

# ORACLE ENTERPRISE PLANNING AND BUDGETING

## KEY FEATURES

### Key Features:

- Understand the current state of the business; know where you are
- Share the drivers, models, and rules across the organization
- Integrate financial and operational data from any source
- Monitor business processes and respond with agility
- Automate variance identification
- Access key reports through the company portal
- Use what-if analysis to evaluate the possible effect of changes
- Create consolidated briefing books and reporting packs to improve visibility
- Control the processes for planning, budgeting, forecasting, and monitoring
- Specify each business process in terms of data model, rules, tasks, and schedule
- Automate variance identification, exception analysis, and notification
- Spend time managing the plan and the business rather than on managing the process
- Leverage portals for timely business updates
- Model across functions and throughout the organization to analyze the holistic impact on targets
- Enforce corporate standards and control while retaining decentralized flexibility
- Relate targets and plans with strategy to link the processes and compel alignment
- Fine-tune the action plan: keep the business on track
- Monitor the business with reports that are automatically updated

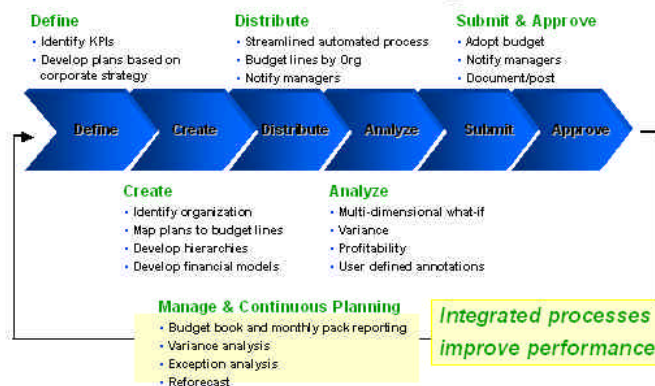
*Oracle Enterprise Planning and Budgeting is a scalable planning and analysis application, offering sophisticated data modeling and multi-dimensional analysis in a web environment, tailored for each customer's own business processes.*

*Oracle Enterprise Planning and Budgeting helps you understand the business better by providing analysis tools to increase organizational visibility. A framework to manage the critical business processes of budgeting and forecasting allows you to define the rules, tasks, and schedules, ensuring that you control these planning processes and achieve consensus when looking forward. This next generation product enforces consistency while supporting decentralized flexibility. With ongoing monitoring of the business included, you tune plans to improve results and hold individuals accountable. Oracle Enterprise Planning and Budgeting supports Oracle's strategy to provide a comprehensive Corporate Performance Management solution, and is part of the Oracle E-Business Suite, an integrated set of applications that are engineered to work together.*

## Understand The Business Better

Competitive and ever-changing economic conditions have focused attention on how companies actively manage business performance. The problem is that strategy and operations are not aligned, and there is often a mismatch between the Finance department and business units. When unexpected events occur it takes too much time to determine the business impact and the appropriate response. Companies need to be agile, rather than reacting slowly. Active reporting, monitoring of results, and a feedback loop linking actual results to forecasts are imperative to achieving this agility.

## Business Process Integration



- Hold people accountable with automatic exception alerts
- Guard sensitive information with user-based data security
- Evaluate multiple what-if scenarios
- Prepare and distribute worksheets automatically for collaborative data entry
- Introduce rolling forecasts to make the business more agile

Planning and Budgeting provides a framework for managing the critical business processes of planning, budgeting, forecasting, and monitoring. This framework enables the definition of the business drivers and models to be shared across the enterprise, providing consistency, control, and auditability for the business processes. These are the cornerstones of corporate governance.

A second key factor to understanding the business is to communicate clearly through a common language. Oracle Enterprise Planning and Budgeting is built on the unified Corporate Performance Management data model, which serves as the single source of information. The single source brings together all types of data, including both financial and operational information. By integrating this data into a single instance, every view of the business is enriched with information that provides a greater understanding of the business. The integrated environment is open to all sources of information, including data warehouses, standard ERP applications, spreadsheets, and legacy or proprietary systems. Although the greatest benefit to this integration is an increased understanding of the business, there is an added benefit as well: ease of administration. A single copy of information is easier to maintain and eliminates the latency between copies and extracts. Oracle ERP customers benefit further as the integration simplifies the setting up of shared hierarchies and drilldown to the underlying transactions.

The third factor to understanding the business better is to give users visibility only to the information they need. By providing the right people with the right information at the right time, the focus can be on improving the business. Oracle Enterprise Planning and Budgeting provides business logic built into the application to manage the flow of information. Metrics can be defined through the use of templates, such as market share or historical comparisons. These types of analyses can be put together in a series of reports and graphs, which can then be deployed to the company portal, assembled into briefing books, distributed through e-mail, or exported to a set of spreadsheets. In addition to the general calculation templates, industry templates further accelerate the configuration of the application.

### **Control The Planning Process**

While improving the view into the business, organizations must define their strategic direction and then build the plans and budgets to meet this strategy using a defined process. Oracle Enterprise Planning and Budgeting provides automatic management and control of the planning, budgeting, forecasting, and monitoring processes, so that they become transparent and repeatable. This saves substantial administration in setting calendars, distributing worksheets, chasing budget submissions, and notifying changes to assumptions. By defining the process systematically and simplifying its execution through automation, the cycle time necessary to support planning and budgeting can be greatly reduced. Furthermore, everyone can see exactly where the organization is in that planning process, including which actions are pending, and what is required of them.

