

ORACLE IS THE INFORMATION COMPANY

“Organizations that employ EPM best practices produce 48 percent fewer reports and are 32 percent more likely to use nonfinancial performance indicators in their reports and plans—both key factors in improving the forecasting and planning process.”

—John McMahan

Leader, Finance Advisory Practice
The Hackett Group.

"By 2010-11, central government spending is forecast to grow to £678 billion per year. This represents £11,000 for every person in the UK. It is the challenge for departments to convert these resources into public services that meet the expectations of service users, while also providing value for money for the taxpayer. Departments' capability to manage their financial resources effectively is crucial to whether they are able to succeed in meeting this challenge."

Source: NAO - Managing Financial Resources to deliver better public services, February 2008

Oracle United Kingdom Public Services

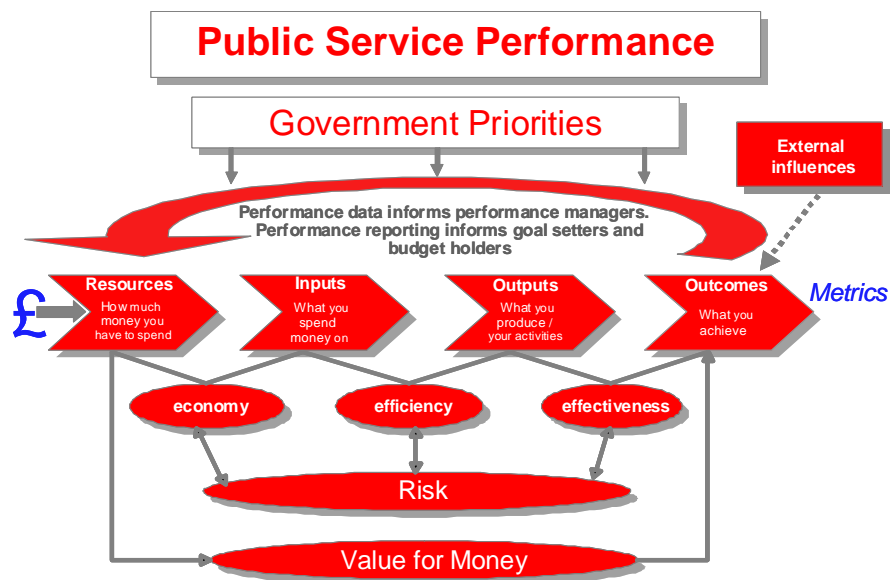
Public Services Performance Management Vision

Executive Overview

Government has never been more challenging. Public sector managers face increasing expectations from citizens, businesses, elected officials, and employees. Pressed to provide services and information to their consumers more efficiently and cost-effectively than ever, these managers are often saddled with legacy information systems that fail to leverage current technology or to provide an enterprise wide view of their organisation. Simultaneously programmes are becoming ever more complex with escalating demands for public accountability and transparency.

The challenge of turning Policy into costed Delivery outcomes within the context of shrinking administration budgets and in some cases shrinking capital and resource budgets demands an even greater need to be able to plan and forecast even more stringently.

Critically how can 'Value for Money' costed outcomes be achieved irrespective of delivery channel with performance information being both internally generated and received from diverse third party systems.



Source: HM Treasury

Figure 1: Public Service Performance

ORACLE'S PERFORMANCE MANAGEMENT APPLICATIONS

Oracle's Performance Management applications are an integrated suite of software modules that unite the entire financial management cycle by linking strategies to plans, continuously monitoring and optimizing execution, and reporting results in a timely, accurate manner. 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.

Oracle's Performance Management applications include the following products:

- Hyperion Financial Management - System 9
- Hyperion Performance Scorecard - System 9
- Hyperion Strategic Finance
- Hyperion Planning
- Hyperion Workforce Planning
- Hyperion Capital Expense

Oracle in Public Sector

Oracle helps Public Sector organisations meet these challenges by offering a family of public services solutions. Only Oracle provides all the key components— database, middleware, and applications, all based on open standards— to help transform organisations in the public sector.

For a number of years the operational efficiency of public services organisations has been improving by implementing ERP (Enterprise Resource Planning) business applications. This has resulted in operational processing efficiencies, obtained through streamlining and standardising core back office business processes. In some cases further cost savings have been derived by moving into a shared services model.

Organisations are now reviewing their existing ERP estate, from a technology and applications perspective in order to identify additional efficiency gains that can be made by further exploiting this extensive ERP and technology footprint. There are a number of aspects to this phase. Most importantly is the ability to recognise how to harness the power of the already built-in integration both from a data, operational and process perspective. The key is being able to release the inherent strategic value from the operational transactions and presenting that value in a coherent manner across all levels of the organisation.

Comprehensive Spending Review

In the context of the Comprehensive Spending Review 07(CSR07) all administration budgets are under further pressure which places an onus on operational managers to work closely with other areas of the business especially finance to discover further areas for improvement. This necessitates a management process for aligning the organisation across all business units and functions to achieve the Departmental Strategic Objectives (DSOs) and deliver against the Public Service Agreements. This process will involve aligning targets from strategic to operational levels, resolving gaps between financial plans and operational constraints and continuously forecasting to keep the organisation on track with its balanced budget.

