Kantata

How to Build a Compelling Business Case for Kantata

A powerful business case requires a before-and-after story

Contents

Introduction

A return on investment (ROI) analysis is an expected exercise when considering investing in software, as it is a significant business decision with financial implications. However, presenting ROI in isolation doesn't work.

Before decision-makers can assess the value of a new solution, they need to understand your business's current situation and the problems you are trying to solve by adopting the tool.

Therefore, to make an effective business case for Kantata, it's best to present decision-makers with the following "before-and-after story."

How to Structure Your Business Case

01 **The Current State**

Before you suggest the future, describe what's happening today

02 **The Impact of Doing Nothing**

Describe the consequences of no change

03 **The Benefits of Adopting Kantata**

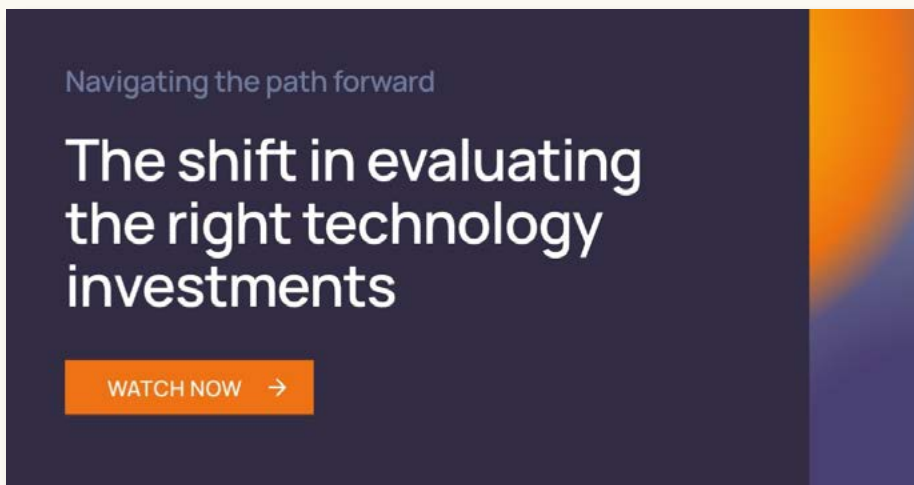Provide a narrative of how your business will change for the better

Recommended to Watch

In this video, Chris Marsh, Research Director at S&P Global Market Intelligence, provides tips on how to build a successful business case when technology investments are being more carefully scrutinized.

Watch Video Here →

Hear from Jared Haleck, Kantata's Chief Product Officer, as he shares his insights on a shift in how professional services organizations are evaluating which tech investments are right for their business

Watch Video Here →

Before you suggest the future, describe what's happening today

The opening of your before-and-after story needs to set the scene for what is happening today. Focus on the existing systems, tools, and processes currently used to manage your services organization. You'll describe the challenges and issues later, but the first priority is ensuring your decision-makers understand what systems are under consideration for replacement or upgrade.

What to Include

- ⊘ Systems and tools that are used by sales and scoping teams to collaborate on project proposals

- ⊘ Methods used to assess deal margin

- ⊘ Methods used to staff projects and track utilization

- ⊘ Process for assessing the financial impact of change orders and associated approval processes

- ⊘ Tools used for capturing billable time and expenses against projects

- ⊘ Description of the period close process and what controls exist to ensure billing accuracy and completeness

- ⊘ Access to and availability of accurate, actionable data

- ⊘ Forecasting methods used to assess future services demand

Describe the consequences of no change

In the next section — The Impact of Doing Nothing — you can drill-down into the operational issues, challenges, and inefficiencies caused by your current systems. Give decision-makers your assessment of the likely outcomes should the business decide to defer the decision to implement Kantata and make no changes. Provide quantitative examples of the impact of retaining existing systems without any alterations.

What to Include

⚠️ Delays in the sales cycle

⚠️ Missed customer expectations resulting from projects that start late

⚠️ Unacceptable levels of unbillable hours

⚠️ Recurring panic at month end as deals are unexpectedly pushed into future periods

⚠️ Revenue leakage due to late time cards and out-of-policy expenses

In addition, emphasize the larger scale impacts of deciding to forego investment in Kantata and how it would impact the overall business. For example, without new technology, back office and operations headcount will have to grow to support growth in the services business. There may be holdups in investment decisions due to unreliable services forecasting, or a pronounced competitive disadvantage without an ability to provide self-service portals for your customers and vendors.

