



CPM TECHNOLOGY VALUE MATRIX 2016

ANALYST

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THE BOTTOM LINE

The corporate performance management (CPM) space is a relatively mature market; therefore, higher usability and lower cost of ownership for solutions are becoming increasingly important. In addition, customers are demanding that basic CPM functionality is augmented with more analytics capabilities. With these additional features, CPM tools are starting to deliver added value to departments outside of the traditional finance teams.

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In this Matrix, Nucleus found that for customers to experience maximum value from their CPM deployments, their solutions need to have high usability, analytics functionality, and operability by business users without IT involvements. Investments in usability allow customers to experience greater rates of adoption, accelerate employee ramp-up times, and achieve ongoing productivity benefits. Moving forward, delivering high usability will be a key differentiator for CPM vendors.

While finance is notoriously slow to adopt new technologies, they are now, for the large part, on-board with the benefits of the cloud. The cloud offers a number of benefits to the bottom line including reduced initial investment, less ongoing support requirements, and an overall lower total cost of ownership. In addition, CPM users are business people and they want a solution that they can control and support on their own without enlisting the help of IT teams.

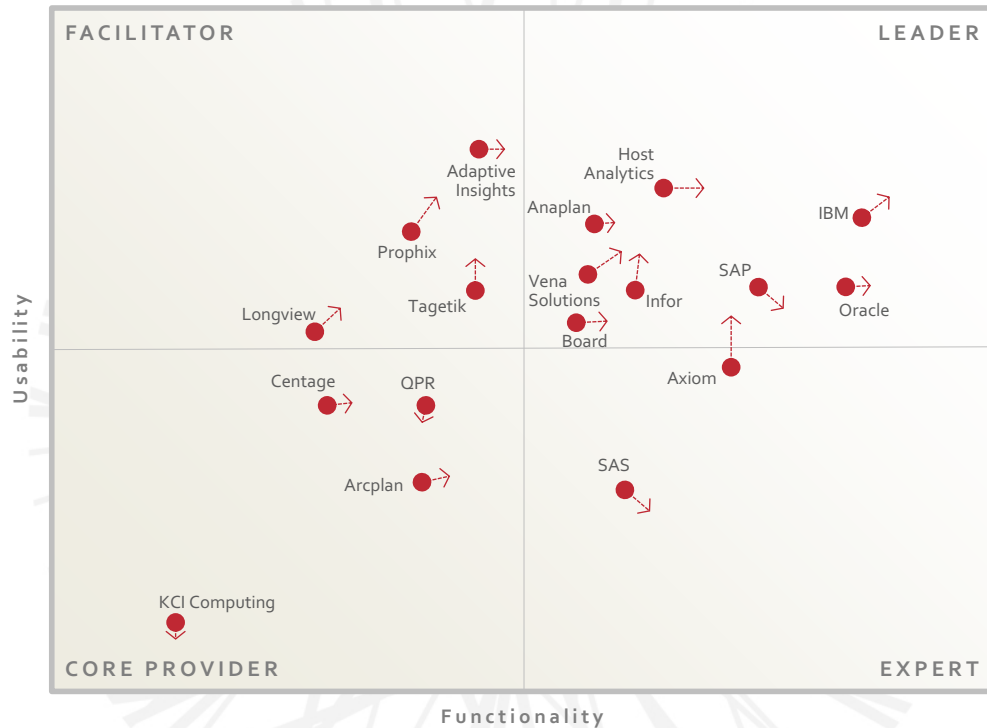
As organizations push for deeper understanding of their business processes, they are increasingly demanding analytics functionality in order to achieve greater

efficiency within their organizations. CPM vendors can offer analytics either through business intelligence (BI) integration, or through embedding analytics capabilities. With BI integration, users can access data from their CPM solutions and perform analyses on data to better identify and understand key performance drivers. With embedded analytics, users have improved context to see visuals or graphics within their CPM application without having to toggle between different tools.



