

Solution Brief

FINANCIAL MANAGEMENT IN PLANVIEW ENTERPRISE

Maximize Performance and Achieve Financial Visibility

Most organizations manage their work with tools that are disconnected from those that plan, measure, and monitor financial costs. They can track what they spend in a department or cost center, but cannot easily connect the spend with the deliverable produced. When financial planning, strategic management, project management, product development, and IT services occur as separate processes with limited integration, organizations cannot justify and explain their overall total costs and how those costs translate into value. The organization can neither track nor forecast the cost of a strategy, the total cost of development for a product, or the total cost of ownership for an asset or service.

The fundamental disconnect between processes focused on executing work and those measuring financial performance creates the chance for waste, redundancy, and a lack of understanding of the value provided by the organization – IT, product development, marketing, or any other business unit. Without the ability to connect costs to value, organizations cannot explain internal costs and charges or justify headcount and burn rate.

The financial management capabilities embedded in Planview Enterprise provide a comprehensive, integrated system for performing portfolio management planning and execution with robust capabilities for budgeting, forecasting, and tracking costs and benefits. You attain dynamic, real-time visibility into the costs and benefits of strategies, products, projects, applications, assets, and services and are able to see:

- Who is doing the work
- The value or deliverable produced
- Who is paying for it

When financial management is an integral part of portfolio management, you are empowered to drive strategic alignment, measure performance in meaningful business terms, and promote overall accountability.

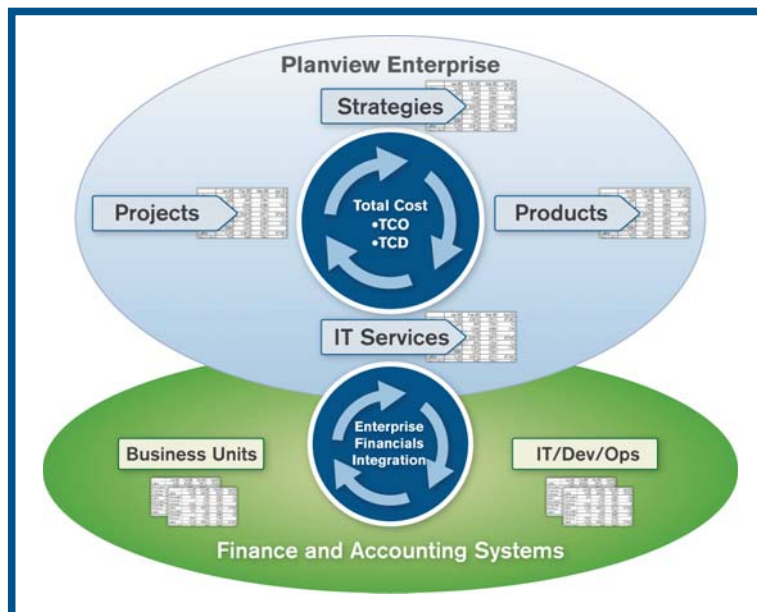


Figure 1. Planview Financial Management Capabilities Enable Dynamic Financial Planning

Planview Enterprise Financial Management

Planview Enterprise Financial Management is an integrated component of Planview Enterprise®, the market-leading portfolio management solution. Portfolio management helps you optimize your business by balancing strategy against scarce resources – people and money. Other components of Planview Enterprise include Enterprise Portfolio Management (EPM) for strategic planning, Project Portfolio Management (PPM) for managing projects and resources, Product Portfolio Management (PdPM) for maximizing the market impact of products, Service Portfolio Management (SPM) for managing the total cost of business service delivery, Insight Analytics for accelerating informed business decisions, and Business Process Manager (BPM) for improving process performance and requirements auditability. Planview Enterprise Financial Management enables organizations to link portfolio management planning and execution to financial planning and performance.

