	**2,9%**	**9,8%**	**544.650**	**(13.627)**	**7,0%**	**796.068**	**(11.329)**	**3,2%**	**1.340.081**	**(25.594)**	**4,7%**	**0,8 pts**	**-0,8 pts**	**-0,1 pts**
Memo: Total Public Sector	4,8%	8,5%	140.615	(2.567)	10,3%	212.002	2.882	2,4%	355.617	316	5,5%	1,7 pts	0,0 pts	-1,7 pts
Memo: Consumer OEM MNA Revenue Proxy			14.316		15,0%				-	-	(100,0%)			
Memo: Commercial OEM MNA Revenue Proxy		19,3%	34.828		(3,0%)				-	-	(100,0%)			
Memo: MCS - External Net Revenue			23.817	(1.589)	(8,2%)	25.832	(6.050)	(13,5%)	49.649	(7.639)	(11,0%)	1,5 pts	-2,4 pts	0,9 pts
Memo: Premier - Support Net Revenue			40.181	418	30,0%	41.887	(2.370)	8,7%	82.068	(1.952)	18,2%	4,5 pts	-0,3 pts	-4,2 pts
Memo: Total ES Net Revenue			**66.451**	**(1.045)**	**11,8%**	**71.086**	**(8.889)**	**(1,2%)**	**137.537**	**(9.954)**	**4,7%**	**3,1 pts**	**-1,1 pts**	**-2,0 pts**
Memo: Consulting New Work Sold		17,7%	17.344	(9.665)	(33,9%)	45.473	9.665	37,8%	62.817	0	6,0%	-16,7 pts	1,9 pts	14,8 pts
Memo: Premier Core Billed Revenue		13,2%	19.942	877	13,4%	30.778	6	12,6%	50.720	883	12,9%	0,2 pts	-0,3 pts	0,1 pts
Memo: MCS Utilization Rate		0,0 pts	48,3%	-6,5 pts	-7,1 pts	57,2%	-1,6 pts	-3,0 pts	52,7%	-4,0 pts	-5,0 pts			
Memo: B&S Total w/o Surface	**5,3%**	**8,8%**	**455.873**	**(10.889)**	**6,1%**	**720.622**	**(11.105)**	**5,1%**	**1.176.363**	**(22.127)**	**5,5%**	**0,2 pts**	**-0,3 pts**	**0,1 pts**
Memo: Azure (ST)	159,3%	222,2%	8.676	(954)	129,2%	19.323	1.529	111,1%	27.999	575	116,4%	1,7 pts	4,8 pts	-6,5 pts
Memo: Office 365 (ST)	121,6%	133,9%	52.960	9.339	85,2%	92.534	4.992	51,5%	145.511	14.547	62,3%	4,5 pts	3,6 pts	-8,1 pts
Memo: Dynamics CRM Online (ST)	188,0%	58,6%	2.593	763	187,3%	6.172	1.065	156,6%	8.765	1.828	165,0%	2,3 pts	2,7 pts	-5,0 pts
Memo: CCG Surface		219,2%	13.500	(2.185)	(30,8%)	9.714	132	3,5%	23.083	(2.184)	(20,1%)	-9,6 pts	-0,6 pts	10,2 pts
Memo: Total Surface (ST)		259,2%	20.107	(2.366)	0,9%	19.307	132	53,4%	39.017	(2.631)	20,0%	-10,8 pts	3,3 pts	7,5 pts
Memo: Total Surface (SI)		260,2%	19.876	(4.895)	2,2%	20.808	638	56,7%	40.655	(4.286)	24,2%	-10,6 pts	4,7 pts	6,0 pts
Memo: Xbox Consoles (ST)	(44,9%)	(27,4%)	17.802	1.211	143,7%	7.927	859	69,2%	25.492	1.833	112,6%	8,0 pts	-8,1 pts	0,1 pts
Memo: Xbox Consoles (SI)	(46,8%)	(43,3%)	20.163	2.095	227,2%	7.417	(580)	231,2%	27.580	1.514	228,2%	-0,2 pts	-8,9 pts	9,2 pts
Memo: MMDS Net Sales Invoiced*			38.445		48,7%	17.957		(39,5%)	56.402		1,9%	21,8 pts	-8,9 pts	-12,9 pts
Memo: MMDS 1st Party Lumia Phone (SI) Units (K)*			192		151,2%	128		6,0%	320		62,3%	21,2 pts	-10,8 pts	-10,4 pts
Memo: MMDS 1st Party Non-Lumia Phone (SI) Units (K)*			163		(39,6%)	151		(18,9%)	314		(31,2%)	-7,3 pts	10,0 pts	-2,8 pts

