The Data Problem in Planning

Why Integration — Not Planning — Is the Real Bottleneck

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Executive Summary

Planning and forecasting are often positioned as the core value drivers of Enterprise Performance Management (EPM). They promise improved decision-making, greater organisational agility, and stronger alignment between Finance and the business.

As a result, many organisations invest heavily in planning platforms, advanced modelling techniques, and increasingly sophisticated forecasting approaches.

Yet, despite these investments, planning continues to fall short.

- Forecasts lack credibility.
- Planning cycles are delayed.
- Outputs provide limited support for decision-making.

Even in organisations with modern EPM platforms, planning often remains static, manual, and fragmented.

The assumption is typically that the issue lies within the planning models themselves — that they are not sufficiently sophisticated, not granular enough, or not reflective of how the business operates.

In practice, this is rarely the case.

The constraint is not the model.

It is the data that underpins it.

Planning models are only as effective as the data they consume. When that data is fragmented, inconsistent, delayed, or poorly aligned to business drivers, even the most well-designed models will underperform.

This paper argues that the primary limitation in planning and forecasting is not modelling capability, but data capability.

It explores why data becomes the bottleneck, how this manifests in practice, and what organisations must do to establish a trusted, integrated data foundation that enables effective, continuous planning.

The Core Problem: Data Is Assumed, Not Designed

In most planning programmes, data is treated as a prerequisite — something that will be available when needed.

The focus is placed on:

- Designing planning models
- Defining forecasting logic
- Building reports and dashboards

Data is assumed to “flow in.”

In reality, it rarely does.

Instead, organisations encounter:

- Inconsistent data across systems
- Delays in data availability
- Manual extraction and adjustment
- Misalignment between data structures and business drivers

As a result, planning models are built on unstable foundations.

I have seen multiple implementations where significant effort was invested in building highly sophisticated planning models — driver-based, scenario-enabled, and technically robust.

However, when it came to running the planning cycle, the majority of effort was spent not on analysis, but on preparing data.

In one organisation, the first two weeks of every monthly forecast cycle were dedicated entirely to:

- Extracting data from multiple source systems
- Reconciling differences between Finance and operational reports
- Adjusting data to fit the planning model

Only after this process could actual planning begin.

The model itself was not the bottleneck. The data was.

Symptoms of a Data-Constrained Planning Environment

Organisations experiencing data challenges in planning tend to exhibit a consistent set of symptoms.

Planning and forecasting cycles are delayed due to data availability issues.
Significant manual effort is required to prepare and reconcile data.
Different reports and systems produce conflicting numbers.
Granular analysis is difficult or impossible to perform reliably.
Confidence in forecast outputs is low.

These symptoms are often accepted as part of the planning process.

However, they are not inevitable.

They are indicators of a deeper issue — a lack of a coherent data foundation.

In one organisation, I observed three different versions of revenue being used simultaneously:

- One from the ERP system
- One from a sales reporting tool
- One adjusted version used by Finance

Each was technically valid within its own context.

But none were aligned.

Planning became an exercise in reconciliation rather than insight.

This is a critical shift.

When data is not trusted, planning cannot be effective.

Why Data Becomes the Constraint

1. Fragmented Source Systems

Planning relies on data from multiple systems across the organisation:

- Finance systems
- Sales and CRM platforms
- Operational systems

- HR systems

These systems are often implemented independently, with different structures, definitions, and update cycles.

Integration efforts typically focus on moving data between systems, rather than aligning it.

In one organisation, data from five different systems was integrated into the planning platform.

Despite this, significant manual reconciliation was still required.

The issue was not connectivity.

It was inconsistency.

2. Inconsistent Definitions

One of the most pervasive challenges in planning is the lack of consistent definitions.

Revenue, cost, volume, margin — these metrics are often defined differently across functions.

For example:

- Sales may define revenue based on pipeline status
- Finance may define it based on recognised revenue
- Operations may define it based on shipped volume

Each definition serves a purpose.

But when these are brought into a single planning process without alignment, inconsistency emerges.

I worked with an organisation where a single planning cycle included multiple definitions of “forecast revenue,” each used by different stakeholders.

The result was ongoing debate about the numbers, rather than discussion about the business.

