WHY CFOs SHOULD PAY ATTENTION TO **ENTERPRISE PERFORMANCE MANAGEMENT**

CLOUD-BASED EPM SOLUTIONS HELP FINANCE MANAGE WITH AGILITY AND SPEED

If your finance team isn't leveraging Enterprise Performance Management (EPM) to better understand and run your business, you're ignoring a valuable tool that can help you plan for continuity and growth. EPM enables finance to model scenarios; better forecast cash and re-forecast sales and key expenses; communicate strategy across the enterprise with collaborative narrative reporting, and more.

What is EPM, exactly? It includes the processes designed to help organizations plan, budget, forecast, and report on financial results. While often tied to enterprise resource planning (ERP) systems, EPM software complements ERP by providing insights that can be used to better analyze operational data. In other words, ERP is about operating the business—the day-to-day transactional activity—and EPM is about managing it.

Today, EPM software delivered in the cloud is considered critical for managing all types of organizations, since it links a company's financial and operational data for deeper insights and ultimately drives strategy, planning, and execution. Cloud-based solutions, specifically, provide real-time access to internal and external data, and are automatically updated with the latest technologies and features, and reduce IT costs—among other benefits.

With finance at the helm, EPM business processes can help organizations understand their data and use it to make more informed decisions. Managers can improve performance across the business by measuring results against forecasts and goals and using analytics to identify key trends and predict outcomes.

Need further proof that cloud-based EPM is right for your business? In a recent survey from Oracle, **"Measuring the Value of Enterprise Performance Management (EPM) Cloud,"** 72 percent of Oracle EPM Cloud customers said they have received significant benefits from the solution, including shortening the financial close, delivering more accurate reporting, and automating planning and budgeting processes.

This ebook outlines why now is the time for CFOs to pay attention to cloud EPM, the steps you can take to get started, and the characteristics of a top-tier cloud EPM solution.

WHY CLOUD EPM SHOULD BE ON THE CFO'S RADAR, RIGHT NOW

In an environment of constant change, and economic uncertainty, cloud-based EPM solutions enable CFOs to streamline their processes and manage their businesses with agility and speed—all while cutting costs associated with forecasting and reporting. Modern EPM solutions help CFOs understand how, when, and where to adjust to disruptions.

The evidence is compelling. In Oracle's EPM survey, respondents reported many quantifiable results, including:

- **72% decrease in manual adjustments**
- **71% decrease in budgeting cycle time**
- **44% reduction in time to product management reporting**
- **27% increase in value-added analysis**
- **20% reduction in time to close the books**

A TRULY CONNECTED EPM SOLUTION COMBINES DATA AND PLANS FROM SALES, MARKETING, IT, AND HR, PROVIDING THE CFO WITH A 360-DEGREE VIEW OF THE BUSINESS

But those are just some of the potential gains. A next-generation EPM solution enables finance teams to shift from manual adjustments, processes, and spreadsheets to more analysis and decision making by incorporating advanced technologies such as AI and machine learning. Using predictive analytics and machine learning in the planning process helps to uncover hard-to-spot data patterns and insights faster, thereby improving forecast accuracy and the quality of decisions. Automation of labor-intensive tasks such as account reconciliations, transaction matching, consolidation, close-process orchestration, and disclosure management allows organizations to redeploy employees to more strategic and rewarding work.

In fact, a **recent study** revealed that organizations that adopt AI and other emerging technologies in finance and operations are growing their annual profits 80 percent faster. And 72 percent of organizations using AI have a better understanding of overall business performance. This also positions the CFO as an innovation leader looking to leverage the latest technology for the finance function and beyond.

The value of EPM also extends beyond corporate finance. A truly connected EPM solution combines data and plans from sales, marketing, IT, and HR, providing the CFO with a 360-degree view of the business.

GETTING STARTED AND BUILDING MOMENTUM

Once a company has decided to adopt a cloud-based EPM solution, the CFO should consider one critical thing: how processes can—and should—change. If you're just going to replicate on-premise processes in a cloud environment, you're not leveraging the benefits of the cloud to optimize planning, reporting, and the financial close.

Many people incorrectly assume that lower IT costs are the primary driver for shifting finance functions to the cloud. While total cost of ownership is a key point of value, the cloud also offers the opportunity to more easily adopt best practices, and provides greater agility in core finance functions. Once you get started, EPM can deliver quick-win benefits in efficiency and speed by automating manual work. It can take as little as six to eight weeks to implement cloud EPM, spreading the benefits across many users and multiple lines of business.

