

NUCLEUS  
RESEARCH

ROI: 255%  
Payback: 6 Months

# VENA SOLUTIONS

## CUMMING CORPORATION

### ANALYST

Andrew MacMillen

### THE BOTTOM LINE

Cumming Corporation deployed Vena Solutions to modernize its accounting and financial close capabilities. The firm was able to overhaul its budgeting and reconciliation processes. Vena Solutions also enabled Cumming Corporation to refine its onboarding and spending policies. Since deploying Vena Solutions, Cumming Corporation has substantially grown and as a result, has expanded its finance team's role to optimize hiring opportunities and provide rolling forecasts.

## THE COMPANY

Cumming Corporation is an international project management and cost consulting firm that provides insight into construction projects for industries including education, healthcare, and hospitality. The firm has hundreds of assignments underway at any given time and works on projects around the world for a diverse pool of high-profile customers.

## THE CHALLENGE

Cumming Corporation had previously been conducting its financial operations entirely on spreadsheets. Its business processes were prone to errors due to the large number of people independently interacting with the data. Significant pain points included manually aggregating data during budgeting periods and maintaining template integrity across dozens of users. Lack of data security also posed a risk to the company as there were no controls over the viewing privileges for different projects.

The company needed a centralized corporate performance management (CPM) solution to better coordinate its projects and plans for future growth. By automating data collection and verification, Cumming's finance team could refocus their efforts towards planning and strategic work for the company.

**Cost : Benefit  
Ratio**

**1 : 3.0**

## THE STRATEGY

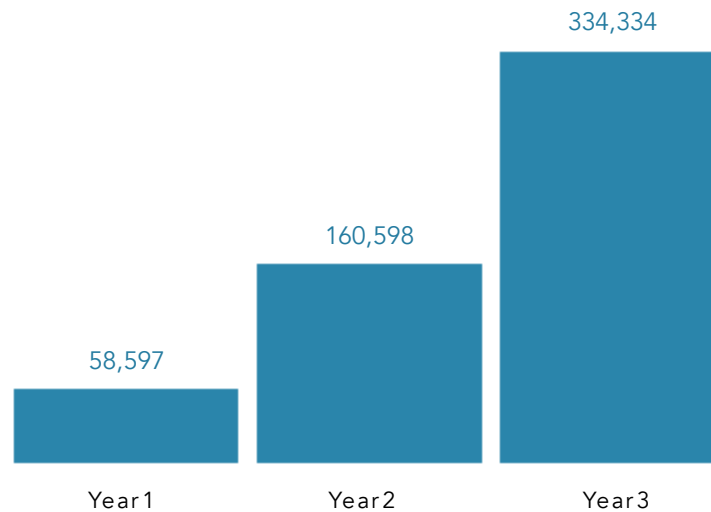
Cumming Corporation began its search for a modern CPM vendor in early 2014 and considered a wide variety of options including Axiom EPM, Adaptive Insights, BI 360, Host Analytics, and Vena Solutions. Cumming chose Vena Solutions for a variety of reasons, including the following key differentiators:

- **Familiarity.** Cumming Corporation anticipated that converting its employees to a new CPM solution would be the biggest obstacle to modernizing its finances and thus narrowed its search to vendors that based their offerings on Microsoft Excel's UI. Vena Solutions delivered modern CPM capabilities that Cumming Corporation needed within a familiar front-end interface, allowing Cumming's employees to preserve their previous skill investments in the software.
- **Flexibility.** The finance work surrounding Cumming's global portfolio of consulting projects requires a large amount of collaboration between corporate finance and individual project consulting teams. With aggressive growth in the company's future,

the new CPM solution needed to address a greater volume of projects and their impact on the bottom line. Vena Solutions demonstrated the scalability that Cumming Corporation needed and has since managed the company's growing complexity without any problems.

Vena Solutions offered a co-deployment model that Cumming Corporation employed to customize its initial setup process. By making use of the model and pre-existing hardware investments, Cumming's internal staff deployed at its desired pace and avoided more than two-thirds of the original consulting cost.

## CUMULATIVE NET BENEFIT



## KEY BENEFIT AREAS

Vena Solutions simplified Cumming Corporation's data collection and budgeting processes. Primary value drivers for this deployment included:

