



TECH FALCON

Member of Lootah Holding

5 Factors to Look Out For While Choosing Performance Management System



CLARIFY YOUR OBJECTIVES



Before going forward, the most important step is to develop a clear picture of what you want to achieve, and what are your goals and targets for the next 5 years. It is important to determine your business priorities to align your departmental needs according to your strategic business needs. Communication is important

between your business stakeholders and management to propagate your goals further, and, this is where the Performance Management system comes into play. The performance management process lets employees document and discusses their performance with their manager. In turn, managers can provide feedback and guidance to the employees. It helps you to track the goals that you have created for your business. You can create any number of goals, and those goals can span different periods and performance reviews. You can also create simple or complex goals, depending on the amount of information you want to enter about the goal.

LOOK FOR UNIQUE INTEGRATION

Without any additional coding, good performance management software will interact with your current enterprise resource planning (ERP) system. Because of its fundamental role in handling financial data and completing business-critical transactions, ERP integration is especially important. It's extremely crucial for your CPM software to be able to connect easily to several ERP systems from different vendors if your firm has divisions or subsidiaries that operate their own ERP systems. Even if you don't have different ERP systems for separate



corporate entities, vendor-neutral CPM software can help you future-proof your corporate performance management investments. If your firm later makes an acquisition or switches to a new ERP system, you can keep your CPM software and save money and time in the process. Furthermore, search for CPM software that can connect to a variety of different data sources, such as CRM software, specialized billing software, or even custom databases and increase your visibility across the organization as the company grows.



ASSESS THE LEARNING CURVE



Many CPM software applications necessitate substantial technical expertise and have a high learning curve. It's critical to understand the level of technical expertise required to produce reports and dashboards or to alter existing ones while considering corporate performance management software vendors. Many CPM software systems on the market are technically quite sophisticated, necessitating the involvement of IT specialists whenever you need a modification. The cost of ownership rises as a result. It can also cause annoying delays for the

finance staff because it establishes a dependent on an external department. A backlog of requests in the IT department can sometimes result in days, if not weeks, of waiting for a new report or a simple change to an existing one.

PLAN YOUR TRANSITION TIMELINE

Begin by establishing a realistic budget and timetable for your CPM implementation. You must devote sufficient organizational capacity to the project for it to be successful. The best CPM software like Dynamics 365 Performance Management has easy-to-use, fully automated implementation methods. User-friendly design paired with wizard-driven setup and deployment can go a long way toward lessening the constraints of a CPM implementation. Your team will be free to focus on what matters most—using the software to fulfill the main business objectives



you outlined earlier—with software that is relatively easy to install and set up. Building reports and dashboards, as well as acclimating users to the new tools available, are all part of this process. Some suppliers provide prebuilt reports and dashboards that are tailored to operate with specific ERP systems. This is especially useful for swiftly getting up and running and delivering value to your organization early on.



UNDERSTAND THE SECURITY CONSTRAINTS



Because CPM software collects and reports on proprietary corporate data, access management is crucial. The best providers recognize this and implement effective report delivery mechanisms with many layers of access control. Managing yet another catalog of user permissions for your CPM reports, however, can be time-consuming. The most advanced CPM software can inherit part of your ERP software's rights, ensuring that your sensitive data is kept safe without adding

to your system administrator's workload. Look for a system that has a variety of security solutions that are both robust and versatile.

MONITOR, FORECAST, AND ADJUST

The next step in achieving success is to continuously monitor performance in real-time, forecast outcomes based on existing conditions and expectations, and change to maximize results in the present business environment. Unfortunately, this may be easier said than done, particularly for firms that use inflexible planning and budgeting tools or technologies that were not created for the purpose. Many businesses prefer to create budgets with Microsoft Excel because it is so familiar and versatile. Spreadsheet programs have some



limitations as a stand-alone tool. Manually updating an Excel file with the most recent sales or inventory data, for example, can be time-consuming. It's easy to make mistakes, especially if a user copies and pastes data from their ERP. When monitoring performance or making forecasts, look for software that delivers real-time linkages to transactional facts, avoiding the need to assemble manual updates.