



With SAP® solutions for performance management, you can proactively measure performance using a single, trusted data source and meet stakeholder requirements for “in time” and “in context” information. You can perform all key financial performance management activities with an integrated solution – defining strategy and managing execution; budgeting, planning, and consolidation; and modeling and optimizing profitability. And all stakeholders see how their actions impact corporate performance.

CORPORATE PERFORMANCE MANAGEMENT

Achieve Better Business Results by Controlling Performance with an Iterative Approach

More than ever, companies are challenging their CFOs to move beyond traditional administrative functions and take a leadership role in driving strategy and improving business performance. Why? Because leaders who understand what’s driving financial performance at any point in time can make more calculated decisions about how best to marshal their resources. With the right data, performance management tools, and resources, they can improve operational efficiency, ensure regulatory and statutory compliance, and ultimately control performance for maximized profitability.

However, prevailing approaches to managing corporate performance offer limited opportunities to deliver business value beyond basic transaction processing and reporting. Applications and technology that exist in their own silos impede enterprise-wide visibility into performance. That makes it hard to integrate corporate and departmental planning, model cost scenarios, and determine operational budgets based on strategic plans and assumptions. Even after consolidating data, few CFOs have the tools they need for predictive analysis and calculated decision making based on a good understanding of potential risk. And then there’s the challenge of aligning operational plans, resources, and people across the organization to drive execution of corporate strategy.

Close the Gap with SAP® Solutions for Performance Management

SAP® solutions for performance management provide a single, integrated solution that lets you carry out the full life cycle of corporate performance management activities – defining strategy and managing execution aligned with corporate goals; budgeting, planning, and consolidation; and modeling and optimizing profitability. The software improves transparency and insight into corporate performance, enhances forward-looking decision making, and enables timely, strategy-aligned actions by individuals across your organization. Now you can take control over performance with software that allows you to do the following.

Empower All Stakeholders

With SAP solutions for performance management, all stakeholders are productive from day one. They can use familiar Microsoft Office tools and innovative productivity features such as business process flows that guide them through predefined standard processes. Intelligent action panes help them with activities based on the current task at hand. This minimizes training and ramp-up and ensures that tasks are performed correctly.

Adapt to Change Swiftly

You can empower every stakeholder at every level to communicate, collaborate, and execute on a commonly understood and defined action plan and budget – and adjust it as necessary. Patent-pending visualizations facilitate adoption and understanding of strategy, and intelligent exception management proactively identifies potential risks. By synchronizing goals with initiatives, priorities, measures, people, incentives, resources, and budgets, your organization can readily adapt to change.

Predict Profitability Outcomes

You gain a complete understanding of the drivers of profitability. Equally important, the software automatically analyzes data and proactively delivers critical information such as root-cause analysis. This can help you assess and understand what's happened in the past and make risk-adjusted plans that improve future performance.

The solutions are also unique in that they support holistic financial management, which is increasingly important for CFOs. Specifically, all of these corporate performance management solutions can be integrated with the SAP solutions for governance, risk, and compliance, as well as the SAP ERP Financials solution, the foundation for enterprise financial management. SAP ERP Financials is built on the SAP NetWeaver® technology platform, which leverages enterprise service-oriented architecture to tie people, processes, and information seamlessly together. This integrated technology platform enables SAP solutions for performance management to embed industry-specific content and analysis directly into core applications and processes. You'll have the insight and tools you need to craft effective strategies, as well as unprecedented abilities to deliver that information to your frontline workers when they need it – in context.

Use a Holistic, Iterative Approach to Controlling Performance

SAP solutions for performance management encompass a modular set of applications that cover the full life cycle of financial management – and put you in control of performance.

Strategize and Prioritize

The SAP Strategy Management application helps both line managers and corporate executives drive strategic execution in the planning process. By clearly linking strategic plans to initiatives, targets, performance measures, and people, you can set clear priorities and tasks that employees at all levels can act on with confidence. Specifically, the software supports strategy development by helping you transform written plans (which are typically static and impenetrable) into living documents, so you can define, discuss, share, and update goals with employees. These documents can also include rich contextual visualizations that drive greater understanding of key objectives across your organization. This means managers can test various strategy alternatives to better understand the cause-and-effect relationships that maximize performance.

