







Gary Simon CEO FSN & Leader of the Modern Finance Forum LinkedIn

Dear Colleague,

Innovation is central to the success of the modern finance function and the businesses in which they operate. Yet, earlier FSN research, "The Future of the Finance Function 2017" highlighted that only 6% of CFOs understand the technologies available to them, only 37% know what solutions are available in the market and only 25% of CFOs have the time to investigate opportunities for technology innovation.

With this in mind, I am delighted to bring you FSN's 2019 "Innovation Showcase", an opportunity to bring to the attention of hard-pressed finance professionals what we consider to be leading innovations in core finance processes that could materially improve the way you work both now and in the future. And for the first time this year, we have reviewed and commented on two case studies for each vendor, to illustrate some examples of innovation in practice.

All the products which have been showcased by FSN are extremely complex and sophisticated and in all cases have taken many man-years of development effort. But innovation is very much in the 'eye of the beholder' and every finance organization is at a different stage of maturity. Some of the innovations assembled in this Showcase are at the leading edge of technological developments, others are around the architecture of the products or the way that vendors seek to reduce implementation risk. But if you've always relied on spreadsheets then even the simplest ideas, such as a unified transaction environment or a specialized budgeting tool can be innovative and gamechanging.

In this Showcase, we have then identified independently for each of the ten global software vendors featured, three areas that we consider to be differentiating and interesting innovations to bring to the attention of modern finance leaders striving to understand and leverage the latest capabilities. As such, this document is not a product review, and neither is it an exhaustive list of all the innovative ideas available. It simply represents what we consider, in our experience of the market, to be great examples of innovation in finance processes.

Last year's FSN Innovation Showcase was read by more than 14,000 finance professionals and we received some fabulous feedback. We hope that you find the innovations set out in this year's document thought-provoking and interesting. But above all we hope that the contents will inspire you to explore innovation in your own organization and discuss with colleagues and the featured vendors, how you can leverage these developments to take your finance processes to the next level.

Gary Símon

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CONTENTS

BlackLine	Page 7
Case Study: LV= (Liverpool Victoria)	Page 13
Case Study: : Saint-Gobain	Page 17
BOARD Software	Page 21
Case Study: Coca-Cola European Partners	Page 28
Case Study: KPMG	Page 35
CCH®Tagetik	Page 39
Case Study: Vaillant Group	Page 44
Case Study: ECE Projektmanagement G.m.b.H & Co. KG	Page 48
Certent	Page 52
Case Study: easyJet	Page 57
Case Study: LV	Page 63
NetSuite (Oracle NetSuite)	Page 62
Case Study: Transavia	Page 72
Case Study: Deliveroo	Page 75
OneStream Software	Page 78
Case Study: Guardian Industries	Page 84
Case Study: Carlyle Group	Page 87
Prophix	Page 90
Case Study: Racer Trust	Page 95
Case Study: Queens University	Page 98
Rootstock	Page 101
Case Study: Unionwear	Page 106
Case Study: Pacer Group	Page 112
Workday	Page 123
Case Study: TripAdvisor	Page 130
Case Study: Bill Gosling Outsourcing	Page 134

Page 138 Page 144

Workiva

Case Study: Beauty Products Company

ABOUT THE VENDORS	Page 148
METHODOLOGY	Page 159
ABOUT FSN	Page 159

INDEX

Advanced analytics	Page	7	21	39	52	90	123		
Advanced data management	Page	52							
App hub	Page	7							
App marketplace	Page	7	90						
Artificial Intelligence (AI)	Page	123							
Automatic reconciliations	Page	21							
Benchmarking	Page	21							
Close process	Page	21	52	138					
Collaborative reporting	Page	56							
Collaborative transformation	Page	52	101	138					
Connected planning	Page	7							
Contextual collaboration	Page	39	62						
Continuous accounting	Page	21							
Data blending	Page	90							
Data science	Page	21							
Data visualization	Page	62							
Digital boardroom	Page	123							
Disclosure management	Page	52							
Embedded CRM	Page	78							
Embedded e-commerce	Page	78							
EPM connectors	Page	62							
Extensible dimensionality	Page	90							
Fast prototyping	Page	39	78						
Final mile	Page	52	138						
Financial close	Page	21	90						
Financial intelligence	Page	62							
Financial reporting	Page	62							
Hyperblock technology	Page	7							
Instant messenger	Page	39							
Machine learning	Page	7	21	39	52	78	90	101	123
Mid-market CPM	Page	101	123						
Narrative reporting	Page	62							
Natural language processing (NLP)	Page	101							
Predictive forecasting & analytics	Page	39	90	101	123				
Proof of concept	Page	7	39	78					
Reporting engine	Page	62							
Reporting repository	Page	138							
Robotic Process Automation (RPA)	Page	21	123						
Smart scalability	Page	90							
Social collaboration	Page	39	62	123					
Story board	Page	62							
SuiteSuccess	Page	78							
Unified platform	Page	7	39	52	78	90	123	138	
XBRL	Page	138							
XF MarketPlace	Page	90							

THE BLACKLINE INNOVATION SHOWCASE

BlackLine has been an innovator from its very inception when it set out to solve the common but highly specific problem of the complex financial close process. The fact that BlackLine's solutions do not fit neatly into any major software category, for example, ERP, Corporate Performance Management (CPM) or Business Intelligence (BI), speaks volumes. The software was developed to meet the specialist but not uncommon requirements of the financial close process which had simply been overlooked by other software vendors. BlackLine is an innovator because it set out to eliminate these inefficient process gaps within the financial close by automating the accounting processes and enabling them to function continuously, thereby improving the integrity of financial reporting and providing companies with greater visibility into their operations.

In this showcase we highlight three major BlackLine innovations, namely; finance modernization, machine learning and benchmarking and, finally, robotic process automation.

Innovation 1: Finance modernization through plugging the gaps in the close process

Despite the maturity of ERP solutions and the apparent breadth of CPM suites, there remain significant functionality gaps in core financial processes. Many of these gaps are still being plugged by spreadsheets and manual controls, and one can find them peppered throughout the financial close, account reconciliation, intercompany accounting and controls assurance processes.

In this era of constant technology innovation, many companies remain mired in multiple spreadsheets and manual reconciliations for their accounting and finance processes. Notwithstanding the obvious time and efficiency issues that come with a labor-intensive and difficult to manage workflow, the effect on performance is equally detrimental.

FSN's survey on the Future of Financial Reporting showed that the majority of companies still use manual methods of reporting and data collection. The report also identified a spiral of spreadsheet use compounded by 'unforgiving' ERP and CPM systems unreceptive to change, an over-reliance on the IT function for even the simplest changes and the necessity to plug the functionality gaps with even more spreadsheets.

But spreadsheets are not only being used for recording and managing transactions, they are also misguidedly being used to control the process itself. Task lists to control the process or guide the steps of a reconciliation are relatively commonplace, but do not support collaborative working across functions and processes.

BlackLine's aim is to close these gaps in the financial close process by automating and organizing the finance and accounting process so that each link in the chain is visible and data integrity is maintained. This means month or year-end close periods no longer need to be a disorganized scramble of process tasks, controlled in spreadsheets, that are prone to errors and delays.

The BlackLine platform supports a variety of close tasks including high volume account reconciliation, balance sheet substantiation, task management, transaction reconciliations, journal entry and variance analysis. Its innovative software enables companies to manage their processes and exert an automated level of control over their financial information that can accelerate the process and help to eliminate human error and fraud.

The decision to move BlackLine into the cloud, taken many years before the mass market trend towards cloud based computing, was both innovative in its day and transformative. It provided the platform that forms the basis of collaboration, an uninterrupted process (Continuous Accounting), and real-time insight into the status of the close process together with the financial impact of outstanding work.

Innovation 2: From benchmarks to machine learning

A bi-product of BlackLine's presence in the cloud in is that it generates a readymade repository of systems performance and usage data showing exactly how end users interact with the application during the close process. The company has used this aggregated and anonymized data innovatively to identify key benchmarks for the close process and refine its offerings through the smart use of data science and machine learning.

Machine learning is the process of giving computers the ability to learn without being explicitly programmed. It requires enough iterative data for the machine to recognize patterns and learn from them. The technology employed is based on Apache Spark, supplemented by a library of algorithms, and resident data scientists who use the Python high level programming language. The effectiveness of machine learning is reliant on having high volumes of relevant historic data from which to learn and draw new inferences.

One area where machine learning is being deployed to great effect is in the automatic matching and reconciliation of high volume transactions. Currently BlackLine customers can reconcile between 80% and 95% of transactions automatically, leaving the remainder to be checked manually, but, from May 2019 BlackLine's customers will be able to use out of the box machine learning that will draw on a decade of data of matched, unmatched and manually reconciled transactions from over 2,600 customers. BlackLine's Intelligent Matching can, in effect, read between the lines, identifying key pieces of data in strings that otherwise do not lend themselves to standard matching rules. It is expected that using this repository and new machine learning algorithms BlackLine will be able to raise the reconciliation rate to 99% or more, saving considerable time and money.

BlackLine is also using the breadth of sectors and regions from which the anonymized data is drawn to generate real time, actionable benchmarking, intelligence, and analysis of accounting and finance operations.

Customers can benchmark internally, or against their sector and regional peers, empowering the finance function to continuously improve efficiencies as they strive to exceed their benchmarks. The data provides statistics like average number of completed tasks, on-time completion percentage, average reconciliation rejection rate and auto-reconciliation rate, providing unprecedented visibility into accounting operations. This insight isn't typical of publicly available sources of benchmark data. These tend to focus on performance ratios and high-level comparisons between finance functions, such as number of finance professionals to revenue and overall time to close the books. On the other hand, BlackLine's innovation brings a completely different perspective to benchmarking process data, taking it to a whole new level of granularity based on dissecting, for example, the day-to-day activities of the financial close process in fine detail. This reveals information about productivity and process bottlenecks, for example between different regional accounting teams or outsourced providers, but importantly it also informs how these issues can be fixed.

All of this is done without delving into commercially sensitive transaction data since the benchmarking is confined to the process rather than transactions. But these operational benchmarks can also usefully form the basis of internal benchmarks that can be used as the foundation of continuous process improvement.

The potential for other use cases for machine learning is largely being driven by customer need. As iterative processes are identified, BlackLine's data scientists are training algorithms to speed up and improve even more of the accounting process. And this also makes BlackLine's approach innovative. While other vendors' interest is at the level of integrating their applications with machine learning engines, BlackLine is going a stage further, getting its 'hands dirty' by embracing the tools and developing use cases with in-house data scientists.

Innovation 3: Purpose Built Robotic Process Automation (RPA)

Robotic Process Automation is the use of software, or accounting robots, to perform high volume, rules-based, repeatable tasks. It automates processes that would have been carried out by a person, eliminating repetitive processes and freeing up employees to work on more value-added tasks. The idea is broad and can be applied in many simple situations, but it isn't always suited to the accounting problems that BlackLine's customers are trying to solve.

Instead BlackLine is innovating through purpose-built RPA, specific toolsets designed for specific use cases that build on the innovation of their core product, extending automation and further simplifying the close process.

BlackLine already has customers using these toolsets for data cleansing and some instances of system administration, for example automatically reassigning tasks in the close process when, for example, an HR application reports that an employee has left the organization. Other customer use cases that can benefit from bespoke RPA include journal entry, bank reconciliations, high volume reconciliations or any formula-driven data entry.

BlackLine's Smart Close application is their most widely-used purpose built toolset, which embeds process automation into record-to-report activities in SAP. Instead of manually following the often repetitive and sometimes error-prone click tasks of the SAP close process, accounting professionals can automate task and job scheduling, execution, and monitoring, as well as verifying the outcome and identifying anomalies. This allows BlackLine's Smart Close customers to manage the close and work directly inside the SAP environment itself, from capturing invoices and master data management to reporting and analytics.

The integration of BlackLine's Smart Close application into SAP came about after BlackLine's acquisition of Runbook, a provider of financial close and automation solutions to the SAP market. BlackLine has used this innovation as a starting point for ERP automation, and is working to expand Smart Close across other common ERP platforms in the next year. The process will use elements like RPA to execute ERP dependent tasks from within BlackLine's cloud platform.

Like machine learning, BlackLine is developing its purpose built toolset to match customer needs. This level of bespoke development enables BlackLine to innovate in partnership with its customers, to ensure their solutions continuously add value. Having already plugged the largest gaps in the finance and accounting process, BlackLine's purpose built RPA is plugging the smaller gaps too.

Case Study: LV= (Liverpool Victoria)

INTRODUCTION – FSN'S VIEW

This case study highlights the innovative way that BlackLine fills in the gaps in the financial close process left by more traditional ERP and CPM (Corporate Performance Management) applications. In this case study, end-to-end process automation sweeps away a highly manual and spreadsheet-bound process.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. Automation that eliminates the 'spreadsheet-spiral' and innovation that releases time to improve reporting and control.

ELIMINATING THE SPREADSHEET-SPIRAL

FSN's research reveals that organizations frequently succumb to a spreadsheetspiral (ever increasing numbers of spreadsheets) when applications are impervious to change, there is an over-reliance on IT and important gaps exist in the process. Finance professionals impatient for change typically 'pave over the cracks' in the process with spreadsheets but in this case, the introduction of highly automated and specialized account reconciliation software enabled auto-reconciliation of thousands of items and eliminated a plethora of spreadsheets.

TRANSFORMING REPORTING & CONTROL

The introduction of advanced automation yielded significant productivity gains in its wake, allowing management to focus on "problems rather than process" while improving reporting quality and internal control. And that transformation happened in impressively quick timescales, fueled by BlackLine's innovative reconciliation software delivered off the shelf. The case study reminds us that innovation is a virtuous circle, i.e. that organizations need to innovate in order to release time to innovate even more.

Strengthening internal controls and freeing managers to focus on problems, not processes



"BlackLine enables us to spend more time looking at problems instead of processing data. And managers are so pleased to have their evenings back." —Andy Young, Head of Finance, Liverpool Victoria

Liverpool Victoria (LV) serves more than 5.8 million customers with a range of financial products. The company was recently recognised for the second year running as Moneywise Customer Services Awards 2017 Most Trusted Insurer.

The Challenge

As a result of continued expansion, LV has become one of the United Kingdom's largest insurance companies. Yet with that expansion came challenges, especially for the accounting and finance organisation.

The company's existing reconciliation process was dependent on the use of spreadsheets—a system that not only couldn't keep up with the increasing amount of data but provided few internal controls. The process was also highly manual, and lacked the real-time visibility so crucial to a rapidly growing global company. INDUSTRY Insurance

REGION EMEA

ADOPTION DATE 2016

ERP Oracle

USERS 50

PRODUCTS Account Reconciliations

BUSINESS IMPACT

Saved time with auto-reconciliation; freed managers to focus on problems, not processes; strengthened internal controls; streamlined audit process



"We were highly reliant on Excel, and all of our reconciliations were done in separate spreadsheets. With paper reconciliations, there's no guarantee that queries are resolved, and there's always the risk of lost or missing data," said Andy Young, head of finance at LV. "We were reconciling 3,000 items, and the reporting of those reconciliations and their aging was a lengthy and cumbersome process. Plus, we couldn't always find supporting documentation."

Why BlackLine

To reduce the organisation's reliance on spreadsheets for the close, LV developed an in-house software solution. Yet the new system soon created additional challenges.

"It couldn't cope with daily reconciliations, and reporting was clunky and time consuming," said Young. "It also had very slow response times. Our managers would take work home and sit there, press the button, watch Coronation Street, then press the next button. That's how slow the system was."

"With BlackLine, there's one version of the truth, which aligns with the GL."

-Andy Young, Head of Finance, Liverpool Victoria

When the in-house system crashed in late 2015, the company stepped up the search for a new reconciliation solution, one that would not only strengthen internal controls but also save staff time through automation. Because of the recent collapse of the old system, the new solution also had to be implemented quickly.

"BlackLine was our preferred option. We could attach all the documents we wanted, we could store them, we could have different people check in and review alongside reconciliations," said Young. "BlackLine gave us the control framework we needed to make sure everything was working properly, and we weren't getting any issues coming through in our balance sheet reconciliations that would cause problems later. And, we were able to go from implementation to go-live in only five weeks."



The Results

Saved time with auto-reconciliation. Young and his team rely on BlackLine to auto-reconcile thousands of items. "Our investment system and Oracle ERP are reconciled automatically in BlackLine, which has given us a huge benefit in terms of the amount of reconciliations we have to actively do each month. Plus, all non-moving balance sheet reconciliations can be pushed to 'reconciled' to save more time."

Freed managers to focus on problems, not processes. BlackLine's auto-reconciliation capabilities and real-time visibility have reduced the number of late nights required from managers during the close. Managers also now have time to focus on the value-added work of accounting, such as strategy and analysis. "BlackLine enables us to spend more time looking at problems, instead of processing data," said Young. "And managers are so pleased to have their evenings back."

Strengthened internal controls. LV's previous spreadsheet-based close process exposed the company to everincreasing risk. Today, with BlackLine, the company has full end-to-end control of every process, with complete visibility into individual responsibilities. Standardised templates ensure processes are consistent across all business units. "With BlackLine, there's one version of the truth, which aligns with the GL," said Young.

Streamlined audit process. With BlackLine, LV staff no longer need to spend days aggregating paper files and spreadsheets prior to audits. Instead, auditors are granted instant access to the records they need, when they need them. Supporting documentation is attached within BlackLine, as well. "Our auditors love BlackLine," said Young. "They've been very positive in their reports to the Audit Committee."



Case Study: : Saint-Gobain

INTRODUCTION – FSN'S VIEW

This case study provides an exemplary illustration of how innovation managed in a step-wise fashion can yield impressive change. FSN's research consistently reveals that successful innovation happens in two distinct phases, namely; process standardization and process automation coupled with innovative technology.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. Firstly, the use of innovative reconciliation software to enable process standardization across Saint-Gobain and secondly, the deployment of a cloud SaaS based solution as an accelerant.

INNOVATIVE SOFTWARE ENABLING STANDARDIZATION

FSN's experience shows that many organizations introduce advanced technology without firstly refining the underlying process. The results are inevitably disappointing, but this case study illustrates how a dedicated focus on standardization as a precursor to advanced automation pays dividends. Blackline's innovative reconciliation software enabled this organization to streamline and simplify key aspects of its close cycle, as well as realizing a commensurate improvement in control.

CLOUD AS AN ACCELERANT

Historically, process standardization has proved elusive for many organizations as they grapple with the practical obstacles of the on-premises world. But this case study shows how the advent of the cloud allows organizations to deploy a standardized (streamlined) approach quickly across multiple time-zones and geographies without the delays and burden of rolling out complex hardware and infrastructure. In a matter of months, advanced reconciliation capability in the cloud was deployed across 25 countries and 629 legal entities.

Automated accounting processes and increased efficiency with BlackLine



The world leader in sustainable housing has deployed BlackLine's Finance Controls & Automation platform among 25 of its shared service centers to automate, enhance reliability and harmonize its reconciliation and accounting control processes.

A leader in the housing market, Saint-Gobain designs, manufactures, and distributes high-performance construction materials that address the challenges of sustainability, resource efficiency, and climate change.

The company has a rich, 350-year history, and has grown to more than 170,000 employees in 66 countries and approximately €40 billion in annual revenue.

The Challenge

The Saint-Gobain Group is comprised of nearly 900 subsidiaries and three business divisions: Innovative Materials, Products for Construction, and Building Distribution.

In 2008, the company created Shared Services Centers (SSC) to centralize, standardize, and simplify the accounting processes globally. These SSC's span 25 countries and 629 legal entities.

INDUSTRY Construction

REGION Europe

ADOPTION DATE 2011

ERP SAP

PRODUCTS

Account Reconciliations, Task Management, Journal Entry, Transaction Matching, Enhanced Reporting

BENEFITS

Digitalization and automation of the accounting close; centralization, standardization, and reconciliation of accounts; increased accuracy and efficiency; reinforcement of internal controls; and enhancement of SSC and client relationship.



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Previously, each SSC prepared account reconciliations in its own way and then submitted them for review. This process, largely manual and still paper-based, was very time-consuming. It also hampered the traceability and accuracy requirements of the internal accounting teams, and both the internal and external auditors.

"After setting up our shared service network in 2010, we shifted our focus to improving and maximizing efficiency. Several parts were identified, including streamlining and consolidating accounts payables and automating customer and general accounting. Overall, we wanted to improve and standardize all our reconciliations and internal control operations," says Pascal Perrier-Gustin, Director of Shared Service Centers and Financial Organization Projects at Saint-Gobain Group.

"In other words, our goals were to standardize our accounting processes through automation, strengthen internal controls, accelerate the monthly close, and ultimately, improve the relationship between the SSC's and our customers."

Why BlackLine

The search for a solution that would allow the SSCs to achieve these goals continued.

"Finally, our U.S. SSC chose BlackLine's Finance Controls & Automation platform to achieve its initial streamlining and automation goals. After considerable research, it soon became clear to us that BlackLine could help our entire SSC network to achieve a flawless level of internal controls. After analyzing the other options on the market, we validated the U.S. entity's choice. BlackLine's functional coverage, modularity, and cloud/SaaS deployment met all of our needs, and we adopted it in our SSCs worldwide," explains Perrier-Gustin.

Today, nearly 2,000 company employees are using the BlackLine platform—accountants, CFOs, and entity controllers—as well as external auditors. GL balances are automatically loaded into BlackLine monthly, increasing automation. Users can prepare and approve reconciliations more efficiently, and leadership and auditors have the visibility they need.

"The implementation of BlackLine was very fast. In about fifteen days, we deployed BlackLine to the first SSC (approximately fifteen users) via two WebEx training sessions. Our users can also do online training courses, conveniently accessible through BlackLine University, or if necessary, we contact our customer success manger directly.

"On average, the full deployment of a SSC network took about six months," says Perrier-Gustin.



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The Results

Perrier-Gustin continues, "BlackLine not only makes it possible to standardize and automate accounting process, but also provides a level of full traceability that helps us meet the demands of internal and external audits. BlackLine offers quick access to information, allowing you to follow the reconciliation process and evaluate its progress."

At the same time, BlackLine helps auditors work faster and more efficiently, which has a definitive impact on managing accounting costs.

"Even if, at the onset of the project, our objective was not necessarily to reduce costs, but this naturally happened with BlackLine. Paper printing and information storage costs have also decreased.

"But overall, BlackLine's main contribution has been to help us adopt a "lean" attitude to our general accounting. Additionally, we can ensure that the processes carried out by each of our SSC's are as fluid as possible, with minimal associated tasks, and in a timely manner," says Perrier-Gustin.

It's difficult for Perrier-Gustin to quantify the gains generated by BlackLine's fast implementation, but he is pleased with the positive return on investment.

"The SSC directors are satisfied because they are now able to standardize the methods of account reconciliation and better prepare their financial close. In the same way, client CFO's appreciate the solution because it helps them carry out their task of monitoring and controlling account reconciliations while also facilitating balance sheet review.

"Additionally, both internal and external auditors benefit from the homogenization of processes. A BlackLine-equipped SSC network means easier audits and improved process quality."

Finally, our other main objectives, to attain better accuracy and increased efficiency for the financial close, were achieved.

"That's what matters most to us. Account reconciliation is a primary exercise in accounting processes, and should be done with the utmost care. Thanks to BlackLine, we have been able to automate and streamline the reconciliation of our accounts, and we have a clear view of the progress of our close process at all times," concludes Perrier-Gustin.



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THE BOARD SOFTWARE INNOVATION SHOWCASE

BOARD's entry into the global corporate performance management (CPM) and business intelligence software market almost 25 years ago heralded a new and innovative approach to business software – something that may even have been described as 'disruptive' if that term had been popularized in 1994. But it hasn't stopped there. Even today, BOARD continues to be at the forefront of disruptive technologies such as predictive analytics, search based analytics, selfservice and next-generation collaboration.

At a time when global software providers were assembling CPM offerings through a frenzy of company and product acquisitions, BOARD brought a fresh approach to the sector. Rather than acquire a series of products from different stables that were destined never to work seamlessly together, BOARD developed a unified product from the ground up which would meet the corporate reporting, budgeting, planning and forecasting needs of large multinational organizations.

It's an approach that has stood the test of time. In an ever more complex world marked by exponential growth in data volumes, BOARD continues to offer disruptive new features in response, and smart CFOs appreciate a single product environment which unifies business intelligence, performance management, analytics and data discovery in one place.

In this showcase we highlight three major BOARD innovations, namely; its holistic design, machine learning for predictive forecasting and analysis, and finally, a leading approach to embedded communications.

Innovation 1: A holistic approach to decision-making

Almost three decades after the first CPM solutions appeared in the market many finance functions are still struggling with the basics of reporting. For more than 85% of finance professionals, finance process standardization and automation remain a very high priority (FSN Future of the Finance Function Research 2016).

There are two major fault lines in the financial reporting process. Firstly, the process itself is fractured, and secondly, the data which is supposed to support the process is fragmented and siloed in different functional areas.

It's a view supported by several FSN studies. The Future of Financial Reporting survey identified that 40% of finance functions say their data is not always trustworthy and accurate, and 69% of CFOs rely on spreadsheets to plaster over gaps in their reporting process. Two thirds admit they are struggling to master the variety and volume of new business data and 58% concede that valuable data is scattered across the organization. Finally, almost half (48%) say other functions are not good at sharing data with finance.

BOARD's innovation is relatively uncontested in the market as few software vendors offer a holistic approach to performance management. At the core of BOARD's decision-making platform is a single unified environment in which all the performance management applications share the same data and metadata (structural information such as account codes, organizational hierarchy, cost centers). This is not only essential for preventing wasteful duplication of data, but it also ensures the integrity of the underlying data, i.e. consistency of information across business processes and in all reporting dimensions.

Workflows also span the entire process, and unlike much of the corporate reporting landscape, BOARD users can dip into their reporting processes and underlying data in real-time. Nobody has to wait until month end to get visibility of performance, which is crucial in fast moving markets.

The unified platform ensures easier reporting and greater staff productivity, providing a sound foundation for decision making by linking strategic, operational and financial plans and metrics. Of course, navigating such large volumes of data requires useroriented tools that allow data to be explored and sifted by finance professionals, and data visualization techniques that readily lend themselves to discovery of issues and trends. Using BOARD's navigation tools, the finance function can follow information uninterrupted from an enterprise-wide view of operational performance at the top, right down to individual reporting units and functions in any part of the organization in real-time. However, innovation through new software presents its own set of risks, including project failure. BOARD seeks to reduce this risk with fast prototyping using a Proof of Concept (POC) approach. It reduces the risk of a 'bad fit' by assisting purchasers to understand and assess the value of a potential solution and the organization behind it. A POC is a form of prototyping a trial application – a close approximation to the final deliverable, but without the finishing touches. It helps to ensure that what is discussed in a pre-sales environment ends up being delivered in the final product.

The POC style of development is most powerful when it is combined with a product that can be rapidly modeled, developed and changed as the requirements develop. BOARD's innovative toolkit approach to application development means that solutions can be built very quickly without having to call on IT specialists.

Not all Proof of Concept systems are transformed into the final application. The Proof of Concept is of course conceptual- a journey of discovery and almost by definition iterative in design. But well executed, a POC is an innovative way of delivering a high level of confidence in the development of a CPM system without taking unnecessary risks.

Like all the best innovations and ideas, the simplest is often the best. Even today, only 61% of CFOs say that the Board always has a complete view of business performance, and only 50% say that ad-hoc questions about performance can usually be answered immediately in a board meeting (FSN Future of Financial Reporting 2017 research). The productive effect of a unified environment that enables complete visibility and confident decision-making across the organization is a powerful business tool. It is as innovative today as it was all those years ago.

Innovation 2: Automated machine learning for predictive forecasting and analysis

Capturing more business insight is top of mind for CFOs and interest in predictive analytics as a way to improve the speed and quality of business forecasts is at an alltime high. FSN's research "Innovation in the Finance Function" 2018 identifies that globally, the number one priority for CFOs is to deliver more business insight.

But in this rapidly developing field many finance professionals have struggled to find suitable solutions and others have been concerned that finance functions need to engage data scientists or advanced statisticians to take analytics to the next level.

Recognizing these twin concerns, BOARD has developed "BOARD BEAM" which seamlessly integrates and embeds advanced and predictive analytics into its core business intelligence and performance management applications. However, BOARD has done this without having to depend on an army of experts which is often necessary with traditional data-mining and analytics products.