Planview Enterprise Financial Management helps you:

- Achieve more accurate budgeting and forecasting through dynamic financial planning
- Understand total costs to balance cost with value
- Drive innovation through strategic financial planning
- Perform financial planning and reporting and easily access analytics within a portfolio management framework

Budget and Forecast Costs with Dynamic Financial Planning

Dynamic financial planning helps you achieve more accurate budgeting and forecasting and enables you to:

- Build financial plans on projects, strategies, products, services, and assets/applications
- Capture the right level of financial information for the right process, allowing for high-level costs and benefits on strategies and products with more detailed financial data on execution-level work, assets, and services
- Manage specific projects, strategies, products, services, and assets in multiple currencies simultaneously

Drive Innovation through Strategic Financial Planning

Alongside a strategic financial management approach, Planview Enterprise can help you drive innovation and achieve higher performance with your financial management systems by defining processes that prompt higher accountability and better decisions. Strategic financial planning:

- Combines the disciplines of portfolio management, strategic planning, and financial management to plan and manage resources based on your strategic plan
- Requires a comprehensive resource allocation plan and its ongoing management, monitoring, correcting, and improving
- Complements organizational financial management, overcoming its limitations by improving strategic alignment and financial transparency to achieve the strategic plan
- Converges top-down strategic planning targets and bottom-up strategic planning plans, as shown in Figure 2, at multiple stages of planning and when actuals are collected. Execution-level variances are monitored and validated against organizational and strategic plans to ensure alignment and make adjustments when necessary.

REAL-WORLD BENEFITS

A company assisting financial service organizations obtain a single view of fraud activity across the enterprise required a solution to help track, measure, and report on IT financials. This solution would help the company incorporate IT planning into its annual planning process to contribute to increased revenue, lower costs, competitive advantage, security, increased shared services, and information for employees and customers.

CHALLENGES AND CONTRIBUTING FACTORS

The factors that led to the decision to employ portfolio management include:

- Recognition of the impact of IT investment on company profits, including integrating the IT investment planning with the annual business planning
- Desire to demonstrate the value of and to manage IT investments
- Benefits of higher ROI, better IT investment decision making, forward planning of IT investments, and synchronization with strategic direction

SOLUTION

The company implemented Planview Enterprise to:

- Ensure that IT investments complement and enhance company strategies
- Approaise strategic objectives, level of IT infrastructure, and project goals for each program, project, and activity
- Review company strategies annually to make sure that IT has initiatives in place to support the strategies

VALUE

Planview Enterprise helps the company with:

- Metrics such as project status, percent complete, resource utilization percentage, financial metrics, and resource roles
- Reporting like resource utilization, project status, strategic alignment, and financial analysis and status
- Communications with project teams and content management
- Demonstration of IT's value to the business through project views and allocated incremental costs

Planview Enterprise and its embedded financial management capabilities help this company make the right investment decisions, stay on track with projects, and generate and demonstrate business value from IT.

