

THE CIO'S ROLE IN DRIVING BUSINESS PERFORMANCE

BEST PRACTICES AND TRANSFORMATIVE
TECHNOLOGIES

Thought Leadership

SAP Solutions for Enterprise Performance Management

THE BEST-RUN BUSINESSES RUN SAP™



CONTENT

- 4 Executive Summary**
- 5 Introduction**
 - 5 Top Priorities of Executive Teams
- 6 Challenge #1: Effectively Manage Risk and Compliance**
 - 7 The Role of the CIO: Delivering Transformative Technologies That Minimize Risk
- 8 Challenge #2: Maximize the Effectiveness of Finance and LOB Managers**
 - 8 The Role of the CIO: Transformative Technologies at Work
- 10 Challenge #3: Build an Innovative, Agile Organization**
 - 10 Transformative Technologies at Work
- 12 Challenge #4: Gaining Control over Profitability**
 - 12 The Role of the CIO: Transformative Technologies at Work
- 14 SAP: Providing Business User-Centric Performance Management Environment**
 - 14 An Open, Flexible IT Platform
 - 14 Learn More

EXECUTIVE SUMMARY

THE CIO AS PARTNER OF THE EXECUTIVE TEAM

Today's executive teams must cope with a dizzying pace of change and increasing complexity. As a result, the roles of executives – including the CIO – are undergoing dramatic changes. This is particularly true for companies where IT is increasingly (and rightfully) understood as the engine of the enterprise. Within this context, the traditional distinctions between business and IT are no longer relevant. And CIOs must increasingly function as strategic advisors to business leaders, helping them put in place the best technology to ensure the success of the organization. In other words, they view themselves as part of the business, not just part of “IT.”

In this advisory role, successful CIOs and their teams must know how to engage the executive team, and the business in general, to understand their specific challenges and desired benefits and help them meet corporate objectives. But they need to have the right processes in place to create that dialogue and properly inform their efforts to evaluate, procure, and implement technology tools.

This strategic advisor role is especially critical to ensuring the effectiveness of the CFO. That role is changing as well, essentially from transaction management to a more advisory status, particularly focused on helping the CEO drive business performance. CFOs are shifting their focus to driving corporate performance and profitability, managing risk, and addressing regulatory com-

pliance. With the right support systems in place to enable performance control, the CFO can prevent business vulnerabilities and add more value throughout the entire organization. In this scenario, transactional processing – the traditional focus of finance – becomes automated, while actionable information becomes more readily available, reliable, and usable.

The CIO is the primary person to whom CFOs turn for IT recommendations and strategies that will automate transactional processes. In effect, CFOs are turning to CIOs to help transform the finance function. This paper outlines essential best practices and innovative technologies that CIOs can share, discuss, and implement to achieve overall corporate objectives and performance excellence.

INTRODUCTION

THE CIO: A NEW MANDATE FOR CHANGE

How can CIOs move into a new role as strategic advisors who can transform financial operations – and the business overall? This is the challenge of the modern CIO – one who considers IT not a disconnected technology silo but an essential part of the business.

The first step is to gain a clear understanding of the primary challenges, needs, and goals of the executive team and the broader business objectives. Based on this shared understanding, CIOs can then engage the executive team in a discussion about which best practices and innovative technologies are most suited to support their business objectives. And as they implement these technologies and best practices, they must ensure the integrity of the information delivered to the CFO, as well as the viability and security of the IT infrastructure that drives business operations – including finance. This involves putting in place the appropriate processes and governance procedures.

Top Priorities of Executive Teams

According to Gartner Inc., the primary priorities of executive teams today include the following:

- Attract and retain customers
- Build an agile and innovative organization
- Improve critical processes and workflows
- Improve workforce effectiveness
- Manage risk, compliance, and governance
- Maximize performance, profitability, and competitiveness¹

Viewed from the perspective of a forward-looking CIO, these priorities translate into the following challenges:

- How can we deploy an IT architecture that supports the management of risk and compliance – particularly as it relates to developing and executing strategies and meeting regulatory and statutory reporting requirements?
- What technologies will help improve the effectiveness of our workforce – especially finance professionals and line-of-business (LOB) managers who need to better control performance?
- How can we enable greater business agility? How can we innovate business processes to execute on strategies that drive value? Differentiate the business? Attract and retain customers?
- How can we provide the CFO with a better understanding of profitability beyond what P and L statements can offer? What technologies will increase visibility and insight into the drivers of profitability? How can we use technology to maximize performance and find new ways to gain a competitive edge?