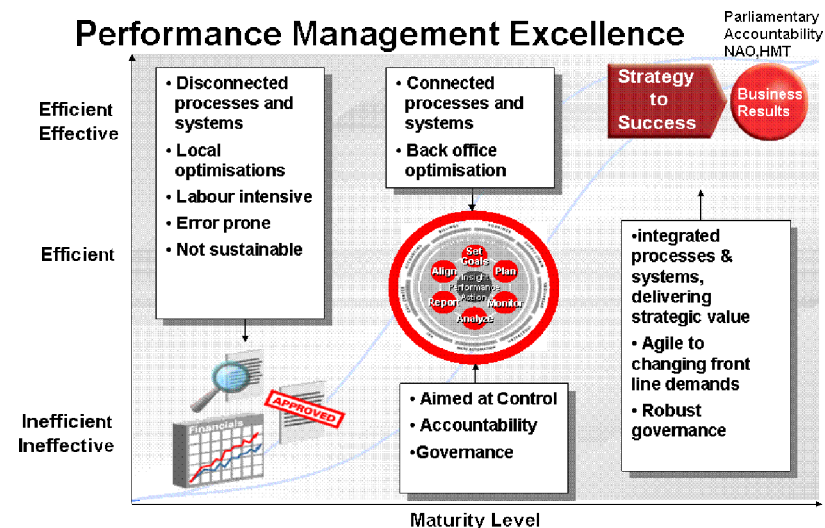


Figure 2: Performance Management Excellence: Maturity Levels

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A comprehensive plan will therefore need to reflect the strategic vision, as constrained by the funding detailed within CSR07, and to analyse deviations from the organisation's stated vision in term of both DSOs and Public Service Agreements (PSAs). From this analysis the appropriate action can be taken and tactical adjustments made to the business plan and where necessary re-evaluate the strategy so that sound financial management, without year-end surprises, is adhered to rigorously.

All of these management processes provide an auditable mechanism for the feedback to all interested parties on the strategic, financial and operational performance of the organisation. The presentation and notification of this feedback can take a number of forms, from role-based dashboards to balanced scorecards.

Oracle Enterprise Performance Management solutions will expedite and support the increasing demands being placed on Public Sector organisations to deliver value for money in an effective and efficient manner. They can provide governance to these management processes so that policy can be better delivered to the citizen with clarity and visibility around the true cost of the outcomes that are expected from the ever-increasing demands of the end consumer.

Enterprise Performance Management: Sustainable Improvements in Financial Performance

Good performance management is crucial to any organisation, and a culture of sustainable continuous improvement is endemic in all of the best performers, both public and private.

Performance Management Process

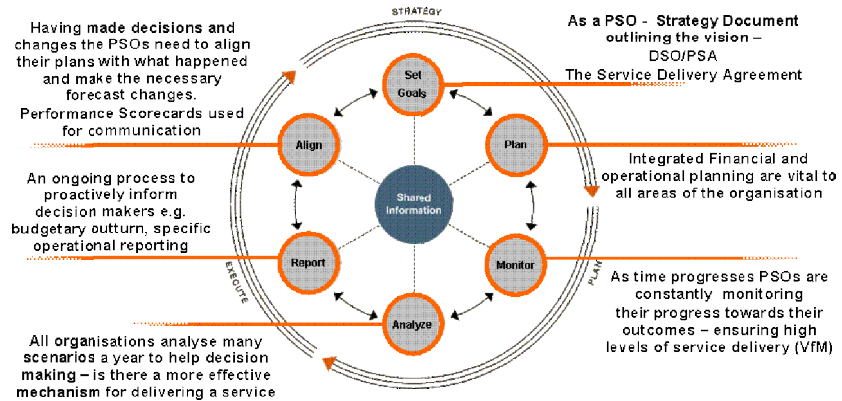


Figure 3: Performance Management Process Cycle: From Strategy to Plan to Execution

With its acquisition of Hyperion, Oracle is now the undisputed leader in Enterprise Performance Management. Over 12,000 organisations worldwide use the Oracle Hyperion suite of applications to support the financial management cycle of goal-setting, modeling, planning, monitoring, analysis and reporting. This comprehensive suite drives excellence by delivering predictable results, shortening business cycles, improving confidence and enhancing compliance.

Business Intelligence: Intuitive, Role-Based Analytics for Everyone

Government at all levels is being reshaped to focus on citizens' needs, with clear performance targets that must be achieved. For finance departments this means understanding and managing the key drivers in a consistent and transparent way. Oracle Financial Analytics provides hundreds of key performance

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indicators including complete, up-to-the-minute information on departmental expenses and contributions. More than 200 reports enable finance managers to lower costs and increase stakeholder value while delivering more accurate, timely and transparent reports. Oracle Business Intelligence solutions deliver intuitive, role-based intelligence for everyone - from front line civil servants to senior executives - to enable better decisions, actions and processes.

From Strategy to Success with Oracle's Performance Management Vision

Leveraging the capabilities of the Oracle EPM System, Oracle is pioneering a series of integrated management processes designed to help organisations achieve Performance Management Excellence.

With Oracle's applications and technology to support these management processes, Public Sector Organisations can achieve cost effective delivery of government strategic objectives. In this context Performance Management is therefore the process by which organisations set strategy and devise the governance, values, processes and controls, to direct people and money, to deliver their strategic objectives in a cost effective way with due regard to risk and opportunities. Hence Oracle is uniquely positioned to be a key partner in helping the Public Sector maximise delivery capabilities against an ever increasing number of policy initiatives and resourcing demands.

CONTACT US

For further information please call on 0870 8768737 and ask to speak to an EPM specialist

Oracle – Number One in Public Sector

<http://www.oracle.com/global/uk/public-sector/index.html>