

The Evolution of Finance in Digital Business

How Modern Planning and Performance Management Solutions Are Helping Finance Transform From Reporting The Past to Shaping The Future



Table of Contents

- I. Introduction 2
- II. The Changing Role of Finance 3
- III. Analytics Take Center Stage 4
- IV. A New Generation of Modern Planning and Performance Management Tools 5
- V. 6 Reasons Why Jedox Is a Leader Among Modern Planning and Performance Management Solutions 6
- VI. Business-Wide Customer Benefits 11

I. Introduction

Enterprises today operate in a constantly evolving commercial environment. It is marked by volatile markets, growing complexity, and increased global competition – not to mention the constant pressure to grow, be innovative, and make a profit all at the same time. Responding to these new business dynamics, digital technology has transformed the enterprise, from how it relates to its customers and suppliers to how it structures itself. Everything from planning to operations to sales to service has been affected by this digital evolution, including what is often seen as the most conservative enterprise area: finance. As one major consultant noted, *“In today’s digital world, finance must become more agile, forward-looking, and decision-centric. Finance must become Digital.”*¹

Traditionally, the role of finance was principally focused on managing cost, financial accounting, and reporting. Processes were rigid and spreadsheet-driven; information requested and drawn from business units provided limited feedback and insight into the business itself. Financial systems were complex, inflexible, and required significant technical support from IT for set-up, administration, and ongoing maintenance. Increasingly, those systems are proving inadequate to CFOs and financial decision-makers whose roles are changing with the times.

The Changing Role of Finance From reporting the past to guiding the future



“81 % of CFOs view themselves as strategic business partners“

(Source: EY)

¹Accenture, <https://www.accenture.com/us-en/service-digital-finance-technology-driven-enterprise-performance>

II. The Changing Role of Finance

The role of finance, and in particular the role of the CFO, has rapidly evolved with the rise of the digital enterprise. Traditionally, the financial function was charged with protecting enterprise assets by maintaining accurate books and guarding against financial risk. That role has expanded to include providing insight and direction for decision-making across the company's functional and market-facing areas, as well as becoming an increasingly key player in shaping corporate strategy.

According to an article in Forbes, a recent survey of Fortune 1000 CFOs found that the vast majority (81 percent) believed they worked at companies that viewed their finance operation as a "strategic business partner," involving the CFO in top-level decision-making as never before.² Indeed, a recent study by EY cites four forces disrupting the CFO role:³

- ▶ **Digital.** Finance leaders need to build their understanding of digital, smart technologies, and sophisticated data analytics.
- ▶ **Data.** The delivery of data and advanced analytics is an increasingly critical capability for the finance function.
- ▶ **Risk and uncertainty.** Risk management is a key capability that financial leaders need in their arsenal, with application extending beyond traditional financial risk to strategic risk for business planning.
- ▶ **Stakeholder scrutiny and regulation.** CFOs are tasked with increasing responsibility for the ethics and direction of decision-making in support of organizational purpose.

Without a doubt, the sheer volume of business data is growing exponentially. By 2020, every person online will create about 1.7 megabytes of new data every second of every day, adding to the 44 zettabytes of data that will exist at that time.⁴ For businesses, whose customers, suppliers, and internal operations are also generating increasing data streams, this represents a huge opportunity. EY notes, "Data and analytics are changing the way CFOs think about business problems, opening their eyes to new opportunities, and challenging accepted and entrenched organizational beliefs."

Data analytics transforms the role of finance from one of reporting on the past (i.e., accounting) to anticipating the future (i.e., strategic insight). Nearly 60 percent of CFOs believe that delivering the data and advanced analytics for business intelligence and management information will be a critical capability for finance moving forward.⁵ Certainly, as the role of CFOs expands, they are positioned to be a driving force in the adoption of analytics across the enterprise – not just in the financial arena.



² Dill, Kathryn, "CFOs Have Bigger Roles Than Ever Before—And They Like It That Way," Forbes, August 2, 2013

³ "Do You Define Your CFO Role? Or Does It Define You? The Disruption of the CFO's DNA," EY, 2016

⁴ Zhou, Tx, "Big Data Is No Longer Enough: It's Now All About 'Fast Data,'" Entrepreneur, May 14, 2016

⁵ Ibid, EY

III. Analytics Take Center Stage

In finance, as with the enterprise at large, analytics are rapidly coming to the fore. In a recent report, Deloitte notes the pace of its expansion across the enterprise:


“As little as a year ago, you would be hard-pressed to find an organization that was making enterprise-level analytics investments. Instead, most were just working to implement or improve targeted analytics capabilities in a few key areas – which seemed to be enough of a challenge. Today, building on analytics successes in discrete disciplines, leaders are beginning to take serious steps toward connecting these successes to create something bigger – something we call the insight-driven organization (IDO). The IDO goes beyond the selective use of insights to fuel decision-making in individual parts of the business. It deploys a tightly knitted combination of strategy, people, processes, and data – in addition to technology – to deliver insights at the point of action every day, everywhere in the organization.”⁶

Deloitte.