Provide a narrative of how your business will change for the better

Having covered the before state, it's now time to focus on the future and how you plan to make improvements after successful implementation. Describe the processes you are looking to improve and the Kantata features that will help you achieve key goals, improve productivity, increase profitability, boost customer satisfaction, and ultimately drive revenue and the greater success of the business.

What to Include

Confidence in Data

Kantata provides a single, trusted platform and source of truth for all project data, from the sales to billing phase.

Kantata houses accurate project, resource, and financial data that can be trusted, accessible to the entire team. If everyone has access to the same information, strategic, impactful, and revenue-generating decisions can be made with confidence. See how Kantata helped IT services provider Logicalis streamline staffing data dn operate with confidence.

Confidence in Forecast Accuracy

Kantata gives leaders confidence that forecasts are accurate and rooted in comprehensive, up-to-date data.

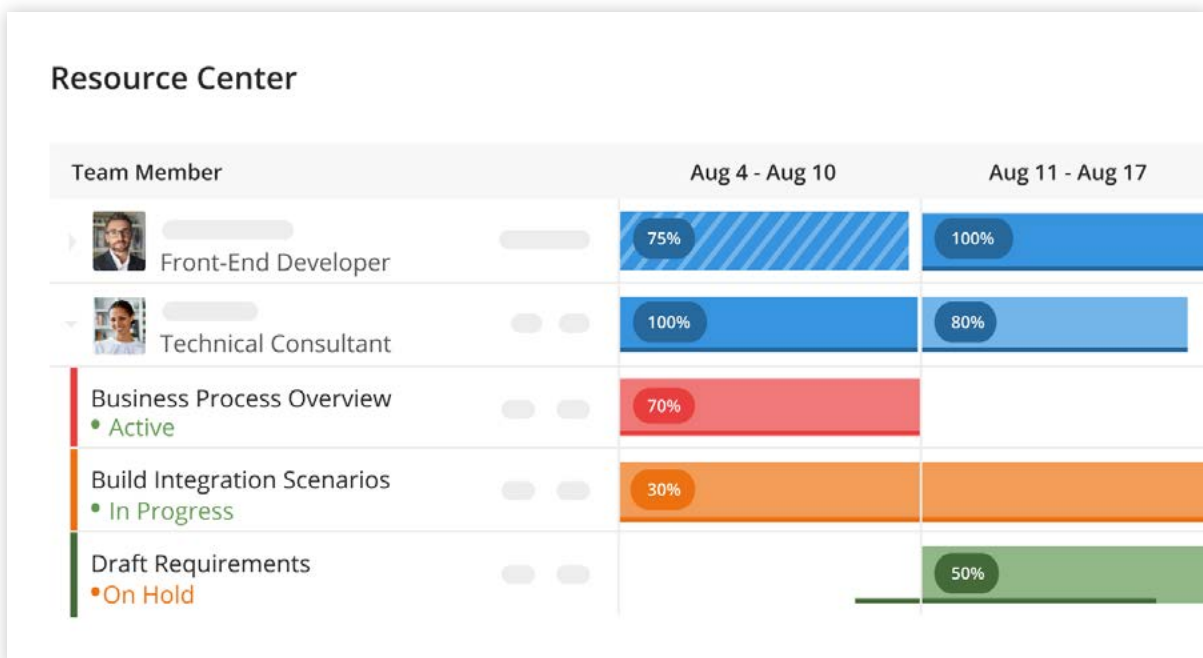Kantata gives leaders confidence that forecasts are accurate and rooted in comprehensive, up-to-date data. Accurate forecasting allows leaders to confidently look to the future and make key decisions that will drive profitability, employee engagement, client satisfaction, scalability, and success. See how Kantata helped HR software provider Cornerstone improve revenue forecasting accuracy by 20%.

Improve Utilization Rates

Kantata provides resource management and planning tools that provide clarity on availability and utilization rates of all resources across practices, geographies and skills.

Kantata flags both over- and underutilized resources when they hit a certain threshold and guides resource managers to balance utilization by assigning a resource with available capacity. Kantata tracks utilization trends over time, revealing major opportunities to boost profits. See how Kantata helped software provider TeleTracking improve billable utilization by 37%.

Resource Center

Team Member			Aug 4 - Aug 10	Aug 11 - Aug 17
Front-End Developer			75%	100%
Technical Consultant			100%	80%
Business Process Overview • Active			70%	
Build Integration Scenarios • In Progress			30%	
Draft Requirements •On Hold				50%

Connect Sales & Resourcing Teams

Giving all teams visibility into the sales process and resource availability, utilization rates, and available skills reduces the chances of surprises after a contract is signed.