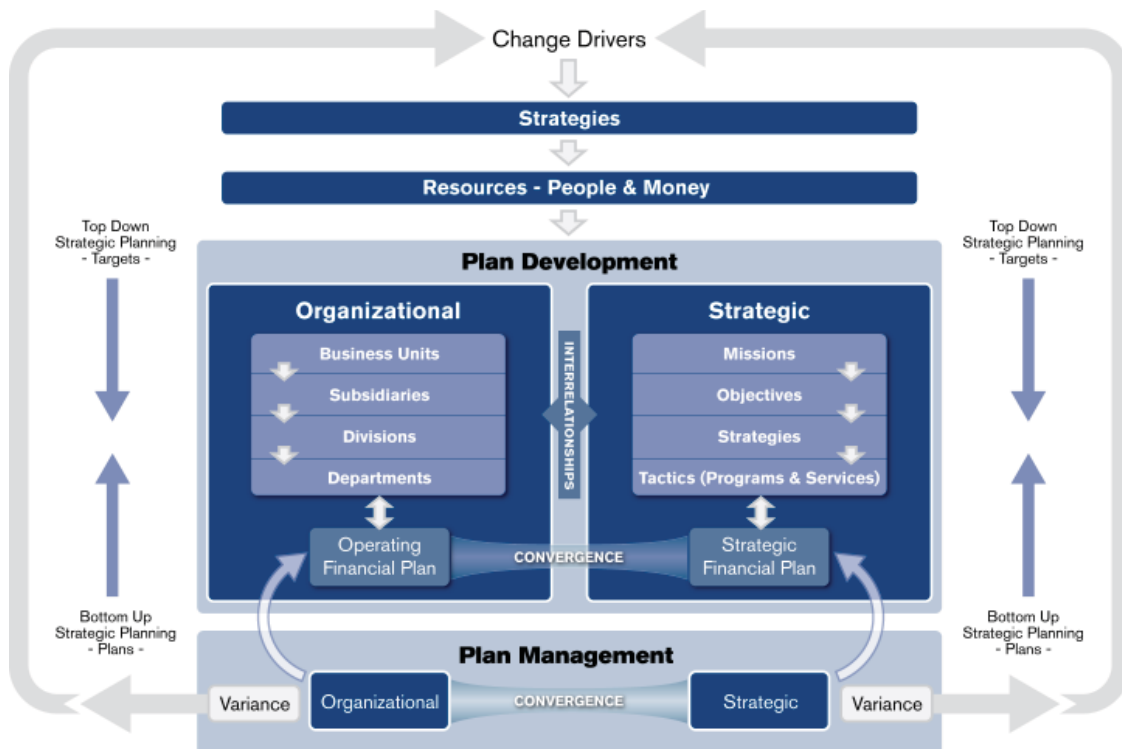


Figure 2. Convergence of Top-down and Bottom-up Financial Planning

Understand Execution Costs and Forecasts to Balance Cost with Value

The financial management capabilities in Planview Enterprise provide an integrated financial platform for linking execution activities, costs, and organizations. This platform helps you:

- Plan, forecast, and track the costs and benefits of:
 - Products and product development efforts to understand Total Cost of Product Development (TCD)
 - Applications and assets to understand Total Cost of Ownership (TCO)
 - Services and asset costs to understand Total Cost of Services (TCS)
- Understand the relationship between internal organizational costs, the value provided, and the benefit received
- Forecast and manage planned and actual labor costs by multiple factors, which include role, proficiency, location
- Manage vendor labor costs with specialized vendor labor costing to support staff augmentation, outsourcing, and more

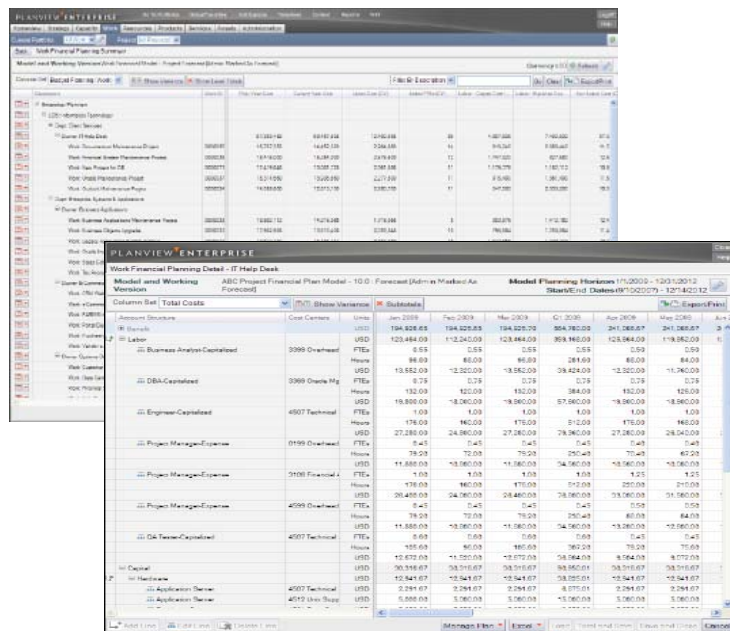


Figure 3. Planview Enterprise Financial Management User Experience

Perform Financial Planning and Reporting and Easily Access Analytics within a Portfolio Management Framework

Planview Enterprise offers a robust experience for financial users, with meaningful processes and concepts. This delivers:

- The facility of working where you are comfortable – either in a rich, spreadsheet-like user experience as seen in Figure 3, or in Microsoft Excel via a powerful, bi-directional interface, as seen in Figure 4.
- Comprehensive analytics, which provide you with the financial information you need to make key decisions. Financial analysis is provided through a breadth of channels:
 - Embedded within Planview Enterprise portfolio management applications with integrated subtotals, dashboards, and charting
 - Via ad-hoc, custom, and distributed reporting through Scoreboards leveraging Business Objects
 - Analytics through Planview Enterprise Insight Analytics that uses the power of OLAP for portfolio analysis on every desktop (see Figure 5)
- A configurable and flexible financial approach, enabling financially-oriented processes in support of portfolio management