BOARD BEAM has been designed with finance and business users in mind, effectively incorporating all the power of predictive analytics into daily business operations and the decision-making process. It automatically analyses any historical series and defines the best algorithm to predict it (and identifies seasonality and outliers) based on what has happened in the past. The machine (BOARD) periodically re-instructs itself based on the results achieved by its predictions, continuously improving the outcome.

All of this happens in what BOARD describes as a "Grey" box. This conveys the idea that even though the results are automated it also fully engages human beings. For example, business users can use it by simply configuring some basic parameters, such as 'period to forecast' (how much time ahead) and 'period to use' (how much time behind) – a knowledgeable user can have full visibility on the choices made by the machine and to some extent address the process.

For finance this means a more scientific approach to planning and forecasting combined with a holistic planning approach that can bring great benefits not only in terms of forecast accuracy, but also in terms of addressing decision making based on more intelligent insights, impacting deeply on the company's performance.

BOARD's innovative BEAM technology provides a solution that covers many analytical areas through three different modules: Predictive Analytics, Clustering and Analytical Functions. Predictive Analytics offers advanced forecasting capabilities through the use of autoregressive linear models. It can automatically evaluate the characteristics of each time series, consequently producing a suitable model, and run forecasts thousands of times faster than traditional methods. The foresight achieved can be refined by adding further information to the scenario to reflect the impact of external variables (covariates) on the forecast. Forecast results are immediately available as measures in the BOARD environment, making it easy to embed predictive analytics into analytical, planning and simulation applications.

Clustering allows finance users to automatically define clusters of similar objects. Business users choose the number of groups and the observation sets (e.g. profitability and turnover) and instantaneously BOARD creates clusters and makes them available as dimensions for analysis in the standard business intelligence and performance management environment. The seamless integration between the clustering capability and the BOARD environment not only enables the immediate creation of reports, graphs, and self-service analyses based on clusters, but also the use of clusters as forecasting or planning units. Furthermore, the capability to manage scenarios allows users to create several clustering options and to always use the best-fit based on the type of analysis or business process they are handling.

Finally, BOARD BEAM offers a set of out of the box statistical functions, from the traditional min/max, average, standard deviation, to algorithms specifically designed for business analysis such as frequency, recency, dormancy and nascency. With this seamless integration into the BOARD platform, business users can instantly use these functions to build any analysis, dashboard or report.

Innovation 3: Next-generation contextual collaboration

Human beings are gregarious by nature, but many core financial processes fail to play to this obvious strength. In an era in which digital communications have shifted from computers to smart phones and Instant Messenger-style applications, the finance function can sometimes seem worryingly out of step. Communication has become central to the way that business is carried out with customers on the 'outside', but this is rarely matched by collaborative tools and communications on the 'inside.

BOARD aims to change that with embedded informal, Instant Messenger-style communications within the body of their performance management applications. This innovation is making a marked difference to the functionality and productivity of their systems.

In common with many other business processes, the typical finance organization relies on a hodgepodge of informal communication methods, such as email, walking the corridors, impromptu meetings, even fax and telephone calls, to prop up the reporting process. Unreconciled items, misclassifications, performance commentaries, inter-company balances, posting errors and queries over variances are often resolved by lengthy telephone calls and email exchanges.

Unfortunately, commonplace productivity tools sit outside of the formal CPM process, placing the finance function at a disadvantage. For example, a policy change may be communicated by an email or conference call, an approval of an account change may be made on a manual form, a problem with a variance may be buried in a Word document, a new deadline may be noted in an Outlook calendar and a commentary on a performance measure confined to a PowerPoint presentation. Individual finance professionals may have to launch five different applications and trawl through several manual systems to keep their finger on the pulse.

But BOARD's innovation allows these tasks to be combined into a single cohesive environment with instant communications at its center. This means that individuals don't have to waste time searching for information, or opening and closing different applications with different access rights and passwords.

When an item is complex or disputed and requires human intervention, individuals in the organization can review it, get a complete history of what has happened and quickly move things along. Furthermore, instant communications that are embedded within the process allow contextually relevant conversations and decisions to be tracked alongside transactions, accounts, reports or other items. All parties involved in a particular matter can have shared visibility of, say, a report on screen while exchanging ideas and views through embedded communications. This embedded capability provides a far superior capability over email communications whose context may be 'lost' in a variety of email threads that have been fired-off in different directions and may have been started at different times. Instant Messenger capability brings cross-functional communications together in one area, deliverable over a number of different devices, like web browsers, tablets or smartphones. The ability to communicate instantly with colleagues at the same time as sharing a screen not only saves time but provides a more fulfilling and enjoyable user experience.

It means that with the innovation of instant and embedded communications in BOARD software, finance professionals are more attached to the process, and just as importantly, to each other and the business itself.

Case Study: Coca-Cola European Partners

INTRODUCTION – FSN'S VIEW

This landmark case-study exemplifies digital transformation of a finance function on a very large scale, replacing a disparate set of finance processes with a unified environment for applications, processes, workflow and data, culminating in a fast and malleable decision- making platform.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. A holistic approach to decision-making and enhanced collaboration.

HOLISTIC APPROACH TO DECISION-MAKING

The ability to combine vast amounts of granular operational and financial data from 48 production plants and 85 warehouses, standardized and automated in a single unified planning and analytical environment (replacing Access Databases and Excel) is a pivotal innovation. With visibility across the entire supply chain supporting driver-based budgeting and forecasting, finance and operational staff can at last be on the same page. With all data quickly at their fingertips, 'gut feeling' is eliminated and informed decisions can be made about various scenarios including, for example, the financial and operational impact of changes to production crews and work schedules.

COLLABORATION

Strikingly, the unified environment accessible from any point in the organization, allows different teams and managers to collaborate with each other to ensure strategic alignment. Visibility of the process status at any point in time eliminates the need for the CFO, Head of SCM, Plant Managers and others to call each other just to find out what is going on. Now, everyone knows when the forecasting process is complete, and the numbers are finalized.



BOARD Integrated Corporate Planning at Coca-Cola European Partners

How to spotlight a Fast-Moving Consumer Goods Supply Chain and enable digital driver-based planning from production to delivery

About Coca-Cola

Coca-Cola European Partners is the world's largest independent Coca-Cola bottler. Built on almost 100 years of European heritage, the company is the market leader in one of the biggest Fast-Moving Consumer Goods (FMCG) sectors, worth over €100 billion. The business provides an extensive range of leading drinks brands to over 300 million consumers across 13 European countries.

Brief Profile of the Customer

- Industry: Fast-Moving Consumer Goods (FMCG)
- Consumers: 300 million
- Liters of branded product sold every year: 14.2 billion
- Unit cases sold annually: 2.5 billion
- Countries: 13
- Employees: 25,000
- Revenue: €11.1 billion
- Operating Profit: €1.5 billion
- Operating Expenses: €2.8 billion
- Earnings per share: €2.12

"BOARD allows us to consolidate in a split second! Yes, consolidation can happen with a single button! Yes, consolidation can happen for 48 manufacturing plants and for 85 warehouses! At the beginning I was very skeptical, but I can guarantee you that it works!"

Ivan Evstatiev Senior Manager, Planning & Performance



BOARD Project Overview

- Division: Supply Chain Finance
- Implemented solution: Integrated Corporate Planning - Driver Based Supply Chain Planning and Forecasting
- Project scope: Manufacturing (48 plants), Warehousing (85 sites), Cold Drinks Operations & Logistics
- User types: CFO, Head of SCM, Controllers, Department and Plant Managers.

Starting point: how to spotlight the "gray world" of supply chain

To understand the challenge of Coca-Cola and the consequent BOARD solution, we start with the company's desire to transform its Supply Chain Finance according to three guidelines: leaner finance, automated planning and optimized reporting. As Ivan Evstatiev, Senior Manager, Planning & Performance Management at Coca-Cola European partners, states, *"This is a true story of a business case of complex corporate finance made simple (or at least greatly simplified)."*

As enablers of this transformation, the Group identified three connected intervention areas:

- The evolution of planning methodology from the "classic" finance approach to the adoption of Driver-Based Planning
- Digital innovation; moving away from Excel and Access to implement a modern solution to achieve integrated corporate planning and analysis
- Enhancement of the organization's mindset and communication among the different teams.

In a nutshell, the Group aimed to combine a new software solution with a new way of doing planning, underpinned by comprehensive communication across the company:

"This transformation involved pretty much the whole scope of our Supply Chain Finance department, that is half of our Coca-Cola world" stated Evstatiev. "We refer to this field as "the gray world" simply because – compared to more visible areas such as Sales and Marketing – the supply chain gives rise to both technological and financial complexities. Therefore, it was extremely critical for us to engage the finance functions in our vision of transformation."

Transformation "at work": Driver-Based Planning

The concept of Driver-Based Planning can be simplified in one sentence: financial planning explained through operational data and business drivers (or business metrics, KBI – Key Business Indicators). It covers something that conventional planning is not able to do; it closes the gap between targets, forecasts and resource allocation. Coca-Cola European Partners needed a solution that could combine both financial and operational analysis and planning to effectively enable the driver-based planning approach.





BOARD turned out to be the best fit for Coca-Cola's needs because one of its unique native features is the seamless unification of analysis, planning and simulation in a single environment. Furthermore, BOARD could fulfil one of the most important requirements of the driver-based planning approach: *"picking only those variables – which indeed we call drivers - that are tangible in terms of the control of the management. In this way the driver-based planning can be "digestible" and – finally – bridge finance teams with their operational business partners"* explained Evstatiev. The KBIs Coca-Cola monitor and control for their driver-based planning are grouped as follows:

LEADING KBIs

- Sales Volume
- Production Volume
- Full Time Equivalents (FTEs)
- Productivity

LAGGING KBIs

- Payroll Variance
- Line Speed
- Returns

"Imagine a production line - let's suppose it's the bottling/canning line. As you may know, that line has a particular speed of bottles per hour and a particular productivity level based on the productivity of the people who work on that line. You might have a crew composed by four operators, one technician, and two asset care planners to enable that production line to work, and essentially you have production volume or estimated production volume that has to run on the line itself" – explained Ivan Evstatiev.

Thanks to BOARD, Coca-Cola can easily check and analyze how much salary, social security benefit, payroll tax, etc. they need to pay to the abovementioned operators, technicians and care planners who work on the canning line. They can also instantly see how much electricity and water that production line is consuming, as well as how much maintenance and preventive care they need to do. This reporting and analysis is seamlessly combined with the simulation capabilities of the BOARD platform itself. Let us suppose, for example, the production controller wants to evaluate a hypothetical operational change in the crew pattern of a specific production line, and consequently a change in the work schedule. Through the simulation capabilities of BOARD, the controller will be able to see the financial impact of those changes, e.g. the cost of labor and the cost of utilities, enabling them to decide which changes to the crew pattern or work schedule are best.

"By the click on a button and a few calculations and algorithms working in the background, we are able to immediately gain full control of the operational data," continued Evstatiev. "In fact, we can immediately get a fully-fledged plan, and this is exactly the concept of bridging finance teams with their operational business partners and making them talk to each other. In this way, operational people - or whatever business people we can imagine - can directly link the operational data to the financial data, keeping the health of the company under control. In the past I had to adjust – for example – one particular P&L line, basing my choices on gut feeling. But today, thanks to BOARD, we can justify our decisions directly on operational data."

From manufacturing plants to vending machines: all FMCG supply chain activities on the BOARD platform

As an FMCG company, Coca-Cola European Partners needs to ensure full supply chain visibility as well as complete harmonization between various production and delivery stages at all times. To achieve this, rigorous planning processes and frequent forecasting are required, as well as monitoring of closing activities.



As part of the company's cold drinks operations, all vending machines found in local stores need to be managed and controlled, including their placement, activities, movement, and maintenance. Line-ofbusiness managers in manufacturing, warehouses, and logistics, among others, must derive tangible business value from the huge pool of data created by this process and generate a healthy flow of information throughout the value chain.

"What we cover with BOARD is pretty much the whole myriad of activities that supply chain touches today," stated Ivan Evstatiev. "This means 48 plants, 85 warehouses, everything that you can imagine around distribution, from trade to branch local delivery division, and so on. Everything is integrated into the BOARD platform: every site, plant and any aspect of logistics."

Project scope

- Weekly & Monthly forecasting (mid-month & end-month)
- Monitoring of Closing activities
- Annual Business Planning / Budgeting
- Full-fledged country consolidation & monthly reporting
- European Group/Total Coca-Cola European Partners Supply Chain consolidation

"In light of the areas of transformation we undertook – a new planning methodology, digitalization and new cultural mindset – BOARD has allowed us to positively achieve our project goals, delivering time efficiency, process automation, standardization and data centralization, and increasing ease of use and system maintainability as well," says Evstatiev.

Time efficiency in finance activities: 10% manual and 90% digital

Thanks to the digital transformation of financial activities with BOARD, Coca-Cola European Partners

now saves significant amounts of time, allowing teams to focus on analytics and decision-making and find opportunities for continuous improvement, rather than spending time on manual, non-valueadded work:

"10% of the input of our finance supply chain activities are based on country-specific business insights, whereas 90% consists of pre-populated Profit & Loss outputs thanks to the value driver methodology and the automation of operational data input" explained Ivan Evstatiev. "We do not want finance people to struggle with all the tedious sequential steps of preparing a plan: we wanted to digitalize this area and that's what we've succeeded in doing with the BOARD platform."

Time efficiency in data transfer: breaking the "status quo" from 24 hours to 15 minutes

Alongside time efficiency from a financial standpoint, BOARD has enabled Coca-Cola to increase efficiency from a data transfer perspective. Before implementing BOARD the company was stuck in a "culture" of overnight data loads and transfers due to system performance. As today's organizations deal with a huge amount of data, it is essential to have updated, relevant information in (nearly) real-time; allowing employees to quickly gain the most recent meaningful insights to boost planning cycles and decision-making processes.

As Ivan Evstatiev highlights, "Now we have a data transfer every 15 minutes from our ERP system to the cloud and from the cloud to BOARD, and we can effectively monitor how our data transfer is evolving at any given time per country. We can prepare complete financial statements from a profit and loss perspective. So, compared to the 24 hour-cycle we were committed to do before, 15 minutes is definitely a great revolution and the breaking of status quo, as well as out-of-thebox thinking."



Live Status Tracker: when automation means keeping pace with fast changes

In the FMCG industry, more than others, small numerical changes can have a remarkable impact on the whole planning processes, up to the very top of the supply chain consolidation. Before using BOARD's automation capabilities, Coca-Cola struggled with complex Excel files and Access Databases linked together, not always allowing multiple users to access information. Different teams and managers had to periodically communicate with each other to be sure they were all aligned. Everyone from the CFO to the Head of SCM, Controllers, Department and Plant Managers needed to call one another each month and ask the people in charge of a given planning process if they were still working on their numbers or if the current values could be trusted, then pick them and carry on to the next step within the hierarchy.

"Unfortunately, more often than not, after preparing the financial statements or the forecast, closing the cycle and assuming everything was done, we realized the next month that the numbers changed because somebody, somewhere, in some plans had changed one number, consequently impacting on everything!" said Ivan. "Instead, today, thanks to BOARD's status tracker cockpit, we can always monitor how planning is going, who is still working, who is ready, and who has any impediment with the planning process."

The "mother of all buttons": consolidation with one click

Historically, Coca-Cola European Partners has undergone many mergers and acquisitions, with every entity coming from a different background and bringing its own way of planning and its own business metrics, logics and methodologies. By means of BOARD, the business can **automatically perform full country consolidation**, ensuring data consistency and providing deep insight into financial and operational results. Within BOARD, Coca-Cola's teams find a red button saying "approve all":

"We call it that little red button, 'the mother of all buttons', just because it allows us to consolidate in a split second! Yes, consolidation can happen with a single button! Yes, consolidation can happen for 48 manufacturing plants and for 85 warehouses! At the beginning I was very skeptical, but I can guarantee you that it works!" exclaimed Evstatiev.

BOARD allows the Group to carry out analysis, planning and simulation within a single environment that has a single consistent logic, and analyzes and reports on the same sets of data in the same way across the entire organization. In fact, leveraging the BOARD platform's advantages, Coca-Cola European Partners have effectively achieved standardization and data centralization, also enhancing a shared service center and a Center of Excellence in Bulgaria that is responsible for all the data loads and the data inputs. This center can centrally control the whole process of standardized planning, as well as any analysis and reports, from one location for all the other countries in which Coca-Cola European Partners operates.

Behind the scenes: data transparency

Through rapid development time, BOARD has given Coca-Cola European Partners an effective combination of automation and standardization thanks to a unified environment for analysis, reporting, planning, and automatic forecast generation. This has been a digital revolution, achieved by the alliance of methodological principles with outstanding technology:

"It's not a single application that can start a revolution; rather it is the blend of all the applications we have developed on the BOARD platform, together with its architecture and all-in-one BI and EPM approach, its flexibility, and its advanced Graphical User Interface



(GUI) as well" explained Ivan Evstatiev. "BOARD has given us the efficiency that everybody was pursuing and that management wanted to see in the entire planning process."

But this kind of project could not be achieved without a solid data baseline: optimization, efficiency, digitalization, and automation is just the tip of the iceberg. Below the surface there are other benefits to consider, such as data transparency across the full decision-making process:

"When I say that BOARD ensures our company data availability and integrity, I'm not merely talking about the traditional idea of 'garbage-in, garbage-out"; rather, I mean the capability to empower the organization with a sustainable process that provides the data on time and in good quality" claimed Evstatiev.

How to engage everyone in the company and drive the change: ease of use and communication

When a relevant change is introduced in an organization, it is fundamental to actively include all those concerned. In this way the implementation is likely to succeed and be well received by people throughout different departments and hierarchies. As Evstatiev highlighted, "you need to know your crowd to be able to implement such a transformation quickly, and be strategically aligned. Absolutely all stakeholders within the company must be aligned to what management would like to achieve...otherwise the "roadblocks" could be quite big".

Alongside technical support during project management, the ease of use and flexibility of the BOARD platform have helped Coca-Cola European Partners to effectively and smoothly adopt the new solution, From the end-user standpoint the BOARD integration with Excel and the rest of the Microsoft Office package – traditionally embedded in every finance function – has made the user adoption even

easier. Furthermore, finance applications now are directly maintained by finance team itself, therefore being independent from IT department.

Furthermore, BOARD's embedded workflow functionality has enhanced visibility among the Coca-Cola Company's employees and senior management teams, both at the Country level and at the overall European level. On the same platform the Company can now monitor any manufacturing plant, warehouse, logistics processes and Cold drinks operations for each single Country; and on the very same platform the management can control the progress report of all the plans and forecast submissions coming from all the European countries. This effective combination of a detailed view and a "big picture" translates into better user adoption and addresses the management need to keep a close eye on the activity of the workforce.

People within the Company have also appreciated the technical performance of BOARD, such as its speed and the user-friendliness of the cloud base. "We have a lot of central teams and local teams in the countries and everyone can recognize the benefits of BOARD for the company," commented Ivan Evstatiev. All users are now integrated within the same platform: "Thanks to BOARD we can address the full planning scope, not only part of it, not only monthly reporting, etc. Absolutely every user that has one role in the planning cycle is already engaged with the BOARD platform. That allows us to promote communication across the entire organization, so that we can effectively drive the change," concluded Evstatiev.



The content and views discussed in this case study represent the information shared by Coca-Cola European Partners during the BOARDVille event on Monday 14th May 2018.

Case Study: KPMG

INTRODUCTION – FSN'S VIEW

This case-study illustrates how a unified planning and forecasting environment played a vital role in the digital transformation of the finance function of this very large and sophisticated professional services organization by providing a single point of contact for all finance related planning processes.

INNOVATION IN ACTION

The case-study illustrates two major innovations. Firstly, the transformational opportunity of shifting to a unified environment from a disparate set of non-standardized processes and secondly, the value of a POC (Proof of Concept) in evaluating the capabilities of a system before finalizing the decision.

SUPPORTING FINANCE TRANSFORMATION

An integrated environment linking all planning processes into a standardized and highly automated in a single unified planning and analytical environment completely transformed KPMG's technically obsolete technology landscape that had previously relied heavily on Excel and PowerPoint. Now, with a completely joined up approach that provided a multi-dimensional view of products, markets and production units, KPMG was able to accelerate decisionrelevant discussions whether that related to budgeting, forecasting or planning processes.

PROOF OF CONCEPT

A two-day Proof of Concept (POC) workshop in collaboration with BOAD consultants enabled KPMG to rapidly map and prototype its processes, design and planning requirements to BOARD's unified model in advance. This innovative approach helped pin down the financial risk and assisted the evaluation team to more easily calculate and justify the costs of the project before finally committing. The innovation of a POC enabled KPMG to have a high level of confidence in the system and the people behind it.



KPMG Finance adopts BOARD for integrated reporting, analysis, planning, budgeting and forecasting

About KPMG Netherlands

KPMG operates as a global network of independent member firms offering audit, tax and advisory services; working closely with clients, helping them to mitigate risks and grasp opportunities.

Member firms' clients include business corporations, governments and public sector agencies and not-forprofit organizations. They look to KPMG for a consistent standard of service based on high-order professional capabilities, industry insight and local knowledge.

KPMG member firms can be found in 155 countries. Collectively they employ more than 162,000 people across a range of disciplines.

Sustaining and enhancing the quality of this professional workforce is KPMG's primary objective. Wherever KPMG operates, they want their firms to be no less than the professional employers of choice.

KPMG contributes to the effective functioning of international capital markets. They support reforms that strengthen the markets' credibility and their social responsibility. They believe that similar reform must extend to the professional realm. "The all-in-one toolkit approach of BOARD matches our vision on integrated performance management. This key capability, together with its ease of use and implementation, makes BOARD a very attractive tool "

Director – Enterprise Performance Management KPMG Netherlands; member of KPMG's Global EPM Competence Center

Industry Financial Services

Application Area Finance reporting, analysis, planning, budgeting, forecasting



Challenge

The world is changing at an ever increasing pace. Increased internationalization, new data regulation, disruptive technology and alternative business models transform market conditions for both KPMG and their clients.

With this continuous change, the ability to seize opportunities while ensuring outstanding quality and control is essential for KPMG's success. Moreover, these developments have impacted the requirements on KPMG's internal finance department. In addition to their focus on quality and financial control, enabling the business to respond quickly to changing market conditions is a key value-adding activity.

In order to enable KPMG Finance to support the business actively in decision making, an enterprise performance management system is required which allows for integrated reporting, analysis, planning, budgeting and forecasting.

As agility is important to meet changing circumstances and need for information, **this system should be easy for users to handle** so it can be integrated in their daily work, **without having to depend on IT** to fulfill additional requirements.

In addition, it should be able to deal with both financial and non-financial data from the ERP and any other source systems.

In other words: Easy access to all relevant information for decision making.

How BOARD fits in?

As recognized in Gartner's Magic Quadrants for both Business Intelligence Platforms and Corporate Performance Management Suites, BOARD combines both BI and EPM in one single platform. This all-inone approach enables organizations to support their different performance management processes with one integrated application. In addition to the all-in-one concept, BOARD is appraised for its ease of use and development by business and finance users, with limited involvement of IT. These characteristics make it possible to apply an agile implementation approach, with short iterative cycles to develop functionality step-by-step.

It's because of these strengths that several KPMG member firms worldwide have been working on projects with BOARD successfully.

The Director of the Enterprise Performance Management practice at KPMG in The Netherlands:

"The all-in-one toolkit approach of BOARD matches our vision on integrated performance management. This key capability, together with its ease of use and implementation, makes BOARD a very attractive tool"

Proof of concept and project

Based on an initial analysis of the current landscape and requirements of the KPMG Finance department, a short and thorough proof-of-concept stage was conducted.

During this proof-of-concept, the most challenging functional and technical requirements were validated, in order to ensure that BOARD would be a good fit.

Amongst others, these requirements included delivering specific reports, supporting ad-hoc analysis, combining financial and non-financial data from different sources, and the ability to drill-down to transactional data from the ERP system.

Within a few weeks, analysis, development and presentation of the proof-of-concept took place, confirming that BOARD could easily fulfill the requirements defined, and that implementation would be possible in a short timeframe.

After successful completion of the proof-of-concept, the first phase of the implementation project was initiated, focusing on Reporting of Financial Data.



Supported by BOARD, a joint project team of KPMG Finance and KPMG's Enterprise Performance Management team led by Sander van Yperen, delivered the first increment of BOARD in just 7 weeks. During this phase, the project team worked closely together, continuously focusing on the set benefits of providing insightful, easy and flexible reports and analysis to the end user.

Okele van der Kam, responsible for Reporting and Business Control at KPMG in The Netherlands, is more than satisfied with the first phase of the project:

"Implementing a new tool can be quite a challenge, especially if you want results in such short timeframe. But the implementation was well managed, with quickly resolved issues and very limited amount of concessions to the original requirements. All in all, it was remarkably easy to do!"

Benefits

As a result, the current functionality offered through BOARD allows the end user to easily access and analyze detailed financial data in a much faster and more flexible way than before, through its options to view from different angles or to drill down to the lowest level of GL data. This way, leveraging BOARD to gather data, prepare and distribute reports, and perform analyses enables KPMG to optimize the month-end closing and reporting process.

As intended, this functionality also enables business controllers to support decision making even better. A good example was provided just before the official Go-Live of BOARD when Jonathan Meijer, business controller at KPMG Advisory, was preparing for a management meeting. In gathering the required data, BOARD enabled him to prepare the relevant reports much faster, allowing him more time to analyze and provide the relevant insight during the meeting. Jonathan Meijer: "Financial analyses can be done dynamically in front of a live audience. Based on high level figures a drill down to underlying details is quite easy. This results in interactive financial sessions and an immediate mutual understanding of trends and focus points."

Next steps

With this functionality delivered, KPMG Finance leverages just a part of the capabilities BOARD offers to support the wide range of EPM-processes. **Next to** adding non-financial data to BOARD from other sources and making these insights available to a wider range of users, Finance is now exploring how to support budgeting and forecasting processes. Okele van der Kam:

"Running a good, thorough forecast process normally takes finance too much time to run the necessary checks and balances. So the challenge is to speed up that process, making it feel fast and easy – while staying in control – and that should give us the time to work on relevant scenarios of that forecast. **My view is that with BOARD we will be able to achieve both goals.**"

Partnership

The implementation at KPMG in The Netherlands is an important milestone in the relationship between BOARD and KPMG. Jessica Venturini, Global Alliance Manager at BOARD International adds:

"BOARD has successfully been working with KPMG in multiple countries to deliver addedvalue solutions to joint customers. We are proud of having been chosen by KPMG also as a provider; it is a further recognition of the value we are bringing to our common customers. We look forward to working with



THE CCH® TAGETIK INNOVATION SHOWCASE

Corporate performance management (CPM) applications are a vital resource for any business, providing the competitive insight and foresight that can mean the difference between success and obsolescence. Having the right technology plays a crucial role in improving the quality of business planning and decision making. But moving to a more data- rich planning environment which straddles operational and financial data, as well as structured and unstructured data, requires powerful solutions to process, churn and synthesize large and varied quantities of data.

Non-financial data is the new game-changer in generating strategic insight, but incorporating new data sources into plans and models brings with it concomitant difficulties, like data integrity and compatibility, not to mention how to handle the sheer volume of data being generated. This has increased the complexity of CPM to the point where it is no longer enough to rely on disparate spreadsheets, unmonitored work flows and unlinked data sources. CCH Tagetik have been at the forefront of innovation in corporate performance management since 1986, striving to deliver a seamless, integrated CPM journey.

The company offers a broad scope of CPM that doesn't only focus on strategic, financial and operational budgeting, planning and modeling, but also provides cutting edge capability around financial consolidation and close, analytics, financial and management reporting, regulatory reporting and disclosure management.

In this Innovation Showcase we focus on three areas that help to support finance functions in an increasingly changeable and demanding world. We demonstrate how CCH Tagetik is laying the groundwork for the future through its innovative (i) Modern Finance Transformation Platform powered by its Analytic Information Hub (ii) integration with SAP HANA and finally it's (iii) preparations for an era of artificial intelligence and machine learning.

Innovation 1: A modern Finance Transformation Platform empowered by an Analytic Information Hub

Most Corporate Performance Management solutions limit themselves to processes that manage the performance of a business, specifically planning, budgeting and forecasting, consolidation, reporting and analysis.

In the main, CPM systems draw heavily on underlying general ledgers, but increasingly sophisticated users need to assimilate and merge detailed transactional and other financial and non-financial data to fully understand performance and aid consistency in decision-making across finance and operations. Linking all of these moving parts in one unified environment is an intricate process but can also represent a major step forward in helping to elevate the modern finance function to strategic advisor.