What follows is a more detailed discussion of these challenges and how CIOs can address them.

Without the right IT architecture and more automated compliance systems, businesses can expect not only higher compliance costs, but also a greater frequency of material weaknesses and other problems that require more frequent restatement of earnings. And in nearly every case, restatements like these hurt corporate reputations and stock prices. In 2006 1 out of every 10 public companies – whether based in the United States or elsewhere – had to restate earnings.

1. Susan Landry and Kathy Harris, "Highlights from the Application Track at Symposium/ITxpo," Gartner Inc., October 26, 2007.

CHALLENGE #1: EFFECTIVELY MANAGE RISK AND COMPLIANCE

USING TECHNOLOGY TO REDUCE COSTS AND PROTECT THE ENTERPRISE

More than ever, CIOs need to provide an IT architecture that enables effective, cost-efficient management of risk and compliance – especially for regulatory, statutory, and management reporting. This is especially true of organizations with global operations, as risk exposure typically increases as companies try to account for and reconcile the different legal and regulatory environments in various countries and regions.

But executives are equally concerned about minimizing financial risk – any risk that may reduce the value of an asset or cash-flow stream, such as credit risk and market risk (interest rate, foreign exchange, or commodity). Financial risk can be defined even more broadly to include the influence of major shareholders, stock value fluctuations, mergers and acquisitions, debt service, international operations exposure, financial reporting, and insurance adequacy. When companies do not have access to accurate data when making business decisions that impact these variables – as well as overall operational performance – they can unknowingly make decisions that hurt the business and increase financial risk.

Businesses can also increase financial risk by failing to manage compliance effectively and efficiently. Compliance activities are rapidly consuming finance time and budget resources – and as the number of regulatory mandates and breadth of oversight increases, businesses can expect even more demands on their resources. (For example, global companies now have to adhere to new International Accounting Standards that

are harmonizing accounting practices worldwide. The costs of compliance and audits are so high today that they cannot be ignored.)

Without the right IT architecture and more automated compliance systems, businesses can expect not only higher compliance costs, but also a greater frequency of material weaknesses and other problems that require more frequent restatement of earnings. And in nearly every case, restatements like these hurt corporate reputations and stock prices. In 2006 1 out of every 10 public companies – whether based in the United States or elsewhere – had to restate earnings. This represents a 12-fold increase in frequency compared to 1997.²

Compliance failures also put the company at greater risk of heavy fines. CFOs and CEOs face personal consequences because Sarbanes-Oxley Act Section 404 states that they must personally attest to the appropriateness, fairness, and accuracy of company financial reports. The risks are real, and the frequency of convictions is startling. According to CFO.com, 63 CFOs have been convicted of finance-related mishandling in the past five years. Approximately 1 CFO per month has either pleaded guilty or been convicted of charges that included conspiracy; insider trading; money laundering; racketeering; embezzlement; accessory to fraud; and bank, mail, wire, and securities fraud. And 214 chief executives, 23 corporate counsels or attorneys, and 128 vice presidents have been convicted since July 2002.³

CIOs have opportunities to help the CFO increase employee productivity around even the most basic of finance activities – especially when they recommend tools that take the unique needs of finance users into account. Generally, finance professionals prefer to use familiar tools to do their work. They must have confidence in the data source, and a way to get access to the accurate data buried within their applications.

2. Roy Harris, "Say Again?" *CFO Magazine*, April 1, 2007.

3. Kate Plourd, "Count 'Em: 63 CFOs Convicted in Past Five Years," *CFO.com* | US, August 3, 2007.

The Role of the CIO: Delivering Transformative Technologies That Minimize Risk

CIOs play a vital role in minimizing risk and ensuring compliance. According to Gartner, "By 2012, 90% of public companies will face mandatory, audited public reporting requirements for financial controls, and half will face mandatory nonfinancial reporting."⁴ Given these probabilities, CIOs need a way to do the following:

- Deploy software that combines legal and management reporting and supports both activities using a single process so that the company **can consolidate and compare all possible views**
- Enable faster closing and management reporting cycles so that trusted corporate financial information is readily available to all stakeholders
- Use simple, standard report templates and automatic checkpoints to provide a transparent view of accounting data from source to disclosure
- Enable full transparency and proof of the change management process for audit purposes
- Support budgeting and planning processes, as well as governance, risk, and compliance initiatives, with unified data and analytical and reporting tools

- Ensure that every step in the closing process is carried out in a consistent, controlled manner, with built-in rules and logic that give executives confidence in their financial reports
- Link this software to a risk management application – now or in the future – to better understand how risk impacts strategy and planning (and vice versa)

As illustrated in the text box below, businesses today are using innovative business consolidation software to effectively manage risk and ensure compliance.

