

INFORMATION DRIVES PERFORMANCE

The Cornerstone for Sustainable Compliance and Growth

Oracle's PeopleSoft Enterprise Financial Management





ORACLE IS THE INFORMATION COMPANY

Information-Driven Financial Management

With Oracle's PeopleSoft Financial Management applications you can gain visibility into business-critical information, maintain tight control over resources, and realize efficiencies by automating and standardizing key business processes.

Achieve profitable growth. Reduce costs. Comply with regulatory requirements. Delivering on these mandates—and pulling ahead of the competition—is no easy task. How do you strengthen financial discipline if your finance department is already strapped for resources? Reduce operating costs if you rely on inefficient manual processes or access data from disparate systems? Beat quarterly estimates without access to business intelligence that empowers strategic decision-making?

Improved performance and sustainable compliance starts with better information. With the PeopleSoft Financial Management integrated family of applications, you gain visibility into business-critical information, strengthen financial discipline and governance best practices, and realize efficiencies by automating and standardizing key business processes.

The result? Employees are empowered to identify the right markets, the right customers, and the right mix of offerings to drive growth using a consistent, unified source of information. Regulatory-compliance tasks are embedded directly into your business processes with enforceable business rules, workflow, and budget controls. And your staff has time to focus on strategic initiatives due to the reduction of redundancies and manual processes.

Visibility – Deliver Better Business Information

State of North Dakota

To accelerate turning its eGovernment initiative into a reality, the State of North Dakota needed to replace its aging main-frame with an online system that would connect 58 government agencies and 10 higher-education institutions. They selected PeopleSoft Enterprise solutions—including PeopleSoft Financial Management, PeopleSoft Human Capital Management, PeopleSoft Student Administration, and PeopleSoft Enterprise Portal—to achieve this goal.

The new system connects online business processes across dozens of state agencies and higher-education institutions into a single enterprise solution. This improves decision-making by providing visibility to information shared between agencies and universities. In addition, by eliminating duplicate systems, automating workflows, and improving business processes, the State of North Dakota estimates saving US\$9.9 million annually.

Create a Unified View of Financial Data

Without a single source of financial truth, it is nearly impossible to gain an accurate view of corporate performance or to make confident business decisions. Yet many companies still manually consolidate and reconcile financial information from disparate legacy or homegrown systems. Not only is this expensive and time-consuming, it often yields errors and inconsistencies that impact everyone in the organization—from the line manager who is unable to identify market opportunities to the CFO who can't get a clear view of available resources for a new strategic initiative.

PeopleSoft Financial Management applications eliminate information silos, creating a consolidated view of financial data. With one consistent version of your enterprise's financial position across complex organizational boundaries, you can more easily monitor enterprisewide performance, adapt to changing business requirements, and shift resources to where they are needed the most.

Many companies have chosen to consolidate numerous financial applications and legacy systems into a single global instance of PeopleSoft Financial Management, leveraging native integration between the applications and streamlining transactional processing and reporting. If you choose to stay with a heterogeneous financial application environment, PeopleSoft Global Consolidations collects and reconciles data from numerous applications, enabling you to monitor, analyze, and report on consolidated performance trends from a single source of data. You can monitor the consolidation process with on-demand, interactive views that allow online drill-down inquiries and audit trails.

With real-time access to financial data that is centralized and automatically reconciled between sources, you can generate accurate reports for more-thoughtful analysis, conduct ad-hoc inquiries that yield actionable results, create accurate forecasts for greater accountability, and drill down into details that expose both problems and opportunities. With PeopleSoft, you make faster, more-informed decisions that boost bottom- and top-line performance.

Monitor Performance from the Desktop

Maintaining your competitive advantage requires monitoring the pulse of your organization constantly—to detect issues before they become problems. Oracle offers several solutions, including PeopleSoft CFO Portal or PeopleSoft Government Portal, to help you gain visibility into organizational performance. The portals aggregate and organize data from different sources and then deliver business intelligence to your desktop via a personalized dashboard.

To make sure you stay on track, reports, business analytics, and key performance indicators (KPIs) help you assess performance. KPIs constantly compare actual performance against the target parameters that you define. If a KPI moves out of an acceptable range, the appropriate decision-makers receive an alert so they can respond proactively. Because it eliminates manual compiling and reconciling of results, PeopleSoft CFO Portal and PeopleSoft Government Portal help you focus on making the best decisions for your organization.

