SAP Solution in Detail
SAP Solutions for Enterprise Performance Management

SAP Business Planning and Consolidation, Version for the Microsoft Platform

Streamlined Planning and Consolidation for Finance Teams in Any Organization

The Best-Run Businesses Run SAP™

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SAP Solutions for Enterprise Performance Management

Streamlined Planning and Consolidation

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Quick Facts

Summary
With the SAP® Business Planning and Consolidation application, you can free resources for value-added activities through faster planning, consolidation, and reporting. It supports planning, budgeting, and forecasting with management and legal consolidation functionality in a single application. You can adjust plans and forecasts, shorten budget cycles, close the books faster, help ensure compliance with regulatory and financial standards, and enable sound decision making with reliable data.

Business Challenges
- Reduce planning and budgeting cycles
- Improve forecast accuracy
- Accelerate and automate the financial close
- Reduce compliance and auditing costs

Key Features
- **Intuitive interfaces** – Use Microsoft Office (including Excel) and Web interfaces
- **Business process flows** – Guide planning and consolidation and improve visibility
- **Top-down and bottom-up budgeting** – Align targets with budgets
- **Management and statutory consolidations** – Produce financial statements to comply with standards including generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS)
- **What-if analysis and scenario planning** – Prepare for and analyze potential outcomes
- **Management (variance) reporting** – Compare plans versus actual results and determine causes

Business Benefits
- **Combined planning and financial consolidation functionality** in a single application
- **Reduced planning and consolidation cycles** with reliable, timely data
- **Increased accuracy of plans, budgets, and forecasts** with collaboration and accountability
- **Seized opportunities and reduced risk** through better preparation
- **Increased stakeholder confidence** with a fast, accurate close
- **Facilitated compliance** by supporting regulatory requirements
- **Improved data quality** with a central repository

For More Information
Contact your SAP representative, or visit us online at www.sap.com/epm.

Using stand-alone spreadsheets for planning, budgeting, forecasting, and financial consolidations can lead to long, error-prone budget and close cycles. With the SAP® Business Planning and Consolidation application, version for the Microsoft platform, you can streamline planning processes, close the books faster, facilitate compliance, and produce statutory and management reports that instill confidence and reduce risk.[1]

With SAP Business Planning and Consolidation, you can move beyond manual activities and makeshift performance management systems that look only at the historical perspective of the business. You can become more proactive, rather than reactive, and use data to measure and control performance and gain competitive advantage. The application supports budgeting, sales and revenue planning, capital expenditure planning, cash flow (liquidity) planning, headcount planning, and other planning processes. It also supports rolling forecasts, continuous planning, driver-based budgeting, scenario planning, and what-if analyses.

SAP Business Planning and Consolidation facilitates planning and financial close processes, helps ensure data is reliable and up-to-date, and enables collaboration through the use of familiar interfaces including Microsoft Excel.

A Process-Centric, Unified Solution for Business Users

For more accurate plans and forecasts and shorter budget and close cycles, organizations need a solution that adheres to standard processes while offering user-friendly, flexible functionality. SAP Business Planning and Consolidation facilitates planning and financial close processes, helps ensure data is reliable and up-to-date, and enables collaboration through the use of familiar interfaces including Microsoft Excel.

With SAP Business Planning and Consolidation, you can quickly update and adjust plans and forecasts. You can model key drivers of the business, test different what-if scenarios, and consolidate multiple views of financial information. Reporting and audit trail functionality facilitates compliance with regulatory mandates such as generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS).

COMPREHENSIVE SUPPORT FOR PLANNING AND BUDGETING

SAP Business Planning and Consolidation enables top-down and bottom-up budgeting processes. You can communicate organizational plans and align with strategic goals managed in the SAP Strategy Management application. You can collaborate on plans, manage stakeholder interactions, track versions and changes, and engage managers in the process to help ensure ownership and accountability.

SOPHISTICATED FORECASTING

Business users can build models and quickly update and adjust forecasts. What-if modeling and scenario-planning functions enable assessment of budgeting suitability in real time. You can create forecast models, assess outcomes, quickly update to see the impact of different drivers, and save multiple versions of forecasts. With budgets linked to forecasting and reporting processes, you benefit from effective forecast seeding.

