




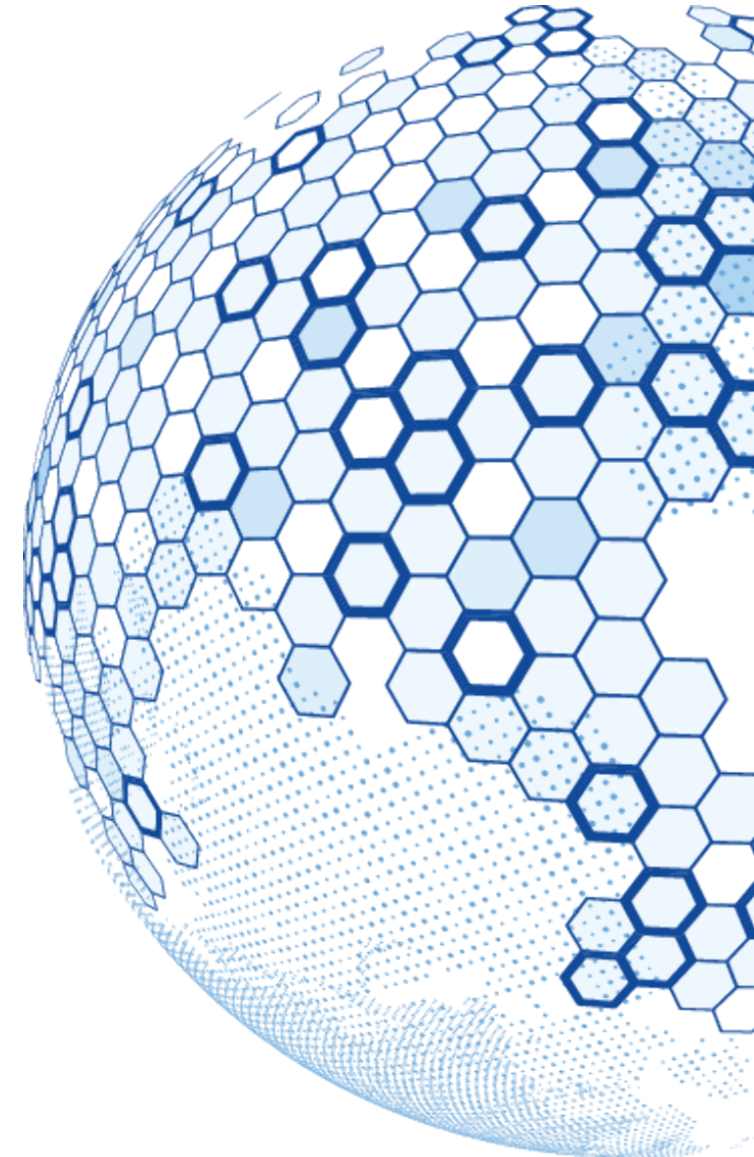


Extended planning & analytics

Extended Planning & Analytics

Agenda

-  1. Latest trends
-  2. Panel discussion
-  3. Discussion in the plenum & Q&A



Extended Planning & Analytics

Presenter & participants



Presenter



Miriam Hirs
Director

Business finance lead

Deloitte.



Jochen Büter
Manager

Planning & forecasting lead

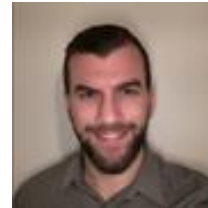
Deloitte.

