

FP&A in Manufacturing:

Building a
successful
strategy for a
rapidly evolving
landscape

Presented by Kyle Trainor



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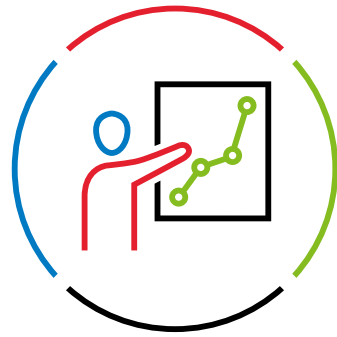
Today's agenda

- What are the key macro trends impacting manufacturing today?
- Top 7 FP&A best practices for manufacturers
- Building a strategy for growth
- Developing a 3- to 5-year manufacturing plan

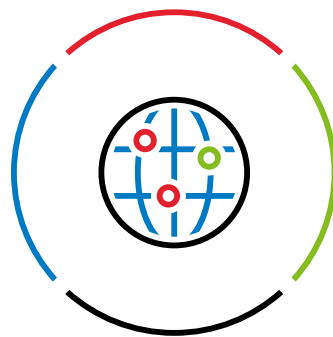


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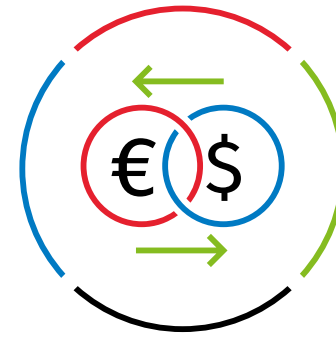
What are the key macro trends impacting manufacturing today?



