



CCH® Tagetik

xP&A for Transport & Logistics:
The CCH Tagetik platform delivers
a much-needed joined-up picture.

A new breed of performance management for a new set of Transport & Logistics challenges.

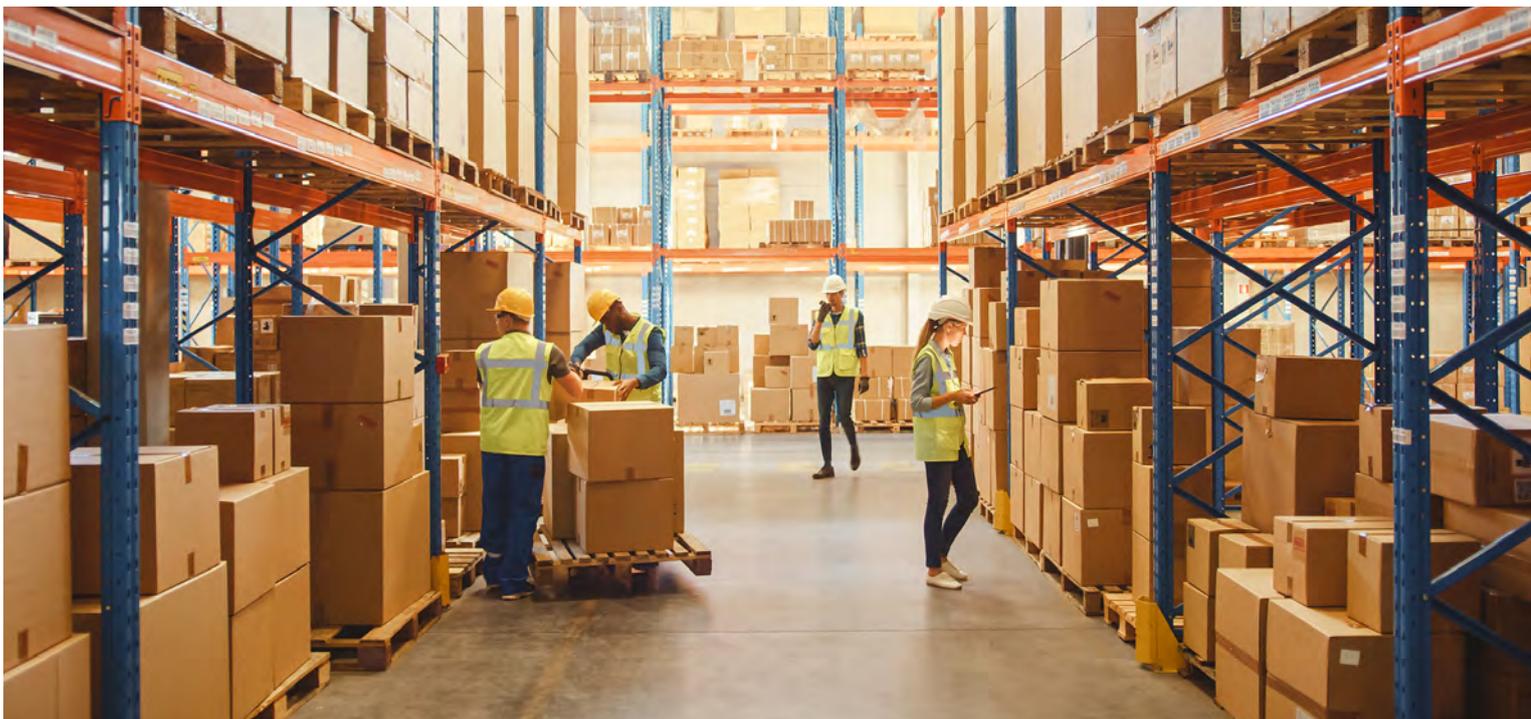
Faster, integrated and more accurate planning that goes beyond finance, better linkages to demand signals, enhanced monitoring and visibility: in T&L, the need for these capabilities has never been greater.

Success in the transport and logistics sector has always been dependent on certain elements coming into place. Watertight costings, an understanding of your customers – together with full visibility over all moving parts of the business: these are all essential. Difficult to achieve at the best of times; even more so when complications such as record inflation, lingering supply-side disruption and border delays are added to the mix.

