

Sunesis Pharmaceuticals



SUNESIS



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Sunesis Pharmaceuticals, located in San Francisco, is a clinical-stage biopharmaceutical company, publicly traded under the symbol SNSS. The company's mission is to change the standards of care for the treatment of cancer by discovering, developing, and marketing unique therapeutics that give hope to cancer patients and improve their lives. Their long-range goal is to become a fully integrated biopharma company with a diversified portfolio of novel therapeutics for major diseases.

Challenges faced

Resource planning in a project-oriented environment is a time-consuming and difficult process. Add to that a desire to integrate resource planning with overall budgeting for the entire company, and you are asking for a headache. In the summer of 2006, Sunesis found itself mired in Excel spreadsheets and Microsoft Project files, buried by data, and unable to get a clear picture of its project planning needs and operating expenses.

Sunesis had some ambitious goals:

- Get rid of their Excel spreadsheets and connect Great Plains and Microsoft Project directly to a flexible budgeting system
- Make the information available to everyone who needs it: Finance, department heads, and the management team
- Get everyone to participate in the budget process with easy-to-use, Web-based reports that don't require any software training
- Include forecasting for new hires, existing staff, and temps, with flexible raise and benefit calculations
- Include capex forecasting that allows Finance to assign each capex item to the appropriate GL account after the forecast has been made
- Evaluate multiple versions of the budget at the same time, with the ability to have unchangeable archived versions. That would mean setting up a

Industry:

- Pharmaceutical

Geography:

- California, USA

Information needs:

- A more automated approach to budgeting
- Information available company-wide
- Easy-to-use, Web-based reports

Solution:

- IBM Cognos TM1

Functional areas of deployment:

- Finance
- Department heads
- Management team

Benefits:

- Major reduction in budgeting cycle—from three months to six weeks
- Rapid adoption of system, due to ease of use
- Improved forecasting of specialized resources and prioritization for projects

detailed and complex archiving process that allows the Finance team the choice to either make a copy of the budget that is still live, or archive a static version of the budget when it's complete

Strategy followed

By the time budget season hit a few months later, Sunesis was ready to go with IBM Cognos TM1, a solution from Cognos, an IBM company, which accomplished all their goals.

That year, project managers did their usual project planning in Microsoft Project. This data was then loaded into an IBM Cognos TM1 model. The project forecast

included the project's need for resources (primarily the scientists and other staff in various departments). Department managers reviewed Web-based reports showing the demand for their staff by project to determine how to manage their department and hiring needs. They forecast their department expenses, both headcount and other expenses, directly into Web-based budget forms.

Finance and the management team then reviewed the overall company budget proposed, with the ability to look at the details by project and department. Since department managers included text comments as rationale, there was a rich supply of information for their review. Revisions were made by all in order to arrive at the final budget.

This integrated budgeting system included not only the usual headcount and operating expense forecasting, but also capital expenditures, allocations, and the ability to have multiple scenarios of the budget running simultaneously.

Benefits realized

Sunesis cut its budgeting cycle in half—from three months to six weeks. When the budget was based in Excel, it took two weeks just to consolidate all the Excel spreadsheets into one overall budget, for every revision of the budget. Now, consolidation is instantaneous, allowing more time for the company leaders to focus on the strategic direction of the company. Shortages of specialized resources can now be foreseen and avoided. Executives can make informed decisions on how to prioritize all projects, with full information on the financial impact of their choices.

About Cognos, an IBM company

Cognos, an IBM Company, is the world leader in business intelligence and performance management solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in February 2008. For more information, visit www.cognos.com.