Inflation



Tariffs



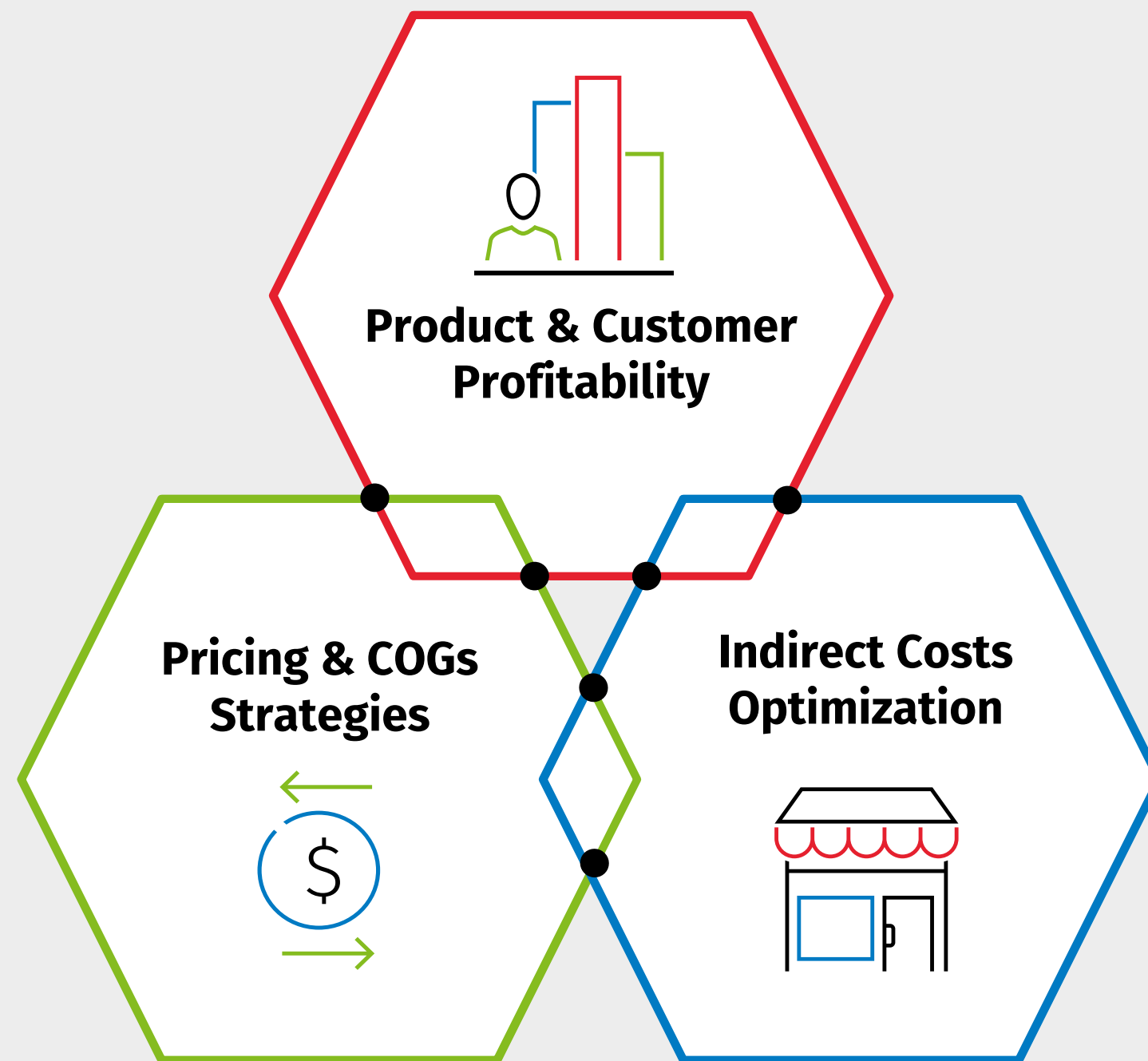
Exchange Rates



Producer & Consumer
Price Indices



The effects of the macro landscape to your business:



Top 7 FP&A best practices for manufacturers

- 1 Data-driven decision-making
- 2 Comprehensive scenario planning
- 3 Agile financial planning
- 4 Strategic alignment
- 5 Risk management
- 6 Cross-functional collaboration
- 7 Technology integration



1. Data-driven decision-making

- Leverage AI and advanced analytics for more accurate forecasting and risk assessment
- Utilize real-time data and digital dashboards for immediate performance insights
- Implement driver-based planning to focus on key operational drivers



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2. Comprehensive scenario planning

- Best case, worst case, most likely scenarios to plan for various outcomes
- “What if” scenario modeling to analyze complex interdependencies
- Conduct sensitivity analyses to assess potential risks and market opportunities



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3. Agile financial planning

- Move beyond annual budgets to continuous forecasting and real-time data analysis
- Integrate FP&A with other business functions for more holistic planning



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4. Strategic alignment

- Directly relate corporate objectives to the budget
- Measure the financial impact of strategic objectives regularly
- Align resource allocation with key business initiatives



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5. Risk management

- Identify, assess, and mitigate potential risks proactively
- Collaborate with other departments to implement risk management solutions
- Develop backup plans for different scenarios to enhance organizational agility