Meanwhile, for an industry incumbent CFO, there is often the unnerving realisation that competitors are better equipped. A new and agile generation of

T&L specialists can see what's happening across their organisations, drill down into the numbers, forecast, pivot and diversify like never before. Even – and in fact, especially in adverse conditions – it lets them compete on both price and service levels: an existential problem for less agile players.

To help Finance address these challenges, financial planning and analysis has long been regarded as the go-to approach. But does traditional FP&A still deliver? New, multi-faceted, cross-departmental challenges demand a new breed of planning. This is what the CCH Tagetik platform brings.



The what and why of xP&A

Increasingly, T&L CFOs want to take the best elements of financial planning & analysis and extend those principles across the enterprise, without having to rely on a patchwork of planning apps. They want to connect Finance and Operational plans with granular data, to rapidly create accurate predictive models and to respond to change with agility and speed.

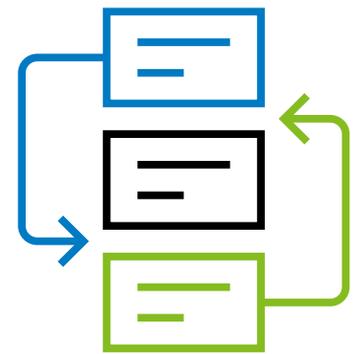
In response, global consultancy specialist, Gartner has identified a big increase in interest for what it calls extended planning & analysis (xP&A). This is defined as:

“The evolution of planning, combining financial and operational planning on a single composable platform.”

Wolters Kluwer’s CCH Tagetik has been recognised as one of an elite group of solutions capable of meeting these needs.

Our solution comes with comprehensive coverage of all planning types, from core finance through to operations, supply chain, HR, sales and beyond. It has powerful predictive intelligence capabilities out-of-the-box, along with the ability to pull data from across the enterprise and put it to work within a single platform. This combination of features has earned CCH Tagetik a coveted spot in the *2021 Gartner Market Guide for Cloud, Extended Planning and Analysis (xP&A)*.

Here’s a closer look at why xP&A evolved, how it operates, and how the CCH Tagetik solution is particularly attuned to the needs of T&L Finance.



T&L planning challenges: Reasons to rethink traditional CPM

Cross-functional solutions to complex business problems

When an issue surrounding driver shortages, fuel costs, cross-border bottlenecks or ESG targets hits the business, where is its impact felt? Rarely is it limited solely to distinct operational areas such as container port management, vehicle support or customer account management. Finance needs the ability to collate data and synchronise plans and forecasts from multiple business units in order to formulate a business-wide response.

Quick and flexible decision-making

A key shipping route is suddenly reduced to a standstill. The trigger is beyond your control. However, the quicker you can analyse the implications of the disruption and formulate a response, the greater the scope for loss mitigation. For this to happen, planning processes need to be cross-functionally aligned, collaborative and agile.

Optimising use of existing resources

Static vehicles, prolonged layovers and under-utilised warehousing will all eat into your bottom line. Faced with cost pressures from multiple directions, the pressure on to extract maximum value from existing assets.

Synchronising plans across the entire organisation gives you much needed visibility, along with the opportunity to identify inefficiencies and reallocate resources.

Enterprise asked for joined-up planning. Some of us listened...

A responsive software vendor can learn a lot from a customer RFP or an in-the-field demo. CPM is a case in point. For a long time, when we were demonstrating, say, cash flow planning capabilities within CCH Tagetik, it wasn't unusual for customers to comment along the lines of, "That's great, but is there any way we can do the same thing with demand planning (or workforce planning, or a host of other planning processes)?"

That phrase "xP&A" was not generally on the lips of customers. But it was pretty clear what they were looking for: a much more joined up approach to planning and analysis. They wanted to take familiar CPM capabilities beyond the traditional realm of finance into a wider range of areas, all on one platform.

Two things in particular are often lacking in the traditional financial planning and analysis (FP&A) model: organisation-wide visibility and rapid time-to-insight.

Planning silos can restrict your view

"By 2024, 70% of new FP&A projects will become extended planning and analysis projects."

Gartner Research

Planning has never been the sole domain of finance. Within a single logistics enterprise, the Industrial/Bulk Haulage, Ecommerce Fulfillment and Special Operations divisions may have their own revenue forecasts. HR has plans to manage headcount. Transport Planning & Control needs plans in place for scheduling, procurement and so on...

