

## RESEARCH NOTE

# TECHNOLOGY VALUE MATRIX FIRST HALF 2014 CPM



### THE BOTTOM LINE

Corporate Performance Management (CPM) continues to see rapid change due to the emergence of cloud-based CPM players, the use of disclosure management and tax management solutions, the integration of CPM with business intelligence, and the increased demand for performance management from line-of-business sources. Nucleus has evaluated the usability and functionality that end users have received from CPM vendors in the 2014 Corporate Performance Management Technology Value Matrix.

### MARKET OVERVIEW

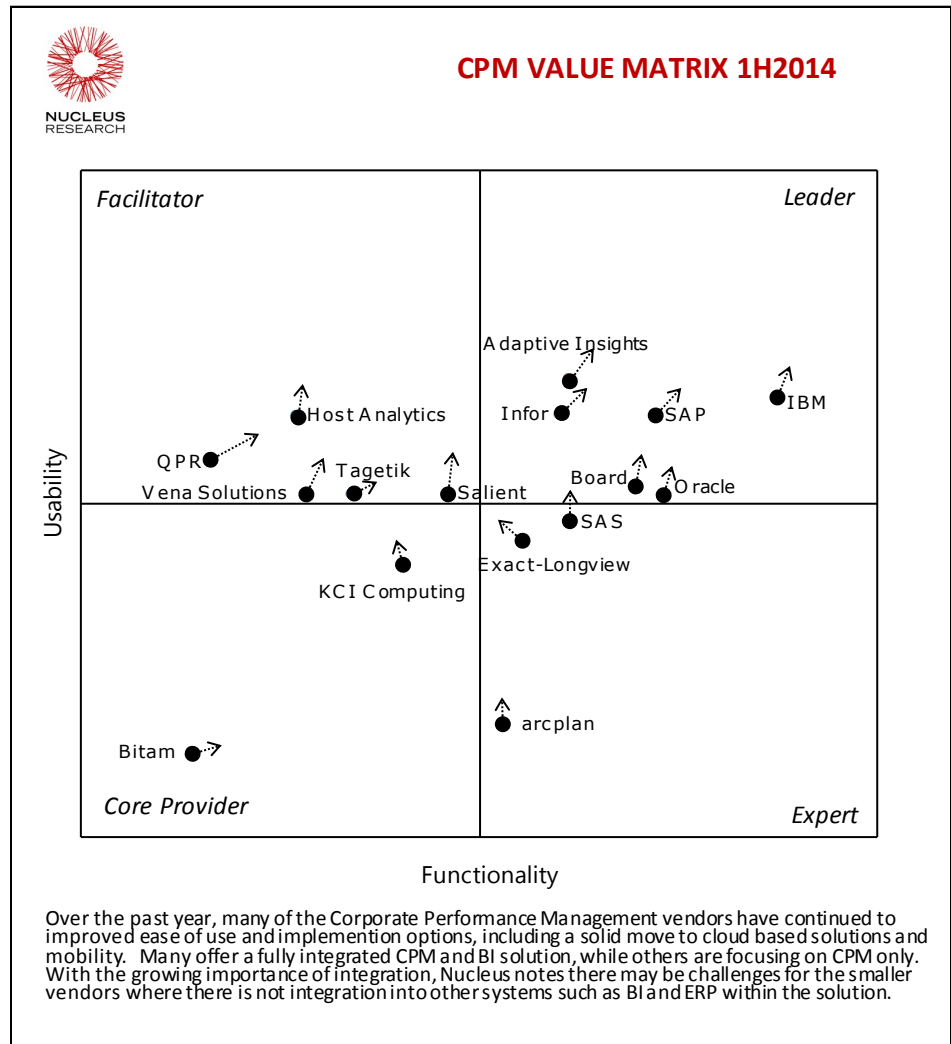
---

Corporate performance management has traditionally been seen as a suite of capabilities that support operational tasks including the combination of planning, budgeting, and forecasting (PBF), financial close and reporting, profitability, cost management, spend management, and financial consolidation. Many vendors also provide a strategy management module, linking high level strategy to specific operational performance measures, and a disclosure management module, fulfilling the requirements of many global regulatory bodies. Many market surveys are elevating the profile of the CFO and the technologies that are being considered and implemented inside finance organizations and across the enterprise to provide better visibility, strategic decision making, and productivity of the user community.

Despite the relative maturity of core CPM, a new generation of software solutions that are easy to use and quick to install have led to a new mid-market interest in CPM. The availability and deployment flexibility of cloud-based solutions are growing in value to the customer representing a net-new opportunity for both emerging vendors and for larger, more traditional vendors to provide cost-effective solutions for the CPM market.

