



NUCLEUS
RESEARCH

ONESTREAM'S PLATFORM DELIVERS END-TO-END CPM

ANALYST

Andrew MacMillen

THE BOTTOM LINE

OneStream Software is a corporate performance management (CPM) vendor that delivers a consolidated platform of financial reporting and planning applications for its customers. OneStream aims to simplify enterprise financial processes by eliminating disparate systems and providing a common interface for its customers' users. Nucleus conducted interviews with customers of OneStream and found that the solution's multiple functionalities enable its customers to concentrate their CPM activities into one platform, leading to budgeting and reporting cycles that are completed twice as fast.

THE VALUE OF VISIBILITY

As corporate performance management solutions expand their contributions to organizational success, it is necessary to enable non-finance employees to leverage the software. Budget owners and operational users must be able to contribute to their company's financial processes but are often hindered by knowledge barriers and the detached nature of data silos. Enterprises with employees around the world need to have a thorough understanding of departmental performance in order to be successful. Incomplete information can lead to invalid assumptions and expensive mistakes (Nucleus Research *r41 – Defining CPM 2.0*, February 2017).

OneStream XF enables customers to complete their budgets 50 percent faster.

THE ONESTREAM XF PLATFORM

For enterprise-grade organizations, the increases in departmental visibility and collaboration delivered by OneStream Software are some of the most valuable benefits they can realize from a software deployment. However, the solution must be “democratized” enough to allow nonfinance and non-IT employees to use it and contribute to the company's planning and financial goals (Nucleus Research *t18 – CPM Technology Value Matrix 2019*, February 2019).

OneStream aims to streamline CPM processes by combining disparate silos of information and action into one accessible platform: OneStream XF. Rather than navigating the fractured landscape of multiple solutions, OneStream users can carry out financial planning and analysis, budgeting, and reporting processes within the unified interface. This collaborative environment saves time and fosters cooperation across all departments, leading to faster task completion with fewer errors.

CUSTOMER PROFILES

To see how the vendor's solution for planning and performance management fared in user deployments, Nucleus analyzed the experience of three OneStream customers.

TELECOM MANUFACTURER

The first customer is an international manufacturer of products including fiber optic cable and hardware, transmission and substation accessories, connectivity inspection equipment, fusion splicers and training. The company also offers a variety of services supporting data center, enterprise, wireless, and outside plant applications.

The customer had been employing Hyperion Financial Management for its CPM processes and was not satisfied with the solution's performance. The customer has to carry out specialized reporting as a subsidiary of its international parent company which Hyperion could not deliver. Other notable pain points included a difficult budgeting procedure and abruptly scheduled downtime for maintenance (which often occurred during critical times).

The customer chose OneStream XF over similar solutions from Oracle and IBM because of its consolidated nature and accessible features. OneStream XF enabled the customer to carry out its financial close 30 percent faster as all finance and accounting teams migrated to the shared platform. Nucleus found OneStream's flexibility enabled the customer to tailor its deployment to its exact specifications and preserve the best practices from their former workflows.

OIL AND GAS PARTS MANUFACTURER

The second customer interviewed is a leading manufacturer of components for oil drilling and production, especially in deep-water, harsh environment, and severe service applications around the world. The customer has a global customer base of drilling contractors, engineering companies, and foreign national oil and gas companies.

The customer was executing all of its finance management tasks in Microsoft Excel and could no longer tolerate inefficient manual processes. As the customer's lines of business grew, it recognized a pressing need for a dedicated CPM solution. The customer vetted both OneStream and Hyperion Financial Management during its request for proposal phase.

The customer opted for OneStream XF due to its roadmap for becoming a comprehensive CPM suite and now completes its budget in half the time that it previously took. OneStream's accessibility has enabled the organization to broaden the scope of budgetary responsibilities to additional departments. Nucleus found that OneStream's out-of-the-box

functionality was sufficient to immediately meet the customer's CPM needs without customization, leading to a faster than average deployment timeframe.

MECHANICAL PIPING PRODUCER

The final customer is a developer and producer of mechanical pipe joining systems which are employed in manufacturing, plumbing, HVAC, and fire protection. The customer serves companies around the world and provides products including pipe joining, fittings, flow control, and equipment modules for each industry.

The organization was using Hyperion Financial Management but had to replace it because their third-party support could not be renewed. The organization's end users also had to accommodate fundamentally different processes to carry out their financial and accounting responsibilities despite working in the same software environment. The organization sought an integrated CPM platform that would improve and replace its current best practices.

The customer initially adopted OneStream XF based on the strength of its financial close and consolidation capabilities and has since expanded the solution to cover budgeting and financial planning. The budgeting cycle have been automated and enable the customer to complete the budget in less than half of the original time frame. The customer's experience demonstrates how legacy business processes can impair value realization, as the benefits delivered by OneStream were greater than anticipated.

LOOKING AHEAD

In order to achieve the goal of centralizing CPM processes under one roof, vendors must expand the scope of their solutions. Point solutions are not as effective as they once were because of inefficiency created by exchanging data between disparate systems. Nucleus has previously noted that internally embedding analytics maximizes their adoption among business users. (Nucleus Research r41 – Defining CPM 2.0 – February 2017) Nucleus found that OneStream has begun applying the same logic to its entire solution, packaged as a single platform of solutions, to facilitate user adoption and deliver greater value to its customers.

OneStream's focus is to eliminate data exchanges and foster improved planning, reporting, and performance analysis with a connected suite of CPM capabilities. By eliminating extraneous steps and simplifying CPM tasks for nonfinance users, OneStream is improving the "stickiness" of its solution and ensuring the longevity of its current and future deployments.