

Dana-Farber cuts budget with Infor10 Corporate Performance Management




Setting the strategy.

Dana-Farber Cancer Institute provides its patients with a unique disease centered model of cancer care and services. During the past decade, its patient volume has grown extensively, creating a need for additional facility space. Upon completion of the 14-story, 275,000-square-foot Yawkey Center for Cancer Care, Dana-Farber will be on track to expand its building complex to accommodate growing clinical volume.

Continual expansion for Dana-Farber has also meant the need for a more streamlined and automated budget process. The current manual process—one with spreadsheets—no longer proved satisfactory for financial executives. "The collection and compilation of our budget was long, painful, and error-prone," says Marlena Ward, VP financial planning at Dana-Farber. Hugh Kelleher, VP operations at Dana-Farber, adds: "I have responsibility for about 35 different cost centers, and the task of reviewing all of those budgets with the managers was much too time-consuming and tedious. It became a critical issue."

Getting business specific.

After an extensive multi-vendor review process and narrowing down the list to two, Dana-Farber chose Infor10™ Corporate Performance Management (PM10) Planning and Budgeting. In addition to seeking an automated, paperless system and one common source for all budget components—operating, research, gifts, and capital—the organization also wanted a real-time, webbased system for universal access to budget status at any given time.

Ward explains, "One big differentiator was the ability to budget salaries, employee benefits, and other key expenses at a detailed level, as well as budget patient revenues. The patient revenue model used in the healthcare industry is completely different from other industry models, and Infor gave us confidence that CPM could provide this capability best."

"It takes 30 seconds to pull out any cost center expense and drill down. It's easier, faster, and everyone feels comfortable with it and can explain the variances."

—HUGH KELLER, VP OPERATIONS, DANA-FARBER

About the company.

Founded in 1947, Dana-Farber Cancer Institute is known internationally for its expertise in blending research and clinical excellence to eradicate cancer. Its mission includes offering expert, compassionate care to children and adults with cancer while advancing the understanding, diagnosis, treatment, cure, and prevention of cancer and its related diseases. Dana-Farber annually oversees approximately 260,000 outpatient and infusion visits and directs more than 700 clinical trials at its main campus in Boston and its four satellite centers located in Massachusetts and New Hampshire. To learn more, visit www.dana-farber.org.

Seeing results.

Following implementation of Infor10 Corporate Performance Management (PM10) Planning and Budgeting that took the targeted six to seven months, Dana-Farber began to realize a return on investment. As a key user, Kelleher notes: “Now I can have a discussion with department directors by pulling up their budget submissions online and looking at them at the same time they’re working on them. There’s no longer a need for people to come to my office with folders and different versions of everything. It’s simple and easy for all our users—with an Excel feel—and they’ve adapted to it quickly.”

According to Ward, the finance department has significantly reduced the time needed to complete its budgets. “We’ve shaved off two months from our budget process—from five months to a tight three months.”

In the 35 cost centers that Kelleher oversees, he contends that all directors now have access to all data in CPM, both current and historic, and the quality of budget submissions has much improved. “We can now focus on the exception rather than spending time to find it. Instead of taking two weeks, people now submit their reports to me on the third or fourth day after the budget process is opened—a tremendous time-saver, both for the end users and the back office. It allows people to use the time saved for analyzing data and managing their operations versus inputting budget data.”

With data easily accessible to them, managers are now able to start preparing their budgets as an ongoing process. Kelleher notes, “One department director who insists on providing only a top-quality budget submission was previously always pressed to complete it in the two-week timeframe, but now submits the budget in three or four days. And we’re not dealing with stacks of paper anymore—20 sheets times 35 hospital cost centers—and the paper reduction has enabled us to be more green.”

Facts at a glance

Solution

Infor10 Corporate Performance Management (PM10)

Industry

Healthcare

Country

USA

Executive management is also able to make key decisions much sooner than in the past, according to Ward. “As soon as the budget system is closed for input, we produce an actionable P&L statement within hours,” she says. “The critical bottomline benefits for us resulting from using Corporate Performance Management are improved financial accountability and enhanced business performance. Everyone from top management down is happy with the process and the results.”

Dana-Farber also decided to expand the reporting capability of Corporate Performance Management beyond its initial use after implementation. “The system we use as our general ledger,” Ward says, “is not a strong reporting tool and it’s too cumbersome for our users to get the transactional data they need to manage their operations. So we created a data warehouse system that works behind the scenes and connects to Corporate Performance Management, which allows users to get data so much more easily.” To achieve that goal, Dana-Farber’s internal team working on the data warehouse partnered with Infor implementation consultants to customize it and enable drilldown into the data mart. “Now we do all monthly actual-to-budget variance reporting by using Corporate Performance Management—even more quickly,” Ward adds. “Our budget process took a giant leap forward with Corporate Performance Management—like going from a Yugo to a Maserati, and then we added a huge second phase with the data warehouse—with more great results.”

Kelleher concludes: "We use Corporate Performance Management as a daily financial tool rather than just a seasonal tool. Now it takes just 30 seconds to sign in and pull out any cost center expense and drill down to the invoice level and payments. It's much easier and faster. Everyone feels comfortable with it and can explain any variances."

Infor10 Corporate Performance Management (PM10) Planning and Budgeting has helped Dana-Farber to:

- Reduce the budget process time by 40%.
- Use time saved on budget process for analysis and operations management.
- Do monthly actual-to-budget variance reporting in a fraction of the time it used to take.
- Provide executives with better data to make critical decisions sooner.
- Significantly improve financial accountability and enhance business performance.

Doing business better.

As Dana-Farber continues expansion beyond its main campus in Boston, Infor10 Corporate Performance Management (PM10) is being used throughout the city and in satellite clinics near Boston and in New Hampshire. Sean Gilligan, project manager at Dana-Farber, explains, "We've been able to interact with the Infor support team when we need them, and the same people have provided a very high level of support. Product knowledge is very deep, and response is quick."

About Infor.

Infor is a leading provider of business software and services, helping more than 70,000 customers in 164 countries improve operations and drive growth. To learn more about Infor, please visit www.infor.com.

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