

# Budgeting, Planning, and Forecasting

Adapt to changing business needs



## Strata's Axiom™ Planning

[Axiom™ Planning](#) is part of our best-in-class performance management platform, helping financial institutions deliver timely and accurate information while adapting to changing market and business conditions.

Axiom Planning solutions empower collaborative:

- Financial and operational budgeting, including staffing and capital expenditure planning
- Cash flow forecasting
- Periodic forecasting
- Scenario analysis
- Long-range planning

Capabilities include:

- **Jump-start your budgeting process** using top-down spread and growth drivers to quickly seed the budget; automatically consolidate budgets across the institution.
- **Leverage cash flow forecasting** to amortize and aggregate individual customer records into cash flows.
- **Monitor and model the impacts** of market and institutional changes on financial outcomes using periodic forecasts.
- **Use scenario analysis** to understand the impact of alternative scenarios and their effects on budgets and forecasts.
- **Leverage long-range planning** to drive goals and initiatives that advance your institution's strategy.
- **Respond to unique institutional needs** by planning at a detailed or aggregated level.

## Budgeting

Best-practice, collaborative processes support accurate results across the institution. Designed with finance professionals in mind, Axiom Planning helps:

**Shorten the budget cycle** – Eliminate tedious data collection and automate critical planning, reporting, and batch processes to focus on strategic decisions.

**Integrate data seamlessly** – A single, trusted database incorporates data from general ledger, human resources, fixed assets, and detailed loan and deposit systems into planning, budgeting, and reporting processes.

**Facilitate meaningful analysis** – Easily summarize and identify data trends and plan variances.

## Cash Flow Forecaster

Axiom™ Cash Flow Forecaster calculates individual customer/member cash flows and aggregates by any dimension. Benefits include the ability to:

**Better predict net interest margin** – Use the interest rate forecast, runoff of existing balances and rates, impact of new originations, and optional funds transfer pricing (FTP) rates to accurately predict projected balances, yields, and FTP spread.

**Improve accuracy** – Add prepayment assumptions so future cash flows reflect a more realistic view of customer/member behavior.

**Expedite planning** – Build cash flow forecasts into the standard budgeting process leveraging existing balance projections to determine volumes and rates.

## Forecasting

Axiom Planning creates periodic forecasts that incorporate actuals and changing assumptions into the balance sheet, margin, and net income forecasts at regular intervals. Benefits include the ability to:

**Mitigate risk** – Create comparisons and monitor performance trends against financial targets and key performance indicators (KPIs) to proactively address risk.

**Understand market drivers** – Model and monitor the impact of shifting interest rates, loan and deposit demand, operating costs, and more.

## Scenario Analysis

Axiom Planning helps financial institutions efficiently evaluate multiple business scenarios to prepare for changing business conditions. Benefits include the ability to:

**Know the impact of change** – Perform dynamic “what-if” modeling to easily quantify the effect of scenarios, such as changes in interest rates, operating costs, and staffing.

**Stay nimble** – React quickly and appropriately to change, based on known impacts.

**Understand global and local ramifications** – Aggregate projected changes into overall planning portfolios or drill down to the branch or department level.

## Long-Range Planning

Long-range planning capabilities within Axiom Planning help institutions navigate a changing business environment and ever-increasing regulatory constraints. Benefits include:

**Align with institutional goals** – Build long-range plans that consider operational, capital, and financial drivers, projecting KPIs and guiding strategies to achieve institutional goals.

**Gain ongoing visibility** – Create scorecards and dashboards to monitor progress and course-correct as market conditions change.

## Axiom Planning Solution Features

**Driver-based budgeting** – Create and manage planning models that connect to market and operational drivers to empower data-driven decisions.

**Industry-specific tools** – Employ budgeting tools tailored to financial institutions, including average balance and yield calculations, balancing utilities, cash flow generation utilities, and relevant reporting.

**Efficient relational database structure** – Easily access summary financials and drill down to unit and account-level results.

**Flexible, scalable workflow** – Define role-based workflows to automate reviews and approvals, scaling to thousands of users. Protect sensitive payroll data through separate administration by authorized users.

**Robust reporting** – Produce a broad portfolio of reports, from balance sheets to rate-volume reports.

**Extended data visibility** – Generate projected cash flows at the instrument level. Aggregate individual records into planning portfolios and drill through from the portfolio level.

**Dynamic “what-if” modeling** – Easily quantify the impact of client-defined scenarios, such as changing interest rates and staff assumptions.

**Transparent logic** – Improve accountability with results that are easy to understand.

**Automated planning** – Accelerate budgeting with top-down spread and growth drivers, and incorporate forecasts into subsequent forecasts and budgets.

Visit our [website](#) to learn more about [Axiom™ Planning](#) solutions, or [request a demo](#).