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# Future-ready EPM: the essential features of an optimal solution

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## HIGH-PERFORMANCE BUSINESSES DEPEND ON BEST-IN-CLASS EPM SOLUTIONS

More than ever, the management of successful organizations relies on the critical information obtained from business results and operations. Planning and forecasting are shots in the dark without comprehensive, accurate and consistent data about the most important operational aspects of the business. Organizations that have fully realized this new reality are deploying modern cloud-based enterprise performance management (EPM) solutions that give them fast access to such vital information—enabling them to be winners in their markets. Modern EPM solutions also enable better insights and make it possible for businesses to find new growth avenues.

As the speed of business increases, along with the level of competition, legacy systems used to deliver critical operating data just can't keep up. Such systems need a lot of manual intervention to collate, integrate and create reports from fragmented and siloed data, and that means the information arrives too late to give the business the advantage it needs. What's more, manual processes can lead to errors, making the reports less reliable, and manual integration processes become rigid and inflexible. It's a recipe for failure: Useful and insightful data takes far too long to generate, and it may not be dependable enough to form the basis for major decisions.

## THAT'S WHY ORGANIZATIONS NEED A NEXT-GENERATION EPM PLATFORM

Advanced EPM solutions have a number of key features that deliver much more value to the business. First, they connect and integrate vast amounts of operating and financial data within a single platform to provide truly comprehensive and complete information. They also have a high degree of flexibility, allowing analysts and executives to model different scenarios and easily see different views or segments of the data. And they use new artificial intelligence and machine learning technologies to optimize business processes, delivering greater efficiency and improved data accuracy, which guides more insightful decisions.

Besides surpassing the performance of legacy systems, next-generation EPM implementations are much faster. Generating critical reports or analyses takes minutes instead of hours or weeks, cutting the time needed to understand business results and respond appropriately. Next-generation EPM also provides far greater insight. With comprehensive data, the ability to get into more detail or focus on key issues greatly increases. And with a more comprehensive perspective, it's possible to view the organization as an ecosystem in which one part affects other parts in unexpected ways.

In short, enhanced speed, insight and flexibility create a strong demarcation between legacy and next-generation EPM.

[Independent analyst groups](#) routinely acknowledge Oracle is an EPM leader, delivering best-in-class solutions with the most important features and capabilities. With Oracle EPM Cloud, organizations can complete financial close faster, be more agile in their planning and forecasting, support more impactful analyses and enable their finance teams to meet corporate demands like never before.

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Advanced EPM solutions connect and integrate vast amounts of operating and financial data within a single platform to provide truly comprehensive information.

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## 10 ESSENTIAL CAPABILITIES FUTURE-READY EPM MUST PROVIDE

Any organization committed to realizing the full value of EPM knows that choosing the right solution is critical. To help you make the right choice, the following list highlights the must-have features for supporting best-practice business processes. All of these capabilities can be found in Oracle EPM Cloud, which can help your organization take advantage of best practices that fit the business rather than try to fix or rebuild historical processes from a legacy implementation.

- 1 A complete suite**—Your EPM suite should address the needs across the entire CFO office, including comprehensive financial close, enterprise-wide financial and operational planning, allocation of profitability and cost across the business, and both statutory and management reporting and analysis processes. An EPM solution should also provide seamless connections across EPM processes, so actual results from financial close directly feed plans and forecasts, for example. Equally important, it should integrate seamlessly with core ERP systems. This ensures consistency and eliminates fragmentation of data and data “black holes.” Oracle EPM Cloud provides the full suite of business processes and best practices to deliver value to CFOs and their teams.
- 2 Broad integrated planning capabilities**—Modern EPM must deliver substantial enhancements to the planning function, including better capabilities for long-range strategic planning, better financial and operational planning features, and a single enterprise view of the plan, budget and forecasts. The integration of planning activities makes it possible to better balance both strategic and tactical options for changes or new processes that will drive business success. This functionality eliminates mistakes that can be made when different plans rely on inconsistent processes.
- 3 Advanced predictive planning**—Augmenting traditional planning processes with advanced predictive planning that utilizes a number of statistical forecasting methods has become increasingly important. Such capabilities remove bias and improve the accuracy of plans and forecasts, leveraging formal forecasting techniques such as regression and time-series analyses along with expert opinion and other, less formal methods. The EPM platform must provide a number of different formal forecasting methods and the ability to analyze each to find the one with the best fit for a given task. Oracle EPM Cloud includes a full suite of predictive planning and forecasting tools, enabling organizations to optimize the impact of EPM.
- 4 Preconfigured, flexible and customizable planning processes**—An EPM platform that delivers prebuilt, best-practice planning tools for both the finance function and the lines of business enables organizations to get more value more quickly. Rather than customizing advanced planning processes and having to maintain those customizations, the organization can leverage the tools immediately. This improves time to value and gives the financial team access to new capabilities that can be easily configured and updated. Oracle delivers many prebuilt best practices that are both general and focused on vertical industries.