Align Information and Resources with Strategic Objectives

Every CEO dreams of having each person in the organization working toward the same goal. With access to real-time information, employees at all levels of the organization can monitor performance and evaluate results against individual and corporate goals. PeopleSoft Financial Management and PeopleSoft Financial Analytics solutions offer a fully closed-loop, plan-to-measure process that helps you keep resources aligned with strategic objectives.

Using real-time business intelligence, sophisticated workflow, and linked plans and budgets, you can execute on changes to strategies immediately. With insight into enterprisewide costs and resource requirements, you can perform what-if scenario modeling to forecast the impact of plans on resources, revenue, and profitability. And to identify trends and variances, you can analyze enterprisewide operational data with the analytics embedded in PeopleSoft solutions. PeopleSoft Financial Analytics applications, part of the PeopleSoft Enterprise Performance Management family, complete the process by enabling you to assess whether you are meeting goals—or whether you need to adjust plans to head-off the competition.

City of Oklahoma City

The City of Oklahoma City needed to replace its multiple financial and human-resources systems with a single solution that would provide a unified view of all data. In just seven months, the City implemented its PeopleSoft Enterprise applications.

By supplanting the previous aging systems with a single system that everyone in the organization can access, Oklahoma City has increased the efficiency and cost-effectiveness of routine activities such as payroll processing and bank reconciliations. The 400 users who now access the unified system can also easily run reports to monitor budgets, capital assets, and inventory without depending on error-prone manual processes that involve ancillary spreadsheets and database software programs.

Fact: Key technologies can reduce Sarbanes-Oxley costs 25 percent, according to AMR; or 50 percent, according to Gartner. (compliancepipeline.com, June 16, 2005; Gartner Symposium/ITxpo 2004)

“We are actually changing our financial processes to take advantage of the certified best practices and world-class business processes delivered in PeopleSoft Enterprise, all of which are enabling us to meet our corporate goals of top-tier operational performance and increased financial transparency.”

Jill Israel, Vice President of Financial Processes, Entergy, Inc.

Control – Strengthen Financial Discipline and Achieve Sustainable Compliance

Entergy

A vertically integrated energy company with US\$9 billion in annual revenues, Entergy uses PeopleSoft Financial Management applications to improve operational efficiencies, streamline regulatory and statutory reporting, and strengthen risk management. With certified finance best practices and business processes driving operational efficiencies in key areas, such as vendor payments and billing, Entergy has been able to cut its accounting workforce by 24 full-time employees—a 14-percent reduction—just three months after the technology implementation. Comprehensive business-process maps and documentation streamline the Sarbanes-Oxley 404 documentation process. A single source of financial information simplifies reporting to federal and state regulators. And an automated, end-to-end billing process easily handles Entergy’s US\$1 billion in annual “miscellaneous” receivables.

Achieving profitable growth in today’s competitive environment demands rigorous financial discipline. Every dollar spent should support the company’s strategic objectives—and spending must stay in line with carefully planned budgets. Regulatory requirements raise the ante by requiring companies to document and test financial controls to ensure they are working properly. With a solid controls-based environment, enterprises minimize and manage risk more effectively, comply more easily with regulatory requirements, and enhance their ability to maintain profitable growth.

Build a Sustainable Compliance Architecture

Many companies responded to stringent new regulatory requirements—such as Sarbanes-Oxley, International Financial Reporting Standards (IFRS), and Basel II—by sinking massive resources into processes that document, record, report, and audit materials and controls. Spreadsheets and other poorly integrated systems were used to collect, manage, and publish information—a time-consuming, manual process. Now that the initial deadlines have been met, these organizations are realizing that, to achieve ongoing compliance, the cost of managing it must come down.

PeopleSoft Financial Management applications provide a sustainable compliance architecture that ingrains compliance into daily operations and policies. The applications include embedded controls to automate process flows and enforce compliance across the organization. Examples include cross-validation; 2-, 3-, and 4-way matching; tolerance limits; and workflows to enable sustainable compliance in all business processes. An automated approach reduces risks by enforcing business rules and simplifies the auditing activities for these controls.

By implementing a single global instance of PeopleSoft Financial Management for all of your operations, or using PeopleSoft Global Consolidations to create a unified source of data and results, you ensure the consistency and reliability of your data and provide the foundation for applications that help you integrate controls into business processes in the most cost-effective manner.