Over the past several years, a new set of capabilities have entered the CPM market that have significantly changed the ROI associated with solutions in this market including international support, tax management, cloud-based solutions, mobility, multiple device support, and application integration. There has also been an emerging need among

customers to integrate CPM into a business intelligence (BI) architecture, to share common business foundations, and to provide more robust reporting and visualization capabilities. To understand how these changes have led to value, consider that the value of CPM can broadly be categorized into three different areas: Commoditized value, differential value, and rare value. By separating these three value propositions, it becomes much easier to define what separates Leaders from Core Providers.



Commoditized CPM value represents core capabilities that are expected, by definition, and provide no differentiation. At this point, CPM is expected to provide visibility and auditability for basic financial PBF, consolidation, financial close, and reporting processes that exceed the capabilities of basic spreadsheets.

Differential CPM value comes from capabilities that significantly differentiate CPM vendors from each other. A simple example is the ability to provide cloud-based solutions, since

Nucleus has found that cloud-based deployments typically provide greater value than on-premise solutions. However, disclosure management, strategy management, and project management capabilities differ both in implementation and ease of use from vendor to vendor. Mobile applications, profitability management, business modeling, and visualization capabilities are increasingly important in differentiating leaders and experts from other vendors. As CPM continues to become more predictive and inclusive, the integration of business intelligence and CPM will continue to increase in importance as a key differentiator.

Rare CPM value comes from specific capabilities that vendors bring to market that are difficult or presently impossible for competitors to match. For example, a vendor providing a full application on a trial basis would have a significant advantage in driving usability and implementation. Mega-vendors can have the resources to provide specific line-of-business based CPM implementations to increase the functionality that is realized by end users. The vision to integrate CPM with parallel functionality such as sales performance management, tax planning, or human capital management applications can also provide unique or rare value propositions.

## **LEADERS**

---

In the CPM market, Leaders are defined by the integration of CPM with business intelligence, consolidation and other added functionalities. In addition, these vendors have experience in supporting complex and vertical-specific performance management deployments. Leaders include Adaptive Insights, Board, IBM, Infor, Oracle and SAP.

### **ADAPTIVE INSIGHTS**

In February 2014, Adaptive Planning changed its name to Adaptive Insights in an effort to provide a clearer definition of its breadth of solutions and benefits. Adaptive Insights typically serves a smaller market that is trying to decide how to move from spreadsheets to an initial performance management solution. However, unlike most performance management solutions focused on mid-sized and enterprise organizations, Adaptive Insights has quickly increased its functionality and shown the ability to scale CPM deployments to thousands of users without direct IT involvement by taking advantage of its cloud infrastructure. Enterprise customers now account for a quarter of Adaptive Insights's customers demonstrating the vendor's ability to quickly move into the enterprise market and support scalable CPM deployments.

With the name change, Adaptive Insights maintained the name Adaptive Planning for its core budgeting and forecasting solution, introduced Adaptive Integration to distinguish its integration capabilities, and introduced Adaptive Consolidation for its close-and-disclose financial consolidation and analysis solution. Adaptive Discovery and Adaptive Reporting are the reporting side, providing cloud based data visualization and reporting solutions.

Adaptive Insights provides integrated business intelligence with CPM giving customers a unique value proposition. The provision of both capabilities within a single platform provides the flexible deployment options many organizations are looking for. Nucleus has found that enterprise and midmarket organizations are choosing Adaptive Insights for its ease of use, greater collaboration capabilities, cloud deployment and competitive functional capabilities. For many of these organizations, moving away from traditional spreadsheets to a fully integrated, and trusted environment has made a significant impact on adoption and engagement by users. By combining this scale and functionality, Adaptive Insights has quickly moved upmarket from mid-sized organizations to the enterprise in comparison to other CPM vendors that have traditionally served the mid-market. This adoption has been aided by Adaptive Insights's demo offering, which is a fully-featured and includes free phone support for the length of the trial. Nucleus found that this high degree of functionality and service was a key differentiator during the sales process compared to other SMB and enterprise-focused CPM vendors, leading to a high degree of usability and ease of implementation

In the past year, Adaptive Insights has introduced several new capabilities including social collaboration, an improved user experience and improved analytics. Improvements have been made for greater flexibility for spreadsheet manipulation and movement between solutions, while maintaining the comfort level many users have with an Excel-like interface. Adaptive Insights has also made significant improvements in the mobile capabilities, providing the users greater flexibility and usability options regardless of the device. Adaptive Insights has developed integrations and partnerships with leading cloud vendors, giving customers the confidence that their enterprise solutions will integrate with their Adaptive Insights implementation.

