

Critical Capabilities for Cloud Financial Planning and Analysis Solutions

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The relative strengths of vendors specializing in financial planning and analysis solutions vary based on the use cases supported by each of their products. This research will help application leaders responsible for finance to assess vendor offerings.

This Critical Capabilities is related to other research:

[Magic Quadrant for Cloud Financial Planning and Analysis Solutions](#)

[View All Magic Quadrants and Critical Capabilities](#)

Overview

Key Findings

- The product offerings covered in this research vary in terms of typical customer size, degree of application complexity supported and pricing.
- Customer satisfaction ratings notably vary for ease of implementation, ease of use and maintenance, solution flexibility, and analytics.
- Many vendors improved year-over-year scores in critical capabilities. This indicates that maturity levels and satisfaction associated with cloud offerings in this market are rapidly improving.
- As financial planning and analysis (FP&A) solutions become more widely used throughout the organization and are leveraged to support integrated financial planning (IFP), application governance becomes more important. Survey results show this area continuing to have the broadest variation in satisfaction scores.

Recommendations

Application leaders responsible for modernizing finance applications should take these steps:

- Evaluate how FP&A solutions can transform your finance processes by examining the six use cases in this research to determine which best describes your organization. Review the critical capability scores that relate to your potential use of FP&A solutions.

- Select the top vendors (four to seven maximum) for these capabilities as strong candidates for further review, as part of a comprehensive evaluation and selection process.
- Leverage this research in conjunction with the companion Magic Quadrant to develop a specific requirements document that identifies your functional needs and objectives.
- Ensure you are not restricted to your incumbent vendor if its offerings fail to fulfill your needs in certain areas. To meet your requirements, choose solutions from other vendors to either replace or augment your current solution. Evaluate these solutions over time to determine the degree to which they can capably support more effective FP&A processes.

What You Need to Know

This Critical Capabilities report covers vendors, functionalities and releases described in the companion 2019 [“Magic Quadrant for Cloud Financial Planning and Analysis Solutions,”](#) along with the time frames for product releases and survey responses used for that document. Developments made since that time in specific vendor products may be described in this document; however, the main source of analysis for this report was the companion Magic Quadrant.

The office of finance requires financial budgets and plans and modeling solutions that facilitate more transparent, collaborative processes, while supporting a strategic focus. Broken down into nine critical capabilities that FP&A solutions must satisfy, these factors affect the relative importance of each capability for the six use cases described in this document (see the Critical Capabilities Definition section). **Scores fall into lowest, middle, upper-mid and top quartiles based on position across the range of scores attributed to vendors in this research.**

The critical capabilities evaluated are:

- Financial budgets and plans
- Complex financial budgets and plans
- IFP/modeling
- Ease of implementation
- Ease of use and maintenance
- Application governance/life cycle management
- Analytics
- EMEA support
- Global support

The relative importance of each of the above capabilities varies by use case. The use cases described in this research are:

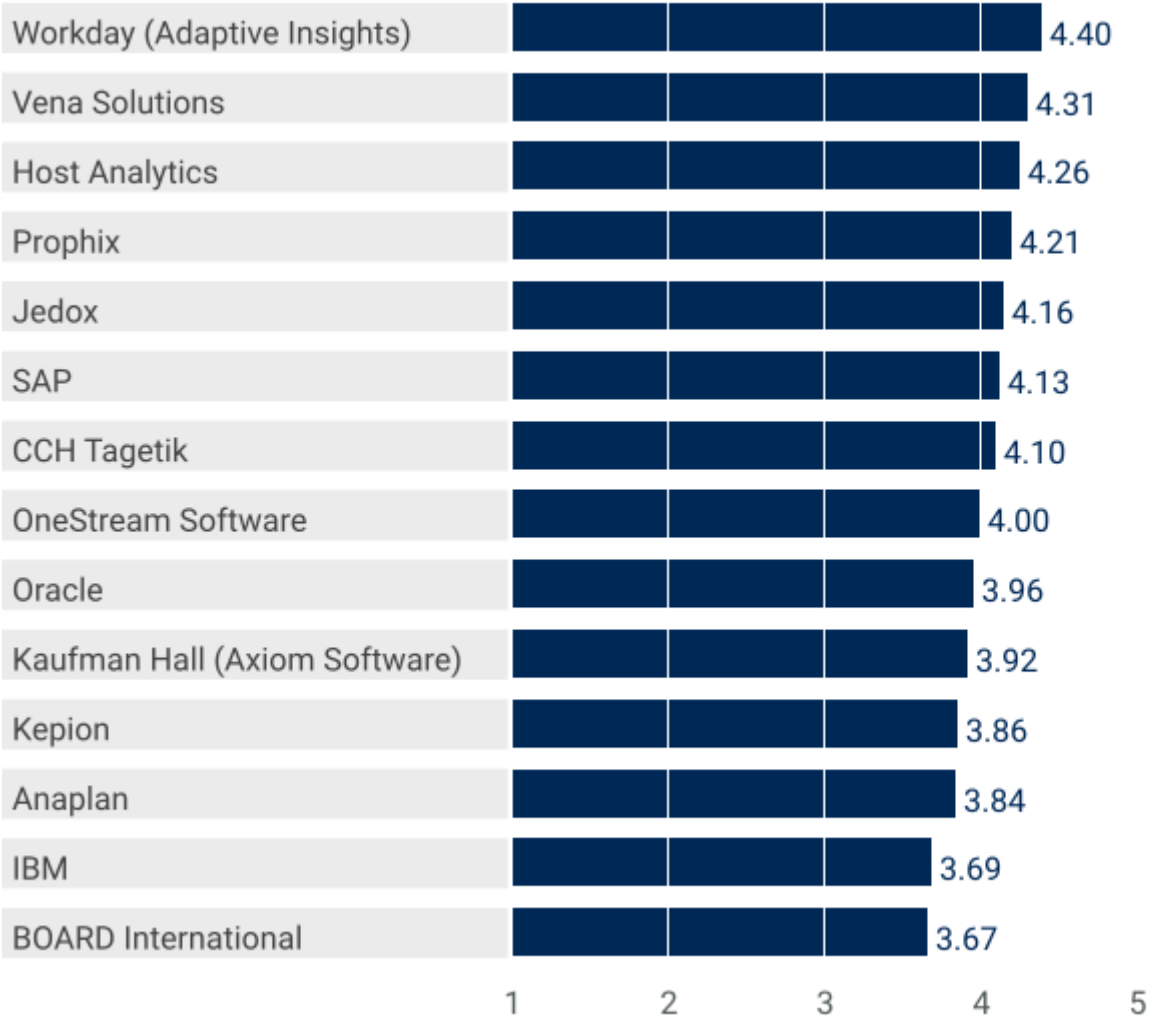
- **Lower midsize organization** — Small public or private organizations with between \$50 million and \$250 million in annual revenue
- **Upper midsize organization** — Midsize public or private organizations with \$250 million to \$1 billion in annual revenue
- **Large organization** — Large public or private organizations with \$1 billion to \$5 billion in annual revenue
- **Global organization** — Large public or private organizations with more than \$5 billion in annual revenue
- **Business unit** — Individual business units within large organizations
- **EMEA-based organization** — Organizations operating in the EMEA region