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CHECK OUT THESE THREE SUCCESS STORIES FROM COMPANIES THAT ARE ALREADY SEEING RESULTS

DITCHING THE SPREADSHEETS

Many companies take a modular approach to adopting cloud-based EPM. They may start with processes where the pain of manual spreadsheets is especially acute, such as the planning or account reconciliation process.

Success Story No. 1

A global fast-food chain shaved 30 percent off their budget cycle time when they quit performing "spreadsheet gymnastics" and implemented planning in Oracle EPM Cloud. The company needed flexibility to keep pace with rapid growth through mergers and acquisitions, so it then looked to financial consolidation and close in Oracle EPM Cloud. They were able to leverage out-of-the-box functionality for reporting, cash flow, and task management and integrate new acquisitions rapidly.

SETTING THE PACE FOR BETTER BUSINESS PARTNERSHIPS

Success Story No. 2

A global bicycle parts manufacturer took a strategic approach to moving from an on-premise solution to the cloud. The company standardized their processes so that their finance team could spend more time on value-added analysis and become better business partners. Financial consolidation and close in Oracle EPM Cloud enabled a simpler, faster consolidation process.

ADDING FANS BY LEVERAGING BETTER DATA

Success Story No. 3

A major North American sports team is using Oracle ERP Cloud and Oracle EPM Cloud to handle financials and more. The NBA team leverages the analysis and reporting capabilities in Oracle EPM Cloud to generate executive reports on data points such as season-ticket-holder retention, fan experience, sponsor engagement, and social media investment. They also use real-time reporting to keep executives in the loop on financials and KPIs. They are looking at using artificial intelligence and machine learning to achieve a touchless close process. Plus, they appreciate having HR data close at hand, as it helps them retain their top talent.

THE CHARACTERISTICS OF **A WINNING EPM SOLUTION**

EPM solutions should include functional breadth and depth, scalability, and have the flexibility to address needs across the business. But this isn't always the case, and many solutions fall short. Here are the key questions to ask when evaluating an EPM cloud solution:

IS IT COMPLETE?

A complete EPM solution includes planning, financial consolidation, close process management, account reconciliation, profitability and cost management, internal and external reporting, and tax reporting. And, finally, there's the management and alignment of master data across EPM and other applications—an important function that connects data for greater visibility among teams. Having capabilities to address all these areas is one hallmark of a complete EPM solution that meets the needs of not just finance, but sales, marketing, IT, supply chain, and human resources.

In addition to breadth, you want depth of functionality. Purpose-built EPM solutions that incorporate best practices allow you to configure capabilities to fit your specific needs and allow you to be up and running quickly.

IS IT CONNECTED?

Disconnected EPM applications add risk and complexity. If a customer goes with one solution for planning, a different solution for consolidation, and a third solution for reporting, they will end up playing system integrator to make these solutions work together. Also, different vendors will have different update schedules, and updates will likely break these integrations, adding to overhead. A cloud suite of connected business processes that refresh regularly on the same schedule eliminates these issues: You can reduce risks and costs while benefiting from continuous innovation.

IS IT FLEXIBLE?

You need the flexibility to deploy and configure each EPM process independently—not the same way, and not at the same time. However, you need to be able to connect them seamlessly to achieve connected data and process flows as well as integrated reporting and analytics. A modular cloud-based EPM solution allows for flexible deployment based on your timeline, your needs, and your priorities. Modules are designed to integrate and work well together, but it's not a monolithic one-size-fits-all application. And, you can reconfigure a subset of processes to meet evolving needs without disrupting the entire solution.

CONCLUSION

As a CFO, you're focused on making smart decisions about your organization's future. A complete, connected, and flexible cloud EPM solution, such as Oracle EPM Cloud, can help by speeding your planning and financial close processes improving forecasting, and providing visibility and communication across your business.

Learn more about how Oracle Cloud EPM can help you and your finance team support business continuity and growth by visiting **oracle.com/epm.**

ABOUT **THE SPONSOR**

The Oracle Cloud offers a complete suite of integrated applications for Finance, Sales, Service, Marketing, Human Resources, Supply Chain and Manufacturing, plus Highly Automated and Secure Generation 2 Infrastructure featuring the Oracle Autonomous Database. For more information about Oracle (NYSE: ORCL), please visit us at **www.oracle.com**.

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