Going forward, Adaptive Insights can improve its functionality by providing stronger predictive and prescriptive capabilities to guide future performance, vertical-specific offerings, and greater language support. Adaptive Insights is making strides in all of these areas, and Nucleus believes Adaptive Insights already provides a strong CPM offering for companies of all sizes that are willing to look at a cloud-based solution.

## **BOARD**

Board is a Swiss-based CPM company that provides consolidated performance management and business intelligence on a single, shared data model. Board's combined offering allows companies to easily rationalize their data management and metadata strategies with the practical upshot of accelerating the time-consuming aspects of data integration that plague analytics and performance management deployments. As a result, Board provides a high level of data maturity and analytics compared to most CPM solutions while supporting accelerated time-to-value across financial, strategic, and operational planning use cases. This maturity leads to high customer satisfaction led by Board's ability to deliver value consistently based on a strong data-driven infrastructure (Nucleus Research *m87 – Benefits of Board International*, July 2012).

In January 2014, Board released 8.1, with support for mobile access to applications, including Windows 8 and Apple iPads. Users can now access their applications with mobile devices and can also use the application and data in offline mode, reducing the risk of lost work in low network areas. Mobile deployment is simplified with a common code based approach used to develop the applications, though some screens are not yet available, but work is continuing to extend the support to all screens. Board has also improved performance, security, localization, and scalability to meet the needs of its growing number of enterprise global customers. Board continues to focus on improving enterprise performance by providing greater usability, and improved performance with analytical and planning capabilities in a single architecture.

Over the past year, Board has seen success against business intelligence visualization vendors that lacked back-end analytic support as well as performance management vendors that did not provide analytics functionality that Board supported. Board has implementations that support thousands of users, and continues to have customers choose its solution based on the combined BI and CPM flexibility it provides users

Although Board has strong analytics and visualization capabilities relative to other CPM vendors, the company can continue to increase its usability and scale by pursuing a cloud solution that is on par with its existing on-premise, desktop solution. By extending this strong analytic performance management solution to remote and distributed users, Board can extend the reach of its CPM offerings.

### **IBM**

IBM provides CPM through the Cognos TM1 platform, which allows IBM to provide integrated CPM capabilities. When paired with Cognos business intelligence, clients achieve a high performing, scalable, cross-enterprise BI and PM environment. This platform approach stands in contrast to the traditional mega-vendor approach to CPM, which involves offering a variety of software applications that challenge end users to obtain value. IBM customers identified these platform characteristics as a strength as these end users started with a specific solution or blueprint based on their initial corporate need. Corporate needs shift over time and customers realized needs for a more personalized platform to incorporate more holistic performance management capabilities based on demands for improved budgeting, forecasting, and expense, capital, and strategy management. IBM is providing a simplified and collaborative user interface for these users to meet the demands of wide deployments, and greater adoption.

Late in 2013, IBM announced a bi-directional integration of SPSS Modeler with Cognos TM1, allowing users to incorporate predictive analytics into TM1 and allowing organizations to incorporate predictive analytics into enterprise planning, profitability modeling, forecasting and analysis. Organizations can now gain more understanding and

predictability in their financial planning and performance management processes, by taking advantage of the solution integration.

Over the past year, IBM has made significant progress in providing greater deployment flexibility and an improved user experience. Customers can now choose to deploy Cognos TM1, Disclosure Management and Sales Performance Management in the cloud, with the others to follow in the next year. The focus for IBM is to ensure all CPM solutions will be SaaS or on premise, providing customers with the deployment options they've been asking for. IBM has also made mobile a strong deployment option for customers, with extended capabilities, collaboration, and the ability to work through analytic performance management tasks lists and activities on mobile devices.

IBM Concert, which is the new collaborative user experience for all the performance management solutions, blends social, mobile, dashboard, reporting, and analysis capabilities. IBM Concert will be the common, unified user experience for all performance management activities, providing the environment in which users can access all their business processes, reporting, and analytics.

IBM has continued to enhance customers' abilities to manage automation and integration functions, multiple data sources and repositories with IBM Cognos Command Center and the Cognos Integration Server, which is based on the Star Analytics acquisition made last year. These solutions ease the challenge of switching data environments, managing libraries of business functions and provide support for hybrid cloud and on-premise environments. IBM has made it easier for customers to implement consolidated reporting, analytics, and process management.