Fact: Companies using an ad-hoc approach to compliance may spend between six and ten times more than their counterparts who take a proactive approach to managing all their regulatory requirements.

PeopleSoft Internal Controls Enforcer automates and enforces internal controls required under Section 404 of Sarbanes-Oxley. This application has comprehensive survey tools for internal-control documentation and delivered diagnostics that continuously monitor automated, system-based controls. When there is a change in transactional-system controls, alterations in business processes and action plans, or rules violations, an alert is sent to the compliance manager for review and action. This functionality enables you to audit initial system configuration and table structures—including business rules, authority, and limits—to enforce segregation of duties and approval amounts.

You can also use PeopleSoft Internal Controls Enforcer to manage multiple compliance projects—such as those associated with Sarbanes-Oxley, IFRS, internal audit, and operational risk. Each project individually controls all aspects of the process. Separate or shared document repositories are used for risks, controls, and tests. And there is no need to install separate versions of the application on separate servers.

In addition, PeopleSoft Internal Controls Enforcer delivers real-time visibility into the performance of internal controls to business units, internal audit, and external audit using desktop dashboards. Users can view the status of companywide or process-specific signoffs, unsatisfied control objectives, and ineffective controls. Graphical charts provide drill-down into detailed business process and control worksheets. Management can view key metrics for monitoring the status of companywide sign-offs, action plans, unmitigated risks, and ineffective controls by percentage and actual number.

Control Spend

PeopleSoft Financial Management solutions also include features that monitor spend against predetermined budgets. For example, several PeopleSoft applications use Commitment Control, a feature that monitors spending commitments and expenses by checking cumulative expenditures against authorized budgets. Organizations can increase expenditure limits automatically in relationship to budgeted, recognized, or collected revenue. Users can also view open encumbrance balances and purchase orders to facilitate period-end and year-end processing.

Southern Methodist University

To avoid drastic budget cuts and layoffs, Southern Methodist University selected PeopleSoft Financial Management and Campus Solutions applications to improve financial processes, controls, and fiscal integrity. Using the system's commitment-control and workflow functions, university officials aggressively monitor and control campuswide spend. Armed with monthly budget reports, the finance staff makes better decisions about how and where to spend the university's money. By reducing manual processes and instituting best practices, Southern Methodist University has realized US\$75,000 to US\$100,000 in annual administrative savings.

“We wanted a leading solution that enabled us to process large volumes and standardize on the latest accounting rules and standards. When it came to scalability, global reach, and quick ROI, PeopleSoft Enterprise Financial Management was the clear winner.”

Daniel Sitbon, Head of IT Finance Projects, Corporate Investment Banking, Société Générale

Efficiency – Improve Business Processes and Drive Down Costs

Société Générale

Société Générale Corporate Investment Banking wanted to establish a global accounting platform across its operations in 45 countries, with common standards, procedures, and tools. It chose to implement PeopleSoft Financial Management. By moving to a single PeopleSoft finance system, Société Générale estimates a 30-percent reduction in IT costs and a 50-percent reduction in accounting errors. The system manages five million daily transactions and seven million daily entries on a worldwide basis. In addition, the global functionality and faster, more accurate reporting supports compliance with International Financial Reporting Standards.

To optimize the use of working capital, you need to ensure the most effective and efficient use of your limited resources and streamline your operations to reduce expenses and determine the most advantageous use of cash.

Eliminate Discrepancies with a Single Source of Truth

By using a single global instance of PeopleSoft Financial Management or a consolidated reporting model with PeopleSoft Global Consolidations, you can eliminate the time spent manually combining and reconciling results for reporting, planning, and analysis. This greatly reduces calculation errors generated during manual processes and ensures consistent report generation across all entities and divisions within your company. Now you won't have to determine whose version of results or an analysis is correct.

Improve Results with Automated and Self-Service Business Processes

Automating manual processes can reduce costs as well as improve process accuracy and efficiency so you have the resources you need, when you need them. PeopleSoft applications support financial best practices by automating invoice matching, cash posting, routing of exceptions, multicurrency translation, intercompany transaction posting, depreciation calculations, updates to the general ledger, recurring payments, and more.