This enterprise-wide access and application requires the need for self-service tools (without the need of IT intervention) in terms of predictive analytics that give more company stakeholders the right information at the right time to make the right decision. By delivering governed access to data, these flexible, easy-to-use tools empower business users to generate their own insights independently through predictive analytics and scenario analysis.

For CFOs and other executive management, analytics help solve a key challenge: linking strategy and execution. Connecting planning, forecasting, reporting, and performance management across the enterprise is a daunting task.

A flexible planning model that integrates the financial plan with operational plans increases the accuracy of results. Overall, this enhances the ability of the CFO, as well as the executive team, to align the operational and strategic objectives:

 <p>Data- & Analytics-driven Business Capture the value of growing data volumes and turn it into insights and action.</p>	 <p>Collaborative Business Empower stakeholders with governed intuitive self-service anywhere, anytime.</p>
 <p>Digital Business Find new ways to operate, lower cost and increase competitive advantage.</p>	 <p>Global Business Increase agility & responsiveness, integrate planning and performance management.</p>

⁶“Analytics Trends 2016: The Next Evolution,” Deloitte, 2016

IV. A New Generation of Modern Planning and Performance Management Tools

A new generation of modern planning and analytic tools has emerged to enable finance to effectively take on its expanded role in the digital enterprise. According to Gartner, strategic Corporate Performance Management solutions support the office of finance’s budgeting, planning and forecasting efforts. They also provide profitability modeling and strategy management capabilities. Ultimately, these solutions help CFOs and other business leaders orchestrate organizational performance and manage strategy in a more controlled and transparent manner.⁷ These next-generation tools are enabling finance to excel in providing business insight while serving as a catalyst for leveraging enterprise data for collaborative planning, analytics, and reporting. **Typically, modern planning and performance management tools share certain functional and technical capabilities:**

Functional capabilities

- » **Ease-of-use for business user self-service**
Delivery of a new level of ease-of-use for planning, analysis, and reporting on a self-service basis for end-users; providing independence from IT resources or external consultants
- » **Integrated Strategic and Operational Planning**
Collaborative, flexible modeling for integrated planning and performance management; facilitating more accurate planning and better strategic alignment of goals in all functional areas
- » **Unified Planning, Analytics and Reporting**
Unified budgeting, forecasting, planning, analytics and reporting; a closed-loop process for greater transparency, efficiency, and actionable insights
- » **Flexible web and mobile access**
Innovative web and mobile applications offer flexible, seamless access to a common data model on any device to increase adoption and engagement
- » **Pre-built Best Practice Content**
Pre-built applications and business content demonstrate software capabilities out-of-the-box and fast-track implementations; with a focus on configuration instead of customization

Technical capabilities

- » **Easy trial, fast deployment and high scalability**
Software trials, prototyping and implementation speed are critical to demonstrate value quickly; high scalability ensures responsiveness to support changing business needs
- » **Seamless integration in best-of-breed enterprise architecture**
Built for integration with existing enterprise systems and new best-of-breed applications or features; integration across cloud and on-premises data sources
- » **Enterprise-level performance, security and governance**
High performance for large, complex scenarios and many concurrent users; certified data security and governance for cloud and on-premises
- » **Choice of cloud or hybrid deployment and easy upgrades**
Flexible deployment to fit customer cloud strategy: cloud, on-premises, or hybrid; easy to upgrade and maintain; no disruption through upgrades to the business
- » **Open platform for third party applications**
End-user organizations benefit from third-party applications built on top of the platform and can leverage the eco-system for new capabilities and data sources

⁷ Christopher Iervolino, John E. Van Decker, “Magic Quadrant for Strategic Corporate Performance Management Solutions”, Gartner 2016

V. 6 Reasons Why Jedox is a Leader Among Modern Planning and Performance Management Solutions

The Jedox software platform empowers finance and other business users to simplify and accelerate business processes through a unified and Excel optimized planning, reporting and analytics solution. Jedox is essentially helping businesses transform data into action.

