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**Kent McDonald, VP Finance-Canpar Courier**



#### Quick Facts

- **Industry:** Package and Courier
- **Revenue:** Subsidiary: TSX: TFI
- **Number of Customers:** 20,000
- **Number of Employees:** 1700

#### Challenges

- Email Inefficiencies
- Manual Processes
- Version Control
- Complicated Consolidation

#### Applications

- Online General & Administrative Budgeting

#### Results

- Higher Confidence in the Budget
- Faster Consolidation
- Greater Process Control
- Improved Productivity
- Reduced Risk Factor

## DELIVERING BETTER BUDGETING TO CANPAR COURIER

Budget planning at Canpar Courier was a time consuming process that needed improvement. The company uses a collaborative top-down/bottom-up method to determine revenues and costs for the coming fiscal year. As more employees were added to the process it became increasingly difficult to manage. Canpar’s finance department wanted a solution that would embed workflow, automate the consolidation process and provide visual status updates. Canpar selected Vena 5 for two key reasons: first the Microsoft Excel® user interface allowed more employees to participate in defining budgets across the organization; second was the embedded workflow which reduced the possibility of errors. With Vena 5, Canpar was able to significantly reduce risk and increase productivity with respect to their budgeting process.



## BACKGROUND

Canpar's employees are experts at the Courier business serving over 20,000 customers across North America. Everything Canpar does is designed to transport customers' parcels efficiently and cost-effectively. Companies choose Canpar for the confidence and convenience of regular pick-ups by a Canpar driver who knows their business' shipping needs.

For years, Canpar searched for the right solution to prepare their annual budget. Unfortunately, the finance department could never justify the cost-benefit. They simply felt the technology they wanted was just not worth the price.

Canpar's main problems stemmed from managing a manual data collection process that often resulted in version control issues and data errors. Eliminating these issues along with reducing the amount of overtime work required by the finance department for the budgeting process were established priorities. In addition, automated workflow management would allow more efficient delegation of tasks, freeing senior management for more effective review.

## CHALLENGES

The company's annual budgeting process is a combination of top-down and bottom-up methods. The finance department would establish top line targets and push them out to the company's 60 distribution centers. The process had grown cumbersome over time and became susceptible to errors due to shortcomings in Excel, inefficient work methods and spreadsheet version control issues. The periodic nature of budget planning, and the perceived high cost of a new solution held the executive team back from investing in technology to manage the process.

### Version Control

The finance department progressively involved more field and operations personnel to build the budgets with combined data from the head office and the remote truck terminals. Unfortunately, as more people were involved in the process, the harder it became to enforce version control on the budgeting templates. This resulted in numerous versions of spreadsheets, many containing different data. The additional effort required to manage all of these spreadsheets resulted in the finance team at Canpar coining a term specific to their dilemma – "versionitis".

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It was really tight, in six weeks we went from zero to production, but we knew that had we gone with another vendor, it would have taken much longer.”

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## Process Management

The budget process started with head office distributing a top line expectation of the anticipated volume of business. Regional managers, responsible for 60 distribution terminals' would then work in the costs, then submit their projections. Inevitably, once the spreadsheets were returned, revisions were required to tune the results. Kent McDonald, Canpar's VP of Finance explained, "Sometimes the bottom line was not high enough. So we would have to redo everything and it was a nightmare – that's when errors would happen; errors that sometimes weren't discovered until after the budget was finalized and approved."

## Outdated Tools

Some of the other challenges that McDonald faced stemmed from the multitude of linked budget spreadsheets he inherited. These spreadsheets had problems with data corruption. "I don't like linking spreadsheets because it's dangerous" he said. So the finance department reworked the files in Excel but ended up with a different problem; "We built this massive spreadsheet and ended up with about a hundred tabs. We then had to cut-and-paste from all the departments' spreadsheets into the master. The process was very cumbersome, prone to error, and it was just getting out of hand."

## Costing a Solution

Another obstacle to procuring a system was justifying the initial investment and cost of ownership for an enterprise budgeting system. McDonald explained "We wanted to get a better solution for our annual budget preparation for years. We looked at Vena's competitors in the marketplace, but we could never justify cost-benefit. They were just too expensive." So when they would factor in the cost of support, maintenance, services and implementation, the company always felt the money could be better spent elsewhere.



## REQUIREMENTS

When Canpar started looking at solving their budgeting dilemma they knew a configurable solution was required. McDonald remembers that "most of the off-the-shelf software solutions that we saw were good for manufacturing or distribution type companies, but there wasn't anything available for transportation. We were very skeptical of whether we would be able to customize one of these products to meet our needs."

The delivery business uses industry specific statistics to track event data which impact profitability including: stops per hour, and pieces per stop. This information is used to determine how to optimize operations, drive down costs and increase profitability. McDonald summed up their needs. "We need to take a pickup volume number and massage it down to the terminal level, where that freight would be collected, where it's going to be delivered and what the relative efficiencies are of those locations. We work out our costs at that level. It's very granular. You can't apply averages or you'd be in big trouble." The finance department needed a database structure to manage the process and the flexibility of Excel to manage their business.

