Corporate performance management suites facilitate efficient, compliant and transparent processes within the office of finance. They also enable CFOs and other business leaders to manage organizational performance and guide strategic direction.

Market Definition/Description

This document was revised on 28 April 2015. The document you are viewing is the corrected version. For more information, see the Corrections page on gartner.com.

The corporate performance management (CPM) application suite market is mature and composed of vendors offering solutions that are widely adopted by both large and midsize organizations (midsize can roughly be defined as having annual revenue of $100 million to $1 billion). Given the range of solutions available, CPM suites are also accessible to smaller organizations (those with $10 million to $100 million in annual revenue). CPM initiatives aim to either improve processes within the office of finance (OOF) or support performance management (PM) throughout the organization. CPM deployments can typically be categorized as one of two types: OOF CPM and strategic CPM. OOF CPM largely involves the improvement of financial processes, while strategic CPM supports organizationwide transformation and growth. Driving higher levels of CPM maturity requires that attention be paid to both types (see “Getting More Value From CPM: Strategic Versus Office-of-Finance CPM”). Gartner uses the term “CPM” to highlight corporate finance’s critical role in aligning siloed PM processes and applications across multiple business domains.

Competitive business environments require that organizations find new ways to reduce costs while simultaneously improving their ability to manage performance. Corporate finance is uniquely situated to address both these requirements. Traditionally, finance applications have been primarily designed for accuracy, compliance and efficiency. The availability of more-capable CPM solutions supported by additional in-memory computing (IMC) and mobile, social and advanced analytics capabilities is providing finance with additional options to address more strategic needs (see “Strategic CPM as a Driver for Organizational Performance Management”).

In addition to the term “CPM,” vendors use other descriptions, such as enterprise performance management (EPM), dynamic performance management (DPM) or simply PM. The use of one label or another is irrelevant. What’s important is the recognition that no single current offering can provide end-to-end PM support. Organizational PM encompasses distinct, domain-specific PM processes of which CPM is one. CPM’s role in enabling a broader approach to PM is firmly established; however, CPM offerings continue to evolve. CPM efforts typically focus on financial budgeting, planning and forecasting (BP&F), and financial consolidation and reporting. However, they also support the coordination of more-comprehensive planning processes (see “In-Memory Computing Reinvents Integrated Financial Planning”). CPM suites can also extend into functional domains to support specific processes and provide the “glue” to link these operational areas back to financial and enterprise performance targets.

This Magic Quadrant presents a global view of the primary CPM suite vendors from a market perspective. Vendors tracked in this Magic Quadrant vary in their capabilities to support different CPM processes and use cases. More specific comparative product information can be found in “Critical Capabilities for Corporate Performance Management Suites.”

This Magic Quadrant also briefly reviews specialist vendors that support particular CPM processes, such as BP&F (see “Market Guide for Specialty Budgeting, Planning and Forecasting Applications”). These products can augment CPM suite solutions to satisfy specific functional or industry requirements. Both suite vendors and specialist vendors should be considered by organizations pursuing a comprehensive CPM strategy.

Gartner defines the components of a CPM suite as follows: financial consolidation and close management (FCCM); financial and management reporting and disclosure; financial BP&F; strategic planning and forecasting and strategy management; and profitability modeling and optimization (PM&O).

Financial Consolidation and Close Management

This type of application is a fundamental part of CPM and a core component of a CPM suite. Support for this process is central to the responsibilities of the OOF because it creates the compliant enterprise-level view of financial information for more transparent, accurate and timely external reporting, insightful management reports, and variance analysis from targets. Financial consolidation and close management applications allow organizations to reconcile, consolidate and summarize financial data based on different accounting standards and government regulations, and provide financial results at local, regional or business unit subcombinations. These applications require complex transaction processing rules to automate intercompany transaction management (elimination

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**EVIDENCE**

As part of this research, Gartner conducted a survey of organizations using CPM products from September 2013 to November 2014. The survey participants were customer references nominated by each of the 17 CPM suite vendors in this Magic Quadrant. These surveyed customers were asked 20 specific questions about their experiences with their CPM vendors and solutions. The results were used in support of the assessment of the CPM suite market. For 2014, we obtained 449 full responses (up from 372 in 2013) representing companies headquartered across six different geographic regions, as follows:

- North America, 56%
- Western Europe, 29%
- Latin America, 2%
- Central/Eastern Europe, 7%
- Asia/Pacific region, 5%
- Middle East and Africa, 1%

In addition to the survey results, final Magic Quadrant ratings are also the result of the significant consideration of information evaluated from Gartner CPM reference visits and calls throughout the year. These interactions serve as an important part of the vendor evaluation.