The unified BI and Strategic Corporate Performance Management platform can be deployed in the cloud, on-premises or as a hybrid solution. It supports enterprise budgeting, planning, and forecasting, including write-back and integration of multiple data sources. Jedox enables business users to model, analyze, and report without specialist technical knowledge. **6 Reasons why Jedox 7 is the leader among modern planning and performance management solutions:**

1

Jedox provides exceptional speed and ease of implementation while delivering a short time-to-value

CLARIANT 

“The new solution by Jedox has absolutely convinced us. In particular, the short implementation period of less than eight weeks was outstanding, particularly when considering the scale and the demand of our catalogue of requirements.”

Michael Hoffmann, Head of Reporting Systems at Clariant International

How we do it:

● Jedox Pre-Built Business Content

Jedox offers a fast and easy start for planning with pre-built application models that can be configured by users to meet their needs. Jedox Models deliver best-practice building blocks to kick-start the development of planning applications and provide a solid foundation for growth. Starting with four new models (Profit & Loss, Cost Centers, Sales Planning, and HR Planning), these new solutions offer a demo of Jedox capabilities out-of-the-box. Jedox Models support rapid prototyping, fast-track implementation and simplify support. Jedox Models can be combined to develop an integrated planning model because they are built on common modeling principles and come with pre-defined linkages.

● Rapid Prototyping

Jedox enables rapid prototyping to quickly demonstrate the value of an enterprise planning project. Smart modeling tools such as data-driven modeling and smart data interfaces make it simple for users to build an effective planning model quickly. Once the model is set-up, Jedox’s self-service integration tool, the Integration Wizard, automates the integration of source data and files into the model.

● Agile Implementation

By using agile techniques, Jedox has a very fast implementation time vis-à-vis other planning and analytics solutions. Jedox can usually be up and running in three months. Typically, Jedox collects and consolidates all the short-term and long-term performance management goals, then draws the project scope into clear phases. Every phase delivers its own tangible value and can build on previous phases. This agile approach, with a short time-to-value for each phase, makes the project a catalyst for change in the organization while speeding overall implementation time.

2

Jedox engages end-users with new levels of ease-of-use and self-service on any device



“Before we implemented Jedox across the enterprise, planning was done in a single department, so it was new for end users as we rolled it out. Thanks to Jedox’s ease of use, they quickly adapted and now we plan faster and more transparently. Each department is now engaged in the planning process.”

Michael Bailey, Senior Manager Controlling at Sanofi

How we do it:

Spreadsheet-like User Interface

Jedox’s Excel-like interface allows users to apply their Excel skills and makes it very simple to do planning and analytics within the solution. “Application developers” can build powerful solutions without coding and “report consumers” and “planners” use their Excel skills to interact with results, build their plans and work with reports. This makes Jedox fast to roll out across departments, organizational levels or geographical areas.

Web

Jedox Web offers the same planning, reporting and analytics functionality as the desktop version through secure access from any web browser anytime, anywhere. The central modeling engine at the heart of Jedox provides flexibility to power users. The intuitive web interface allows users to explore reports, enter planning figures and build their own models and connect data sources.

Mobile

The Jedox Mobile application offers a slick experience for planners and report consumers on-the-go. Jedox Mobile app has a responsive design and easy-to-use touch interface optimized for planning on mobile devices. Jedox Mobile has offline report and document viewing as well as automated synchronization. It can be fully customized to corporate design standards including custom login page, company logo, colors etc.



3

Jedox puts flexible and powerful modeling tools in the hands of application developers without the need for coding



“Unlike any other tool that I have evaluated, I managed to build the whole application without having to resort to programming or make use of the support of external expertise.”

Jan van de Grint, Business Process Manager Business Intelligence at Canon

How we do it:

Powerful Modeling Engine

The modeling engine at the heart of Jedox puts powerful tools in the hands of developers to build planning, analysis, and reporting solutions for global business. The Jedox platform offers greater flexibility and controls to adapt data models over time. The advanced business logic and automations enable power users to build smarter applications in less time.

Integrator

With built-in connectors to a broad array of data formats and databases in the cloud or onsite, Jedox Integrator enables power users to efficiently connect to any data source no matter where the data resides. To make data integration even easier, Jedox comes with an “Integration Wizard” within the Modeler, where users create and schedule data integration jobs using an intuitive workflow wizard.

4

Jedox delivers high performance for large data-sets and complex models



“Fast query responses and the ability of processing huge data volumes were our key requirements. This is where Jedox excelled.”