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A complete suite aligns finance with operational lines of business for greater agility and insight to drive the business forward.

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- 5 Complex, free-form operational modeling**—This functionality allows the financial team to run multiple what-if financial and operational scenarios quickly and with more complete data. With a free-form approach, it is possible to utilize a wider range of options or parameters and combine them in multiple ways. This supports the development of better-aligned operational modeling analyses for different operational aspects of the organization.
- 6 Full visibility across the entire financial close process**—With comprehensive data that covers all aspects of enterprise performance, it becomes possible to view the entire close process, from subledger close to reporting and removing risk. Problems in the close process, such as bottlenecks and inefficiencies, are removed, improving speed. Such visibility makes it much simpler to understand the overall financial close process and identify what is causing the bottlenecks and inefficiencies and enhances the consistency of the “rollup.” Oracle EPM Cloud was conceived to meet the demand for full visibility across the entire close process, eliminating silos or free-standing activities that fragment critical information.
- 7 Built-in best practices for financial close**—Many organizations are still using legacy spreadsheet approaches to financial close or a first-generation EPM solution. Both, however, rely on self-generated models that are unlikely to serve the current needs of the organization. One common limitation is the inability to scale, hampering agility. Deploying Oracle EPM Cloud with built-in best practices for the financial close and consolidation makes it easier to upgrade the close process and utilize processes that optimize reporting and results, enabling the team to deliver faster financial close times a major benefit to the CFO.
- 8 Numerous reporting and analytics tools**—One of the most important benefits of next-generation EPM is enterprise data management, which gives organizations a single comprehensive and consistent set of master data that forms the foundation for many different EPM business processes and other non-EPM applications. Processes such as narrative reporting, disclosure, financial reporting and ad hoc analysis should all provide ways to leverage the underlying EPM data and give companies a completely accurate view of performance and other information.
- 9 Innovation based on advanced technology**—The technology used to create next-generation EPM platforms has undergone substantial improvement. Oracle EPM Cloud leverages the company’s investment in new technologies and provides economies of scale. For example, instead of being loosely integrated with a third-party codebase, AI is built directly into EPM Cloud. When AI is purpose-built for a specific task in an EPM business process, it can deliver more efficiency and greater accuracy and even highlight insights not previously discovered, making EPM even more valuable to the business.
- 10 A true enterprise-class platform**—Oracle EPM Cloud is a proven enterprise-ready SaaS solution enhanced with predictable updates that add important new capabilities and functionality. It is deployed on Oracle Cloud to provide customers with the benefit of cloud economics.

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Purpose-built solutions that incorporate best practices content can be configured to specific needs and help accelerate the business.

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## ORACLE DELIVERS BEST-IN-CLASS COMPLETELY AGILE EPM

Oracle's proven track record for providing optimal EPM solutions, its development of critical new technologies and the strength of Oracle Cloud and the Oracle Cloud community make the company an excellent choice for an EPM partner. Its solution has the functionality to provide both immediate and long-term improvements for many financial processes.

And Oracle EPM Cloud delivers on the "value of now," a set of highly compelling EPM-specific proof points. Based on Oracle's Value of EPM Study, the customer benefits of this solution include:

- **53%** improvement in communication and collaboration
- **15%** improvement in forecast accuracy
- **28%** increase in the use of rolling forecasts
- **27%** increase in value-add analysis
- **20%** reduction in the amount of time needed to close the books
- **44%** decrease in the time it takes to produce management reports
- **71%** decrease in manual adjustments
- **71%** decrease in the use of spreadsheets for budgeting

These data points showcase just how compelling the benefits of Oracle EPM Cloud are for both the CFO and the business in general. And with the inclusion of advanced technologies, best practices, forecasting methods and a unified EPM platform, it is a solution that will continue to help improve business agility and performance well into the future. For more information, please go to:

<https://www.oracle.com/applications/performance-management/>

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