Analysis

Critical Capabilities Use-Case Graphics

Figure 1. Vendors' Product Scores for Lower Midsize Organization Use Case

Product or Service Scores for Lower Midsize Organization



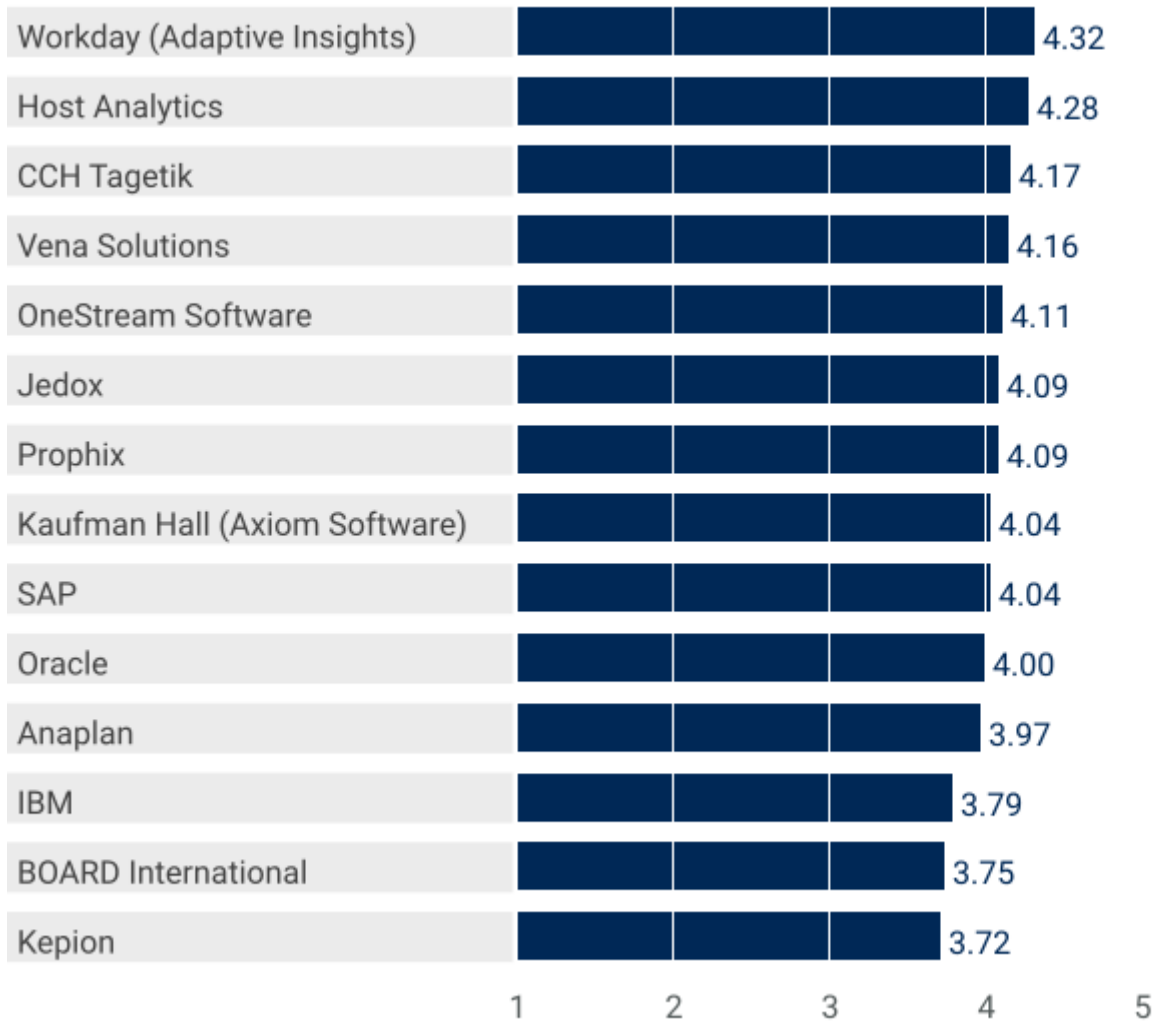
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Figure 2. Vendors' Product Scores for Upper Midsize Organization Use Case

Product or Service Scores for Upper Midsize Organization



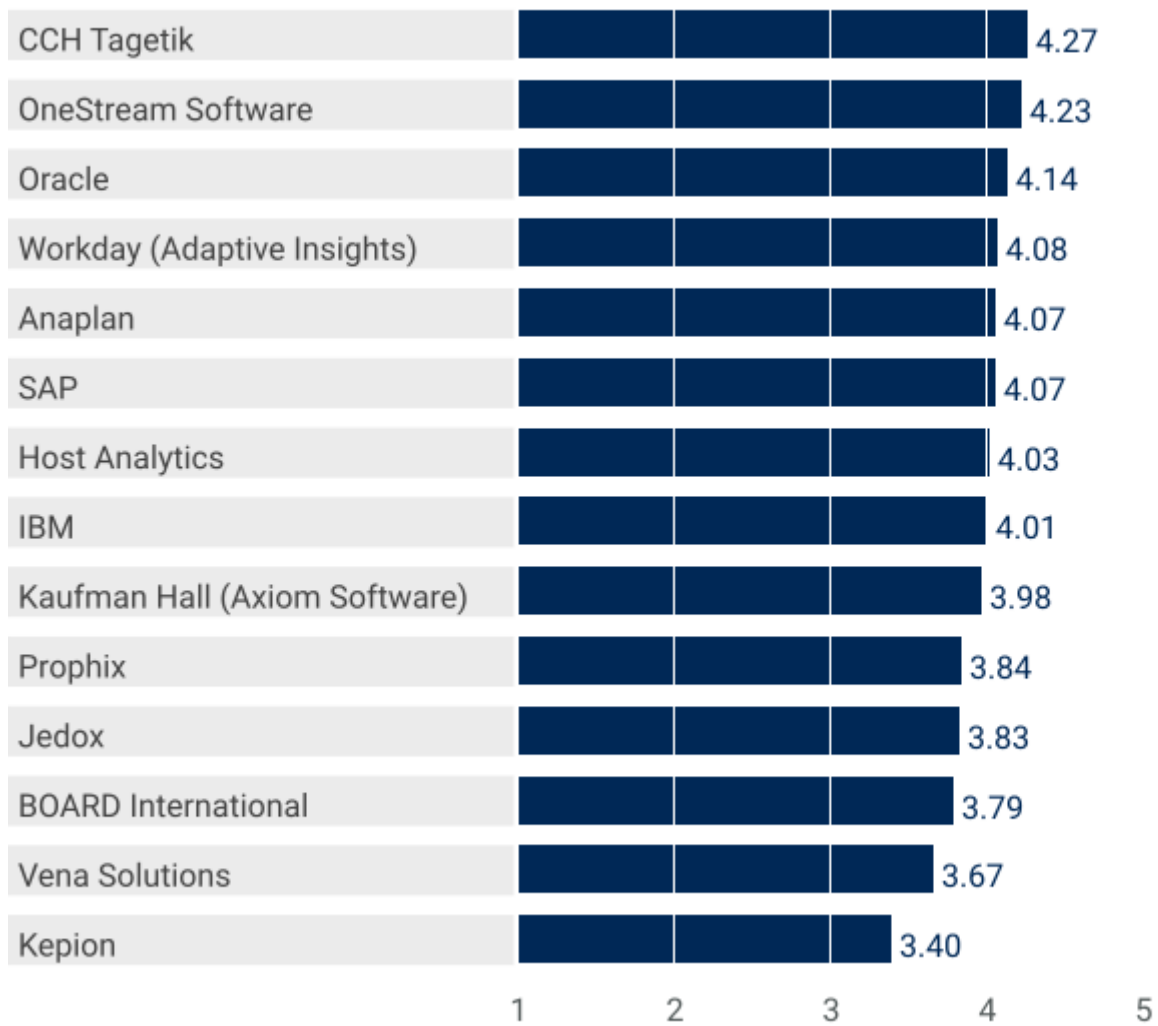
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Figure 3. Vendors' Product Scores for Large Organization Use Case