Real Estate Company Accelerates Consolidations While Increasing Compliance

A 1,000-person real estate company turned to a business consolidation solution when fast growth had taxed its fragmented internal systems and manual processes to the point where productivity was severely impeded. Management was concerned about the accuracy of its financial data and reporting. The business encompassed multiple companies and over 100 legal entities, so quarterly consolidations typically took 60 days to complete. Management wanted a solution that would allow them to reduce closing time to 3 to 5 days, as well as increase accuracy and access to information, streamline processes, and minimize employee overtime.

SAP provided a solution that supports the company's complex financial consolidation reporting model, which has now been completely automated. The software pulls data from various stand-alone operational and financial systems, centralizes data, and standardizes reporting – eliminating many manual processes, saving time, and reducing errors. For example, the process for reconciling income allocation and equity pickup transactions has plummeted from 8 hours to 10 minutes. As a result, now the company can report results faster and be confident of the data provided in reports. Equally important, now everyone across the business is working from one, reliable version of the corporate truth.

4. French Caldwell, "New Governance Scenario: Managing Risk and Ensuring Compliance," Gartner Symposium/ITxpo, October 2007.

CHALLENGE #2: MAXIMIZE THE EFFECTIVENESS OF FINANCE AND LOB MANAGERS

USING AUTOMATION AND BEST PRACTICES TO OPTIMIZE HOW WORK GETS DONE

Nearly every corporate executive needs to improve workforce effectiveness. This is particularly true of the CFO who needs to control corporate performance. Take the budgeting process, for example. Without accurate and realistic budgets that are kept up-to-date, the executive team may not know until it's too late that R & D is overspending, for instance, or that there's not enough allocated to fund strategic plans as currently defined. To control performance, the CFO needs to help departments fine-tune budgets and make sure that they are working optimally and staying within spending limits.

But for most companies, budgeting remains a terrifically flawed pursuit. According to APQC, a productivity and quality benchmarking firm, the average company takes 60 days to complete the budgeting process. Most use spreadsheet software for these activities – but without a single, trusted data source. Different spreadsheets use data copied and pasted (and potentially edited) from different sources; without knowing the origin of the data, people have no confidence in the budget itself. Equally important, there's not enough collaboration across all operational layers so that LOB managers are willing to own and manage to final, approved budgets.⁵

The benefits of using automation and best practices to optimize these types of core financial activities can be significant. To return to the budgeting issue, for example, companies that spend a higher percentage up front on budgeting and planning have lower overall

costs across the board in finance, as well as faster cycle times. The degree of control and involvement that new processes provide users can impact budgeting effectiveness. For example, when budget holders don't type in their own numbers, more than 40% of submitted budgets have errors and omissions; when budget holders do their own inputting, the error rate falls to 28%. And research shows that when businesses can use rolling forecasts and link the budgeting process to strategy and compensation, they are more likely to be high performers.⁶

The Role of the CIO: Transformative Technologies at Work

As the budgeting example illustrates, CIOs have opportunities to help the CFO increase employee productivity around even the most basic of finance activities – especially when they recommend tools that take the unique needs of finance users into account. Generally, finance professionals prefer to use familiar tools to do their work. They must have confidence in the data source and a way to get access to the accurate data buried within their applications.

If the CIO's objective is to maximize the effectiveness of the finance department, and of LOB managers and staff who are responsible for operations, then CIOs need to do the following:

- Reduce cycle times for budgeting and planning by providing the same spreadsheets that finance knows and loves – while simultaneously guaranteeing that the data they're using comes from a single reliable source

- Ensure that employees adhere to standard business processes and standards when conducting critical tasks, such as completing annual and monthly budgets
- Enable employees to own and manage their own environment without IT assistance – for example, via self-service reporting and adaptable processes that allow those who best understand daily operations to define, adapt, and innovate software-driven processes
- Provide best practice-based, standard templates for the most commonly used processes, which can be modified as needed
- Improve productivity by enabling employees to manipulate data and generate outputs to familiar and commonly used Microsoft Office tools or a familiar Web 2.0 interface
- Reduce training time and costs by providing a solution that gives people context-sensitive, step-by-step task options based on the activity they are currently performing
- Provide a solution that proactively delivers root-cause analysis – so employees don't have to search to find it

As shown in the following text box, businesses today are using innovative business planning software to streamline and automate processes like budgeting and foster top-down and bottom-up collaboration so everyone takes ownership of plans.