Within a traditional CPM model, finance generally takes ownership of the **financial** and **strategic** elements of performance management. However, multitudes of **operational** planning processes are happening elsewhere.

Let's say you have a business-wide *strategic* decision to make (e.g. moving to electric vehicles for light freight). How will this impact the *operational* plans currently in play across multiple departments?

Your COO's team has produced multiple alternative proposals for a phased transition to new vehicles. You want to be able to compare and contrast how each proposal will alter the operational plans in place across various departments, taking into account factors such as the knock-on effect of charge times on fulfillment times and staff scheduling. The finance function also needs to be able to measure how each proposal will affect topline metrics (e.g. cash flow and operating margin).

This goes to the heart of why so many organisations are seeking to link financial and operational data and take FP&A beyond finance. With multiple data silos and function-specific planning tools in play, it's a case of jumping through hoops to get the answers you need.

In terms of enterprise-wide visibility, data governance and accuracy, there's a very real desire to bring everything together.

Agility is essential

"69% of finance leaders say the effects of the COVID-19 pandemic are accelerating digital business initiatives."

Gartner Research

The events of recent years were a wake-up call for many organisations. As circumstances changed at short notice, organisations needed to analyse their options and make quick decisions. If we repivot our strategy, how will this impact operational plans? If we make an operational change (on headcount, for instance) how far will this impact our cash flow? Those businesses that were working in silos with disconnected planning processes struggled to get the answers they required in a timely manner.

Gartner makes it very clear that far from being yet one more iterative tech development, xP&A emerged as a direct response to business needs. And as Gartner recognises, CCH Tagetik is one of a select group of products equipped to meet them.



FP&A vs xP&A: What's the difference?



Gartner defines **FP&A** as a set of four activities that support an organisation's financial health:

- Planning and Budgeting
- Integrated Financial Planning
- Management and Performance Reporting
- Forecasting and Modelling.

Extended Planning & Analysis (**xP&A**) is the evolution of these four activities, combining **financial and operational planning** on a single composable platform.

It "extends" traditional FP&A solutions focused solely on finance into other **enterprise planning domains** such as workforce, sales, operations and marketing.

xP&A is a vendor response to these evolving enterprise planning needs.

Most T&L finance leaders realise that there is more to planning than being able to provide a snapshot of the financial health of the organisation. They also need to be able to show how operational plans impact the entire business.

Traditionally, FP&A has involved independent data and operational planning silos sending data to each other, and/or sending data to an FP&A system. The FP&A system consolidates these plans.

With xP&A, all of those operational planning processes take place and are connected within the same composable platform.

So, for instance, in an FP&A world, HR planning is conducted in a specific planning solution that sits outside of your FP&A platform. With xP&A, you import data from your HR system and use it for planning within the same platform as your financial data.

In current RFPs, 70% are looking for beyond finance capabilities



An xP&A solution enables you to do three things:

- It provides for all operational and financial planning on a single platform
- It holds the data required for those planning processes on the platform
- It also has predictive learning and machine learning capabilities for more accurate insights.