Panel discussion participants



Alexandra Lecompte
Senior Director FS, Oracle

ORACLE®



Dan Moriarty
Director of Accounting, Anaplan

Anaplan



Rich Wagner
Founder & CEO, Prevedere

prevedere

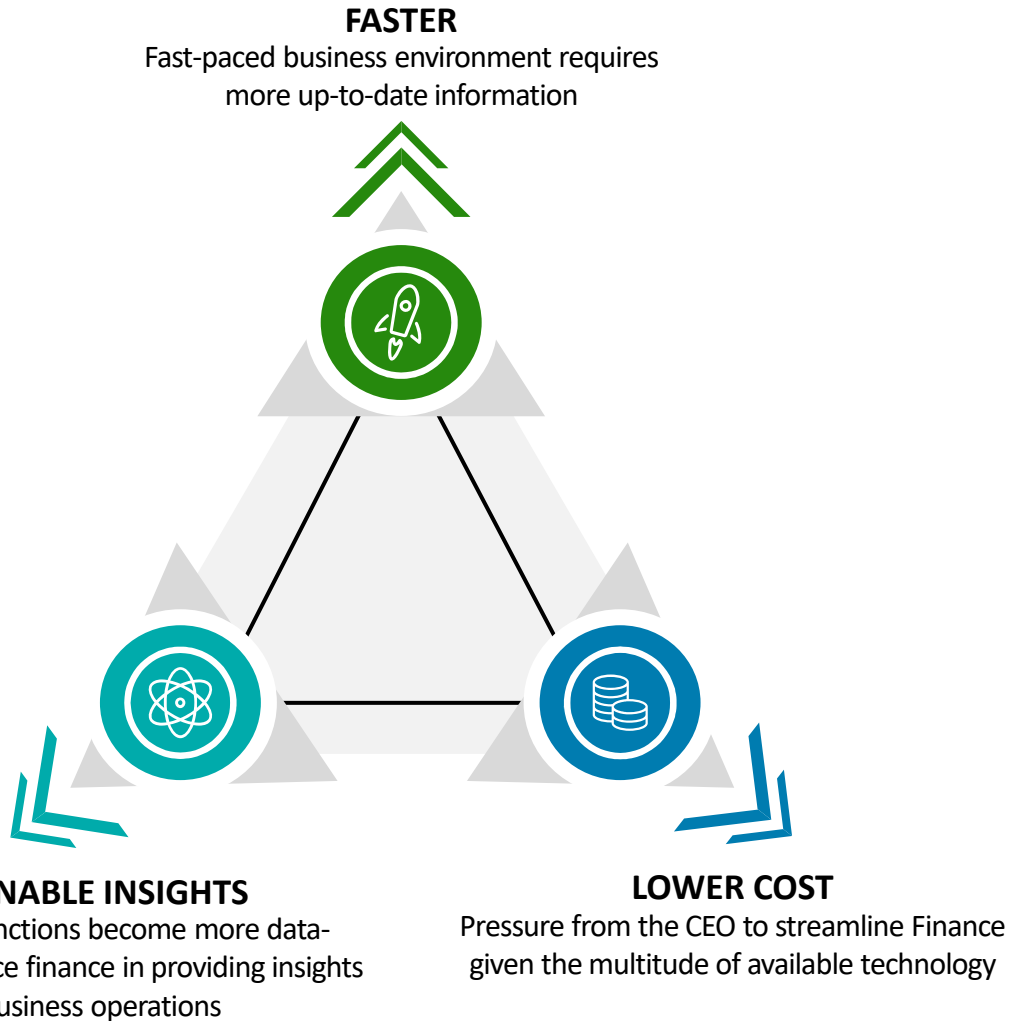


Clemens Küchler
Sales Lead, Planning & Analytics

workday®

Current challenges of traditional FP&A

Provide better actionable insights, faster and at lower cost



GLOBAL PLANNING, BUDGETING & FORECASTING SURVEY*

Up to **3** months

old is financial forecast data in majority of organizations

> **FASTER - Accelerate frequency**