** MMDS Memo Lines are directly from NDS Systems and do not contain the adjustments necessary to tie to Mercury. Budget data is available only for Area level.*

Insights/ Actions/Help Needed and Feedback

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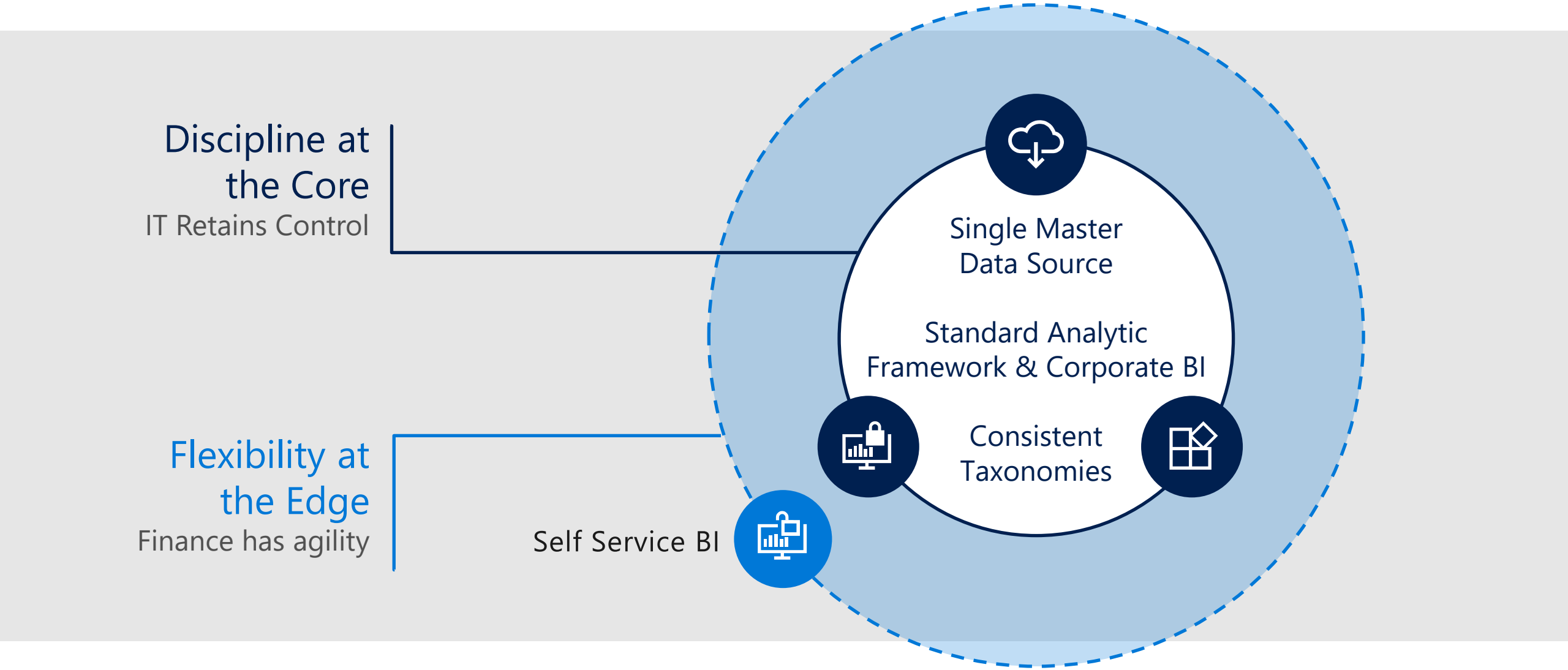
Microsoft Finance Data Strategy



