

Hyperion Profitability and
Cost Management,
Fusion Edition

Statement of Direction

June 2008

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ORACLE

Hyperion Profitability And Cost Management, Fusion Edition Statement Of Direction

PLANNED KEY FEATURES & BENEFITS

KEY FEATURES

- Business user driven profitability modeling
- Flexible allocation platform
- Traceability maps
- Business rules engine
- Model validation reporting
- Hierarchy and dimension management
- Multidimensional calculations
- Powerful analysis and reporting
- Integration with other performance management applications

KEY BENEFITS

- Identify sources and attributes of profitability with multidimensional analysis
- Accurately allocate costs with a flexible allocation engine that supports any methodology
- Gain confidence in cost allocations and revenue flows with graphical traceability maps
- Strategically allocate resources with accurate profitability and cost information
- Improve marketing programs through customer segmentation
- Enable management best practices by leveraging profitability as a performance metric

Can you identify which customer segments contribute most to your profitability? Do you know which products have the highest margins? Understanding profitability and costs in your business is fundamental to improving performance. Oracle's Hyperion Profitability and Cost Management is a new performance management application that provides actionable insights into costs and profitability. This solution drives business performance by discovering drivers of cost and profitability, empowering users with visibility and flexibility, and improving resource alignment.

Discover the Drivers of Cost and Profitability

With increasing global competition and economic uncertainty, finance, sales, and marketing organizations are focusing on accurately understanding the drivers of cost and profitability in their businesses. In fact, obtaining this insight is becoming a leading practice across industries and is increasingly a critical component of EPM implementations.

Hyperion Profitability and Cost Management leverages Essbase, the industry's leading OLAP (Online Analytical Processing) server, for faster, easier, powerful multi-dimensional analysis and scenario modeling. Support for both revenue adjustments and cost allocations provides an accurate and complete understanding of all revenue and cost values.

Empower Users with Visibility and Flexibility

The profitability analysis experience of more than 1,000 customers has been incorporated into this easy-to-use application that manages costs, revenue, and profit so your organization can drive profitability. Unlike traditional ABC/Costing applications, Hyperion Profitability and Cost Management offers a flexible allocations platform for any method including ABC, time estimation, etc. Traceability maps and audit trail capabilities provide new levels of transparency for greater confidence in the numbers.

Improve Resource Alignment

Hyperion Profitability and Cost Management shares a common foundation and is integrated with the other Hyperion Performance Management applications. As such, results from Hyperion Profitability and Cost Management can be easily shared with Planning and other applications. This data can then be leveraged into strategic,

more aligned decisions to improve business performance such as pricing strategy or resource allocations.

Differentiating Features of Hyperion Profitability and Cost Management

Business User Driven Profitability Modeling

With an open, flexible, and easy-to-visualize modeling environment, business users no longer rely on IT or analysts. Business users can follow a suggested path, or create their own process to create, maintain, and deploy their profitability models.

Flexible Allocation Platform

Accurately measuring and allocating both costs and revenue is the key to calculating Profitability. Hyperion Profitability and Cost Management's allocation platform supports your cost and revenue modeling approach whether it uses cascading allocations, custom calculations, ABC, time estimation, or industry-specific revenue adjustments. Multiple allocation methodologies can be combined to form your own custom allocation methodology.

Traceability Maps

Traceability Maps, graphical depictions of allocations, provide a new level of transparency into cost and revenue allocations through multiple steps. Using Traceability Maps, users can verify that business rules have correctly applied the allocations. Traceability Maps can serve as documentation so that independent reviewers are able to comprehend, and if desired, duplicate the allocation algorithm to validate the profitability model.

Business Rules Engine

The Business Rules engine in Hyperion Profitability and Cost Management allows line-of-business personnel to drive application design and rapid iterations. Its intuitive interface makes it easy to build dimensions, hierarchies, metrics, and scenarios.

Model Validation Reporting

Hyperion Profitability and Cost Management provides users with stage-by-stage costs and revenue assignment validation reports for testing the completeness of their Profitability models and reduces the time required for troubleshooting.

Hierarchy and Dimension Management

The dimension and hierarchy management capabilities synchronize metadata across the Hyperion performance management applications. Users can graphically design their Profitability application using existing artifacts from the common Performance Management library in EPM Architect. Dimensions and attributes defined for one model can be used in multiple models.

Multidimensional calculations

Hyperion Profitability and Cost Management is the only packaged profitability application that leverages Essbase, the industry's leading OLAP server, for faster,

RELATED PRODUCTS

Oracle's Hyperion Performance Management Applications, Fusion Edition are a modular suite of integrated applications that support a broad range of strategic and financial performance management processes and enable management excellence. Part of Oracle's enterprise performance management system, Oracle's performance management applications can be quickly and easily deployed out of the box, extended with Oracle's business intelligence product family, or tailored to meet your organization's specific needs.

RELATED PRODUCTS:

Oracle's performance management applications include the following products:

- Hyperion Financial Management, Fusion Edition
- Hyperion Financial Data Quality Management, Fusion Edition
- Hyperion Planning, Fusion Edition
- Hyperion Strategic Finance, Fusion Edition
- Hyperion Workforce Planning, Fusion Edition
- Hyperion Capital Expense Planning, Fusion Edition
- Hyperion Strategic Operational Planning, Fusion Edition
- Hyperion Performance Scorecard, Fusion Edition
- Oracle Crystal Ball, Fusion Edition

easier, powerful multi-dimensional analysis. One point of maintenance makes it easy for an administrator to manage business rules.

Powerful Analysis and Reporting

The data generated by Hyperion Profitability and Cost Management delivers powerful insights for decision-making. Business users can visualize multidimensional information in a highly intuitive manner through user-directed query and analytic capabilities.

Integration with other Performance Management applications

Unlike non-integrated EPM Suite vendors, only Oracle provides an integrated suite of performance management applications that provides a common workspace, common security and metadata management that enables a single point of maintenance for reduced cost of administration and ownership vs. non-integrated point solutions. Integration within the EPM processes enables faster, better decision making and allows organizations to allocate resources more strategically.



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