

ENTERPRISE PERFORMANCE MANAGEMENT FOR FINANCE

OPTIMIZE FINANCIAL PERFORMANCE FOR A COMPETITIVE EDGE

Corporate finance positions have never been more challenging. In addition to traditional duties like financial planning, reporting, and governance, CFOs and financial managers are being tasked with far more strategic responsibilities. Historically, the office of the CFO has had to rely on a disparate set of tools from multiple vendors to begin to address these many challenges. The challenges include mitigating the risk of restatements, improving budget cycle times, and aligning resources and execution with the strategic goals of the organization. They also mean having a complete understanding of the drivers affecting cost and profitability throughout the organization.

SAP helps you to meet your obligations today while laying the foundation for greater agility in the future with enterprise performance management applications for finance. Part of SAP® BusinessObjects™ enterprise performance management (EPM) solutions, the applications cover the full life cycle of financial management – and put you in control of performance. Comprising best-of-breed functionality, the applications integrate enterprise data and processes to streamline traditional finance processes. You can gain strategic insight for calculated decision making and can confidently rely on your legal and management reporting. You achieve a thorough understanding of how value is generated so you can align your business processes more precisely with strategic goals.

Support Business Needs

Enterprise performance management applications for finance integrate enterprise data and processes to deliver critical information that supports decisions made by all key stakeholders. CFOs, finance departments, and business managers are able to utilize applications that cover the following critical areas:

- **Strategic management of resources** – Optimize efficiency by aligning enterprise strategy with individual, functional, and divisional performance measures and establish goals, initiatives, and key performance indicators (KPIs) that are linked and truly reflect the desired strategic goals of your organization
- **Planning, budgeting, and forecasting** – Efficiently manage and measure business plans and enable proactive, rather than reactive, business tactics
- **Consolidation and financial reporting** – Accelerate the financial close process and have confidence in delivering the information your organization and stakeholders require
- **Financial governance and compliance control** – Help ensure that financial business processes meet compliance requirements worldwide to mitigate risk
- **Cost and profitability modeling** – Maximize profitability through a real-time understanding of cost (including IT services costing), capacity, and revenue across many dimensions of the business such as product, channel, and geography

Enterprise performance management applications for finance help address changing corporate finance priorities. By integrating enterprise data and processes, the applications streamline traditional finance processes and deliver strategic insight to align business strategies better to achieve financial excellence.



Improve Business Processes to Achieve Ongoing Financial Excellence

Performance management is not a one-time event; rather, it is an iterative, ongoing process that must be driven from the top down. The goal is to improve the financial health of the organization on a continual basis. Enterprise performance management applications for finance support the performance life cycle by providing strong strategy management technology that promotes consistency and advances alignment (see Figure). Planning and consolidation software streamlines planning and helps ensure a fast, confident close, and activity-based costing software manages costs and helps maximize profitability. A new breadth and confidence in corporate data provides the foundation to optimize enterprise performance and address the complete spectrum of financial performance management tasks within the process life cycle, summarized in the figure below.

Strategize and Prioritize

The SAP BusinessObjects Strategy Management application helps both line managers and corporate executives develop and execute strategic plans. By clearly linking strategic goals to initiatives, KPIs, and people, you can set clear priorities with accountability and risk awareness that all stakeholders understand and can act on with confidence.

The software helps you transform written plans into living documents so that you can define, discuss, and update goals with employees. Documents can include rich contextual visualizations that drive greater adoption of key objectives across your organization. In addition, you can intelligently manage resources and exceptions to focus on initiatives that will have the most impact.

Plan and Execute

With the SAP BusinessObjects Planning and Consolidation application, you can streamline the bottom-up and

top-down financial and operational planning process with a single application. Familiar applications such as Microsoft Excel as well as intuitive, Web-enabled thin clients serve as native interfaces to the application, allowing you to minimize training, plan more efficiently, and improve budget cycle times.

With innovative features such as business process flows, you can rest assured that processes such as annual budgeting or closing the books are carried out according to corporate guidelines. In addition, you can enable more calculated decision making by incorporating predictive analysis and risk-adjusted planning.

Monitor and Analyze

Financial consolidation and legal and management reporting processes form a critical foundation of any organization's performance management activities. SAP covers the full spectrum of requirements for performing your financial consolidation with our applications. Your account team can advise you on the best choice for your business.

