

## Using Alight for Short and Long Range Planning

### The Company

Schoolwires provides strategic online communication, community-management and productivity solutions to the K-12 education market. Schoolwires was recognized in the Inc. 500 list of the fastest growing privately held companies in the USA in 2007 and 2008.



**The Voice** Don Eisele, CFO

### The Problem

I was hired at Schoolwires as CFO in mid-2007 to help take the fast-growing company to the next level. Due to the complexity of the business and its rapid growth, the existing Excel budget workbook wasn't adequate for the task of creating the 2008 budget, much less a multi-year plan to support a capital raise.

I had to either start over with Excel or find a planning application that I could fast track for a budget and planning model. In a previous job, I had evaluated budgeting and planning tools by Cognos, Hyperion and OutlookSoft. All of those were too expensive for Schoolwires' budget and too IT intensive. Besides, I needed to put a plan in place in weeks, not months. I needed to move fast.

Being a software company with a SaaS (Software as a Service) model, I needed a planning tool that could handle complexity in revenue modeling as well as the basics such as pre-formatted financials and easy to use headcount and expense templates. In addition, I needed to combine current year budgeting with longer range forecasts, all in one plan file. Fortunately, I found Alight Planning.

### Implementation

The revenue model was extremely complex because of our particular revenue recognition requirements—some deals started immediately; others started with a time lag; upsells to the existing subscription base involved multiple revenue recognition patterns. Having powerful

modeling tools that provided a structure and framework while providing the flexibility to deal with this level of complexity was crucial.

I actually built the Schoolwires Alight P&L model during the trial period before I bought the software! Alight's unit/rate/amount architecture which gave me the flexibility and audit trails I needed to link together a broad range of tops-down assumptions and activity drivers was fundamental to my success. I had the model up and running on my own in a fraction of the time it would have taken in Excel—and without any help from the Alight implementation staff except for the occasional support call.

***"I needed to move fast... I actually built the Schoolwires Alight P&L model during the trial period before I bought the software!"***

### The Result

During 2008, we closed on \$12 million in growth capital from current investors and venture groups. During VC presentations, we could answer very specific questions about customers, market share, pricing and many other model drivers as well as test critical assumptions. We could also monitor actual results versus our first year plan giving us further credibility with potential investors. Alight was an important tool in helping us reach our funding goals.

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Since we combined short term budgeting with long range planning in one model, we're now positioned with our 2008 financial plan to track monthly results as well as test longer range strategies and resource allocations.