CCH Tagetik's Analytic Information Hub is at the heart of this modern Finance Transformation. The Analytic Information Hub underpins the performance management applications and processes for which CCH Tagetik is well known, but it also allows users to go beyond traditional corporate performance management to create what CCH Tagetik calls its Finance Transformation Platform.

This novel approach inverts the normally accepted architecture of CPM by bringing the applications to the data, rather than the traditional process of copying the data to multiple applications. Establishing a single trusted data source in this way, avoids duplication, increases speed to insight, and enables user to leverage data at all levels of granularity, from detailed line items to summary level data to generate insight and drive the business forward.

High volumes of granular financial and operational data are easily turned into information and information into actionable insight enabling Finance to support business operations by anticipating risks and opportunities. A unified platform for data and processes, which is owned by Finance, shortens the close cycle, streamlines budgeting and planning, and optimizes profitability analysis while providing the data and process governance that Finance requires.

The Analytic Information Hub also provides the flexibility of virtually unlimited dimensionality, the ability to incorporate structured and unstructured data from internal and external sources, a powerful processor, with financial intelligence and modeling tools that can be configured, not programmed, by Finance. Most importantly, the Finance Transformation Platform is owned and maintained by Finance, reducing its dependency on IT and the same full functionality solution is available on the cloud and on premise.

Given this rich data all in one unified environment enables Finance & Operations to perform planning or profitability analysis at sku level, produce detailed KPI's, HR planning at the individual position level and more. With a more detailed view of their data, the CFO can provide more transparency, be more agile and make decisions quicker and with more confidence. This new capability is also used for purpose-built solutions such as CCH Tagetik's Lease Accounting solution (for IFRS 16 & ASC 842) and IFRS 17 for insurance contracts.

The profound importance of bigger and more granular data models was supported by FSN's 2017 research (The Future of Planning, Budgeting and Forecasting). CFOs who reported that they had built more granular models in the last 3 years were two and a half times more likely to be able to react more quickly to market change and 40% of them were able to forecast revenue more accurately, i.e. within plus or minus 5%. The crucial importance of finance having detailed granular detail at its fingertips was further confirmed by 2018 research which identified that having all data (internal, external, structured and unstructured) in one unified environment was a pre-requisite for "data mastery" and superior performance. Only 19% of finance functions achieve data mastery but it is clear that the ability to provide heightened levels of automation, with the ability to input, manage and manipulate the data in the Analytic Information Hub without external IT support liberates the finance function to provide more time on value added activities. Data governance and process control with integration to source systems, workflow and audit trail provides confidence in the data, totally owned by Finance. This combined with deeply granular analysis and modeling in one platform, elevates the scope and value of what the Office of Finance can deliver to the organization.

Furthermore, with both financial and non-financial data pre-validated and governed by Finance, users of the Finance Transformation Platform can complete the so-called 'last mile' with CCH Tagetik's Collaborative Office, bringing together the processes, tasks and activities which stretch from the period close in reporting entities through to the electronic filing of results with regulators.

By accessing a single source of data with workflow and collaboration tools, Operations and Finance are aligned, processes are streamlined and resources can be optimized. With a complete view of the data, and the ability to easily get any answers, finance can now gain more insights for accurate and better decision making to drive business. Finance can now be elevated within the organization, partner with business and provide the strategic guidance to the c-suite and CEO.

Innovation 2: SAP HANA Certified

For SAP users, the platform concept, incorporating the Analytic Information Hub, has been taken one step further by running CCH Tagetik on the SAP HANA platform (it can also work with Oracle and MS SQL Server). CCH Tagetik and SAP co-innovated the SAP centric solution, which has been certified 'powered by SAP HANA'.

CCH Tagetik provides seamless integration to SAP source systems (SAP S/4 HANA, SAP ECC) and reporting and analytics on SAP BW, SAP Analytics Cloud and SAP Analysis for Office providing near real-time results. These capabilities have been used to shorten close and planning cycles, optimize processes and increase analytic capabilities. High volume capabilities and in-memory processing, combined with the flexible data structures of SAP HANA provide a powerful combination to process all the financial and operational data now and for growing data volumes in the future. The innovative SAP HANA capabilities also provide a foundation and performance platform for moving to AI, machine learning and predictive analytics in the future.

Innovation 3: Preparing for an era of AI and machine learning

Innovation is not specific to a technology or process, it is also the act of preparing for the next phase of innovation. CCH Tagetik is preparing for the era of machine learning by not only ensuring its CPM environment has the capacity to manage and support the quantity of data needed to enable machines to learn, but also ensuring the quality of that data by codifying, normalizing and verifying both financial and non-financial information.

This, combined with the broader capabilities of CCH Tagetik's Finance Transformation Platform provides not only the scope and capacity to deliver the granularity demanded by businesses who need to keep up with changing markets now, but also the next phase of digital innovation, which will involve machine learning and artificial intelligence.

However, the key to successful machine learning is to provide machines with enough data to learn, and that means exponentially increasing the quantity of data being analyzed. CCH Tagetik already has the underlying environment to store this vast data pool, and the ability to structure, verify and codify it. But the platform also allows finance to take control, to govern and ensure the "veracity of the data" with confidence – a key requirement as modern finance professionals start modeling with artificial intelligence (AI) and machine learning. AI based on inaccurate data is worse than not having AI at all.

In order to embrace AI, the CFO will need to have supreme confidence in the accuracy and auditability of the data that AI is using. Machine learnings is in its infancy, and CCH Tagetik has been working with its customers, partners and thought-leaders to fully understand how these new technologies can best be put to use.

The company is currently leveraging predictive and prescriptive analytic tools for a pilot running through its Finance Transformation Platform leveraging the Analytic Information Hub and SAP HANA Predictive Analytic Library (PAL) integration. By bringing in more granular data, like customer information, industry markers and seasonal business drivers, users are able to predict demand around specific events, to understand how sales might close at the end of the year and adjust pricing or costs accordingly to maximize profit or allocate capital with efficiency and effectiveness. Ultimately CCH Tagetik's road map is to incorporate machine learning capability into their platform to take advantage of the quantity and quality of the data on their platform to determine cause and effect relationship to support prediction and much-advanced business modeling. Meanwhile, their unified environment and integrity of data means their users are ready to take advantage of machine learning when it comes.

Case Study: Vaillant Group

INTRODUCTION – FSN'S VIEW

This ground-breaking case-study highlights the step-change in capability enjoyed by Vaillant Group from the implementation of SAP HANA in concert with a multiyear planning CCH Tagetik planning application. SAP HANA integration replaced a disparate set of finance processes with a unified environment for planning and reporting.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. First of all the power of CCH Tagetik running on the SAP HANA platform and secondly, the ability to put the finance function in the driving seat.

THE POWER OF CCH TAGETIK ON THE SAP HANA PLATFORM

Growing business uncertainty has driven organizations to forecast more frequently and at a deeper level of granularity, but historically organizations have struggled with such high data volumes and been unable to merge data sources into a single, unified computing environment. But CCH Tagetik's solution allowed Vaillant Group users perfect line of sight between the budgeting and reporting application through to data held in SAP BW and even the underlying SAP ERP system. The ability to access and analyze such granular data and compare it with budgets appears to have been transformational and liberating.

FINANCE IN THE DRIVING SEAT

Complex and fragmented systems had held Vaillant back, but the ability to integrate SAP ERP via the business warehouse to CCH Tagetik and using SAP Open Hub, without adding interfaces allowed the finance function to handle all of the administration of the planning applications without having to resort to the IT team for every change.

Vaillant Group

CASE STUDY

"We were looking for a planning tool that really thinks ahead in tandem with us and that's exactly what we found with CCH Tagetik."

Company

Vaillant Group

Industry

HVAC technology

Key data

- A leading provider of highly efficient products and solutions for heating, air conditioning and warm water with 10 production and development sites
- Approximately 13,000
 employees
- Annual turnover: approx. €2.4 billion

How it uses CCH Tagetik

Multi-year planning

Requirements

- Optimize the planning process and rework the reporting system
- · High functionality
- Administered directly by the planning team
- · Quick turnaround

Christoph Siemons

Head of Planning & Forecasting, Vaillant Group

Solution overview

In an IT landscape dominated by SAP solutions, the internationally operating family company Vaillant decided to use CCH Tagetik as its tool for multi-year planning. It was fully integrated into the SAP HANA environment introduced at Vaillant. Employees have a direct link to the data from the business warehouse, making planning processes significantly faster and more accurate.

Initial situation

From gas heating to ventilation systems, the Vaillant Group is one of the leading providers of heating, ventilation, and air-conditioning technology in the world. With 13,000 employees, the company generates almost €2.4 billion in sales each year. With eight brands and eleven locations in six European countries as well as China, the family-owned company is internationally positioned.

In order to harmonize its processes and rework its reporting systems, the Vaillant Group launched an overarching program called "Controlling Excellence." Planning processes and, in particular, multi-year planning were also put to the test in this context, reports Christoph Siemons, Head of Planning & Forecasting for the Vaillant Group.

"Previously we had been using an older planning tool for this purpose. But it was no longer state-of-the-art. Users in individual departments and locations were barely integrated and, in some cases, Excel-based solutions that could only be used by individual persons in the head office were still in circulation."



Results and benefits

- Complete integration of CCH Tagetik into the SAP-HANA environment without additional interfaces
- Use of driver-based approaches in planning
- Mapping of many individual special features within the planning processes
- Integration of product roadmaps and data from market research
- Budget figures significantly closer to targets

Working with external consultants, Vaillant investigated which planning solution would best suit the company, with a clear emphasis on meeting its requirements. Functionality accounted for the lion's share of the score (50%), while cost accounted for 35%. The extent to which the solution is future-proof made up the remaining 15% of the score, a wise move given the strongly SAP-oriented IT landscape at Vaillant.

Multi-year planning with CCH Tagetik

Application-related selection procedure

In order to implement as practical a scenario as possible, the team defined a series of concrete application cases for the planning solutions being considered. A user day provided the framework for a detailed check by selected users. CCH Tagetik not only convinced based on the evaluations of potential users, but also stood out from an alternative because it offered logics already used by other companies.

"The other option would have been a modular system with theoretically almost unlimited possibilities, which is something we do not actually need. We were looking for a planning tool that really thinks ahead in tandem with us and that's exactly what we found with CCH Tagetik," Siemons explains.

Agile project implementation enabled fast implementation

Since the final decision was made towards the end of the year and the Vaillant Group's multi-year planning process was due to start in April, the project faced a tight deadline. Thanks to agile project management, CCH Tagetik and its implementation partner pmOne were able to completely implement the planning tool within four months. A number of special features were especially challenging at Vaillant.

"Due to the tight schedule, we had to incorporate a large number of individual planning processes into CCH Tagetik within a few weeks," says Siemons. "The group, for example, is not organized on an accounts basis, but via organizational structures. Contribution margin accounting is also relatively complex. In general, there is no universal top-down planning process. Instead, we had to take into account special aspects when it comes to planning warranty and goodwill costs, service costs, and spare parts, for example."



"The high level of detail in the business plan was a real highlight. Previously, we used a variety of solutions to handle these issues, but were unable to come anywhere close to this kind of detail in the figures."

Christoph Siemons

Head of Planning & Forecasting,

Vaillant Group

Further benefits

In the course of implementing CCH Tagetik, a number of supporting functions were also integrated. For example, one can use the figures on market sizes and shares from the Vaillant Group's internal market research tool and the product roadmap from the research and development department is also linked.

Optimal integration with SAP HANA

Since Vaillant introduced the SAP HANA platform in parallel to the Controlling Excellence program, the implementation of CCH Tagetik also focused on the corresponding integration. By setting up communication from SAP ERP via the business warehouse to Tagetik and using SAP Open Hub, it was possible to achieve complete integration without adding interfaces.

This gives users a direct connection to reporting functions, so that they can view data normally in SAP BW and also compare it with budget data from the previous year as required. This allows adjustments to be made much more quickly than before. CCH Tagetik also offers the Vaillant Group the opportunity to pursue driver-based approaches within the planning process. For example, price developments based on percentage increases can be included in the business plan.

Christoph Siemons: "The high level of detail in the business plan is a real highlight. Previously, we used a variety of solutions to handle these issues, but were unable to come anywhere close to this kind of detail in the figures." The data is 1:1 comparable with the information from the budget or the forecast. As part of the budget process, we have already established that the initial figures submitted are much closer to the targets than used to be the case. Another big advantage for us is that the planning team can handle the administration themselves. Before, they always had to call in IT to handle that."

Further expansion of CCH Tagetik at Vaillant already planned

In the next steps, Vaillant plans a significant expansion in the use of CCH Tagetik. In the course of integrating planning & forecasting, cost center planning, fully integrated balance sheet, and cash flow planning, as well as consolidation will be integrated in the future.

About Wolters Kluwer | CCH Tagetik

Wolters Kluwer enables personnel from the fields of finance, law, tax and health to work more effectively and efficiently. We offer information, software and services which combine holistic insight, intelligent tools and expert skills. We understand the complex challenges which face the 'office of the CFO' and translate this understanding into intuitive, company-wide performance management software solutions which improve your outcomes. With over 180 years of history in the global service sector, Wolters Kluwer sets standards for software, knowledge, tools and training.

Further information can be found at www.tagetik.com and www.wolterskluwer.com



Case Study: ECE Projektmanagement G.m.b.H & Co. KG

INTRODUCTION – FSN'S VIEW

A considerable body of FSN's research confirms the pivotal importance of data governance to finance function innovation, business partnering and analytics. This case study illustrates compellingly, how transitioning from a spreadsheet-bound planning process to a unified CPM environment is an innovation that enables the convergence of data, workflows and analytics.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. First, the ability of CCH Tagetik to transform the planning process with multidimensional modeling capability on an enterprise scale and secondly, the enhanced analytical possibilities opened up by the option to link through to SAP HANA in the future.

MULTIDIMENSIONAL BUSINESS MODEL

A unified, multidimensional business model creates new vistas of opportunity for analytics that cannot be replicated in a 2-dimensional spreadsheet environment. Around 20% of finance departments regard this as a key innovation, enabling them to analyze big data sets, in this case, integrated liquidity planning, across multiple business themes in real-time. In this case study, ECE wisely put effort into merging and rationalizing data structures at the commencement of their project, providing a robust and consistent foundation to their analytics.

SAP HANA

In many cases organizations need to amplify and support their multidimensional analytic engines with more granular data which can be accessed from summary data held in their overall business model. Although not implemented yet, the ECE project sets the scene for the organization to transition to SAP HANA in the future. The innovative ability to navigate at will, between the multi-dimensional world of performance management data and a transactional world in SAP source systems, provides a rich seam of capability that supports data analytics and potentially AI, machine learning and predictive analytics in the future.



CASE STUDY

«CCH Tagetik is the only solution on the market with which we were able to meet our high requirements for integrated liquidity planning and performance management.»

Ulf Steinhop

Director Controlling & Risk Management, ECE

Solution overview

From income from parking lot terminals to the entire cash view: the real estate company ECE Projektmanagement G.m.b.H. & Co. KG (ECE) uses CCH Tagetik to carry out fully integrated cash flow planning on a monthly basis. The planning data is entered by about 300 users from around 60 Group companies in special Excel-based input forms. The planning process is controlled by sophisticated workflows. As a result, the central finance and controlling departments have more opportunities to carry out complex analyses. The main objective is to provide management with a better basis for decision-making on corporate management.

Initial Situation

ECE's capital-intensive involvement in the real estate market requires monthly cash flow planning. ECE planning objects - currently 199 shopping centers and around 50 real estate projects under development - have been recorded with the CCH Tagetik software solution since August 2016. The project to introduce a new planning tool at ECE officially started in December 2014, but the preparations actually started two years earlier. From then on, the heterogeneous financial transaction systems were merged and the data structure standardized in a data warehouse. In addition, the planning processes were critically analyzed and evaluated by external consultants.

The trigger for the search for a new planning tool was the increasing dissatisfaction of the planning participants, as the growing demands on a planning process in Excel could hardly be met. In the central financial area, the effort for the correct processing of data, such as the processing of data from the data warehouse in the Excel spreadsheets, was also increasing more and more. It was also difficult to keep track of which planning steps the individual group companies had already taken. Leading to frustration and overtime.

Company

ECE Projektmanagement G.m.b.H. & Co. KG

Industry

Retail

Key data

- Development, realization, leasing and operation of shopping centers
- Approx. 3,600 employees
- Market value of the shopping centers managed: approx. € 33.5 billion

How it uses CCH Tagetik

Planning, Analysis, Consolidation

Requirements

- Optimization of planning processes
- Reduce the cost of properly processing the data
- High-performance analysis tools for actual and planned figures
- Illustration of the planning and control model in a databasebased solution

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Results and Benefits

- CCH Tagetik provides credible financial planning and analyses as a basis for management decisions
- High user acceptance thanks to Excel integration
- Great efficiency through integration of preliminary planning from the specialist departments
- Thanks to a smart, expandable modular architecture, additional control processes can be continuously integrated

Three operational objectives in the selection process

There were three operational goals to be achieved with the new planning software. First, the existing, well-functioning planning and control model, which was documented in Excel, was to be mapped in a database-driven solution. Second, it should be possible to actively control the planning process or workflow - the interaction between the planning processes in the group companies and the finance department. Last, but not least, the increasing analysis requirements for corporate planning should be covered. High-performance analysis tools for actual and planned figures down to the individual document level should be available for this purpose.

One reason for choosing CCH Tagetik was the high degree of Excel integration. Even after the introduction of CCH Tagetik, users in the group companies continue to plan using Excel-based input forms, in a familiar environment. "CCH Tagetik is the only solution on the market with which we were able to meet our high requirements for integrated liquidity planning and performance management without restricting our previous working methods," says Ulf Steinhop, Director of Controlling & Risk Management. More reasons to select CCH Tagetik were flexible, comprehensive authorization and workflow control, simple system administration that can be performed by the department, excellent system performance and a good price/performance ratio.

The decision to go with CCH Tagetik was also made with the knowledge that SAP would be introduced at ECE as a group-wide ERP solution. Although CCH Tagetik at ECE is currently working with Microsoft SQL Server as the underlying database, a migration to SAP HANA for data management is easily doable.

In a team: start small, think big

In order to limit roll-out risks, the CCH Tagetik implementation was based on the principle of small compromises. The solution was introduced in two steps due to the large number of planning participants at many locations - including ECE's shopping centers. Initially, the core process between the local finance departments in the group companies and the controlling functions at the Hamburg headquarters was mapped and established. Consultants from pmOne AG supported the project with application design, implementation of the data model, calculation scripts and interfaces to the data warehouse as well as training and coaching the project participants in using CCH Tagetik. The design and implementation phases were very agile and as a result of short "sprints" a prototype was created quickly. User feedback from working with the prototype then flowed back into the further design of the planning solution. Thanks to the quickly visible successes and improvements after the implementation of CCH Tagetik in the financial area, management was convinced to use CCH Tagetik in the other divisions throughout the group as well.

In a second step, the approximately 250 other planning participants of the operative, decentralized units were familiarized with the planning process in CCH Tagetik. This required a high acceptance from users, which was ensured by their intensive involvement in the essential decisions of the project. CCH Tagetik "forced" soloists to let go and to adapt. Concerned that users would therefore miss a certain individual flexibility, they spent a lot of time with these users to get to know their work processes and to see what could worry them about a new solution. A big advantage was that CCH Tagetik had already proven itself. Those involved in the planning process were thus positively disposed to changes, and any resistance or fears that arose in the form of impatience were quickly overcome thanks to the well-functioning change management. IT project manager Maxim Petrov also emphasizes another important success factor: "The introduction of the redesign of corporate planning was the responsibility of an equal dual project management leadership from the IT and finance departments. In addition to the effective access to employees in all essential areas, a strong team was formed during the project for the operation and the correct long-term system strategy.

Sven Sörensen, Head of Department Performance & Risk Management at ECE, reports that, for those responsible for planning, the type of work has drastically changed since the introduction of CCH Tagetik. The proportion of working time for data handling has fallen from 60 percent to 10, while the proportion of working time available for analysis has risen from 40 percent to 90. Peaks in work before the deadlines set for the completion of financial planning have flattened out. There would be more time for "the business and the market".



"Our vision is that even during the presentation of the figures, changes can be incorporated into the planning and that these flow into the cash flow statement via the income statement and the balance sheet. CCH Tagetik ensures that this vision can become reality. »

Sven Sörensen

Head of Department Performance &

Risk Management, ECE

New Analysis Options and Quick Wins

Special analyses for market-oriented functions in sales or management have become possible. In the old Excel world, a maximum of two dimensions (customers, divisions, countries, etc.) were available for evaluations, for which a new analysis model had to be created each time. Since the resulting work was very intensive, some analyses could only be carried out once a year. In CCH Tagetik, planned and actual multidimensional data is available at all times for evaluations that are possible practically in real time. A customer contribution margin analysis, for example, can now be created much more easily and quickly. The same applies to a market profitability analysis (portfolio business / project business by country) with multi-level contribution margin accounting. All analyses can be performed more comprehensively and in greater detail because transaction data can be accessed via the data warehouse. Various reports - e.g. for investment controlling - are available at the push of a button.

As well, the overriding goals of the software introduction were achieved. The acceptance of the planning business process increased considerably and the financial planning to steer the company received more credibility.

Sörensen explains: "If the multi-stage financial planning is overtaken by reality, if a property worth tens of millions of euros was bought or sold for a project after the completion of the plan, the presentation of planned figures in the committees is open to attack and credibility suffers. Our vision is that even during the presentation of the figures, changes can be incorporated into the planning and that these flow into the cash flow statement via the income statement and the balance sheet. Live planning with CCH Tagetik ensures that this vision can become reality. With the new planning solution today, the editorial deadline for financial planning is just a few days before the committee meeting - previously it was several weeks.

After the functional principle of CCH Tagetik with its integration of planning data input forms, using Excel as an interface, was understood and accepted by the planning managers in the group companies, there was a desire to carry out planning processes of individual operational units in the new planning solution. "The integration of these subplanning processes into CCH Tagetik, for example the marketing of open spaces in our shopping malls, significantly reduced the effort required for individual processes," reports Sörensen. "Quick Wins can be realized here. The planning will be smarter and the cooperation with the departments even better." Since the use of CCH Tagetik as a planning solution has proven its worth throughout ECE's entire division, people are already thinking about other possible uses. In the medium term, CCH Tagetik will also be used as a consolidation solution.

About Wolters Kluwer | CCH Tagetik

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More information at www.tagetik.com and www.wolterskluwer.com



THE CERTENT INNOVATION SHOWCASE

A seemingly young company, Certent's roots in the Disclosure Management space can be traced back to its formation in 2002 as the original pioneer of Last Mile reporting. Since then Certent has made a series of carefully selected acquisitions enabling the presentday company to offer complete coverage in the field of disclosure management, corporate reporting, compliance, disclosure research, narrative performance reporting and electronic filing – including XBRL.

Certent occupies an area of the reporting market that is constantly evolving. Group and corporate reporting functions routinely face changing regulatory mandates, accounting standards updates and compliance requirements wherever they operate in the world. Certent has been at the forefront of these initiatives supporting global organizations of all sizes to ensure they remain compliant.

With the passage of time, organizations have come to realise that a strong platform used to fashion and deliver corporate, regulatory and statutory reporting can also be deployed to support a wide range of internal reporting needs – and Certent's solution is well positioned to meet these demands.

Certent's agile development process means the product and service offerings innovate quickly to adapt to new technology requirements that often accompany regulatory change. For example, quite recently, the European Securities and Markets Authority (ESMA) implemented the European Standard Electronic Format (ESEF) mandate with additional complex requirements for report submission.

In this innovation showcase we highlight three innovations that Certent brings to market, namely; (i) High Definition (HD) Electronic Reporting (ii) Data Automation and (iii) Transformation of Enterprise Report Production.

Innovation 1: High Definition (HD) Reporting

We live in a digital era where there is an expectation for easy access to visually appealing and engaging information. The challenge for finance teams is that complex regulatory and statutory mandates require layers of data that translate into a less than desirable format. Certent's HD Electronic Reporting enables companies to combine the high-quality presentation-style reports that people prefer with the digital XBRL data that regulators require into one easy-to-access web experience.

XBRL has been through several iterations since its inception, but the latest generation of XBRL, namely iXBRL or Inline XBRL offers the opportunity to leverage tagging in a completely innovative and productive way. Essentially it continues to impose a level of governance over the data that regulators need and provides the user community with almost complete freedom over the design of the iXBRL document.

Previous XBRL requirements called for the submission of two separate formats: a simple HTML representation of a report and the raw XBRL document (set of XML files). There was a loose coupling between the two which required manual review to ensure that the numbers in the HTML document matched those in the XBRL output. iXBRL merges the two together, embedding the XBRL information within the HTML allowing the documents to be easily readable by both humans and machines.

The key to Certent's innovation in this area, to be released later this year, is two-fold: the data management and all of the associated workflows will be fully integrated at the presentation layer, and a new digital reporting engine will create a pixel-perfect representation of a company's report in HTML. In this way, users will have the certainty, integrity and control of the underlying tagged data, but complete freedom in the way the information is presented in the report outputs and their story is told to the outside world. The fusion of the data layer and presentation layer lets filers develop their complete reports in one place and with one tool. Certent calls this innovation High Definition (HD) Electronic Reporting.

Interestingly, a bi-product of this development is that even without an iXBRL requirement, the tool can be used for HD report production and publication using other data sets that reside in the Certent environment. A great example is Corporate Social Responsibility (CSR) reporting which is highly stylized and contains data from different business units across an organization. In this way, the finance function can leverage a high level of control and governance over untagged data, workflows and collaboration and yet benefit from the freedom to present reports as desired for a broader set of internal and external reporting.

Innovation 2: Data Connectivity

The marked growth in the variety of data sources that need to be brought into the reporting environment to cover the full breadth of corporate, regulatory, statutory and internal narrative performance reporting has created significant challenges for finance functions. Copying and pasting numbers from various systems into narrative reports is not only time-consuming but is laden with risk and errors. Further, it is not only important for users to be able to bring in their data, but also to have traceability back and forth between the reports and data sources to confirm its origins and how it may have been adjusted through the reporting cycle. Ease of connectivity and the ability to trace its lineage are the key objectives of Certent's data connectors and of course, this capability is important in equal measure for internal and external reporting.

Imagine a state of fully dynamic reporting where a 100-page report peppered with data from various sources across different business units is automatically updated to reflect the most recent numbers within minutes and without human intervention. Certent has developed unique and open technology that does just that leveraging the power of finance's applications of choice, Microsoft Office. This allows the organization to source the data (financial, statistical, and operational) from many different data environments and populate many reports at an enterprise level. Through the use of custom validation rules and data-connectors, users can have confidence that real-time data is flowing through to each and every report output. With direct connectivity via APIs to leading CPM solutions and ERP systems that have relational tables as well as any Excel-based working papers and schedules across the organization, this innovation allows finance teams to build confidence in the story they are telling, whether internally or externally.

All of these innovations help standardize and automate the regular capture of data serving up well controlled information to be consumed in the High Definition (HD) Electronic Reporting (see above).

Innovation 3: Enterprise Report Transformation

It is fascinating to note how often the corporate reporting process stumbles at the last hurdle. High quality document production does not sit easily with group reporting applications. And that's because the typical finance function is expert at marshalling transactions but less accomplished at managing document flows. The scope for error as structured (numbers) and unstructured (narrative) information is transcribed from reporting system to Microsoft PowerPoint or Word or from the group consolidation system to a file format acceptable to external printers (perhaps Adobe InDesign) is significant. Furthermore, the risk of error is even greater today as information is expected to be disseminated more widely and in a variety of different report formats and media for different stakeholders, for example, a CSR (Corporate Social Responsibility) report produced on the web, an environmental report produced as an addendum to the Final Report and Accounts in hard copy, or a PDF of the current month's board pack distributed to directors by email. Maintaining a library of published documents that need to be consistent, correct and produced on-time is a formidable task.

A further strain is the need to maintain version control over documents as well as strict security and confidentiality over the information they contain; a position that is exacerbated by fractured systems, a convoluted process and the increasing number of people involved in the final stages of document production. Certent's ability to transform the production of reports for enterprise companies brings innovation to a much-neglected part of the reporting supply chain.

A key to its process improvement, is a unified environment which inextricably links the numbers to the narrative ensuring that any changes made to underlying data are reflected in the accompanying narrative. But that's not all. It is vitally important to recognise that report production is a highly collaborative process with lots of 'moving parts', for example, documents and people with different skill sets and needs under intense time pressure which increases risk of incorrect reporting.