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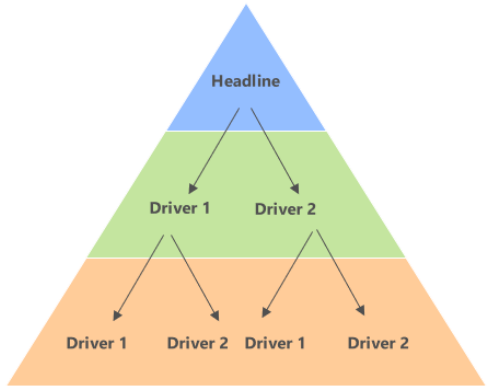
The Foundation: Building a Shared Analytical Framework

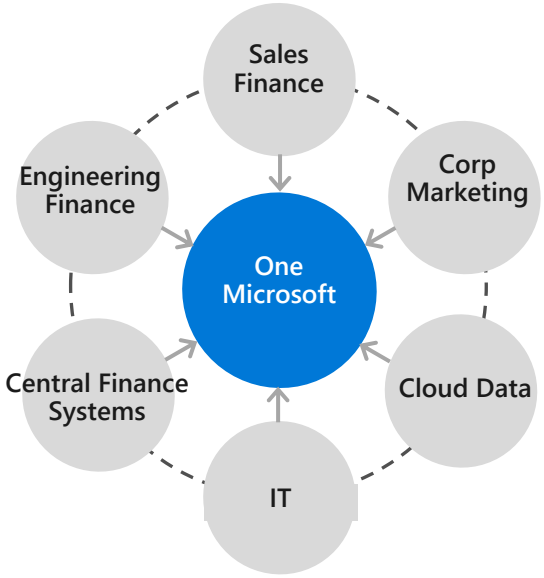


	Tier 1	Tier 2	Tier 3
	Primary Metrics (3-5)	Secondary Metrics (15-30)	Remaining Metrics
Short Term Performance	Revenue	Price: ARPU, Mix Quantity: Units, Users	Churn
Long Term Performance	Penetration Monetization Usage		
Strategic Indicators	New Product Deployment		

1. **Finance build first iteration, including both financial and non-financial data**
2. **Align with other functional business partners (global product management, engineering, sales & marketing)**
3. **Codify core set of KPIs used to determine performance and specific definitions used to calculate measures**

Delivering “Data as a Service”

