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## Turbo Talks: Emerging Technologies in Oracle EPM Cloud

EPM Product Management

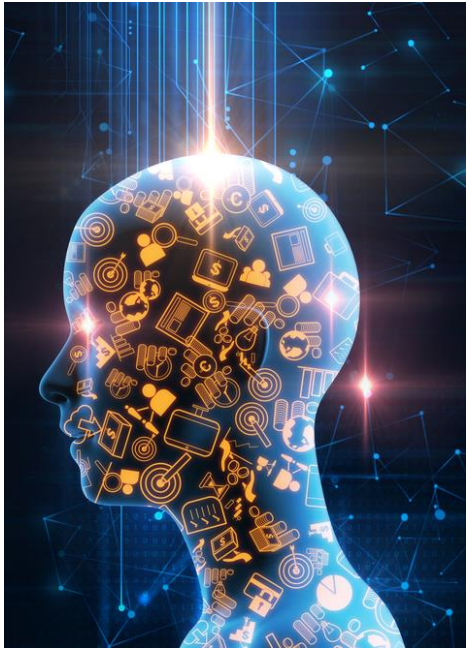
April 2018

# Safe Harbor Statement

The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remains at the sole discretion of Oracle.

# Program Agenda

- 1 Emerging Tech in Finance: The Basics
- 2 Oracle Vision & Strategy
- 3 Financial Close
- 4 Financial Planning & Analysis
- 5 Vision Demo



“Offshoring, outsourcing, and centralization have been the bread and butter of improving finance function’s productivity for decades. Tech-savvy CFOs are now considering automation to propel a new wave of efficiency and performance.”

- Bots, algorithms and the future of the finance function, McKinsey & Company, January 2018

# What they mean...

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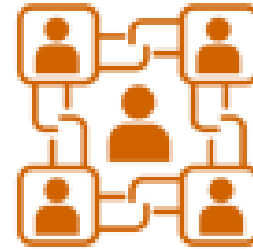
## ROBOTIC PROCESS AUTOMATION

“Virtual workforce” that performs repetitive, clearly defined tasks



## MACHINE LEARNING

Algorithms that use data science to find patterns and correlations in data and provide insight



## BLOCKCHAIN

Digital ledger that records transactions chronologically and publicly



## HUMAN INTERFACES

Technologies that enable users to interact with information in new ways





## Automation Potential of Finance Activities

# ACCELERATING

SOURCE: McKinsey & Company: Bots, Algorithms, and the Future of the Finance Function, January 2018

# Finance Function: What can be automated...

Exhibit 2 Many activities in the finance function can be automated.

## Accounting

- Automating complex journal entries
- Performing and documenting account reconciliations
- Calculating and applying allocations
- Maintaining fixed-asset accounts

## Financial planning and analysis

- Building standard management reports
- Consolidating and validating budget and forecast inputs
- Gathering and cleaning data for analysis

## Accounts payable

- Entering nonelectronic-data-interchange invoices
- Performing 2- and/or 3-way invoice matches
- Processing expense-approval requests
- Completing audits (eg, duplicate supplier payments)

## Payroll

- Flagging time-sheet errors and omissions
- Auditing reported hours against schedule
- Calculating deductions
- Harmonizing data across multiple timekeeping systems

## Accounts receivable

- Generating and validating invoices
- Applying cash to outstanding balances
- Analyzing and processing disputes
- Creating reports (eg, accounts-receivable aging, credit holds)

## Other

- Preparing external-reporting templates
- Conducting transaction audits of high-risk areas
- Preparing wire-transfer requests

Source: McKinsey analysis

# Use Cases for the Finance Function



Improve  
Decisions



Automate  
Tasks



Manage  
Risks



Optimize  
Assets



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# Oracle's Vision

## Intelligent Performance Management

- Data manipulation & reconciliation
- Data analysis
- Taking action on issues



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# Intelligent Process Automation

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- Evolution of *Robotic* Process Automation
- Don't simply replicate manual processes with automation
  - Improve process flows
  - Eliminate steps where possible
  - Reengineer processes to be more effective



# Intelligent Process Automation in Financial Close

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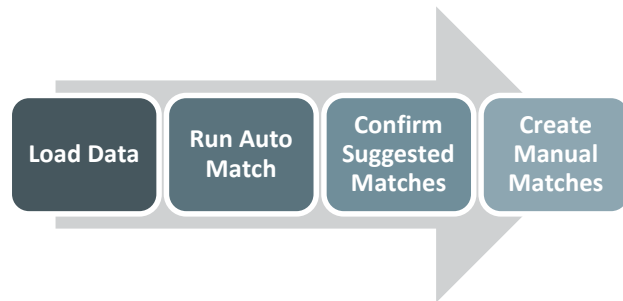