Certent's Transformation of Enterprise Report Production is an innovation that enables hundreds of users across various business units to streamline and automate processes for collaboration, workflow, compliance and control of the entire document production and disclosure cycle at scale using familiar Microsoft applications. This means that in the frenzy to prepare the final version of a published set of financial statements (or indeed any financial document) the corporate finance function can ensure that late consolidation adjustments, or amendments to the notes to accounts are not only reflected appropriately in the group reporting system but also flow through immediately to final documents in whatever media they are rendered. And importantly, anyone involved in the process has access to the latest versions of the documents and can see what has changed.

The innovation is not just in the production of the report. The documents and workflows can also be rolled over instantly from one period to another allowing continuity and integrity of document contents period or period. This innovation not only saves many days' worth of manual effort but ensure critical accuracy and consistent reporting.

Regardless of the report type or whether it is used for internal or external purposes, Certent's innovation reconnects finance professionals with the business, the process and each other.

Case Study: easyJet

INTRODUCTION – FSN'S VIEW

The Last Mile of finance has always been a formidable hurdle. Marshalling numbers and narrative all the way through to final report production for external stakeholders means navigating a complex web of integrations, file formats, and presentation media, as well as a high level of collaboration between finance teams and other specialists. This case study illustrates how specialized disclosure management software can completely transform the process and remove the strain.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, data automation and secondly transformation of enterprise reporting, setting the groundwork for even more innovation.

DATA AUTOMATION

The case study highlights how reporting templates for a variety of external reporting needs can be automatically pre-populated with the latest data from consolidation systems, releasing valuable time for the finance team to work on final documents, safe in the knowledge that any late changes to actuals can be captured and automatically reflected in the any reports produced.

TRANSFORMATION OF ENTERPRISE REPORT PRODUCTION

The introduction of advanced automation and innovative reporting capability has transformed the finance function. The reporting process is no longer dependent on a single reporting "expert", all team members can collaborate through cloud deployment, analysts have more time to do "real analysis" and results can be presented in different reporting media, for example, Microsoft Power Point for industry analyst presentations. But above all the initial transformation has set the scene for transformation of internal management reporting as well.



easyJet Delivers Year-End Reports to Tight Deadlines



THE SITUATION

As one of Europe's leading low-cost airlines, easyJet's chief operational focus is to deliver low fares and operational efficiency on point-to-point routes, with its people making the difference by offering friendly service to its customers. At the same time, as a public company listed on the London Stock Exchange (LSE: EZJ) and a constituent of the FTSE 100 Index, easyJet must also ensure that its shareholders are confident in its leadership, and that it maintains its reputation for transparency and financial integrity.

To this end, easyJet must produce a wide range of external financial statements and reports. The need to deliver this varied portfolio of reports to the board, investors, auditors, analysts and other stakeholders puts the group reporting team under significant time-pressure, particularly at periods such as year-end and half-year.

easyJet

Disclosure Management Customer Profile

Company Name: easyJet

Industry: **Airline**

Key Result:

Reliable external reporting making year end reporting much smoother

easyJet Delivers Year-End Reports to Tight Deadlines

Gail Butler, Head of Group Reporting at easyJet, explains: "Among other outputs, we need to provide the financial statement and financial review sections of the annual report, a report for the audit committee, and slides for analysts, both for the whole group and for four subsidiaries. To ensure that these reports are accurate, we need to take great care that the latest financial figures from our back-end systems are represented correctly—and updated consistently whenever something changes."

THE TRANSFORMATION

When easyJet decided to go ahead with its move to CDM on Cloud, the project team knew it had a narrow window of opportunity.

Emma Butcher, IT Project Manager at easyJet, recalls: "We only had a few months to get the new solution into production before our year-end in September. It was important not only to get the software in place, but also to build up our in-house team's skills: one of the shortcomings of the previous solution was that we only had one expert in our reporting team who understood its inner workings. We were determined not to run that risk again."

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"The cloud option means that we don't have the risk and maintenance costs of having physical hardware on-premise."

easyJet Delivers Year-End Reports to Tight Deadlines

THE RESULTS

easyJet successfully completed its migration to the new solution ahead of its September deadline, and its reporting team could complete the company's year-end disclosures successfully, on schedule.

"We have always had a very tight timeframe for year-end reporting," comments Gail Butler. "Whilst this timeframe remains tight, through the use of CDM we have made the whole year-end reporting process much smoother."

In the easyJet team's opinion, one of the most important advantages of the solution is the fact that it allows them to prepare for a busy reporting period ahead of time, by setting up the reporting templates in advance. As soon as the consolidated year-end or half-year financial figures are available, the integration between CDM and the company's back-end systems populates these reporting templates automatically—giving the reporting team more time to focus on other aspects of the process, instead of spending hours inserting, reviewing and correcting the numbers.

Gail Butler comments: "Before I joined easyJet, I worked as an auditor, and I saw companies trying to produce their annual reports manually, using spreadsheets. It was a hugely timeconsuming and error-prone process. Considering the tight timeframes that we work with today, it would be hard to deliver on schedule using these manual processes."

Getting Fast Results

Saves time by reducing the need to edit reports and check for errors manually

Enables automated generation of new report types, such as investor slides

Reduces maintenance and administration costs with a flexible cloud delivery model

easyJet Delivers Year-End Reports to Tight Deadlines

The new solution also expands the range of options available for reporting outputs, helping easyJet automate additional aspects of its reporting processes. For example, integration with Microsoft PowerPoint makes it possible to create slide decks that easyJet provides for industry analysts—a task that was previously done manually.

Gail Butler concludes: "This project wasn't motivated by return on investment, but now that we have the solution in place, we're seeing opportunities to use it in other areas of the business. For example, our monthly management reports are mostly manual at the moment, and we could potentially streamline that process significantly by moving it into CDM. The more time we can give back to our analysts to do real analysis, rather than just crunching numbers, the more value we can add to the business."

— **5** —

"Through the use of CDM we have made the whole yearend reporting process much smoother."

ABOUT CERTENT

Certent, Inc. is a leading provider of software and services for equity compensation and financial disclosure management and reporting. Founded in 2002, Certent serves more than 2,400 public, private, and pre-IPO companies with innovative stock plan management, regulatory compliance and reporting technology. With five global offices, Certent delivers confidence across mission-critical finance and HR processes.

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Case Study: LV=

INTRODUCTION – FSN'S VIEW

FSN's 2018 research entitled "Innovation in Reporting" highlighted the crucial importance of data management and governance in either stifling or accelerating innovation in financial and management reporting. This case study illustrates very compellingly how LV= automated and transformed its disclosure management process, acting as a springboard for finance innovation across the enterprise.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, how the implementation of Certent CDM enabled data mastery within financial reporting processes and secondly, the complete transformation of enterprise report production leading to transformation of the finance function itself.

DATA MASTERY

Certent CDM allowed LV= to dynamically connect various separate and complex spreadsheets, MS Word documents and Adobe InDesign to a standardized and highly automated process for report production. The possibility of changes falling through the cracks between data sources originally left LV= exposed to "significant" risk from late changes in subsidiaries. However, the introduction of CDM allowed data to be pulled directly from source systems improving automation, efficiency, visibility and control at a stroke.

TRANSFORMATION

Certent CDM led to the almost pervasive transformation of enterprise reporting, for example, statutory, monthly management, weekly management information, and financial risk reporting but, most notably, it also led to transformation of the finance function. Quick refreshes of CDM reporting enabled management to look at results more quickly, and the finance function to track changes between different versions of the Company Annual Accounts. Highly qualified accounting professionals could use these time gains to add value, rather than being relegated to "production experts".



LV= Tightens Controls across Internal and External Reporting



THE SITUATION

A combination of rapid growth and a desire to stay ahead of the rapidly changing regulatory environment had a profound impact on the Group Finance department at LV=. The team commissioned an extensive report from Ernst & Young to review the financial environment and identify areas for improvement. Year-end reporting, reports to the Board of Directors, and the efficiency of the interfaces between financial systems were investigated. The review encompassed more than 30 subsidiary finance departments at LV=, including the Corporate Group Finance department - and the results were a mixed-bag.

"On the plus side, we were found to be 'error-free' in our reporting but there were concerns about the control the department had over the numbers with our manual processes for gathering and creating reports, as well as over-exposure to numerous and complex spreadsheets," said Andy Young, Head of Finance at LV=. "So, we hopped right on it, setting up a working party to review the Ernst & Young report and identify where we could improve our controls — and therefore our efficiencies — and mitigate our risks in the process."

Disclosure Management Customer Profile

Company Name: LV=

Industry: Financial Services

Key Result:

Decreased risk, improved process controls, increased confidence in reports.

LV= Tightens Controls across Internal and External Reporting Processes

The finance team at LV= determined that they had good control over the policy and source systems, the interface to the general ledger, and the ledger itself. In general, it was a well-controlled process until the team had to report out from the general ledger. Not surprisingly to Young, control became more difficult to maintain when multiple Microsoft Excel and Microsoft Word files came into play, along with the transformation of a consolidated spreadsheet into Adobe InDesign to produce the 'glossy' accounts.

"Our subsidiary Statutory Accounts were prepared in Word and were produced from Excel files from our trial balances. These Word documents were rekeyed into our consolidated spreadsheet. That got us our subsidiary information, with a fair amount of pain, and then that consolidated spreadsheet had to be put into a Group Accounts template, which was then copied into a desktop application — Adobe InDesign — to produce our reports for filing," said Young.

The process left the company exposed to significant risk. The transfer of data between sources was complex; manual efforts were needed to keep the numbers accurate; there was scarcely any audit trail available; and amendments to accounting policies and notes which occurred at the subsidiary level sometimes resulted in consistency problems.

"But the biggest single issue was changes coming from the subsidiaries — from the bottom up — at the ninth-hour, always a critical time, when we had to get the reports done and filed, limiting our review and checking time, which in turn put pressure on us not to miss key changes to the information," said Young. "In effect, it was the 'last mile' in producing reports that was exposing us."

THE TRANSFORMATION

LV= set out to find a solution that would improve controls and, according to Young, "...get away from the onus on our highly qualified financial staff to be production experts and free up their time to add true-value in accordance with their training and expertise to our operations." "We saw a few supposed competitive products but [...] they didn't really compete against CDM."

© 2019 Certent | All Rights Reserved | Case Study – LV= Tightens Controls across Internal and External Reporting Processe

LV= Tightens Controls across Internal and External Reporting Processes

LV= found very little on the market that fit the bill, until discovering Certent CDM. "We saw a few supposed competitive products but from what we could tell, they really didn't compete against CDM. We weren't aware of any other solution on the market that did what CDM does," said Young.

"Simply put, CDM gives us one version of the truth. Since CDM pulls straight from our trial balances, rather than pushing data through Microsoft Excel, we have that assurance that key data is coming straight from our General Ledger. The old, laborious and error fraught method was to pull information into multiple spreadsheets, move it about in these spreadsheets, and then into Microsoft Word to produce the accounts. CDM cuts out many stages of reprocessing information that characterized our mainly manual, past processes," confirmed Young.

More than half of LV= subsidiaries were set up to report using CDM and all teams reported substantial control improvements and user adoption of the solution. "Existing Word and Excel formats were easily copied into CDM and our auditors loved that they, and ourselves, were able to track changes between versions, to the point where we had a single version of the truth when we produce our Company Annual Accounts," said Young.

As the implementation of CDM continued and the solution was introduced to the broader organization, the production of monthly management reports, weekly Management Information reports, financial risk reporting, and more became a part of the process as well.

THE RESULTS

"We're pulling all the accounts into CDM now, and we built our CDM solution so that it refreshes quickly, straight from the underlying data, and then reviewers and management can look at our results a lot quicker than previously," said Young.

"Simply put, CDM gives us one version of the truth. CDM cuts out many stages of

re-processing information that characterized our mainly manual, past processes."

"Our auditors loved that they, and ourselves, were able to track changes between versions, to the point where we had a single version of the truth when we produce our Company Annual Accounts."

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LV= Tightens Controls across Internal and External Reporting Processes

For the weekly Management Information pack alone, prior to CDM one person would spend several days a week collating data from different areas to gather the necessary information to produce the report — with CDM that process was cut down to 30 minutes.

"Before we were producing eight separate monthly management information packs, which overall totaled 200-250 pages. We've pushed that all into CDM so when we now issue our monthly packs they're all created from the same place, with consistent data appearing across the whole package, rather than having people pulling different information from different areas across the company, in different ways."

Currently there are over 70 people using CDM and Young successfully rolled the solution out across the organization to improve accountability, consistency, and process control across all departments and making sure that all "keepers of data sources" are aware of their responsibilities surrounding data.

With Certent CDM, LV= experienced a significant reduction in time spent producing recurring internal and external reports, increased controls around the process, gained a vote of confidence with their auditors, and reduced overall risk.

Contact us today to see how you can do the same.

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Production of the weekly Management Information pack was cut from several days to just 30 minutes.

ABOUT CERTENT

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THE ORACLE NETSUITE INNOVATION SHOWCASE

In a world awash with cloud solutions, Oracle NetSuite can confidently claim to be a visionary innovator because 20 years ago it became the first cloud ERP software company. Since its inception as a purely financial ERP (enterprise resource planning) system, Oracle NetSuite has expanded from its suite of back office financial management applications to include operational functions and customer relationship management (CRM). The incorporation of operational data into the core financial system gives its users a panoramic view of performance across the company, at a strategic, operational or even single customer level.

The decision to provide the full breadth of ERP capability alongside core financial management minimizes the number of software solutions (and vendors) their customers need, whilst enabling organizations to link backoffice functionality with customer-facing operations. At the forefront of this connection are Oracle NetSuite's innovative Ecommerce and CRM platforms that help give an end-to-end view of the customer journey. But even before that can happen, Oracle NetSuite is innovating the way its entire product range is implemented, to speed up and smooth out the transition to Oracle NetSuite's ERP in the cloud.

In this showcase we highlight three major innovations that support these objectives, Oracle NetSuite's unique approach to implementation, called "SuiteSuccess" and the end-to-end visibility afforded by Oracle NetSuite's in-built Ecommerce and CRM applications.

Innovation 1: SuiteSuccess

Traditional software implementations and technology upgrades often involve a long, arduous journey where the core software is configured and customized to fit the diverse requirements of each organization's individual needs. But it can take many months to configure the 'perfect' system for each company, and frequently process knowledge is lost at the handover between the pre-sales consultants and the implementation team. As a result the product delivered on the first day is frequently a far cry from what was promised during the sales process.

Oracle NetSuite has sought to eliminate this disconnect between expectation and delivery by building preconfigured versions of their products for different sectors or markets, drawing on the leading practices of their customers within that sector, to provide a relevant configured version of their software from the very start.

The key to "SuiteSuccess", as Oracle NetSuite's new sales and implementation methodology is called, is the refinement of the application at the point of sale, so that discussions with the customer about their requirements are happening in tandem with the configuration of their software. A 'Proof of Concept' is no longer an abstract exercise to be discarded when the real implementation gets underway, but a working prototype that can be pressed into action as soon as the implementation commences.

Starting with a store of preconfigured processes, roles, dashboards, KPIs and reports means organizations already benefit from the leading practices used in companies within their sector and enjoy significant business transformation 'out of the box' by implementing improvements in their processes when NetSuite goes live.

This innovative approach eliminates the expectation gap between promise and execution. What is discussed, and demonstrated during the initial pre-sales discussions is what is delivered to the customer, significantly reducing project risk and ensuring that the customer organization has the opportunity to exploit fully the transformational potential of revising its processes.

Indeed, FSN's research in 2017 showed that only around half of all organizations take advantage fully of their migration to the cloud to modify their processes. Oracle NetSuite says that its statistics show that SuiteSuccess has been transformational for them as a business as well. It has not only been shown to substantially lower implementation risk and improve the speed of delivery but it also bolsters customer satisfaction rates significantly.

SuiteSuccess is enabled by virtue of NetSuite's true multi-tenanted cloud proposition. As a cloud vendor, Oracle NetSuite can readily observe exactly how its applications are being used in the field across its entire customer base. For example, it has access to the summarized data, processes, reports and functions that work best for organizations within the same sector. Furthermore, the cloud enables Oracle NetSuite to build and customize its proof of concept throughout the sales consultation period, without delay and disruption- something which wouldn't be possible if the software needed to be configured on premise or in a privately hosted environment.

Innovation 2: Ecommerce, a flag-bearer in the ERP world

Organizational silos have traditionally separated departments and functions, limiting communication and cooperation, invariably to the detriment of the company. This 'us and them' mentality is disappearing as technology and organizational roles have changed – ultimately companies must collaborate to fend off the growing threat of competition from more agile businesses.

While the need for collaboration between the finance function and the operational and customer-facing parts of the business is well known, traditional software solutions have, to some extent, hindered this natural coalescence. ERP systems to oil the wheels of financial and back office functions operate separately from the front-office sales channels, requiring substantial technical support to enable data to flow, even intermittently, between them.

But as an FSN research study "The Future of the Finance Function 2017" identified, the advantages of linking front and back office functions is immense. Those that have already automated and standardized their processes to enable the free-flow of information across the organization make quicker more informed decisions, have time for value-added initiatives, and have a better view of organizational performance.

Importantly, if the front and back offices aren't linked effectively, the company risks losing out from unidentified revenue earning opportunities as well as potentially unsatisfied customers.

Oracle NetSuite's SuiteCommerce platform allows their customers to create a connected web, mobile and in-store experience whatever their product or end user. The integrated commerce solution seamlessly connects ecommerce and in-store point of sale with order management, inventory, merchandising, marketing, financials and customer service. It applies not only in B2C environments but also for B2B suppliers, where e-Commerce is growing rapidly as vendors are able to deliver a better, more efficient services by giving buyers online access for procurement, receiving, invoicing etc.

Oracle NetSuite's uniqueness within the ERP space is the ability to see the entire customer lifecycle, from start to finish, increasing the likelihood of retention and improving engagement, personalization and management decision-making.

The SuiteCommerce platform includes several preconfigured versions designed for different organizations, with specialist areas in retail and fashion. Customers create their own 'skin' to layer over the backbone of the ecommerce platform, add their branding, look and feel, while all the time retaining the direct link between the retail end, inventory and the financial processes behind them. With all the data in a unified NetSuite environment, customers can monitor the process from demand to sales, manufacture to distribution and inventory, and troubleshoot issues throughout the process before they impact the business further up the chain.

Innovation 3: End-to-End visibility of the customer journey

CFOs and senior finance executives are increasingly recognizing the need to utilize non-financial data to augment their insights into the performance of their business. In FSN's most recent survey on Planning, Budgeting and Forecasting, 26% of senior finance executives ranked customer relationship management (CRM) data as their most insightful source of data, second only to the general ledger. Smart CFOs know that they need to look beyond the financials to remain relevant and competitive in their market.

Oracle NetSuite recognized the benefits of operational and customer data early on and integrated NetSuite CRM into its offering from soon after its inception. This enables companies to organize, automate and synchronize sales, marketing, customer service, and technical support.

Oracle NetSuite's innovation lies in the connection between CRM and ERP, to provide a single customer record within the ERP environment with all of the benefits this implies for ease of maintenance and reduction of errors. Even if a company has integrated its ERP with a third-party CRM product, that generally results in separate customer records within each system, which invariably fractures the visibility of that customer. In NetSuite, a customer record holds all the data on their journey, from marketing to sales, to delivery, to payment, which can help users integrate their marketing plans based on payment method and speed, offer special products and promotions, and address customer issues to improve satisfaction. For added impact, NetSuite customers can also harness the power of Oracle to expand their marketing capabilities by using the extended capabilities of the Oracle Marketing Cloud.

What of the future?

NetSuite's enhanced visibility of operational and financial processes, and the data this generates, is allowing the company to explore the opportunities provided by machine learning and artificial intelligence. While still in the early stages of investigating where these new technologies will add the most value, Oracle NetSuite is already seeing obvious advantages in the process of exception management and the potential for blockchain technology.

Case Study: Transavia

INTRODUCTION – FSN'S VIEW

The airline industry is at the forefront of digitization and customer-facing innovation is a competitive differentiator. But as FSN's research notes, front-end innovation must be matched by innovation in core financial systems to maintain streamlined processes, workflows and information. Moving to Oracle NetSuite in the cloud enabled a step-change in capability and productivity.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, the impact of the cloud in a distributed business and secondly, how innovation in financial applications released time for better analysis.

CLOUD INNOVATION

Moving to the cloud is still profoundly innovative. Legacy on-premise systems constrain business operations and the applications tend to be under-invested. With a distributed workforce, a move to the cloud brings immediate benefits in terms of connectivity and acts as an accelerant for standardization of processes across the enterprise. In this case study, cloud deployment was also economically attractive enabling the airline to keep a lid on overheads as it scaled its business operations.

DATA MASTERY

This case study highlights how a move to modern applications in the cloud provided better functionality over ageing legacy systems and better opportunities for automation. But in addition, modern financial applications in the cloud provide a single unified environment in which to store data from a wide range of data sources. FSN's research identifies that such "data mastery" enables better information, business partnering and for even more time for analysis. The discovery of new insights following the introduction of the NetSuite environment is a stand-out feature of this case study.



TRANSAVIA BRINGS LOW-COST AIR TRAVEL TO EUROPE

Transavia emerged from humble beginnings as a charter service launched in the Netherlands in 1965. Its maiden flight traveled from Amsterdam to Naples and back carrying the Dutch Ballet Orchestra and the Dutch Dance Theatre. The company took off when it was acquired as a joint venture of KLM and Air France and began providing low-cost airfare to countries across Europe filling an emerging demand. "In the land of blind people, the man with one eye is king. With NetSuite, we began to find out how much we didn't know."

Elroy Kinders, Team Leader Financial Accounting, Transavia



Sky's the Limit with NetSuite

Innovation powers growth

Transavia underwent steady growth as it expanded routes across Europe and today now serves 250 total destinations. The company was able to power its growth by embracing technology and providing customers with digitally powered customer service and innovative in-flight experiences.

AS 400, Infor systems not up to task

As Transavia expanded its footprint, it soon realised that an aging AS 400 system based in its office in the Netherlands and an Infor system in France would not be able to scale with its ambitious plans for growth.

Cloud ERP the right choice for airline

NetSuite OneWorld with its multi-currency, multi-language capabilities and ability to manage multiple subsidiaries on a single instance proved to be the right solution. Additionally, its cloud-based architecture fit in well with Transavia's commitment to low overhead and modern, streamlined operations.

Streamlined business operations

With NetSuite, the 21,000 invoices that were once hand copied into the system are now automated, while learnings from the implementation have enabled Transavia to introduce more structure and efficiencies while spending more time on analysis.

🔁 transavia

Company Snapshot

Company: Transavia

Location: Amsterdam, The Netherlands

Industry: Airline

Subsidiaries: 2

Users: 200

Systems replaced: AS 400-based system, Infor and a 30 year old own developed system to handle variable flight related cost

Other solutions considered: SAP, Microsoft Dynamics

NetSuite product implemented: NetSuite OneWorld



Implementation partner: Capgemini

Location: Paris, France

To find out more, contact NetSuite on info@netsuite.com
United Kingdom | Phone: +44 (0)1628 774400 | www.netsuite.co.uk

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Case Study: Deliveroo

INTRODUCTION – FSN'S VIEW

Deliveroo is a relatively young company with a business model that illustrates how, in a crowded and competitive world, innovation is often the path to differentiation and growth. But that innovation and growth in the business model must be twinned by a commitment to innovation in financial applications if the business model is to remain coherent and sustainable.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, the crucial role of the cloud in a high growth environment and secondly, how innovation in financial applications enabled data-driven insights as the business grew.

SCALING IN THE CLOUD

Cloud applications shift the burden of maintaining IT infrastructure from the user organization to the software vendor. The last thing that a rapidly growing business wants, or needs, is the burden of provisioning hardware infrastructure wherever it sets up operations around the world. Cloud-based operations allows the processing environment to 'grow with the burst' allowing management to focus on the business and not on its IT resources. And when this is combined with a single unified environment for accounting, standardized processes can be rapidly introduced to wherever a business chooses to operate in the world.

INNOVATION IN FINANCIAL APPLICATIONS

For many years now, applications in the cloud have attracted more investment from software vendors than legacy on-premise solutions. It means that they are functionally richer. In this case study, Deliveroo benefitted notably from strong localization (language, currency, accounting and tax), the ability to introduce inventory management and a deeper level of data-driven insight into costs as the business expanded.

DELIVEROD ORDERS UP GLOBAL GROUTH WITH THE HELP OF NETSUITE ONEWORLD

Founded in London in 2012 with a website and later a mobile app that offers high quality food delivery from local restaurants and chains that don't have a delivery service, Deliveroo's service quickly gained traction, but its existing software system couldn't handle its requirements for managing subsidiaries and global financial consolidation. As it expanded from four countries to 12, it needed financial software that could scale with it.

"We can grow with confidence knowing that OneWorld can meet the local language, currency and tax requirements, and we won't have to make significant investments in infrastructure and IT."

Deliveroo



Deliveroo www.deliveroo.com

DELIVERING INSIGHT, SPEED AND FLEXIBILITY

Trust in what works

On the advice of its finance director, who saw NetSuite's agility and scalability in a previous role, Deliveroo quickly selected NetSuite OneWorld over Intacct for its financial consolidation, local tax compliance, integration capabilities and rapid implementation. Additionally, NetSuite OneWorld tracks inventory of goods for Deliveroo's drivers and participating restaurants.

Rapid growth, rapid implementations

After a rapid six-week implementation of NetSuite OneWorld, Deliveroo was able to easily add six new subsidiaries in the following quarter and another three shortly thereafter, while real-time reporting across its entities gave the business detailed insights into costs.

Visibility into the present, future

As Deliveroo expands, it can now leverage the business visibility in NetSuite to run trials and see cost per order at a detailed line item level informing how the company launches new subsidiaries and programs, without worrying about IT, language or currency requirements.



Company Snapshot

Company: Deliveroo Location: London, United Kingdom Industry: Food service Subsidiaries: 14 Countries: 12 Other solution considered: Intacct System replaced: Xero NetSuite products implemented: NetSuite OneWorld Advanced Inventory

To find out more, email NetSuite at info@netsuite.com United Kingdom | Phone: +44 (0)1628 774400 | www.netsuite.co.uk





THE ONESTREAM SOFTWARE INNOVATION SHOWCASE

Innovation has been at the core of OneStream's approach since the very beginning, driven by its founders who have a long history of financial software innovation. Before co-founding OneStream, Tom Shea, a veteran of the financial reporting software industry, founded UpStream which was acquired by Hyperion and became the Hyperion Financial Data Quality Management (FDQM) product. OneStream co-founder Bob Powers, invented, architected, implemented, and led the development organization for Hyperion Financial Management (HFM) in addition to leading development for all financial applications at Hyperion.

It is this deep background in financial system engineering combined with a chance to do it all over again that spurred the development of OneStream. Having learnt what worked and didn't quite work the first time around, the founders sought to overcome many of the commonplace barriers to smooth financial reporting and planning in sophisticated organizations by using their formidable domain knowledge to create a completely fresh approach.

In this showcase we highlight three major innovations, namely; Extensible Dimensionality[®], the XF MarketPlace, and what OneStream calls "Smart CPMTM" (corporate performance management).

Innovation 1: Extensible Dimensionality®

From the very start, OneStream's founders wanted to solve a widespread problem within the CPM market – the issue of the divergent requirements for business units and the corporate center. In earlier generations of CPM software, disparate business units that needed to budget or plan at their unique and relevant levels of detail would often be forced to manage this in separate products and applications in order to preserve local reporting requirements without jeopardizing the overall budgeting or consolidation requirements at the center. Inevitably, compromises meant that local reporting entities often lost out to the more pressing needs of the corporate center.

OneStream has eliminated the historic tension between the corporate center and reporting units by removing the need to build and maintain separate applications to accommodate specific business unit reporting requirements. Its Extensible Dimensionality[®] allows business units to develop their own budgets and financial reporting to suit the level of granularity they need, within a single instance of the OneStream environment, while also rolling this data up into the standard central information required at the center.

The premise of Extensible Dimensionality is flexibility. Complex organizations are in a constant state of flux and their CPM system must be able to change as the company changes, for example, adding new accounts, cost centers or products as the need arises. OneStream currently has a market-leading 18 dimensions, 10 of which are predefined and 8 of which are custom dimensions. Integrated financial data quality management tools enable direct integration with any open ERP/GL system or any other internal or external source, and specialized migration tools allow meta data to be drawn in quickly from older generations of CPM solutions.