From manual, static, inconsistent to automated, dynamic, and centralized



100+ Data Sources

Finance Data Warehouse

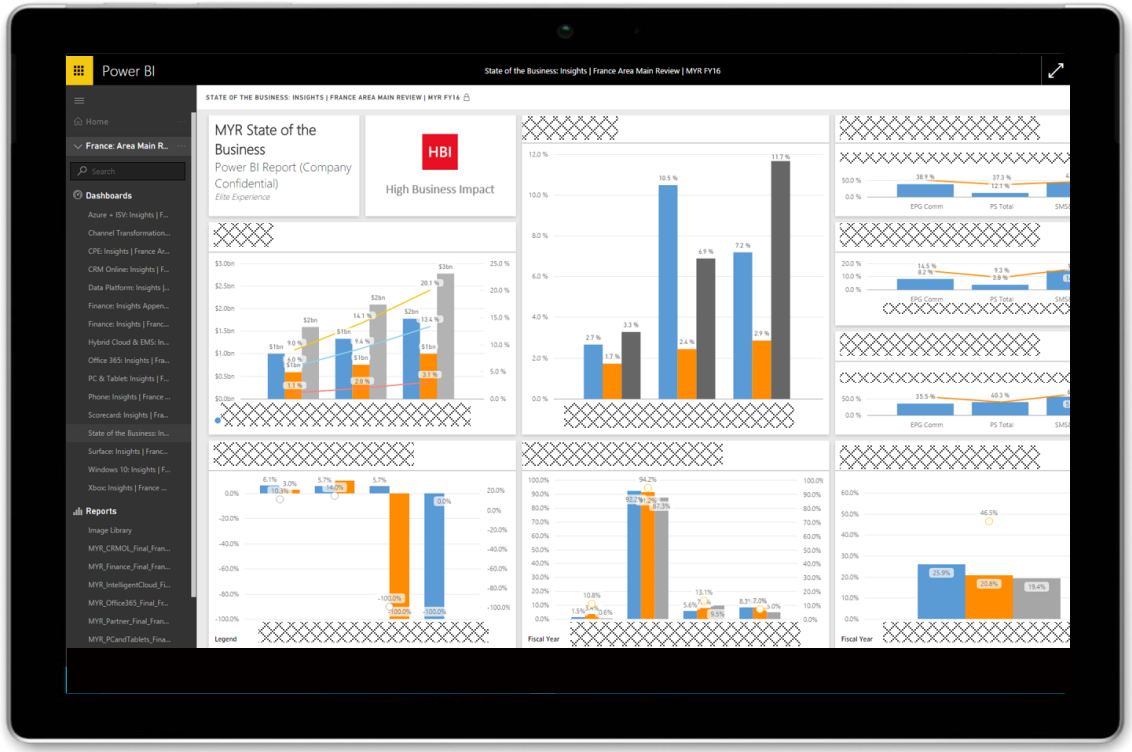
Custom Mapping

KPI Lake

Analytics & Reports

Delivering “Certified” BI

Executive business reviews standardized and automated – from 2 months prep to 2 days