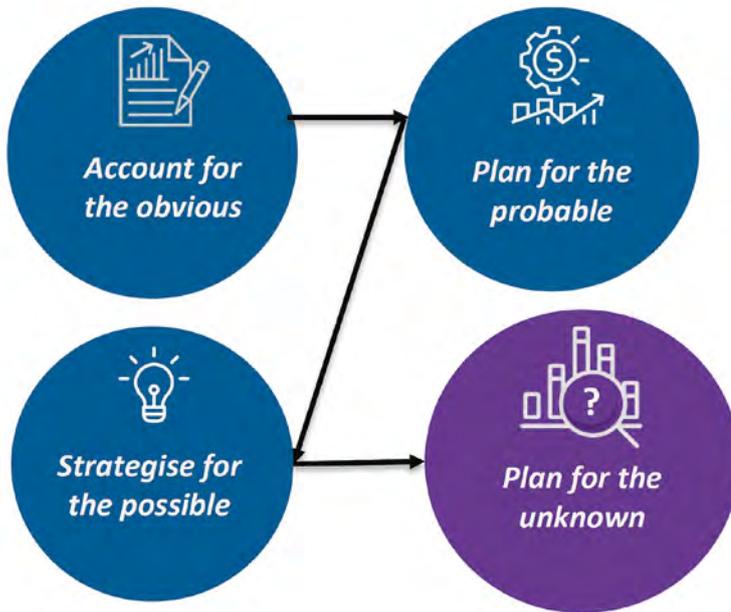


Typical features of an xP&A system

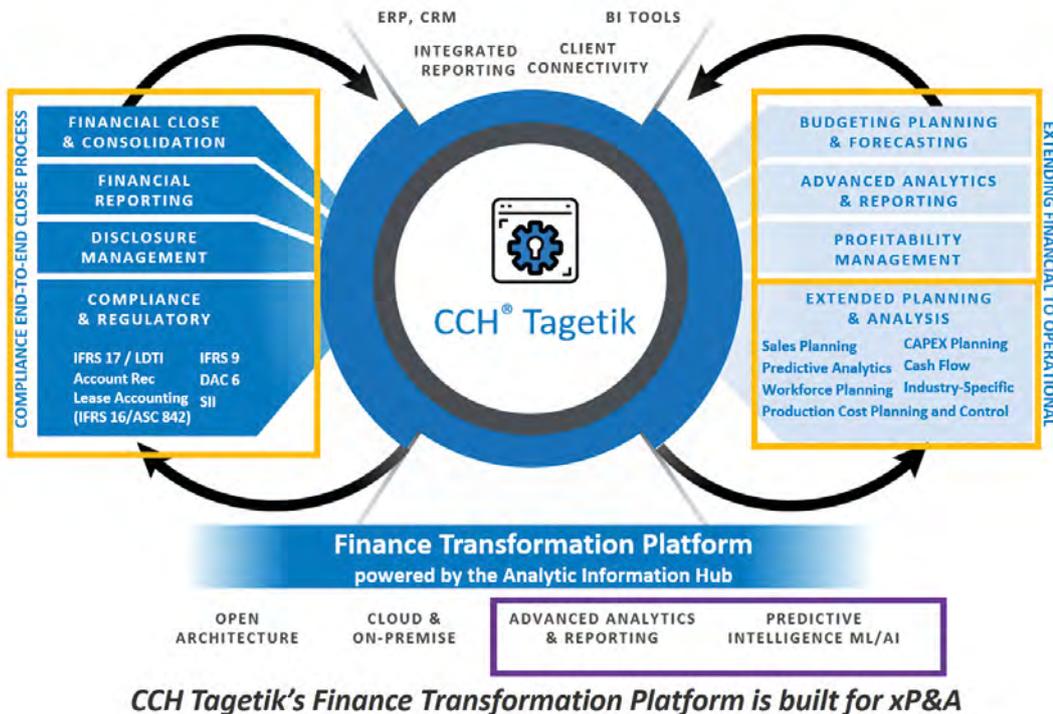
- **One trusted source** for all data
- Planning with **operational** and **financial** data with the ability to provide strategic overlays for a holistic view of the business' performance
- Ability to hold and **mine insights** from vast **granular data volumes**
- A full **robust governance** process that supports the entire planning cycle but also connects reporting and analytics
- **Outcomes are interpretable** by business leaders through a scalable ML/AI platform
- Presence of **starter kits** and packaged solutions for rapid deployment
- Availability of enhanced **connectivity** options to external systems e.g **APIs**

How the CCH Tagetik platform delivers xP&A

For xP&A to deliver value for our customers, our view is that a system has to allow you to do four things:



So how do we deliver on these four elements? Let's consider what the CCH Tagetik platform includes...



It equips you to **account for the obvious** by automating and streamlining your core financial processes, including financial close, reporting, disclosure management and a host of other regulatory requirements.

You can **plan for the probable** with our Smart NOW application suite, supported by our analytical information hub. This is where our own data layer sits.

You are able to **strategize for the possible** through extended plans in a robust governance framework supported by a powerful Workflow engine.

You can **plan for the unknown** with our integrated planning platform supported by out-of-the-box Machine Learning algorithms.