PeopleSoft solutions also include self-service applications, such as PeopleSoft eSettlements. Used in conjunction with PeopleSoft Payables and PeopleSoft Purchasing, PeopleSoft eSettlements streamlines invoice processing and dispute resolution—and helps you take maximum advantage of early payment discounts. Suppliers can send invoices electronically or enter invoices online using Electronic Data Interchange (EDI) or eXtensible Markup Language (XML). You can approve invoices and manage exceptions using prepackaged workflow that defines appropriate rules and roles. Invoice line items are routed for approval to different managers simultaneously, resulting in faster payment processing. By extending self-service and collaborative tools to your suppliers, you reduce disruptive inquiries so staff can stay focused on core activities.

Integrate Critical Business Functions Along the Financial Value Chain

Integrating processes across your enterprise can enhance efficiencies by improving communication, planning, and the deployment of resources. PeopleSoft Financial Management applications integrate their processes across the financial value chain using integration points across

supplier, customer, financial, human resources, and other systems to speed up the flow of information and funds. By leveraging information across these areas, you realize efficiencies by making critical business information visible and actionable in real time.

For example, PeopleSoft Asset Lifecycle Management applications break down data silos and integrate the functions of planning, acquiring, operating, maintaining, and renewing the organization's asset base. PeopleSoft Asset Lifecycle Management applications capture costs and capitalize, retire, and transfer assets and components within the organization. With access to data on equipment cost histories, developing and implementing your acquisition strategy is easier—and you can readily incorporate this information into the budgeting and planning process. You can also proactively manage equipment warranties, emergency work orders, and preventive maintenance. In addition, you can determine whether your maintenance team is meeting service-level agreements, staying within budget, and performing maintenance on schedule. PeopleSoft Asset Lifecycle Management applications help you extract maximum value from your IT and operating assets while minimizing costs.

Optimize the Use of Cash

PeopleSoft Financial Management applications also help you take advantage of opportunities to maximize the use of working capital. For example, when it comes to your payables operation, flexibility and responsiveness is crucial. PeopleSoft Payables streamlines your accounts payable operations and enhances supplier relationships by ensuring rapid and accurate payments. With automated discount calculations and prepayment support, you also ensure effective and efficient cash management. You can take maximum advantage of discounts, while still paying suppliers on their individual terms. And you can manage your cash more effectively by considering any number of variables—including due date, discount offered, and amount of cash on hand—before authorizing payment.

PeopleSoft Receivables efficiently handles customer invoices, streamlines invoice processing, and rapidly resolves credit and collection issues. By tracking, analyzing, and managing payments and deductions, you always have an accurate view of customer balances and credit histories. By analyzing open invoices and vouchers, you can precisely predict future cash flow, minimizing the risk associated with unexpected shortfalls and maximizing opportunities to utilize excess cash.

State of Connecticut

To streamline the finance functions across all 65 of its executive branch agencies, the State of Connecticut adopted PeopleSoft Financial Management. As a result, the state has established uniform business processes and completely automated its source-to-settle process—from requisition, approval, encumbrance, and purchase order to invoice, payment, and reporting. Handling payroll for the entire state, including the judicial and legislative branches and the state university system, PeopleSoft Financial Management also helps the state control costs, balance budgets, and maximize taxpayer revenue.

An Integrated Family of Financial Management Applications

Lower Your Total Cost of Ownership

Why divert your scarce IT resources to routine maintenance tasks? Oracle On Demand, a complete software-management service, can help you reduce your IT costs to a predictable and low monthly fee.

As part of this service, Oracle manages your PeopleSoft Enterprise software to keep your applications available, secure, and up to date—making your organization more productive. Access to the latest capabilities unlocks the value of your IT investments while freeing your own IT personnel to focus on strategic projects.

Oracle's PeopleSoft Enterprise Financial Management family of applications automates and streamlines all your financial business processes—to improve visibility, enforce control, and increase operational efficiency.

Financial Business Process	PeopleSoft Products
Financial Control and Reporting	General Ledger Global Consolidations
Governance and Compliance	Internal Controls Enforcer
Financial Analytics	Scorecard CFO Portal, Government Portal Activity-Based Management Planning and Budgeting
Procure-to-Pay	Payables eSettlements
Credit-to-Cash	Billing Contracts Receivables
Asset Lifecycle Management	Asset Management IT Asset Management Maintenance Management Real Estate Management
Cash and Treasury Management	Cash Management Deal Management Risk Management
Travel and Expense Management	Expenses Mobile Time and Expense

CONTACT US

For more information on how your organization can leverage the power of PeopleSoft Financial Management, please visit oracle.com/applications/peoplesoft/financial_mgmt/ent or call **+1.800.ORACLE1** to speak to an Oracle representative.



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