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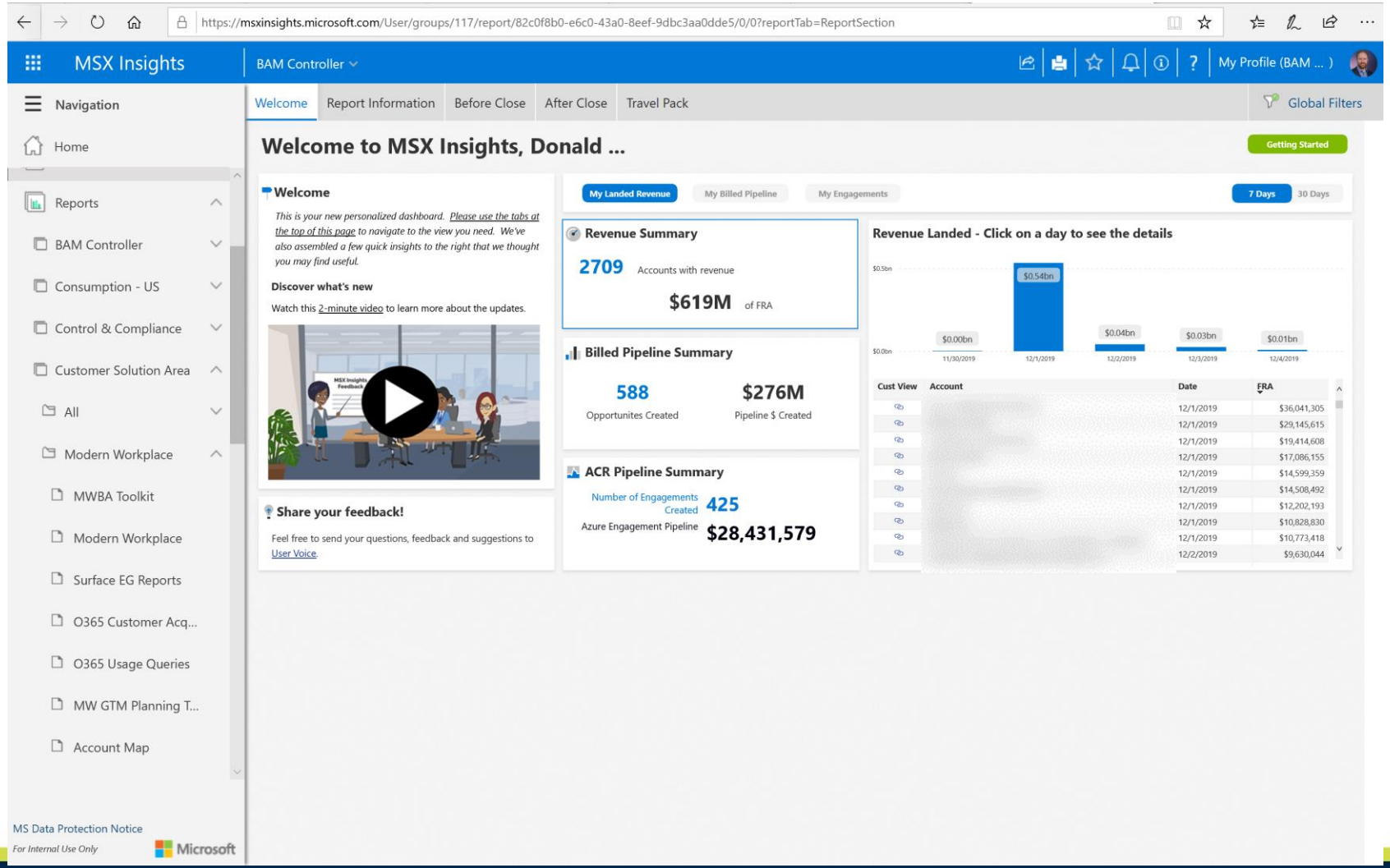
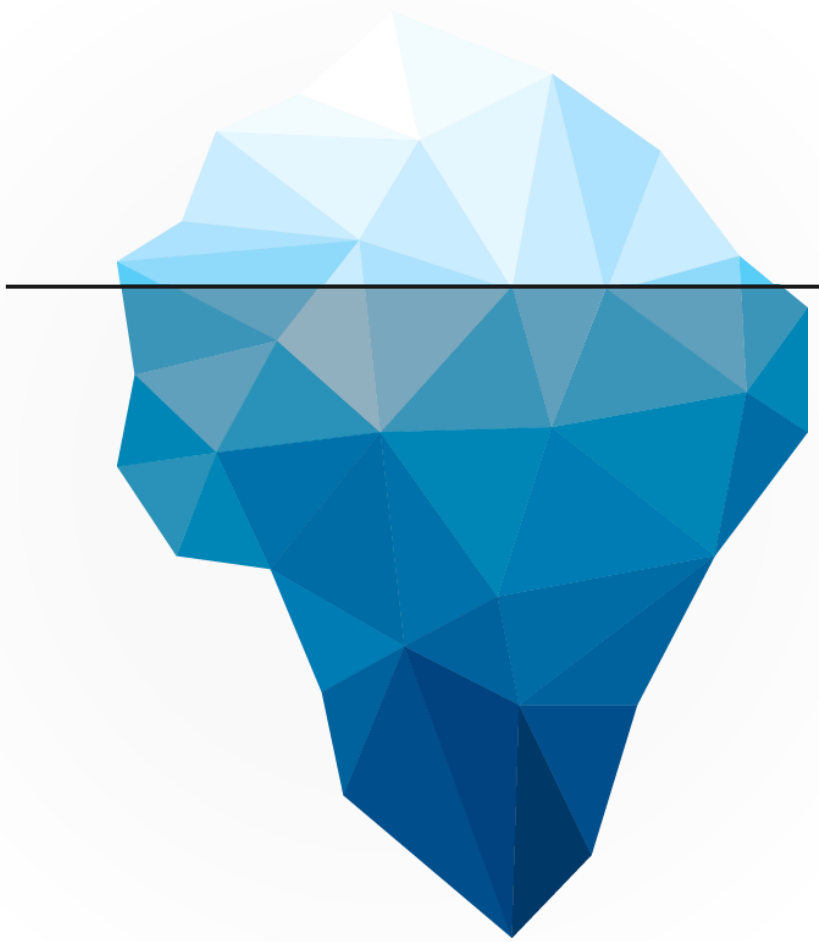
One Platform, One Model, One Portal