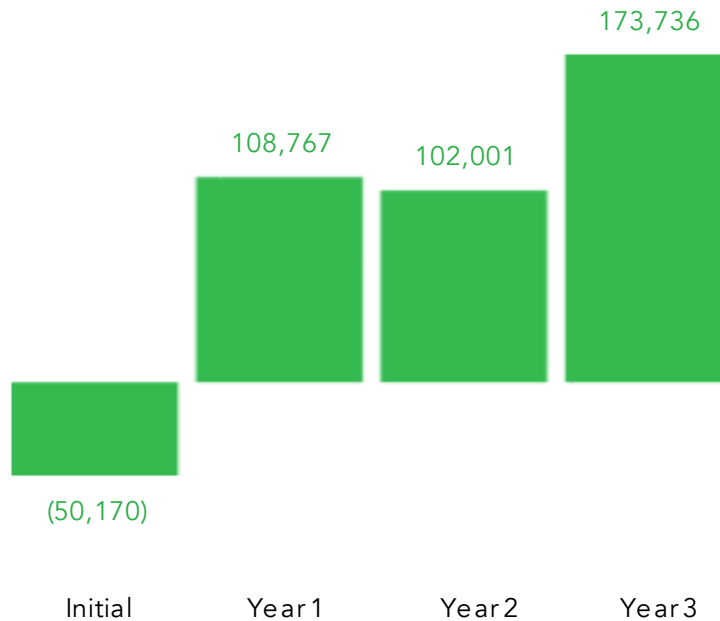
- Increased employee productivity. With Vena Solutions, Cumming Corporation streamlined its data collection and governance processes. As a result, the finance and operations teams refocused their efforts to more meaningful work for the company's planning and daily activities.
- Increased budgetary efficiency. By eliminating the many touch points for Cumming's financial data, Vena Solutions enabled Cumming's financial team to gradually reduce its budgeting process to half its previous length. Budgets are now completed every three months and contribute to the rolling forecasts made over the course of every year. The budgets are also more accurate due to new data security controls.
- Organizational changes. Since deployment, non-finance Cumming employees have begun to leverage Vena Solutions in a rising number of situations outside of

planning and budgeting. Cumming Corporation also implemented new hiring and spending policies to eliminate costs and increase efficiency.

## KEY COST AREAS

The largest cost area of the Cumming Corporation deployment was the initial purchase and consulting for the implementation of the Vena Solutions software. Other cost areas over the three-year period included the annual subscription charges for Cumming users, and employee time spent being trained on the new system.

## NET CASH FLOWS



## BEST PRACTICES

Cumming Corporation demonstrated a strong understanding of its workforce when it sought an Excel-based CPM solution. By leveraging pre-established practices, Cumming realized benefits from Vena Solutions almost immediately. Employees needed less than an hour of training on average because they don't need to develop additional skills to use the system.

Cumming Corporation used Vena Solutions' co-deployment model to avoid more than two-thirds of the expected implementation cost. Pre-existing hardware investments minimized costs of the on-premises deployment, and the transition to Vena's cloud offering one and a half years later was smooth.

This deployment highlights the value of consolidating a company's financial data into a single source. With Vena Solutions, Cumming Corporation established a data sharing environment that eliminated many competing standards. Employees can now collaborate faster and with fewer errors on initiatives that benefit individual teams and the whole company.

With increased visibility into individual revenue streams, Cumming Corporation developed new tools with Vena Solutions to monitor its financial activities and identify areas for improvement. This led to new executive policies that reduced costs from the top and new use cases with Vena Solutions that were generated by Cumming employees. One such change was aligning hiring opportunities with optimal revenue times, thereby reducing the time required to onboard new employees.

## CALCULATING THE ROI

Nucleus Research analyzed the costs of software, hardware, personnel, professional services, and user training over a three-year period to quantify Cumming Corporation's total investment in Vena Solutions. Direct and indirect benefits were also quantified over the three-year period.

Cumming Corporation did not realize any direct benefits because it did not retire or redeploy any resources as a consequence of implementing Vena Solutions.

Indirect benefits quantified were generated from the increased productivity that Vena Solutions provided to Cumming's finance team. Employees now spend less time compiling and verifying data and more time on value-adding finance work. By increasing its budgeting efficiency, the finance team now completes the budget every three months and contributes rolling forecasts to the organization's strategic planning. Nucleus calculated the time savings benefit using the fully loaded cost per hour of employees. Time savings were multiplied by a correction factor to account for the inefficient transfer of time between time saved and additional time worked.

Benefits not quantified included improved interdepartmental visibility and subsequent company policy changes. With more clarity about individual revenue streams, all employees can make better-informed decisions that benefit the company's bottom line. New company policies have optimized hiring and spending practices and made employees more conscious of the long-term consequences of their decisions.

## FINANCIAL ANALYSIS

**Annual ROI: 255%**

**Payback period: 0.5 years**

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	0	0	0
Indirect	0	162,159	168,394	174,628
<b>Total per period</b>	<b>0</b>	<b>162,159</b>	<b>168,394</b>	<b>174,628</b>

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	19,500	52,500	65,500	0
Hardware	0	0	0	0
Consulting	17,000	0	0	0
Personnel	415	0	0	0
Training	13,255	892	892	892
Other	0	0	0	0
<b>Total per period</b>	<b>50,170</b>	<b>53,392</b>	<b>66,392</b>	<b>892</b>

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(50,170)	108,767	102,001	173,736
Net cash flow after taxes	(27,594)	59,822	56,101	95,555
<b>Annual ROI - direct and indirect benefit</b>				<b>255%</b>
Annual ROI - direct benefits only				-80%
Net Present Value (NPV)				155,316
<b>Payback period</b>				<b>0.5 years</b>
Average Annual Cost of Ownership				56,949
3-Year IRR				216%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.