The planning process is central to Oracle Enterprise Planning and Budgeting - it is the framework that controls everything. Its definition consists of several parts, including the data model, the business rules, the tasks, and schedule. For example, a

strategic plan may look five years out at a high level, involving statistical forecasting and modeling; it may be repeated every other year. At the same time there is a second process to develop a detailed annual plan to the end of the fiscal year, projecting historical information with collaborative data entry. A third process is defined for budgeting that cascades the entry of data down the organization, picking up headcount and salary budgets and projecting other costs, with targets and approval required at each level. A fourth process may generate every quarter a rolling forecast for the next 18 months. With Oracle Enterprise Planning and Budgeting, each of these types of plans can be defined as a separate business process within one enterprise. It can drive detailed operational processes such as budgetary control within Oracle Financials, and respond to more strategic applications such as Oracle Balanced Scorecard, forming a single, dynamic, integrated system for the whole business.

Another factor in controlling the planning process is achieving consensus when looking forward. Many organizations need to support varying planning processes among the business units, and at the same time align all the plans with the central strategy. Oracle Enterprise Planning and Budgeting can knit these related processes together, matching timescales for budget submission, ensuring that drivers set at the corporate or central level are aligned at the business units, and constraining models and allocation rules. The degree of decentralization remains up to the organization. The entire organization remains up to date and in accord.

### **Tune Plans To Improve Results**

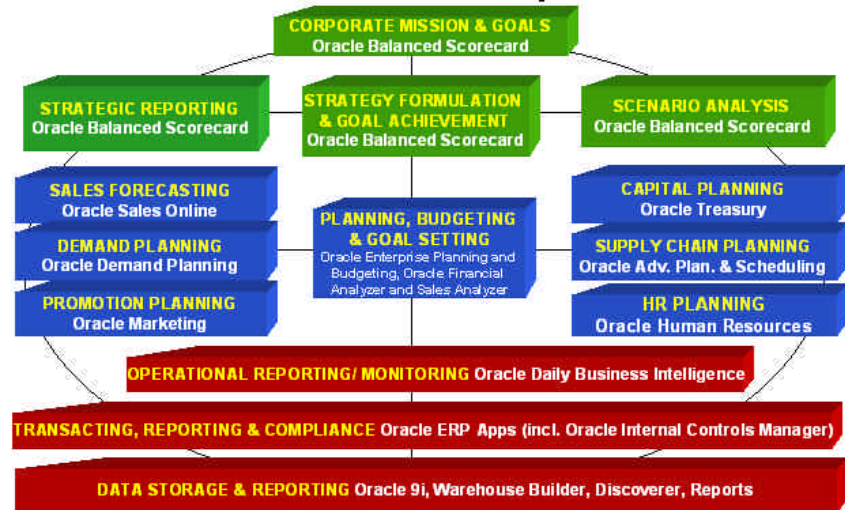
Regular reviews will ensure the business is progressing as planned. It is important to monitor results on an ongoing basis so that the plans can be tuned to improve results. Oracle Enterprise Planning and Budgeting enables this as another business process. For example, sales analysis may include the tasks to bring in the data from external sources, run calculations to analyze market share and promotions, update the reports, and alert the users. This automation enables a more collaborative process and promotes a more agile business.

Another aspect of improving results is to hold people accountable for performance management. Integrated into Oracle Enterprise Planning and Budgeting are cross-functional responsibility hierarchies, which trace items such as plans, forecasts, even single points of data if required, to the person responsible. For example, as part of the business process, alerts can automatically e-mail the person who runs the under-performing area of the business and where appropriate require action, such as provide an explanation or make a correction. Data security is vital for sensitive information: the results are scoped by user so that a single report available to many people shows only the data to which the user has been granted access. The right information gets to the right people and they are held accountable.

Agility relies on collaboratively adjusting the forecast based on up-to-date information. As the actual results come in, the forecast must be tuned to provide a true picture of the expected results, incorporating changes to the business to address concerns raised from the monitoring activities. Oracle Enterprise Planning and Budgeting accelerates the entry of revised data by automatically preparing the

worksheets for review and distributing them to the right people, based on responsibility and the business process. Then, using dynamic business calculations, managers can investigate alternative what-if scenarios to determine the right action to take, allowing forecasts to be updated and budget adjustments made. This feedback loop enables an organization to be nimble and responsive.

## Oracle CPM Flow and Footprint



### Oracle Corporate Performance Management

Automation and enterprise information systems are the means to faster, better decision making, greater agility in the planning process, tighter strategy execution, and greater corporate transparency and accountability. Corporate Performance Management (CPM) is a concept that encompasses business activities across planning and budgeting, consolidation, analysis, and monitoring. It's where strategic planning intersects with the ability to execute, measure, and act upon results. Oracle's Corporate Performance Management solution supports your goals by helping you regain control of the business, increase organizational credibility, and remove barriers throughout the enterprise. Oracle Corporate Performance Management delivers key functionality across all vertical segments. Your business priorities drive which products you implement. Begin anywhere and expand as you achieve success, or extend third party products that you already have in place.

Companies that do leverage scalable planning and analysis approaches, as part of a broader performance management approach, will outrun the competition. They will have the facts in hand that let them know more about their business today, will be better able to predict the future, and will be prepared to react to whatever direction markets take in a timely, educated, and informed manner.