

Using Alight for Real Time Collaborative Planning

The Organization

Pittsburgh Mercy With 60 community locations and 1,600 mental health practitioners, Pittsburgh Mercy Behavioral Health provides a full continuum of recovery-oriented, community-based mental health, mental retardation, and drug/alcohol treatment and prevention services for the Southwestern Pennsylvania region.



PITTSBURGH
MERCY
A HERITAGE OF HOPE

The Voice Raymond Wolfe, CFO

The Problem

Several factors were pushing us to a breaking point: explosive growth; reporting for a new parent organization; funding through scores of government and private grants, each with its own accounting requirements. We just couldn't handle the load in Excel any longer.

The biggest time sink was maintaining the spreadsheet templates — 260 revenue/cost center combinations across 20 product lines plus administrative allocations.

The complexity of the organization and reporting was forcing us into obviously bad planning practices such as budgeting full year totals without seasonal variations and imposing "tops down" budget constraints without line manager buy in.

Implementation

My experience is that large scale systems implementations are linear. You figure everything out on the front end and then implement serially. Our situation with Alight Planning was different. We didn't know what we really wanted. We needed to experiment with design elements such as how to structure rollups, what level of detail for populating actuals, and how to spread from actuals data into plan time periods.

The bottom line is that Alight was hugely flexible for such experimentation. The Alight consultant patiently guided us through the process. We could change our mind, start over, back up. At every step, Alight accommodated the restructuring and re-linking with minimum hassle. We ended up with a true user friendly design that meets our needs.

"Alight has let me implement a totally new culture for planning and analysis... Alight is changing how we run this organization."

"The forecasts for each of the seven teams were updated and agreed to in real time — including tens of thousands of dollars in monthly performance improvements."

The Result

Alight has let me implement a totally new culture for planning and analysis.

Instead of sending out budget templates to each of 106 managers for inputs, an essentially isolated process, I hold quarterly forecast review sessions with 14 groups of managers with like responsibilities — e.g. our 7 Community Case Management teams which are separate revenue/cost centers that deliver the similar services.

The process is totally transparent. Using an overhead projector, we display everyone's numbers in Alight. The conversations quickly move from the financial data to the underlying activity drivers and operational measures as revealed through Alight's unit/rate/amount architecture.

In an early session with the Community Case Management teams, for example, the focus quickly turned to what should be the optimal mix of group versus individual counseling sessions and the impact on average bill rates and insurance collections. By the end of the session, everyone was sharing best practices which laid the groundwork for new operational goals for the quarter. The forecasts for each of the seven teams were updated and agreed to in real time — including tens of thousands of dollars in monthly performance improvements.

We no longer budget. With a focus on the operational elements of our business which Alight provides, we know improved financial results will follow. Alight is changing how we run this organization.