## Opportunities in Financial Close

- Account Reconciliations
- Financial Close Orchestration
- Statutory Reporting
- Autonomous Consolidation

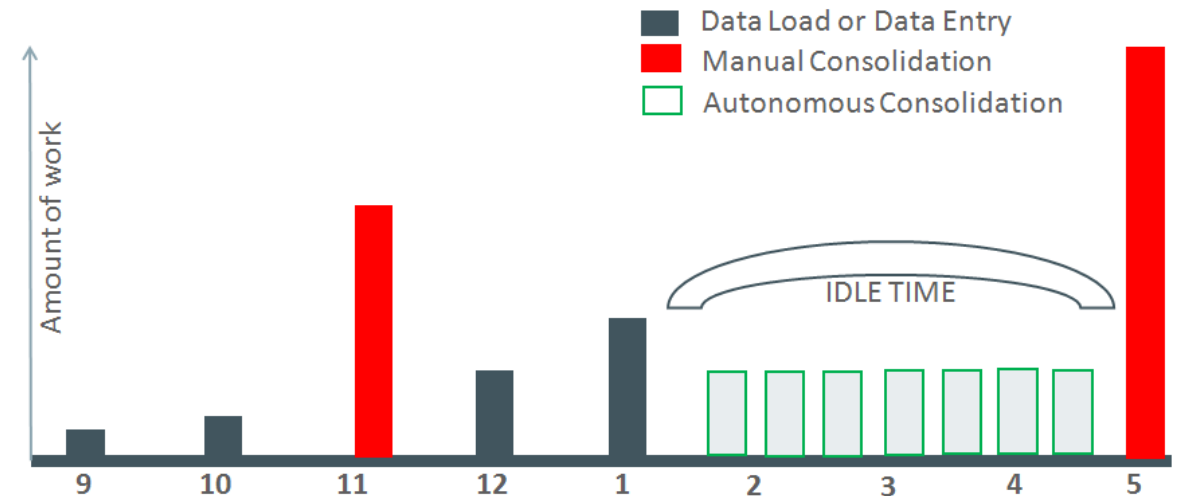
# Account Reconciliation: Transaction Matching

## Configurable Intelligence for Automating Reconciliations



- Automate 70-90% of high-volume reconciliations to allow accounting staff to focus on complex cases
- Support needs of Corporate Accounting in all industries
  - Bank Accounts, Intercompany Accounts, Accounts Receivable, Accounts Payable, High volume accruals
- Address industry-specific high volume requirements
  - Banks: ATM / Fed Funds, Retail: Store Deposits / Credit Card, Insurance: Trade Settlement
- Flexibility for daily and period-end matching and balancing

- Run financial consolidations in the background without explicit user action
  - Intelligent
  - Configurable
  - Granular operation
  - Optimal performance
- Major step towards Continuous Close vision