The SAP BusinessObjects Financial Consolidation application supports automated consolidation processes that meet all legal and reporting requirements, including those for generally accepted accounting principles and international financial reporting standards. The software also features support for multiple currencies, currency translation adjustments, minority interest and equity calculations, and intercompany reconciliation, for example. Automating processes and improving

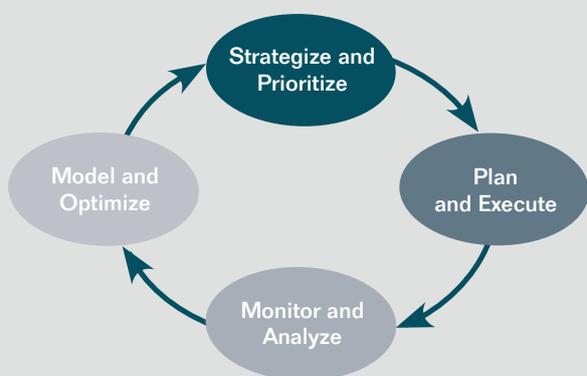


Figure: Performance Management Processes

compliance with regulatory and financial standards – including a full audit trail – not only help reduce external audit costs but also enable books to be closed faster, generating financial reports that you have more confidence in.

Model and Optimize

The SAP BusinessObjects Profitability and Cost Management application delivers visibility into the true drivers impacting your bottom line. By linking operational activities and financial perspectives, you're able to gain a deep understanding of the levers affecting organizational costs and profitability of any dimension of your business – your customers, products, and channels – both current and future. You can identify the causes of underperformance, test your assumptions, and take incisive action. You can also evaluate the cost of providing IT services to users within the enterprise. Modeling is rapid and model maintenance is minimal, giving a fast time to value and low total cost of operation.

Reach Greater Potential

Enterprise performance management applications for finance drive financial excellence. You can capitalize on the value of your corporate data to mitigate the risk of restatements, improve budget cycle times, and align resources and execution with the strategic goals of the organization. In addition, you gain insight into the drivers affecting cost and profitability throughout the organization, which creates competitive advantage. The applications deliver the following business benefits:

- **Strategic alignment** – Synchronize goals with initiatives, priorities, resources, budgets, reports, risk management, and analysis processes to access the information you need to improve performance and close the gap between strategy and execution
- **Improved visibility** – Help ensure that all stakeholders in your organization own, maintain, and share information in context and in real time so they can identify areas for improvement and evaluate strategic scenarios for maximum business impact
- **Increased agility** – Improve business processes to speed performance management cycles; deliver trusted data to accelerate every stakeholder's ability to communicate, collaborate, and execute on a commonly understood plan of action, adjusting plans and execution as necessary
- **Greater confidence** – Leverage a foundation of consistent and trusted enterprise performance management data for incisive decision making and for compliant regulatory, statutory, and management reporting

Achieve operational and financial excellence by identifying and eliminating the sources of cost most crippling to your business and focusing on areas that maximize profitability.

SAP BusinessObjects Enterprise Performance Management Solutions

Enterprise performance management applications for finance are part of SAP BusinessObjects enterprise performance management solutions –

Comprising best-of-breed functionality, applications for financial performance management integrate enterprise data and processes to streamline traditional finance processes.

a comprehensive set of solutions that help your company capitalize on the value of your existing data assets. With these solutions, your organization becomes more agile, gaining organizational alignment, visibility, and greater confidence to give you optimal control and competitive advantage. These solutions can work with SAP Business Suite software; SAP BusinessObjects governance, risk, and compliance solutions; SAP BusinessObjects business intelligence solutions; and SAP BusinessObjects information management solutions. As a result, you can maximize business profitability, manage risk and compliance, and optimize corporate systems, people, and processes.

Find Out More

To find out more about SAP BusinessObjects enterprise performance management solutions, visit www.sap.com/sapbusinessobjects/epm.

Summary

Enterprise performance management applications for finance, which are part of SAP® BusinessObjects™ enterprise performance management solutions, cover the full life cycle of financial management and put you in control of performance. Comprising best-of-breed functionality, the applications integrate enterprise data and processes to streamline traditional finance processes. You can gain strategic insight for calculated decision making and can confidently rely on your legal and management reporting. You achieve a thorough understanding of how value is generated so you can align your business processes more precisely with strategic goals.

Business Challenges

- Inconsistent or inaccurate data and reporting that could lead to the risk of restatements
- Lengthy financial management cycles
- Inability to predict future costs that impact growth
- Lack of alignment between enterprise strategy and day-to-day operations

Key Features

- **Strategy management** – Align strategy with execution to achieve operational excellence
- **Planning** – Streamline planning, budgeting, and forecasting processes to reduce performance management cycle times
- **Profitability and cost management** – Fully understand what drives cost and profitability across any dimension of your business
- **Financial consolidation** – Accelerate closing, manage reporting cycles, and comply with regulations

Business Benefits

- **Strategic alignment** – Synchronize goals with initiatives, priorities, resources, budgets, reports, risk management, and analysis processes to access the information you need to improve performance and close the gap between strategy and execution
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For More Information

For information visit www.sap.com/sapbusinessobjects/epm.

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