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All of these differentiating features, usability, the cloud, and analytics functionality, augment solutions that are far from being just a connected version of Excel. While finance teams will always be entrenched in Excel, it is up to CPM vendors to deliver tools that will not only make performance management easier, but will drive greater insights for users.

As vendors bring more to Excel with usability and analytics functionality, CPM solutions are beginning to attract other parts of an organization such as sales, marketing, or operations teams. These new users want to enjoy the benefits of additional information on their efficiency, budgeting, and internal processes without having to commit to a more complicated analytics tool. In addition, the organization may already have a CPM solution in use, and instead of buying a new analytics

solution and integrating it with the CPM solution, they can simply expand the CPM solution to include new users. Using CPM solutions allows business people to access a centralized database of performance management information and they can then perform ad-hoc, high level analyses on their individual departments. By investing further in the usability of their solutions, vendors will experience greater traction among these new users.

LEADERS

Leaders in this Matrix include Anaplan, BOARD, Host Analytics, IBM, Infor, Oracle, SAP, and Vena Solutions.

ANAPLAN

Anaplan is fairly new to the market, but offers customers a user friendly system for business planning at strategic, tactical, and operational levels. Its applications are supported by a platform that offers self-service data integration, a real-time modeling engine, and a modern user interface that can be accessed via the Web, MS Office, or mobile device

Its user interface is supported by the Anaplan technology, the Hyperblock Calculation Engine, that allows business users to define, modify, and manage the system, making model changes and viewing dashboards and reports at the same time. For example, users can change a hierarchy definition via drag and drop or change a KPI definition and see the impact on their dashboard immediately. As a result, its customers do not have to rely heavily on IT for support.

The Anaplan App Hub is the source for customers to choose specific functionality that is role-based. As a result, customers do not have to do as much individual customization and experience an accelerated time to value.

Moving forward, Anaplan will improve its positioning by investing further in integration with analytics systems or more advanced development of embedded analytics capabilities.

BOARD

BOARD offers a centralized source for its CPM and BI offerings, encouraging the use and adoption of embedded analytics and an overall lower cost of ownership. It provides capabilities for a number of different roles including finance, HR, marketing, supply chain, sales, and IT.

One of its key value drivers lies in its prebuilt offerings. With access to industry-specific functionality out-of-the-box, customers have reduced implementation costs and time and are able to experience an accelerated time to value.

Moving forward, Nucleus expects that Board will continue to invest in its user interface to help drive adoption among end users.

HOST ANALYTICS

Host Analytics is a cloud-based performance management provider with solutions for modeling, planning, consolidation and close management, reporting, and analytics. Through the cloud, Host Analytics removes IT from having to support the system and allows business users to navigate and control and manage the solution themselves with comparatively little required training time.

One of the key differentiating features for Host Analytics is its advanced modeling functionality. With this module, users are able to create what-if scenarios for complex requirements such as advanced revenue planning, OpEx planning, sales operations planning, long-range planning and others. In addition, detailed operational models can be linked to financial models and plans, so customers can understand the financial impact of key decisions and ensure that finance and operations are aligned.

Moving forward, Nucleus expects that Host Analytics will continue to invest in new features and capabilities as well as continuing to provide its users with a usable tool that offers strong and unique functionality. Because it is a cloud-based solution, its customers will be able to more easily expand the use of the suite as new releases come out, offering an increasing ROI over time.

IBM

IBM remains the leading solution in the CPM Matrix because of its advanced functionality and its accessible user interface, which is designed as a self-service planning workspace. Its latest offering is IBM Planning Analytics that runs in the cloud on IBM's global cloud data centers. IBM Planning Analytics is built on the Cognos TM1 OLAP platform. On that platform, the company now combines IBM Watson Analytics, and IBM Cognos BI with integration and automation tools such as IBM Cognos Integration Server and IBM Cognos Command Center.