Only **1 %**

of respondents have **fully automated** their management information process

> **LOWER COST - Standardize & automate**

Only **25 %**

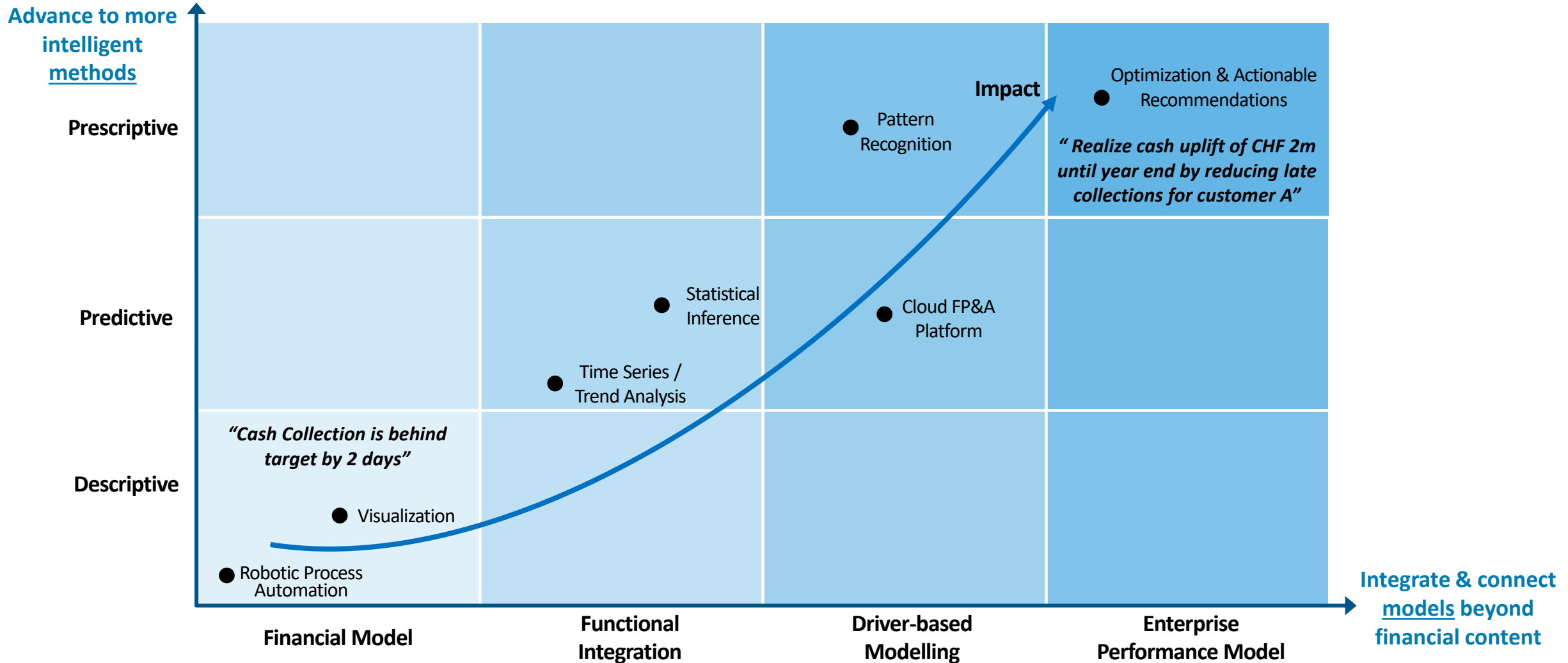
of participants leverage **algorithmic forecasting** or operate **highly connected Sales & Finance plans**

> **ACTIONABLE - Integrate, connect & analyze**

* The 2021 global planning, budgeting & forecasting survey considers replies from over 750 organizations across 55 countries and various sizes. The survey was conducted between January and mid-May 2021.

