

SAP Enterprise Performance Management



With SAP Enterprise Performance Management (SAP EPM), SAP has launched a solid suite of proven products, covering the cornerstones of Performance Management. SAP has managed to create this end-to-end suite acquiring the company's Business Objects, Outlooksoft and Pilot Software. Therefore SAP is placing a great effort in integrating the acquired products into the SAP suite.

BEST OF BREED AND BEST OF SUITE

The EPM products are initially developed by pure play Performance Management as vendors, and currently being integrated to SAP BI & SAP Business Suite. Therefore SAP EPM is relevant for Best of Suite companies with a general SAP Strategy, as well as companies with a Best of Breed strategy looking for Performance Management tools without having other SAP systems in their landscape.

The suite consists of 3 products, covering 4 areas:

- SAP Business, Planning and Consolidation (SAP BPC)
- SAP Strategy Management (SAP SM)
- SAP Profitability and Cost Management (SAP PCM)

SAP BUSINESS, PLANNING AND CONSOLIDATION (SAP BPC)

SAP BPC is used for planning and execution of the plans. The application offers extended budgeting and forecasting capabilities. All input forms and processes related to gathering the data, is easily build within the application or in the front-end of Microsoft Excel.

Excel is widely used in the application, but is without the usual problem that the Finance department and users experience in a pure Excel solution. Introducing Excel

as the primarily front-end is giving the user a high learning curve and makes the system very easy to use.

SAP BPC also offers functionality for monitoring and analyzing the budgeting and forecasting. The built-in consolidation with financial intelligence gives the users an easy way in one system to compare the actual reality with the budgeted or forecasted expectations.

SAP STRATEGY MANAGEMENT (SAP SM)

The SAP Strategy Management application is a single, comprehensive solution that allows your organization to visibly link strategic plans to tasks, budgets, measures, performance goals, and people.

SAP Strategy Management is the only operational performance management solution to address both the needs of the

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organization and individual users. It provides executives with the tools to communicate and manage goals, initiatives, and metrics – from initial definition to completed execution. Because the software enables management to distill strategies down to initiatives and tasks, it provides all employees with actionable plans they can understand.

The Strategy Management effectively supports approaches and methodologies like The Balanced Scorecard, The Logic Model, Six Sigma, Lean Manufacturing, Kaizen, Malcolm Baldrige and European Foundation for Quality Management (EFQM).

SAP PROFITABILITY AND COST MANAGEMENT (SAP PCM)

SAP PCM leverage insight into the drivers of cost and profitability in business models. It is a scalable solution making it possible to make enterprise modelling as well as modelling on departmental level. SAP PCM is using the methodologies behind Activity-based Management (ABM). ABM provides insight in the complexity of the business and reveals important findings crucial for the business.

SAP PCM and ABM give the business the options to focus on the internal efficiencies and the external effectiveness. The internal efficiency focuses on optimizing the internal processes, whereas the external effectiveness focuses on producing the right product, to the right customers and to the right price.

SAP PCM is user-friendly and offers build-in dimension for rapid modelling, rule-based assignments and support multiple ABC methodologies.

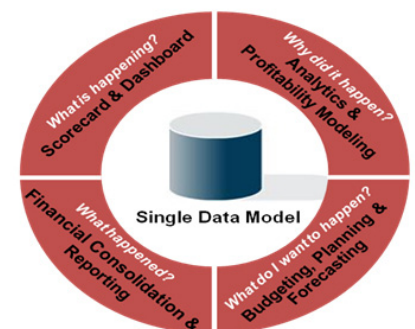
WE HAVE DONE IT BEFORE

One of the considerations we frequently meet is “Where do we begin?”. The starting point is different for each company and depends on the situation of the business. For some companies it is important to align the strategy to the individual objectives in the company and therefore a strategy map could be the solution to this business pain. Other companies are struggling with time consuming processes, adding less or no value to the business. In this case these companies will consider a review of the business processes and supporting systems and may consider a consolidation and budgeting solution. Some companies are lacking transparency in the business and need to strengthen the internal efficiency or the external effectiveness. Here Activity-based Management could be the medicine to gain knowledge of the value adding and non-value adding customers, products, activities etc.

Identification of the first project candidate is often based on an individual departmental business pain. In Platon, we create a Performance Management strategy and a Performance Management roadmap together with the customer, identifying the obvious first project candidate based on enterprise business pains. This approach is setting the scene for the future development of the Performance Management initiatives.

A solid Performance Management strategy is covering all the cornerstones of Performance Management. In Platon we define these cornerstones as:

- Budgeting, Planning and Forecasting (SAP BPC)
- Financial Consolidation & reporting (SAP BPC)
- Scorecard & Dashboard (SAP SM)
- Analytics & Profitability Modelling (SAP PCM)



Implementing a Performance Management application is not always as simple as it sounds. Most applications tend to end up as an information island in the business, because important areas and considerations were not issued during the implementation.

In Platon we have tried it before - and with success. Combining our project teams with system experts and financial experts we ensure the highest quality in delivering the application to the business. We know the pitfalls of implementing Performance Management solutions and our experienced financial experts understand the challenges of the business.