Next-gen operational planning capabilities at your fingertips

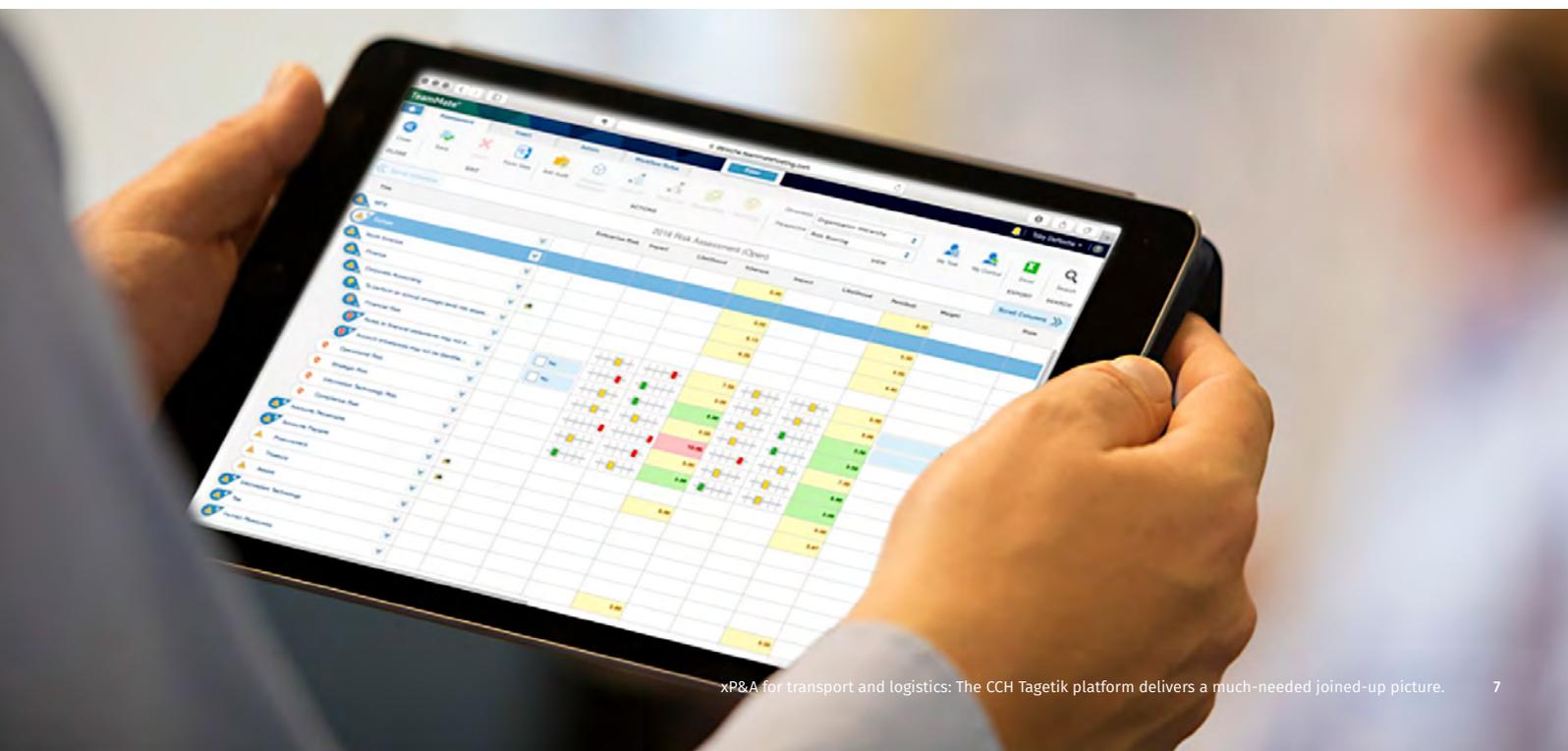
As we have seen, xP&A gives you the opportunity to integrate operational planning processes alongside financial planning in a single platform.

This raises an important question: by reducing your reliance on some of the department-specific planning and analytics applications that may already be in play within your business, are you at risk of losing specialist planning capabilities?

In fact, with CCH Tagetik, the opposite is true. This is thanks in large part to the Wolters Kluwer acquisition of Vanguard Software, a global provider of cloud-based integrated business planning (IBP) solutions. Armed with this technology, we offer CCH Tagetik Supply Chain Planning as an integral part of the platform.

This covers production planning, demand planning, supply planning, sales & operations, financial forecasting and integrated business planning all in one place. Precise AI-based forecasts allow you to instantly view the impacts of demand changes across the business. You can use demand sensing to enhance your forecasts and make pivots based on correlations in sales, trend, seasonality and external market data. Cross-functional collaboration also becomes a lot easier, thanks to configurable workflows along with dynamic forecasts that instantly update and shift upstream and down when change occurs.

