Essbase to Hyperion Planning @ US Foods

Len Romano
February 22, 2013
Agenda

Introductions

Planning Process Challenges

Essbase Architecture & Budgeting

Hyperion Planning Overview

Customer Success Story

A View into Hyperion Planning

How to Begin

Questions ??
Introductions

**Emtec – Oracle Platinum Consulting Partner**

- Oracle EPM & ERP (EBS, PeopleSoft) expertise
- Business Process as well as Technical Expertise
- Cover the Entire suite of EPM applications
- Experienced resources with typically 6-10 years of EPM implementation experience
- Full range of implementation and training services
  - Infrastructure assistance – installs and upgrades
  - Implementation expertise
  - Training execution and development

**Len Romano – Sr EPM Specialist, Emtec**

- 20+ years of EPM experience
- 13+ Years as Solution Consultant & Partner Manager with Hyperion/Oracle
- Deep background in planning and financial business processes and former administrator/user of Hyperion products
Emtec’s five practice areas offer focused solutions to help our clients solve complex business & IT challenges

**Offerings**

From up-front strategy & consulting all the way to application, infrastructure & procurement services, Emtec’s 1,000 professionals are what makes us special, and we invite you to see the difference for yourself.

<table>
<thead>
<tr>
<th>Consulting Services</th>
<th>Package Application Services (PAS)</th>
<th>Cloud Technologies</th>
<th>Application Development &amp; Management Services (ADMS)</th>
<th>Infrastructure Services</th>
</tr>
</thead>
</table>
| • IT Strategy & Planning  
• IT Process Improvement  
• IT Performance and Governance  
• Information Management:  
  - Big Data  
  - Business Intelligence  
  - Analytics  
• Mobility Solutions  
• Program and Project Management | • Oracle  
  - Fusion  
  - EBS  
  - PeopleSoft  
  - EPM: Including Hyperion  
  - OBIEE  
• Microsoft  
  - AX and GP  
  - BI  
  - CRM  
• SAP  
  - Functional: HCM, FM, SCM | • Cloud Strategy & Planning  
• Salesforce.com Solutions  
  - Sales Cloud  
  - Service Cloud  
  - Marketing Cloud  
  - Force.com  
• Workday  
• Cloud Application Development & Technology  
• Private Virtual Cloud  
• Cloud Applications | • Portfolio Analysis  
• Application Advisory Services  
• Product Development  
• Custom Application Development & Maintenance  
• Package Application: Development, Maintenance & Support  
• Mobile solutions  
• Quality Assurance & Testing Services  
• Managed Services, Capacity Management & Staffing Services | • IT Service Mgmt.  
• Data Center  
• Business Application Infrastructure  
• End User Computing  
• Platforms |

**Practice Facts**

• SWAT team of 45 highly skilled Strategists, Architects and Consultants  
• 10 years of experience and more than 75 projects

• 180 Specialists, including Project Managers, Architects, Consultants and Analysts  
• More than 300 ERP & CRM projects completed  
• Expert team of Big Data, business intelligence and analytics professionals

• Specialized team of 25 Strategists, Project Managers, Architects, and Consultants  
• More than 90% certified  
• 62 Customers & 112 engagements

• Global workforce of nearly 750 associates (approximately 250 associates based in North America)  
• Provided more than 6.3M hours of application development and maintenance services.  
• Special expertise in Business Analysis and Testing (among other things)

• More than 100 associates providing data center, compute, network and storage related services  
• Value Add Reseller providing full device lifecycle management services for more than 30 years  
• IT Service Mgmt. BU having supported more than 70 distinct clients
Common Challenges of Planning Processes

- Processes Take Too Long / Require Too Many Resources
- Processes Are Not Defined and Consistent
- Excel Worksheets May Not Be Reliable and are Difficult to Maintain
- “Roll Up” or Aggregation of the Budget Difficult to Perform
- No Audit Trail (Calculations, Data, Allocations) or Controls/Compliance
- Inability of Planners to Get the Necessary Analytical Information Used in the Process
- Difficult and Timely to Administer the Process
- Obsolete Before Completed and Rolled Out
- Errors have significant impact on organizations
**Essbase Architecture & Budgeting**