Product or Service Scores for Large Organization



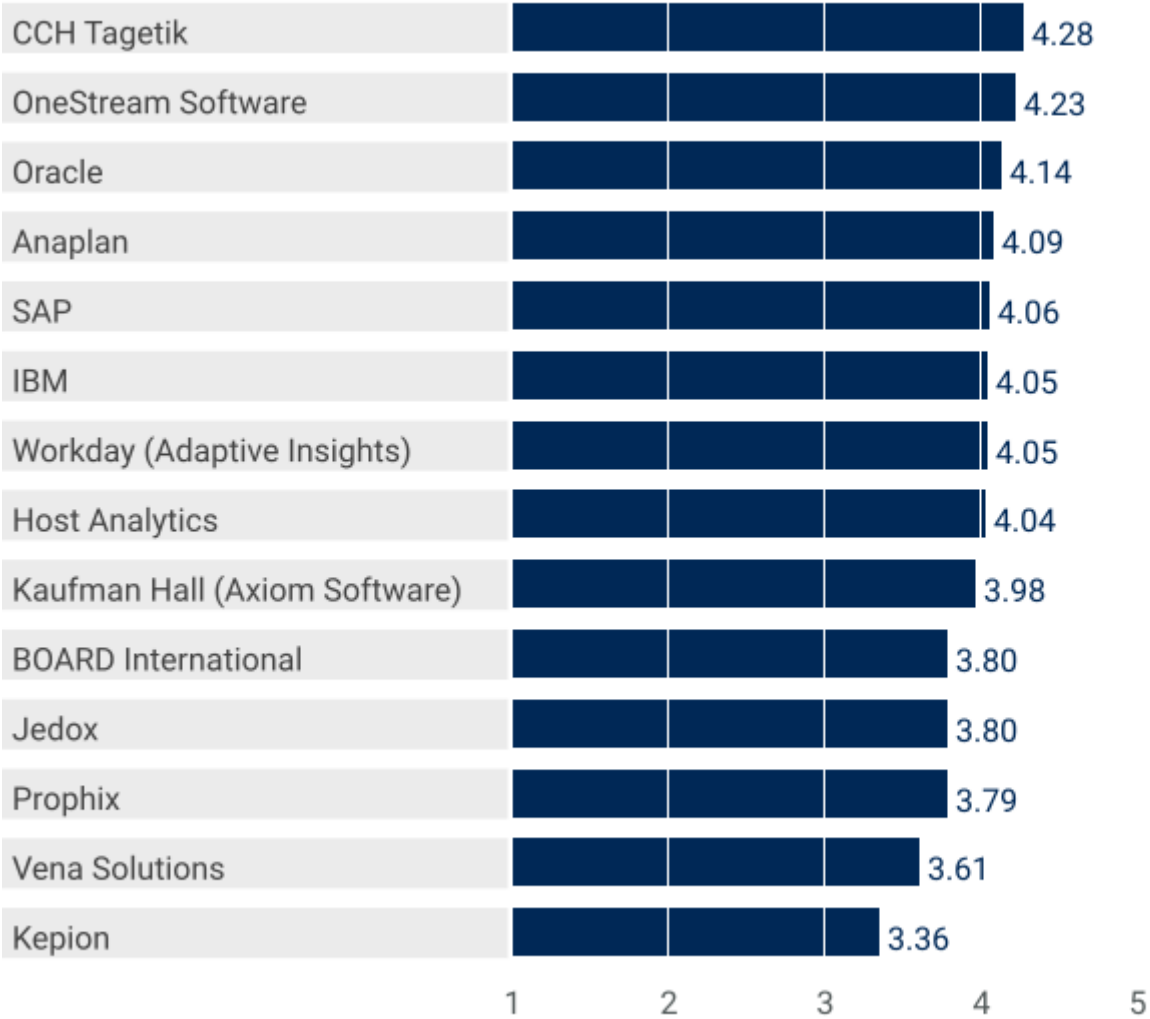
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Figure 4. Vendors' Product Scores for Global Organization Use Case

Product or Service Scores for Global Organization



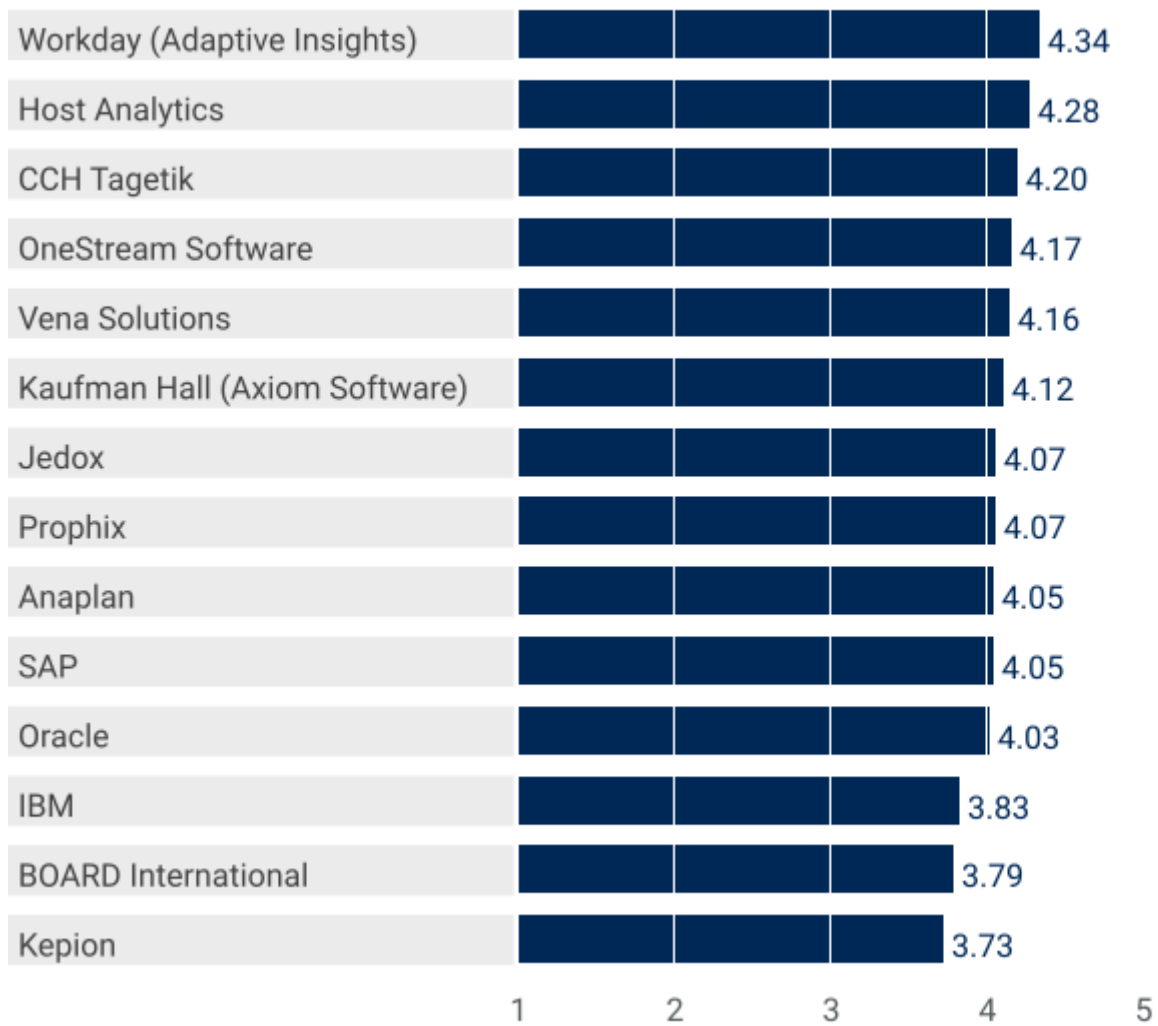
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Figure 5. Vendors' Product Scores for Business Unit Use Case

