Measuring the Value of Oracle Fusion Cloud Enterprise Performance Management
Achieving Strategic Goals with Oracle EPM

Digital transformations are helping organizations focus on important initiatives

The business landscape has been drastically altered in the last few years. Now companies are preparing for whatever comes next, including global inflation, rising global interest rates aimed at taming inflation, continued geopolitical turmoil, and talent shortages.

In an environment of volatility and constant change, digital transformation initiatives are also in motion. Companies have been embracing cloud-enabled technologies faster than ever as part of this transformation. Our latest 2022 Value of EPM Survey reveals that Oracle Fusion Cloud Enterprise Performance Management (EPM) provides benefits that go beyond operational and efficiency gains. For example, Oracle Cloud EPM is helping organizations increase their focus on important projects such as environmental, social, governance (ESG) initiatives and connected planning.

“The macro environment is changing far more dynamically — for example supply chain electronic shortages, inflation, and shipping challenges — than our internal processes are capable of managing.”

Supply Chain Manager, global healthcare company
To better understand why organizations have moved to Oracle Cloud EPM, their business processes, and the benefits they achieved, Oracle surveyed more than 500 finance professionals. Surveyed companies were at various stages of their EPM technology journey: some had already implemented Oracle Cloud EPM, some were contemplating the move, and others were not yet ready to move at this time.

Companies from over 22 industries responded to the survey, with the largest groups in healthcare, financial services, professional services, high tech, and manufacturing. Respondents represented many regions of the world, with most participants based in North American (73%). Company sizes varied, with 20% of companies reporting more than a billion dollars (USD) in revenue (or government budget). More than 54% of respondents were VP-level or higher.

*Respondents came from a variety of industries*
We asked questions to understand companies’ current financial processes, challenges, goals, and benefits gained by moving to the cloud. Survey responses indicated that Cloud EPM offers an alternative to spreadsheets, traditional on-premises tools, and niche solutions that are insufficient in today’s dynamic environment.

Leveraging results from the 2022 Value of EPM Survey, this paper takes a closer look at the current state of EPM business processes and how Oracle Cloud EPM is helping organizations in the areas of planning, ESG, financial close, and enterprise data management – enabling them to prepare for whatever comes next.

**Digital transformation initiatives rise in importance**

Similar to what we found in our 2020 survey, the need to work better remotely and improve collaboration remained the top two reasons customers moved to Oracle Cloud EPM. Other reasons included cost-related motivations such as lower total cost of ownership and wanting to avoid on-premises upgrades and infrastructure investments in addition to rapid access/automatic updates to new EPM capabilities. However, a new reason appeared in this year’s responses: 23% said that moving to Oracle Cloud EPM is part of their digital transformation initiatives.
What prompted your move to Oracle Cloud EPM?

- 32% Improve collaboration and communication
- 32% A need to work better remotely
- 27% Want to avoid on premises upgrades
- 25% Lower total cost of ownership
- 24% Want to avoid infrastructure investment
- 23% It’s part of our digital transformation initiative
- 23% Rapid access/automatic updates to new EPM innovations
- 22% Rationalizing multiple EPM systems

In addition, 82% of those surveyed felt it was important to have all aspects of EPM from one vendor. This sentiment makes sense given current economic conditions in which companies are looking to use technology to manage through a slowdown, control costs, and come through the slowdown in a better position—and that often includes assessing where to simplify and consolidate systems and solutions.
The Planning Process

The future of EPM is streamlined and connected

Regardless of the industry, organizations are facing accelerated change, whether it’s a changing workforce, supply chain challenges, economic uncertainty, competing with industry disrupters—the list goes on. As organizations manage through rapid change, they face a myriad of challenges with planning and budgeting, such as manual processes, data siloes and inaccuracy, lack of integration with line-of-business systems. Traditionally, organizations have relied on various tools such as spreadsheets and manually reconciling data from disparate systems to help them with planning and budgeting. But those tools are resource-intensive, prone to error, and don’t provide a holistic view into the organization.

Connecting planning processes between finance and operations remains a top challenge for those who have not moved to Oracle Cloud EPM. Similar challenges were expressed in our 2020 survey.

“We have many “companies” in our organization - we need a seamless way to connect all of them together.”