3. Weak Data Governance

In many organisations, ownership of data is unclear.

Responsibility for data quality is often assumed to sit with IT or Finance, rather than being embedded across the business.

As a result:

- Data issues are identified but not resolved
- Inconsistencies persist over time
- Trust in data declines

In one case, a planning model consistently produced unexpected variances.

After investigation, the issue was traced back to inconsistent input data from different regions.

However, no clear ownership existed to resolve the issue at source.

Finance adjusted the data manually.

The underlying problem remained.

4. Latency in Data Availability

Effective planning requires timely data.

However, in many organisations, data is only available at specific intervals:

- Monthly closes
- Period-end reporting cycles
- Batch data integrations

This creates a lag between business activity and planning insight.

In fast-moving environments, this lag significantly reduces the relevance of forecasts.

In one organisation, by the time data was available for forecasting, it was already several weeks out of date.

Planning became backward-looking, rather than forward-looking.

5. Misalignment to Business Drivers

Even when data is available and consistent, it is often not structured in a way that supports planning.

Data is typically organised around systems and accounting structures, rather than business drivers.

For example:

- Financial systems capture cost by account
- But planning requires cost by driver (e.g. volume, headcount, activity)

This misalignment requires additional transformation and manipulation.

In one case, a client had detailed financial data, but lacked the operational metrics required to explain performance.

Planning was reduced to adjusting financial outputs, rather than modelling business drivers.

The Impact on Planning and Forecasting

When data is fragmented or unreliable, the impact on planning is significant.

- Forecasts are based on outdated or incomplete information.
- Planning cycles become longer and more resource intensive.
- Manual workarounds increase, often outside the system.
- Insight is limited, reducing the value of planning outputs.
- Decision-making is delayed or misinformed.

In effect, the organisation may have a planning system — but not a planning capability.

This distinction is critical.

A system produces outputs.

A capability enables decisions.

Without a strong data foundation, the system cannot fulfil its intended role.

The Shift: From Data Input to Data Foundation

Most organisations focus on feeding data into planning systems.

However, this approach addresses symptoms rather than root causes.

A more effective approach is to treat data as a foundation for planning.

This requires a shift:

From preparing data for planning
To enabling planning through data

A strong planning data foundation is:

Consistent — aligned definitions across Finance and the business
Timely — available at the frequency required for forecasting
Structured — aligned to business drivers and planning models
Trusted — governed, controlled, and understood

This shift fundamentally changes how planning operates.

Planning becomes faster, more accurate, and more relevant.

What Good Looks Like in Practice

Organisations that successfully address the data problem demonstrate clear differences.

Data flows are integrated and aligned across systems.

Definitions are consistent across Finance and operational teams.

Manual data manipulation is minimal.

Planning models are aligned to business drivers.

Forecast outputs are trusted and actively used in decision-making.

In one organisation, a focus on aligning data definitions and ownership across functions resulted in a significant reduction in reconciliation effort.

Planning cycles shortened.

Confidence in forecasts increased.

Most importantly, leadership discussions shifted from debating numbers to making decisions.

The system did not fundamentally change.

The data foundation did.

Implications for CFOs

For CFOs, addressing the data problem requires a shift in focus.

Data must be treated as a core component of planning, not a prerequisite.

This means:

- Aligning data structures with how the business operates
- Establishing clear ownership and governance of planning data
- Simplifying data flows and reducing manual intervention
- Ensuring data supports decision-making, not just reporting

It also requires recognising that data capability is not solely a technical challenge.

It is an organisational one.

From Data Constraint to Planning Capability

For many organisations, the limitations of planning are accepted as inevitable.

Delays, inconsistencies, and manual effort become part of the process.

However, these are not characteristics of planning.

They are symptoms of a weak data foundation.

When organisations address data at its core — aligning definitions, ownership, structure, and availability — planning transforms.

It becomes:

- Faster
- More accurate
- More trusted
- More relevant

And most importantly, more impactful.

Conclusion

Planning and forecasting do not fail because models are insufficient.

They fail because the data that underpins them is fragmented, inconsistent, and delayed.

Until organisations address the data foundation, improvements in planning capability will remain limited.

The path to better planning is not more sophisticated models.

It is better data.

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