### **Infor**

Infor provides a set of CPM capabilities including core planning, budgeting and forecasting (PBF), profitability, strategy, and financial planning and integrates them with analytic functionality, which provides a relatively high level of usability and ease of management. Infor CPM uses its common technology platform, called Infor Dynamic Enterprise Performance Management (d/EPM), which is an end-to-end offering, bringing together CPM with BI/analytics and compliance with an in-memory multi-dimensional architecture. This provides organizations with a common data model, and a single version of the truth, supplying analytics, reporting, PBF, financial consolidation, workforce budgeting, strategy management, and compliance with the consistent values that users can trust. In addition, the in-memory architecture provides real-time consolidations, and rapid feedback on forecasts and plans. Infor has taken several CPM capabilities and included them in other applications. For example, reconciliation and close management as part of the core financials applications, and Infor ION provides workflow and event monitoring. As well, Infor has XBRL support via a partner.

Infor's vendor-neutral approach to supporting enterprise data based on pre-built connectors, and its competitive pricing allowed Infor CPM customers to accelerate time-to-value by quickly moving through the sourcing and implementation stages.

Infor has focused on improving the user experience associated with its applications as a whole. In particular, Nucleus has spoken with customers that used Infor's mobile applications and found that Infor provided strong dashboarding and reporting capabilities compared to competitive products.

Although Infor's CPM customers have not noticed the same degree of transformation that other Infor application customers have seen, Nucleus expects that Infor customers will continue to experience improved usability as Infor continues in this strategic direction of supporting mobility, improved user experience, collaboration, cloud, and a micro-vertical focus for providing value.

Infor's new focus on user experience could be a significant advantage in providing usability and value on a going forward basis. To increase functionality, Infor also needs to provide more focused micro-vertical roadmaps for customers and provide more proactive recommendations for improving operations and ongoing performance. As Infor provides these advanced CPM capabilities and end users adopt these solutions, Nucleus expects that Infor CPM customers will have a unique advantage in being able to scale their implementations more quickly due to the inherent usability advantage associated with Infor's current focus on user experience design, cloud, and mobile applications.

### **SAP**

SAP is one of the three largest CPM vendors with a portfolio built both from organic and acquired assets under the SAP solutions for Enterprise Performance Management umbrella. In general, end users were satisfied with SAP capabilities in core CPM areas as well as strategic capabilities ranging from profitability to business planning, strategy management and disclosure management. In the previous year, SAP differentiated its CPM offer through its breadth of pre-delivered content, integration with SAP enterprise applications, and use of emerging technologies such as mobile, cloud, and in-memory computing.

SAP's mobile capabilities stand out both for the breadth of performance management capabilities made available on mobile devices and for the ability to enter data and complete processes via mobile device. Nucleus spoke with multiple companies already using SAP's mobile performance management application to accelerate the completion of financial workflows while the majority of mobile users with other vendors just had read-only access to basic dashboards and static reporting.

SAP's CPM solutions are integrated into other SAP applications, predictive and analytic tools, providing improved access and analysis capabilities for users, leveraging the

enterprise investments, and providing that single version of the truth that simplifies decision making and increases productivity.

SAP's EPM solutions such as SAP Business Planning and Consolidation (BPC), version for SAP NetWeaver, can run on the SAP HANA platform, which supports multi-dimensional reporting tasks and high performance in-memory processing, and is also the basis of SAP's HANA cloud platform. This is increasingly important in a CPM solution that uses multiple sources and measures multiple aspects of corporate performance. In addition, SAP made Business Planning and Consolidation for SAP NetWeaver available on the HANA Enterprise cloud for customers seeking a cloud solution. SAP continues to simplify the performance management user interfaces (UI), with the new HTML5 web UI, mobile applications, such as the SAP Strategy Management mobile application and SAP EPM Unwired for SAP Business Planning and Consolidation. In addition, SAP has extended the reach of performance management processes into the business by providing basic budget input and analysis through an Apple iPad. Most CPM vendors leverage mobile for data consumption with no ability to plan/write-back directly in the mobile devices, and SAP sees these capabilities as market differentiators.

SAP CPM implementations and support are highly variable because SAP users tended to be more likely to use third-party partners than the typical Nucleus CPM user. Although EPM 10.0 has made complex integrations significantly easier for SAP customers, Nucleus recommends careful due diligence for customers that are not using SAP support and choose to use third-party consulting for these tasks, as much of the variance in SAP satisfaction came from partners that did not fully capture data requirements for customers asking for new components such as Strategy, Profitability, and Disclosure either as add-on components or as part of a migration to SAP NetWeaver.

### **ORACLE**

Oracle CPM products, facilitated through the acquisition of Hyperion, have long been considered the gold standard in CPM based on the traditional view of solutions as budgeting, reconciliation, and financial closing tools. Nucleus found that this is still true, as both vendors and end-users typically use Oracle CPM as the standard for comparison. Oracle has functionality in all of the key areas of both traditional and modern CPM, especially with the integration of OBIEE with Financial Management and ability to run Oracle Hyperion on Exalytics for in-memory performance. However, as profitability, strategy, and disclosure have increasingly become important aspects of the CPM suite, Oracle has faced challenges in gaining adoption for the entirety of its CPM suite.