Extensible Dimensionality is innovative because it allows organizations with complex structures to satisfy local and central information requirements without compromise and to change sympathetically with the business as the organization changes shape or grows. It also provides corporate Finance and other executives complete visibility into business unit detail as they analyze summarized financial results- with drill down capabilities into the operational details, and through to transactional systems.

Innovation 2: The XF MarketPlace

All businesses are inherently different which is why a single piece of software can never be all things to all people. Progressive vendors know they must continually update and improve their service to meet the diverse needs of their customers. Sometimes though, universal upgrades aren't enough and specialized solutions are required for specific situations. Recognizing that these specialized solutions may benefit a number of customer organizations OneStream has opened up the availability of these unique solutions and made them available for download by customers and partners via their innovative XF MarketPlace.

Modeled on an app-store, customers can select the solutions they need, quickly download them onto their existing OneStream CPM system, configure and deploy them to address new requirements, without having to resort to in-house development, spreadsheet workarounds or integrating third-party software.

Solutions already exist in the XF MarketPlace for 'Account Reconciliations', 'Close Management', 'Reporting Compliance' (IFRS 16/ASC 842), 'People Planning', 'Capital Planning', 'Cash Planning' and 'Thing Planning', the latter being a pre-built component for detailed driver-based planning on anything, like project planning or SKU level planning.

As part of the continuing commitment to the XF MarketPlace, OneStream have announced further solutions, including Data Entry 123, Diagnostics 123, Process Control Manager and a Tax Provision Solution. Data Entry 123 provides a simple to use 'wizard' to create standardized data forms for say, budget data capture and Diagnostics 123 gives users a dashboard view into the system's performance and status at any point in time. Tax Provision extends the established OneStream architecture to support tax provisioning so that users can leverage common accounting data to more readily reconcile their accounting profit to their taxable profit.

Users of the MarketPlace simply choose the most relevant applications to add to their OneStream platform. And because these solutions are written to the same design and development standards as the core CPM platform, the approach greatly reduces the risks and timescales associated with adding specialized functionality.

Currently all the solutions in the XF MarketPlace have been built by OneStream, but partners will also now be adding to the collection of solutions. These partnerdeveloped solutions must conform to development guidelines and a certification program. This promises to bring even more choice for customers in the future. The XF MarketPlace solutions already available include a combination of productivity tools, specialty planning tools, financial close tools and compliance solutions. Often, they draw on datasets outside of the core CPM remit, and this could provide a helpful boost to the availability and advantages of non-financial data within CPM processes.

FSN's surveys on the future of the finance function and on planning, budgeting and forecasting have all highlighted the substantial advantages of including a wide range of non-financial data to improve insight when generating forecasts, plans and budgets. But the obstacle has often been the integrity of data derived outside of the strict finance processes, as well as its traceability.

The range of financial and non-financial data being delivered into the system is growing as the number of solutions grow. For example, information about lease contracts and people management can now be drawn into planning models and reporting scenarios and used to uncover more accurate insight across the business. Innovation 3: End-to-End visibility of the customer journey

Central to the concept of SmartCPM[™] is the ability to handle multiple requirements in a single application, extend and grow as companies add business units and new data dimensions, and draw on and analyze multiple dimensions without constraint. Deployable on-premise or in the cloud with full interoperability, OneStream's unified environment provides the platform for these capabilities through data blending, scalability, interchangeability and machine learning.

Smart Scalability:

When an organization scales up, extra business units or operational dimensions can be easily added into the unified environment. For organizations that deploy via the cloud, OneStream XF Cloud leverages the Smart Cloud platform of Microsoft Azure, enabling user organizations the flexibility to 'scale with the burst', or draw more capacity during times of greater demand.

This is especially important because financial consolidation, budgeting and forecasting are particularly prone to peaks and troughs of demand at month-end, quarter-ends and year-ends. Now, these demand changes are managed as they occur, but machine learning techniques are being introduced by OneStream which, based on usage data, will anticipate these peaks and troughs, and intelligently scale up and scale down cloud capacity to match peaks and valleys in user demand during crunch periods.

Released in early 2019, 'OneStream XF 5.0" (5th generation platform) provides the first step towards enabling the autonomous cloud with a broad set of environmental and process sensors and smart load balancing with 'intelligent bots' that route tasks to servers with available capacity based on live system data. The intelligent bots are able to prioritize large tasks, such as consolidation, and assign them to a dedicated server that keeps other resources free and available for other important tasks. This boosts overall performance and maximizes productivity. Future releases will support scheduled and machine-learned auto-scaling of the cloud environment.

Relational Data Blending:

The flexibility of the unified environment extends to its core analytical processes, which can seamlessly blend data at varying levels of granularity, without overloading the analytical engine (the 'cube') with detail.

It allows companies to bring very detailed transactional data (frequently held in a relational database environment) into this analytical 'cube', offering up granular insights that are frequently lost when CPM systems only focus on the central corporate financial requirements. But crucially, the relationship between granularity and overview is bi-directional so that finance professionals can drill back to relational source data within OneStream, then back to source systems or forwards to consolidated numbers as needed. This relational data blending capability is leveraged in some of OneStream's XF MarketPlace solutions such as People Planning and Lease Accounting.

Interchangeability:

The cloud may appear to already be ubiquitous for all software applications, but many companies still want the option of an on-premise solution. OneStream's vision of a SmartCPM platform enables their customers the choice of either, by offering full interoperability of on-premise and cloud deployment. Its customers can choose to switch from one to the other, in most cases in just a matter of hours.

Making Machine Learning Practical:

Machine learning is on everybody's lips but many instances and examples in the finance function are experimental. Vendors will play a leading role in developing the full potential of machine learning and OneStream is at the forefront of Machine Learning innovation. With data preparation as one of the biggest challenges in leveraging Machine Learning, OneStream will enable customers to leverage on its stage engine data integration capabilities by pulling in and combining data from a variety of internal and external sources at low levels of granularity. Data Science teams will then be able to integrate with leading machine learning engines to apply the data science and then bring the results back into the CPM environment to leverage its analytic capabilities to inform predictive models and forecasts and compare them to actuals and traditional forecasts.

Case Study: Guardian Industries

INTRODUCTION – FSN'S VIEW

Tax automation is often viewed as a backwater in corporate reporting, but this ground-breaking case-study illustrates that tax provisioning is also amenable to digital transformation and the solution can be found 'under the noses' of every corporate finance function.

INNOVATION IN ACTION

The stand-out innovation in this case study is to use the very same infrastructure that serves corporate performance management (CPM) to provide a tax data collection and provisioning system that sits comfortably alongside the statutory reporting process allowing the financial view of profit to be easily reconciled with what the tax man calculates as profit.

HOLISTIC APPROACH TO FINANCIAL REPORTING & TAX

The obvious question raised by this case study is, that if you use a CPM system to manage your processes, workflow and data for financial consolidation, budgeting, planning and forecasting- why wouldn't you use it also for tax provisioning and reconciliation? Afterall, at the very core, financial reporting and tax provisioning share the same data source, i.e. the general ledger.

This case study demonstrates that for modern CPM, the tax structure is just another entity hierarchy and, while data collection is a little different, (tax rules are different from accounting rules), the same platform can be used to collect and consolidate tax data. And because all of the relevant data and structures are now in the same system, the ability to reconcile between the statutory filings and tax becomes a simpler task. In the same way that financial consolidation eliminates spreadsheets and wasted effort so does tax provisioning, enabling the whole process to be accelerated by a considerable margin and allowing tax professionals to manage the tax liability, rather than just calculating it.





Guardian Industries OneStream Tax Provision Success Story

About Guardian Industries

Guardian Industries, a global company headquartered in Auburn Hills, Michigan, employs around 18,000 people and operates facilities throughout North America, Europe, South America, Africa, the Middle East and Asia. Guardian companies manufacture high-performance float, coated and fabricated glass products for architectural, residential, interior, transportation and technical glass applications, and high-quality chrome-plated and painted plastic components for the automotive and commercial truck industries. Guardian's vision is to create value for its customers and society through constant innovation using fewer resources. Guardian is a wholly owned subsidiary of Koch Industries, Inc. Visit guardian.com.

Company

Guardian Industries

Industry Manufacturing

Corporate Performance Management Solutions Delivered

- Financial Consolidation and Reporting
- Account Reconciliations
- Financial Data Quality Management
- Planning, Budgeting and Forecasting
- Sales and Operational Planning
- Tax Provision

Business Challenges:

- Was relying on 75 Excel-based tax packages for data collection
- Process was highly manual, too much time spent on data manipulation
- Tax Manager was working long hours
- Company was missing reporting deadlines to parent company

Key OneStream XF Benefits

- Aligned tax provision process to financial consolidation and reporting
- Elimination of 75 spreadsheets
- Saves 5 hours per month at each of 75 reporting locations
- Moved to monthly provision reporting process vs. quarterly
- Almost 1 week saved annually on tax reporting to parent company

The Challenge

Guardian Industries had implemented OneStream for financial consolidation, reporting, planning, forecasting, account reconciliations, return on capital and supplemental reporting. However, they were using Excel spreadsheets for tax data collection, provisioning and reporting.

Their annual tax provisioning process relied on the distribution of 75 Excel-based tax packages worldwide, with 12 tabs in each package with various calculations and reconciliations. The process was highly manual, with too much time spent collecting and consolidating data, reconciling to the GL, and correcting errors and not enough time reviewing and analyzing the data.

The extra hours spent managing the tax data collection process caused the Finance team to miss reporting deadlines to their parent company, despite the Tax Manager working around the clock to get her work done.

Selecting OneStream XF

The Guardian team began looking at alternatives to their Excel-based process including Thomson Reuters OneSource, Longview and Vertex. All these solutions required a download of trial balance data from the GL, which was already collected and consolidated in OneStream. So, the team began exploring the feasibility of managing the tax provision process in OneStream.

In evaluating OneStream, the team found they could have an integrated and more flexible process for the tax provision, which would avoid duplicating data, and would also avoid additional licensing costs from other vendors.

Implementing Tax Provision in OneStream

OneStream's tax experts began working with the Guardian tax team to configure their tax provision solution in OneStream. The initial phase started with replicating the initial tax package focusing on the retained earnings reconciliation, which identifies tax to book timing differences.

This required the configuration of a new tax account hierarchy, new legal entity structure for tax, and new forms for the provision calculations including many validations and data quality checks.

"Tying out the tax provision solution to consolidated GAAP GL earnings was a big accomplishment, and really important," said Jessica McAlpine, Project Manager "One of the key benefits of the new tax provision solution has been moving to a monthly provision reporting package for all locations, which was previously done only quarterly. Our close process has significantly improved, and our reporting is more accurate for all locations. Users are excited about the automation and time savings from the Excel approach. They are spending more time reviewing and analyzing tax data before submission deadlines."

Jessica McAlpine Project Manager Guardian Industries at Guardian Industries. "With the new system users can add attachments to support calculations, create a journal entry to book the tax provision and ensure the tax provision expense ties out to the GL."

Guardian is leveraging the Guided Workflow within OneStream to organize required vs. optional forms that users need to complete. Once all the required forms are complete, the user must confirm and certify their workflows, which triggers regional Finance managers to perform their reviews. The system also includes tracking of tax submissions from 80 users across 100 entities.

Benefits of Aligning Tax Provision with Consolidation and Reporting

Phase 1 of the tax provision project focused on addressing the tax provision for all US locations, and phase 2 is focusing on international locations and the monthly rollforward of data. Phase 2 includes implementing currency translation, so Guardian will be able to tie out each of their tax schedules to the GL in both local currency and US dollars.

"One of the key benefits of the new tax provision solution has been moving to a monthly provision reporting package for all locations, which was previously done only quarterly," said McAlpine. "For the US, our close process has significantly improved, and our reporting is more accurate for all locations. Users are excited about the automation and time savings from the Excel approach. They are spending more time reviewing and analyzing tax data before submission deadlines. As we move into phase 2, our international users are looking forward to utilizing these benefits."

According to McAlpine, "The new system will eliminate 75 spreadsheets and save an estimated 5 hours per month preparing the tax provision at each of the 75 locations. Also, the time spent to create the reports that are sent to their parent company is instantaneous as compared to the week spent in the past."

"OneStream is so user-friendly and can be applied in many areas – reporting, planning, tax and others," said McAlpine. "Once you understand the workflow it's easy to leverage it more broadly. The integration and addressing so many solutions in one platform is great – you just can't beat it!"

About OneStream Software

OneStream Software provides a revolutionary corporate performance management (CPM) solution that unifies and simplifies financial consolidation, planning, reporting, analytics, and financial data quality for sophisticated organizations. Deployed in the cloud or on-premise, OneStream XF is the first and only solution that delivers corporate standards and controls, with the flexibility for business units to report and plan at additional levels of detail without impacting corporate standards – all through a single application.

The OneStream XF MarketPlace features downloadable solutions that allow customers to easily extend the value of their CPM platform to quickly meet the changing needs of finance and operations. We are driven by our mission statement that every customer must be a reference and success

For more information, visit OneStream Software <u>http://www.onestreamsoftware.com</u> or on Twitter <u>@OneStream_Soft</u>.

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Case Study: Carlyle Group

INTRODUCTION – FSN'S VIEW

The ability to establish a single unified environment for Corporate Performance Management (CPM) has proved elusive for many corporates. Previous generations of CPM have not coped well with the complexity and volume of data nor the variety of new data sources, but this case study illustrates how a single platform for all CPM needs drives substantial time and cost savings.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. The first is the streamlining and standardization afforded by a single, extensible CPM environment. Afterall, if a business has always used disparate point solutions for consolidation, reporting, planning, budgeting and forecasting then a single integrated environment is truly innovative. The second relates to the innovative use of 'plug and play' specialized solutions free to download via a customer marketplace (the "OneStream XF MarketPlace") eliminating the need for workarounds or bespoke code for extra bits of functionality that are less commonly needed.

EXTENSIBLE CPM ENVIRONMENT

The case study illustrates the classic "before" case of financial reporting working in one environment and planning working in an entirely different one. Fractured processes, workflows and data repositories cause immeasurable delay, especially when trying to bring actuals and budgets together for analysis and reporting. OneStream XF swept away all these limitations at a stroke, as well as automating data capture from underlying operational systems.

THE XF MARKETPLACE

The core requirements of a modern CPM system are relatively uniform across many industries but there is frequently a need for other applications that lie outside of the core. For these more specialized needs, OneStream has laid down a whole series of additions written to the same design standards, that are available to download and incorporate in the application. In this case, the organization benefited from a People Planning solution that would allow detailed modeling around new positions, promotions,



The Carlyle Group OneStream XF Success Story

About Carlyle Group

The Carlyle Group is a global alternative asset manager with \$195 billion of assets under management across 317 investment vehicles. Founded in 1987 in Washington, DC, Carlyle has grown into one of the world's largest and most successful investment firms, with more than 1,600 professionals operating in 31 offices in North America, South America, Europe, the Middle East, Africa, Asia and Australia. For more information, visit <u>www.carlyle.com</u>.

Company

The Carlyle Group

Industry Financial Services, Asset Management

Implementation Partner Finit Solutions

Corporate Performance Management Solutions Delivered

- Financial Consolidation & Reporting
- Budgeting, Planning and Forecasting
- Financial Data Quality
- People Planning

Business Challenges:

- Outdated version of HFM wasn't compatible with Windows 10 and was difficult to maintain
- Outdated planning system was unsupported and lacked flexibility
- Actual vs. budget reporting was highly manual
- Legacy HR budgeting and forecasting system relied on Excel data input and had limited reporting capabilities

Key OneStream XF Benefits

- Consolidation times reduced by more than 50%
- Revenue and expense budget updates reduced from 1 week to 5-10 minutes
- Updating allocation metrics reduced from 1 week to 30-60 minutes
- Updating headcount assumptions reduced from 1 week to 20 minutes

The Challenge

Carlyle had been struggling with a fragmented approach to their financial reporting and planning needs. For financial consolidation and reporting the company was using an outdated version of Oracle Hyperion Financial Management (HFM) that wasn't compatible with Windows 10, and had a complicated design that made change management difficult. They were facing increased costs for extended support, and Oracle was pushing their cloud offering which offered limited functionality.

For financial budgeting and planning, Carlyle was using Business Objects Planning which was no longer supported by SAP and was running on an outdated and unsupported operating system. There was no flexibility to expand the application's functionality, and no ability to automate actuals vs. budget reporting and analysis due to differing levels of detail between systems.

In addition, Carlyle was using a legacy HR budgeting and forecast system that was single user, causing version control issues. The system relied heavily on Excel-based data integrations, with limited and manual reporting and manual maintenance of key reference data.

The OneStream XF Solution

The Carlyle team evaluated Oracle's EPM Cloud and other alternatives and agreed that an investment in OneStream made the most sense, if the platform was used to replace the existing financial and HR planning systems, as well as HFM for financial consolidation and reporting, and other point solutions such as account reconciliations in the future.

The Carlyle team projected that an investment in OneStream would yield the strongest ROI (36% over 5yrs) when compared to an all-Oracle investment. Key drivers of savings/cost avoidance in the business case included avoidance of costly upgrades, reduced IT/admin staffing, and reduced software maintenance costs.

Streamlining Financial Consolidation and Reporting

With OneStream, Carlyle implemented a direct connect to their PeopleSoft GL and automated the loading Excel-based templates that were done manually before. They now perform matching of intercompany GL balances in transactional currencies to isolate true FX impact. They also use Guided Workflow for loading non-GAAP data, and have segment reporting aligned with FP&A.

"Now that we're live, I can truly attest to and appreciate the value we're getting from a single, integrated CPM platform. We have dramatically simplified our technical landscape while improving our reporting and analysis capabilities through the use of extensibility, self-service workflow-based reporting, etc."

Ryan Wild

VP, Global Technology & Solutions The Carlyle Group

Improving Visibility in Budgeting and Forecasting

With OneStream, Carlyle leverages the direct connect with PeopleSoft to load project-level actuals, and is now able to budget and reforecast at both the legal entity and project level. In additional to automating reporting and segment allocations, the company has improved visibility and traceability into allocations and budget version changes, with real-time budget impact viewing capabilities. And they have implemented decentralized, self-service reporting and analysis for business usersthat enables them to see the immediate impact of changes on plans and reports, driving a new level of efficiency and control at the business user level.

Extending the Investment with People Planning

Leveraging the People Planning solution from the OneStream XF MarketPlace, Carlyle now has detailed modeling capabilities for new positions, promotions, transfers, and other adjustments. The solution includes compensation and benefit drivers by geography supporting their global employee base. And, changes to the workforce plan can be pushed into their Financial cube in a matter of minutes to so that budget owners can see the impact in real-time.

Simplification of Technical Landscape

Carlyle was able to simplify their IT landscape and reduce costs compared to their previous Hyperion system. OneStream was easier to install, taking 90 minutes via WebEx, and VMs used for OneStream were less than half that of Hyperion. System monitoring is much easier and Carlyle has received immediate responses to support tickets with rapid issue resolution.

System and Process Efficiency Gains with OneStream

The implementation of OneStream has resulted in significant process improvements for Carlyle. Consolidating a full year of GAAP actuals was reduced from 6-8 hours to 3-4 hours while including significantly more detail than was previously loaded in Hyperion (e.g., project-level details). Submitting revenue and expense budget updates and reviewing the impact was reduced from 1 week to 5-10 minutes. Updating allocation metrics and reviewing the impact was reduced from 1 week to 30-60 minutes and is now run four times daily. And updating headcount assumptions and reviewing the impact was reduced from 1 week to 20 minutes.

Future Plans

Carlyle plans to extend their use of OneStream with XF MarketPlace solutions for Account Reconciliations and Close Management. Other areas under consideration include decentralizing their use of People Planning, implementing Cash Forecasting for Treasury, financial reporting for fund accounting, and advanced scenario modeling for FP&A and key budget/forecast stakeholders.

About OneStream Software

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The OneStream XF MarketPlace features downloadable solutions that allow customers to easily extend the value of their CPM platform to quickly meet the changing needs of finance and operations. We are driven by our mission statement that every customer must be a reference and success.

THE PROPHIX INNOVATION SHOWCASE

The modern finance function is increasingly called upon to provide predictive and proactive insight. But without collaborative business partnering and a cohesive technology platform to support it, finance and FP&A professionals will be stuck looking backwards instead of realizing their full potential as strategic business partners.

Many organizations have invested large sums of money in infrastructure, yet despite very rich operational systems, they are frequently fragmented and used by each department independently. The big challenge for finance is how to bring an organization's disparate systems together to collate the data that will build up a comprehensive picture of corporate health and strategic direction. Organizations may have marketing automation tools, sales automation tools, ERP and CRM systems, and business intelligence tools, but very often these do not communicate with each other. The key to business partnering is to weave all this together to tell a story of where the business is heading and to manage the business in an even more effective way.

Historically, mid-sized companies and rapidly growing businesses have been at a significant disadvantage. They find themselves mired in spreadsheets and disparate operational systems without access to affordable Corporate Performance Management (CPM) systems that are sympathetic to the needs of the mid-market. Traditional CPM suites tend to be large, unwieldy and poorly integrated and frequently require the support of specialist IT and dedicated application resources that are beyond the reach of smaller enterprises.

Prophix's crowning innovation was to bring CPM to the mid-market, making it accessible and affordable – complex planning made easy. And that tradition of innovation in the mid-market has continued to evolve. In this showcase we highlight just three areas, namely, how Prophix extends the reach of CPM beyond the finance function; how it uses natural language processing, AI and Machine Learning to 'humanize' the user experience and, finally, its approach to enabling successful finance transformation.

Innovation 1: Mid-market CPM beyond the finance function

Traditionally, organizations have built up their budgets, plans and forecasts along functional lines – simply because that is the way that people are usually organized. But business processes do not respect functional boundaries. For example, the 'Quote to Cash' cycle embraces Inventory Management, Sales, Logistics and Finance. Furthermore, the true costs of sourcing a product, delivering it to a customer and getting paid are driven by the process – not by functions. Plans in one area need to be consistent with projections in another to achieve cross-functional collaboration and allocate resources efficiently, and if satisfying a performance objective in one place is not to have unforeseen consequences in another.

But collaboration in business planning is far more than the sum of the parts. FP&A professionals know that the true value of collaboration comes from harvesting the different perspectives, ideas, experience and know-how of functional experts from across the business. This process of challenge and negotiation adds considerably to the quality of the plans, since it represents the combined wisdom of all the participants.

Although the idea is conceptually straightforward, it has proved to be elusive because of over-reliance on spreadsheet-bound processes, a lack of control over data quality, limited use of advanced planning tools and the cultural impediments that afflict many planning processes.

So, how does FP&A meld, for example, people planning, sales planning, project planning, working capital and CAPEX planning in one environment? Central to Prophix's innovative approach is a unified CPM platform that allows these diverse planning needs to be managed in a single environment that is subject to consistent audit, governance and workflow.

A unified environment liberates the functions from repetitive processes using spreadsheets and proprietary systems and in so doing, allows FP&A professionals to extend their reach and transform their role as business partners and finance leaders, thereby enabling Integrated Financial Planning.

Prophix's CPM solution is available on-premise or in the cloud allowing customers a choice of deployments depending on what works best for their organizational requirements. The cloud lends itself to a collaborative process, such as forecasting, by enabling virtually limitless reach so that different functions have shared visibility of business models and plans. Similarly, modern cloud technology provides the 'elasticity' that enables the construction of large and granular models on-demand. But it is the breadth of technology solutions sitting in the Amazon cloud platform (which Prophix uses) that is truly transformational, allowing Prophix to leverage web services such as data-visualization, dashboards and even natural language processors that take the user experience to the next level.

Prophix's innovation is that it has extended the reach of mid-market FP&A professionals and gifted them the same analytical capabilities that in earlier years were only available to much larger enterprises.

Innovation 2: Support for 'natural language' interaction

Extending the reach of financial forecasts and plans outside of the finance function requires a fundamental shift away from grid-based spreadsheets to something that is more accessible and natural for non-finance professionals to work with.

As part of the wider 'consumerization' of business information Prophix has been re-designing the user-experience to make it more interactive, with touch and visualization that gives it the 'look and feel' of familiar consumer applications. In effect Prophix has applied elements often taken for granted in the consumer world into its CPM applications.

Importantly, data visualization, graphing and charting is at the core of Prophix's offering, and FSN's research (The Future of Planning, Budgeting & Forecasting 2017) highlighted the pivotal role of these technologies in driving forecasting performance and insight. The research identified that insightful organizations make far greater use of visualization technologies.

But Prophix, is also driving insight by enabling a more conversational approach to interrogating corporate data without having to understand the underlying data structures. This is especially important as FP&A professionals extend their reach beyond the finance function to operational areas that are uncomfortable with spreadsheet-style reporting.

For this reason, natural language processing is an area of intense focus for Prophix as it seeks to leverage tools available on cloud platforms to help non-financial users obtain answers to their most pressing questions. For example, users should be able pose natural language questions in a 'Siri-like' fashion, such as, "What were my last 12-month sales in the North America region?", "Why did sales go up during that period?", "Who were my most profitable customers during that time?"

Natural language processing (NLP) has progressed through the proof of concept stage and Prophix says it hopes to release its initial capability in late 2018. The company is also investing in Artificial Intelligence to humanize the user experience alongside natural language processing so that users could, for example, use a NLP request to generate a one-off report and have it delivered by email to a specified list of recipients. And in parallel, Prophix is looking at how its solution can automatically generate commentary from its data by leveraging specialist cloud-services for natural language generation.

Although at an early stage, machine learning is being actively explored to augment the productivity and skill sets of FP&A professionals. Looking for trends and patterns is limited using present day toolsets and FP&A is not well equipped to deal with very large data volumes that emanate from other business functions, such as marketing, sales and operations. Machine learning is being used to create 'trained' business models from data that has been collected and these are improved with yet more data over time. The aim is then to use the output of trained models in Prophix to drive up confidence in forecasting.

Innovation 3: Collaborative transformation

It takes more than a set of applications to transform the capabilities of financial and operational forecasting. Regrettably, few organizations fully seize the opportunity to change the way they work, especially their underlying processes, when migrating to a new CPM environment. For instance, FSN's Future of Planning, Budgeting and Forecasting 2017, highlighted that just 11% of companies moving to the cloud changed their processes. While they benefited from some of the basic advantages of cloud migration, many missed out on the transformational potential of such a move because they simply resorted to replicating their on-premise processes, in the cloud instead.

Many of these projects fail to realize their potential because of lack of adequate challenge, the tools to help visualize how processes can be transformed and a vendor relationship that is too remote.

By contrast, Prophix's ethos of continuous, rapid transformation runs through the veins of the organization and the level of partnership that it seeks with its clients. From initial implementation to operation and support, Prophix works closely alongside FP&A professionals to make effective changes that provide a strategic advantage for their organizations.

Rather than being technology-led, Prophix uses a more process-led approach from the start, utilizing its workflow manager to capture a visual model of the present "as-is" process, and collaborating with its users to explore what the "to-be" process could look like as well. This highly visual approach is more engaging and challenging. For example, when the processes are reduced to a series of workflows it is much easier for FP&A professionals and other stakeholders to see inefficiencies and overlaps as well as prioritize areas for change. In addition, an external organization such as Prophix can bring welcome challenge to process design especially where this is grounded in deep domain expertise and vertical market knowledge based on more than 3,000 mid-market implementations.

Following collaboration and agreement across the user community, the visualization can form the foundation of the Prophix application(s) to be built by the organization, whether it's people planning, sales planning, project based or intercompany reconciliations. FP&A professionals are encouraged to prioritize the process improvements that will provide the biggest impact across the organization, and ultimately show quick progress and better buy-in from across the company – something that is especially important in mid-market enterprises

Ultimately, Prophix's more collaborative style of working has been found to accelerate the implementation, achieve better user buy-in and achieve higher levels of project satisfaction, innovation and success.

Case Study: RACER Trust

INTRODUCTION – FSN'S VIEW

Racer Trust is a unique organization which exhibits some of the complexities of a large organization and yet is fundamentally a mid-sized organization. In earlier times organizations such as Racer Trust would have found traditional CPM systems too expensive and the IT infrastructure requirements overly elaborate, but this case study amply illustrates Prophix's innovation in bringing full-range CPM functionality to the mid-market, packaged for ease of use.

INNOVATION IN ACTION

The stand-out innovation in this case study is to use the very same infrastructure that serves corporate performance management (CPM) to provide a tax data collection and provisioning system that sits comfortably alongside the statutory reporting process allowing the financial view of profit to be easily reconciled with what the tax man calculates as profit.