This new cloud planning and analytics platform provides a number of capabilities including financial planning and modeling, strategic planning, performance management, dashboarding and reporting, as well as data interrogation and predictive analytics. This combined set of solutions in IBM Planning Analytics makes the sum of the parts of greater use than working with these individual components

on their own. IBM's vision is to link financial and operational planning processes with self-service analytics designed for all business users in what they dub a cognitive solution.

To deliver an accelerated time to value, IBM utilizes its decades of consulting experience to offer industry-specific capabilities. Nucleus found that solutions built with the unique needs of individual verticals in mind drive a 57 percent faster time to value because they do not require as much custom code during the implementation process (Nucleus Research, *p88 – Accelerating time to value: IBM industry-specific solutions*, April 2015).

This is essential to increasing the usability of the solution and drives ongoing benefits for users. Moving forward, IBM will likely continue to lead the CPM market because of its ongoing investments in analytics and advanced functionality.

INFOR

Infor provides CPM solutions with a broad range of functionality including forecasting, financial consolidation, strategic management, planning, budgeting, and financial planning. One key feature of Infor's planning and budgeting solution is its ability to extend the standard application and build out more advanced capabilities, via deep integration with its business intelligence offering. To do this, customers can use the Infor BI Application Studio, or the Infor BI OLAP Server.

Along the same vein of integration with analytics, Infor also offers integration with a variety of data sources so that users can have access to more user-specific needs.

Infor can also adopt a fast release cadence via the cloud. For example, its industry specific clouds can provide users with prebuilt functionality that require less custom code and drive an accelerated time to value. In future Matrices, Infor will improve its positioning by investing further in its industry-specific offerings.

ORACLE

The Oracle Hyperion Financial Planning Suite is the flagship legacy CPM solution on the market and is known for its strength in functionality. Some of its capabilities include planning, budgeting, forecasting, long-term financial planning, workforce planning, capital asset planning, project financial planning, planning analytics, and predictive modeling and analytics.

The suite utilizes the OLAP server, Oracle Essbase and also integrates with Oracle and non-Oracle transactional systems. As a result, users can leverage more data from multiple systems for an in-depth analysis.

Oracle has expanded upon the traditional Hyperion technology through its Oracle EPM Cloud. In addition to much of the extensive functionality that Hyperion offers, the Oracle EPM Cloud has a modern user interface to drive improved adoption rates, and it leverages the benefits of the cloud to deliver an accelerated time to value for its customers. Moving forward, Nucleus expects that the Oracle EPM Cloud will continue to gain momentum in the market and will further improve its positioning as a leader in the Matrix.

SAP

SAP offers a set of CPM tools that provides customers with integration capabilities that drive deeper analysis with improved context for an enterprise. Some of its functionality includes corporate close, entity close, budget planning and forecasting, profitability and cost management, reporting and disclosure, and strategy development and translation.

With the introduction of Cloud for Analytics for Planning, SAP has been able to drastically improve its usability. The solution has embedded analytics, social collaboration and formula-driven modeling that is similar to Excel. In addition, SAP has invested in usability through increased integration with S/4HANA Finance that allows SAP Business Planning and Consolidation version for SAP NetWeaver customers to plan directly on S/4HANA.

Moving forward, SAP can improve its positioning in the Matrix by investing in making the solution more business user friendly so that customers do not have to rely on their IT teams to fully support and utilize the solution.

VENA SOLUTIONS

Vena Solutions delivers a suite of CPM offerings that leverage a native Excel user interface to promote adoption and usability. Excel has an undeniable foothold in financial processes and Vena has developed a solution that can use this effectively while enabling enterprise-wide collaboration and efficiency.

Vena's technology combines native Microsoft Excel with a centralized database, workflow functionality, and in-memory computing on a multi-tenant cloud infrastructure.

