Activity Based Costing Powered by IBM Planning Analytics

The following paper provides an overview of how IBM Planning Analytics provides an effective answer to an organisation's ABC requirements.

What Users Want

Tracing Results Back to Source

A key aspect of any ABC implementation is the acceptance of the End User and the ability to trace results back to source. In that regard, the ability to demonstrate how the model has been able to integrate into source systems such as ERP is critical to success.

Proven Data Integrity

Planning Analytics come with an ETL (Extract Transform Load) capability enabling organisations to connect to their source systems and prove data integrity.

Confidence

Planning Analytics also has an out of the box capability to trace any business rule calculation through each sub component. This capability to audit any value ensures that users will very quickly develop a high degree of trust in the outputs of the ABC model.

Full Audit Trail Capability

Any finance system requiring user input needs to be auditable. ABC projects cannot run on Excel alone as it lacks an auditing function. If for example anyone changes a Resource Driver % split the organisation needs a way of tracking that as a transaction. Planning Analytics tracks every data change and provides a full audit trail for any output.

Ease of Use

Today's users expect an easy to use modern web based solution. Planning Analytics offers an easy to use Workspace for creating entry templates and dashboards that work on any device or browser.

Excel-like Performance

Because Finance people LOVE Excel, Planning Analytics offers a modern Excel add-in that queries the Planning Analytics database lightning fast from any location. Whether it's adhoc reporting or pixel perfect management reporting, you have the control.

TRIDANT
data driving decision making

- High end user acceptance with calculation tracing and connection to source systems

- 'What If' scenarios, enabling organisations to evaluate multiple possible outcomes

- Available on the cloud, on premise or as a managed service – it's your choice

- Integration with any GL or other source system for loading data

- User friendly, intuitive dashboarding capability

- Excel interface for ease of analysis

- Prebuilt solutions that can be customised to meet each organisations requirements

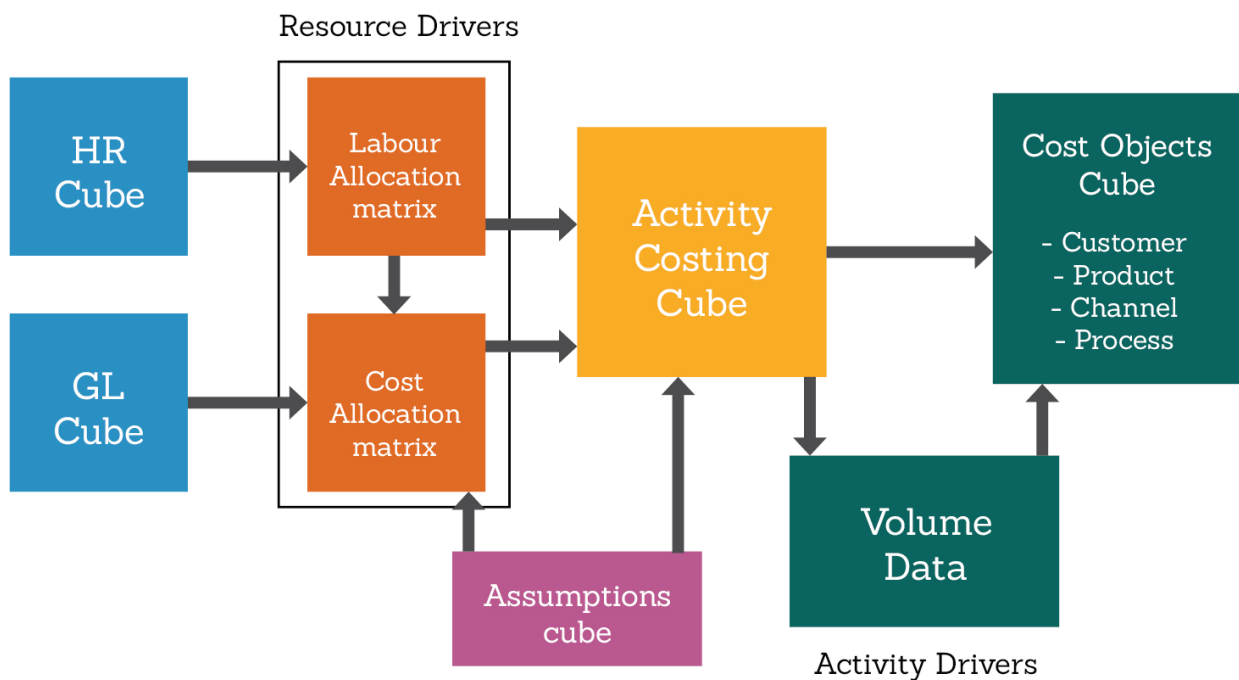# Prebuilt, Fully Customisable Solutions for Every Organisation