Product or Service Scores for Business Unit



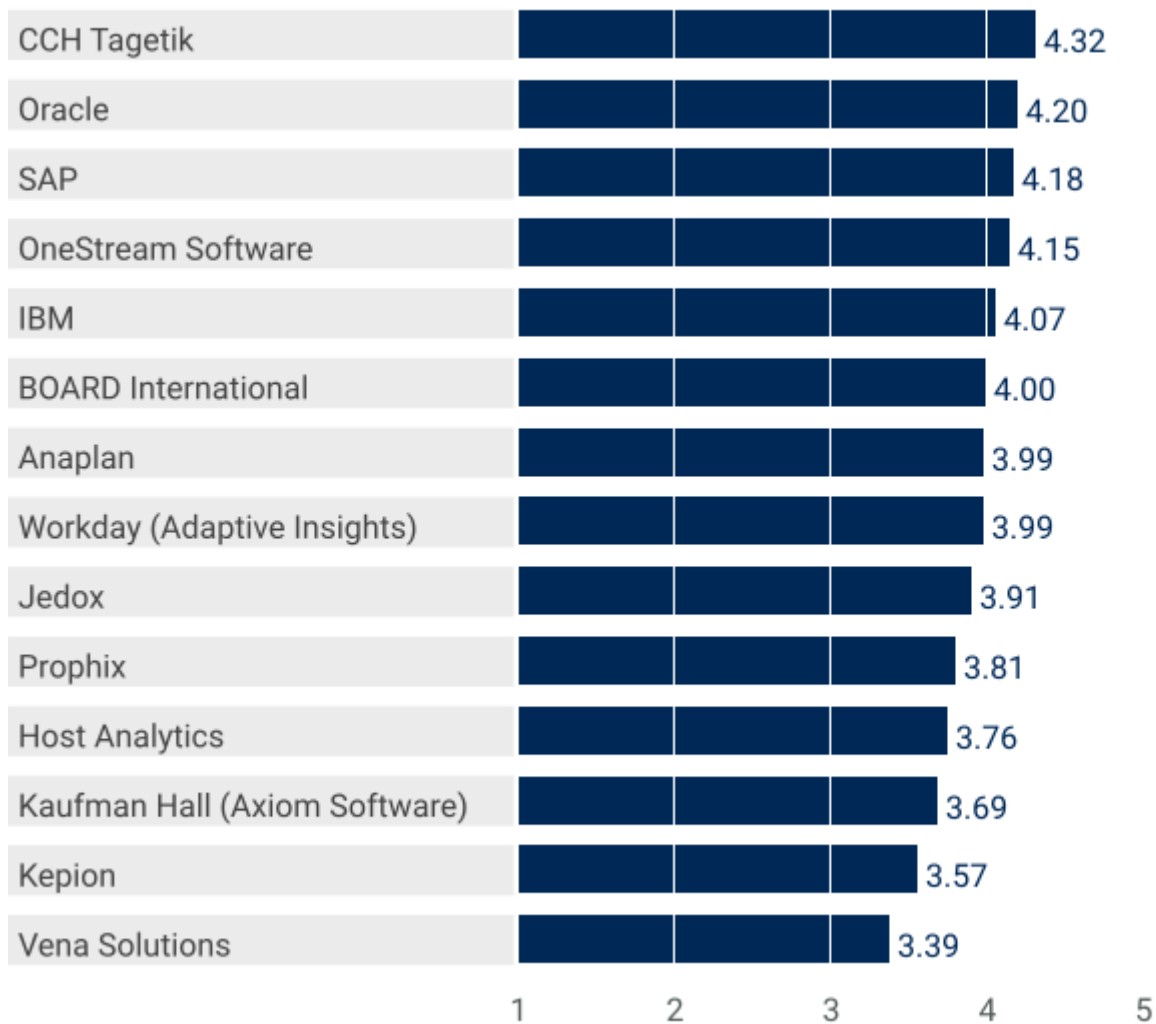
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Figure 6. Vendors' Product Scores for EMEA-Based Organization Use Case

Product or Service Scores for EMEA-Based Organization



As of 1 August 2019

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Source: Gartner (August 2019)

Vendors

Anaplan

Anaplan is a cloud-only vendor headquartered in San Francisco, California, U.S. It provides a SaaS business modeling and planning platform for finance and other business functions. Anaplan supports financial planning and forecasting, as well as planning for sales, capital expenditure, operations, workforce, marketing and supply chain.

Anaplan received a top-quartile score for IFP/modeling and complex financial budgets and plans. Anaplan’s score for application governance increased since last year’s report, elevating it to the upper- mid quartile. These capabilities are more critical for larger organizations. It also scored in the middle quartile for ease of implementation, ease of use and maintenance, and analytics.

As a result, Anaplan was among the top five vendors in both large and global organization use cases. It also scored in the midrange for the EMEA use case, indicating its suitability when

implementation and ongoing maintenance resources have been planned accordingly. Anaplan should be considered when IFP/modeling is important. It is also ideal for enterprisewide use in organizations, especially those focused on ongoing larger finance transformation efforts. Implementations that will require very high levels of end-user concurrent use should include related model design evaluation, performance testing and optimization.

BOARD International

BOARD International is co-headquartered in Boston, Massachusetts, U.S., and Chiasso, Switzerland. It sells both on-premises and cloud solutions (using Microsoft Azure), the latter of which continues to see rapid growth in 2019. It supports collaborative planning, modeling, profitability analysis and performance reporting. It can also support the financial close.

BOARD scored in the middle quartile in capabilities such as IFP/modeling, complex financial budgets and plans, and analytics. These capabilities are more critical for larger organizations. It also scored in the top quartile for EMEA support.

As a result, BOARD scored solidly in the EMEA use case. BOARD also scored notably higher in large and global organization use cases as opposed to those associated with midsize organizations, indicating its suitability when application complexity and analytic requirements exist. BOARD should be considered for enterprisewide use in organizations when support for complex budgets and plans and performance are critical.

CCH Tagetik

CCH Tagetik is headquartered in Lucca, Italy, and Stamford, Connecticut, U.S. It sells both on-premises and cloud solutions, the latter of which now accounts for the majority of its sales. CCH Tagetik was among the first traditionally on-premises vendors to offer a SaaS deployment option. Its cloud service can use Amazon Web Services (AWS) or Microsoft Azure cloud environments. CCH Tagetik supports financial budgets and plans, forecasting, performance reporting, dashboards, modeling, and analysis. CCH Tagetik also supports regulatory reporting and financial close processes covered in [“Magic Quadrant for Cloud Financial Close Solutions.”](#)

CCH Tagetik received top-quartile scores for complex financial budgets and plans, application governance, and EMEA support. It also scored in the upper-mid quartile in IFP/modeling and ease of use and maintenance. These capabilities are critical for larger business units, as well as upper midsize and larger organizations. CCH Tagetik improved its scores across all capabilities this year. Its lowest score was in simple financial budgets and plans, which are most critical for lower midsize organizations.

As a result, CCH Tagetik is positioned as the top vendor in large and global organizations, as well as EMEA-based use cases. It was also among the top three vendors in the upper midsize organization and business unit use cases. CCH Tagetik should be considered a higher priority for large organizations and global enterprises, especially those pursuing larger finance transformation

efforts. The vendor should also be considered by organizations that have complex financial close needs.

Host Analytics

Host Analytics is a cloud-only vendor headquartered in Redwood City, California, U.S. Its cloud platform supports financial budgets and plans, forecasting, dashboards, modeling, analysis, reporting, and collaboration. Host Analytics also supports the financial close. The vendor's modeling module supports a wide variety of use cases, such as revenue, sales and long-range planning.