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**EVALUATION CRITERIA DEFINITIONS**

**Ability to Execute**

**Product/Service:** Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subriteria.

**Overall Viability:** Viability includes an assessment of the overall organization’s financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization’s portfolio of products.

**Sales Execution/ Pricing:** The vendor’s capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

**Market Responsiveness/Record:** Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor’s history of responsiveness.

**Marketing Execution:** The clarity, quality, creativity and efficacy of programs designed to deliver the organization’s message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This “mind share” can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

**Customer Experience:** Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

**Operations:** The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

**Completeness of Vision**
Financial and Management Reporting and Disclosure

The traditional CPM financial close process has specific disclosure and reporting requirements that require specialized reporting tools. CPM applications supporting financial consolidation and budgeting, require some of their output to be formatted as structured financial statements; therefore, reporting tools need additional logic and presentation capabilities to handle these requirements (for example, calculation rules for creating a cash-flow statement from profit-and-loss and balance sheet data). They should support specific generally accepted accounting principles (GAAP) presentation rules, such as U.S. GAAP and International Financial Reporting Standards (IFRS), to enable the preparation of statutory financial statements with appropriate commentary and supplementary statements. Many financial reporting solutions incorporate process controls for reporting and disclosure, such as industry-specific templates, collaboration capabilities, business rules, workflow and audit trails, to better meet regulatory, compliance and governance programs. In addition, these solutions can provide additional financial reporting technologies, such as eXtensible Business Reporting Language (XBRL). These CPM applications provide the reporting capabilities required to produce the management reports used by executives at corporate and business unit levels to manage and explain financial performance. The solutions should also facilitate analysis by providing drill-down and analytics against more detailed business unit ledger and sometimes transactional data.

Expanded capabilities are also provided in financial close solutions or by separate offerings that provide additional close management functionality. These capabilities primarily include improved close control process management, reconciliation management, intercompany activity management, journal entry control, financial control testing and tax data provisioning. Note that the availability of extended closed/reconciliation solutions has expanded over the last year to include a wider range of functionality that extends beyond the FC&C-oriented period end close into a broader solution that can enhance the management and control of combined ERP, CPM and other systems involved in the finance process throughout the accounting cycle. As a result, Gartner has renamed this asset class "enhanced finance controls and automation (EFCA)," to reflect this expanded scope (see "Enhanced Finance Controls and Automation Fills the Gaps in ERP and CPM Processes").

Financial Budgeting, Planning and Forecasting

The financial budgeting process sets short-term targets for revenue, expenditures and cash generation, and usually has a one-year horizon. It typically uses financial classifications found in the general ledger to classify financial goals and targets. The budget (and the budgeting process) is typically wholly owned and controlled by the CFO, and needs to link with underlying finance systems. The budgeting process typically acts as a fixed control mechanism.

Traditional OOF CPM planning and forecasting processes consist of a financial modeling engine with an integrated profit-and-loss balance sheet and cash-flow forecasting capability. One of the key features that distinguishes CPM from other analytics applications that also create plans and forecasts (such as applications for sales and operations planning (S&OP) or marketing campaign planning). These capabilities support the creation, review and approval of financially focused plans and forecasts, as well as their associated workflow. They should also maintain an audit trail of all associated activity. Planning generally differs from budgeting in two ways. First, the time periods involved can be longer term (three to five years is common). Second, the focus is less on budget line items and more on business drivers that impact the financial line items. This means that planning is more relevant to operational managers, who do not run their part of the business using general ledger codes. Longer-term forecasts are used by executives to evaluate the effects of alternative strategies, such as merger and acquisition activity. They typically represent a high-level perspective of revenue, expenses, balance sheet items and cash flows.

Strategic Planning and Forecasting and Strategy Management

These types of planning and forecasting applications should also enable more strategic planning activities. For example, they can support a broader approach to PM through more integrated corporate planning by joining the financial planning components of other business domains, such as workforce and sales, with those of corporate. These applications can also include additional functionality to extend planning to operational domains. They can also support aspects of initiative management. Vendor capabilities vary, and some processes can be limited by a solution's capability to leverage transactional information and support in-memory, social and mobile computing.

Strategic forecasting typically differs from budgeting in that once a budget is created, many organizations tend to strictly adhere to it, regardless of changes to the business environment. The goal of strategic forecasting is to dynamically create more-accurate predictions of future outcomes based on experience, and to predict alternative outcomes if business conditions change. Traditional financial forecasting is often simple (for example, add three months' actual data to nine months' budget data); however, strategic forecasting can incorporate statistical techniques to help predict future performance and guide strategy. Currently, these applications most commonly support techniques such as extrapolating new versions of historical data or performance predictions and using machine learning algorithms to predict future trends based on comparisons of actual results to budgets, the analysis of historical data and "what if" analysis. More-modern solutions with advanced analytics, especially those effectively leveraging ILM, can leverage constraint-based optimizations, predictive analytics capabilities and other methods using much bigger datasets that include additional operational internal and external context data.