VARIETY OF PLANNING NEEDS

Budget models in RACER reflect its core property portfolio, its maintenance activities as well as the wide variety of professional disciplines engaged in supporting the Trust's endeavors. Separately identifiable, yet linked, financial models simplify and automate the budget process putting maintenance firmly in the hands of a small team of finance professionals. The innovative Prophix system shows how readily it can absorb complexity. For example, it is readily able to handle budgeting in several dimensions as well as three versions of economic growth and an environmental planning horizon of 100 years.

BEYOND THE FINANCE FUNCTION

Although RACER has a modest full-time team of just 30 personnel it also engages with around 600 subcontractors. Separate but linked budget cubes have been developed for in-house personnel as well as the activities and billings of the sub-contractors. The ability to easily extend budgeting models into different functional and operational areas means that the entire organization can benefit from Prophix's capabilities.



Revitalizing the Finance Environment at RACER Trust

Revitalizing Auto Communities Environmental Response Trust (RACER Trust) was formed to clean up and position for redevelopment the facilities formerly owned by General Motors Corp. before their 2009 bankruptcy. With a \$500 million budget to revitalize 60 locations, RACER Trust needed a budgeting and reporting solution that would allow them to track and update holding costs for each property including maintenance, insurance and security expenses. With Prophix, RACER Trust can project these holding costs 100 years into the future to reflect their ownership responsibilities.

Business Challenges

Each of RACER Trust's 60 properties have key attributes that need to be monitored including the status of property (i.e. owned, sold, etc.), its location and the necessary maintenance (i.e. mechanical, fire, electrical, alarm, general, janitorial, landscaping, elevators, etc.).

In addition, RACER Trust needs to account for a variety of managers (i.e. cleanup, site, etc.) and other personnel, including engineering, environmental and industrial consultants, that are necessary to maintain and position their facilities for redevelopment.

Their properties may also incur additional expenses including equipment removal, permits and environmental concerns, which must be incorporated into the budget.

Changing attributes made it difficult for RACER Trust to keep track of the status of their properties, while also working towards revitalization. This process was further complicated by RACER Trust's 100-year environmental responsibility for their assets.



RACER (Revitalizing Auto Communities Environmental Response) Trust is one of the largest holders of industrial property in the United States and is the largest environmental response and remediation trust in U.S. history. When the Trust was formed, it owned properties at 89 locations in 14 states, principally in the Midwest and Northeast. The Trust was created by a settlement agreement in the U.S. Bankruptcy Court between the U.S. Government, the 14 states where the former GM properties are located, and the St. Regis Mohawk Tribe, which owns land adjoining one of the properties in Upstate New York.

Operating: Since 2011 Website: www.racertrust.org Operating Budget: 500 million USD Employees: 30 full-time employees, 600 contractors ERP: Sage

Prophix Customer Story

Why Prophix?

RACER Trust considered a number of Corporate Performance Management (CPM) vendors in their research. RACER Trust chose Prophix for three primary reasons: automated reporting, a flexible number of attributes in financial models and Prophix's commitment to building a 100-year time dimension. Each of these key features positions RACER Trust to revitalize GM properties in over 14 U.S. states.

Results

RACER Trust established several models within Prophix to effectively manage their property trust including holding costs, financial, personnel and professional.

Using their 100-year projection, RACER Trust can budget based on the predicted sale date of each property, while also monitoring the associated costs. Using this model, RACER Trust prepares three separate budgets based on different economic conditions: natural, slowdown and recession. These budgets are monthly for the first five years and yearly after that.

Within their personnel cube, RACER Trust budgets for over 30 internal job titles, which includes benefit plans, dental and life insurance plans, 401Ks and different compensation categories.

RACER Trust also accounts for professional fees, which includes over 600 possible contractors. This includes legal services such as audit, tax advisory, public consulting and related services. Each unique contractor title is broken down with additional fees, allowing the Office of Finance to generate a variety of expense reports.



Similarly, RACER Trust's financial model is used primarily for reporting purposes and consolidates the data from the other models to produce a series of reports that are used for internal and external reporting.

Future Plans

RACER Trust plans to continue to use Prophix until all of their assets have been sold, at which point the Trust will be dissolved.

About Prophix

Prophix develops innovative software that automates critical financial processes such as budgeting, planning, consolidation and reporting – improving a company's profitability and minimizing its risks. Thousands of forward-looking organizations in more than 90 countries use software from Prophix to gain increased visibility and insight into their business performance.



www.prophix.com

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Case Study: Queen's University Office of Partnerships and Innovation

INTRODUCTION – FSN'S VIEW

Queen's University Office of Partnerships and Innovation organizations (OPI) knows only too well the value of innovation, and that includes innovation in the office of finance – which is refreshing because FSN's 2018 research (Innovation in the Finance Function) identifies that only 12% of investment in innovation is finance inspired.

INNOVATION IN ACTION

There are two stand-out innovations in this case study. First, the introduction of Prophix CPM to replace a swathe of Excel spreadsheets with highly automated consolidation, planning and budgeting, and secondly; how the platform has enabled agile reporting.

MID-MARKET CPM

Innovation is very much in the 'eye of the beholder' but for 20% of finance functions, the introduction of CPM is truly innovative. FSN's 2018 research into financial reporting identified the root causes of the so called "spreadsheet spiral" is largely down to the inflexibility of reporting system and an overreliance on IT functions to make business changes. That's why Prophix's innovative mid-market CPM solution is a game-changer. It is designed specifically for the mid-market, enables finance functions to be the masters of their own destiny and allows core financial processes, for example, consolidation, budgeting and planning to be highly automated, releasing valuable time for reporting and analysis.

AGILE REPORTING

Sweeping away spreadsheets, automating data capture, for example, through integration with SAGE Accpac and leveraging a unified CPM environment sets the groundwork for agile reporting. Budgets and actuals can 'naturally' be brought together in Prophix, updates can happen quickly, (rather than relying on spreadsheets) and reporting can straddle the whole environment as well as accommodate complex reporting needs such as cashflow modeling.



Making the Finance Grade at Queen's University Office of Partnerships & Innovation

Formerly PARTEQ Innovations, the Office of Partnerships & Innovation (OPI) at Queen's University helps innovators to connect and network. They provide support for entrepreneurs and startups by promoting research partnerships with industry, government, and not-for-profits, including other academic institutions. OPI struggled to complete their financial planning due to their unique business model, which is dictated by the success of their licenses, startups and investors.

Business Challenges

OPI's Office of Finance struggled to analyze their financial information because of the amount of manual work needed to collect and consolidate their data. This time-consuming process meant that they also found it difficult to explain variances between their budgeted figures and their actuals.

Once a year, OPI created an operational plan, which meant that as year-end approached, their finance team had minimal insight into the first quarter of the following year, which limited their foresight.

Why Prophix?

Frustrated with spreadsheets and database files, the Office of Finance at OPI sought to automate their financial processes and build more robust operational plans with a Corporate Performance Management (CPM) software solution. The Office of Partnerships & Innovation at Queen's University chose Prophix for its ability to model "what-if" scenarios, plan for license revenues, and compare budgets to actuals, increasing accountability across the organization.

Queens PARTNERSHIPS AND

In 1987, the university founded PARTEQ Innovations, a not-forprofit organization, to provide Queen's researchers with the commercial and intellectual property expertise required to advance their discoveries to benefit the public. PARTEQ supported the founding of over 45 startups, transformed more than 1,200 invention disclosures into over 200 technologies, each covered by at least one patent, and returned more than \$40M to Queen's, partner institutions, and inventors. In May 2017, Queen's University consolidated technology transfer, industry partnerships, research contracts, Innovation Park, and regional innovation ecosystem activities to form the Office of Partnerships and Innovation.

Operating: Since 1987 Website: www.queensu.ca/ partnershipsandinnovation/ Annual Revenue: ~9 million USD Employees: 18 ERP: Sage Accpac



Prophix Customer Story

Results

With Prophix, the Office of Partnerships & Innovation now enjoys continuously updated budgets. A direct integration with their license database, Sage Accpac, gives OPI a single source of financial truth with which to conduct their financial planning. As a result, their Office of Finance can now accurately model budget scenarios on each license agreement.

In addition, OPI can model direct cash flow



and address the risk profile and development stage when budgeting the license revenue of hundreds of disparate agreements. This allows their Office of Finance to focus on value-add activities, which continually provide insight to the rest of the organization.

About Prophix

Prophix develops innovative software that automates critical financial processes such as budgeting, planning, consolidation and reporting – improving a company's profitability and minimizing its risks. Thousands of forward-looking organizations in more than 90 countries use software from Prophix to gain increased visibility and insight into their business performance.



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THE ROOTSTOCK SOFTWARE INNOVATION SHOWCASE

Long before the development of the now ubiquitous Enterprise Resource Planning (ERP) system, manufacturing companies were using what was essentially its precursor- Materials Requirement Planning (MRP). Designed to plan the raw material requirements for manufacturing products, MRP evolved over time to encompass more and more of the manufacturing process. When it expanded across sectors and embraced the rest of the business processes required to keep a company running successfully it finally became the ERP we know today.

These days most ERP solutions are broadly-based systems with a breadth of coverage that extends well beyond the initial manufacturing focus and so many software solutions are regarded by the market as ERP even though they do not cover manufacturing processes.

Rootstock, on the other hand is differentiated in two main ways. Firstly, it is authentically an ERP solution, with manufacturing capability at its very core and, secondly, it is a true cloud product that is designed and built for the cloud from the very outset. It is this relatively rare combination which makes the Rootstock offering innovative, along with other notable features as well.

Although it is a fully fledged ERP solution, Rootstock Software chose not to be all things to all people. Instead they chose to concentrate on being the best cloud ERP system for the manufacturing, distribution and supply chain sector, taking the ERP idea back to its roots.

Founded in 2008 by software architect and engineer Pat Garrehy, Rootstock Software develops and implements Cloud ERP software that helps manufacturers and distributors deliver personalized customer experiences, build operations that scale and out-service their competition. It has been developed to run on the Salesforce platform, which brings with it further innovative capabilities.

In this innovation showcase we highlight three key Rootstock Software innovations, namely: (i)Authentic ERP with a manufacturing, distribution and supply chain focus; (ii) True multi-tenanted cloud ERP; (iii) Salesforce CRM integration with 360 degree visibility of customers.

Innovation 1: Authentic ERP with a manufacturing distribution and supply chain focus

Modern ERP systems had their genesis in the manufacturing process. Material resource planning systems widened to include manufacturing processes, then widened further to connect company-wide systems including HR, finance, marketing and sales.

But in the process of expanding its remit, ERP has become a jack of all trades. One ERP system is designed and sold to service all manner of sectors and company requirements. As the technological revolution has forced companies to compete in an ever-changing market, traditional ERP systems have lagged behind, often forcing companies to shoe-horn ill-fitting systems into disparate businesses.

At its name implies, Rootstock Software has gone back to the roots of the ERP system, designing its system specifically for manufacturers, distribution and supply chain companies and catering specifically to their requirements. These requirements have also changed substantially in the last decade as the nature of manufacturing and supply chain have changed.

When MRP was first introduced in the early 1990s products were made in batches, usually distributed the same way, with long lead times and constrictive manufacturing processes. With the advances in technology over the last three decades, barriers to entry are falling away, smaller producers can nimbly develop and produce products on demand, forcing the whole sector to respond to competitive pressure with faster speed to market and better customer service.

So manufacturing systems these days have to accommodate extremely short product cycles, low production runs, 'everything as a service' and personalized production.

Rootstock's ERP system is designed specifically to address these needs. When a just in time order is received, Rootstock's ERP generates the ripples of process throughout the system to ensure timely and accurate delivery. It can respond to the changes in financial structuring that come from the evolution of production styles. When 3D printers enable manufacturers to offer personalization on an affordable scale, the costings change, and Rootstock ERP is configured to handle an array of costing types, as well as new and traditional methods of manufacturing from Build to Order, Build to Stock, Engineer to Order, Configure to Order, Project-based and Mixed Mode manufacturing.

But the key evolution of MRP to ERP, and the Rootstock premise, is integration across the business. While manufacturers concentrate on ensuring their products are made properly and on time, the surrounding processes must also tie together. Sales orders for products need to be integrated with the engineering and production process. And those same sales orders must be costed based on the type of production run, personalization, and underlying project costs.

Personalization and customer-centricity is at the root of the changes in business today, across all industries. In the manufacturing sector, agile competitors are forcing established companies to improve their own processes and adopt new business models.

And while the companies are adapting their manufacturing models, Rootstock is ensuring their processes are integrated across not only production and supply chain but also the front facing customer applications and the back office systems too. It's adaptive, fast and developed specifically for customers that build, distribute and design products. From sales to customer service, engineering to production, supply chain to inventory, Rootstock's innovation is that its ERP functionality is broad and deep.

Innovation 2: True multi-tenanted cloud ERP built on the Salesforce Cloud

Rootstock's software is a true cloud ERP system, which can't be said for every 'cloud' software company in the market today. Some on-premise designed ERP companies have been putting their software into virtualized data centers and branding it as cloud, in order to tout the advantages of the cloud to potential customers. Known as 'cloud washing', the practice leaves users without the substantial benefits of true cloud solutions. These include automatic updates, multi-tenancy, and the scalability that enables applications to 'expand with the burst' to handle an increased load, allowing businesses to use only what they need of their systems at any given time.

One of the key tenets of true cloud systems is that many customers share a secure pool of configurable computing resources which can be easily or automatically adjusted depending on demand. The elasticity of the cloud allows true cloud vendors like Rootstock to manage these resources efficiently, flexing demand up or down depending on their customers' requirements. Upgrades and changes to the software are made in the cloud and automatically benefit the user, and the software can grow to include new applications and requirements as the industry changes along with their customers' needs.

Crucially, Rootstock's ERP system is built on the Salesforce cloud platform. Although well-known for its CRM solution, Salesforce also offers a cloud platform where companies can build their own applications to the same design and development standards as Rootstock and integrate them seamlessly with the rest of the Rootstock applications.

Innovation 3: Salesforce CRM integration with 360 degree visibility of customers

The seamless cohesion of Rootstock's cloud ERP with Salesforce CRM is the indelible link that allows traceability and transparency of the customer journey through the manufacturing process. This integration is key to Rootstock's customer-centric approach to manufacturing ERP and is so seamless that Rootstock users don't know when they are moving from their ERP system into the Salesforce CRM system. The process flows smoothly, as does the data, and, crucially, it's visible to all users across the enterprise.

When a Rootstock user is in the sales application, they can also see whether deliveries have been made, or whether an order is being manufactured on the shop floor. And while this is a real boon when managing the business processes, the real beneficiary is the customer. The visibility across CRM and ERP provides a clear view of the entire customer journey. No matter what touch point, from receivables to shipping, call center to distribution, they all know what's going on with every customer. And the communication works both ways. Customers can be kept up to date on their orders and supply chains via the Salesforce Platform as well.

Having centralized ERP data on the same platform as Salesforce CRM customer data, Rootstock Cloud ERP can offer manufacturing, distribution, and supply chain organizations a single platform on which to grow and manage their businesses. They have a 360—degree view of the customer and the business, with all the data accessible from all contact points.

This customer-centric approach is essential to managing the changing nature of manufacturing. Customers are more agile, and need products faster or with more personalization. Rootstock is just as adaptive as its own customers, combining the speed of the cloud platform and the knowhow of manufacturing.

Their platform has in-built collaborative tools with embedded social media and portals called Communities for customers and suppliers to encourage interaction across all devices. The Salesforce Chatter social collaboration tool can drive productivity by allowing users to share knowledge, files and data internally and externally. This not only enables companies to stay in touch with customers and suppliers but also encourages internal collaboration. The availability of data and automatic updates enable departments to work together, communicate more effectively and build business partnerships that ultimately improve the bottom line. Rootstock's integrated platform goes beyond customer-centricity, it is organizationcentric, encouraging collaboration within and outside the company.

Case Study: Unionwear

INTRODUCTION – FSN'S VIEW

FSN's "Innovation in the Finance Function" Survey 2018 found that finance functions that are early adopters of technology, have a culture of innovation, make time for it and reward it, outperform their competitors in terms of the speed and accuracy of forecasting and the time taken to close the books. This case study exemplifies how a positive culture of innovation, coupled with investment in the cloud, enabled Unionwear to stand out in an industry otherwise in decline.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, the "data-mastery" enabled by a unified ERP solution in the cloud and secondly, how innovation is its own reward, releasing time for even more innovation

DATA MASTERY

The case study highlights how Rootstock's ERP transformed Unionwear from an organization that was data constrained, into the pinnacle of data mastery where data is actively managed as a corporate asset. Whether it was tracking raw materials, managing inventory or improving stock-turn, the case study illustrates an abundance of examples of how data captured in the ERP, from shop floor to management, has been turned into insight and competitive advantage.

INNOVATION BEGETS INNOVATION

The introduction of advanced automation and innovative manufacturing capability has enabled Unionwear to broaden its product offerings, open new markets and, crucially, 'make to order' as easily as it could 'make to stock'. Innovation has released time for Unionwear to focus on even more innovation that can provide growth opportunities for the future. Moving data capture directly onto the shop floor via smartphones has set the scene for accelerating goods inwards, improved data accuracy and reducing time to market.





The Unionwear Story: Lessons learned from an Early Adopter of Cloud ERP

COMPANY

Unionwear

HEADQUARTERS

Newark, NJ

FOUNDED 1991

INDUSTRY

Apparel manufacturing (Hats & caps, bags, and other promotional products and private label accessories)



This is not a typical case study, because Unionwear is not a typical case. By the standards of manufacturing in general, and the apparel industry specifically, the New Jersey-based maker of hats, caps, bags and other promotional products and private label accessories is an early adopter of cloud-based ERP.

The company first turned on Rootstock cloud ERP on January 1, 2014, in what CEO Mitch Cahn calls "a leap of faith. Back then, there was nobody you could point to in manufacturing – especially not a small manufacturer like us – and say 'they're doing well with cloud ERP.' There was no example we could follow."

But despite not having a roadmap, Cahn knew the company had to move forward. "I could see that cloud-based ERP was what everyone was going to be using in the future. I also realized it was going to make mobile ERP possible."

Let's take a look at what Unionwear has done with Rootstock ERP since 2014, how they are using cloud-based ERP to drive customer value, and what you can learn from their experience.

A necessary response to an unforgiving market and limits on growth

Market conditions drove Unionwear to look at ERP. In 2014, the U.S. apparel industry was a shell of its former self. U.S. consumers were buying much less than they used to, and almost everything they bought was being made overseas. How bad were things? The Bureau of Labor Statistics reported that apparel industry employment had contracted from an average employment of 902,000 in 1960 to about 136,000 in 2014. Some wondered openly if the industry could survive at all in the U.S.

Despite the headwinds, Cahn believed Unionwear could not only survive, but grow. And he knew growth would not come from small changes. The situation called for something as substantial and strategic as a move to the cloud. "When everything else in the economy is trying to shut us down, being forward-thinking is the only way to succeed," says Cahn.

There were internal, operational realities that were also working to keep Unionwear from achieving the growth they wanted. One of the biggest barriers was a fundamental problem with inventory. "We were badly limited by our inability to accurately or quickly track raw materials used as we made our products. We kept running out of material, no matter how much inventory we carried or how well we planned, because we simply could not track how much material we were using," Cahn explains. "This was one of the issues that prompted us to look at a new ERP solution in the first place. To avoid stock outages and make the best use of our workers' time, we were forced to overbuy and carry a lot of excess inventory. That's not a sustainable practice."

Early successes, and unexpected challenges

Shortly after implementing Rootstock ERP, Unionwear loaded all of their existing inventory data into the system. Cahn notes that the results were immediate and eye-opening. "Just being able to track raw material usage accurately, we were able to improve work scheduling, produce more product, and double our sales in the first year after we went live."

What about the "dead inventory" they were carrying? "It was tracked in our database now," says Cahn, "so when a new job came in, we could scan what was already on hand to see if we could use existing inventory for the new order, instead of buying new stock." Quickly, Unionwear was able to liquidate \$600-700k of inventory. "We turned dead stock into cash," Cahn remarks. "That was made possible because we were using Rootstock."

As with any major new software implementation, unexpected challenges arose. The first one centered on data. "We had only been keeping track of what we sold," Cahn points out, "not job routings or bills of materials or any other details." But to get intended value from Rootstock, Unionwear realized that needed to change.



Just being able to track

raw material usage

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scheduling, produce

after we went live."

able to improve work

more product, and double

our sales in the first year

"Now, we needed to track it all – the sum total of the labor and overhead and components that went into producing an order – and that was frustrating at first. We were capturing ten times as much information as we had before Rootstock, so the data entry was taking much longer. It was hard to see the big picture until we collected a critical mass of data. At that point, we could use it as a management tool. It took about a year to get over that hump, but we did."

Another data challenge was discovered on the factory floor. "Collecting shop floor data meant relying on the math skills of sewing machine operators. We assumed – incorrectly, it turned out – that all our workers would understand percentages, estimates, fractions, and other basic math skills. And people are naturally reluctant to admit what they don't know. They continued to give misinformation with the best of intentions. It took a long time to figure out where the misinformation was coming from and how it was gumming up the system."

How did Unionwear meet the challenge? By being flexible, Cahn explains. "We learned to ask the right questions, ones that don't involve math skills. For example, instead of asking 'how many yards did you use on that job,' we ask 'how many table lengths of material did you unroll?' That's a basic counting question, and we know how long the table is. We maximized the skills we had on the floor."

Opportunities for growth, the need for patience

What impact has Rootstock had on operations at Unionwear? Due in part to using Rootstock, the company has been able to grow even while the domestic apparel industry continues to shrink. According to the Bureau of Labor Statistics, employment numbers in the industry have fallen from 136,000 in 2014 to around 116,000 at the end of 2017. At Unionwear, however, the story is completely different: 120 people in 2014, 175 today.





Unionwear Case Study | 3



And while Cahn can identify more opportunities for growth, he has preached patience.

"We've grown between 2016 and now, but it's all been from existing clients. We've downplayed marketing and sales to new customers while we brought all our internal processes up to the standards we think will help us double sales in the next two years." Cahn points to one long-term strategy in particular that has Unionwear poised for more success. "Since 2014, I've made it a priority to hire people with supply chain and information science degrees or experience. We had specific industry knowledge, but lacked that sort of training. Now, I have a team that can implement everything we want to do. We've been building this roadmap together for four years, and we're finally ready to move ahead aggressively."

The power of Rootstock cloud ERP: Making custom orders feel like stock

Like other areas of manufacturing, the apparel industry has had to deal with the rise of personalization. At Unionwear, Cahn says they've used "the tools that exist in Rootstock" to turn this new customer requirement into a big competitive advantage.

"At first, we offered our customers an online configurator so they could easily customize whatever they wanted to order from us. But the people we sell to are almost all either designers or buyers. We quickly discovered a simple truth: these folks don't want to spend time configuring anything. They want to place an order."

In response, Unionwear began to use the configurator for product development. "It seemed like a simple idea, but it has been a real game-changer. We've looked at all the materials we have on hand and used the configurator to put those materials together in virtually every conceivable combination. We now can sell products we haven't even made before as unique SKUs."

Unionwear started by pre-configuring 1,000 SKUs for baseball hats. Once they confirmed that the results warranted the effort, they turned their attention to the bags they offered. "When we were done," notes Cahn, "we had 40,000 SKUs to put online."

And now? "If you go to our website to order a baseball cap or hat, you'll find 200,000 options waiting for you, each fully configured and ready to be ordered. You can shop for a hat instead of having to configure it, because Rootstock enables us to predict virtually any hat someone could order, configure it ourselves, and show it, graphically, on our site. We can make to order as efficiently as make to stock. And for our customers, it's as easy as ordering from Amazon."



Unionwear Case Study | 4



"One of the first things we noticed when we started talking to Rootstock was that everyone seemed to have a manufacturing or ERP background. That domain knowledge was and is pretty unique among vendors. They 'get it,' and that's incredibly helpful."

Unionwear realizes the benefits of having Rootstock as their cloud ERP partner

"One of the first things we noticed when we started talking to Rootstock" Cahn recalls, "was that everyone seemed to have a manufacturing or ERP background. That domain knowledge was and is pretty unique among vendors. They 'get it,' and that's incredibly helpful."

Rootstock's free upgrades – an "unexpected benefit," says Cahn – have also proven helpful. "Every time Rootstock upgrades, it's like getting a free gift. As the user base expands, and Rootstock turns their feedback into new features and enhancements, the system just continues to get better. We get useful upgrades all the time that we don't have to pay for."

Next steps in Unionwear's continuing transformation

One upgrade to Rootstock has Cahn and his team particularly excited: the mobile capabilities of RootScan Mobile. While they haven't gone live yet, Cahn can already see the benefits. "Right now, we batch process packing slips for goods received. We might do that every other day, or even just once a week. If we're waiting for material to arrive so we can start a new job, which happens often, that's not fast enough. When we go live with RootScan, an arriving shipment will be entered into the system as its unloaded. We'll know that material is here as soon as it comes off the truck."

Cahn is also excited about mobile because it will help bring badly needed computing capabilities to the factory floor. "I have a lot of people who don't use a laptop or tablet, and don't really like computers. But they're all very comfortable using a smartphone. Mobile will be the way we get computing into their hands. We're looking forward to seeing how much that will boost efficiency and productivity, and employee morale."

💻 REQUEST A DEMO AT ROOTSTOCK.COM

Rootstock Software[®] is a worldwide provider of cloud ERP on the Salesforce Cloud Platform. When combined with Salesforce CRM, Rootstock Cloud ERP offers manufacturing, distribution, and supply chain organizations a single platform to grow and manage their businesses. Rootstock Cloud ERP is a flexible, modern, and digitally-connected system that transforms companies to deliver a more personalized customer experience, efficiently scale operations, and out-service the competition.

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Case Study: Pacer Group

INTRODUCTION – FSN'S VIEW

Authentic manufacturing ERP in the cloud is relatively rare even in 2019, but this case study highlights vividly how fully fledged ERP that supports several modes of production as well as distribution and supply chain capability within the same environment, provides an agile environment in which mid-sized organizations can take opportunities for growth and flourish without being concerned that their ERP cannot keep up.

INNOVATION IN ACTION

The case study illustrates the power of ERP born-in-the-cloud to support modern day manufacture and secondly, the digital transformation enabled by a platform approach.

ERP IN THE CLOUD

The case study highlights the formidable advantages of moving to manufacturing ERP in the cloud. Pacer Group was shackled to an expensive and inflexible on-premise system and was constantly updating hardware to meet the expanding needs of the business. By comparison modern ERP in the cloud conferred the advantages of handling diverse manufacturing requirements, automatic updates to functionality, and infinite scalability that enables applications to 'expand with the burst' while containing cost.

DIGITAL TRANSFORMATION PLATFORM

Crucially cloud ERP on the Salesforce platform set the scene for Pacer Group's broader digital transformation. Centralized ERP data on the same platform as Salesforce CRM enables Pacer Group to leverage all of the capability available in the Salesforce ecosystem confident in the knowledge that different applications and in-house customization can operate together seamlessly. But technology aside, the real dividend in this case study is the sharpness of decision-making enabled by a 360 degree view of the customer and business operations, with all of the data at management's fingertips from anywhere in the organization.





Pacer Group – Focused on the Future

COMPANY Pacer Group

HEADQUARTERS Sarasota, FL

SIZE 145 employees

FOUNDED 1979

TYPE Private

INDUSTRY Electrical product manufacturing

REVENUE \$30 million



Manufacturer's digital transformation began when the Pacer Group replaced their on-premise ERP with Rootstock Cloud ERP.

John Swiatkowski, President of the <u>Pacer Group</u>, cannot predict the future, but back in 2014, he saw the future of his company.

John was proud of his company's reputation in the wire, cable and electrical product industry, but the future called for the digital transformation of manufacturing, bringing with it reduced costs, connected employers and customers, streamlined operations, and emerging technologies like advanced analytics and the Internet of Things (IoT). Unfortunately, not only was his company's legacy on-premise ERP system unable to deliver these benefits, it was becoming prohibitively expensive to maintain.

Faced with this problem, John did what many small-to-medium sized companies have already done - he embraced the Cloud.

Integrated Manufacturing, Engineering and Distribution

Founded in 1979, the Pacer Group has become a leading wire and electrical cable manufacturer that offers custom electrical products, value-added solutions, and parts distribution. Expanding beyond its traditional marine industry focus at its 42,000 square-foot manufacturing, assembly, and warehouse complex in Sarasota, FI, the company successfully integrated three major industrial functions:

- · Electrical wire and cable manufacturing
- · Electrical system design and manufacturing
- · Electrical components distribution

The integration of these three functions now gives Pacer the flexibility to serve individuals, smaller companies and large-volume users with customer-focused solutions. The solutions include battery cable assembly, wire harness assembly, instrument and dash panel design, and complete electrical system integration.