**User Access**

- **Excel (Read/Write)**
- **Web via Reporting Tools**
- **Word and PowerPoint**

**Source Data Feeds**
- Unstructured data
- General Ledger
- Payroll System

**Essbase Cube**
- Scenario
- Customer
- Department
- Time Periods
- Version
- Accounts
- Region
- Product

**Export Data as Needed**
- Source Application

**Source Data Feeds**
- Unstructured data
- General Ledger
- Payroll System

**Oracle Platinum Partner**
Data Entry-Planning in Essbase
Customer Success Story – US Foods
Essbase to Hyperion Planning

• US Foods (formerly US Foodservice)
  – One of America’s leading foodservice distributors to:
    • Restaurants, Healthcare and Hospitality Facilities, Government Operations and Educational Institutions
  – Offering more than 350,000 national brand products and own high-quality private label items ranging from meats to produce to frozen foods
  – Based in Rosemont, IL with revenue of $20 Billion, employs approximately 25,000 associates in more than 60 locations
US Foods Process Evolution

**Data Flow Prior to Essbase in 2009**

**Data Flow with Essbase in 2010**

**User Feedback**

- Users didn’t trust that calculations always worked
- Links between files break if not careful
- Very difficult to load to PeopleSoft using ‘navigator’
- Unable to know ‘real’ AOP until PS reports are run
- Hard to update historic information
- Very few controls to prevent data corruption

- Easy to load data and refresh historical data
- After workbook redesign, users trusted results
- Fewer links that can break
- The real-time reporting was essential and worked great
- Single source of data simplified planning
- Overall process reduced plan cycle time by 30%
## What is Essbase?

- **Oracle Essbase** is the market leading online analytical processing (OLAP) server for enterprise performance management (EPM) applications.

- Designed specifically for business users, **Oracle Essbase** supports forecasting, variance analysis, root cause identification, scenario planning and what-if modeling for both custom and packaged applications.

- It can be tightly integrated with multiple data sources and the information generated can be delivered through a wide variety of reporting options.

- Engineered for scalability, security, and rapid-response, **Oracle Essbase** brings advanced analytics to the business user to enable greater understanding of the business, alignment of resources and improved business results.

### Process Documentation

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Documentation on back end processes</td>
<td>Thorough Documentation on back end and front end Processes and reevaluation</td>
</tr>
<tr>
<td>Minimal Training Documentation</td>
<td>Thorough Training Documentation</td>
</tr>
<tr>
<td>Undefined Security Roles</td>
<td>Integrated Enterprise Security with SIMON</td>
</tr>
</tbody>
</table>

### Common Data / Data Integration

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various Disparate Sources</td>
<td>One Single source of Data</td>
</tr>
<tr>
<td>No Audit Trail</td>
<td>Automated Data feeds from feeder sources</td>
</tr>
<tr>
<td>Manual Manipulation</td>
<td>Documented and audited process</td>
</tr>
</tbody>
</table>

### Global Assumptions / Corp. Guidance

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memos</td>
<td>One Source and control point</td>
</tr>
<tr>
<td>Spreadsheets</td>
<td>Increased detail and customized</td>
</tr>
<tr>
<td>Conference Calls</td>
<td>Archived for future comparison</td>
</tr>
</tbody>
</table>

### Speed / Flexibility

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slow and unreliable</td>
<td>Fast &amp; responsive</td>
</tr>
<tr>
<td>Complex &amp; Rigid</td>
<td>Less Complex and more Flexible</td>
</tr>
<tr>
<td>No IT / Enterprise Support</td>
<td>IT / Enterprise Support</td>
</tr>
</tbody>
</table>

### Functional Area Guidance

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate Non Integrated or dynamic</td>
<td>Integrated and dynamic</td>
</tr>
<tr>
<td>Manual</td>
<td>Automated</td>
</tr>
<tr>
<td>Time Consuming</td>
<td>More time efficient</td>
</tr>
</tbody>
</table>

### Other Applications

<table>
<thead>
<tr>
<th>Prior State</th>
<th>“Essbase” State</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>Ad Hoc Analysis and Reporting</td>
</tr>
<tr>
<td></td>
<td>Process improvement Opportunities (Flash, Weekly Sales, Productivity Reports)</td>
</tr>
</tbody>
</table>
# US Foods – Situation Assessment