Marion Seidenstücker, Head of Central Group Controlling at Vivantes

How we do it:

Enterprise-Class Performance

Jedox provides exceptional performance to meet the highest enterprise-level standards and is a market leader in query performance satisfaction. Large implementations also benefit from state-of-the-art data governance and user rights administration.

In-memory Database

The Jedox in-memory multi-dimensional database (OLAP Server) provides you with a highly-scalable analytics engine that delivers real-time performance over volatile enterprise data. The engine enables complex planning and forecasting with in-memory rules modeling, advanced analytics and instant consolidations and reporting over large multi-dimensional datasets. All changes are logged for audit and compliance. The powerful event-driven Supervision Server gives you unlimited control managing data governance and any type of user interaction.

● **GPU Accelerator Technology**

With its unique GPU Accelerator, recognized by Gartner with the ‘Cool Vendor’ award, Jedox provides an optional additional performance boost to its in-memory calculation engine by leveraging the computing power of graphic cards in parallel GPU processing for scalable performance for large and complex modeling scenarios with many concurrent users.

5

Jedox unifies Planning with Reporting and Analytics in one solution for transparent performance management

LLOYD FONDS

“With Jedox, we can now create customized, intuitive analysis for our various departments, committees and partner companies. It’s now a very flexible process and a great asset to our organization.”

Maren Seifert, Project Management Open Waters and Management at Lloyd Fonds

How we do it:

● **Integrated Forecasting, Planning, and Reporting**

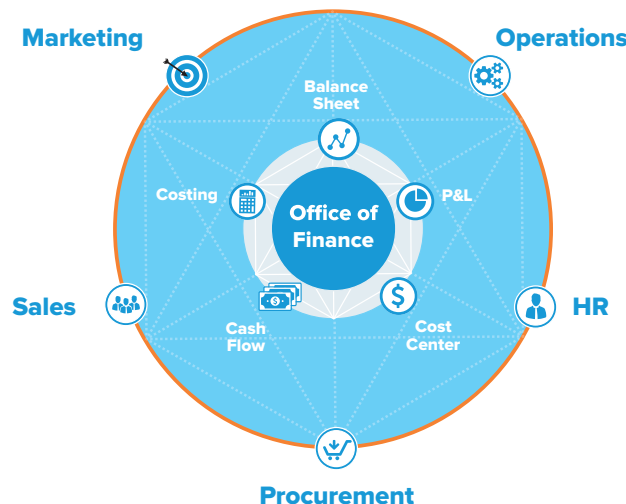
Customers don’t want separate reporting and planning solutions - they want them together. This is what Jedox provides to enable a fully transparent process across budgeting, planning, forecasting and reporting. With Jedox, organizations are empowered to become more agile in their planning and connect reporting and planning with performance management. Consequently, they become more responsive to a changing market environment.

● **Standard Reporting, Dashboards and Ad-hoc Reporting**

Interactive dashboards engage users across the organization - whether they’re accessing Jedox on the web, desktop, or mobile device - with stunning visualizations and intuitive drill-downs to explore data. For planners, Jedox offers improved usability such as multi-select functionality and a newly designed touch interface for mobile to maximize user adoption.

● **Driver-based Planning and Predictive Analytics**

Jedox combines planning with powerful modeling and analytics such as scenario analysis, driver-based planning and predictive analytics to drive more efficient processes and obtain more accurate timely results.



6

Jedox fits into any cloud strategy



“Now that we pool relevant information from all contributors in Jedox Cloud, our supply team can devote more time to other tasks that support the entire organization.”