Host Analytics received top-quartile scores for complex financial budgets and plans, IFP/modeling, and application governance. Additionally, it scored in the upper-mid quartile for ease of implementation and financial budgets and plans. These capabilities are more critical for midsize organizations and for business units in larger organizations. Host Analytics improved across nearly all product capabilities in this year's report. Its lowest scores were for both EMEA and global support. However, Host Analytics does have implementation partners globally.

As a result, this vendor scored among the top three vendors in the lower midsize and upper midsize organization and business unit use cases. However, Host Analytics should also be considered by larger organizations, especially those with financial close support needs.

IBM

IBM, headquartered in Armonk, New York, U.S., sells both on-premises and cloud solutions. IBM offers IBM Planning Analytics for financial budgets and plans, forecasting, modeling, dashboards, and analytics. IBM Planning Analytics' features include advanced analytics, machine learning and natural language queries. IBM also supports hosted cloud financial close processes. IBM's cloud FP&A solution runs on IBM's cloud platform.

IBM received top-quartile scores for EMEA and global support, as well as IFP/modeling. It also scored in the upper-mid quartile for complex financial budgets and plans. These capabilities are more critical for larger organizations. Although most of its scores improved slightly, IBM remains positioned in the lowest top quartile in terms of ease of implementation, ease of use and maintenance, and application governance.

Relative to other use cases, IBM scored highest in the EMEA use case, where it is positioned among the top five vendors. It also holds a solid midrange position in both the large and global organization use cases. IBM should be considered when complex requirements exist, especially by organizations where IFP/modeling is important. The vendor should also be considered for larger finance transformation efforts and where specialized solutions from IBM's consulting ecosystem are beneficial.

Jedox

Jedox, which is headquartered in Freiburg, Germany, sells both on-premises and cloud solutions. Jedox offers an integrated business intelligence (BI) and FP&A solution that supports financial budgets and plans and forecasting.

Jedox received middle-quartile scores for analytics, ease of implementation, ease of use and maintenance, application governance, and EMEA support. It improved its score for financial budgets and plans, shifting it into the upper-mid quartile. These capabilities are more critical for midsize organizations, business units in larger organizations and EMEA-based organizations.

As a result, Jedox scored among the top five vendors in the lower midsize organization use case. It also has a solid midrange position for upper midsize and EMEA-based organizations and business units. Jedox should be considered when application flexibility is a high priority, especially if there are additional modeling needs in the organization.

Kaufman Hall (Axiom Software)

Kaufman Hall, headquartered in Chicago, Illinois, U.S., sells its Axiom Software as a cloud solution (using Microsoft Azure). The vendor supports multiple industries, but it focuses on tailored solutions for healthcare, financial institutions and higher education. The Axiom Software cloud solution supports planning, budgeting, performance reporting, rolling and cash-flow forecasting, cost accounting, decision support, capital and workforce planning, strategy management, profitability modeling, and clinical analytics.

Axiom received top-quartile scores for IFP/modeling, application governance and analytics. It also had upper-mid-quartile scores for complex financial budgets and plans and ease of use and maintenance. These capabilities are more critical for large organizations; however, due to Axiom's lower-quartile scores for EMEA and global support, companies based outside North America should ensure diligence in evaluations.

Axiom received its highest score in the business unit use case, where it nearly achieved a top five position. Consideration should also be given to solid midrange scores for upper midsize and large organization use cases, particularly where EMEA and global capabilities are not as critical. Axiom should be considered a higher priority for large organizations in healthcare, financial institutions and higher education. It should also be considered for enterprisewide use in organizations with larger finance transformation efforts.

Kepion

Kepion, headquartered in Seattle, Washington, U.S., provides a planning platform supporting FP&A processes and providing analytics for finance, sales, marketing, HR and operations. Kepion supports both financial and operational planning processes, providing dashboards and key performance indicator (KPI) tracking, as well as reporting and analytics. Kepion leverages the Microsoft Azure and SQL Server platforms, integrates with Microsoft Power BI for visualizations, and integrates with Microsoft Dynamics, SAP and other ERP systems. Kepion partners with River Logic for prescriptive analytics and scenario analysis.

Kepion scored in the upper-mid quartile in IFP/modeling. It scored in the middle quartile for financial budgets and plans, and EMEA support. The vendor's lowest scores were for complex budgets and plans, application governance, and global support.

Kepion scored in the bottom half of all use cases. However, Kepion improved its scores across most capabilities and should be considered when IFP requirements exist, especially when other FP&A solutions cannot support planning models for other business domains.

OneStream Software

OneStream Software, which is headquartered in Rochester, Michigan, U.S., sells on-premises, hosted and SaaS solutions (the latter using Microsoft Azure). OneStream Software offers a robust platform and supports office-of-finance-oriented financial budgets and plans, forecasting, performance reporting, and analytics. The vendor also supports the financial close process.

OneStream received top-quartile scores for complex financial budgets and plans, ease of use and maintenance, application governance, and analytics. These capabilities are more critical for larger organizations. All OneStream's other scores were solidly middle-quartile, with the exception of simple financial budgets and plans. OneStream's scores improved across every capability in this year's report.

OneStream scored among the top five vendors in all but the lower midsize organization use case. Because of this, OneStream should be considered as a higher priority for upper midsize and larger organizations with extensive EMEA and/or global operations. This is especially the case for organizations that have complex financial close support needs. In addition, OneStream is also appropriate for business units with complex requirements.

Oracle

Oracle, headquartered in Redwood City, California, U.S., is best known for its on-premises Hyperion FP&A solutions, and the vendor now almost exclusively sells its cloud offerings in this market. Its offerings include Oracle Planning and Budgeting Cloud Service (PBCS), Oracle Enterprise Planning and Budgeting Cloud Service (EPBCS), Oracle Profitability and Cost Management Cloud Service, and Oracle Enterprise Performance Reporting Cloud Service for narrative reporting. Oracle PBCS and EPBCS support budgeting, forecasting, dashboards, modeling and analytics. They are increasingly being deployed for financial as well as operational use cases. Oracle's cloud FP&A solutions run on the vendor's cloud platform.

Oracle received high top-quartile scores for EMEA and global support. Its capability scores were primarily in the middle quartile, with ease of implementation and application governance being the only two positioned lower. Oracle's capabilities are more suitable for larger, global and EMEA-based organizations. Oracle showed improvement across nearly all capabilities this year, the exception being global support, where it is already at the high end of the top quartile.

As a result, Oracle scored among the top three vendors in the large, global and EMEA use cases. However, its other product scores indicate that it should be considered for midsize organizations as well. Oracle's FP&A solutions are vendor-agnostic and deployed broadly alongside other ERP systems, while remaining especially appealing to users of Oracle ERP Cloud.

Prophix

Prophix, headquartered in Toronto, Canada, offers both on-premises and cloud solutions (using AWS), the latter of which continues to see significant growth in 2019. Prophix supports financial budgets and plans, modeling, profitability analysis, dashboarding, and performance reporting. It can also support financial close processes.

Prophix received a top-quartile score for financial budgets and plans. It also had middle-quartile scores for IFP/modeling, ease of implementation, ease of use and maintenance, application governance, and analytics. Its lowest scores were in complex financial budgets and plans, EMEA support and global support.

Prophix scored among the top five vendors in the lower midsize organization use case. It also had solid midrange scores in the upper-midsize organization and business unit use cases. Prophix should be considered when application flexibility is a high priority, especially if there are additional modeling needs in the organization.

SAP

SAP is headquartered in Walldorf, Germany. Its offerings in this space are SAP Analytics Cloud and other capabilities, such as SAP Digital Boardroom (built on SAP Analytics Cloud), a separately licensed solution not included in this analysis. SAP Analytics Cloud combines data discovery and visualization, predictive analytics, and planning and is built on the SAP Cloud Platform. SAP also supports the financial close – on-premises and in the cloud – with its new SAP S/4HANA Cloud for Group Reporting solution.