Pacer's customers come from a wide range of manufacturers who require UL/CSA-approved wire, including makers of batteries, forklifts and golf carts, industrial equipment, alternative power, appliances and data storage. Pacer also offers a wide range of products that serve marine, automotive, truck, RV, and off-road vehicles.

Two Manufacturing Modes + Distribution

99

Our former ERP system had become dated, too cumbersome and difficult to use, and didn't provide us with the depth of manufacturing that we needed." The company manufactures products in two primary modes. One part of the business runs small-lot, complex jobs that involve many parts and changeovers. Another part of the business produces lowcomplexity, high-volume products such as wire and cable.

From an ERP perspective, Pacer produces lot-controlled products where the system processes a new work order, which then become finished goods. The final part of the business buys products for resale in a classic distribution scenario.

The Problem - Stuck in an On-Premise Past

While Pacer's integrated industrial functions gave the company flexibility, their ERP system did not. John knew that the on-premise ERP system was holding the company back. According to John, "Our previous ERP system had become dated, too cumbersome and difficult to use, and didn't provide us with the depth of manufacturing that we needed. At the same time," he continued, "we were at a size where it is inefficient to host an on-premise system." John knew that Pacer needed the functionality and mobility that their on-premise ERP system lacked. As a company already using Salesforce, he wanted a solution that could easily leverage the advantages of the Salesforce Platform.



Pacer Group Case Study | 2

Expensive Hardware and Difficult Upgrades

The Pacer Group's on-premise ERP system required new and more expensive hardware every year. This constant effort to keep up with the acquisition of hardware, operating system software, database management software and other infrastructure products not only cost money and labor, but they were also technically challenging. John knew that something had to change.

Transactions, Transactions, and More Transactions

In addition to the technical and financial costs of maintaining their on-premise ERP system, the Pacer Group was processing a lot of transactions - hundreds of thousands of transactions per month, mostly in work orders and related functions in two of its divisions: Marine Manufacturing and Engineering.

The on-premise system was no longer capable of handling that many transactions, especially the operation-booking and labor-related transactions. This lack of efficiency was a real problem for the company.

Digital Transformation is Mission Critical

Hardware problems and transaction issues were reasons enough to replace the company's on-premise ERP system, but John knew that the benefits of digital transformation would be the real drivers for his company's future growth and success. Benefits such as reduced costs, greater connectivity and mobility, and streamlined decision-making and production were all a part of the future John saw for the Pacer Group. The current on-premise system could not deliver these benefits.







Transforming the Pacer Group

Reduced Costs

Pacer needed to get out from under those excessive hardware costs. Digitization leverages technologies like the cloud, which requires lower up-front and hardware costs and delivers greater efficiencies across an enterprise. According to PWC, 86% of 2,000 manufacturers surveyed expect to see cost reductions and revenue gains from their digitization efforts over the next five years. John wanted those benefits for the Pacer Group.

The ability to connect data, employees, customers, and suppliers in real-time from any device was a goal of the Pacer Group. When employees connect to the information they need, most become empowered and more efficient. Modern technology includes data analytics and collaboration tools to make it easy for workers and management to address critical problems immediately from anywhere, using any device.

Connectivity and Mobility

Collaboration tools and social networks allow customers and suppliers to connect to the company, while data analytics uncover the actionable insights about those customers and suppliers. Not only does the company benefit by being better informed, it opens new opportunities for improved customer service.

Digitization allows companies to automate workflows across their entire supply chains and provides visibility into the entire enterprise. The resulting streamlined decision-making and operations lead to greater efficiencies and increased productivity.

Streamlined Decision-Making and Production

The Pacer Group wanted to streamline their operations to become more agile and get products to more customers faster. The company also wanted to streamline decision-making to solve problems more quickly and make more informed decisions about the products they engineer, manufacture and distribute.



Pacer Group Case Study | 4



It quickly became evident to the team and me that cloud-based ERP was fast becoming a real alternative to traditional on-premise ERP systems."



The Pacer Group uses OzLINK, which works with the shipping interfaces for the most popular carriers: UPS WorldShip, USPS Endicia and FedEx Ship Manager. Although OzLINK is not a Salesforcespecific application, the open flexibility of the Salesforce platform allowed Pacer to integreat with Rootstock and dramatically improve performance.

The Solution - Move to the Cloud

For John to move the company into a digitized future, he knew the Pacer Group had to move to the cloud.

"It quickly became evident to the team and me that cloud-based ERP was fast becoming a real alternative to traditional on-premise ERP systems," John observed.

Based on the Software-as-a-Service (SaaS) model, the cloud requires no expensive onsite hardware to install and maintain; the software is hosted in the cloud and updated automatically by the cloud vendor.

As the availability of cloud-based software has exploded, the system of interdependent components that work together to enable cloud services has come to be called the "cloud ecosystem." One of the most popular of these cloud ecosystems is Salesforce, and in 2014, Pacer had already been using Salesforce.

Pacer's selection committee reviewed reports from Gartner and other analysts about ERP systems that cover the wide range of businesses that Pacer handles. John and his team ultimately selected Rootstock Software for their new manufacturing/distribution Cloud ERP running on the Salesforce cloud platform.

The Salesforce Advantage

Pacer wanted a manufacturing ERP solution that would complement their current Salesforce software already in use by their sales and marketing departments.

As John observed, "We needed a flexible platform that would operate with our other Salesforce tools and most of the suites we reviewed were too limited."

ERP implementations often require some customization and personalization to enhance the usability or functionality of the software. As a result, programming costs can be borne by either the software vendor or the customer. Until the customization is complete, productivity and efficiency gains may be delayed.

With all the software on the Salesforce Platform, many of these customization problems can be avoided.

Eva Wright, Pacer Group's IT manager, is also a certified Salesforce Administrator. She notes, "By leveraging Salesforce, the new ERP software could let the IT department easily provide its customizations to the ERP software native to the Salesforce cloud." Eva saw that a cloud-based ERP solution on Salesforce would offer a quicker payback and higher return on investment, especially when considering how future customization projects could be controlled by Pacer rather than the software provider.



Pacer Group Case Study | 5

Implementing Rootstock Cloud ERP

With three different aspects to their business, Pacer decided that the fastest ROI would come from installing Rootstock Cloud ERP on the manufacturing side, Pacer Marine, which produced higher volumes with more complexity than on the engineering side.

"We thought that we would implement Pacer Marine first because it would be the easier for us to learn and adapt and figure out the system rather than the engineering division, with its heavy manufacturing and complex BOMs," said John. "So, we felt that if we got a little more familiar with some of the simpler manufacturing, work order processing and order entry for Marine, that would be an easier transition. When we did go to the engineering side, it actually did work that way."

The initial installation for the Pacer Group for distribution and Pacer Marine manufacturing went live in December 2014 after ten months. Pacer Engineering went live a little over a year later in January 2016.

Throughout the implementation period, John and the Pacer Group were very pleased with Rootstock. "Rootstock committed early on to support the company's needs," said John, "including helping to make order entry more accessible."

John appreciated how Rootstock looked at their business processes and came up with solutions that fit his business. "One of the things that they did was to commit very early on to help us improve our process. They installed apps like Quick Order which enabled us to access the sales order endpoint via an API, and they helped by just making order entry more accessible in multiple ways."

"One of the things we learned in this process is the importance of the vendor team," added Eva. "We wanted a group that was willing and eager to help us. We appreciated how they looked at our business processes and came up with solutions."

Mastering the Unexpected

We were processing a lot of transactions, and I think we were breaking some of the speed limits that Rootstock had, and they were very responsive in quickly fixing those things."

We appreciated how they

(Rootstock) looked at our

business processes and

came up with solutions."

Like all ERP implementations, there were some unexpected challenges along the way. There were issues early on with transactions and database migration.

According to John, "We were processing a lot of transactions, and I think we were breaking some of the speed limits that Rootstock had, and they were very responsive in quickly fixing those things."

The Pacer Group was pleased with the way Rootstock helped resolve these issues. For example, implementing the manufacturing functionality went smoothly. "One reason we selected Rootstock is





that the ERP can handle complex manufacturing," said John. For their first installation, Pacer needed a distribution order entry solution. Pacer eventually coded their custom point of sale solution, which was a process made much easier by Rootstock's dedication and support.

John admits that his team significantly underestimated the amount of data cleansing and maintenance that they needed to do. Pacer had to migrate a database of 15 CSV tables from their previous software to make sure that everything was cleaned out and manageable, that duplicate parts were removed, and that data was accurate and up to date. "It took us significantly longer than what we expected," said John.

In addition to the early challenges of the order entry process and database migration, Pacer also re-evaluated some of their expected add-ins at launch and went in other directions.

The Benefits - Focused on the Future

Thanks to their move to Rootstock Cloud ERP, the Pacer Group is well on their way to the digital future that John envisioned back in 2014. Pacer has seen several benefits since both implementations went live:

- Cost savings, especially from being able to start and complete the implementation project without significant up-front investments in perpetual license and maintenance fees.
- Customization is easier now than it was with the old on-premise system.
- Connectivity lets everyone see what's going on in the business so that the appropriate people can take-action from any device.
- · The ease of doing business has significantly improved.

The system is far more dynamic in fixing issues than the old on-premise system. Updates are easier and faster. As great as the business value of cloud-based ERP was to the Pacer Group, the actual cost of keeping their on-premise system was clearly prohibitive and became even more so when they went live. "The cost of keeping an on-premise service at a company right now has grown even more since 2014 when we decided to go to the cloud," said John.

Early Results

After just six months, Pacer realized significant benefits. They experienced a dramatic improvement in inventory management, which allowed them to serve their customers with more dependable, on-time deliveries. Users took to the new cloud-based system right away.



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Our people are enjoying working with the system. It is so highly customizable. As our people suggest new ideas – voila – we in IT can provide them." Pacer's old on-premise system required numerous non-native solutions to function sufficiently for their business. They were inefficient and required maintenance. This problem went away within months of going live.

After only six months, John was extremely pleased with this immediate benefit. "Versus the old on-premise system, we can now easily work with so many other solutions as Rootstock on Salesforce takes care of this," he reported.

Results Today

Since the first implementation went live four years ago, and the second two and a half years ago, the Pacer Group has 42 full users, including 15 shop floor users.

The company is enjoying improved efficiency, making it much easier to solve customer problems. "We haven't had to increase man-hours in IT, Sales or Customer Service, even though the company is growing," claims Eva. "We're doing more with the same. Rootstock has been instrumental in that."

One of the other things Pacer wanted to do was to change their website endpoint. They were overhauling their entire e-commerce strategy and needed a solution that was easier to integrate than their on-premise system. "The Salesforce cloud can integrate hundreds and hundreds of different apps, platforms and everything else," said Eva. "So, you're not limited to one or two solutions that work with onpremise systems."

Unexpected Benefit - Finding Information Quickly

Thanks to Rootstock's universal search function, Pacer employees now find information much faster, which was a pleasant surprise as it enabled them to uncover business insights more quickly in response to customers' and production inquiries.

According to John, "When we talk to the team members that use the program, they say finding information is dramatically improved. In the previous system, you're diving down into a series of screens." Rootstock's search allowed users to find out what's going on with parts, deliveries, and customers much faster than in the past, and for a transactional business-like Pacer, half of an employee's day is finding information about a customer's question or a product manager's question about a particular product.



Rootstock Cloud ERP - Functionality That Fits the Business

The Pacer Group makes use of many of the Rootstock modules. They make the most use of the purchasing, MRP/manufacturing, and engineering modules that they've added since they went live.

"We probably make the most use of the manufacturing modules," reports John. "I mean, we process hundreds of thousands of transactions a month, mostly on work orders and pulling them through the processing, the issuing out of components, and lot tracking."

Critical Rootstock Modules for The Pacer Group

MRP (Material Requirements Planning) uses information from Sales Order Management to drive top-level demands and allows forecast demands to be entered. For the Pacer Group, efficient MRP is critical.

"MRP keeps track of what we need," says Eva. "It's an excellent engine and lets us quickly find out everything on order and determine what we have."

Efficient Purchasing

MRP-Driven

Demand

of purchase orders for direct and indirect materials and services. Pacer has seen significant efficiencies in purchasing since going live with Rootstock.

Purchase Order Management provides for the entry and tracking

"Our volume has dramatically increased," says John. "It was 40 hours a week for one person. Now one person manages the process in 12 hours a week, and that's in addition to solving problems with other issues."

Complex BOMs

Another critical area of functionality for Pacer is Bill of Materials (BOM) maintenance. "BOM Maintenance is a beautiful thing," says Eva. "We can copy, clone and maintain our BOMs much more efficiently than we could before Rootstock."





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Upgrading makes you think about your internal processes, and one of the things that made it most successful was when we learned to adapt that to being more future-focused."

Conclusion

In 2014, John saw the future of the Pacer Group. Moving from its old on-premise ERP system to Rootstock Cloud ERP has made that future a reality, bringing with it reduced costs, connectivity and mobility, and improved efficiency from streamlined operations. The digital transformation of the Pacer Group has just begun; they are already working on expanding the solution.

One expansion underway is called RootScan, which is Rootstock's mobile app for managing inventory, production, shipping, fulfillment and labor transactions.

"Right now, we're into the testing and initial rollout of RootScan," says John. "Another new addition is DRP (Distribution Requirements Planning). It's more of a distribution thing and we're using that right now to work better on inventory control for our larger OEM customers."

Adds Eva, "Upgrading makes you think about your internal processes, and one of the things that made it most successful was when we learned to adapt that to being more future-focused."

Thanks to Rootstock Cloud ERP, the Pacer Group has begun the digital transformation in John Swiatkowski's original vision. Maybe he can predict the future after all.

REQUEST A DEMO AT ROOTSTOCK.COM

Rootstock Software[®] is a worldwide provider of cloud ERP on the Salesforce Cloud Platform. When combined with Salesforce CRM, Rootstock Cloud ERP offers manufacturing, distribution, and supply chain organizations a single platform to grow and manage their businesses. Rootstock Cloud ERP is a flexible, modern, and digitally-connected system that transforms companies to deliver a more personalized customer experience, efficiently scale operations, and out-service the competition.

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THE WORKDAY INNOVATION SHOWCASE

Workday has been a leading innovator in the cloud native enterprise resource planning software market since its inception in 2005. From the beginning, Workday designed a single solution with an in-memory, object data model for Finance and HR, which thousands of enterprises are using globally today. Their core focus is to continuously improve their single system, enabling customers to plan, execute and analyse their data to generate insight, speed up decision-making and grow their businesses. The single data model provides the foundation of Workday's mission to transform the finance function through the power of data.

Workday was founded by former PeopleSoft executives Aneel Bhusri and Dave Duffield, who both still actively lead the company. Workday built a foundation with a future-proofed architecture that was a visionary development almost 15 years ago. The data model has allowed the company to build applications that are faster, smarter and more functional than many of its competitors. Through a series of targeted acquisitions, Workday has accelerated and honed its analytical capabilities, enabling its customers to not only transact in its systems but understand relationships, analyze trends and generate insights that keep them competitive.

In this showcase we highlight three major innovations, namely (i) A singe object data model (ii) planning embedded in ERP, and (iii) Analytics and Data as a Service (DaaS).

Innovation 1 - "The Power of One" a single object data model

Data is today's most valuable corporate currency. Being able to access it, order it and analyse it faster and smarter than your competitors is the difference between success and obsolescence. With impressive prescience, Workday foresaw the data explosion and the exponential increase in data requirements, and designed its architecture to ensure it could not only cope with the data explosion but grow with it.

When developing its underlying data architecture, Workday knew the traditional relational database structure of the pre-cloud era, where data is stored in tables with rows and columns constrained by a fixed accounting key and a plethora of spreadsheets, wouldn't be able to efficiently manage the growing volume of data and the analytic demands made on it.

Instead the company chose to build its applications around a single object data model which stores complex data and relationships directly. These objects are defined as metadata, and each application is made up of millions of metadata definitions. This model is flexible, scalable, secure, fast and best of all, available as a true-cloud solution.

This approach confers significant advantages over the outdated technique of integrating third-party datamarts, business intelligence and reporting tools. Workday's architecture unifies the 'transaction world' and 'information world' in one indivisible solution. All the insights are generated from one source, serving all reporting needs, and the flexibility of the system allows Workday and its users to easily respond to, or instigate, changes within the data or the application with minimal effort – with clicks not code.

Reporting, inquiry and self-service presentation tools have an immediate 'understanding' of the underlying data structures. Unlike third-party tools, there is no need to define a data dictionary or catalogue, or provide ongoing maintenance as business requirements change. Nothing is stripped or summarized out of the data, and as the company transacts, the changes are immediately reflected in financial statements so users always have the latest most accurate picture of the business.

Change is simple and transparent: new information is available immediately to a broad spectrum of users, while terminology and structures remain consistent across the business.

The Power of One also enables a single security model remains consistent. Users don't need to log in and out of different apps, and as changes are made in the system, they permeate throughout the system instantly, with security and permissions fully intact.

So, on a practical level, Workday users can burrow through their applications, zooming in or out depending on the granularity of data required and based on their role and security level. They can drill down, across, and around the data relationships in a richly dimensional way, allowing them to follow their instincts and make inquiries at will.

The Power of One unified system is the reason Workday is able to eliminate the need for batch processing, thereby enabling continuous accounting and close. It is also why the finance function can have complete oversight of all activity. It was designed and delivered post Sarbanes Oxley to natively support the audit, internal control, and compliance requirements expected today. All activity is modeled and governed in the framework and tied to organizations and roles. Crucially, nothing happens in Workday without a complete, undefeatable audit trail.

The Power of One data model lends itself to take on the latest trends in technology such as machine learning. Specifically, Workday is looking to move finance from transaction processing to intelligent automation. The aim is to remove the need for human oversight in certain repetitive and programmable processes, leaving more time for analysis and adding value. So, for example, invoices are processed without human interaction; or revenue, payroll and expense data is continuously mined for anomalies rather than just at the month-end.

More broadly, Workday's power of one is the reason why companies can plan, transact and analyze in a single system, and why Workday can easily fold in new innovative trends in technology.

Innovation 2 - Planning embedded in ERP

Adaptive Insights, a native cloud planning company, was just two days from an initial public offering on the New York Stock Exchange in June 2018 when Workday announced that it would acquire the company for \$1.55 billion. The acquisition has been a springboard for Workday to accelerate the functionality and depth of its planning solution which will build on the strengths of Adaptive Insights through tighter integration with the single data model.

Workday recognized the business need to improve planning in order to make better decisions and act on them in a timely fashion. It is becoming increasingly necessary for businesses to react quickly to disruptive start-ups, new business models created by emerging technologies, aggressive competitors and customer demands. The fusion of Adaptive Insights and the single data model allows users to enrich plans, budgets and forecasts with the latest actuals in real-time and consolidate without having to wait for the artificial constraint of a period end. It's an 'always on' collaborative planning environment that allows users to close as desired and accelerates time to insight by leveraging the native dimensionality and breadth of the underlying data model.

One of the most significant new features within the Adaptive Insights Business Planning Cloud is the Elastic Hypercube Technology. This technology brings both scalability and performance improvements in a couple of ways. First, by automatically increasing server capacity when more demands are being made on the model--such as high volumes of actuals data or complex calculations--then scaling the capacity down when it is no longer needed. This efficient malleability improves performance at scale and cost effectiveness that supports the needs of larger organizations.

Another advanced capability made possible by the Elastic Hypercube Technology is intelligent calculations. This means when numbers are changed in different parts of the model they are only reflected in those parts of the model "impacted" by the change, allowing the model to recalculate automatically and efficiently without having to reprocess the whole model. This saves time and processing power, while enabling users to see the impact of various changes to distributions or consolidations on the outcome of their model in real time. Looking to the future, machine learning will enable predictive planning, which will help companies find the optimal path for growth. In practical terms, this means taking into account changes in models or plans in real time, and triggering processes linked to those changes, so an automatic job requisition would initiate the job recruitment process.

Innovation 3 - Analytics and Data-as-a Service (DaaS)

If data is the new currency, then analytics is what makes that currency valuable. While an ERP system will perform its primary function with only minimal data manipulation, real competitive advantage comes from fully understanding the relationships within the data, identifying trends and insights, and using them to steal a march on the market.

The single data model already imbues native Workday applications with formidable analytical capabilities but Workday recognized the need for even deeper 'big data' analytics. The decision was taken to augment its own offering with the acquisition of Platfora, a big data analytics company, in 2016. It has since rebuilt the big data analytics capabilities from Platfora into its own architecture to produce Prism Analytics, a data hub for financial and HR analytics. Prism Analytics is built to handle huge volumes of data from both within the Workday environment and from external sources as well. It can analyze structured and unstructured data, enabling customers to blend transactional and external operational data, manage it, prepare it, trace it, and securely publish it to all ends of the enterprise in internal or external reports, dashboards, and visualizations – all authored with a simple drag-and-drop data discovery interface

Analytics in Workday are underpinned by its single data model architecture which allows users to analyze financial and operational detail at any level or dimension. Using a single user interface entirely in the cloud, users can also drill into the analysis however they need to, answering questions they didn't know to ask.

Machine learning is also helping to predict the most important metrics that finance needs to know, mining the data to find these metrics and providing the reasons why they are so important, prompting efficiency gains and increased insight.

Being a multi-tenant solution in the cloud has opened new vistas of analytical opportunity based on performance and usage data as well as anonymized financial metrics across Workday's entire user base. This has spawned a new and innovative Data-as-a-Service capability which allows Workday users to benchmark themselves against this anonymized data. Participants decide through an innovative licensing arrangement (Innovation Services Agreement), how and to what extent they want to contribute data to the overall offering, and their entitlement to use others' anonymized data.

The benchmarking service allows Workday customers to compare their performance to others across several 'out of the box' financial metrics. For example, profitability, solvency, liquidity and revenue measures, as well as usage/efficiency measures in relation to the Workday applications themselves. The initiative has been very successful and at this early stage more than 400 customers are participating across 70 countries and all industry groups. As it grows, the repository will also be used to inform and enrich artificial intelligence and machine learning services as the data matures.

Case Study: TripAdvisor

INTRODUCTION – FSN'S VIEW

TripAdvisor is a disruptive player in the travel industry. Its competitiveness and culture revolve around its "speed wins" mantra. But speed is only feasible in a fully integrated ERP system in which users can capture transactions, analyze and report 'in the moment'. Moving to Workday, natively written for the cloud, enabled a step-change in capability and productivity for TripAdvisor.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, the impact of the Power of One object data model and secondly, how such a platform provides a platform for continuous innovation.

POWER OF ONE

Moving from a traditional fractured ERP system to a modern native enterprise resource planning system built around a single data model was profoundly game-changing. Payroll, HR, and financials are inextricably linked in a consistent user experience and share the same underlying data, housed in an object data model. This architecture, enables transactions, reports and analytics to be leveraged in real-time with no waiting around for "messy interfaces". And for a company that prides itself on timeliness, it saves precious time, allowing management more "thinking time" to concentrate on analytics and performance as well as more effective communications with external shareholders.

CONTINUOUS INNOVATION

This case study highlights how the coalescence of processes, workflow and data in a single computing environment lays the groundwork for further innovation. Workday and customer inspired innovations can be applied to the solution instantly, without having to consider awkward, time-consuming and expensive upgrades. The cloud is where most of the market innovation is taking place. It has ushered in a new era which Workday users can quickly take advantage of new technology.



Workday and TripAdvisor

Traveling to the Cloud on a Unified Suite of Applications

A genuine game-changer in the world of travel planning, TripAdvisor believes in moving fast.

"We're really interested in delivering the best we can for our visitors to the web site, as quickly as possible," according to Stephen Kaufer, president and CEO of TripAdvisor. They call their philosophy "speed wins." And that's why they chose Workday.

A Legacy System Like 'Churning Butter'

Launched in 2000, TripAdvisor is now the largest travel web site in the world.

"TripAdvisor helps travelers, but it's not TripAdvisor the company helping travelers plan their trip," says Kaufer. "It's the community of other travelers who have contributed all their advice, all their tips, their unique perspective, to help the next traveler. And when you think of the 50 or 60 million visitors a month that are coming by, and the 75 million reviews and opinions that we have on the site, that's a ton of people who have taken a moment out of their own day to help their fellow travelers down the road have a better trip."

In December 2011, the company spun out from the travel site Expedia, where it used a legacy, on-premise ERP system. According to TripAdvisor CFO Julie Bradley, using the old system was very challenging. "It's like churning butter," she says. "You put the information in and wait a while to get it back out. Reporting would take a while. Analytics would take a while. And waiting was a hindrance to helping us move our business forward."

As the company prepared to go public, it was clear that a traditional ERP system would not match their "speed wins" philosophy. And they wanted to provide their employees with the best tools.

"At our core, we're a technology company," Bradley says. "Our engineers are the best and the brightest. And if it doesn't work for them, they'll just go build it themselves. So it's important for us to provide them with tools that are cutting edge, that scale, that have a great user experience, and that empower them to do their jobs better."

Tripadvisor°

Business Case at a Glance

1,400 Employees in the U.S. and China Traded on NASDAQ under the symbol TRIP \$637 Million in Revenue (2011) Headquartered in Newton, Massachusetts

Workday Solutions

Human Capital Management Financial Management Payroll Expenses Procurement

Summary of Business Benefits

Rapid deployment of a unified human resources and financial management system, on time and on budget

Business-process, reporting, and organizational changes are instantly pervasive, and data is inherently more accurate

Richer analytics provide improved business-decision support and finance response time

Global and mobile capabilities to match a complex, rapidly growing business

Accelerated quarterly close process

Continuously updated software without costly upgrades

Stronger controls and an always-on audit trail

Improved employee engagement and reduced training and support costs

The Perfect Match for Innovation

For Kaufer, it was important to find a partner whose philosophy matched his company's bold, out-of-the-box approach. "I thought back to how we started TripAdvisor, and we distinctly did things differently than what had traditionally been done," he says. "In our case, the world was guidebooks, and now we went to user-generated content. We looked at the options for ERP systems and thought, that's one way to do things, but what's the innovation? Give me the web interface. Give me the simple-to-use. Give me the customized home page."

And that partner was Workday.

The global capabilities of Workday immediately caught the company's attention. "TripAdvisor is an incredibly international company," Kaufer continues. "We've got sites in over 20 languages and we conduct business all around the globe. We really needed an enterprise-level system that could handle all the different subsidiaries, all the different payments, all the different pieces that come with running a pretty big company. And we're very pleased with what Workday has been able to provide for us."

Flawless Integration with a Unified Suite

Right from the start, Workday's unified suite of applications helped TripAdvisor keep up its rapid pace. The deployment for Human Capital Management (HCM) took five months, while Financial Management took seven months–on time, on budget, and just as predicted.

Says CFO Bradley, "Our payroll is now processed out of our HR department. And all of that is seamlessly added to the financial system. So there are no messy integrations from having disparate systems. It's consistent reporting." It also provides a consistent user interface that managers can use to perform multiple tasks, from tracking time off to approving expense reports and vendor payments. "They don't have to log onto multiple systems. From a user experience, it's a home run," she says. "We went live on Workday April 1 and closed second quarter as a public company on the Workday system, financials integrated with HR," she continues. "We exceeded everyone's expectations. We were able to get an early flash of the numbers. We were able to do deeper analytics–less wait time and more thinking time. My team was really able to understand the numbers. And we could give that information back to Wall Street and our business."

She concludes, "Workday has helped us evolve from just reporting the numbers to being able to analyze the numbers and provide value back to the business."

Meeting the Requirements of a Public Company

Noel Watson, TripAdvisor's controller, appreciates how Workday is able to support TripAdvisor as a public company, including Sarbanes-Oxley compliance and rigorous audit requirements. "Workday allows me to look at data in the moment as opposed to waiting a day or possibly longer for a process to run and then revisiting the question you are trying to get answered," he says.

Equally impressive to Watson (under the "speed wins" philosophy) was Workday's ability to get the company up and running quickly, following the spin-out from Expedia. TripAdvisor had to build everything their parent company had offered before: a treasury organization, a tax organization, and SEC reporting capabilities. "So it was very surprising that we were able to build those simultaneously with implementing and using Workday, meeting all these requirements in a single system, easily and quickly," he says.

