



WHITEPAPER

The Benefits of Moving Performance Management to the Cloud

altius[®]



Introduction

Businesses are moving faster than ever—in aspects ranging from R&D and production activities, to online and global operations. As a result, the necessity of proper planning and tight management of an organization’s financial performance is paramount. To that end, there has been a shift away from on-premise budgeting, planning and forecasting software, to cloud-based business/corporate performance management (BPM/CPM) solutions for both midmarket and larger organizations. Increased market responsiveness, reduced costs, and faster delivery of critical data make cloud-based applications an attractive offering. In fact, according to Gartner’s 2015 Survey Analysis for Critical CFO Technology Needs, cloud usage is up 50% year-over-year for business analytics, integrated financial management applications and many CPM areas.¹



Immediate Solution for Increased Market Responsiveness

The cloud service model, with its fast implementation time, meets the needs of a volatile business market. It enables the finance function to have a planning and budgeting solution up-and-running in a couple of weeks, as opposed to the months required for traditional on-site offerings.

The speed and responsiveness of cloud solutions helps address the inefficiencies and disparities that can result when a finance team uses disconnected or redundant spreadsheets. Now, companies can seamlessly graduate from a spreadsheet-only environment to a mission-critical solution that leverages Excel while also providing security, workflow functionality, consolidation and reporting. Challenges of poor visibility into valuable data, lengthy reporting times and collaboration issues can quickly be alleviated.

The flexible cloud model also scales rapidly to address future needs such as adjusting the number of users and adding new features. A company's organizational needs often change in a matter of two to three years; being able to easily meet those changing needs is a direct advantage of cloud computing.

Lower Costs and Repurpose IT Resources

The cloud makes enterprise-planning solutions affordable for companies that may not have the funding for an on-premise solution. Its software-licensing model utilizes a subscription format, allowing the investment to be spread over time, versus a lump sum payment up front.

Cloud deployments also reduce the level of technical resource requirements, hardware and system costs. Software updates and system upgrades are handled by the vendor and, as a result, minimize the impact on internal IT resources. Technical employees can repurpose their time to other projects within the organization.

Today's cloud solutions offer sophisticated and affordable BPM/CPM tools to all segments of the market. Consulting firm US-Analytics recently noted that 70% of CFOs are currently moving their core finance and forecasting processes to the cloud.² This trend can be attributed to the array of beneficial upgrades enjoyed by companies of all sizes; smaller companies can now take advantage of enterprise-level solutions, and larger companies can enjoy newfound flexibility and nimbleness.

Faster Delivery of Critical Data for Deeper Analysis

CPM cloud solutions continue to become more robust with expanded software functionality for improved productivity and insights. Many include advanced analytics and Business Intelligence (BI) capabilities, which gives the finance function direct access to the data needed for quickly running complex analysis from any networked device.



Additionally, business users can build their own reports with data from across the organization, without waiting for IT to merge and consolidate data. BI tools such as interactive dashboards help provide visibility into key performance indicators through rich data visualizations. These graphical representations are useful for easy performance monitoring. Expanded reporting tools empower the finance team to deliver deeper analysis for faster, more informed decision-making.

Features for collaboration also improve the way finance communicates with other departments when collecting information. This more-collaborative approach integrates sales forecasts with



purchasing, production and any other contributing department for budgeting and planning. Other expanded features valuable to the finance function include dynamic user interface with streaming updates and real-time notifications, as well as enhanced workflow capabilities to automate processes, improving efficiency and productivity.

Conclusions

In today's fast-paced business world, companies need easy and interactive access to their budgeting and planning systems in order to gain and retain a competitive edge. Cloud-based solutions meet these requirements while solving myriad problems of the past including frustrations and errors stemming from disparate, manual spreadsheets. The subscription-pricing model of cloud BPM/CPM systems also provides a level of flexibility and affordability that is impossible with on-premise software.

The cloud service model benefits from a quick implementation process and the flexibility to change alongside a company's changing needs. Its scalability, agility, and customizability ensure that companies pay for only the services they need. Also, as cloud-based budgeting and planning software has matured, new functionalities offer robust tools with distinct advantages. The integration of analytics and BI functionalities into the cloud BPM/CPM environment allows executives to utilize real-time data to make fully informed decisions. New tools also allow for productive cross-department collaboration and self-service reports that users can customize for specific needs. All of these qualities make cloud solutions attractive and affordable for companies of any size.

The prevalence and sophistication of cloud BPM/CPM solutions is expected only to increase as today's pace and complexity of business continues to advance. Ultimately, cloud solutions demand fewer internal resources yet offer more data integrity and visibility— advantages that benefit companies large and small, across all industries.

Sources:

1. Survey Analysis: Critical CFO Technology Needs, Gartner, 2015.
2. <http://www.us-analytics.com/blog/oracle-planning-budgeting-in-the-cloud-pbcs-faq-common-questions>



About Altius

Altius enables senior finance executives to better understand and manage the vast amounts of data that drive their businesses. Its Flex product suite allows clients to gain control over disparate spreadsheet processes for budgeting, planning and forecasting by centralizing them within a secure system. Built on the Microsoft application platform, Altius' products are easy to implement, interfacing seamlessly with a company's existing software. Organizations of all sizes and across multiple industries utilize Altius to gain accurate, efficient, and critical insights into their data— reducing errors while saving both time and money.

Altius' products--Flex Planning, Flex AFE Tracker and Flex MDM Studio--are available in the cloud or can be hosted on your own servers.

The Flex products offer the configurability of a custom solution with the ease and efficiency of an off-the-shelf offering. Above all, they help you harness your company's data in a secure, straightforward, and dynamic way—enabling you to meet and exceed your corporate goals.

Altius is headquartered in Sugar Land, Texas. For more information, please visit www.altius-usa.com or call +1 (800) 816-4850.