Vena's core functionality includes budgeting, planning and forecasting, financial close management, reporting and analysis, and strategy management. For repeatable processes, Vena delivers automation to drive improved productivity and greater usability. For example, Nucleus found that Biola University was able to increase visibility into its budgeting process and save 77 hours of work for the

budgeting administrator (Nucleus Research, *p122 – Vena Solutions benefit case study – Biola University, July 2015*).

To accelerate time to value for its users, Vena also offers solution starter kits. These provide access to prebuilt processes for financial close management and strategy management. As a result, customers have the option to utilize best practice suggestions with less required custom code.

Moving forward, Nucleus expects that Vena will continue to experience success as customers look for usable and flexible solutions that will allow for easy adoption. As the company invests further in its visualization and presentation capabilities it will achieve better positioning in the Matrix.

EXPERTS

Experts in this Matrix include Axiom Software and SAS.

AXIOM SOFTWARE

Kaufman Hall's Axiom Software provides solutions for analytics, modelling, and optimization for long range planning, capital planning, profitability and cost management, and reporting, forecasting, and consolidations. The Axiom cloud offering is supported by Azure, and is configurable for individual requirements.

Its key differentiator lies in its investments toward vertical specific solutions that are able to address the unique needs of individual industries. Nucleus found that industry-specific solutions drive a 57 percent faster time to value because there is less required custom code during the implementation process (Nucleus Research, *p64 – Industry-specific solutions drive greater value, April, 2015*). Axiom focuses on providing solutions for banking, healthcare, professional services, manufacturing, higher education, retail, and is expanding into additional industries.

Moving forward, Nucleus expects that Axiom will be investing in both its usability and in its ongoing functionality improvements for specific verticals, which will further improve its Matrix positioning.

SAS

SAS offers industry-specific CPM solutions with an enterprise intelligence platform, dashboarding and alerts, strategy planning and modeling, predictive scorecarding, and integrated budgeting, planning, and reporting. In addition, it has a list of functionality including cost and profitability management, campaign management, customer analytics, marketing performance management, workforce analytics, procurement analysis, and IT resource, service, and cost management.

This is a particularly extensive list of capabilities; however, SAS still aims to make its solutions self-service to allow for ad-hoc analysis and reporting. SAS will have a better positioning in the next Matrix with further investment in its user interface to encourage faster adoption and productivity enhancements.

FACILITATORS

Facilitators in this Matrix include Adaptive Insights, Longview, Prophix Software, and Tagetik.

ADAPTIVE INSIGHTS

Adaptive Insights offers a portfolio of cloud-based CPM solutions geared for the business user. Because the solution is deployed via the cloud, it does not require support from IT, allowing business users to have control of the system. Adaptive also allows for integration with its BI solution for more insights into performance management activities.

Adaptive is rated highly in usability because it focuses on using graphics and visualizations to help its users quickly understand and interpret information. Moving forward, it will improve its positioning in the Matrix by investing further in functionality that will allow users to perform what-if analyses or simulations.

LONGVIEW

Longview offers CPM solutions with automation and available BI integration for finance professionals. Its flagship CPM offering, Longview 7, focuses on providing functionality for strategic planning, budgeting and forecasting, modeling, disclosure management reporting, statutory consolidation, management reporting, profitability analytics, tax provision and reporting, task management, and transparency.

Some of the enhancements to the Longview Solutions for CPM cloud-based offering include deeper integration between its CPM/Tax and BI products, which should improve end-user productivity, while offering in-context insights.

Longview provides CPM customers with an affordable option that can improve transparency and drive efficiency across their business. Moving forward, Longview will be able to improve its position in the Matrix with additional usability enhancements to encourage adoption of its suite of products.

PROPHIX SOFTWARE

Prophix offers a CPM solution built specifically for mid-market companies who need a highly useable solution that will promote adoption rates and enhance productivity. The company differentiates itself by focusing on the usability of the solution, largely through planning and modelling applications that focus on ease of use while providing performance and scalability. Nucleus found that Prophix is an attractive option for companies that need an efficient solution with a full set of capabilities.