End users interviewed by Nucleus typically only use financial tools in Oracle's CPM suite rather than newer revenue, strategy-based, and risk-based capabilities because these additional functionalities require the purchase of new applications that need to be integrated with existing data and CPM applications. Several vendors profiled in the Value Matrix have demonstrated value-added wins for traditional Oracle customers seeking to



augment PBF with additional functionality. This lack of adoption for the value-added and newer CPM capabilities resulted in a lower score for end user applications of Oracle functionality compared to the other two mega-vendors in the CPM space, IBM and SAP. This score was not based on the functionality offered by Oracle, but on the adoption of functionality by end users.

In addition, Nucleus found that Hyperion customers were challenged in both the implementation and support of their CPM solutions in comparison to CPM customers of other mega-vendors with the exception of those with strong Oracle consulting assistance, either directly from Oracle or from a third-party. As Oracle converts its CPM capabilities to the cloud, consolidates applications into a single code base, and makes it easier for existing customers to integrate strategy, data management, and other non-financial aspects of its solution, Nucleus expects that Oracle will increase the adoption of CPM functionality within its customer base.

In April 2014, Oracle released two new mobile capabilities for its enterprise planning, reporting, and financial close applications: Oracle EPM Mobile allows managers and executives to engage in EPM workflows and approvals using their smart phones and tablets, and business users will have easy access to the functionality of Hyperion Planning from tablet devices. This new capability delivers a fully-functional browser based experience for all commonly used Oracle Hyperion Planning features, including accessing task lists, approving budgets, viewing reports, entering data and running planning scenarios.

From a usability perspective, Oracle continues to face the challenges of easing implementation and support, increasing the breadth of implementation offerings to fully support the cloud, and providing more favorable licensing and sourcing options for customers. Oracle has made strides in this direction such as providing a planning and budgeting as a cloud service and the launch of Hyperion Tax Provision, which integrates financial consolidation with tax consolidation. Over the next year, Nucleus looks forward to tracking the uptake of Oracle's Cloud Service and the value attributed to Oracle's simplified integration of CPM applications.

## **EXPERTS**

---

Experts provide a high level of CPM functionality driven either by their maturity of data utilization or by supporting new and innovative functions in the market such as tax planning or workflow management. Companies with a strong technical or financial background should look at these solutions to gain additional value. Experts include arcplan, Exact-Longview, and SAS.

### **ARCPLAN**

arcplan provides an integrated platform of business intelligence and CPM capabilities with an open integration approach for various databases and platforms. This includes basic planning and budgeting, audit trails, and predictive forecasting tools. Its combination of analytics, workflows, and design environment allows customers to support non-standard CPM use cases and arcplan customers see this solution as an easy way to create customized CPM-based applications, which has led to a strong value proposition.

In addition, arcplan has mobile support for major devices and operating systems, which adds remote access to the granularity of process mapping and templates, and with the release of arcplan 8 in September 2013, a new user interface, and greater mobility access, including workflows, data entry and collaboration. This combination of mobile and process management provides differentiation against peer vendors and allows arcplan to provide value-added workflows that integrate with CPM solutions such as Oracle Hyperion.

arcplan Edge is an integrated budgeting, planning, and forecasting (BP&F) solution for organizations of any size that seek to streamline processes and shorten budgeting cycles by 50% or more. It enables users to gain control of lengthy, spreadsheet-based budgeting processes, improve the accuracy and timeliness of plans, and trade in tedious, manual work for more time to analyze data and make informed decisions. arcplan's customers have seen their financial planning go from months-long manual processes entirely based on spreadsheets to fast, automated processes that enable monthly reporting, quarterly forecasts, and accurate, timely annual plans.

### **EXACT-LONGVIEW**

Exact-Longview provides a single integrated CPM suite, which is enhanced by a special focus on tax provisioning that has pushed the CPM market to respond. Customers consistently noted the value of Longview tax provisioning as a key differentiator. In addition, Longview launched a subscription-based cloud service, although Nucleus noted that current customers were not seeking to move towards the cloud. Rather, Longview's cloud service was being considered by companies seeking net-new CPM deployments in comparison with other cloud vendors such as Host Analytics and Adaptive Planning.

