Chrysler Group Uses FinanceSeer for Business Planning

Chrysler plans for the road ahead with FinanceSeer

"FinanceSeer enables us to quickly run what-if simulations to determine the impact of changing market and economic assumptions. It also allows us flow those assumptions from our Income Statement down through our Cash Flow statements at a speed we never imagined possible. FinanceSeer has been an invaluable tool for us to develop our business plan."

-Jim Garneau, Director of Business Planning at Chrysler Group LLC

At a Glance

Company Profile
➢ Location: Auburn Hills, MI, USA
➢ Industry: Automotive
➢ Revenue: $72.1 Billion (2013)
➢ Employees: 73,712 (Dec, 2013)
➢ Website: Chryslergroupllc.com

Company Challenge
➢ Highly competitive market
➢ Sensitivity to market fluctuations (consumer preferences, gasoline prices and credit availability)
➢ Need to integrate plans across IS, BS and CF statements
➢ Difficult to compare alternative scenarios side-by-side

Why FinanceSeer
➢ Purpose-built solution for financial modeling
➢ Leverages pre-built financial intelligence
➢ Intuitive, yet powerful interface100% managed by modelers
➢ Ability to build pilot models quickly to prove functionality early on

Outcome
➢ Superior analytics and model transparency
➢ Far easier to maintain and update model
➢ Ability to run more scenarios in less time
➢ Higher degree of confidence in the modeling process

Implementation Partner
➢ FinanceSeer Consulting Services

A FinanceSeer Customer Success Story

FinanceSeer™

The Automotive industry is a highly competitive, capital intensive industry subject to ever-changing market and economic conditions. In addition, consumer appetites and preferences are constantly changing causing automakers to continuously evolve in order to maintain or grow market share.

In order to better react to these changing conditions, Chrysler recognized the need to improve their modeling capabilities. They envisioned the need for a new financial modeling tool that could improve the efficiency of their analysis and enable better what-if decision making. To help them achieve these objectives, Chrysler turned to FinanceSeer for assistance.

Together with FinanceSeer, they built a dynamic financial model which was highly robust yet much more flexible and efficient then the Excel-based models that they had relied on previously. Today, Chrysler continues to update and expand their FinanceSeer models with the same intuitiveness and level of ease as they did from day one.

The Challenge

The auto industry is a highly competitive and capital intensive industry. Billion dollar investment strategies are made years before new vehicle lines are produced and sold. Yet at the same time, market conditions, such as the cost of gas and the availability of consumer credit, can have a big impact on the demand for vehicles causing investment returns to fluctuate significantly.

Rapid understanding of how these changing market conditions may impact the Income Statement, Balance Sheet and Cash Flow is of critical importance for Senior Management.

At the same time, calculating the impact of changing gas prices and available consumer credit requires a level of modeling granularity that Chrysler's existing spreadsheet models simply could no longer contend with.

"In my spreadsheet models, I was managing thousands and thousands of individual cells. The time it took to make updates to the model took away from my ability to evaluate alternative scenarios."
Jim Picklo, Business Planning Manager at Chrysler Group LLC

The Solution

Chrysler Group needed a solution that was more robust than their existing spreadsheet models, yet, at the same time was still simple to learn and use. Furthermore, Chrysler's new modeling tool needed to have a familiar reporting capability and continue to integrate with their existing budgeting tool.

They needed the ability to rapidly create new scenarios and review them side-by-side, and where applicable, combine multiple scenarios together to see the impact of changing gasoline prices and the availability of credit.

The Outcome

After a thorough vendor evaluation period, Chrysler selected FinanceSeer to support their financial modeling capabilities.

Their ability to vary key drivers such as market demand and market share by vehicle and see how those drivers impact cash flow provides them with insight they did not previously have before.

About FinanceSeer

FinanceSeer is a financial modeling and simulation software company that focuses on providing what-if simulation capability across integrated financial statements.

We are a preferred alternative to spreadsheet models which lack pre-defined financial intelligence and are limited to two dimensions.

FinanceSeer is a complement to other Enterprise Performance Management (EPM) tools that focus on data submission and reporting rather than modeling and simulation.

FinanceSeer is headquartered in Chicago, Illinois with a growing partner channel around the world.

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