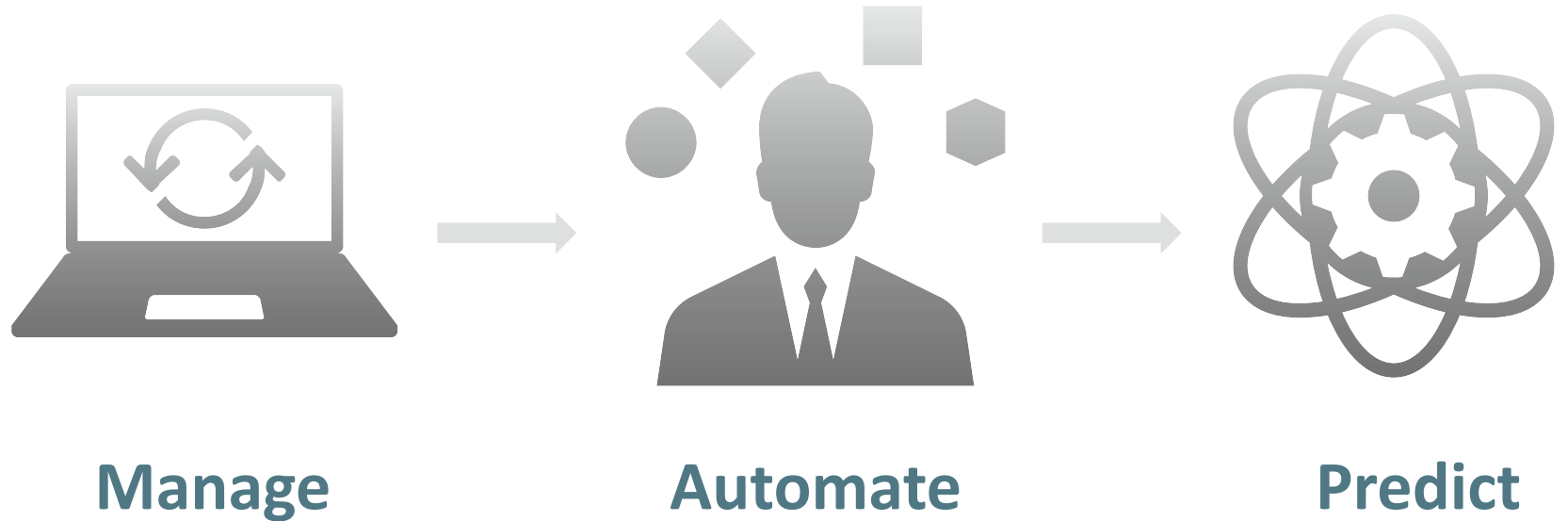


## Intelligent Process Automation



**Close  
Calendar**

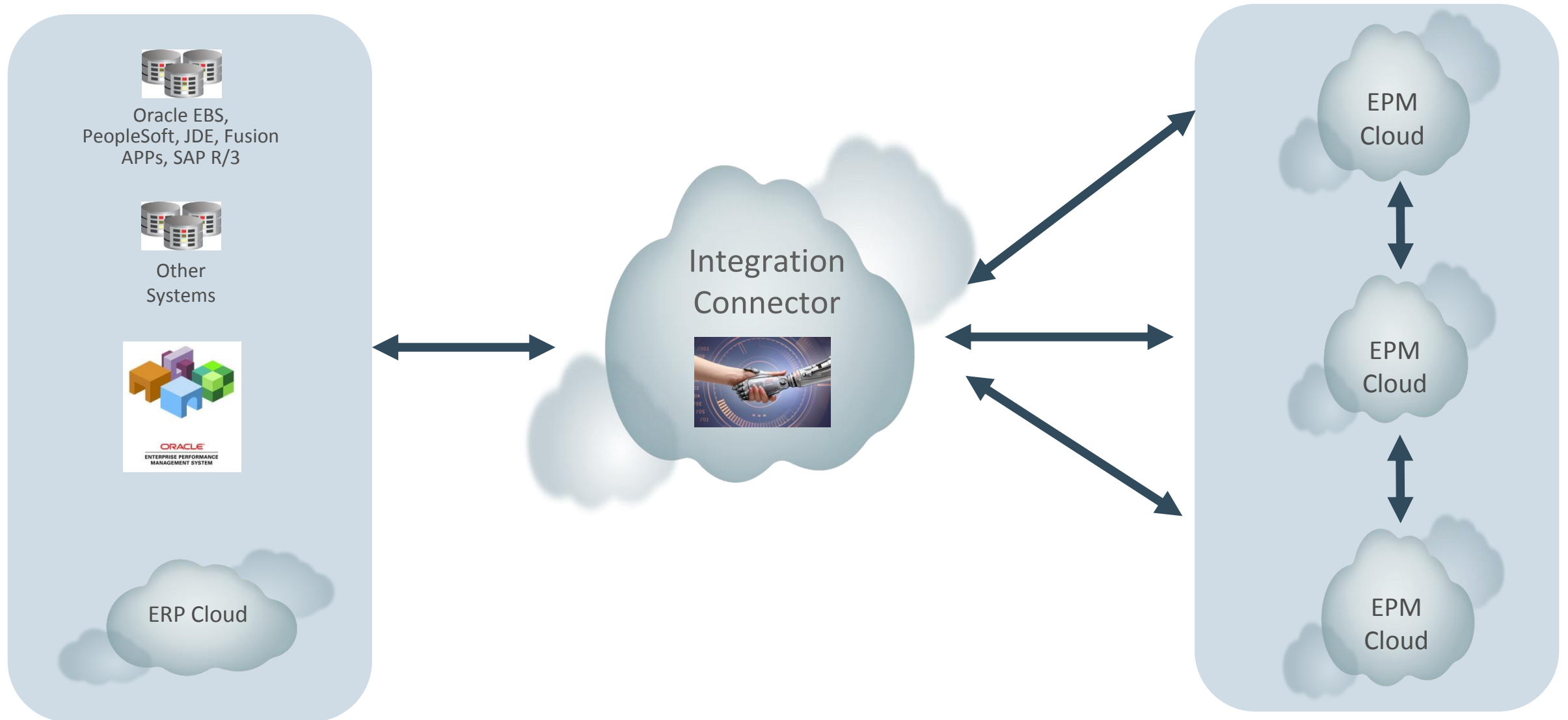
**Use Case:  
Close Orchestration**



## Close Calendar Evolution



# Intelligent Process Automation - Flow



- New XBRL filers need to:
  - Create a taxonomy
  - Create documents and financial exhibits
  - Tag, validate and publish
  - Issues: Effort & Expertise since XBRL tag selection is both an art and a science
- Existing filers tend to reuse and roll forward their previous XBRL filing to the next reporting period.
  - Creates a barrier to entry and cost to switch software as most documents are not “portable” between vendors