Delivering Data as a Service

Our Shared Data Platform



Reporting

Platform

Sales

Marketing

Finance

Enabling Business Performance Management

- Agile & Responsive
- Cross-business Insights
- Modern Technology

30k+ active monthly users

1500+ connected reports

>120 conformed data sources

>3000 high-fidelity KPIs

Azure

Microsoft SQL Server

Azure DevOps

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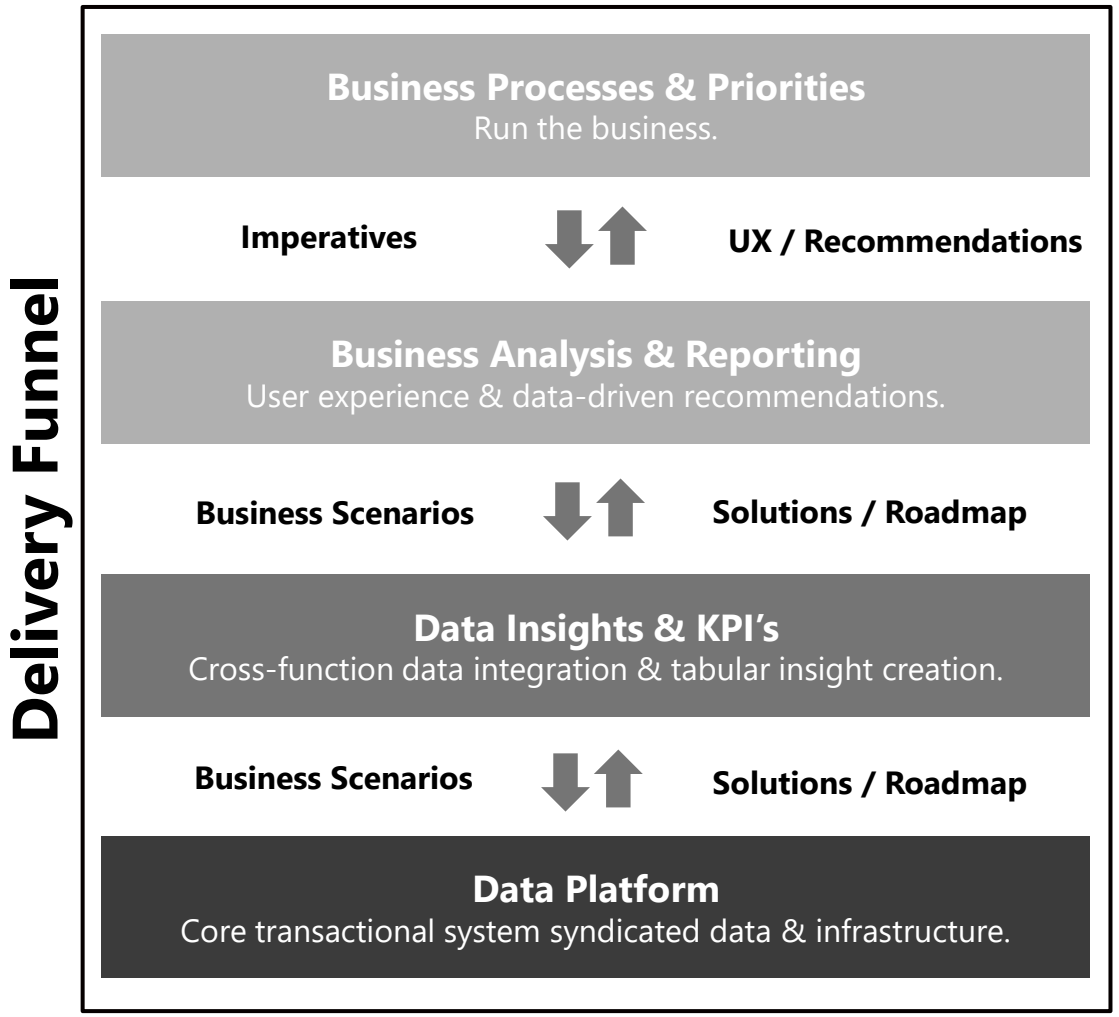
The Delivery Funnel