<table>
<thead>
<tr>
<th>Planning Methodology</th>
<th>Current Environment…</th>
<th>Desired End State…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Budget development</td>
<td>• Strategic initiative / Business plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Process</th>
<th>Current Environment…</th>
<th>Desired End State…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Annual planning cycle</td>
<td>• Rolling forecast</td>
</tr>
<tr>
<td></td>
<td>• Time-consuming, cumbersome</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tools / Enablers</th>
<th>Current Environment…</th>
<th>Desired End State…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Multiple data sources</td>
<td>• Single Integrated platform</td>
</tr>
<tr>
<td></td>
<td>• Excel spreadsheets</td>
<td>• Web-based, “off the shelf” solution</td>
</tr>
<tr>
<td></td>
<td>• Manual consolidation</td>
<td></td>
</tr>
</tbody>
</table>
# US Foods - Planning Strategy

**Current State**

## Methodology
- **Financial Planning / Budgeting**
  - Budgeting

- **Identify Business Drivers**
  - Tools by driver
  - Begin to tie to P&L

- **Integrate Tools with Common Data Set**
  - Tools are inputs
  - Direct link to workbooks

- **Rolling Forecast**
  - Business driver driven process
  - Planning linked at all levels

## Frequency
- **Financial Planning / Budgeting**
  - 3x per year

- **Identify Business Drivers**
  - 3x per year

- **Integrate Tools with Common Data Set**
  - 3x per year

## Process
- **Financial Planning / Budgeting**
  - Financial plan / budget driven
  - Off-grid analysis used to test sensitivities
  - Focused on reporting versus analytics
  - Excel
  - PeopleSoft

- **Identify Business Drivers**
  - Disparate tools
  - Difficult to refresh / pull data
  - Pulling data from multiple sources
  - Cumbersome analytics
  - Excel
  - PeopleSoft
  - Access

- **Integrate Tools with Common Data Set**
  - Multiple tools (but linked)
  - More flexibility
  - Common data source
  - Excel
  - PeopleSoft
  - (Essbase)

## Planning Year(s)
- **Financial Planning / Budgeting**
  - 199x – 2008

- **Identify Business Drivers**
  - 2009

- **Integrate Tools with Common Data Set**
  - 2010

- **Rolling Forecast**
  - 2011
Accelerate the Enterprise Planning Process

- Centralized system
- Align top-down and bottom-up
- Consistent assumptions
- Common allocations & calculations
- Integrated Operational Planning to address in-depth revenue and margin planning
- Purpose-built Capital Assets and Workforce planning modules for fast deployment
- Powerful workflow and process management for budgeting and forecasting
- Leverages Essbase – powerful reporting and analysis
# US Foods - Hyperion Planning Benefits

## Process Work Flow
- Sequenced planning activities to feed “Essbase”
- Manual control and status checks
- Scalable but to hundreds

## Defined Business Drivers
- Finance Users interpret financial impact of operation drivers
- Multiple spreadsheets

## Methodology & Standardization
- Refining business drivers, standards and agreeing on methods and approach
- End user is asked to participate “Pulled”

