

TAGETIK ALLOCATIONS



WHERE TRUE PROFITABILITY BEGINS

Identifying the most (and least) profitable areas of your business typically involves pulling data from multiple sources and making generic high-level assumptions about allocating costs. But that doesn't give you insights at a level of detail that is actionable. With Tagetik Allocations, you can easily identify your fixed costs and allocate variable costs at a very detailed level that deliver real insights for decision-making. With capabilities that enable you to drive forward-looking plans and models, this robust allocation engine can help you put the bottom line top of mind at all levels of your business.

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Analyze profitability

With Tagetik Allocations, you can allocate direct and indirect costs — even down to customer, product or even SKU level of detail — see the financial impact of key business drivers, and better understand the profitability of your customers, LoBs, channel, plants, branches, stores or whatever detailed drivers are the key to your business performance.

Gain operational insights

What are your real costs for a given customer or product? Where can you save or reallocate to optimize returns? By generating detailed P&Ls by product, division, delivery channel or LoB, you can better understand how your operations are impacting cost and revenue drivers across the organization. The result: Finance and Operations can work together proactively to maximize profitability.

Create business and profitability models

By generating detailed profitability models, you can analyze, predict and respond to changing customer demands and market conditions and model the financial impact of multiple scenarios. At both corporate/group and individual division, department, or individual product or levels. Easily see how different detailed scenarios will impact profitability across the entire organization.

Conduct what-if analyses

Getting answers to "what-if" scenarios has never been easier. Run multiple what-if scenarios, then visually compare and contrast the results side by side. See both the impact on operational performance and the upstream impact on departmental, divisional, and corporate P&Ls, balance sheets and cash flow statements.

Allocate resources intelligently

With Tagetik providing the ability to attribute and allocate costs at a detailed level, your department managers and LoB leaders can gain clear visibility into their total costs and profitability — and can more intelligently allocate resources to optimize both operational and financial performance.

Align profitability with planning

Why is it critical to have robust profitability analysis and planning in the same solution? Because plans and profitability analysis are based on the same data, business rules and reports. Profitability analysis incorporates actual results, original plans, reforecasts and what-if modeling. Having it all in one solution ensures you are using the same logic whether analyzing actual performance, a quarterly forecast or a what-if scenario.

“We have moved to forecasting our profit/loss and financial position (by) individual customer job, resulting in a significant reduction in manual processes by 50%.

Group Planning and Control Manager, ASTALDI

TAGETIK ALLOCATIONS CAPABILITIES

Our customers take advantage of the following and many other features of Tagetik Allocations to allocate costs and analyze profitability:

- **Allocation Rules:** Allocate direct costs and revenues to departments, products, projects, activities or virtually any other business dimension. The intuitive allocation engine handle basic driver-based allocations or complex waterfall allocations down to a very granular level of detail.
- **Advanced Hierarchy Management:** Easily manage and update unlimited hierarchies to ensure allocations can be done at whatever level makes business sense. Flexible hierarchies and allocation rules give Finance complete control and confidence in the allocation methodology and results.
- **Statistical Information:** Capture virtually any statistical information needed for driving allocations — headcount, revenue, quantity and more — and automate the updating of these drivers to streamline the process and provide an audit trail of the source and data stamp of all statistical allocation drivers.
- **Data Entry Forms:** Develop standard forms to involve business users in entering or importing local business drivers that drive detailed allocations. Provide flexibility with control to ensure control and accountability of all drivers used in the allocation process.
- **Shared Services:** Allocate shared services costs to ensure fully weighted costs for profitability analysis. Use visibility into shared services cost to analyze consumption and maximize available resources and spend.
- **Double Entry Logic:** Provide Finance with full visibility and easy auditability of all allocations. Double entry logic ensures all allocations are balanced and complete without the need for redundant data or dummy accounts.
- **Traceback Transparency:** Gain complete transparency into the consumption patterns of individual business units. Provide business units with the ability to traceback and view the source of every allocation they receive.
- **Process Driven Workflow:** Track progress and completion of the allocation process with an intuitive dashboard that allows administrators and users to view allocations and their financial controls, checks, balances and audit log.
- **Single Version of the Truth:** Eliminate inconsistency of allocation logic with a single data source that applies the same allocation rules across actuals, plans, and what-if models.
- **Reporting:** Easily create standard reports for analyzing allocations and profitability at any level in the organization. Users can easily turn any report into a dashboard with just a few clicks giving them the autonomy to analyze profitability on their own.

Learn more about Tagetik’s allocation engine or sign up for a personalized demo at <http://www.tagetik.com/resources/demo>

ABOUT TAGETIK

Tagetik understands the complex challenges that face the Office of Finance. And we translate that knowledge into intuitive, enterprise-scale performance management software solutions that drive business results. With Tagetik, you gain the simplicity of the Cloud and the power to: unify financial and operational planning; shorten the consolidation and close process; immediately analyze results, model and compare full financial statement impact of business scenarios; adjust strategic plans; seamlessly update rolling forecasts; produce formatted and auditable financial statements and management reports; collaborate on business reviews, and automate disclosure and board reporting. Using Tagetik’s built-in financial intelligence, CFOs, finance managers and operations executives can orchestrate multiple or all processes in one software solution. More than 850 customers across 35 countries count on Tagetik to improve efficiency, reduce risk, save money and deliver results.

For more information, visit www.tagetik.com