INTUITIVE AND USER FRIENDLY

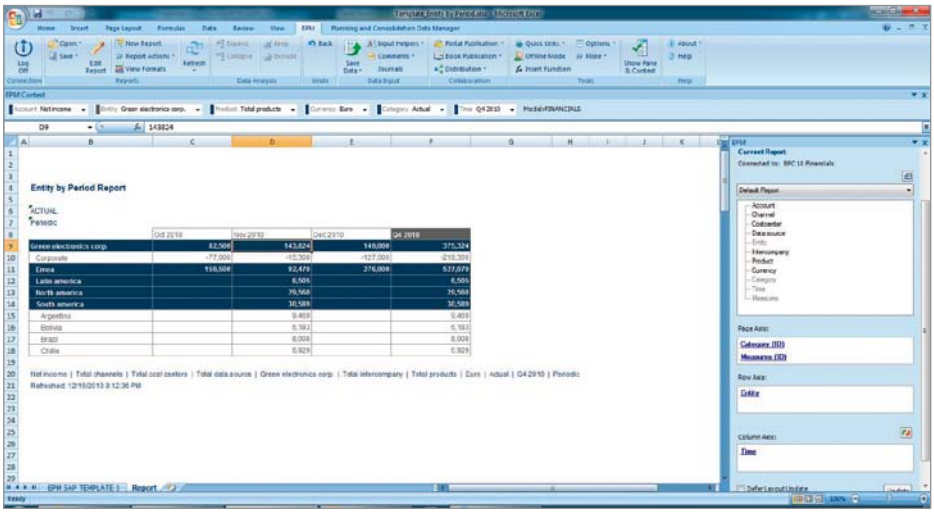
Typical planning tools can be inflexible and difficult to use, and often are too complex for most business users. In fact, they can be too complicated even for experienced users to make process or security changes without help from IT.

SAP Business Planning and Consolidation provides business users of all technical skill levels a uniform, familiar Web and Microsoft Excel experience. The application helps people collaborate on and manage planning and consolidation processes in a secure, intuitive environment that improves productivity and reduces training and the need for standalone spreadsheets.

INTEGRATION WITH FAMILIAR MICROSOFT APPLICATIONS

Because it is commonly used in finance, Microsoft Excel, with native Excel functions and formatting, serves as the primary interface to SAP Business Planning and Consolidation (see Figure 1). Business users often need to include planning or consolidated data in presentations and other documents. SAP Business Planning and Consolidation leverages an add-in for Microsoft Office that includes interfaces for Microsoft Word and PowerPoint, as well as the Excel interface. This add-in can be used with other SAP solutions for enterprise performance management (EPM) in addition to SAP Business Planning and Consolidation.

Figure 1: Microsoft Excel Interface



INTUITIVE WEB INTERFACE

The enhanced Web 2.0 interface, common across SAP solutions for EPM, extends the application to people who prefer a Web interface (see Figure 2). With the Web interface you can create input schedules and output reports using drag-and-drop functionality. It also provides a centralized documents view of all content, such as reports and input schedules, and facilitates searching and navigating related content. Business users can share ideas, comment on reports, and add unstructured data such as e-mails or word processing documents, providing context for the numbers.