At the same time, employees can see your organization's strategic goals and better understand the metrics used to measure performance. Performance-relevant data is contextually appropriate and role-specific to help employees better understand how their work affects (and is affected by) other stakeholders and departments. This helps motivate them and encourages greater collaboration. In addition, they can quickly measure ongoing progress toward their objectives, assess where efforts are most needed, and generate up-to-date and live reports for operational reviews.

Plan and Execute

Once you develop and communicate your strategies, you need to plan and execute them. SAP solutions for performance management can help you with strategic planning, budgeting, forecasting, reporting, and predictive analysis through familiar, intuitive tools that aid productivity and ease adoption. With the SAP Business Planning and Consolidation application, you can perform bottom-up and top-down financial and operational planning with a single application and user interface. The software makes it easy to collaborate with stakeholders on developing plans and aligning them with strategic goals.

With a streamlined, workflow-driven process, you can create business-relevant budgets that everyone agrees on and that align with strategic plans. Predictive analysis functionality goes beyond the typical trend and seasonality algorithms, enabling you to produce more accurate plans and budgets, create rolling forecasts, and incorporate real-time actuals with historical data for the most effective forecast seeding possible. And with automated predictive analytics, you can automatically identify key performance indicators that are at risk and recommend actions to change predicted outcomes for the better. In addition, you can quickly find explanations for variances and make risk-adjusted plans based on a precise understanding of risk probabilities.

Report and Monitor

Decision making at the day-to-day business process level requires insights derived from a unified, cross-enterprise view of financial and operational performance information, which few companies have today. SAP Business Planning and Consolidation enables you to attain these insights while simultaneously supporting all of your legal and management consolidation and reporting requirements. Leveraging a centralized data repository containing up-to-date actuals from your operational systems, you always have instant access to harmonized charts of accounts, along with clear, transparent financial statements and reports relating to profit and loss, cash flows, and balance sheets. All of these are automatically compliant with regulatory mandates, such as the Sarbanes-Oxley Act. And automated reports support all reporting standards, including generally accepted accounting principles and international accounting standards.

Model and Optimize

The SAP Business Profitability Management application by Acorn is the only solution on the market that enables you to perform enterprise-wide measurement of every aspect of revenues, costs, net profit, and resource capacity and utilization across an unlimited number of dimensions. At the heart of the application is powerful process modeling and calculation software powered by the SAP NetWeaver technology platform. You gain close analysis of costs and profitability by customer, product, channel, segment, geography, order, transaction, line item, and many other categories. And you can rapidly extract data from SAP and non-SAP applications, giving you detailed, real-time insight into operational expenditures. For example, by bringing together related operational and service costs based on the customer dimension, you can share and review profitability data throughout the organization and define fact-based strategies for improvement.

The Benefits of Performance Control

With SAP solutions for performance management, you can capitalize on the value of your corporate data to drive organizational alignment, increase business agility, and create competitive advantage by controlling the drivers of performance. You have the visibility required to understand current performance, the tools you need to develop effective strategies, and the resources to drive execution across all levels of your organization. You can define strategy and prioritize to ensure alignment with corporate goals and plan and allocate resources to align with strategy

and ensure optimal execution. It's easier to monitor and report on performance outcomes by leveraging a centralized data repository containing up-to-date actuals from your operational systems. And you can model and optimize the drivers of profitability and costs on an ongoing basis to achieve your overall business goals.

Find Out More

In short, information is power – and there's no better way to gain that power than with SAP solutions for performance management. To learn more about how these solutions can help you drive better business performance, contact your SAP representative today or visit us online at www.sap.com/solutions/performancemanagement.

Powered by SAP NetWeaver

SAP solutions for performance management are powered by the SAP NetWeaver technology platform. SAP NetWeaver unifies technology components into a single platform, allowing organizations to reduce IT complexity and obtain more business value from their IT investments. It provides the best way to integrate all systems running SAP or non-SAP software.

SAP NetWeaver also helps organizations align IT with their business. With SAP NetWeaver, organizations can compose and enhance business applications rapidly using enterprise services. As the foundation for enterprise service-oriented architecture (enterprise SOA), SAP NetWeaver allows organizations to evolve their current IT landscapes into a strategic environment that drives business change.