If sales, resourcing, and delivery teams have access to the same data and communicate proactively they can start softbooking resources to the project early. They have time to assemble the best resource team for the project and are available to start the project once the contract is signed. Visibility across the entire sales and resourcing process means managers can proactively assign resources to projects, and sales can focus on closing deals that can be assigned to available resources. See how Kantata has helped video solutions provider Accedo improve margins by increasing global visibility of supply and demand.

Keep Projects on Budget

Kantata will provide visibility to project status, projected margin, and progress against planned milestones throughout the project lifecycle.
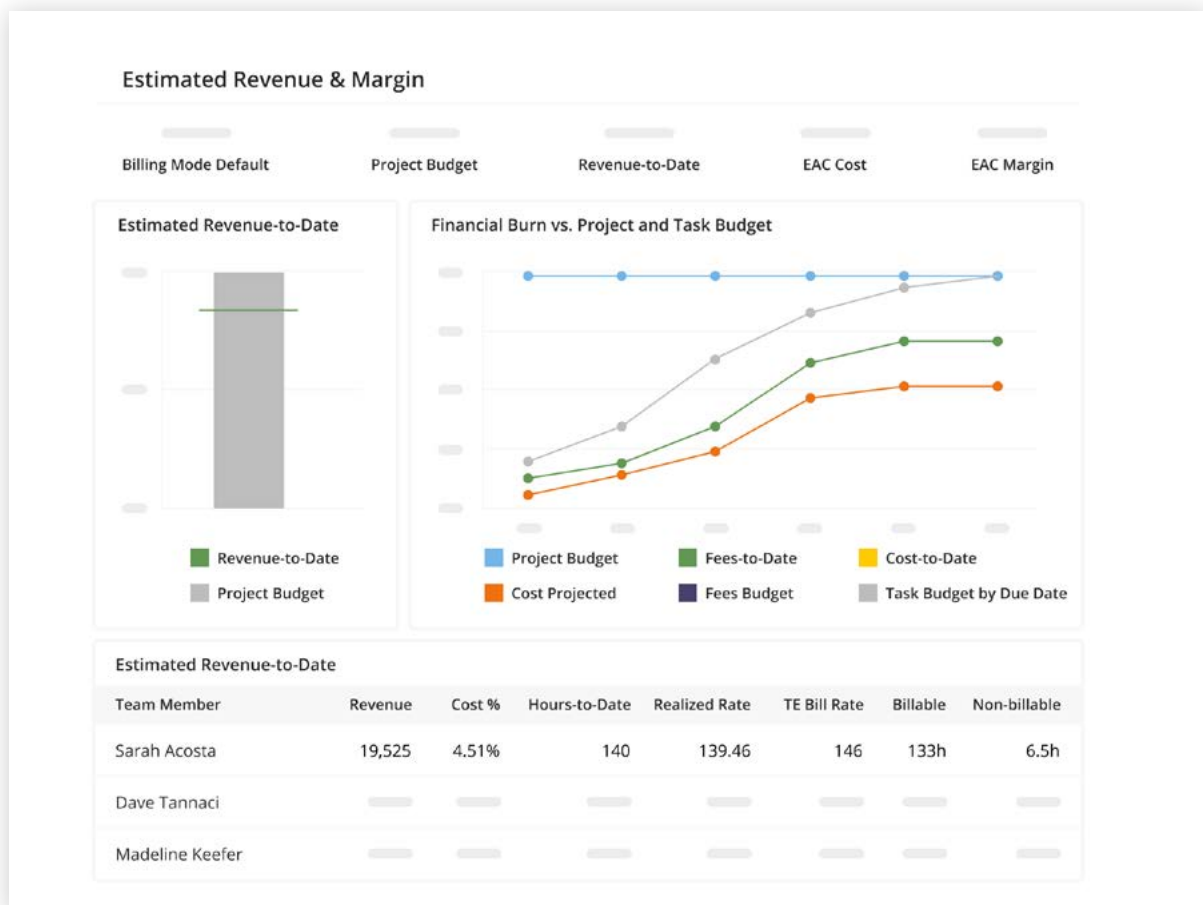
Managers will receive timely alerts to tackle issues on their projects as they arise, and the impact of this guidance will be seen not only on those specific projects but also across the whole project portfolio. See how Kantata helped marketing software provider Emarsys increase projects delivered on budget by 12.5%.

Increase Cash Flow

Kantata will provide visibility to project status, projected margin, and progress against planned milestones throughout the project lifecycle.