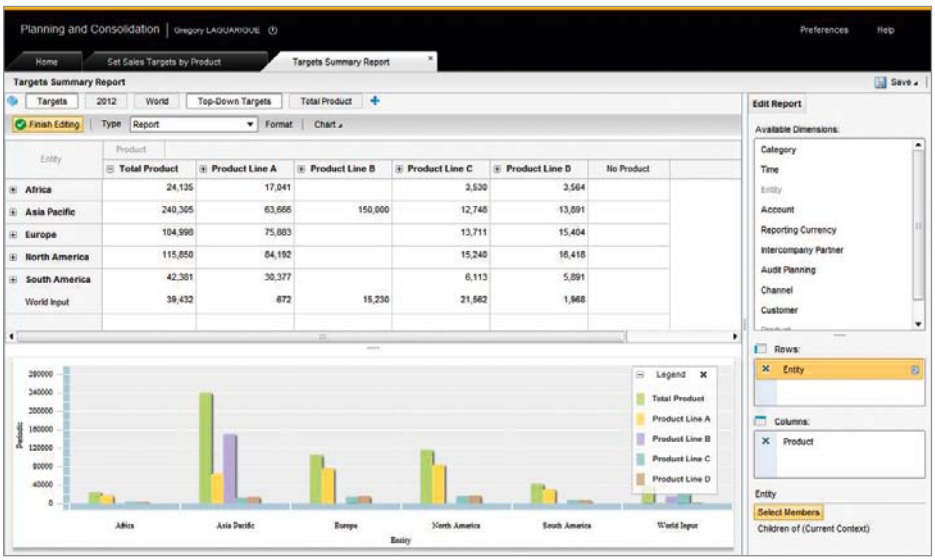
EPM PANE

The built-in EPM pane – which can be turned off by the user – facilitates navigation through planning and consolidation tasks. It shows the current view of data being reviewed and displays available options, reducing training and improving efficiency. For example, if you are working on a report, you can quickly retrieve data, drill down, and publish. If you are working on an input schedule, you can add comments and send data.

TEXTUAL COMMENTS AND DOCUMENT SHARING

Vital data is often buried in unstructured documents and can be difficult to find. To make it easier to provide context for plan, budget, and actual data, the application enables business users to attach supporting documents and enter and view comments. People can filter and report on business users' comments, which are stored in the software's centralized database.

Figure 2: Enhanced Web Interface



PROCESS CENTRIC

It's important that people follow standard processes across the enterprise – for example, performing key steps in sequence in annual or quarterly budgeting processes to ensure consistency and accuracy. Without the right process support in place, even small deviations can create inaccuracies.

With SAP Business Planning and Consolidation, repeatable activities – such as creating a budget or a periodic financial close – can be defined as a set of specific steps. These steps can span multiple groups, users, deliverables, and tasks, and can be monitored for completion or review. Business process flows guide and control each step, help enforce standards, reduce training requirements, and provide status visibility. Business process flows are automatically tracked and audited, and are configurable to suit your needs.

A UNIFIED SOLUTION

SAP Business Planning and Consolidation is a single application that delivers planning, budgeting, forecasting, and consolidation functionality. By eliminating the need for multiple solutions that require manual integration, the application saves time and money and delivers a more consistent experience.

The application has a single data repository that can link to SAP and non-SAP systems of record – so it's always up-to-date, and everyone works from the same set of trusted data. Business users can access and incorporate structured transactional data and unstructured content from general ledger, enterprise resource planning, customer relationship management, and other sources such as Excel spreadsheets. This can be done either with built-in integration functionality or through the use of the SAP Financial Information Management application.

Powerful Reporting and Analysis Functionality

With SAP Business Planning and Consolidation, you can perform financial and management reporting including exception reports, financial and operational analysis, and multidimensional analysis. Business users can drill down into reports for more detail and can drill through to source system reports as well. The application provides an "offline mode" that captures data for working remotely.

REPORT CREATION AND MODIFICATION

The Web 2.0 interface and Excel interfaces provide drag-and-drop functionality for easier, flexible report creation. You can configure custom reports and input schedules to meet specific business needs. Autofill, autocomplete, and dimension member selector functionality ease report production. Data from multiple EPM solutions can be reported and analyzed through Microsoft Office documents and then written back to source systems for a real-time view of processes, while data consistency helps ensure report accuracy.

DYNAMIC INVESTIGATION AND AD HOC ANALYSIS

The application provides a dynamic environment for investigation, ad hoc analysis, what-if analysis, and scenario modeling. You can create custom reports and modify prepackaged and browser-based reports. You can instantly drill down for more detailed information including transactional sources, such as general ledger, order entry, or operational systems. You can add content to reports, such as graphs and additional analytics, to aid investigation and analysis, run simulations at the parent level, and calculate parent member values based on child values.