Potential solutions

Advance methods and models towards XP&A capabilities



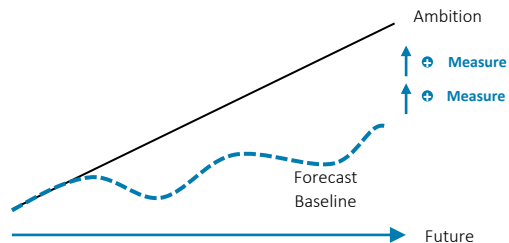


Advance to more intelligent methods

Let advanced methods produce insights for you

Prescriptive

Actionable Insights



- Generate actionable recommendations using prescriptive tools and cognitive automation
- Run optimization analyses based on key business drivers
- Identify the potential best course of action

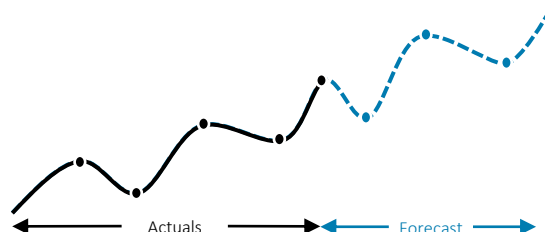
A tangible example

What can we do about it?

Realize cash uplift of CHF 2m by reducing late collections for future order volume

Predictive

Faster Predictions



- Increase efficiency through predictive functionalities
- Prioritize the most impactful trends and underlying data sets (internal & external)
- Define key scenarios and predict future outcomes

What is likely to happen?

Deterioration of DSO by additional 3 days resulting in lost cash flow of CHF 2m.

Descriptive

Standards & Automation

Prior Year	Budget	Actual	YoY	YoY %	Δ BUD	Δ BUD %
8	8	10		+%		+%
11	11	10		-%		-%
8	8	10		+%		+%
11	11	10		-%		-%

- Automate repetitive and standardized activities
- Design fit-for-purpose financial steering models
- Leverage visualization tools

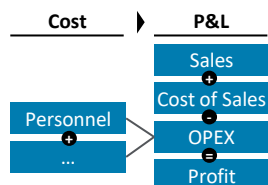
What and why did it happen?

Days Sales Outstanding (DSO) are behind target by 2 days

Integrate & connect models beyond financial contents

Bring business acumen into financial modelling and connect to operational plans

Financial Modelling

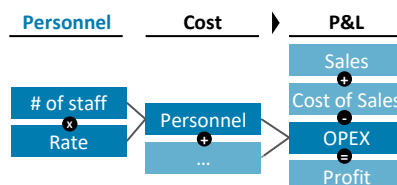


Financial model is **tailored to each business** as foundation to steer financial performance

What happens?

Lower profit due to **higher personnel costs**

Functional Integration

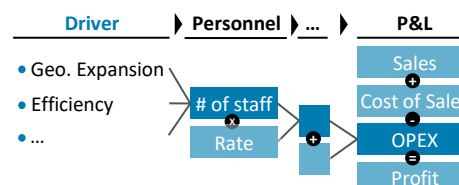


Functional plans, e.g. HR or Supply Chain plans, are **integrated** into financial model

How does it happen?

Headcount (FTE) increases in sales department

Driver-based Modelling

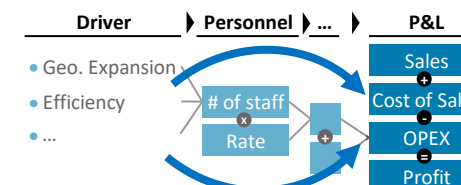


Enrich input factors with **underlying business drivers**

Why does it happen?

Geographic extension into region North-West

Enterprise Performance Modelling



Connect drivers across input factors to reflect the holistic impact of business drivers across financial KPIs

What impact does it have?

Higher sales volume and price increases, partially offset by **higher personnel cost**.