Because of Longview's focus on the financial user, the solution lacks some of the line-of-business functionalities used by other vendors to granularly align CPM to sales management or other parts of the business. In addition, Nucleus found that Longview implementations tend to take longer than average, but that this was because Longview implementations tended to be more complex than average and because of the due diligence and structure associated with their consultative deployment process. In general, Longview customers are very satisfied with the service and support that they receive.

## SAS

SAS is best known for its strong analytic capabilities and SAS for Performance Management customers were quick to mention the strong forecasting and functional analytic capabilities embedded into CPM, including recommended statistical models based on data entered into Financial Management. This proactive modeling and forecasting provided a high level of value for end users that sought to take a more analytic approach to performance management, but lacked the statistical training to fully take advantage of existing tools. In addition, SAS also provides an Amazon-based cloud offering for their Activity-Based Management offering, which led to both a cost-effective trial, and a low total cost of ownership for end users.

In 2014 SAS is releasing an update to its Activity-Based Management solution, moving the activity-based costing capability to an in-memory solution, which will reduce model calculation times significantly. Users will have a much quicker turnaround, flexibility for model building and testing, rapid scenario modeling, and more frequent model update and deployment.

SAS's advanced analytics capabilities are evident throughout its CPM solutions. For example, users can benefit from embedded correlation analytics in strategy management, which allows users to test their assortment of metrics for relevancy and to select the best metric for the purpose, rather than unknowingly measuring the same thing three different ways. SAS has also embedded a forecasting capability in financial management, which produces on-demand consolidation using the in-memory data processing, removes the need for both a separate high-performance forecasting software application and the burden and difficulty of transferring financial forecasting data back-and-forth between two different business applications.

There is an industry-wide effort in CPM towards usability and self-service. SAS provides usability features, such as the wizard-driven business-user forecasting in SAS Financial Management, which requires little or no need of an understanding of the underlying statistics and analytical processes. SAS has a single, integrated solution for consolidation, reporting, budgeting, planning and forecasting, providing this capability into one application, simplifying deployment and business rule complexity. As SAS standardizes and improves its approach towards implementation training, changes the user interface to match existing trends in CPM and enterprise applications, the relatively low usability score will change over time.

Based on conversations with SAS customers, Nucleus believes that SAS has unique analytic capabilities integrated with CPM and is well suited for companies seeking advanced CPM-based forecasting, profitability, and correlative statistical modeling associated with financial PBF, consolidation, and reporting.

## **FACILITATORS**

---

Facilitators in the CPM Value Matrix provide a solution that is easy to deploy, service, and augment. By focusing on user interface, scalability, mobility, and international language support, these solutions are recommended for companies seeking to easily deploy a CPM solution. Facilitators include Host Analytics, QPR, Salient, Tagetik, and Vena Solutions.

### **HOST ANALYTICS**

Host Analytics is a multi-tenant cloud-based CPM solution which has seen success in selling to small and mid-sized organizations. Customers mainly focused on using core PBF capabilities although Host Analytics also provides a number of modules for consolidation, reporting, and decision management as well. Host Analytics customers were very satisfied with the value they received, both in terms of pure cost and the level of functionality received. In addition, Host Analytics OEM's Birst, which was previously named as a Leader in the Second Half 2013 Analytics Value Matrix based on its cloud data warehousing and visualization, which provides a strong base for Host Analytics to deliver scalable and functional reporting associated with core CPM capabilities.

Nucleus noted that when users did not choose Host Analytics, it tended to be because of a lack of visibility regarding Host Analytics's functional capabilities rather than any concerns regarding Host Analytics's support. This provides an opportunity for Host Analytics to expand with existing customers and win more customers going forward simply by providing greater upfront and ongoing visibility regarding the modules and analytics that Host Analytics now provides. As more users take advantage of Host Analytics's CPM functionality outside of core PBF, Nucleus expects that Host Analytics's functionality score will increase over time.

### **QPR**

QPR is a Finnish vendor focused on providing process management for strategic management and planning as well as contextual metrics and reports. In speaking with QPR customers, Nucleus found that both QPR ProcessAnalyzer and QPR Metrics were implemented very quickly in comparison to other solutions. In addition, these solutions were relatively scalable, especially ProcessAnalyzer which had a cloud-based product architecture. As a European-based solution, QPR had a strong focus on localization with support for 26 languages.

In January 2014, QPR released QPR Suite 2014, which included enhancements to improve usability, extended platform support, a new reporting backend using Microsoft's Reporting Services, and improvements to the PowerPoint export and PDF printing. QPR has also included greater flexibility for customization and the ability to include further security for user access. QPR has solutions for different verticals such as healthcare, and they are fully customizable to meet customers' needs. QPR Metrics can be linked to QPR

ProcessDesigner and QPR EnterpriseArchitect for integrating performance measurement and risk management in enterprise architecture models.