## Defined Analytics
- Various interface for analytics reporting
- No direct interaction with planning

## Change Management
- Excel Based and Microsoft Suite based user interface
- No live tutorials, assistance

## Other Applications
- Ad hoc analysis, flexible but no synchronization

## Current State

<table>
<thead>
<tr>
<th>Current State</th>
<th>Hyperion Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Sequenced planning activities to feed “Essbase”</td>
<td>• Simultaneous connected planning activities; sales planning, workforce planning &amp; operations planning</td>
</tr>
<tr>
<td>• Manual control and status checks</td>
<td>• Automated collaboration and control; progress alerts, budget approval, validation</td>
</tr>
<tr>
<td>• Scalable but to hundreds</td>
<td>• Scalable to thousands of Users</td>
</tr>
<tr>
<td>• Finance Users interpret financial impact of operation drivers</td>
<td>• Non Financial users enter operational drivers and business rules calculate financial impact</td>
</tr>
<tr>
<td>• Multiple spreadsheets</td>
<td>• Single planning solution</td>
</tr>
<tr>
<td>• Refining business drivers, standards and agreeing on methods and approach</td>
<td>• Defined drivers, consistent methodology and standardized practices</td>
</tr>
<tr>
<td>• End user is asked to participate “Pulled”</td>
<td>• End user mush participate “Pushed</td>
</tr>
<tr>
<td>• Various interface for analytics reporting</td>
<td>• Single Interface for dashboards, interactive analysis, financial reports</td>
</tr>
<tr>
<td>• No direct interaction with planning</td>
<td>• Interaction in Planning system</td>
</tr>
<tr>
<td>• Excel Based and Microsoft Suite based user interface</td>
<td>• Simplified Web Interface &amp; Integrated MS Office</td>
</tr>
<tr>
<td>• No live tutorials, assistance</td>
<td>• Step by Step planning Wizard</td>
</tr>
<tr>
<td>• Ad hoc analysis, flexible but no synchronization</td>
<td>• Predefined proven solutions</td>
</tr>
<tr>
<td>• Ad hoc Analytics with ability to change assumptions, perform calculation, analyze results and synchronize updates</td>
<td></td>
</tr>
</tbody>
</table>
# US Foods - Planning Roadmap - Timeline

<table>
<thead>
<tr>
<th>Timing</th>
<th>Hyperion Planning Release 1</th>
<th>Hyperion Planning Release 2</th>
<th>Hyperion Planning Release 3</th>
<th>End State Rolling Forecast</th>
</tr>
</thead>
</table>
| Proj2 2011 (Aug)  | Top Down & Bottoms Up financial plan  
                     Planning linked at major P&L levels | Top Down & Bottoms Up Business driver driven process  
Planning linked at all levels | Top Down & Bottoms Up Business driver driven process  
Planning linked at all levels | Top Down & Bottoms Up Business driver driven process  
Planning linked at all levels |
| Proj1 2012 (May)  |                              |                              |                              | 1 tool multiple modules fully integrated |
| Proj2 2012 (Aug)  |                              |                              |                              |                              |
| AOP 2013 (Oct’12)|                              |                              |                              | All |

## Methodology
- Top Down & Bottoms Up financial plan
- Planning linked at major P&L levels

## Process
- Multiple tools (but integrated)
- More flexibility
- Common data source
- Defined analytics
- Reduced number of tools (but integrated)
- More flexibility
- Common data source
- Defined analytics
- Reduced number of tools (but integrated)
- More flexibility
- Common data source
- Defined analytics
- 1 tool multiple modules fully integrated

## Scope
- Financial Planning for Support Office & VP’s of Finance Field  
P&L, Balance Sheet & Cash flow, Workforce Planning
- Logistic, Buying Income, Operations Planning
- Sales Planning, Capital, Buying income Catman Planning

## Timing
- Proj2 2011 (Aug)
- Proj1 2012 (May)
- Proj2 2012 (Aug)
- AOP 2013 (Oct’12)
Goals for the Project

• Design / Build / Implement a Hyperion Financial Planning system which is
  – Integrates the various US Foods models
  – Scalable
  – a provider of Standardization across the organization

• Provide Finance team a single data repository for forecasts / budgets / actuals
  P&L data for more visibility into assumptions

• Streamline forecasting / budgeting process
  – Allow for faster cycle times
  – “Real-time” roll-ups / consolidations
  – React to market conditions quicker
  – Systemically link HR data to Financial planning process (Work Force Planning)

• Move FP&A teams from “data aggregators” to “data analyzers”

• Eliminate Excel spreadsheet dependencies
Project Timeline

Six-Step Implementation Methodology

- **Step 1 Analysis**: 18-Apr
- **Step 2 Design & Planning**
- **Step 3 Build Phase**
- **Step 4 Test Phase**
- **Step 5 Roll-out Phase**: 19-Sep
- **Step 6 Post Implementation Support**
A dedicated “core” cross-functional team

- Finance project lead
- 2 Sr Analyst’s
- Project manager
- Other as needed Resources
- 3 developers (consultants)
- Other IT Resources
- Finance subject matter experts
- Architecture
- Configuration Management
- Report Development
- Etc.