Whether a commercial organisation or a government department, no organisation wants to build an ABC model from the ground up. Rather, organisations prefer the convenience of using a pre-build model while retaining the ability to customise it to their needs. At Tridant, we have built ABC models across a wide range of industries and have an ABC solution to meet your unique requirements ready to go.

A key benefit of Planning Analytics is the ease of customisation which ensures that all ABC projects are delivered on time and budget.

Using the Tridant ABC Solution as outlined below, an organisation will be up and running in weeks, rather than months.

Resource	Resource Driver →	Activity	Activity Driver →	Cost object

Planning Analytics

Resource Drivers

HR Cube	→	Labour Allocation matrix	→	Activity Costing Cube	→	Cost Objects Cube

- Customer
- Product
- Channel
- Process

GL Cube → Cost Allocation matrix

Assumptions cube

Volume Data

Activity Drivers

What If

The modern-day finance team require the ability to produce 'What If' analysis and multiple iterations very quickly. 'What If' scenarios, enable managers to evaluate multiple possible outcomes, both positive and negative in a very short space of time. 'What If' scenario modelling allows organisations to not only look forward, but to anticipate different future states. What if there's another GFC? What if everything went down? How would we respond? Achieving advanced scenario playing capability requires an ABC solution based on a high-speed planning and analytics engine. Planning Analytics is based on an in-memory database providing lightning fast analysis and dramatically improving an organisations ability to produce outputs.

Proven Capability Worldwide

Currently deployed by over 10,000 organisations worldwide for planning, budgeting, and modelling, IBM Planning Analytics is the 'next generation' of the popular Cognos TM1 solution. IBM has now enhanced the solution to the cloud, allowing organisations to choose either an on-premise deployment or utilise the cloud and have their environment fully managed.

For organisations that already have Cognos TM1 it is extremely likely that they also already have GL and HR cubes. These two cubes are generally able to supply many of the resource drivers required by an ABC model.

Deployment Options

For organisations who do not wish to acquire, learn, and support additional systems and technology, the ABC model can be outsourced to Tridant. Our Managed Application Services is designed to deliver significant client value by providing complete management of the entire solution. Organisations utilising Tridants Managed Application Services reap the benefits of the outputs while Tridant takes care of the setup and maintenance.

Any organisation seeking a modern ABC platform, needs these capabilities

If you would like to see a demonstration of why IBM Planning Analytics is the perfect fit for your Activity Based Costing needs, please contact Tridant today.

About Tridant

Tridant is a specialist Information Technology firm focused on providing technology consulting services and the design and implementation of technology solutions optimised for planning, reporting & analytics, customer experience serving Public, Private and Government organisations throughout Australia and Singapore.

We help our customers leverage their data assets to improve profitability, increase revenue, reduce risk and make their businesses more responsive to customer expectations and market dynamics.

Our solutions are tightly integrated with key business processes and source systems, which help our customers to make the most of their investments in data, technology and people.

To learn more about Tridant please visit www.tridant.com.au or contact us on 1300 737 141

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