Because of QPR's ease of implementation and broad language support, Nucleus saw that QPR provided value to multinational organizations seeking a process management, scorecard, and compliance solution. However, to continue growing and improving, QPR must also consider predictive analytics, mobility, and continued integration with new data sources to evolve in providing greater process and workflow visibility to its customers.

### **SALIENT**

Over the couple of years, Salient has made dedicated efforts to provide both a consistent and highly functional user experience across computers and mobile devices. Users noted that these efforts have greatly increased access to information, improved role-based discovery capabilities, and accelerated performance for ad-hoc reports and queries associated with performance data. All of these improvements led to greater ease of use. At the same time, customers also noted that initial deployments scaled easily without any significant performance or usability issues.

This spring, Salient will release the next version of its Collaborative Intelligence Suite, version 5.7, continuing to deliver rapid in-memory processing performance and collaborative knowledge management designed to improve business, operational and financial performance across the enterprise.

Salient end users were typically more focused on strategic management, revenue and profitability management, and decision support efforts rather than traditional financial PBF tasks. They gained value by linking financial and operational performance and reducing compliance costs by gaining greater ongoing visibility to their performance environment.

### **TAGETIK**

Tagetik is a performance management and disclosure management vendor based in Italy that continues to make inroads into North America. Customers considering or purchasing Tagetik both were attracted to the single platform used by Tagetik to manage CPM processes and the focus on financial intelligence and accounting that allowed customers to gain greater insight into existing financial data compared to other comparable solutions. Because of this, customers were mostly likely to use Tagetik for financial consolidation and disclosure management associated with complicated financial environments. Tagetik CPM customers were pleased with the value and support that they received.

In May, 2013, Tagetik announced an OEM agreement with SAP, and the development of Tagetik 4's direct integration with the SAP HANA platform, allowing users to leverage the performance of SAP HANA for real-time, in-memory analytics that can advantage of the pre-built financial intelligence validated data in Tagetik for financial and business analysis.

It also allows finance to own and manage SAP HANA analytical models without depending on IT to build or maintain them, reducing the reliance on IT.

In response to market demand, Tagetik has launched both a cloud-based version available on Amazon Web Services or Microsoft Azure and a simplified version of Tagetik focused on small organizations with less than 50 users. Customers using the simplified version had short implementations with costs that were below average in the CPM market. Tagetik also uses RoamBI to provide mobile analytics for customers. These capabilities and improved implementation, cloud, and mobile CPM has led to Tagetik's placement in the Facilitators' category.

### **VENA SOLUTIONS**

Vena Solutions is a performance management vendor who provides budgeting, forecasting, planning, reporting, and analytics. Vena's solution is web-based, and can be deployed in the cloud or on premise. Its solution uses Microsoft Excel as the basis for its user interface, and provides key capabilities that extend Excel to meet many of the concerns that can cause Excel customers to seek other solutions. Because Vena is fully integrated into the Excel interface, customers stated the ability to leverage the work and investments they've made in worksheets, formulas, and templates syntaxes, as well as benefit from the familiarity their organization had with Excel, ensured a high level of adoption. Users were able to quickly adapt to the new capabilities and templates, and gain value from the process control, as well as the performance of the in-memory capabilities within Vena. The Vena solution provides the flexibility, process control, security, workflow management, and reporting capabilities that organizations were seeking, without the need to move away from using Excel.

Vena's cloud implementation is single tenant at this point, but will be multi-tenant later in 2014. It leverages Amazon Web Services as well as Microsoft Azure for its cloud environment. Since its inception, Vena has seen a steady increase in cloud implementations, and many of its larger customers are moving to this environment.

Vena is well on its way to meeting the needs of the finance groups, with extended mobile distribution capabilities coming later 2014, as additional finance capabilities such as Disclosure Management. Because Vena allows organizations to maintain their Excel environment while mitigating some of the challenges surrounding the use of spreadsheets that motivate many to seek other solutions, it is a strong solution for those seeking financial planning and budgeting. As more capabilities are released that will extend its offerings within the CPM space, and its attractive subscription licensing structure, Vena will continue to offer organizations that are strong Excel proponents a strong and viable solution.

### **CORE PROVIDERS**

---

Core Providers support PBF capabilities and provide a good starting point for companies currently using Excel or other spreadsheet solutions to support financial PBF tasks. In addition, Core Providers allow customers to support scorecarding and reporting capabilities that surpass those available in basic spreadsheets. Core Providers include Bitam, and KCI Computing.