### Managing Risk

The new budgeting solution had to eliminate all the risks the finance department identified. These risks included: file version control, email distribution and collection as well as errors resulting from cutting and pasting. Eliminating these risks would improve confidence in the budgeting numbers while allowing the finance department to focus on analyzing the numbers rather than managing email, transferring data or eliminating "versionitis".

### Easy to Manage

McDonald also wanted the software to be easy to use and something that could be configured in-house. He stated "I know it would've been difficult to maintain the other products we assessed, they were so rigid we would have needed constant support." For Canpar easy-to-manage technology was a priority that they knew could help them reduce the overall cost of ownership.

## THE SOLUTION

Canpar's first project required working with the Vena professional services team to recreate the budget process and its dependent templates. The entire process was then mapped within Vena 5 so Canpar could benefit from automated consolidation and Vena's workflow engine.

Vena consultants started by renovating and optimizing Canpar's existing budgeting spreadsheet. The result was converting an Excel spreadsheet that had over 100 tabs and turning it into 38 templates. Then within the Vena solution, these spreadsheets could be automatically distributed, collected and used to generate reports for the operations and executive teams.

### Streamlining Workflow

The company took the work processes that had evolved over time and re-modeled them in Vena. The response from across the company was positive. McDonald stated "I had a lot of comments from the users in the field. 'It looks and feels a lot more professional;' they were pretty happy with Vena right out of the gate." McDonald stated. This was a pleasant surprise for Canpar's finance team because of the aggressive implementation project schedule. McDonald remembered "it was really tight, in six weeks we went from zero to production, but we knew had we gone with another vendor; it would have taken much longer."

### User-Friendly Optimization

McDonald is now able edit the budgeting templates and processes himself. "I've already made changes to some templates. I've added accounts that needed to be created since we went live; Vena's pretty user friendly." Even though the system has been highly configured to meet Canpar's needs, a dedicated IT resource is not required to manage it.

## RESULTS

The success of the budgeting project is measured more in soft costs; the finance department has improved productivity by shifting the time they spend on managing the budget process to focusing on higher value analysis and report preparation. The risk of budget errors has also been reduced at the data entry points within the operational departments.

McDonald reflected on the way the budget process was prior to Vena. "It's always a nightmare when you have a 100-tab spreadsheet." Vena has eliminated that spreadsheet and replaced it with easy to manage templates that drive the entire budgeting process and its related reports.

### Improved Productivity

As a result of using Vena to manage the budgeting process there is more involvement from the field, quicker revisions when the top-line numbers are changed, and the finance department is not focused on compiling and validating spreadsheets. In addition, the finance department has added the functionality of uploading their



budget template data directly into Canpar's general ledger system – once the budgets are approved. This has also resulted in additional time savings and less stress for the finance department.

## SUMMARY

Canpar is pleased with the way Vena made formerly difficult reporting demands possible, and in a more detailed way – like a mid-year reforecast. As a result of using Vena, McDonald concluded that, "the finance department has eliminated working nights and weekends – and pulling their hair out."

“Vena certainly allowed for better review from all the participants, in particular, me. I end up being a reviewer more than a doer. The way we did it before, I was so hands-on with this very fragile spreadsheet process, that it was very hard for me to step back and review things.”

**Kent McDonald**  
VP Finance, Canpar Courier

## ABOUT CANPAR

Canpar Courier is one of Canada's leading small parcel delivery companies with over sixty terminals coast to coast. Canpar was purchased by TransForce in 2002 and is a key member of the parcel delivery segment. TransForce Inc. creates value for unit holders by managing and investing in a growing network of independent operating companies. Through these subsidiaries, TransForce is the leader in Canada's transportation and logistics industry. TransForce provides a comprehensive and unique combination of capabilities, resources and geographical coverage in both domestic and transborder markets. Its companies operate in five well-defined business segments: Less than Truckload, Package and Courier, Specialized Services (which includes transportation services, fleet management and personnel services), Specialized Truckload and Truckload. [www.canpar.com](http://www.canpar.com)

## ABOUT VENA SOLUTIONS

Vena Solutions delivers the most flexible performance management solution available for budgeting, forecasting, planning, reporting, analytics, and other mission-critical finance and accounting processes to large and mid-market companies around the world. Vena's unified web-based software platform embraces all the power and flexibility of MS-Excel yet provides powerful workflow management, control and reporting capabilities. This unique approach is complemented by a dedicated consulting, advisory and training team. The result is fast time to benefit for our clients at a lower cost of ownership of a solution that is easily managed by our clients. Vena's rapid growth is due to our success in improving our clients' business processes to increase efficiency, performance and drive true business value. <http://venasolutions.com>