Extended performance steering (xP&A)

Indicative Market Overview

Successful application for demand & sales forecasting, lower adoption level for KPIs with higher controllability



USE CASES PER INDUSTRY & SCOPE

	Consumer	Life Sciences & Health Care	Financial & Prof. Services	Energy, Resources & Industrials	Government & Public Service	Technology, Media & Telecom.
Sales & Demand	Dark Blue	Dark Blue with Star	Light Blue	Dark Blue	Grey	Dark Blue
CoGS/ Gross Profit	Grey	Grey	Light Blue	Grey	Grey	Grey
OpEx / Profitability	Light Blue	Dark Blue	Light Blue	Grey	Grey	Dark Blue
Cash	Light Blue	Light Blue	Grey	Grey	Grey	Grey
CapEx	Grey	Grey	Grey	Grey	Grey	Grey

few extended

Use Case Example

OUR OBSERVATION

- Successful applications for demand & sales forecasting using driver-based models as foundation with external factors
- Selected test cases for COGS predictions with unsatisfying results – internal complexity of Product Cost Accounting
- Limited application for OPEX forecasting due to higher controllability – focus on simple time series models



Use case

Predictive sales forecasting in pharmaceutical industry

CHALLENGE

- **Lack of harmonization and standardization** across geographies
- **High workload** to generate forecasts
- **Disconnected** financial and functional planning

SOLUTION

- A standardized **financial planning & analysis model**
- Application of **predictive analytics** to pre-populate input factors
- **Collaborative FP&A platform**

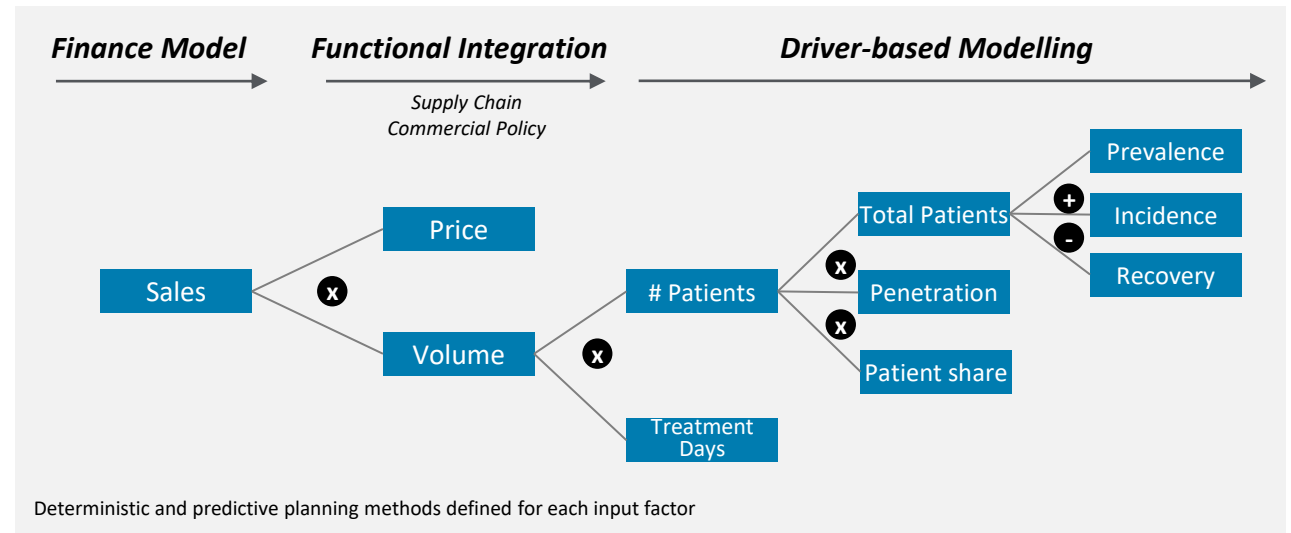
IMPACT

Increased quality of planning and forecast conversations:

- ✓ Optimizing and **accelerating decision making**
- ✓ Facilitating **cross functional** discussions
- ✓ Developing **transparent set of assumptions and forecasts**

MODEL

illustrative



ENABLER



Cloud FP&A Platform



Predictive Analytics



External Data



Scenario Analysis

Extended Planning & Analytics

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