

# Axiom Financial Planning

Link Your Strategic Mission and Vision to Measurable Financial Objectives



Modeling financial plans based on an uncertain future has become a competitive advantage for healthcare organizations. Robust and dynamic models allow organizations to prepare for potential changes and respond more nimbly when changes do occur. Consequently, more demands are being placed on finance professionals to perform dynamic “what if” modeling and show alternative views of the future, such as launching new service lines or expanding facilities.

**Strata’s Axiom™ Financial Planning** solution guides healthcare leaders in planning for the future by modeling initiatives and potential scenarios to help better understand long-term financial impacts.

Financial Planning uses best-practice financial management principles to help hospitals, health systems, physician practices, and other healthcare organizations develop multi-year financial plans. Users can assess the viability of proposed initiatives and pinpoint the incremental volume, revenue, cost, debt, and capital structure implications of these initiatives. Rating agency medians are embedded in the financial statements, so it’s easy to assess the impact of modeled projections on credit ratings.

## Integration with the Budgeting Process

Based on 30 years of healthcare expertise, Axiom Financial Planning is designed to support a planning process that is independent from, yet aligned to, the annual budget process.

Financial Planning establishes the budget performance targets by helping finance teams:

- Link strategic mission and vision to measurable financial objectives
- Evaluate multi-year financial projections for sustainability and risk
- Model the impacts of alternative financing approaches by integrating scenarios for debt, fundraising, investments, and capital projects
- Communicate how financial plan projections influence capital generation and strategic priorities

## Long-Term Financial Planning

Leveraging proven financial management principles, Financial Planning helps finance leaders proactively quantify and mitigate future financial risk. Historical and proposed budgets and forecasts automatically integrate, so it’s faster to create and update long-range financial plans.

## Initiatives Planning and Scenario Modeling

Initiatives planning and scenario modeling help decision-makers understand the specific impacts of key variables across a range of business scenarios. Many performance management vendors claim to support scenario planning, but Axiom Financial Planning is designed to support both driver- and scenario-based planning with menus, processes, and model attributes to rapidly create scenarios.

Our approach to scenario modeling incorporates the following components:

- 1. Driver assumptions:** Identify the key drivers to the business with independent or causal variables stored independently of the business logic, so they can be viewed and easily modified. Model multiple assumptions with side-by-side comparisons of the projected impacts of different market and internal drivers on operating performance and the balance sheet.
- 2. Business logic layer:** Transparent algorithms emulate your organization's dynamics so planners can easily tune their models. By using pre-established metrics from the financial plan, you can define and manage an optimal strategic portfolio.
- 3. Collaboration, inputs, and overrides:** Your subject matter experts can review and make judgments regarding expected results with embedded workflow logic.
- 4. Scenario storage:** Efficiently store scenarios in the model repository with straightforward naming, storing, and retrieving.
- 5. Scenario presentation:** Powerful, high-level sensitivity analysis provides a quick view of the impact of specific inputs to your model. Reports and dashboards display side-by-side comparisons, including key drivers and financial data so reviewers can see the detail and business logic that drives results.

Visit our [website](#) to learn more about [Financial Planning](#) or [request a demo](#).

## Key software capabilities

### *Integrated Financial Planning*

- Fully integrate long-range financial plans and processes with capital planning, operational budgeting, forecasting, and more.
- Develop projections for your financial planning and analytic needs.
- Prepare, produce, and integrate modeling across financial statements, including income statement, balance sheet, and cash flow.

### *Initiatives Planning and Scenario Modeling*

- Simulate and model the financial impact of any combination of proposed strategic initiatives or potential scenarios.
- Assess the viability of identified and proposed initiatives, and pinpoint the incremental volume, revenue, cost, debt, and capital structure implications.
- Incorporate alternative financing scenarios to define a comprehensive plan with an optimal underlying financing structure.
- Track ongoing performance of approved initiatives via comprehensive reporting and workflow notifications.