### **BITAM**

Bitam provides on-premise and SaaS-based CPM solutions that includes basic PBF, financial consolidation and reporting, and a strategy management component that represents Bitam's most commonly used functionality among Nucleus end users. However, every Bitam customer that Nucleus spoke with had a separate solution for portfolio management and disclosure management. Because of this, Bitam is seen as easy to implement, but with limited functionality as companies grow beyond the scope of Bitam's capabilities or are held to more stringent regulatory and compliance boundaries than Bitam currently supports.

### **KCI COMPUTING**

KCI Computing provides a solid core portfolio of CPM capabilities through the Control solution, and uses Excel as the user interface. Customers noted the ease of using KCI Computing to drill down across various functionalities ranging from basic budgeting to forecasting, pricing, and cost analysis. KCI Computing was seen as a valuable solution for profitability analysis and for visualizing statistical analysis associated with corporate performance and has won deals against Oracle, Exact-Longview, and multiple cloud-based CPM providers based on its granular reporting detail, multi-currency support, and management of commentary and metadata. In addition, because KCI Computing was able to support a number of different database formats, it was seen as a useful tool to aggregate performance data from across the enterprise.

Because KCI Computing lacks support for tax and strategy management, it is best used as part of a best-in-breed approach for companies seeking a high level of detail and metadata consistency while using other point solutions for modules that KCI Computing does not currently support. KCI Computing has relatively simple licensing and implementation options, including examples of implementations conducted without IT support, which allow customers to start using KCI Computing relatively easily. However, KCI Computing does not currently support a hosted solution and its mobile capabilities are limited to read-only displays at this point.

### **VENA SOLUTIONS**

Vena Solutions is a performance management vendor who provides budgeting, forecasting, planning, reporting, and analytics. Vena's solution is web-based, and can be deployed in the cloud or on premise. Its solution uses Microsoft Excel as the basis for its user interface, and provides key capabilities that extend Excel to meet many of the concerns that can cause Excel customers to seek other solutions. Because Vena is fully

integrated into the Excel interface, customers stated the ability to leverage the work and investments they've made in worksheets, formulas, and templates syntaxes, as well as benefit from the familiarity their organization had with Excel, ensured a high level of adoption. Users were able to quickly adapt to the new capabilities and templates, and gain value from the process control, as well as the performance of the in-memory capabilities within Vena. The Vena solution provides the flexibility, process control, security, workflow management, and reporting capabilities that organizations were seeking, without the need to move away from using Excel.

Vena's cloud implementation is single tenant at this point, but will be multi-tenant later in 2014. It leverages Amazon Web Services as well as Microsoft Azure for its cloud environment. Since its inception, Vena has seen a steady increase in cloud implementations, and many of its larger customers are moving to this environment.

Vena is well on its way to meeting the needs of the finance groups, with extended mobile distribution capabilities coming later 2014, as additional finance capabilities such as Disclosure Management. Because Vena allows organizations to maintain their Excel environment while mitigating some of the challenges surrounding the use of spreadsheets that motivate many to seek other solutions, it is a strong solution for those seeking financial planning and budgeting. As more capabilities are released that will extend its offerings within the CPM space, and its attractive subscription licensing structure, Vena will continue to offer organizations that are strong Excel proponents a strong and viable solution.

## METHODOLOGY

---

The Value Matrix is based on functionality and usability, the two core measures that Nucleus has found indicate an application's ability to deliver initial ROI and, ultimately, maximum value over time (Nucleus Research *m106 – Understanding the value matrix*, October 2012).

Usability composite scores are based on a number of factors, including intuitiveness of the application, availability of role-based interfaces, training requirements, and productivity impact on users. Functionality composite scores are based on the breadth and repeatability of functionality in the core application, the availability and ease of integration of add-on functionality that delivers additional benefit, and the vendor's investment in innovative functionality outside the application that will deliver additional benefits.

The Matrix is divided into four quadrants: Leaders, Experts, Facilitators, and Core Providers:

- Vendors in the Leaders quadrant have invested in both functionality and usability features likely to deliver the greatest potential returns.



- Vendors in the Experts quadrant have invested in deep functional capabilities that, by nature, make the application more complex and thus require more training and expertise to use than Leaders.
- Vendors in the Facilitators quadrant have invested in making their applications intuitive and easy to use, driving rapid adoption with limited training requirements.
- Vendors in the Core Providers quadrant are point solutions or those that provide limited functionality at a relatively low cost, giving them a high value proposition when limited functionality is needed.

Companies can use this Matrix to assess their investment short list as well as to evaluate the case for maintaining an existing product that may lag behind the value offered by other options. Nucleus expects the center point of the Matrix, which represents the composite average point in the market, will move up and to the right over time as vendors make more investments in functionality and usability – effectively increasing the average value delivered across all products.