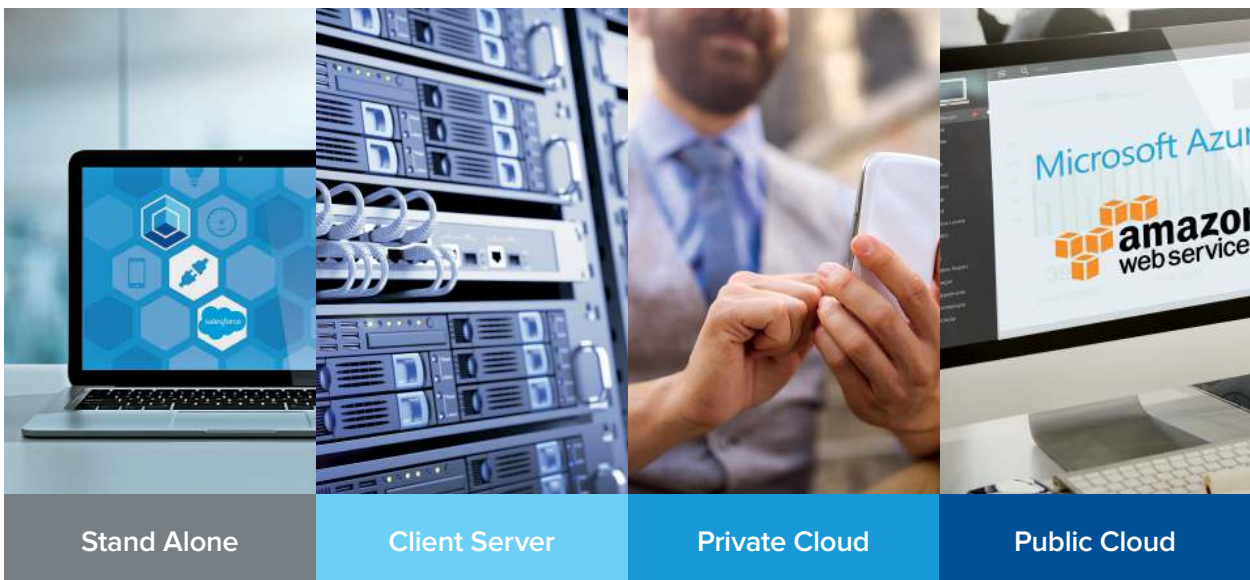
Meiko Eberhart. Supply Management, BMV MINERAL OIL

How we do it:

Flexible Deployment Options

Jedox aligns with our customer’s cloud strategy and offers flexible deployment options to accommodate immediate and future business needs. If you are following a wait-and-see approach, Jedox can be hosted on-premises with the option of lifting your solution to the cloud once you are ready. If you are looking to take advantage of more agility, scalability, and lower maintenance and hardware costs of cloud solutions, Jedox offers a third-party verified public cloud deployment. Or you may choose to host core applications on-premises while some of the more innovative, experiential applications require the agility of the cloud. In this case, Jedox can also be deployed as a hybrid solution providing the benefits from both worlds.

Cloud and On-Premises Options:




VI. Business-Wide Customer Benefits

For CFOs and other financial decision-makers, consolidation and budgeting remain at the heart of responsibilities; but increasingly they are called on as strategic counsel to all aspects of the digital enterprise. They must move from reconciliation to analysis.

In a time when, globally, 86 percent of organizations continue to use Excel for planning, Excel remains the standard tool in finance. This is problematic: the combination of painfully slow planning cycles and manual, error-prone processes not only decrease productivity, but present a significant risk to those financial leaders responsible for driving down risk across the business.

One of Jedox's main business benefits is how it enables years of Excel experience to be transferred into a modern planning and performance management solution. Other key benefits are: a secure database, first-class integration capabilities, innovative web and mobile applications, business logic, workflow support, audit traceability, and user access management. Coupled with advanced reporting and analytics, Jedox allows CFOs and other users to focus on business outcomes and provide strategic input.


Gaining emancipation from 'Excel Hell' is just the starting point. Jedox's takes simplified business planning to the next level:

 **Click here** to watch a Jedox webinar on-demand & see how Jedox helps you simplify planning and budgeting

Jedox Customer Benefits:

Clarity and Speed: Jedox enables faster, leaner planning processes that are focused on strategic objectives.

[Read Case Study: FIAT](#)




Collaboration & Quality of Results: Jedox empowers the office of finance to collaborate with other business departments and integrate financial plans with operational sub-budgets. This collaborative process ensures more accurate and timely results.

[Read Case Study: allsafe Group](#)



Automation & Guidance: Jedox provides not only the means to report on past performance but also offers advanced capabilities to predict future outcomes and guide user business decisions.

[Read Case Study: C&A](#)



Transparency & Action: With Jedox, companies can make planning an integral part of performance and strategy management to become more agile and responsive to increasingly volatile markets.

[Read Case Study: MBG International](#)



About Jedox

Jedox simplifies planning, analysis, and reporting with one unified and cloud-based software suite. Jedox empowers decision makers and business users across all departments and helps them work smarter, streamline business collaboration, and make insight-based decisions with confidence.

Over 2,300 organizations in 140 countries use Jedox for real-time planning on the web, in the cloud, and on any device. Jedox is a leading Enterprise Planning and Corporate Performance Management solution provider with offices on four continents and with over 200 certified business partners. Independent analysts recognize Jedox for its leading enterprise planning solutions.

Simplify planning with Jedox and start your free trial today: www.jedox.com



JEDOX TRIAL

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