Automated invoice preparation will improve cash flow by reducing the number of customer disputes. Systematic application of company policies in engagement scoping, change order management and monitoring of drawdown against purchase orders will help the business achieve margin targets and reduce the risk of payment delays. See how Kantata helped marketing agency Boncom reduce billing rate errors by 100%.

Estimated Revenue & Margin

| Billing Mode Default | Project Budget | Revenue-to-Date | EAC Cost | EAC Margin |

Estimated Revenue-to-Date
- Revenue-to-Date
- Project Budget

Financial Burn vs. Project and Task Budget
- Project Budget
- Cost Projected
- Fees-to-Date
- Fees Budget
- Cost-to-Date
- Task Budget by Due Date

Estimated Revenue-to-Date

Team Member	Revenue	Cost %	Hours-to-Date	Realized Rate	TE Bill Rate	Billable	Non-billable
Sarah Acosta	19,525	4.51%	140	139.46	146	133h	6.5h
Dave Tannaci							
Madeline Keefer							

Streamline Financial Processes

Kantata supports organizations in streamlining their financial processes.

It provides clear visibility to the status of period closing activities and will guide the operations team on the priority actions required to consistently close periods accurately and on time. Establishing a repeatable cadence at period close provides the foundation to streamline financials and drive revenues and satisfied clients. See how Kantata has helped Acquis Consulting Group send accurate invoices within hours of month-end.

Scale with Ease

As a services business grows, so does the complexity of operation.

It gets more complicated to capture the time people work and the expenses they incur, send out bills promptly, forecast demand, manage resources, recruit people with the right skills at the right time, and deliver projects on time and on budget. Kantata automates key workflows and processes, eliminating common roadblocks that stand in the way of growth and enabling your organization to scale predictably, easily, and efficiently. See how Kantata helps IT services provider CloudStratex scale with ease using one source of truth.

Reduce Overheads

Kantata will enable your organization to scale without a corresponding increase in administrative overhead through automation of previously manual activities such as billing and invoicing, revenue recognition, and reconciliations.

The back office will be able to manage higher volumes of clients serviced, project delivery resources, and number of invoices generated without adding headcount. See how Kantata helped Mansion House Consulting grow its global business without increasing back office costs.

Manage new business models

Kantata can provide the tools required to enable adoption.

This includes adopting packaged offerings, manage time and materials and fixed priced contracts, and support both waterfall and agile implementation methodologies. See how FDM Group uses Kantata to automate and streamline a growing international business.

Document expected results

Use ROI metrics to support your argument

Now that your decision-makers understand how you intend to improve the operation and performance of your professional services organization, you can use traditional ROI metrics to give guidance on the expected financial impact of your recommended solution.

All of the benefits of Kantata outlined above come with financial improvements that have the potential to deliver a significant return on investment for your business. To see an example of how an increase in billable utilization rate could impact professional services profitability, try Kantata's Resource Utilization and Revenue Calculator.

Assess the financial implications of improvements Kantata would drive compared to the cost of adopting the solution, and use this ROI analysis to provide relevant financial metrics to support the benefits you've described.

To give you an idea of sample outcomes you might build your business case around, download [The Total Economic Impact of Kantata](#), an assessment of cost savings and business benefits of using the Kantata Cloud for Professional ServicesTM conducted by Forrester Consulting. This study, based on interviews with Kantata customers, determined that businesses that use the Kantata Cloud experienced a myriad of benefits.

Benefits for Customers Using the Kantata Cloud

Source: The Total Economic Impact of Kantata, Forrester Consulting

- Improved utilization of billable resources by 10%
- Increased overall project margin by 8%
- Unacceptable levels of unbillable hours
- Improved financial cycle closing efficiency by 50%
- Improved consultant admin efficiency by 75%
- Over $1.8 million in saved costs from decommissioned systems and admin resources
- Achieved 489% return on investment (ROI)

These are just some examples of how professional services organizations are experiencing transformational savings and benefits with Kantata – the key to building a successful business case for the Kantata Cloud is working with your buying team and your partners at Kantata to propose a set of achievable benefits and financial outcomes that make sense for your organization.

Conclusion

Without an understanding of the current state, any presentation of ROI metrics is likely to fall on deaf ears, so the key to presenting an effective business case is to provide a narrative that describes the current challenges, outlines the likely impact of doing nothing, and explains what life will be like following the successful implementation of a new solution. By providing that context, your ROI analysis supplies the supporting metrics for the expected impact of your recommended solution, and decision-makers have the understanding they need to make the right choice.

To better understand the impact the Kantata Cloud for Professional Services™ can have on your organization, schedule a conversation with our team now.

Start the conversation →