Figure 4. Planview Financial Management Integration with Microsoft Excel

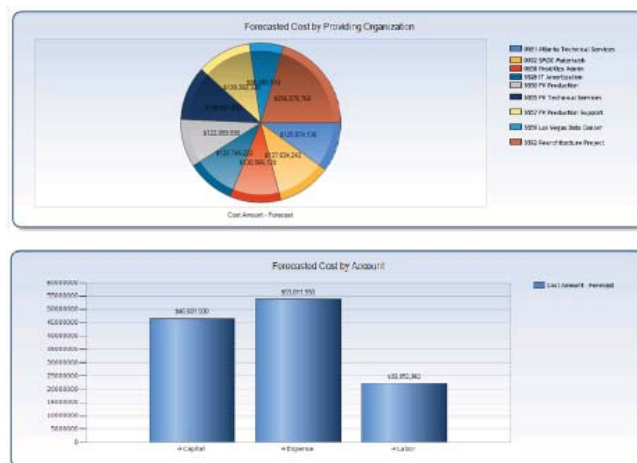


Figure 5. Analyze Financials with Planview Enterprise Insight Analytics - Forecasted Cost by Providing Organization and Account

DO YOU NEED TO REPORT FINANCIAL PERFORMANCE AND FUTURE PLANS TO YOUR FINANCE EXECUTIVES? CAN YOU ANSWER THESE QUESTIONS?

- Can we align IT spending with enterprise strategies and objectives?
- How accurate is our budgeting and forecasting?
- Do we have visibility into the cost of developing an product, providing a service, and/or supporting an application?
- Can we measure TCO, TCD, and TCS?
- Can we justify or explain internal costs?
- Can we accurately manage chargebacks?
- Are we able to meet financial regulatory compliance?
- Do we have enough information to fund more innovation?

Start Benefiting from the Integration of Financial Planning and Portfolio Management Today!

The financial management capabilities embedded in Planview Enterprise provide a comprehensive, integrated system for performing the planning and execution of functions necessary to budget, forecast, and track costs and benefits. You get a complete picture of who is doing the work, the value it produces, and who is paying for it.

Leveraging a powerful portfolio management solution with comprehensive financial planning capabilities drives accountability and allows reporting performance in meaningful business terms. You can overcome the limitations of a purely organizational, general ledger-driven approach to financial planning, and are able to focus financial planning on strategic execution, product development, and service management to ensure realization of the corporate vision.

The result is a complete portfolio management solution that provides a powerful, proven, and effective way to:

- Fully align strategies, resource capacities, and funding
- Maximize the performance of your product portfolio
- Gain better control of projects and resource assignments
- Capture and manage the total cost of delivering services, applications, and products

Learn more about the financial management capabilities of Planview Enterprise today at www.planview.com.



For 20 years, Planview has been advancing the discipline of portfolio management, helping our customers change the way they manage people and money to make better business decisions. With a singular focus on portfolio management, Planview is the only company that combines customer-driven software, unmatched domain expertise, and proven best practices to solve each customer's unique business problems.

Planview Enterprise®, a market-leading portfolio management application suite, with Planview PRISMS®, the knowledge base for accelerating organizational change, delivers measurable business results for IT management, product development organizations and throughout the enterprise. As an independent, trusted partner, Planview is committed to interoperability with key management systems through the Planview OpenSuite integration product line. Industry leaders such as Citi, BP, and EDF, rely on Planview to drive revenue, mitigate risk, cut costs, create efficiencies, and ultimately give their businesses a competitive advantage.

Privately held and consistently profitable, Planview is headquartered in Austin, Texas. With offices across North America, Europe, and Asia-Pacific, the company supports customers in virtually every industry around the world. For more information, visit www.planview.com.

bdb0109

© 2009 Planview, Inc. All rights reserved. Planview, Planview Enterprise, and Planview PRISMS are registered trademarks of Planview, Inc. All other trademarks are acknowledged. Planview reserves the right to vary specifications and availability of these products and services without notice.