In March, Prophix announced a new version of its financial consolidation software. It has functionality improvements with support for advanced corporate structures, management reporting with scenario modeling, and increased transparency and governance. In the release, Prophix also continues to strengthen its usability by reducing complexities for workflows and by making it easier to collaborate between multiple entities.

Nucleus has found that Prophix is rapidly gaining traction in the market and, as it continues to invest in its solution, it will further improve its positioning in the Matrix.

TAGETIK

Tagetik provides customers with a single platform that has solutions for financial and operational planning, consolidation and close, internal and management reporting, external reporting and compliance, and analytics capabilities.

The platform also allows for integration with a number of other offerings including SAP and Microsoft SharePoint. As a result, customers can take advantage of additional functionality, with the goal of maintaining the integrity of their data.

Tagetik has been investing in user experience improvements to allow for improved usability, adoption, and productivity for its customers. Moving forward, additional development in this direction will continue to move Tagetik toward a higher position in the Matrix.

CORE PROVIDERS

Core Providers in this Matrix include Arcplan, Centage, KCI Computing, and QPR.

ARCPLAN

Arcplan offers its CPM solution, Arcplan Edge, via the arcplan Application Server. Arcplan Edge also integrates with the arcplan BI product to drive additional value for customers. The platform supports a number of data sources including IBM Cognos TM1, SAP BW with Integrated Planning, and Oracle Essbase (versions 6-11). The

integration availability is an important feature for customers because it allows them to leverage their existing or external tools for data use and visibility across the organization.

From a usability standpoint, arcplan drives improved adoption using an Excel-based user interface. Moving forward, arcplan can improve its positioning in the Matrix with additional investments in usability to help improve productivity.

CENTAGE

Centage provides budgeting and forecasting software for small to mid-market companies, with access to automation features and productivity enhancements through usability.

For example, there is no coding required to build and update forecasts or budgets, allowing users to customize Centage to their needs with little time investment. As a result, smaller-sized businesses do not need the support of an IT team to use their CPM application, making the solution more cost effective and accessible.

In February, Centage announced a new version of Budget Maestro, its flagship CPM offering. Budget Maestro 7.6 provides a number of new improvements to make capacity planning easier and more robust. The enhancements allow users to replicate key drivers or metrics tailored to their business quickly and consistently for better planning and forecasting. In addition, Budget Maestro 7.6 provides new report formatting options that increase integration with Excel and allow for more distribution options.

With this newest release, Centage will deliver improved productivity, which is crucial for its SMB users. Moving forward, additional investments in usability will continue to improve Centage's positioning in the Matrix.

KCI COMPUTING

KCI Computing provides a CPM product that can support a number of different data sources. It also allows the customer to utilize the standard functions of a CPM solution with the addition of drill-down capabilities. In order to maintain a presence in the CPM market, KCI Computing will have to invest heavily in its usability as well as adding new functionality for improved performance management analysis.

QPR

QPR offers a host of CPM products including QPR ProcessDesigner, QPR Enterprise Architect, QPR Metrics, and QPR Process Analyzer. Much of QPR's focus is on streamlining the data entry process through automation. This allows users to

remove themselves from tedious data entry tasks so that they may focus on higher value-adding activities.

In October 2015, QPR announced the QPR Metrics Integration Platform that is built to enable users to perform data extract, transform, and load (ETL) processes from any database into QPR Metrics. In addition, the platform provides users with access to pre-built key performance indicators (KPI) that extract and transform information that is collected from SAP and Salesforce. In March, QPR announced that QPR Metrics now comes with a mobile interface for viewing and building dashboards.

In the future, QPR would be able to increase its Matrix positioning through investments in its user interface. Being a mature market, CPM vendors are increasingly focused on differentiating themselves via their usability. While this may be a focus on incremental benefits, it plays a key role in adoption and productivity enhancements.