5. Don Durfee, "The Last Mile," *CFO Magazine*, January 10, 2007.

6. Joseph McCafferty, "Planning for the Best," *CFO Magazine*, February 1, 2007.

Grocery Retailer Web-Enables Budgeting Process and Slashes Operating Costs

A US\$100 million grocery retailer chose to deploy a business planning application to transform its manual, spreadsheet-based budgeting process. Not only did the budgeting process take too long – and cost too much – but management was unclear as to how and why the budgets they created were changed when the final budget was issued. They needed to automate and streamline reporting by Web enabling the budget development process and provide a way to guide employees step-by-step through tasks, complete with controls in place for dependent tasks. And they need to ensure that managers could continue to use Microsoft Excel for their work. The finance department found that by using the SAP® solution for budgeting and reporting, they would break even on the investment in just five years.

Further, it would save \$1.1 million in the time, paper, printing, and mailing costs generated by their current budgeting and reporting methods.

During the implementation of the SAP solution, the company targeted budgeting at the administrative level across all divisions. Now employees use business process flows to ensure that all employees perform budgeting tasks correctly and completely. In addition, supervisors have greater visibility with rolling forecasts, along with the ability to evaluate and track the return on major capital expenditures. This allows the executive team, store supervisors, and managers to see trends much more quickly than before and gain greater visibility into what is happening to the company's sales, profits, and cash flow.

Increasing agility requires that companies implement transformative “strategy management” processes that drive value by fostering agility through greater organizational alignment – and ultimately greater performance control. The business impact of this type of performance management can be huge, as it can ensure efficient execution on sales and marketing strategies, for example, that can make or break the future of a business.

CHALLENGE #3: BUILD AN INNOVATIVE, AGILE ORGANIZATION

DEPLOYING PROCESSES THAT DIFFERENTIATE AND ADD VALUE

Business agility is a hot boardroom topic today. Today's business environment has become increasingly unforgiving, so a single misstep or delay in executing a strategy or following up on an opportunity can have severe consequences. CEOs and CFOs must be alert to emerging threats and opportunities and be able to adapt their strategies quickly to deal with any new situation and stay ahead of the pack. At the same time, they must constantly be on the lookout for new ways to expand and grow the business – for example, by making an acquisition or launching a new product. Whatever the case, executives must be able to align resources and people rapidly and drive execution of new strategies that drive profitability.

But most organizations – even those with compelling strategies and streamlined operations – struggle to execute effectively on their strategic plans. The challenge is both profound and widespread, impacting businesses at both the corporate and line-of-business level. What's the source of the problem? According to *Harvard Business Review*, companies typically realize only about 60% of their strategy's potential value due to defects and breakdowns in planning and execution across the enterprise.⁷

Increasing agility requires that companies implement transformative “strategy management” processes that drive value by fostering agility through greater organizational alignment, and ultimately greater performance control. The business impact of this type of performance

management can be huge, as it can ensure efficient execution – for example, implementation of sales and marketing strategies that can make or break a business.

Transformative Technologies at Work

According to Gartner, “Organizations implementing structured, formal performance management programs have up to 52% higher degree of success in their strategic initiatives, versus those who simply use metrics or KPIs.”⁸ So it's no surprise that companies are increasingly looking for ways to access in-process measurements linked to a holistic performance management initiative. They need to provide employees across the enterprise with actionable information for better-informed decision making when and where it's needed.

Given these needs, what if CIOs could do the following?

- Provide a solution that enables a top-down and bottom-up approach to strategic planning so that the whole organization is involved and supports common goals
- Put in place a means of communicating corporate strategy and plans across all levels of the organization in a way that's personalized and clear – complete with tools for keeping employees accountable for all tasks and activities assigned to them
- Provide a way of uncovering exceptions and looking at both leading and lagging indicators

CEOs and CFOs must be alert to emerging threats and opportunities and be able to adapt their strategies quickly to deal with any new situation and stay ahead of the pack. At the same time, they must constantly be on the lookout for new ways to expand and grow the business – for example, by making an acquisition or launching a new product. Whatever the case, executives must be able to align resources and people rapidly and drive execution of new strategies that drive profitability.

7. Michael C. Mankins and Richard Steele, “Turning Great Strategy into Great Performance,” *Harvard Business Review*, August 2005.