SAP received high top-quartile scores for analytics, global support and EMEA support. It also scored in the upper-mid quartile for ease of implementation. It's positioned in the middle quartile for financial budgets and plans, IFP/modeling, and ease of use and maintenance. Its lowest scores were for complex financial budgets and plans and application governance. This year, it showed notable improvements in scores associated with all capabilities, the exception being analytics, where it dropped slightly while still maintaining a top-quartile position.

SAP scored among the top five vendors in both global and EMEA use cases. As it also scored in the midrange in both lower midsize and large organization use cases, it should be considered for most use cases. SAP Analytics Cloud evaluation is especially appropriate for SAP S/4HANA customers seeking an inclusive analytical platform embedding FP&A with tight integration to S/4HANA's core financial management and other SAP S/4HANA solutions.

Vena Solutions

Vena Solutions, headquartered in Toronto, Canada, sells only cloud solutions. Vena supports financial budgets and plans, forecasting, reporting, analytics, and other finance processes, such as revenue planning. It uses Microsoft Excel (desktop and Office 365) as its user interface. Additionally, users are not required to replace their current models and spreadsheets.

Vena received a top-quartile score for financial budgets and plans, with ease of implementation and ease of use and maintenance scores being positioned in the upper-mid quartile. Its lowest scores were in EMEA and global support. These capabilities are more critical for midsize organizations and individual business units within large, publicly traded or privately held organizations.

Vena scored among the top three vendors for the lower midsize organization and in the top five for upper midsize organization and business unit use cases. Vena should also be considered for individual business units within larger organizations and when application flexibility is a high priority. It's especially ideal when the office of finance will play a significant role in implementation and maintenance.

Workday (Adaptive Insights)

Adaptive Insights, a cloud-only vendor headquartered in Palo Alto, California, U.S., was acquired by Workday, an enterprise cloud vendor for finance and human resources software, for \$1.55 billion on 1 August 2018. It provides Adaptive Insights Business Planning Cloud to support financial budgets and plans, forecasting, dashboards, modeling, performance reporting, analytics, and collaboration. This solution also supports integration (Adaptive Insights Integration) and Microsoft Office connections (Adaptive OfficeConnect). Additional offerings are available for sales planning and financial close support.

Adaptive Insights had top-quartile scores for ease of implementation, ease of use and maintenance, and financial budgets and plans. These capabilities are more critical for midsize organizations. However, the vendor also scored in the middle quartile for application governance and analytics, and in the upper-mid quartile in IFP/modeling, all areas of importance to larger organizations. Adaptive Insights improved its scores across all capabilities this year, with financial budgets and plans and IFP/modeling showing the largest improvements.

As a result, Adaptive Insights is positioned as the top vendor in the lower and upper midsize organization and business unit use cases. It also among the top five in the large organization use case, indicating that it's a reasonable solution for larger enterprises to consider, as long as extensive integrated planning and modeling complexity are not required. Adaptive Insights should be considered when the office of finance will play a significant role in implementation and maintenance, as well as when self-serve analytics requirements are a high priority. The product should also be considered for organizations that primarily have combined FP&A needs, but could benefit from financial close support.

Context

This research analyzes how successfully the selected vendors (see the Inclusion Criteria section) support FP&A processes, as well as the success of their respective solutions in terms of use and adoption. Our analysis differentiates the appropriateness of each vendor's solution based on organization size. This generally reflects a combination of use-case complexity and/or solution scalability, as well as more diverse functionality and application customization.

In addition, each vendor's solution is evaluated for a particular single business unit within a larger organization – that is, as a departmental solution for organizations with \$1 billion or more in annual revenue. Also, each vendor is evaluated for an EMEA-based organization.

Product/Service Class Definition

FP&A solutions support the office of finance's budgeting and planning efforts. They also provide IFP, financial modeling, analytics, performance reporting and strategy management capabilities. Ultimately, these solutions help CFOs and other business leaders to orchestrate organizational performance and manage strategy in a more controlled and transparent manner.

Critical Capabilities Definition

Financial Budgets and Plans

This is the ability to support financial budgeting and planning processes, including support for financial budgeting processes in which targets are set for revenue, expenditure and cash generation.

It includes the abilities to act as a fixed control mechanism and to use financial classifications found in the general ledger to classify financial goals and targets. It also comprises the ability to support planning and forecasting using a modeling engine optimized for the office of finance's use (including profit-and-loss, balance-sheet and cash-flow forecasting capabilities, for example).

This feature distinguishes FP&A solutions from other analytics applications that also create plans and forecasts (such as applications for operations planning or marketing campaign planning). It supports the creation, review and approval of financially focused plans and forecasts, and their associated workflows. This critical capability should support driver-based planning and the maintenance of an audit trail of all associated activities.

Complex Financial Budgets and Plans

This includes financial budgeting, planning and forecasting capabilities, as well as the ability to support more advanced needs driven by more complex processes and business rules, expanded data stores and source systems, and a larger number of users.

Applications with this capability support large numbers of users (hundreds to thousands), departments and/or business units. They support an extensive amount of business logic with high complexity, such as intricate allocation rules. They support and automate complex workflows while providing transparency and control, and they can also integrate additional operational data to improve the accuracy of enterprisewide financial budgets and plans. These solutions can use

business drivers to model alternative outcomes if business conditions change. They can also incorporate in-memory computing (IMC), advanced statistical techniques and analytics to control and support financial planning, predict performance, and guide strategy.

IFP/Modeling

This capability can complement and/or extend complex financial budgeting and planning to more collaboratively integrate financial planning across business domains. It includes specialized financial modeling needs such as for revenue planning or profitability modeling.

This capability can also include financial modeling efforts in support of short-term and long-term planning. Applications with this capability help the office of finance to link to related operational planning capabilities in other business domains (such as sales or human resources). They also help to model other financial planning components in more detail (such as revenue, cash, demand, capital and project portfolio planning). Solutions with this capability create more accurate predictions based on experience. They can model alternative outcomes if business conditions change, and incorporate IMC, collaboration features, advanced statistical techniques, data discovery and other features to help support more collaborative enterprisewide planning, predict performance and guide strategy.

Solutions with IFP/modeling are used across business domains and require more frequent and detailed business-knowledge-driven updates. As a result, both finance and other business users need models that are easy to build and maintain, allow for more frequent modifications, and leverage additional internal and external data sources. More extensive data allows additional statistical techniques to be used more effectively (for example, for predictive or prescriptive purposes) and requires more extensive IMC capabilities. This also includes complex, initiative-specific planning and cost and profitability modeling, and it provides decision support.

Ease of Implementation

Ease of implementation refers to the solution's ability to be designed and implemented rapidly, without specialized skills and outside consulting expertise.

This capability is important for organizations of all sizes, but especially for smaller ones and departments or business units in larger organizations. Organizations have no appetite for the large implementation projects that some on-premises solutions required in the past. Magic Quadrant survey respondents rated this a top criterion when selecting an FP&A vendor. These scores must be weighed against the vendor's ability to support complex financial budgets and plans, as well as its ability to support IFP/modeling and analytics. This is because more complex business needs will naturally result in more application design and implementation complexity.

Ease of Use and Maintenance

This refers to solution use from both an end-user and ongoing administrative standpoint. It also describes the ability of a solution to be maintained and upgraded with a minimum of effort, specialized skills, third-party support and cost.

This capability is important for organizations of all sizes, but especially for smaller ones and departments or business units in larger organizations with minimal IT resources and less money to spend on third-party consulting support. Ease of use is a primary capability. Magic Quadrant survey respondents rated this as the most important criterion when selecting an FP&A solution. Ease of maintenance and upgrades is important for organizations of all sizes to ensure compatibility with related products and to leverage new product features.