= Part Time
= Full Time
Keys to Project Success

- **Design & Development**
  - Corporate FP&A led effort with clear knowledge & understanding of corporate and business unit requirements and goals
  - Flexibility during Development
  - Innovation on the Fly
  - Standardization and Efficiencies

- **Training**
  - Developed training program customized to US Foods and trained 25 power users leveraging a “train the trainer” approach
  - 200 total users
Today – Results Achieved

- Vastly improved Planning and Forecasting process
- More visibility into assumptions
- Expanded Version Control
- A streamlined approval process
- Greater workforce planning capabilities
- Improved reporting and analysis
- A company wide rollout
Oracle Hyperion Planning

- Scalable web infrastructure
  - Data input - Web or Excel

- Low Cost of Administration - End User

- Planning Platform
  - Enterprise Flexibility

- Improved Planning/Forecasting
  - Event Based
  - Faster Cycles
  - Better Accuracy w/ more participation
  - Ability to Forecast Frequently

- Version Control / What-If / Process Management

- Essbase - Market Leading and Award Winning Analytical Platform
  - Powerful Reporting and Analysis

- Special-purpose planning modules for fast deployment
  - Workforce Planning / Project Finl Planning / CapEx Planning
One of the premier full-service EPM strategic implementation firms...

- Providing value-add Managed Services such as Business Process Assessments, Product Roadmap Strategies, Technology Evaluations, Staff Augmentation, etc.
- A Six Step Implementation Methodology to insure Success: Analysis, Design & Planning, Build Phase, Test Phase, Roll-Out Phase & Post Implementation Support & Review
- Serving Fortune 1000 companies & large scale, enterprise-wide implementations as well as Mid-Market organizations
- Deep knowledge and expertise with finance business processes and delivering focused EPM solutions

The Most EPM Experience = The Right Partner

Hyperion Certified:
Planning
HFM
Essbase

Reporting and Analysis

Financial Consolidation
- Design & Implementation
- Financial Management (HFM)
- Financial Reporting & Analysis
- Financial Data Quality Management (FDQM)
- Disclosure Management
- Financial Close Module
- Financial Account Reconciliation

Budget, Planning & Forecasting
- Design & Implementation
- Hyperion Planning
- Planning, Budgeting & Forecasting
- Workforce Planning, Project
- Financial Planning & Capital Asset Planning
- Financial Data Quality Management (FDQM)
- Financial Account Reconciliation

Essbase Custom Applications
- Design & Implementation
- Specific Application Build
- Profitability Analysis
- Sales and Expense Analysis
- Marketing Analysis
- Customer Analysis
- Other Custom Applications
- Essbase Analytics Link (EAL)

Business Intelligence
- Oracle Business Intelligence Enterprise Edition (OBIEE)
- BI Foundation Suite (BIFS)
- Oracle BI Applications
- Oracle Database Relationship Management (DRM)
- Mobile Delivery

Infrastructure Services
Moving to Hyperion Planning

The Roadmap to Improving the Planning and Forecasting Process begins with ......

A Complimentary ½ day Essbase to Planning Assessment
THANK YOU !!!

Key contact

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Mobile: (708) 819-0060
A View of Hyperion Planning

Hyperion Planning
presented by
Len Romano
Emtec
Guide Users Through Budget Process
Fast Adoption and Increased Accuracy

- Budget wizard to guide planners
- Include instructions
- Set due dates
- Alerts and progress monitoring
- Send email reminders
- Report on budget status
Intuitive Web Interface for Wide Deployment
Data Entry Forms are Centrally Maintained and Consistent Across Web and Excel

- Form layout
- Display options
- Form contents
- Access permissions
- Business rules
Process Management and Workflow
Integrated Reporting and Analysis
Quick Insight into Budget Status and Variances

- Sophisticated ad-hoc analysis
- Production quality financial statements reporting
- Easy and quick to build reports
- Leverage report template repository across entire organization
- On demand, real-time or batch reporting
- Automatically apply budget model changes
Applications that improve the Management of the Business

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