



NUCLEUS
RESEARCH

RETIRE LEGACY FCC SOLUTIONS WITH ORACLE FUSION CLOUD EPM

ANALYST

Isaac Gould

THE BOTTOM LINE

Though BlackLine is a leader in the financial consolidation and close (FCC) solutions market, Nucleus interviewed several companies to understand why they had replaced their BlackLine deployments with Oracle Cloud EPM. We found that organizations that have selected Oracle Fusion Cloud ERP as their central ERP system could supplement their Oracle contract by including Oracle Cloud EPM. In doing so, these customers gained additional FCC and FP&A functionality at a lower total cost of ownership. Customers also accelerated their audit cycles by up to 20 percent by unifying their finance and accounting processes under Oracle. Leveraging Oracle Cloud EPM, interviewed companies were able to reduce operational costs while improving financial visibility and accounting productivity from the native integration between Oracle Cloud ERP and Oracle Cloud EPM.

OVERVIEW

As organizations grow through natural expansion or M&A activity or gain more maturity in their use of SaaS solutions, they require solutions to more adequately meet their complex financial needs. Comprehensive accounting and performance management solutions such as Oracle Cloud EPM offer organizations a way to consolidate their accounting processes under the Oracle ecosystem at a lower overall cost than BlackLine. In some cases, this decision may be influenced by their choice of Oracle Cloud ERP as their corporate ERP solution. In other cases, this may be driven by a desire to standardize on a single suite for all their EPM needs. Oracle Cloud ERP users that retired BlackLine for Oracle Cloud EPM can expect improved data visibility, allowing organizations to keep track of financials, accelerate audit cycles, detect anomalies, and generate reports faster. With the ability to track and source data within a single environment, users adopting Oracle Cloud EPM can free up their accounting staff to complete more value-add tasks, such as variance and performance analysis and reporting for executives and investors.

**Oracle Cloud EPM
users can halve their
annual FCC solution
costs**

ORACLE CLOUD EPM

Oracle Cloud EPM is a comprehensive finance and accounting platform that includes Financial Consolidation & Close (FCC), FP&A, and Integrated Business Planning (IBP) functionality. On the accounting side, Oracle Cloud EPM helps organizations accelerate the account reconciliation process with automated transaction matching and journal entry creation. The Oracle EPM Account Reconciliation solution includes tools for intercompany eliminations, variance analysis, and outlier detection, among others. Users can configure dashboards by roles or personal preference to view the operational and compliance aspects of the reconciliation cycle. Oracle Cloud EPM also includes reconciliation compliance functionality to track reconciliation performance and prebuilt templates tailorable to the organization's accounting structure. Organizations can also define their own parameters to automate much of the reconciliation and approval process.

Oracle Cloud EPM is also an extended planning solution recognized for its leading FP&A and cross-departmental planning functionality. (Nucleus Research W11 – *CPM Technology Value Matrix 2022* - February 2022) In addition to FP&A, customers often leverage Oracle Cloud EPM to develop operational plans and projections of various functional departments,

including workforce and sales planning. With out-of-the-box templates for numerous industries and use-cases, Oracle Cloud EPM helps traditionally siloed departments collaborate on Sales & Operational Planning and support executive decision-making.

TYPICAL BENEFITS

Nucleus interviewed customers previously leveraging BlackLine that transitioned to Oracle Cloud EPM and found three shared benefits achieved within the first six months of deployment.

- **Cost savings.** Oracle Cloud EPM users realized significant cost savings by switching from BlackLine. Customers reported that with Oracle Cloud EPM, they did not have to pay extra for add-on modules, such as account reconciliation and intercompany transaction matching, as was necessary with BlackLine. These cost savings were magnified considering that organizations also gain access to Oracle Cloud EPM's planning, budgeting, and narrative reporting tools with the same license. The administrative IT burden is also reduced as businesses deal with fewer vendors for ongoing implementation and product support.
- **Centralized Technology Ecosystem.** Oracle Cloud EPM offers customers a way to consolidate all their finance and accounting technology needs under the Oracle banner. This allows organizations to deploy a consistent look and feel across different systems to drive adoption. Companies can build reports in Oracle Cloud EPM by directly sourcing Oracle Cloud ERP data without the need to export, import, format, and clean data. Nucleus found organizations increased productivity as their staff shifted their focus away from consolidating spreadsheets and importing, exporting, and formatting data to higher value-add tasks.
- **Data visibility improvements.** Oracle Cloud EPM users have greater visibility to data and contextual information within the Oracle ecosystem. With Oracle Cloud ERP and EPM, organizations could trace the source of figures to identify anomalies better and perform audit functions. In contrast, users would have to manually search ERP data to find the source of transaction items with BlackLine. Companies accelerated report generation and transaction matching tasks by accessing their ERP data within the Oracle Cloud EPM environment. Audit cycles are accelerated since auditors no longer need to switch between BlackLine and Oracle instances.