Application Governance

This capability addresses whether a given vendor solution has demonstrated capable application life cycle management.

Requirements include the ability to decompose large, complex processes into smaller, more understandable subprocesses and overall software change and configuration management, as well as application performance management. These capabilities must match application objectives, allocate resources effectively, and support the organization's vision, principles and mental models in practice.

Analytics

This includes intuitively embedding analytics within the FP&A workflow.

Requirements include modern information visualization capabilities and collaborative performance reporting support. Traditional analytics requirements include driver-based modeling, variance analysis, information drill-downs to transactional systems, profitability analysis, root cause analysis, predictive modeling, exception alerts and other ad hoc analysis.

EMEA Support

These support capabilities refer to the needs of organizations based in EMEA.

The following were considerations:

- Support for local regulations
- Support for the sales effort
- Ongoing customer support in local languages
- Support for system integration through resources within the vendor organization or through partners
- Cloud databases in region/country as required by law

Global Support

These support capabilities refer to the needs of large, global organizations.

Areas for consideration relate to product configuration and support for larger global organizations. They include:

- Extensive geographic and industry consulting support
- Support for local regulations
- Support for the sales effort
- Ongoing customer support in local languages
- Support for system integration through resources within the vendor organization or through partners
- Cloud databases in region/country as required by law

Use Cases

Lower Midsize Organization

Lower midsize organizations that are publicly traded or privately held, with between \$50 million and \$250 million in annual revenue.

These organizations typically have relatively straightforward financial budgeting and planning needs. Application complexity is minimal. For example, processes involve fewer users, workflows have fewer steps and require less customization, and there are fewer business rules. Lower-cost solutions are desired. This includes lower costs for initial solutions, design and implementations, as well as ongoing support. As a result, and because few to no dedicated finance or IT resources are available for system support, ease of use is very important.

Upper Midsize Organization

Upper midsize organizations that are publicly traded or privately held, with \$250 million to \$1 billion in annual revenue.

These organizations typically have a range of financial budgeting and planning needs, from simple to moderately complex. This depends on the number of ERP systems used, the degree of ongoing change in the business environment process complexity, and the need for financial analytics. Applications need to support a fair amount of complexity. However, initial solution costs, design and implementation costs, as well as ongoing support costs, are important factors. Time to value and ease of use are also important capabilities.

Large Organization

Large organizations that are publicly traded or privately held, with \$1 billion to \$5 billion in annual revenue.

These organizations can have the most complex financial budgeting and planning needs. They have a large number of users and large amounts of source data, and their process complexity is high. IFP, modeling and analytics are very important, given the breadth of relevant financial information across business domains. Supporting FP&A processes is more challenging for these organizations, and leveraging the higher data volumes can yield higher analytic value.

Applications often need to support a high amount of complexity. Initial solution costs, design and implementation costs, and ongoing support costs are important factors, but they are secondary to satisfying business needs. As a result, time to value and ease of use are valued capabilities and important factors during product evaluations. However, dedicated finance and IT resources are typically available to participate in project implementation and to support these FP&A applications on an ongoing basis.

Global Organization

Global organizations with annual revenue of more than \$5 billion, operations in multiple geographic regions, and the most complex financial budgeting and planning needs.

Global organizations require strong worldwide support and have a large number of users and large amounts of source data; process complexity is high. IFP, modeling and analytics are very important, given the breadth of relevant financial information across business domains. Compliance to regional requirements is also a consideration. Supporting FP&A processes globally is more challenging for these organizations, and leveraging the higher data volumes can yield higher analytic value.

Applications often need to support a high amount of complexity. Initial solution costs, design and implementation costs, and ongoing support costs are important factors. However, these are secondary to satisfying business needs. As a result, time to value and ease of use are valued capabilities and important factors during product evaluations. However, dedicated finance and IT resources are typically available to participate in project implementation and to support these FP&A applications on an ongoing basis.

Business Unit

Individual business units within a large, publicly traded or privately held organization.

These organizations have a variety of needs. Financial budgeting and planning processes may be simple or fairly complex. However, these needs typically exist because the enterprisewide solution:

- Was not configured for the specific needs of the business unit.
- Does not have the flexibility to satisfy the more specific needs of the business unit or its more dynamic processes, which may more closely mirror operational planning processes.
- Does not have the ease of use required.

- Is not available (“power user” licenses have not been provided).
- Does not have the modeling and/or financial analytic capabilities needed. These capabilities can include the need to support complex models (especially those that finance users can manage themselves); application performance to support larger, detailed datasets; or information visualizations to provide information to business users.

EMEA-Based Organization

Midsize to large organizations operating in the EMEA region.

These organizations have the same needs as midsize to large organizations located elsewhere. However, other weightings have been adjusted to accommodate the unique capabilities of this use case.

Vendors Added and Dropped

Added

No vendors were added since our last published research.

Dropped

Longview was not included in this report due to its failing to meet the inclusion criteria.

Inclusion Criteria

Product Capabilities

To be eligible for inclusion in this study, vendors had to:

- Support at least two components of FP&A:
 - Financial budgeting and planning
 - Integrated financial planning
 - Financial forecasting and modeling
 - Management and performance reporting
- Deploy FP&A solutions as a cloud service (see the cloud service attributes defined in Note 1) — these solutions could not be deployed on-premises or as a managed cloud service
- Actively market and sell these cloud solutions to small, midsize and/or large and/or global organizations
- Actively market, sell and deploy these cloud solutions on a stand-alone basis, regardless of any additional bundling with broader ERP suites or other applications

Market Presence

To be eligible for inclusion in this study, vendors had to:

- Have at least 100 organizations in production using the cloud service. Vendors had to be prepared to provide evidence of sufficient production customers. If a vendor chose not to disclose this information, Gartner was at liberty to use its own market research and insights from public sources to judge that vendor's eligibility for inclusion.
- Have generated at least \$15 million in booked subscription revenue from the FP&A cloud offering(s) between 1 January 2018 and 31 December 2018 (or whichever 12-month accounting period most closely aligned with that period). This excludes any revenue from on-premises, hosted, managed cloud service or other deployment models. Unrealized recurring revenue was not included. If a vendor chose not to disclose revenue information, Gartner was at liberty to use its own market research and insights from public sources to judge that vendor's eligibility for inclusion.

Honorable Mentions

The following vendors were not evaluated in this Critical Capabilities report but are worthy of consideration.

Workiva

Workiva, headquartered in Ames, Iowa, U.S., is a cloud-only vendor. Its Wdesk solution supports certain performance reporting and budget preparation processes when the process is Excel-based. It also supports the related creation and combination of text documents, workbooks, presentations, dashboards and charts.

Workiva's budget preparation capabilities satisfy some financial budgeting requirements. Workiva was excluded from this study because it does not offer many basic financial budgeting capabilities, such as scenario comparison and allocation. However, its solution does provide superior management and performance reporting and document process management capabilities relative to other vendors in this study, although with limited analytics.

Workiva can be successfully used by all use cases described in this study. Its users are typically midsize/large organizations, large organizations or business units within larger organizations.

Centage

Centage is based in Natick, Massachusetts, U.S., and it offers a cloud-native planning and analytics platform called Planning Maestro that targets primarily small and midsize businesses (SMBs) seeking budgeting, forecasting and reporting capabilities. In 2018, Centage completed an \$8.5 million Series C funding round, led by TVC Capital.

Longview

Longview is headquartered in Toronto, Canada. The vendor offers a cloud-based FP&A solution, Longview Plan powered by Tidemark (Longview finalized its merger with Tidemark in 2017). Longview provides budgeting, forecasting, dashboards, modeling, performance reporting, analytics and collaboration support. It also offers separate solutions for tax planning and to support the financial close.

