



White Paper

Enterprise Performance
Management (EPM)

March 2010



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Introduction

Today's organizations need access to immediate, accurate information, as a base on which to make informed decisions, and to see how the organization is performing against corporate goals.

In many cases, organizations have found it difficult to synchronize business strategy with operational execution because they lack visibility into the information needed to support decision-making. Often, organizations use disconnected applications (for example, Excel spreadsheets) to record and analyze data, or managers have to wait for another department to complete some work before getting information.

To achieve the following important goals:

- real-time access to operational information;
- data-driven decision making; and
- target-oriented management;

businesses need to apply new approaches, acquire tools and solutions, and ensure a centralized, integrated information system is in place.

The role of Enterprise Performance Management (EPM) is to help bridge the gap between strategy and execution by providing a framework in which information can be delivered in the appropriate way and at the right time, so that plans can be reviewed, objective progress assessed, and performance evaluated.



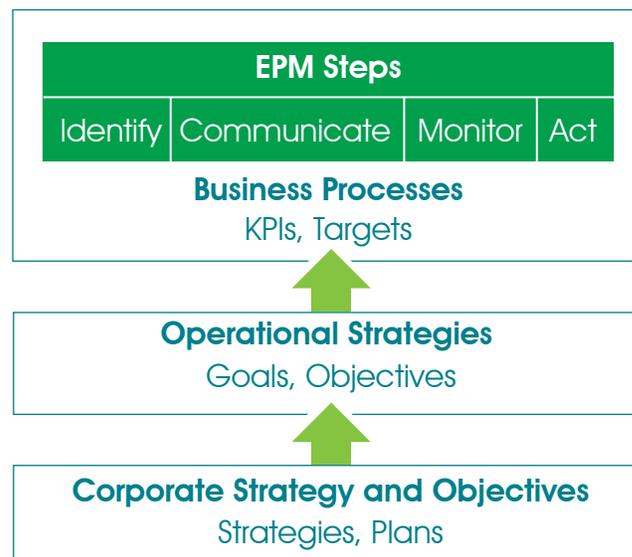
Defining EPM

EPM is an organizational strategy, determined and driven at executive level, to help the business move in the right direction.

Companies with experience in Business Intelligence (BI) applications should not assume that EPM is just another name for something they have been doing for some time. BI is a technology solution, whereas EPM is a business strategy and process which uses BI tools, among others.

While a number of the applications that make up EPM could be in use already, EPM provides the framework to align those applications together for a common strategic purpose and to assist in driving all parts of the business in the same direction towards common objectives.

Steps to EPM implementation



The role of an EPM solution is to provide appropriate information to:

- Analyze business conditions and trends
- Monitor and measure progress and performance
- Gain visibility into operations and bottlenecks

This information should be:

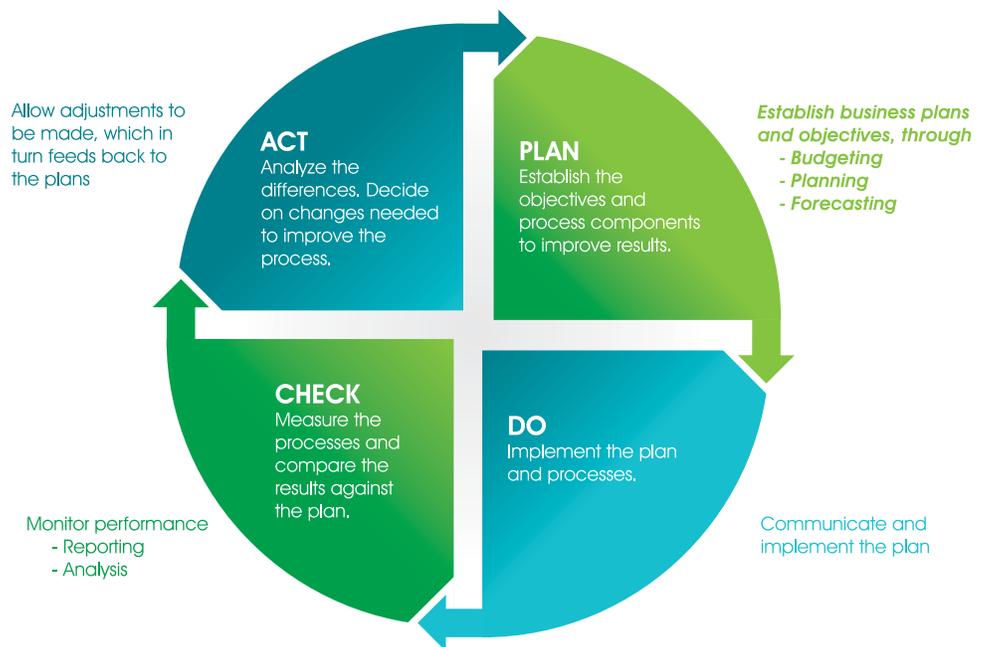
- Goal-oriented – enabling businesses to define objectives
- Metric-based – providing the tools for measuring and managing performance against those objectives
- A closed-loop process – there is feedback between plans, goals, targets and measures
- Capable of addressing financial as well as operational activities
- Integrated – allows organizations to be structured, measured, and managed as a whole, rather than in parts