Far from having to take a hit on operational planning functionality, xP&A with CCH Tagetik enables you to supercharge your planning & analysis capabilities, giving you a much more accurate view of the health of the business.

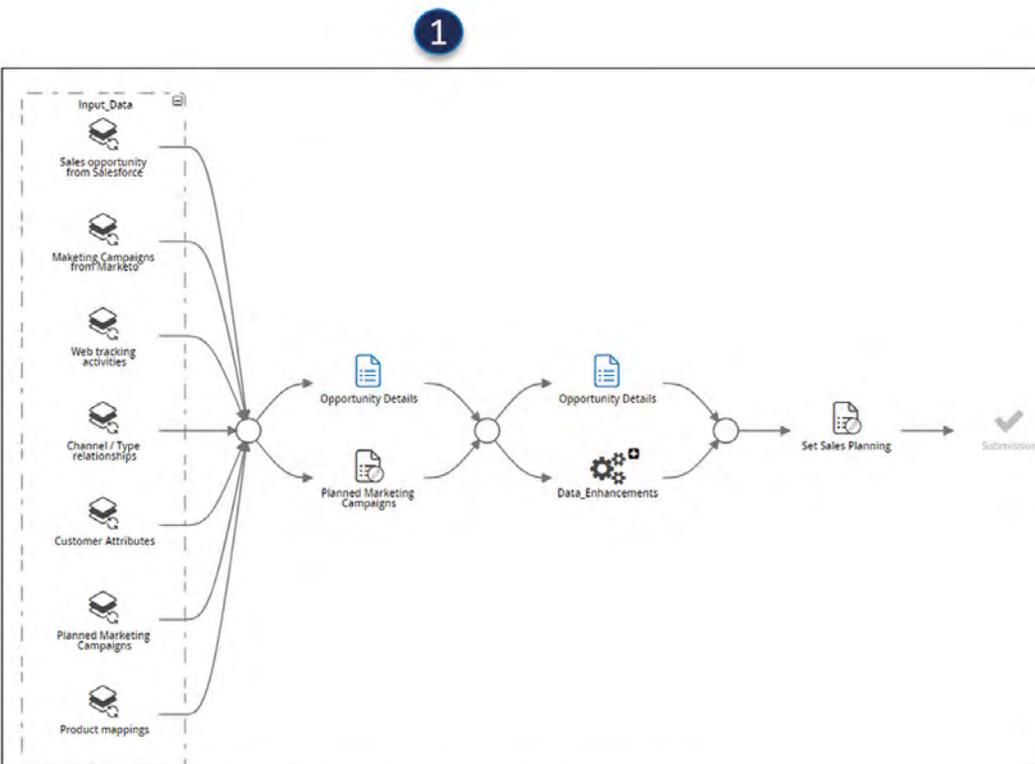


How xP&A works with CCH Tagetik

Here's an illustration of a sales plan process, incorporating sales and marketing data from various sources with a built-in predictive model to generate a sales forecast by product...



This is one of our workflows, covering data inputs from various sources, including a marketing solution (Marketo) and Salesforce. The aim is for CCH Tagetik to create a predictive sales forecast.



Workflow of steps in the plan process

The data from Salesforce (and any other relevant sales and marketing solutions) is held within CCH Tagetik. This is an example of an enriched dataset created after this data has been imported into our platform...