Strategic planning also involves strategy management. These solutions provide a packaged approach to support strategic planning, modeling and monitoring to improve corporate performance, accelerate management decision-making and facilitate collaboration. They’re usually tied to strategy maps or methodologies, such as the balanced scorecard. Strategy management comprises:

- Scorecards and strategy maps — These are used to record strategies, objectives and tasks; reorcerer performance; identify, explain and maintain the relationship of key performance indicators (KPIs); and enable related communications and collaboration capabilities.
- Initiative/goal management — This Includes project-management-like tools to enable responsible managers to execute specific tasks related to a strategy.
- Dashboards — These are used to aggregate and intuitively display metrics and KPIs, enabling them to be examined at a glance or analyzed interactively using embedded filters and drill-down/akaos capabilities.

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.
Profitability Modeling and Optimization

PM&O includes activity-based costing (ABC) and activity-based management (ABM) applications that determine and allocate costs at a highly granular level in order to, for example, determine the cost of each activity that an agent may perform across all channels in a customer service contact center. This information can be applied to various cost objects, including products, customers and customer segments, to help determine product and customer profitability. PM&O applications often take this approach further and provide modeling capabilities to enable users to model the impact on the profitability of different cost and resource allocation strategies. This approach can help determine optimal product and service offerings in packaging, bundling and pricing, as well as optimize channel strategies. PM&O applications can also provide profit optimization capabilities that enable executives to plan the impact of different strategies on profitability from different perspectives, such as customer or product. These solutions may also be able to model business processes and provide other advanced features, such as constraint-based, bidirectional and predictive modeling.

Magic Quadrant

Figure 1. Magic Quadrant for Corporate Performance Management Suites

Vendor Strengths and Cautions

Adaptive Insights

Adaptive Insights is a pure-play cloud vendor that provides solutions for budgeting, forecasting, reporting, financial consolidation, dashboards, modeling, analysis and collaboration. It has separate integration (Adaptive Integration), Microsoft Office connection (Adaptive OfficeConnect) and Revenue Planning (Adaptive Revenue) offerings. The vendor offers Adaptive Discovery, its integrated business intelligence (BI) offering and also provides disclosure management support through its recent partnership with Vintage.

Adaptive Insights has improved its scores this year, particularly regarding its Completeness of Vision. The new Adaptive OfficeConnect offering provides improved Microsoft Office connectivity, and survey results indicate wider adoption of Adaptive Consolidation.

Strengths

- Adaptive Insights’ customers surveyed for this Magic Quadrant have consistently given the vendor high ratings. Adaptive ranked within the top quartile for overall vendor satisfaction. Its survey ratings are also among the highest for ease of implementation and lower-than-expected implementation cost.
- The vendor has continued to broaden its product offering with three new offerings in 2H14. Adaptive OfficeConnect provides Microsoft integration for more tightly coupled Excel, Word and PowerPoint support, Adaptive Integration supports a wider array of data sources, and Adaptive Revenue, launched in October 2014, supports revenue planning.
- Adaptive reports having more than 2,500 live customers. This compares favorably with other vendors in the Visionaries quadrant.

Cautions

- Adaptive Consolidation reports a healthy rate of adoption since its launch in April 2013. The...
Magic Quadrant survey results support this and also indicate a very high level of satisfaction with this offering. However, The Magic Quadrant survey results also indicate that this module is primarily used by smaller organizations. Some larger (more than $1 billion in annual revenue) customers surveyed also use this solution, but do so more commonly in support of group or business unit consolidations. Larger organizations evaluating this solution should review similar use cases in organizations of comparable size.

- The vendor's customers include a mix of small, midsize and large enterprises. Larger organizations seeking enterprisewide solutions should evaluate references of similar CPM process complexity.
- Adaptive Insights has direct and indirect sales, consulting, and support capabilities in North and South America, the Asia/Pacific region, EMEA and Japan; however, the majority of its customers are located in North America. Prospective customers outside this region should appraise the vendor's local capabilities.