Implementing EPM

Implementing an EPM solution requires a management strategy that will instill a goal-oriented culture in the organization. The process of establishing strategic goals and performance objectives has been guided in recent years by the growth of continuous improvement methodologies, such as Lean, Six Sigma and Theory of Constraints. Many of these methodologies use the Deming Cycle of Plan-Do-Check-Act. Using the 'closed loop' approach, EPM complements continuous improvement programs.

Deming Cycle EPM Steps



As the name suggests, continuous improvement is a dynamic process, so the continued acceptance of the EPM solution will depend on how it can be changed as business needs dictate. Consequently, the solution must be flexible and configurable so that modifications, updates and maintenance can be easily applied.



Integrated EPM and ERP

Getting the right information to the right person at the right time in the right format is a primary requirement for a successful EPM implementation. Organizations with an implemented ERP system know that the data needed to run their business is stored in the system, but have often found it difficult to access and make use of this transactional data for decision making. By deploying a modular EPM solution, integrated with the ERP, organizations can implement strategy, define objectives, set targets and be sure that there is a base of information against which activities and goals can be measured.

The benefits of applying an integrated EPM/ERP solution are:

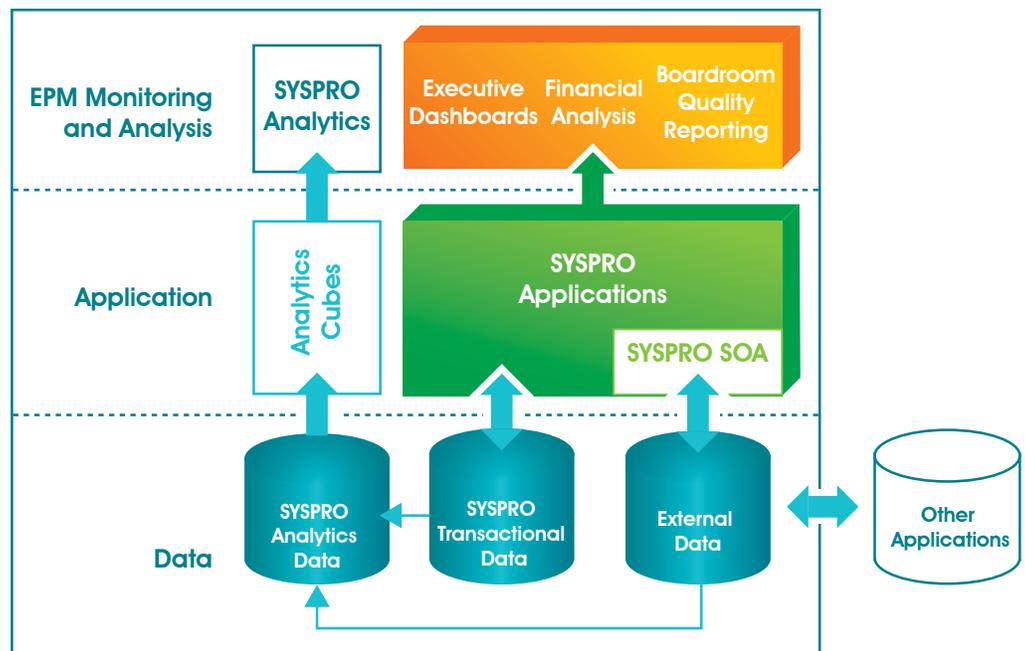
- Data accuracy and validity - data used can be traced to the source
- Cost effective – no added investment associated with third-party tools
- Flexible deployment – with modular EPM software, deployment can be started with any component of the solution
- Timeous information – no delays as a result of the real time data