Workflow of steps in the plan process

Example of an enriched data set

| Opportunity Attributes | | | | | Stage | |
|----------------------------|----------------------------|--------------------|------------|-----|----------|--|
| Target Client | Product Item | Primary Competitor | Stage | Age | Date | |
| Red Bears Tavern | Spyware Removalseries 0003 | Grodins | Closed Won | 5 | 12/28/20 | |
| Red Bears Tavern | Tetris | Ardan's | Closed Won | 8 | 08/24/20 | |
| Red Bears Tavern | AVG Antivirus | Widdmann | Closed Won | 11 | 07/21/21 | |
| Susdela Investment | Pac-man | Rhodes | Closed Won | 10 | 10/17/20 | |
| Magna Architectural Design | CCH Tagetik | Lum's | Closed Won | 7 | 11/24/20 | |
| Infinite Wealth Planners | Tetris | Grodins | Closed Won | 8 | 12/08/20 | |
| Infinite Wealth Planners | AVG Antivirus | Ardan's | Closed Won | 9 | 07/06/20 | |
| Service Merchandise | Spyware Removalseries 0003 | Exact Realty | Closed Won | 6 | 06/21/21 | |
| Good Guys | Pac-man | Lum's | Closed Won | 7 | 02/24/21 | |
| Quality Event Planner | Tetris | Evans | Closed Won | 2 | 09/22/20 | |
| Quality Event Planner | CCH Tagetik | Simple Solu | Closed Won | 6 | 02/10/21 | |
| Quality Event Planner | Spyware Removalseries 0003 | Simple Solu | Closed Won | 8 | 07/15/21 | |
| Ole's | Spoons | Simple Solu | Closed Won | 11 | 04/30/21 | |

Using the enriched dataset derived from Marketo and Salesforce data, CCH Tagetik uses a predictive model to generate a forecast...

Workflow of steps in the plan process

Example of an enriched data set

Output of sales forecast that combines the enriched data with the financials and provides a predicted forecast alongside the manual forecast

| | 2020 Actuals | January | February | March | April | May | June | July | August | September |
|---------------------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Total Units | 102,089 | 611,088 | 476,511 | 405,368 | 535,878 | 556,844 | 591,113 | 567,291 | 544,488 | 526,039 |
| Average Price | 63.00 | 332.06 | 332.06 | 332.06 | 332.06 | 332.06 | 332.06 | 332.06 | 332.06 | 332.06 |
| Total Sales | 6,694,701 | 27,376,696 | 21,269,423 | 28,621,381 | 25,456,755 | 23,495,648 | 25,284,640 | 24,839,423 | 24,374,352 | 23,908,760 |
| Capacity Building Period | | | | | | | | | | |
| Units | 86,112 | 117,491 | 104,312 | 114,812 | 126,099 | 68,789 | 118,393 | 107,037 | 99,893 | |
| Unit Price | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | |
| SE Sales Revenues | 2,895,464 | 3,763,117 | 3,512,898 | 3,853,444 | 4,357,608 | 2,243,269 | 3,699,385 | 3,746,142 | 3,031,880 | |
| Predictive Sales Revenues | 2,895,464 | 3,763,117 | 3,512,898 | 3,853,444 | 4,357,608 | 2,243,269 | 3,699,385 | 3,746,142 | 3,031,880 | |
| Price List Sales Revenues | 3,384,970 | 4,589,594 | 4,083,981 | 4,486,509 | 4,927,529 | 2,687,263 | 4,634,219 | 4,182,649 | 3,963,485 | |
| Product Sales | | | | | | | | | | |

xP&A inspiration: How enterprises are benefiting

Empowering you with the **'what'**, **'why'** and **'how'** to improve your business performance



Connect Finance and Operational plans with granular data

- Connect all levels of data in a single platform
- Introduce more collaboration across plan teams
- Interconnection between KPIs faster, more accurate process



Utilise Predictive Models for accurate results

- Key drivers determined by your data and ML models
- Data driven business modelling
- Explanation via natural language



Execute actionable foresights

- The identification of key drivers guides conscious "what if"
- Alternative simulation comparison
- Easily gain insights to make better decisions

The emergence of that label "xP&A" is a relatively recent development. However, at least so far as CCH Tagetik is concerned, the functionality behind it is far from being a novel add-on. It's actually a core element of the platform, and one that customers are already leveraging to produce impressive results.

To discover how xP&A could benefit your organisation and to discuss your options for a more joined-up approach to planning, get in touch.



Contact information:
Wolters Kluwer
145 London Road
Kingston Upon Thames
Surrey, KT3 6SP
United Kingdom
+44 (0)20 8247 1100

Please visit www.wolterskluwer.com
for more information.



Related content:

How to stay ahead with Scenario Planning and Predictive Analytics

The Digital UK & Ireland FP&A Board Webinar: Panel discussion by Medtronic, Spectris, Vardags and Wolters Kluwer.



Related content:

Budgeting, Planning & Forecasting

Visit our dedicated resource page to learn how to plan smarter, manage better and act faster. Get started by [downloading our high impact guide today.](#)