

ORACLE FINANCIAL ANALYTICS

KEY FEATURES AND BENEFITS

FOR BUSINESS USERS

- Receive intraperiod information on income statement, cash flow, and balance sheet condition without having to perform consolidations or wait for books to close
- Drive financial accountability to department managers by providing timely information to help better budget management
- Increase cash flow and working capital through more effective receivables, payables, and inventory management
- Provide each user with timely and in-context financial and cost information to improve decision-making
- Drive budget accountability down to departmental managers and provide them daily visibility into budgeted versus actual performance

FOR IT MANAGERS

- Accelerate deployment of financial data warehouse
- Integrate data from multiple sources to provide business users with a complete view of the customer and business operations
- Tailor analytics to specific financial functions, including regulatory reporting functions
- Adapt to changing external and internal needs by leveraging, not replacing, existing investments
- Reduce the burden on IT resources with comprehensive user self-service capabilities
- Access key financial information with Oracle Financial Analytics intelligence dashboards

Oracle Financial Analytics provides organizations with better visibility into the factors that drive revenues, costs, and shareholder value. It enables better insight into the general ledger, allows other functional units to understand product or customer profitability, provides visibility into performance against budget, and highlights how staffing costs and employee or supplier performance correlate with increased revenue and customer satisfaction. Oracle Financial Analytics is tightly integrated with Oracle Business Intelligence Applications—powerful, prebuilt solutions that enable organizations to implement more quickly, with less risk, and at a fraction of the cost required to build traditional business intelligence (BI) solutions. This integration delivers robust financial information across the entire company value chain to enhance customer, supplier, and workforce analysis.

Integrated and Actionable Financial Insight

Companies are facing increased pressure to grow revenues and increase profitability. In addition, legislation such as the Sarbanes-Oxley Act has placed increased demands on publicly traded companies to demonstrate compliance. Today's business challenges demand timely financial information that enables executives, managers, and front-line employees to make better decisions, take action, and correct problems before they affect the company's financial performance.

Achieving better business performance requires more than just improving process efficiency or enhancing financial reporting. Rather, it requires improving effectiveness by leveraging advanced analytics that integrate data from across the organization and provide insight to the people who can impact business performance. To fully understand the factors driving the business requires timely financial information combined with data from across the company value chain. Frequently, the answers do not reside solely in the company's financial reporting systems. To get the most complete picture requires integrating information from the company's human resources, supply chain, customer relationship management, and financial management systems—and turning it into integrated and actionable insight.

However, most organizations struggle to obtain timely and relevant data from their enterprise systems. The reasons are twofold. First, there is the explosion in both the volume and complexity of enterprise data; it is often fragmented across many disparate systems and departments. Second, the traditional business intelligence systems used by many organizations cannot provide timely insight nor deliver it to

large numbers of front-line users where it has the greatest effect. Traditional systems also require considerable development effort, take too long to deploy, and involve significant cost and risk. Oracle Financial Analytics—part of the Oracle Business Intelligence Applications product family—integrates critical data from across the enterprise value chain and transforms it into timely, actionable information so organizations can optimize performance.



Oracle Financial Analytics includes prebuilt dashboards that pull information from enterprise systems and provide timely, complete data to corporate decision makers.

Product Overview

Oracle Financial Analytics provides organizations with better visibility into the factors that drive revenues, costs, and shareholder value. The solution is also tightly integrated with other applications in the Oracle Business Intelligence Applications family to deliver robust financial information across the company value chain and enhance customer, supplier, and workforce analysis. For example, Oracle Financial Analytics enables other functional units to better understand customer profitability or how staffing costs and employee or supplier performance correlate with increased revenue and customer satisfaction.

Through prebuilt intelligence dashboards, Oracle Financial Analytics provides hundreds of powerful financial metrics, alerts, and reports to financial professionals and line-of-business managers. With this timely, complete information, they can gain insight into problems and take appropriate actions. Finance professionals and managers across the organization can monitor performance, analyze specific metrics, and compare them to budgets or performance benchmarks. They can spot deviations and take action to correct them before they become problems.

Traditional solutions require managers to wait days or even weeks for specific reports. In many cases, they have to wait until the books close to determine how their business performed. Moreover, Oracle Financial Analytics helps reduce the time it takes to generate reports for regulatory compliance (for example, Sarbanes-Oxley) or periodic financial statements. Oracle Financial Analytics provides more detailed reporting at a greater frequency and to a broader range of users. Managers

and front-line professionals can segment information on costs and revenue by product, geography, region, or customer and then appropriately fine-tune strategy and improve performance.

Oracle Financial Analytics also allows financial analysts to perform intraperiod balance sheet and income statement analyses to determine on a near-real-time basis how the business is performing. In addition, they can more effectively manage cash flow by understanding how billing and collections functions are performing as well as payments and changes in inventory.

Enterprise Performance Management Benefits

The solution enables companies to more effectively manage their customers and improve business performance by:

- Improving financial performance by implementing more effective expense control and providing timely monitoring of expense detail. This detail is delivered to departmental managers in time to take corrective action and ensure budget compliance.
- Optimizing cash flow through detailed accounts receivable, accounts payable, and inventory analysis.
- Analyzing detailed, transaction-level data to understand the factors driving revenue, cost, and profitability across business units, geographic locations, sales territories, customers, products, and distribution channels in time to take action.
- Reducing time spent compiling, reconciling, and consolidating data from fragmented financial systems and enabling employees to spend more time analyzing, making proactive decisions, and taking action.
- Improving cash collections by identifying slow-paying customers or billing issues and reducing days sales outstanding.