Delivering EPM with SYSPRO

SYSPRO recognizes that EPM data must be based on more than just an operational data store, therefore SYSPRO 6.1 provides a set of solutions for different types of monitoring, measurement and collaboration. These include:

- Executive Dashboards
- SYSPRO Analytics
- Financial Analysis
- Boardroom Quality Reporting

SYSPRO EPM Architecture





As SYSPRO EPM tools can be deployed on standard SYSPRO screen views, users at all levels in the organization – from executive to operator – can be provided with the information they need to ensure their work contributes to, and is in line with, the goals of the organization.

For an enterprise wanting to use its ERP system as part of an organization change process, giving employees access to appropriate information via an EPM tool enables everyone to have visibility of their work and how it links to corporate objectives.

Executive Dashboards

SYSPRO Executive Dashboards is an interactive visual analysis solution. Seamlessly integrated into the SYSPRO ERP solution it provides executives with monitoring and what-if analysis tools to leverage their investment in ERP to strategic advantage.

SYSPRO Analytics

SYSPRO Analytics provides a multi-dimensional view of pre-defined Key Performance Indicators (KPIs) covering all aspects of the business. Transactional data is extracted and populated into SYSPRO Analytics data warehouses, from which Analytics cubes can be created. Although SYSPRO Analytics has its own viewer, any front-end tool (such as Excel) can be used to access Analytics data. Alternatively, an Analytics session can be set up within any SYSPRO application.

Financial Analysis

SYSPRO Financial Analysis comprises a set of tools which allow managers to forecast and perform what-if-analysis on financial data. The tools include:

- Cash flow forecasting
- Financial ratio analysis
- Budgeting and planning functionality

Boardroom Quality Reporting

For financial and operational reporting, SYSPRO Reporting Services (SRS) has the functionality to produce high quality reports and documents as well as visual analysis capabilities. SRS uses Crystal Reports which provides flexibility for designing reports to almost any requirement. SRS reports are version independent so companies can upgrade to a new version of SYSPRO without negatively affecting their customized reports.

For more information on SYSPRO Solutions visit www.syspro.com.



About SYSPRO

SYSPRO is an internationally-recognized, leading provider of enterprise business solutions. Formed in 1978, SYSPRO was one of the first software vendors to develop an Enterprise Resource Planning (ERP) solution. Today, SYSPRO is a global business solution vendor, represented on six continents and by more than 1500 Channel and support partners. Over 14,000 licensed companies across a broad spectrum of industries in more than 60 countries trust SYSPRO as the platform on which to manage their business processes.

Customer focus is the core of SYSPRO's corporate culture and is one of the key reasons why SYSPRO maintains a strong leadership position in the enterprise application market. By focusing on people and building lasting relationships with customer and partners, SYSPRO has ensured high customer retention and satisfaction.

SYSPRO has won awards and earned the reputation for well-structured, effective implementations in all sizes of companies, specializing in demanding environments, across a multitude of Verticals. We have developed a structured approach to reduce the time and cost of implementing SYSPRO that has been the result of over 30 years of experience enabling organizations to personalize and utilize the software successfully and effectively.

We work in partnership with our customers to identify feasible and affordable solutions to transform their business. Team SYSPRO integrates internal and external experts, from the international SYSPRO community, to ensure that our customers are exposed to the best possible resources through all phases of the ERP project: strategic, functional and operational. This consolidated approach ensures that our customers receive holistic and autonomous analysis throughout the project, and optimizes operational efficiencies.

Our single product DNA also means that all SYSPRO upgrades are seamless. With the range of functionality and depth of features built into the product and accessible via a single SYSPRO portal, companies need never go outside of SYSPRO to gain increased operational effectiveness.

The aim is to deliver world-class software that gives customers the control, insight and agility they need for a competitive advantage in a global economy. As such, SYSPRO provides a unique combination of robust, scalable technologies that ensure minimal risk and high return on investment.

Our vision is focused on meeting customer needs today and in the future - SYSPRO, simplifying your success with the most integrated, uncomplicated and effortless business software solution for small and medium enterprises.



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