Similarly, Watson sees how Workday helped the company achieve a much faster close. "It's really important as a public company to be able to shorten the close, to finalize your results for the period, as quickly as possible," he says. "Then you can get those results in the hands of management, so they can analyze and be prepared to discuss the business with investors, analysts, and the outside world." How much faster for the close? "Prior to Workday, finalizing close took over a week," he says. "Now our goal is to shorten the close to a few days. The only reasons we're able to even consider that is because we have a tool we can leverage to get us there."

Mobile Capabilities for a Global Workforce

Eric Lombardo, TripAdvisor's senior director of human resources, echoes the same sentiment. "In the 'speed wins' culture that we have, Workday helps us go as fast as we can," says Lombardo. "Workday helps us maintain our winning culture by giving us the technology to understand our workforce talent."

In particular, Lombardo appreciates Workday's mobile capabilities. Under the legacy system, "it was always hard to pull reports. Now we can see an employee's talent profile. Do they want to relocate? Do they want to be a vice president? Do they want to be an individual contributor? And I can get that data at home on my iPad. Or I may be going into a meeting in Singapore. And I want to understand who this employee is that I'm meeting with, what motivates them, what their development opportunities are. I can just tap right into Workday from my iPad."

The legacy system also made it difficult to keep up with the latest technology. "We had to wait for technology, or we had to license things. It made my job really difficult," he says. Rather than expensive, time-consuming upgrades, Workday offers regular updates to its suite of applications. "With Workday, you have the platform and it's ready. You're keeping up with the dynamics of the changing workforce. It allows you to move fast. It gives you the latest trends that you need to do your job successfully." The pace of updates matches the pace of the TripAdvisor business. "It doesn't make HR look old school. We're keeping up in real time," Lombardo says.

An Easy Decision

Although the business will get more complicated in the future, Workday can grow with it. "I'm quite confident that Workday will be able to keep pace," says CEO Kaufer. "Their broad customer base anticipates some of the functionality that I might not even know I need yet. But I'll be delighted when I open the next update and see it there."

He continues, "Workday has a great management team, a great web-based product. It's got all the capabilities we're looking for. It's easy to use. I use it and I have not received any training and I don't have a user manual. So it was an easy decision for us–Workday HCM, Workday Financial Management, Workday Payroll."

Workday and TripAdvisor: https://www.workday.com/content/dam/web/en-us/documents/case-studies/workday-tripadvisor-case-study.pdf



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Case Study: Bill Gosling Outsourcing

INTRODUCTION – FSN'S VIEW

Bill Gosling Outsourcing is a data driven business that depends on dependable realtime information to ensure that it is delivering customer service and meeting its profit objectives. But it also relies heavily on the engagement of its people. Having a unified ERP system built around a single object data model has enabled the business to standardize and automate its processes worldwide and put the power of decisionmaking directly into the hands of its people. Moving to Workday, natively written for the cloud, has enabled the business to plan, analyze and execute more flawlessly than ever before.

INNOVATION IN ACTION

There are two notable innovations in this case study. Firstly, the profound impact of unifying HR and financial management in a single ERP environment and secondly, how such a platform has enhanced auditability.

POWER OF ONE – UNIFYING HR AND FINANCIALS

For many organizations HR and Financials are worlds apart, very often housed in different vendors applications and technologies. But if it's important to unify HR and Financials, how much more so for a people business like Bill Gosling Outsourcing? Marrying financials and HR has put the company "years ahead", with people and financial metrics on a single dashboard. This has broken down functional silos and improved interoperability and business partnering allowing enhanced analytics, better resource scheduling and improved margins.

UNDEFEATABLE AUDIT TRAIL

At first glance it may seem strange to highlight an undefeatable audit trail as an innovation. But auditors too, can benefit from the real time responsiveness of a unified object data model, without having to dive in and out of different systems and applications to do their testing or answer their questions. Auditors can do their work in the same way as employees, with all the information they need at their fingertips.



Workday and Bill Gosling Outsourcing Making a People Business Work Better for its People

Although Bill Gosling Outsourcing's services can be described as debt management and contact center solutions, it's really in the people business. Its 1,700 employees around the world are ambassadors for Bill Gosling Outsourcing's clients, representing their businesses and brands.

"The reason our clients want to do business with us-and they have lots of choices-is trust," according to Kenny Johnston, COO. "We provide surety and brand protection. We are acting on their behalf. We're talking to their customers. If we want to create a stable, predictable business, that comes down to our employees."

He continues, "We're nothing without the buy-in and loyalty that our people feel in the field. We're nothing without our people feeling engaged in the process and wanting to be here. Without that, we're just an ordinary call center."

Workday has helped Bill Gosling Outsourcing become anything but an ordinary call center by engaging its employees, empowering them to make decisions, and providing timely, accurate information to everyone in the organization.

A Game-Changing Approach

"We want each employee in our organization to have the tools to be in control of what they need to do," says David Rae, CEO. "Any time we can get them better tools, better training, better management-that will help us get to that goal. Workday helps give all our employees the ability to get information in a timely way, and to act on it. That is a game changer for us."

Prior to going live with Workday in 2013, Bill Gosling Outsourcing evaluated and compared Workday with other solutions. When the company learned that Workday offered a single, unified system for finance and HR, it immediately saw the potential benefits. "That's where we really got excited about what we could get out of a single solution that we were missing," says Rae. "By marrying financials with human capital, we envisioned a solution that would be years ahead of where we were." CFO Joseph Fanutti agrees. "For Bill Gosling Outsourcing, having a unified system is absolutely critical," he says. "Our people metrics and our financial metrics



Business Case at a Glance

- 1,700 employees in four countries
- \$80 million in revenue (2014)
- Headquartered in Newmarket, Ontario, Canada

Workday Applications

- Workday Financial Management
- Workday Human Capital Management
- Workday Payroll (Canada and U.S.)
- Workday Expenses
- Workday Recruiting
- Workday Time Tracking
- Workday Procurement

Summary of Business Benefits

- Greater employee engagement and autonomy, leading to improved client margins
- A single source of information for employees and managers for increased efficiency, accuracy, and trust
- 16 percent reduction in turnover, 25 percent reduction in paper costs, and 50 percent reduction in staffing costs related to procurement and treasury
- General ledger accounts reduced from 17,000 to 150, 30 percent reduction in closing time, and year-end audit time reduced by several weeks

work hand-in-hand. The dashboards we've set up for our operations managers now include both financial and HR metrics. Profitability means just as much to an operations manager as turnover. So understanding the correlation between those two is very important."

Fanutti observes that before Workday was deployed, the company operated in separate silos, which limited its overall effectiveness. "Finance operated its own silo, HR its own, operations its own. There was a lack of consistency in terms of how we viewed the business," he says. "Numbers were always challenged, no one could agree on metrics, and people couldn't agree on what actions to take going forward. Workday has been transformational because everyone now speaks the same language. Everyone looks at the same numbers, everyone agrees to the same metrics, everyone prioritizes the same way."

Top Three Benefits from the CEO's View

Rae cites three significant benefits of moving to Workday, which have profoundly improved the business. "One is understanding our employee turnover, our attrition rates," he says. "As a result, our employee turnover has decreased by 16 percent in a year."

"Second, the amount of time spent by our support staff on actually doing relevant work has improved immensely. In the past, support staff dealt with paper–paper flow, paper processes. To give you an example, in our main office in Toronto, we went from 56 filing cabinets to 6." Paper costs were reduced by 25 percent, with another significant reduction expected next year.

The third and most important benefit Rae sees is that operational managers have the information they need on a daily basis. "They can get greater insights into the areas they are managing for our clients," he says.

"Since we have gone live with Workday, revenues have increased, support costs have decreased, contribution margins have increased, and our way of doing business has changed dramatically," he says. "We have happier employees who are more content in the job they're doing. They feel they're spending quality time on the things we need them to, and not on minutiae."

Cross-Functional Business Benefits from the CFO's View

Some of the benefits CFO Fanutti sees are more consistent client margins because of the new, seamless interaction between the finance and operations teams. "Now we can work with the operations team, helping them plan their business, measure their business, and set priorities." As a result, they have been able to reduce staffing costs related to procurement and treasury by 50 percent.

"The operations team has become more engaged on the analytics side. Working with finance, they can do a much better job in predicting and understanding the business. Now there's a true partnership between finance and operations in terms of understanding what's happened within their individual cost centers and how to react to that," he says.

"Our financial analyst time—in terms of preparation of data versus analysis—has gone from 70/30 to 30/70. Now we're only spending about 30 percent of our time producing financial information," he says, "with the rest now spent on analysis, allowing us to use data to drive future business decisions."

"Our overall time-to-close has dropped by 30 percent, and the level of effort involved in preparing for the close process has decreased significantly. In our old ERP system, we would go through three or four iterations of financial statements before they went final. With Workday, we can do that same process with two iterations. So we've cut back the level of effort to prepare by 50 percent," he continues.

"We went from 17,000 general ledger accounts to 150. We also implemented about 130 spend categories, 80 departments, 10 regions, and a dozen legal entities. It's been a very efficient process for us."

Even the year-end audit was much more efficient in the

company's first year of Workday deployment. The finance team was able to give direct access to their auditors, eliminating layers of one-off requests. "It's probably taken two weeks out of our year-end audit," Fanutti says, "since the auditors can view information they couldn't easily see before, such as fully documented business processes and audit trails containing the details of every transaction and change."

COO Johnston also appreciates the global consistency Workday has brought to the company. "With Workday, we now have a true global standard to measure client profitability and client margin," he says. "That means I can have a consistent conversation with my country head in the Philippines or in the UK or in the U.S."

Reliable, Timely Analytics

As CEO, Rae says he especially values the analytics Workday delivers right to him.

"I'm looking for how we're performing in each country, our revenues, our profitability, our contribution margins, employee turnover rates, hiring rates, hiring times," he says. "With Workday, I can trust that information. I make sure that I go over the reports with the team that's creating them so that we're all in agreement. Then when I run those reports, I do not have to worry about anything having changed in the formulas or any questions about the integrity of the data."

Before, the information he received came weeks or even months late. "Now I receive information daily," he says. "I can look at our contribution margin by client each day, and at the end of the month. I can also look at the contribution margins for that month without the finance team having prepared their profit and loss statements. And that gives us much better foresight as to whether we're on track, whether we need to make adjustments, and whether we need to spend any additional time in areas that are challenged."

Autonomy for All

Finally, the C-suite isn't the only group with access to critical data-now the people who need to use it have access to the data they need. "A lot of our information was tracked manually in the past, especially from the human resources side of the business," Rae says. "A lot of that information was never really available to our management team. Now, because all the information is in Workday, managers can get much more detailed in the type of information they're looking at. For example, when an employee updates his or her skills in Workday, that gives managers an opportunity to bring someone new onto the team."

He continues, "The people generating the reports are the people who need the reports. We trained all of our managers on the analytics side of the business, on the overall structure of finance and HR, and how they are coupled together. That's given them the ability to create reports themselves. They can run reports daily instead of looking for some sort of information dump from another system. They don't have to look at multiple reports run by different groups. It makes their job that much easier and much more efficient.

What has been the result of this information autonomy? "The overall effect is that our managers are spending more time doing things that add value-spending time with clients, with employees, and on enhancing strategies."

"When we started looking at Workday, we were only looking for an HR solution. And after a year live on the full platform, we have a solution that has been a game changer for us. Workday has impacted the way our business operates, so much so that it now contributes to our strategy going forward as it relates to growth, expansion, and new opportunities for our clients and our employees," Rae says.

"I've had many people on our management team say to me, 'This was one of the best things we've done in the last ten years, easily,'" he concludes. "Many who were skeptics are now believers."

THE WORKIVA INNOVATION SHOWCASE

The so called "Final Mile" of the financial reporting supply chain is, as the name suggests, the last stage in the preparation of filing results and presenting reports to external and internal stakeholders. Compiling the complex web of figures, notes and disclosures required to maintain regulatory integrity, or even to assemble the internal board pack, is a necessary process for any company. But, it is not easy.

Last year's Future of Financial Reporting survey from FSN found that almost all (97%) senior finance executives lose sleep over their reporting processes, and that 90% worry about at least two financial reporting concerns. In some cases, the worries were actually part of a larger pool of misgivings and process failures indicative of a malaise in their entire financial reporting system.

It is clear that the creation, review and validation of these reports is often a risk-laden set of manual and disjointed processes within the corporate finance function, due to an over-dependency on personal productivity tools such as Microsoft Excel and unsecure channels such as email. According to the survey, 71% of organizations depend on spreadsheets for collecting data across the majority of their business units.

Both Excel and email are unsuited to an environment that requires collaboration, communication and control, especially when that environment spans the numerous financial reports and disclosures created across the modern finance function. As the finance function has evolved from its traditional role grounded in financial stewardship to a more strategic and advisory position, reports must be tracked, shared, analyzed and delivered across even more business functions and stakeholders. But finance functions accustomed to marshalling numbers through the reporting supply chain (from subsidiary and reporting entity to the corporate center) feel less at ease with the accuracy of resulting documents, narrative and other outputs.

A decade ago, the founders of Workiva recognized this intrinsically complex problem and set about creating a software solution from which to manage the disclosure process. In 2010, they launched their solution in the cloud, choosing to innovate on a platform that was still relatively new, and often mistrusted and misunderstood early on. It turned out to be a prescient decision, as the Workiva platform ushered in a new era of connected reporting and which is now used by 75% of Fortune 500[®] companies. Workiva innovation is validated every time regulatory strictures are placed on organizations around the world. Not least of these is the reporting requirements of XBRL, the standardized method of organizing and tagging data that underlines the electronic filing of financial statements. The constant revision of regulatory requirements and the shrinking window between financial close and report publication has wedged disclosure management into a critical corner, one which Workiva is particularly adept at relieving.

Workiva solutions are designed to tackle the issue of document preparation by providing a secure environment in which multiple participants with different roles and responsibilities across many different functions can collaborate to assemble complex outputs and filings. The centralized environment maintains the security of sensitive data and implicitly promotes accuracy by eliminating many of the error-prone processes of old. Data is linked throughout the Workiva connected reporting platform with a full audit trail into origin, destination and edits, providing data assurance and integrity. Finance chiefs haunted by nightmares of presenting inaccurate or outdated numbers can rest easier knowing figures are consistent from statement to statement.

In this showcase, we highlight three major Workiva innovations, namely: how it leverages the cloud to support collaborative reporting; the way it enables a single reporting repository into which finance can import all relevant data; and finally, how the Workiva environment can be used as a platform for connected reporting and wider finance transformation.

Innovation 1: Cloud to support collaborative reporting

Workiva was first to leverage the cloud for a disclosure management and reporting solution, and this key innovation has been pivotal to the success of their application—most importantly, because it encourages seamless collaboration. The platform allows "multiple everything": multiple people to work on multiple documents with multiple sources of data bringing together narrative reporting and financial information within the same environment.

This is critical for the ever-shrinking window between close and disclosure. Successive regulatory initiatives and reporting standards locally and globally have heaped enormous pressure on finance functions, which means companies are always on tight deadlines to close the books and report numbers. Before the cloud, employees were required to remain office-bound late into the night to stay on deadline. The Workiva cloud platform allows users to access critical documents securely from anywhere, connecting them across geographies, functions, processes, workflow and data. Whether collaborating from different regional locations or just from a remote home office, teams can produce truly connected reports.

The power of the cloud enables all users to work on the same document at the same time wherever they happen to be. This eliminates the version control issues that arise when emails begin to circulate with different versions of the same document on them. In Wdesk, the Workiva platform, each person can work on their own sections at the same time, utilizing different reporting formats—from graphs and tables to pictures and text.

The cloud platform also allows Workiva to roll out updates and improvements quickly and without interruption, so that users can evolve as quickly and seamlessly as the technology.

The process of compliance reporting, and indeed internal management reporting, can now be managed from the cloud, with instant access from any location, centralized to maintain data integrity while being used by multiple people. As a cloud system that provides the last mile for both regulatory disclosure and management reporting, Workiva connected reporting solutions have become part of the wider transformation of the finance function.

Innovation 2: Creation of a reporting repository for all reporting needs

Few management processes have received as much attention as the financial close process in recent years, but in earlier times, the focus of activity was primarily on the speed of the close. Now, with ever-broadening quantitative and qualitative reporting requirements (such as risk exposures, SEC reporting, Sarbanes Oxley, executive compensation, CCAR, ORSA and environmental impact reporting to name just a few), the proliferation of electronic reporting formats such as XBRL, and accounting complexity, the emphasis in corporate reporting has shifted rapidly from its statutory origins to a much wider remit.

Historically, the Last Mile of Finance referred to statutory reporting, i.e., the management of disparate financial data and tables and its corresponding narrative required in most statutory and regulatory reports.

Although internal reporting is not subject to the same external scrutiny as production of statutory reports and filings, it shares many of the same troublesome features. Chief amongst these is the need to simultaneously manage and marshal information from a variety of sources and stakeholders. Take, for example, the monthly board pack or perhaps the annual budget and commentaries. In a large heterogeneous and geographically dispersed business, consolidating the information from the fringes of the organization in a consistent way is a major undertaking and often no less arduous than the annual statutory process. The unfortunate result is that the finance function often lurches from one accounting period to the next without having time to take a breath and analyze the information it has collected.

The most recent Workiva innovation is Wdata, a new data preparation tool that enables finance to bring data from as many disparate sources as required into the Wdesk platform. Because external data sources are not homogeneous, the process entails extracting the data from its source, transferring it into Wdata, and repurposing it for use within Wdesk. The key to the process is the ease of use. No special IT skills are required to manage new datasets, eliminating the need for IT intervention and putting the finance function in the driving seat.

Wdata comes at a prescient time when organizations are using far more and varied data types and sources to inform their strategic insight. Wdata puts the power into the hands of finance, to transform different datasets into a usable, comparable and analyzable format before preparing comprehensive internal or external reports in Wdesk.

Also in common with regulatory reporting, internal report production still depends on a well-defined workflow that often requires oversight, approval and finalization to tightly defined internal deadlines. Other shared characteristics include the need for interoperability with multiple data sources: to be able to work simultaneously on document submissions with multiple file formats (Word, Excel and PowerPoint) and ultimately, present them in a professional final document suitable for internal publication.

Workiva innovation enables a much more comprehensive and connected approach to reporting. Whether companies are preparing monthly or quarterly board reports or filing XBRL, Wdesk collects large amounts of disparate data from multiple sources, enables cloud collaboration for the analytical processes, and produces the required output, for internal or regulatory bodies. This multipurpose environment for reporting is a reliable source of narrative and data which covers a wide range of different reporting needs.

Innovation 3: Connected reporting — A platform for finance transformation

There is a tendency at the moment to presume that all technology is a silver bullet—implement an application and all the processing issues and production problems will disappear. But while it is true technology can substantially aid in the speed and automation of some processes, it does not negate the need for strategic management. This means recognizing the requirement for strong governance, the redesign of processes that were inefficient in the first place (rather than just replicating them within the technology), and human resource management through training and education.

Workiva innovative solutions are not just a technology plaster to cover the open wounds of the disclosure and reporting process. Used intelligently, and with foresight and forethought, they can be part of the finance transformation journey.

The diversity of reporting facing the modern public company has grown substantially to include investor reports, CSR reporting, environmental reporting, employee reporting, statutory, industry, regulatory and internal reporting. To this end, finance and enterprise leaders are facing growing operational requirements and increasing complexity, but not growing budgets.

Wdesk, although initially a solution for regulatory disclosure and the XBRL requirements of many regulatory bodies, has evolved to keep pace with the internal and external reporting demands of modern organizations. It is connected reporting at work—a collaborative platform that links data and text, people and documents in a transparent and compliant way.

Wdesk draws data into the centralized datastore from within the finance value chain, like transactional or ERP systems, CPM software and other necessary information sources. This allows reference data to be traced or linked back to source, providing visibility across the process. At all points in the process, everyone and everything is connected.

Workiva applications are only limited by their users' imaginations. It has become a platform for finance transformation and can be expanded to fully empower the finance function to deliver its reporting and disclosures with full transparency, accuracy, data integrity and speed.

Case Study: Beauty Products Company

INTRODUCTION – FSN'S VIEW

When Workiva brought Wdesk to market nearly 10 years ago, the focus of the application was around supporting the financial reporting process and electronic filings. But over time, users of this innovative product have found that it has far wider application for the accounting and finance functions.

INNOVATION IN ACTION

The stand-out innovations in this case study are firstly the way that Wdesk has transformed the way that the finance function works and secondly, how its specialized content management and workflow has enabled the support of a wide range of reporting needs.

FINANCE TRANSFORMATION

Most finance functions are accustomed to marshalling numbers through the financial reporting process but are generally less adept at manging documents or, more specifically, merging financial numbers with text. In common with many other corporate finance teams, this beauty products company was bound to a paper-laden process with a mixture of spreadsheets, word documents and even handwritten edits and commentary. But Wdesk has transformed the workflows, allowing a different, more cohesive and productive way of working which binds finance users not only to each other, but also any of the documents available in the same shared space.

FINANCIAL AND MANAGEMENT REPORTING

In this case study, the users quickly discovered that the same reporting infrastructure could be used be used for regular internal reporting. The ability to collaborate and share document production and update all relevant parts simultaneously, without manual workarounds, shaved days off management reporting, leaving more time for analytics. Users are now looking for even more use cases.



Wdesk Transforms Beauty Firm's Financial Reporting



beauty company was using at least three software programs to compile financial statements, and the finance team was spending hours verifying and consolidating data when a well-timed call from Workiva introduced a better way.

After a Workiva representative demonstrated Wdesk, the beauty company's financial reporting director saw how it could streamline processes for financial statements, as well as quarterly and year-end reports. Instead of manually updating the same data in different statements, her team could link data across documents in Wdesk, for example, reducing the risk of errors.

The ease of adoption and the usability and usefulness of the Wdesk platform demonstrated immediate value to the team.

"It was really almost seamless and loved from the beginning," the financial reporting director said.

Modernizing reviews with efficient collaboration

Before using Wdesk, reviewers sent paper copies of files back and forth and had to consolidate handwritten comments, some of which were hard to read. The collaborative cloud environment of Wdesk allowed the team to share documents and comment electronically in one shared space. A complete audit trail made clear what changed from draft to draft.

"Every time I use Wdesk, I see more ways I can increase the value we are getting out of it. I think the possibilities are endless."

-Director of financial reporting

"Now reviewers see each other's comments, see the answers to questions, and it just made that whole process easier to work through," the financial reporting director said.

The team has saved 15 to 20 hours on word processing tasks alone in one round of financial statements, she said.

Identifying more uses for Wdesk

Soon, the team was also using Wdesk to create the monthly management report, a roughly 100-page document with charts and graphs. So far, a full day has been shaved off the report creation process, leaving time to analyze the story behind the data.

The U.S. operations accounting director also started using Wdesk to

standardize her monthly management reports. Before Wdesk, her team had to change the same data across different reports, presentations, and footnotes and double-check that all instances were up-to-date. With the <u>linking feature in</u> Wdesk, the team has peace of mind knowing last-minute changes are automatically reflected in each linked instance.

"We've saved about four to six hours on just the presentation publishing process. On the back end, we've saved a good amount of time just by having consistent information and from simplifying the review process," she said.

Gaining time, adding value with Wdesk

The lightened workload has allowed the operations accounting team to do more value-added analysis and help with action plans and recommendations, the team director said.

"Our team and resources are limited," the director of financial reporting said. "I keep seeing all these great things that we can still use Wdesk for, and that's why I like it so much. It just has so much potential."

See what Workiva can do for you. Go to workiva.com/request-demo

Situation:

A beauty company's finance and accounting teams needed more efficient internal reporting processes.

Solution:

After one team started using Wdesk for financial reporting, the accounting department saw the results and started using Wdesk for management reporting.

Results:

- Saved 15 to 20 hours on word-processing tasks in one round of financial statements
- Shaved over half a day's work off the supply chain monthly review report
- Updated data in multiple instances with confidence and ease
- Gained time for value-added analysis instead of information gathering



About BlackLine

Since being founded in 2001, <u>BlackLine</u> (NASDAQ: BL) is now the leading provider of cloud software that automates and controls the entire financial close process. We provide solutions for accounting process automation, close process management, balance sheet integrity, intercompany accounting, and finance transformation.

BlackLine's Continuous Accounting platform is used every day by more than 196,000+ users in over 150+ countries around the world. We're trusted to reduce risk and enable the next level of accounting productivity by some of the world's most respected enterprises including eBay, The Dow Chemical Company, Philips, Kimberly-Clark, and over 2,600 other global enterprises and mid-size organizations.

A recognized Gartner Leader, and named to the Forbes Cloud 100 list and the Inc. 500/5000 list for the ninth year in a row, BlackLine is headquartered in Los Angeles, California, with offices in the United Kingdom, Germany, Australia and throughout the world. Our team of professionals and network of partners help transform the way accounting and finance teams work to reduce risk, improve productivity, and elevate the strategic role of finance.

To learn more, visit http://www.blackline.com/



About BOARD Software

BOARD is the #1 decision-making platform for organizations of any size. Founded in 1994, BOARD International has enabled more than 3000 companies worldwide to rapidly deploy Business Intelligence, Corporate Performance Management and Predictive Analytics applications on a single unified and programming-free platform. Delivered on-cloud or on-premise, the BOARD platform allows companies to achieve a single, accurate and complete view of business information and a full control of performance across the entire organization, from strategic formulation down to operational execution. Thanks to its programming-free toolkit approach, global enterprises such as H&M, KPMG, DHL, Mitsubishi, NEC, Puma, Siemens and Toyota have rapidly deployed end-to end decision-making applications in a fraction of the time and cost associated with traditional solutions.

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Certent, Inc., founded in 2002, helps customers elevate their business with smart, intuitive solutions for modern finance. Our advanced solutions for equity management, disclosure management, and narrative reporting help business and finance leaders improve accuracy, save time, and get more done. Deploy with confidence over the cloud, backed by our end-to-end support services, deep expertise, and global reach. Integrate easily with existing systems and data sources. Certent helps you redefine your approach to governance, risk, and compliance. The company operates in seven countries and serves over 2,400 public, private, and pre-IPO companies around the world.



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ORACLE' NETSUITE

About OneStream Software

<u>OneStream Software</u> provides a revolutionary corporate performance management (CPM) solution that unifies and simplifies financial consolidation, planning, reporting, analytics, and financial data quality for sophisticated organizations. Deployed in the cloud or on-premise, OneStream XF is the first and only solution that delivers corporate standards and controls, with the flexibility for business units to report and plan at additional levels of detail without impacting corporate standards – all through a single application.

The OneStream XF MarketPlace features downloadable solutions that allow customers to easily extend the value of their CPM platform to quickly meet the changing needs of finance and operations. We are driven by our mission statement that every customer must be a reference and success.

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To learn more, please visit <u>https://www.rootstock.com</u>



About Workday

Workday is a leading provider of enterprise cloud applications for finance and human resources. Founded in 2005, Workday delivers financial management, human capital management, and analytics applications designed for the world's largest companies, educational institutions, and government agencies. Organizations ranging from medium-sized businesses to Fortune 50 enterprises have selected Workday.

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About Workiva

Workiva delivers Wdesk, a leading enterprise cloud platform for data collaboration, reporting, and compliance that is used by thousands of organizations worldwide, including over 70 percent of the 500 largest U.S. corporations by total revenue. Companies of all sizes, state and local governments, and educational institutions use Wdesk to help mitigate risk, improve productivity, and gain confidence in their data-driven decisions.

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Methodology

All of the products which have been showcased by FSN are extremely complex and sophisticated and in all cases have taken many man years of development effort. FSN has independently desk reviewed publicly available information (for example, websites, customer testimonials, videos, demonstrations, technical details and white papers) about the organization and its products. We have then identified independently three areas that we consider to be differentiating and interesting innovations to bring to the attention of the FSN Modern Finance Forum on LinkedIn and discussed their development history, the ideas behind their creation and their direction with senior members of the management team. As such, this document is not a product review, and neither is it an exhaustive list of all the innovative ideas in the product. It simply represents what we consider, in our experience of the market, to be great examples of innovation in finance processes.

About FSN

<u>FSN</u> is a global publisher of thought leadership, research and "must-have" content for CFOs and senior finance professionals around the world. FSN's highly popular and active <u>Modern Finance Forum on LinkedIn</u> has a membership of more than 55,000 readers in more than 23 countries and across every major industry segment. It is also the publisher of the popular <u>www.fsn.co.uk</u> website and regularly holds networking dinners and events for its members.

Innovation Showcase 2020

If you would like to be considered for inclusion in the 2020 Innovation Showcase then please contact Michelle Fabian, research director, <u>michelle.fabian@fsn.co.uk</u> or Gary Simon, CEO, <u>gary.simon@fsn.co.uk</u>

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