

# Accounting Technology<sup>®</sup>

Turning Technology Into Business Know-how™

## Budgeting Software Grows Up

**Budgeting is now a part of broad corporate management.**

By Dave McClure

For some companies, the only reason to engage in the planning process is to produce a budget, which in turn helps determine the financial stability of the company.

While few companies still use the term “planning” and “budgeting” interchangeably, there has traditionally been confusion over these roles in the management of an organization. Planning is a process that defines a set of coordinated actions aimed at achieving specific objectives; budgeting is a process that develops the means of fiscal control to match outlays to expenditures. Plans are about things, while budgets are about money.

Likewise, this confusion has traditionally locked accountants into the role of managing the money rather than the plan. That’s no longer the case.

Today, budgeting software is tightly integrated with corporate performance management, a process that encompasses planning, scenario development, forecasting, budgeting in multiple dimensions, reforecasting and strategic and tactical plan implementation. And that means the days of creating budgets in a spreadsheet are over-well, should be. Spreadsheets simply are not flexible enough to meet the demands of the task.

Not that the spreadsheet interface is dead. Of the seven major budgeting software packages reviewed for 2007, nearly half retained a strong spreadsheet look and feel. But under the hood, it’s a whole new industry. The good news for mid-range and enterprise companies is that the packages are robust, capable and reasonably easy to use.

The news is less good for small businesses and the low end of the mid-range, which need the help of a good CPM/budgeting process but can’t afford the high-end tools of the enterprise. Nonetheless, there are some very capable but economical packages on the market, and these are included in our roundup for 2007 as well.

### BUDGET MAESTRO

Budget Maestro, a SQL Server database application that retains tight integration with Microsoft Excel, combines the familiarity of traditional budgeting with the advanced modeling and reporting capabilities of a more sophisticated solution for mid-range companies.

The application is offered in three versions. The Desktop edition, a single-user license, is well-suited for the accountant who does all the work to prepare the company’s budget. The Small Business and Enterprise editions add multi-level security, multi-user support, unlimited scenarios, and user definable revenue recognition and asset depreciation scheduling (for enterprise budgeting and planning). In addition, all editions are Web-enabled, permitting collaboration with clients over the Internet.

As a database application, Budget Maestro draws data from the General Ledger and applies its own internal systems for business insight and analysis, using data from any number of sources without formulas or cells common to spreadsheet budgeting.

This also allows for sophisticated scenario-building on the fly. Its built-in business

and financial logic automatically calculates the transactions needed to build P&L, Balance Sheet and Cash Flow statements as the budget is built, and to automatically compare and update actual versus budget versus forecast performance.

New for 2007 is a Dashboard Kit, a \$1,995 add-on that provides an at-a-glance view of financial, operational and project-specific key performance indicators. The most significant development since last year, however, is the introduction of a new Link Maestro product that provides faster and more effective transfers of General Ledger data from popular accounting systems. Link Maestro applications now provide support for QuickBooks, Sage MAS 90, MAS 200 and Sage Accpac ERP products.

Entering its 11th year, Budget Maestro shows strong growth in the medical, health-care and nonprofit sectors with the company saying it has doubled the number of customers in those segments in the past year, while retaining its growth in the software /high-tech, manufacturing, wholesale/distribution, construction and media industries.

An economical package with strong budgeting features, Budget Maestro is a strong and logical choice for mid-market companies and their accountants.