Next-Generation Business Intelligence Platform

Oracle Financial Analytics is built on the Oracle Business Intelligence Suite, Enterprise Edition Plus platform—a next-generation analytics platform that fully leverages existing data warehouse and BI investments. It is built using standards-based technology enabling easy integration with existing IT environments and supports all leading relational database management system products. Moreover, Oracle Financial Analytics provides support for large numbers of concurrent users, multiterabyte data sets, and the largest enterprise implementations.

Oracle Financial Analytics provides out-of-the-box adapters for Oracle E-Business Suite, Oracle's PeopleSoft Enterprise, and Oracle's JD Edwards EnterpriseOne. Oracle Financial Analytics provides universal adapters to extract and load data from non-Oracle or legacy applications. In addition, financial information can be pulled from multiple source systems and be integrated across multiple project applications to give a single view across the organization.

Proactive Intelligence

Urgent business circumstances demand immediate attention. Oracle BI Applications provide proactive, event-based, and scheduled alerts that automatically detect problems and are delivered directly to users via e-mail, handheld, and other portable devices—or to their personalized dashboard. This places powerful information in the hands of those who have to make daily decisions—not just at the end of the quarter. For example, in accordance with Sarbanes-Oxley compliance, when a material transaction occurs that will impact financial statements, an alert is triggered that notifies key stakeholders of the event. In another case, when daily margins at a department store fall below a predetermined level, Oracle Financial Analytics can send an alert to the store manager, regional executive, and controller, enabling them to quickly diagnose the cause, take corrective action, and restore performance. Traditional BI solutions require users to discover problems manually, and thus the problem may go undetected for days or weeks—until it is too late to react.

Oracle Financial Analytics Applications

Oracle Financial Analytics provides complete insight into the general ledger, tracks profitability, and enables budget analysis. It enables informed and intelligent decisions by providing visibility into payables and receivables. These applications are discussed in more detail below.

General Ledger, Profitability, and Budget Analytics

Analytics for the general ledger and profitability incorporate detail-level general ledger transactions and cash flow analysis across locations, customers, products, sales territories, distribution channels, and business units. Sample metrics and reports include cash-flow analysis; current, quick, and working capital ratios; and balance sheet analysis. These analytics also identify the customers and transactions that provide maximum profits by product, location, department, and geographic detail. Sample metrics and reports include operating profit margin, return-on-asset, and return-on-equity performance.

Analytics for budget analysis deliver a single budget data model to support budget analysis and report for Oracle E-Business Suite, PeopleSoft Enterprise General Ledger, and JD Edwards EnterpriseOne General Ledger. Sample metrics include budget versus actual variances for revenue and operating expenses as well as time-series metrics such as year-to-date, quarter-to-date, and current period. Budget analysis analytics also support multiple fiscal calendars that can be directly sourced from enterprise resource planning systems and associated with different ledgers and/or operating units. These analytics support one or multiple adjustment periods per fiscal calendar and provide powerful attributes for period-to-period comparisons and derived measures.

Payables Analytics

Payables analytics provide visibility into expense line detail so managers can maximize cash flow and control expenses. Sample metrics and reports include supplier payment history, outstanding payable balances, and accounts payable turnover analysis.

ABOUT ORACLE BI APPLICATIONS

Oracle Business Intelligence Applications provide complete, real-time, and enterprisewide insight for all users, enabling fact-based actions and intelligent interaction. Designed for rapid deployment at a low cost of ownership, Oracle Business Intelligence Applications are prebuilt solutions that start with the customer, embrace any existing corporate data source, and are seamlessly integrated with Oracle's transactional solutions to increase effectiveness across the entire customer lifecycle.

All Oracle Business Intelligence Applications are powered by Oracle Business Intelligence Suite, Enterprise Edition Plus—a high-performance, highly scalable, and highly reliable next generation BI platform that can be used to extend existing analytic solutions to meet any enterprise BI need. Additional information about Oracle Business Intelligence Applications is available at www.oracle.com/goto/obia

RELATED PRODUCTS

Oracle Business Intelligence Applications include

- Oracle Financial Analytics
- Oracle Procurement and Spend Analytics
- Oracle Supply Chain and Order Management Analytics
- Oracle Human Resources Analytics
- Oracle Sales Analytics
- Oracle Price Analytics
- Oracle Marketing Analytics
- Oracle Loyalty Analytics
- Oracle Project Analytics
- Oracle Service Analytics
- Oracle Contact Center Telephony Analytics

Receivables Analytics

Receivables analytics monitor collections processes to show what customers buy and how they pay, enabling managers to identify overdue balances and other bottlenecks. Sample metrics and reports include customer payment history, collection performance, bad debt-to-revenue ratio, and accounts receivable turnover.

Summary

Across industries, companies are facing increased pressure to grow revenues while holding costs in check. This means ensuring that money spent on efforts to market, acquire, sell to, and service customers is returning the best possible results. It also means that companies need to manage their business operations as cost-effectively as possible so they meet their revenue and profitability targets. Oracle Financial Analytics creates powerful synergies with other Oracle Business Intelligence Applications by ensuring that rich financial insight helps drive all customer, supplier, and workforce decisions so the organization can realize lower costs, increased revenue, and greater profitability.



Oracle is committed to developing practices and products that help protect the environment

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