Modern budgeting: Enabling data-driven decision making

Like clockwork, every year federal agencies plan resources, priorities, and strategic goals for their annual budget. And every year, new developments in process, landscape, oversight, and technology present potential opportunities and risks for that budget. For many, it’s a complex procedure lacking cohesion, repeatability, and transparency—with siloed data and manual processes lurking around every corner. That’s where data-driven decision making can help.

No one should run a multi-billion-dollar operation off a spreadsheet

Today, agencies often use outdated spreadsheets, older IT systems, and manually prepared reports—with cumbersome results. After dedicating long hours to collecting and processing data, the lack of consolidated information and tools to perform analysis makes it difficult to track execution, program success, and convert data points into narratives that support their goals. This approach to budget formulation is labor intensive, less accurate, and harder to manage for budget purposes.

The data is out there, use it

It's no secret data is empowering new insights and business initiatives. And modern budgeting is an important one. By building multi-dimensional, structured databases, agencies are adding new levels of transparency, accountability, and collaboration to some of the biggest factors impacting their budget planning and formulation. This enables agencies to make better business decisions in support of their mission.

The reasoning seems clear.
So why aren't more agencies doing this today?

Access. For the vast majority of federal agencies, their data is siloed in legacy IT systems and tools that don’t collect or share data in a way that is actionable. We encourage agencies to take the commercial comparison to see how unlocking that access can improve budget processes, reduce the man hours required to compile budgets, and increase the linkage between agency resources, leadership decisions, and mission priorities.

Potential benefits of structured databases

See more:
• Deeper views into budget risks and opportunities
• Added statistics and records to support decisions and budget narratives
• Dashboards, trend analyses, and data visualizations to simply illustrate findings
• Customizable trend and data reporting to focus in on strategic insights

Do more:
• Integrate budget data and enforce business rules and guidelines
• Offer fixed budgeting fields to provide more focused and automated reporting
• Find unique trends at the click of a button
• Tailor connections between data points to support mission goals
• Automate report templates and text updates that typically take weeks or months
• Broaden access to budget data across different departments
• Free up time and resources for analytic and strategic tasks
• Leverage data to inform planning, programming, budgeting, and execution decisions
• Easily share and transfer knowledge between employees
The Deloitte perspective

Integrated databases can be key for the long-term budget success of federal agencies. BudgetSync™ is our federal agency budget processing accelerator designed to help achieve just that. Reflecting our deep financial management experience and technical expertise, BudgetSync is specifically built to help improve, streamline, and modernize the federal agency budgeting process. Using IBM’s Planning Analytics platform, it integrates the planning, budgeting, and execution tracking stages of the budget process and brings them into one cohesive, flexible system—meaning no more manual spreadsheets or reports. With federal agency budgeting elements already built in, BudgetSync is configured to help agencies see and do more with their federal budgets so mission critical programs stay funded.

Where BudgetSync™ could help

In 2013, sequestration brought a 10 percent budget cut for most agencies. Many took these cuts across the board; making it challenging to meet mission critical needs and maintain readiness. With BudgetSync, agencies would have had the tools to run possible scenarios, perform deep analysis, link program strategies with potential cuts, and present findings to leadership. Having resources like this could have helped them make more informed decisions and justifications reducing the mission impacts from the overarching budget cuts.

Thinking long term: When you’re ready for more

Machine learning and artificial intelligence are the next steps in automation. And when combined with predictive analytics, they have the power to know where your money is best spent—before you spend it. It’s been said that hindsight is easy, insight is difficult, and foresight is impossible. But with machine learning, automated intelligence and predictive analytics, that’s all going to change. In fact, some federal agencies are already weaving IBM Watson™ into their budgeting practice.

Connect with us to explore modern budgeting and what it can do for your agency.

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