6. Cross-functional collaboration

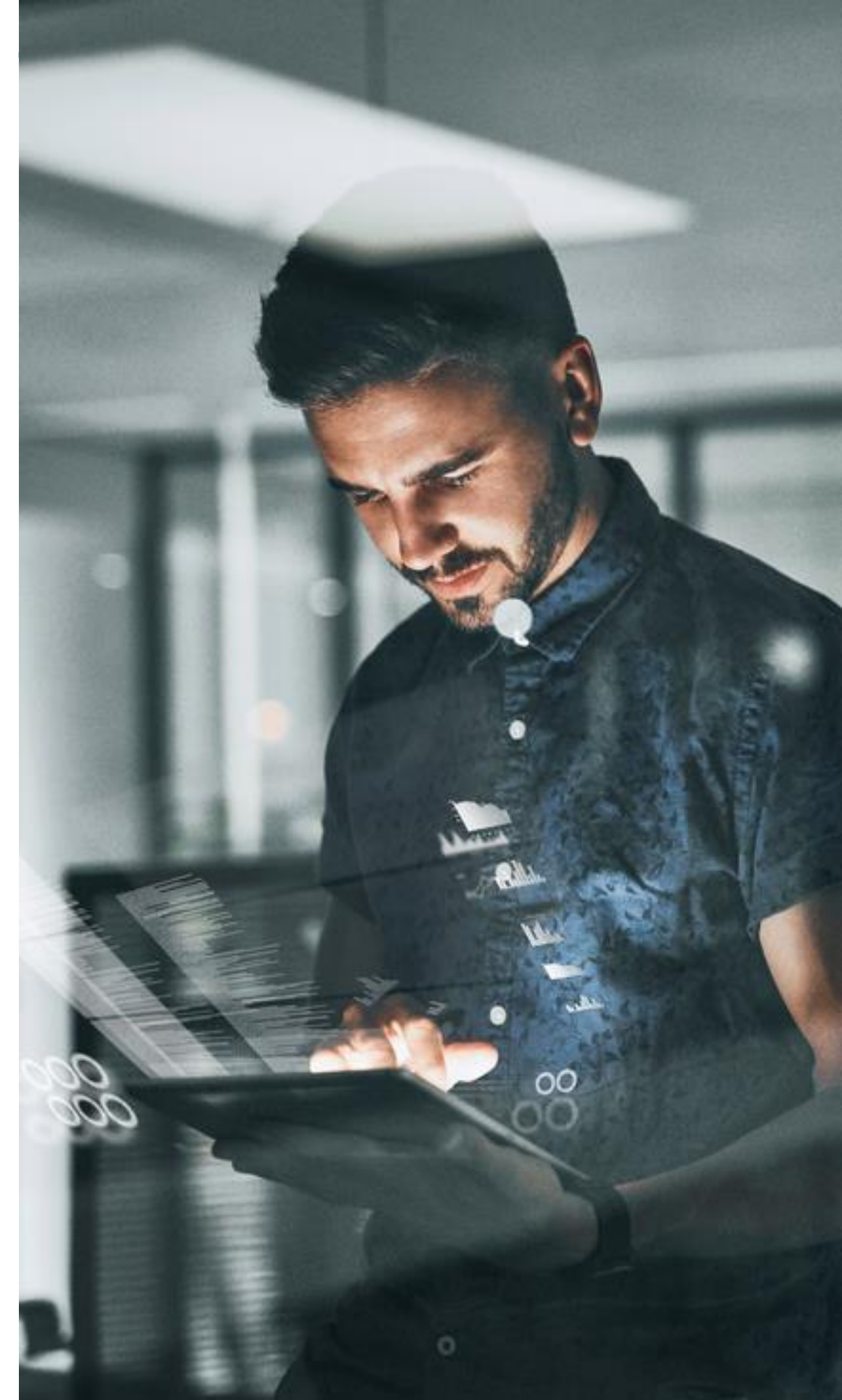
- Involve key stakeholders in the planning and risk identification process
- Promote collaboration between FP&A and other departments for better decision-making



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7. Technology integration

- Invest in AI tools for enhanced forecasting and risk analysis
- Implement cloud-based FP&A software for improved efficiency and collaboration
- Automate routine tasks to free up time for strategic analysis



Building a strategy for growth

1

Achieve data transformation with AI-powered predictive analytics and cloud-based solutions

2

Analyze data to identify attractive markets for expansion

3

Develop strategies to capitalize on nearshoring and reshoring trends

4

Utilize SKU rationalization to streamline product offerings

5

Collaborate with technology partners to accelerate innovation

6

Optimize cost structures through process improvements and technology adoption



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Developing your 3- to 5-year manufacturing plan

Set specific, measurable goals for revenue, profit, and market share

Create detailed financial forecasts for the next 3-5 years

Develop strategies for cost optimization and resource allocation

Market analysis

Develop strategies for risk mitigation

Break down your overall plan into annual and quarterly objectives

Plan for digital transformation initiatives; invest in an AI-powered planning solution

Outline plans for process optimization and efficiency improvements

Create a system for regular review and adjustment of the plan



Questions? Send us a message.

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