8. Betsy Burton, “Developing Performance Management Programs,” Gartner Symposium/ITxpo, October 2007.

- Have everyone standardize on common business processes that are essential to successful execution
 - Provide greater visibility into and control over the factors that affect the organization's performance – which leads to more agile execution
 - Support predictive analytics that give decision makers a forward-looking view when making decisions
- Analyze leading indicators to provide insight into how future performance can be impacted today
 - For instance, if customer satisfaction is particularly low in a certain region, executives can look at leading indicators such as employee training, product availability, and promotional activity. Using this information, the company can take proactive steps to turn customer satisfaction around.

Forward-thinking CIOs are using innovative technologies that provide this functionality to help their companies drive strategic execution. For example, strategy management software can help businesses attract and retain customers more effectively, a top priority for every enterprise. Executive teams may develop a clear strategy for meeting revenue and growth targets – for example, to increase the number of new customers by 50% and customer satisfaction by 20% by the end of the fiscal year. But they then fail to meet their targets due to fragmented execution across departments and lack of budget. To drive execution, executives need to:

- Look at the cost of various marketing campaigns to assess which is the most cost-effective and will provide the most return in their quest to attract and retain customers
- Access ranking reports and model cost drivers to help decision makers measure revenues and profit across different locations and identify top- and bottom-performing product lines

Semiconductor Manufacturer Reduces Monthly Reporting Cycle by 66%

One of world's largest makers of semiconductor production equipment – surpassing US\$1 billion in revenue, with thousands of employees – produced a large number of monthly reports on key performance indicators (KPIs). Employees used desktop tools such as Microsoft Excel spreadsheets, Microsoft Access databases, and business intelligence queries to gather and process data into performance reports. Each set of monthly reports took three weeks to prepare and required effort from several dozen people – and as soon as one cycle finished, it was time to start the next one. Once received, individual decision makers had to spend hours processing data into forms suitable for their needs. And employees created “dueling presentations” and reports using different data sets, making it difficult to agree on strategic plans and execute on them.

The company wanted to improve performance reporting by centralizing corporate performance data and developing an automated, Web-based scorecard using standardized metrics that could deliver customized views. To meet these needs, it deployed a strategy management application from SAP. With the solution in place, the company can configure, update, and completely validate monthly reports in just a week, managed by just a small group of dedicated analysts. This has reduced the cost of the monthly reporting cycle by more than 66%. At the same time, all levels of management now have immediate access to the weekly and daily information needed to drive performance. And most importantly, management at all levels has confidence in the reports its decision makers depend upon.

CHALLENGE #4: GAINING CONTROL OVER PROFITABILITY

TURNING CORPORATE DATA INTO INSIGHT AND DECISION SUPPORT

The majority of companies today are trying to grow faster than their industry's average growth rate, or to secure a larger piece of the market pie – and the rest are trying to maintain market share. Growing faster than average requires that companies maximize performance. And this requires a better way of understanding profitability than simply looking at P and L statements, which only illustrate historical results and are too high level to show executives the precise drivers of cost.

To drive rapid, profitable growth, executive teams need to model costs for a complete understanding of all profitability drivers at all times, from production and inventory levels to sales and operating costs. Armed with this information, they can make informed decisions about cutting costs and making additional investments. For example, they are better equipped to assess whether or not to invest further in corporate sustainability initiatives to boost performance.

The Role of the CIO: Transformative Technologies at Work

CIOs can play a critical role in helping executive teams gain better control over profitability. Innovative profitability management software can take data from the many systems used to run a business and determine the costs associated with each step in the value chain. By deploying this software, CIOs can help executive teams do the following:

- Identify inefficient or nonexistent processes across sales, marketing, development, manufacturing, procurement, and other areas that are driving up costs
- Gain instant access to complete, up-to-date performance data that everyone has confidence in, such as a close analysis of costs and profitability by customer, product, channel and many other categories
- Clearly identify and model every lever affecting profitability – including revenues, costs, and net profit across many dimensions – to enable the executive team to pinpoint ways to improve operations
- Empower business users to rapidly extract data from their existing enterprise applications so that they have detailed, real-time insight into operational expenditures

As illustrated in the text box on the following page, businesses today are using profitability management software to help managers at all levels understand performance drivers and use them strategically to improve business outcomes.

To drive rapid, profitable growth, executive teams need to model costs so they have a complete understanding of all profitability drivers at all times, from production and inventory levels and costs to sales and operating costs. Armed with this information, they can make informed decisions about cutting costs and making additional investments. For example, it can help them assess whether or not to invest further in corporate sustainability initiatives to boost performance.