CUSTOMER EXPERIENCE

LOGISTICS SERVICE PROVIDER

This Fortune 500 company provides logistics services to over 100,000 customers worldwide. Before adopting Oracle Cloud EPM, the organization used BlackLine for account reconciliation, incurring significant expenses by adding multiple modules to its BlackLine system. As a result, the company began searching for a more cost-effective solution. The organization was leveraging Oracle Cloud ERP in conjunction with BlackLine and realized it could adopt Oracle Cloud EPM at half of the cost.

After implementing Oracle Cloud EPM the business realized improved data visibility from the ease of database connectivity and import, export facility. Furthermore, the organization decreased the time spent completing manual processes. The company noted the synchronicity of the Oracle environment gave Oracle Cloud EPM a more consistent look and feel. This consistency also allowed the company to improve its transaction matching. Upon deployment of Oracle Cloud EPM, the organization had more flexibility with the Account Reconciliation solution because it was underpinned by SQL. The business created its own tables without Javascript, resulting in improved productivity and reduced IT tickets.

The company built reports directly within Oracle Cloud EPM using ERP data to drive additional time savings. The business also noted that Oracle Cloud EPM is updated more frequently than BlackLine, allowing the organization to take advantage of new functionality as soon as it is released.

**Oracle Cloud EPM
accelerates audit cycles
by 20 percent**

INFORMATION TECHNOLOGY PROVIDER

This IT provider has more than 45,000 employees and a diverse ERP environment that consists of SAP, Infor, and other special-purpose systems. They had deployed BlackLine before transitioning to Oracle Cloud EPM. As the organization grew in employee size, it became too costly to continue adding seats to their BlackLine license, especially due to the extra costs of add-on services. The customer also noted BlackLine placed a significant burden on IT when exporting and importing data. Nucleus found that the company saved between 25 to 50 percent of its annual accounting technology costs after implementing the account reconciliation capabilities in Oracle Cloud EPM.

HOSPITALITY ORGANIZATION

This hospitality organization manages approximately 50 resorts across the United States and had been using BlackLine for over ten years. Adopting Oracle Cloud ERP in 2018 to support its M&A strategy, the company recently deployed Oracle Cloud EPM to centralize its accounting ecosystem under one vendor. By adopting Oracle Cloud EPM, the company reduced its BlackLine licensing costs and consolidated the financial information of its acquired companies into one central location without the need for multiple data versions. Nucleus found that the company accelerated its audit cycles by 20 percent by providing auditors with traceability functions and interactive reports. The business was also able to utilize the Account Reconciliation solution from Oracle Cloud EPM for transactions and reconciliation matching. Since adopting this solution, the organization has plans to extend its use of Oracle Cloud EPM's budgeting and planning solution, which BlackLine did not offer.

LOOKING AHEAD

Enterprise technology should be a positive investment rather than a cost center that hinders daily operations. Therefore, as organizations grow in size and complexity, they will need financial solutions that are cost-effective and easy to manage. Oracle Cloud EPM provides businesses the opportunity to standardize all their financial and accounting practices on a single suite. Organizations leveraging Oracle Cloud ERP have found value in replacing their BlackLine solutions with Oracle Cloud EPM. Prospective customers can include Oracle EPM often at a lower overall cost than BlackLine and other FCC providers while benefiting from planning, budgeting, and other EPM functionality. Nucleus expects Oracle Cloud EPM to gain further traction among customers of Oracle Cloud ERP as well as other ERP systems as organizations prioritize platform deployments from a functionality, ease of use, and administration standpoint.