SELF-SERVICE REPORTING

Business users can access information and create reports with the Web or Microsoft interfaces without having to request help from the IT department. With the application you can create custom reports or adapt built-in reporting templates to your specific needs.

AUTOMATED VARIANCE ANALYSIS

Automated variance analysis and reporting functionality help business users quickly find and understand key contributors to variances and under- or over-performing "child" members for a more complete picture and better understanding of the situation.

REPORT DISTRIBUTION

The application enables you to distribute reports securely via the Web, e-mail, or print. Reports can be saved in native Excel, Word, or PowerPoint formats or as HTML, Adobe PDF, or ASCII files. SAP Business Planning and Consolidation can be accessed by SAP BusinessObjects™ business intelligence solutions to provide highly interactive dashboards and extended reporting.

SAP Business Planning and Consolidation helps you meet statutory and management consolidation and reporting requirements. Instant access to harmonized charts of accounts can shave weeks off consolidation processes and help ensure compliance.

Enhanced Financial Consolidation

SAP Business Planning and Consolidation helps you meet statutory and management consolidation and reporting requirements. Instant access to harmonized charts of accounts can shave weeks off consolidation processes and help ensure compliance. With the application you can generate clear, transparent financial statements and reports relating to profit and loss, cash flows, and balance sheets. You can compare budget-to-actuals data, automate intercompany elimination processes, and improve transparency into corporate transactions.

Day-to-day consolidation tasks can be performed over the Web via the consolidation central interface. The ownership manager functionality allows you to quickly identify which entities to consolidate at what percentages. The Web interface for journals saves time and reduces errors, as the system automatically calculates totals, checks syntax, and allows for the posting of multiple journal entries at once.

The software improves compliance with regulatory and financial standards and generates a fully documented audit trail to reduce external audit costs.

CURRENCY CONVERSIONS

SAP Business Planning and Consolidation enables multinational companies to work in both global and local currencies with subsidiaries, partners, and other entities. You can manage multiple currencies and perform conversions and currency adjustment calculations. For example, you can convert your data from euros to dollars to yuan in seconds rather than hours.

CONSOLIDATION CALCULATIONS

Consolidations require multiple calculations including allocations, intercompany eliminations, equity eliminations, and minority interest calculations. SAP Business Planning and Consolidation provides tools to automate these time-consuming processes. You can easily create different views of the consolidated data, such as legal versus management reporting.

JOURNAL ENTRIES

Manual and automated adjustments are an integral part of the periodic financial close process in today's complex consolidation and reporting environment. SAP Business Planning and Consolidation provides complete support for flexible journal entry, reporting, and tracking.

FINANCIAL AND MANAGEMENT REPORTING

The application facilitates financial and operational performance reporting with standard and custom report templates that help enable users to self-generate reports – without IT or administrator assistance. A range of report types is available, including, but not limited to, profit and loss; earnings before interest, taxes, depreciation, and amortization; balance sheet; cash flow; equity; and fixed asset reports.

SUPPORT FOR COMPLEX OWNERSHIP STRUCTURES

For companies with many legal entities, the application facilitates consolidation and reporting challenges that arise from complex ownership structures. SAP Business Planning and Consolidation enables you to report on multiple ownership structures by time period and make automatic adjustments for multiple ownership consolidation methods.

MULTITIER ALLOCATIONS

The application enables you to allocate numbers across the organization to help ensure the accuracy of financial information. With built-in financial intelligence, it can dynamically manage many different types of allocations including nested allocations for multitiered calculations. For example, you can redistribute specific manufacturing costs to research and development and then to individual reporting units.

FACILITATED COMPLIANCE WITH REGULATORY MANDATES

SAP Business Planning and Consolidation provides an effective, secure process framework that helps ensure the highest level of accuracy, reliability, and consistency throughout your performance process – from budgeting and forecasting to financial close and reporting. The application can help you meet Sarbanes-Oxley, IFRS, and GAAP requirements, including those regulating report certification, process control, and reporting cycles.