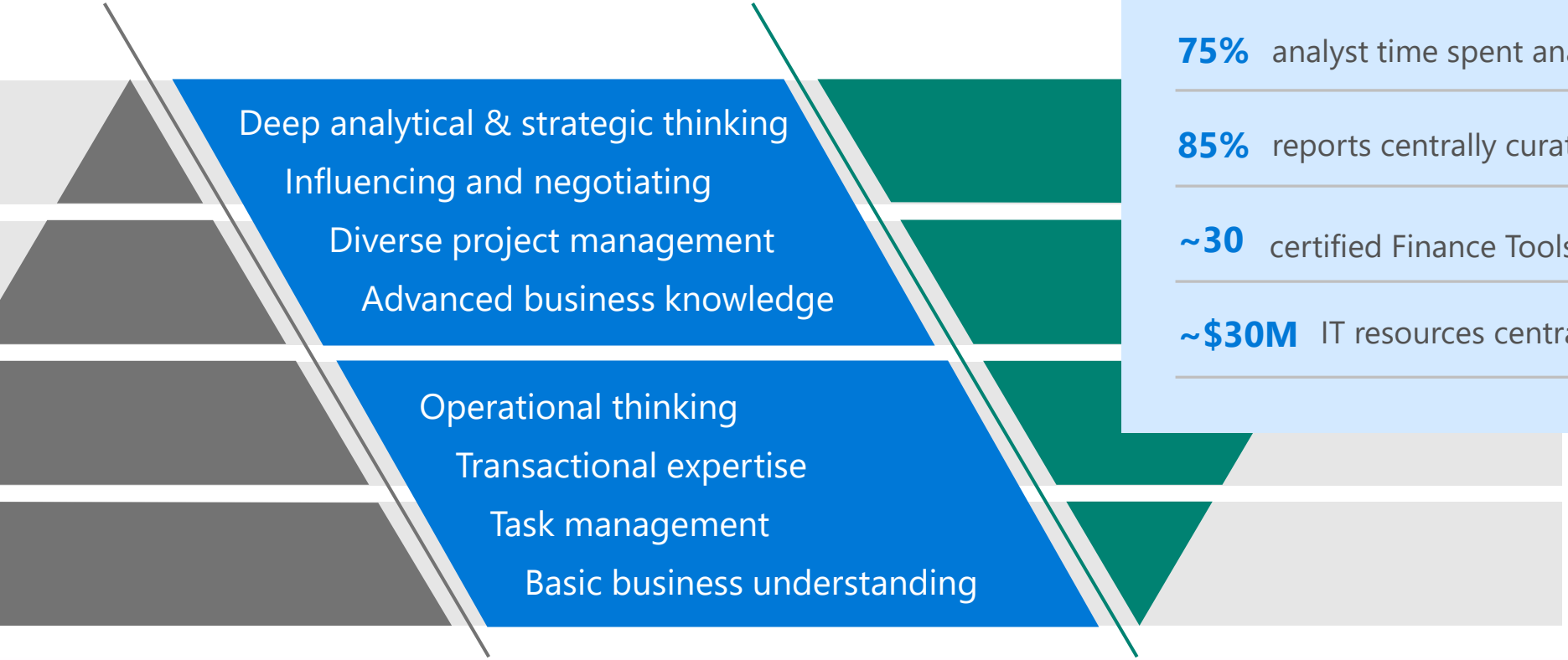


Shared Areas of Accountability

Governance	Prioritization & alignment.
Privacy	Compliance (ex. GDPR).
Security	Access & distribution.
Compliance	SOX and Change Management.
EG Feedback	Product adoption & feedback.
Performance	Product use & design adherent to best practices.
Budget	Financial accountability with budgets & expenses.