Analyst, hospitality company, North America

Top planning challenges

- Inefficient, disconnected processes
- Lack of access to timely data
- Lack of budgeting and forecasting tools
Planning in the cloud results in efficiencies and improved accuracy

Customers spanning a variety of industries and geographies experienced a wealth of benefits using Oracle Cloud EPM for planning and forecasting. For example, Oracle Cloud EPM helped customers decrease the use of spreadsheets by an average of 40%. As indicated earlier, spreadsheet use is a top planning challenge among non-customers. Oracle customers are also realizing many additional operational gains and boosts in accuracy from the transition to Oracle Cloud EPM. The most frequently cited benefits were reducing the number of days to forecast per cycle, improving accuracy of forecasts and improved flexibility of planning and forecasting.

“Easier for the business to see and interact with their own numbers, they can share more of the load with us on preparing forecasts, so we don’t need to consolidate manually”

Senior Director, public sector organization, North America

“Faster data collection, fewer errors”

Finance Senior Manager, financial services company, Europe

- 45% fewer days in monthly planning
- 17% more time spent on taking action
- 61% reported improving forecast accuracy
- 51% reported less time in annual planning
Oracle Cloud EPM customers connect planning and drive ESG efforts a great deal more

Operational gains are not the only benefits planners experience. This year, we researched how customers are adopting Oracle Cloud EPM for expanded planning capabilities and processes. Oracle Cloud EPM customers are more likely to connect financial and line-of-business planning than their non-Oracle customer counterparts.

ESG reporting has also become top-of-mind for organizations in the past few years as investors, customers, employees, and other stakeholders prioritize investing in, doing business with, or working for organizations with a strong commitment to ESG. Dow Jones predicts that ESG investments will more than double in the next three years, accounting for 15% of all investments by 2025.¹

Most of our respondents (76%) projected that ESG initiatives will have a high to moderate impact on their business over the next 12 months—and our customers show that they are more likely to be using EPM to support ESG initiatives.

The Financial Close Process

Inefficient manual processes and spreadsheets were overwhelmingly the most frequently cited challenges in financial close. These types of challenges have consistently appeared in prior surveys for non-Oracle Cloud EPM customers. Another common challenge is the cumbersome account reconciliation process many face. This financial close complication is often cited as the leading cause for delays in the financial close cycle.

Top financial close challenges

- Inefficient manual processes and spreadsheets
- The need to modernize close processes
- Cumbersome account reconciliation
A faster and easier complete close in the cloud

Top benefits for Oracle Cloud EPM customers include reduced time to close, a less complex financial close process, and increased agility with pre-built functionality.

- 39% saved time and gained agility with pre-built close functionality
- 57% reduced the number of days to close per cycle
- 77% reduced the time to produce and deliver reports

“Simplified consolidation process and month-end close. All reports were put into one system and pulled from [Cloud] EPM rather than multiple systems and Excel.”

Senior Director, worldwide tire manufacturer

The account reconciliation process, a primary challenge indicated by non-Oracle Cloud EPM customers, was dramatically improved by those who moved to Cloud EPM.

- 62% improved their efficiency with transaction matching
- 62% drop in spreadsheet use for transaction matching

“We can now spend more time analyzing the data and making changes based on what we find.”

Senior Manager, worldwide healthcare company
The Enterprise Data Management Process

Transforming faster in the cloud

This year, we included questions about managing financial master data using Oracle Enterprise Data Management (EDM). We found that Oracle EDM helped customers experience faster digital and finance transformations through simplified chart of accounts redesign as well as less configuration time per application.

Our research shows that Oracle EDM customers cited improved productivity and efficiencies when it comes to managing routine chart of account changes (such as adding a new cost center) or managing more transformative structural changes (such as mergers and acquisitions) as their top benefit, with most of them realizing these benefits in as little as three to six months. These organizations adapt and respond to business changes faster while also gaining efficiencies and transparency.
Oracle EPM helps organizations focus on the future

Finance teams that adopted Oracle Cloud EPM achieved significant benefits and were able to better navigate volatility and change. They transitioned from disconnected planning, manual spreadsheets, and complex close processes to an environment that supports connected planning to make faster, more accurate business decisions. Oracle customers improved collaboration, upgraded remote-work processes, reduced their technical debt, and accelerated digital transformation. They were also more likely than non-customers to have improved ESG insights and data collection, which will continue to gain importance as ESG reporting rules evolve.

In a time when speed and agility are more critical than ever, Oracle Cloud EPM customers have a clear advantage.

Explore a move to Oracle Cloud EPM

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