PEER-TO-PEER INTERCOMPANY RECONCILIATION

SAP Business Planning and Consolidation allows for reconciliation and elimination at the account level. It includes the SAP Intercompany application, which is a Web-based, peer-to-peer reconciliation tool. It enables real-time reconciliation at the invoice level, producing a full audit trail and offering process monitoring and the ability to push adjustments back to the source system. Business units can debate and reconcile balances directly with one another, eliminating extra work and delays and improving the speed and accuracy of the closing process.

Benefits of the Application and the EPM Solutions

SAP SOLUTIONS FOR ENTERPRISE PERFORMANCE MANAGEMENT

With its sophisticated, open architecture (see Figure 3), SAP Business Planning and Consolidation can play a vital role in streamlining your planning, budgeting, forecasting, and financial closing processes. For a more comprehensive approach to EPM, from strategy management to financial information management and beyond, you can also deploy the application as one of the SAP solutions for EPM.

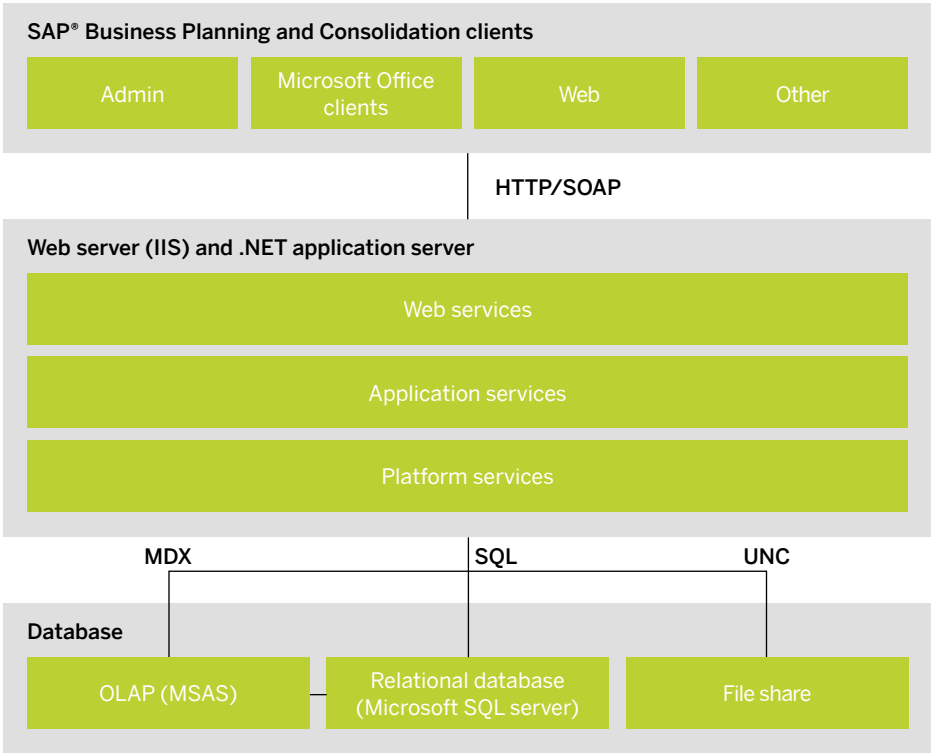
STREAMLINED PLANNING AND CONSOLIDATION

SAP Business Planning and Consolidation enables planning, budgeting, forecasting, and closing processes. You can improve organizational agility with the ability to model business scenarios and make decisions that maximize value creation. The application enables you to reduce business user training time and boost productivity with familiar interfaces. With the application you can reduce cycle times and facilitate collaboration. You can help ensure data quality with a central repository. You can align plans with top-down and bottom-up budgeting. Enable closing with automated consolidation processes. Meet statutory and management requirements with reporting and audit trail functionality. And you can lower business and compliance risk with management and statutory reporting.

FIND OUT MORE

To learn more about SAP Business Planning and Consolidation and other SAP solutions for EPM, contact your SAP representative or visit us online at www.sap.com/epm.

Figure 3: Architectural Overview of SAP Business Planning and Consolidation



OLAP = Online analytical processing

FOOTNOTE

1. A version of SAP® Business Planning and Consolidation is also available for the SAP NetWeaver® technology platform.

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