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# Adaptive Intelligent Planning

## Oracle Vision & Strategy

- 1** Leverage Oracle Economies of Scale
- 2** Embed Intelligence in Applications
- 3** Connect Planning Beyond Finance
- 4** Enrich with Operational & 3<sup>rd</sup> Party Data
- 5** Enable Governance & Control

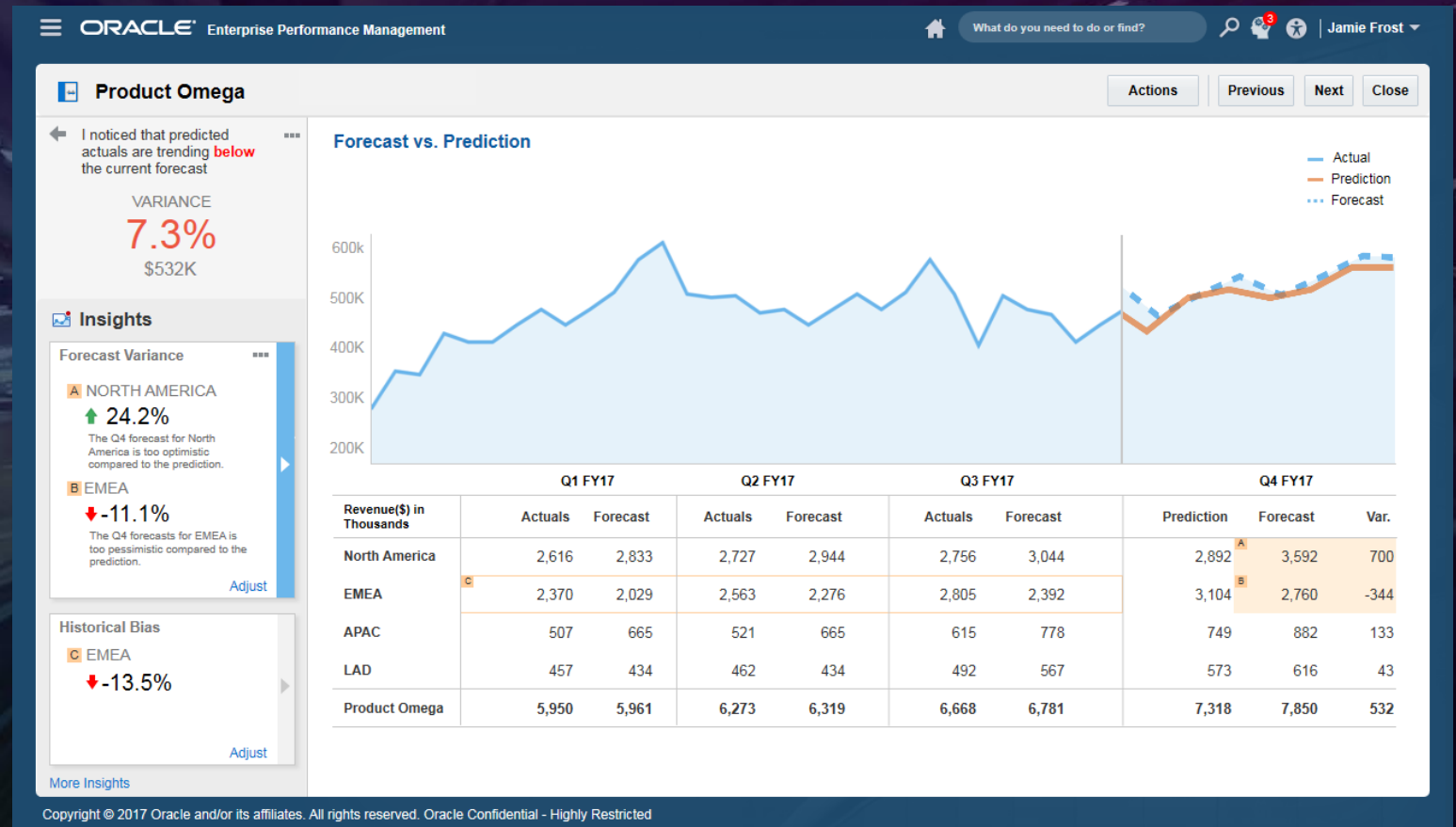


# DEMONSTRATION

## Better Planning, Fewer Mouse-clicks

Reveal Hidden Correlations &  
Realize Faster Time-to-action:

1. Signal Detection
2. Root Cause Analysis
3. Insight Discovery
4. Action Recommendation





## Emerging Technologies in EPM Cloud

# Get Ready for the Future of Finance

1. Leadership & Vision
2. Tech-savvy Skills & Hiring
3. Impact on Organizational Structures
4. Target High Value & Realistic Areas
5. Partner with Oracle!

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