Financial Services Company Realizes US\$600 Million Annual Profit Improvement

Businesses are already reaping the benefits of profitability management applications. For example, a financial services organization that maintains a portfolio of insurance, retail, and wealth management products needed to adopt a more transparent reporting model. In addition, the firm recognized that an activity-based costing (ABC) system could help management fairly allocate expenses across its different companies and approximately 70 lines of business. Because of insufficient reporting, no one had confidence in the expense data. Senior management also needed greater insight into these costs, as they had minimal reporting without insight into the expense allocation. This caused a number of problems. For example, operating departments couldn't see consumed expenses being allocated to them, which resulted in uninformed spending behavior. Management realized the need to deploy an ABC and reporting solution that would clearly illuminate expenditures – and enable management to ensure that costs are in line with overall goals.

The company deployed an SAP® solution supporting a full ABC model tailored to the unique needs of their users. Now operating departments – as well as senior management – can see the expenses they're creating in the shared-services areas (such as IT), and slice and dice the data any way they choose for complete visibility. Users can also manipulate their views of the data within the reports, and drill down to see what activities they're absorbing, the cost of those activities, and from where the expenses have been allocated. If there is an issue regarding expenses, the expense item can be dissected into various elements to determine what's appropriate and what's not.

The organization also has an improved picture of profitability, due to the revamped ABC model as well as the functionality of the software itself. Now management can see the flow of expenses from their inception to the destination at the product level. Management can be confident in current, consistent, and accurate data about which products are making money – and which are not – to support their business decisions.

SAP: PROVIDING BUSINESS USER-CENTRIC PERFORMANCE MANAGEMENT ENVIRONMENT

INTEGRATED, ADAPTABLE SOLUTIONS THAT ARE EASY TO USE AND MAINTAIN

SAP can help CIOs jump-start their role as strategic advisor to the executive team with an integrated set of enterprise performance management solutions that address top executive priorities. As illustrated in these customer stories, implementing the right software can help companies protect against financial and noncompliance risks, optimize operational efficiency, increase business agility, and maximize profitability. The key is deploying solutions that capitalize on the value of corporate data. These solutions must empower all business users to shift their focus from crunching numbers and compiling data to analyzing information and taking the action needed to drive performance.

Based on SAP's work with thousands of customers, SAP believes that the best solutions are integrated and adaptable to rapid business change, easy to use for optimal productivity, and predictive for anticipating future financial performance. The following types of SAP® software can be deployed separately or as part of a complete enterprise performance management solution:

- Strategy management software – to strategize and prioritize
- Business planning and consolidation software – to plan, budget, and forecast, as well as perform consolidations and predictive analysis and generate reports
- Profitability management software – to model and optimize the business for maximum profitable growth

Using these integrated applications, organizations can measure performance using a trusted, centralized data source and meet all stakeholder requirements for “in-time” and “in-context” information. At the same time, they can perform all key financial and operational performance management activities in concert: defining strategy and managing execution aligned with corporate goals; budgeting, planning, and consolidation; and modeling cost and profitability. These applications infuse awareness across the enterprise regarding the financial impact that people and departments can have on overall corporate performance.

An Open, Flexible IT Platform

SAP solutions for enterprise performance management can be integrated into both SAP and non-SAP software environments, allowing businesses to access relevant operational and financial data from any system to populate the central data repository used by the applications. Built on a modern service-oriented architecture (SOA), the software can be incorporated with existing IT infrastructure standards and allows other SOA-based technologies to make calls to and from the services supported by the products. The applications also work with existing financial and operational systems and data – including existing unstructured data. They leverage Microsoft Windows and Microsoft Office products and are easily accessible through a Web browser or custom portal.

Learn More

To learn more about SAP solutions for enterprise performance management, call your SAP representative today or visit us on the Web at www.sap.com/solutions/performancemanagement.

Implementing the right software can help companies protect against financial and noncompliance risks, optimize operational efficiency, increase business agility, and maximize profitability. The key is deploying solutions that capitalize on the value of corporate data. These solutions must empower all business users to shift their focus from crunching numbers and compiling data to analyzing information and taking the action needed to drive performance.

50 087 897 (08/01) Printed in USA.

©2008 by SAP AG. All rights reserved. SAP, R/3, xApps, xApp, SAP NetWeaver, Duet, Business ByDesign, ByDesign, PartnerEdge, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and in several other countries all over the world. All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

www.sap.com/contactsap

THE BEST-RUN BUSINESSES RUN SAP™