For information about additional cloud FP&A offerings, see [“Market Guide for Corporate Financial Planning Applications.”](#)

Table 1: Weighting for Critical Capabilities in Use Cases

Critical Capabilities ↓	Lower Midsize Organization ↓	Upper Midsize Organization ↓	Large Organization ↓	Global Organization ↓
Application Governance	5%	10%	10%	10%
Complex Financial Budgets and Plans	0%	10%	20%	25%
Ease of Implementation	20%	10%	10%	10%
Ease of Use and Maintenance	20%	20%	15%	10%
Financial Budgets and Plans	40%	30%	5%	5%
Global Support	0%	0%	10%	10%
IFP/Modeling	5%	10%	15%	15%
Analytics	10%	10%	10%	10%
EMEA Support	0%	0%	5%	5%

Critical Capabilities ↓	Lower Midsize Organization ↓	Upper Midsize Organization ↓	Large Organization ↓	Global Organization ↓
Total	100%	100%	100%	100%
As of August 2019				

Source: Gartner (August 2019)

This methodology requires analysts to identify the critical capabilities for a class of products/services. Each capability is then weighed in terms of its relative importance for specific product/service use cases.

Critical Capabilities Rating

The products are evaluated against critical capabilities on a scale of increasing goodness. A score of 1 is “poor,” where most requirements are not achieved. A top score of 5 is “outstanding,” where all requirements are significantly exceeded.

Table 2: Product/Service Rating on Critical Capabilities

Critical Capabilities ↓	Anaplan ↓	BOARD International ↓	CCH Tagetik ↓	Host Analytics ↓	IBM ↓
Application Governance	4.3	3.8	4.4	4.4	3.4
Complex Financial Budgets and Plans	4.4	4.1	4.5	4.4	4.3
Ease of Implementation	4.1	3.7	4.2	4.3	3.5
Ease of Use and Maintenance	4.0	3.8	4.3	4.2	3.6

Critical Capabilities ↓	Anaplan ↓	BOARD International ↓	CCH Tagetik ↓	Host Analytics ↓	IBM ↓
Financial Budgets and Plans	3.4	3.4	3.9	4.3	3.7
Global Support	3.0	2.4	4.0	2.5	4.5
IFP/Modeling	4.5	3.9	4.3	4.4	4.4
Analytics	4.2	4.2	4.0	4.0	4.0
EMEA Support	3.6	4.6	4.5	2.5	4.5
As of August 2019					

Source: Gartner (August 2019)

Table 3 shows the product/service scores for each use case. The scores, which are generated by multiplying the use-case weightings by the product/service ratings, summarize how well the critical capabilities are met for each use case.

Table 3: Product/Service Score in Use Cases

Use Cases ↓	Anaplan ↓	BOARD International ↓	CCH Tagetik ↓	Host Analytics ↓	IBM ↓
Lower Midsize Organization	3.84	3.67	4.10	4.26	3.69
Upper Midsize Organization	3.97	3.75	4.17	4.28	3.79

Use Cases ↓	Anaplan ↓	BOARD International ↓	CCH Tagetik ↓	Host Analytics ↓	IBM ↓
Large Organization	4.07	3.79	4.27	4.03	4.01
Global Organization	4.09	3.80	4.28	4.04	4.05
Business Unit	4.05	3.79	4.20	4.28	3.83
EMEA-Based Organization	3.99	4.00	4.32	3.76	4.07
As of August 2019					

Source: Gartner (August 2019)

To determine an overall score for each product/service in the use cases, multiply the ratings in Table 2 by the weightings shown in Table 1.

Note 1 Cloud Service Attributes

- **Responsibility:**
 - All technology infrastructure is managed in either the vendor’s own data centers or those of a third party.
 - The vendor implements upgrades itself as part of its cloud service, not via a third party or managed service provider.

- **Licensing and technology:**
 - The cloud service is licensed on a subscription basis or metered on a pay-for-use basis.
 - Users cannot have a contract that is unique to them (except in terms of minor adjustments), nor can they be provided with a service version different from that offered to other cloud customers.

- The cloud service uses internet technologies, and use of internet files, formats and identifiers is necessary for the delivery of cloud service interfaces.
- The computing resources used to support the cloud service are scalable and elastic in near real time, rather than based on dedicated hardware.
- **Customization:**
 - Source code cannot be modified. Configuration via citizen developer tools and extension via a platform as a service (by partner, vendor or user) is allowed.
- **Pace of change:**
 - A single code line is used for all customers of the cloud service, to enable the vendor to deploy new functionality rapidly.
 - The vendor delivers at least two upgrades containing new functionality per annum to all users of the cloud service, and controls the pace of the upgrade cycle.
 - The vendor offers self-provisioning capabilities for the service (at least for development and test instances) without the involvement of the vendor's staff.
 - The technology used to deliver the service is shared by multiple customers to create a pool of resources from which elasticity can be delivered.

Critical Capabilities Methodology

This methodology requires analysts to identify the critical capabilities for a class of products or services. Each capability is then weighted in terms of its relative importance for specific product or service use cases. Next, products/services are rated in terms of how well they achieve each of the critical capabilities. A score that summarizes how well they meet the critical capabilities for each use case is then calculated for each product/service.

"Critical capabilities" are attributes that differentiate products/services in a class in terms of their quality and performance. Gartner recommends that users consider the set of critical capabilities as some of the most important criteria for acquisition decisions.

In defining the product/service category for evaluation, the analyst first identifies the leading uses for the products/services in this market. What needs are end-users looking to fulfill, when considering products/services in this market? Use cases should match common client deployment scenarios. These distinct client scenarios define the Use Cases.

The analyst then identifies the critical capabilities. These capabilities are generalized groups of features commonly required by this class of products/services. Each capability is assigned a level

of importance in fulfilling that particular need; some sets of features are more important than others, depending on the use case being evaluated.

Each vendor's product or service is evaluated in terms of how well it delivers each capability, on a five-point scale. These ratings are displayed side-by-side for all vendors, allowing easy comparisons between the different sets of features.

Ratings and summary scores range from 1.0 to 5.0:

1 = Poor or Absent: most or all defined requirements for a capability are not achieved

2 = Fair: some requirements are not achieved

3 = Good: meets requirements

4 = Excellent: meets or exceeds some requirements

5 = Outstanding: significantly exceeds requirements

To determine an overall score for each product in the use cases, the product ratings are multiplied by the weightings to come up with the product score in use cases.

The critical capabilities Gartner has selected do not represent all capabilities for any product; therefore, may not represent those most important for a specific use situation or business objective. Clients should use a critical capabilities analysis as one of several sources of input about a product before making a product/service decision.

Document Revision History

[Critical Capabilities for Cloud Financial Planning and Analysis Solutions - 7 August 2018](#)

[Critical Capabilities for Cloud Strategic Corporate Performance Management Solutions - 4 September 2017](#)

Recommended by the Authors

[Magic Quadrant for Cloud Financial Planning and Analysis Solutions](#)

[Magic Quadrant for Cloud Financial Close Solutions](#)

[Best Practices for Improving Financial Planning and Analysis Systems and Processes](#)

[3 Steps to Determine How Financial Planning and Analysis Could Benefit From AI](#)

[The Future of Financial Planning and Analysis](#)

[How Products and Services Are Evaluated in Gartner Critical Capabilities](#)

Recommended For You

[Magic Quadrant for Cloud Financial Planning and Analysis Solutions](#)

[Peer Lessons Learned: Implementing Cloud Financial Planning and Analysis Solutions](#)

[Gartner Peer Insights 'Voice of the Customer': Cloud Financial Planning and Analysis Solutions](#)

[Magic Quadrant for Cloud Financial Close Solutions](#)

[Prepare Now for the Future of Financial Planning and Analysis and Financial Close](#)

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