


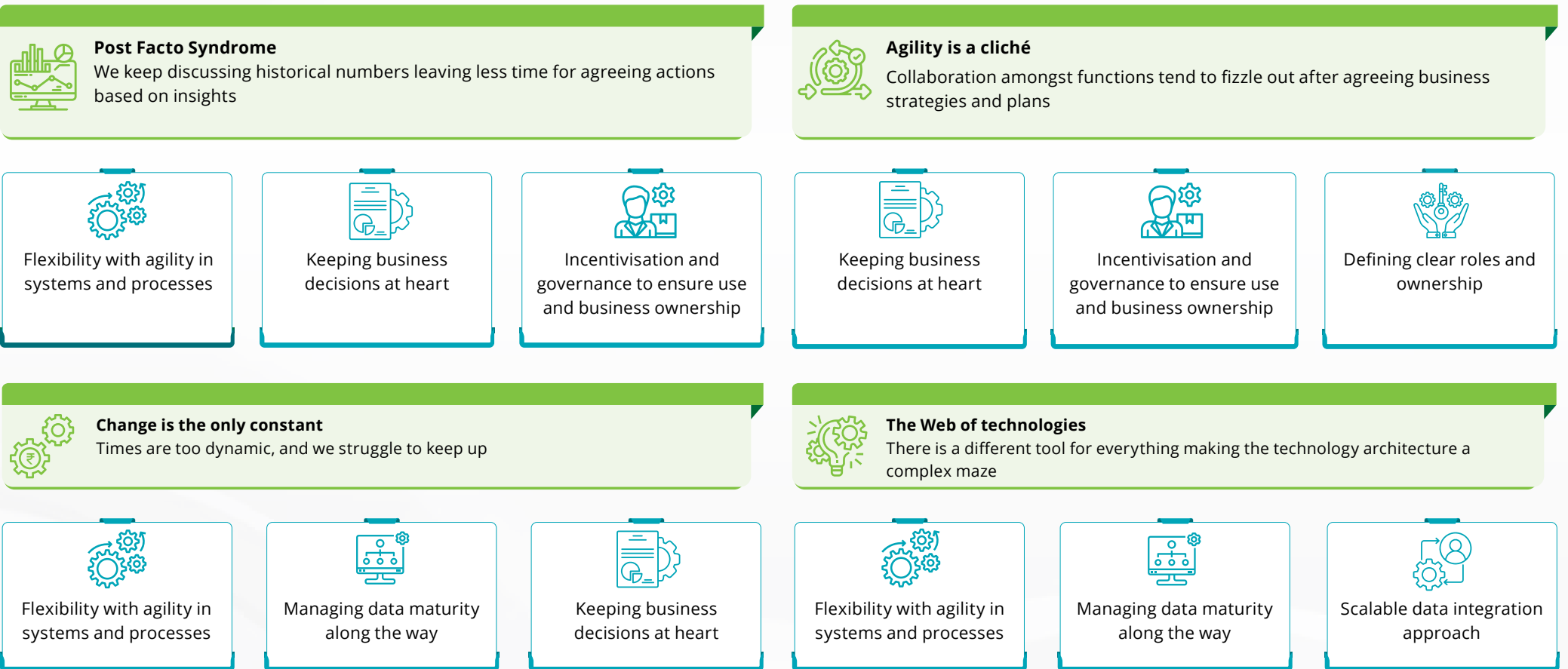
Making Enterprise  
Performance Management  
(EPM) journeys successful

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The space of Enterprise Performance Management (EPM), specifically around deploying sound enterprise planning mechanisms has always been one of the key transformations on the agenda of CXOs.

 Our clients continue to question us, "Are we sweating our EPM investments effectively?"

Below is a summary of key challenges mapped to considerations that can help drive resolution of identified challenges:



■ Challenges ■ Considerations

## Explanation of Challenges



### The POST-FACTO syndrome

Most of the planning and performance review forums continue to be informationsharing sessions (reporting of past performance supported by 30,000 feet high-level variance analysis). On the contrary, executives should be discussing which products/markets are doing well and which are not and their mitigation steps, driving execution based on the analytics and re-aligning plans (based on changing business drivers). The demarcation of budgeting and forecasting, with budgeting as the strategic view an organisation wants to achieve and forecasting used as the best view of the likely outcome based on the current trajectory, allows course adjustment and correction.



### Agility is a cliché

There has been a considerable improvement in crossfunctional collaboration, which has facilitated better execution of business strategy. However, agility in responsiveness supported by crisp scenario-based insights remains elusive. The global pandemic has had a significant impact on most organisations. It has become imperative for the CFOs and FP&A leaders to help the planning and budgeting process evolve, be more agile and responsive to the changing business landscape.



### Change is the only constant

Financial and operational drivers (external/internal), business models, organisation structures, etc., are changing rapidly. Unfortunately, EPM processes and systems are unable to keep pace with changes, limiting their utility as a key performance management enabler.



### The WEB of technologies

Purpose-built/deployed technologies across the value chain are bringing with them challenges in ensuring a unified data layer. MDM mechanisms also need constant upgrading to keep pace with varied data maturity levels across systems.

## Select key areas that need consideration to drive the successful adoption of EPM solutions and transform performance management and planning at a fundamental level include.



**Flexibility with agility in systems and processes** – Enhance EPM processes to align with increasing business needs. For example, implement rolling forecast that considers horizons beyond a single financial year and continue to invest in technical improvements to support more flexible planning that helps generate actionable business insights.



**Managing data maturity along the way** – Start with internal structured data, eventually harness external and unstructured data within planning algorithms. Plan and practice rethinking data sources and strategies.



**Keeping business decisions at heart** – Maintain continuous focus on business drivers during the planning process helps improve business performance. EPM tools learn the nature of business information required by an individual and deliver that information proactively.



**Incentivisation and governance to ensure use and business ownership** – Design a framework to monitor the EPM process and solution adoption index. Measure performance indicators linked to the EPM adoption index and agree on incentives based on scores.



**Scalable data integration approach** – Strive to develop a fully integrated planning solution landscape, as disconnected systems are a major roadblock to achieving successful planning. Ensure robust integration of external data with company data.



**Defining clear roles and ownership** – Focus on ownership of the planning process through clearly defined Responsible, Accountable, Consulted and Informed ('RACI') matrix, to ensure a smooth target-setting process and increase the involvement of decision-makers in the Planning, Budgeting & Forecasting process.

### Sources:

Deloitte's Global planning, budgeting and forecasting survey Insights report

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