Where we are headed

Shift in how FP&A teams spend their time



Certified definitions, hierarchies, metrics & KPI's

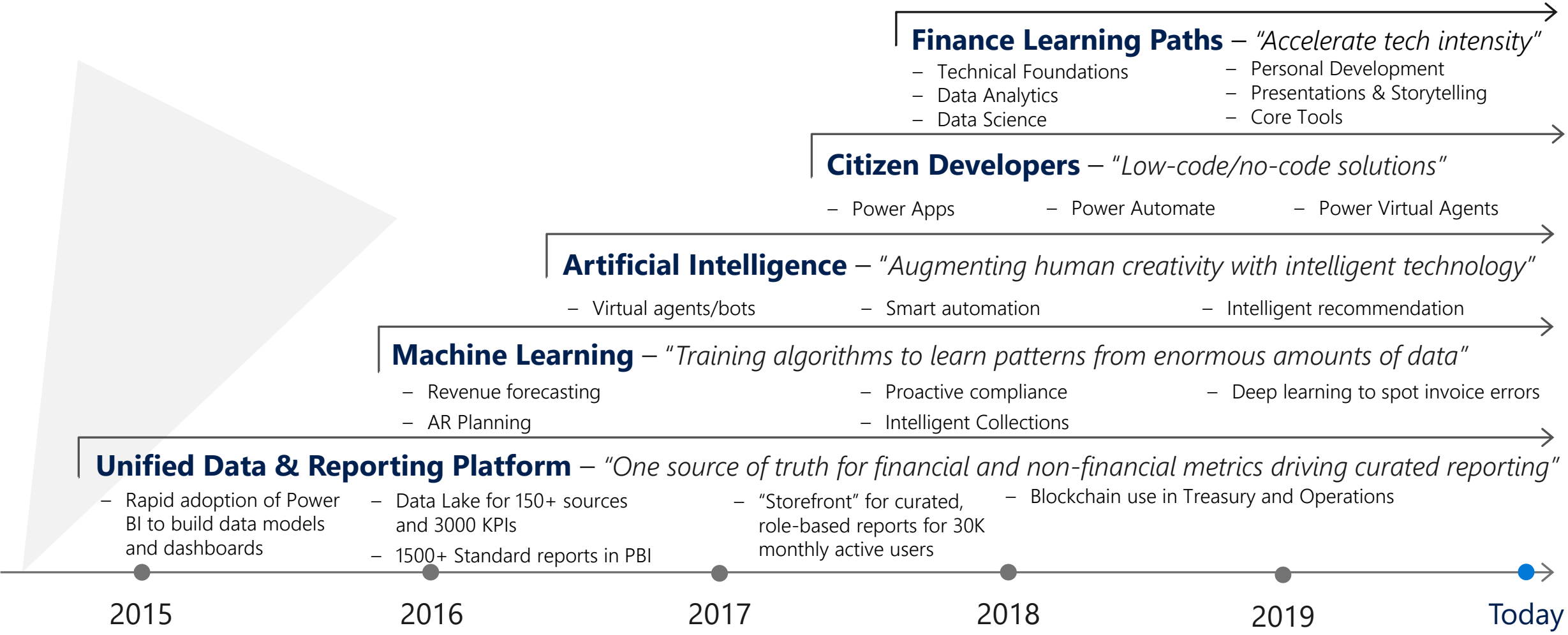
75% analyst time spent analyzing data, supporting decisions

85% reports centrally curated and automatically delivered

~30 certified Finance Tools and Systems

~$30M IT resources centrally managed/highly leveraged

Microsoft Modern Finance journey



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Lessons Learned

- No data shortcuts
- Early wins matter
- Celebrate the risk takers
- Partnering with CIO is essential
- Leadership must prioritize
- Compliance & Security focus