**Anaplan**

Anaplan, new to the CPM suite Magic Quadrant this year, entered as a Visionary. The vendor introduced financial consolidation and close support in late 2013, satisfying the FC&C inclusion criteria for this Magic Quadrant. Anaplan is a pure-play SaaS vendor headquartered in San Francisco. Its customers span North America (estimated 39%), EMEA (estimated 53%) and the Asia/Pacific region (estimated 8%). Forty-one percent of its customers surveyed for this Magic Quadrant had $1 billion or more in annual revenue. Anaplan provides a SaaS business modeling and planning platform for finance and other business functions (such as sales, marketing, operations and HR). Anaplan supports financial planning and forecasting, as well as sales planning/forecasting, operations planning, demand and supply planning, workforce planning, and trade and promotion optimization.

**Strengths**

- Anaplan has an intuitive interface that enables business users to create and manage interactive models, forms and dashboards, while supporting complex business planning and forecasting models and processes. This allows for application design changes with minimal to no IT involvement.
- Calculation performance is strong, due to a proprietary in-memory calculation engine that can support large data volumes. This expands the type of use cases that can be supported for financial planning and forecasting, sales planning/forecasting, and integrated financial planning.
- The Anaplan App Hub, launched in November 2014, provides the ability for customers, partners and Anaplan to share crowdsourced, prebuilt models to speed application deployment and further leverage the Anaplan platform to support additional unique use cases.

**Cautions**

- On the whole, Anaplan's customers reported average levels of satisfaction. The lowest single score related to the anticipated cost of implementation, and the most common issue cited was the need for additional documentation and training to support business domain users unfamiliar with application development best practices.
- Anaplan's easy-to-use interface can lead to application governance challenges for customers with complex models and many users. A key differentiator for Anaplan is its ability to allow business users to create and connect complex models on their own; however, IT should be encouraged to maintain governance of the business unit in architecting large, sophisticated model deployments.
- The vendor does not have a separate disclosure management offering, and does not support financial and collaborative reporting as strongly as other vendors in this Magic Quadrant.

**Axiom EPM**

In April 2014, Axiom EPM was acquired by Kaufman Hall, a software and consulting firm providing financial, operational and strategic planning services primarily for healthcare. Although wholly owned, Axiom EPM continues to operate under its original name and will leverage Kaufman Hall's existing industry expertise in healthcare, while simultaneously offering cross-industry capabilities and advancing additional product offerings targeting higher education and banking. Going forward, Axiom EPM will focus on specific industry verticals as part of its central strategy. Axiom EPM's platform supports planning and budgeting (with additional capital and workforce planning capabilities), strategy management, financial reporting, and profitability modeling (including patient profitability for healthcare and funds transfer pricing for banking).

Axiom EPM has improved its position this year as a Niche Player. Its acquisition by Kaufman Hall has improved its overall position in that quadrant, more closely aligning product capability with process transformation.

**Strengths**

- Axiom EPM customers surveyed for this Magic Quadrant have consistently given high ratings. Axiom EPM also received the highest average scores in critical areas such as overall value for the money. The vendor's satisfaction scores are also among the highest for ease of implementation and implementation cost.
- Axiom EPM's suite offers unique Excel integration or an HTML5 read/write UI for mobile information delivery. Its solution is binary large object (BLOB)-enabled to support data types such as images and audio, and integrates with Microsoft SQL Server and Oracle Databases. It leverages relational data stores for complex modeling and can accommodate transactional data. Axiom EPM made significant investments in its cloud offering during 2014, and the suite is available on-premises or hosted through Microsoft's Windows Azure platform.
- The Kaufman Hall acquisition has strengthened Axiom EPM's industry expertise in healthcare (45.2% of survey respondents represented this vertical). It also has expertise in banking.

**Cautions**

- Initial momentum and the existence of extensive Kaufman Hall healthcare consulting expertise may distract from growth in other industry verticals; however, at this time, healthcare customers comprise only about one-third of Axiom EPM's customer base, and Kaufman Hall has already rolled out consulting offerings in higher education, demonstrating its strategic focus on specific industry verticals.
Board International
Since 1994, Board International has taken an integrated approach to CPM and BI. Its BI capabilities benefit its overall suite, especially its planning, simulation and cost analysis functionality. The vendor's solutions target both midmarket and large organizations seeking a more cohesive BI and CPM approach. Board International's combination of performance and flexibility can also support more granular business processes and data that tend to be more custom-made and require more frequent application updates from business domain users.

Board International maintained its position as a Visionary vendor, largely due to its ability to provide a broader array of CPM process support along with product innovation. This has improved the vendor's overall Completeness of Vision position; however, the lack of multitenant product options and related cloud experience has reduced its overall Ability to Execute scores in relation to the pure-play cloud vendors in the Visionaries quadrant.

Strengths
- Board International's HBMP IMC capability enables its solution to satisfy applications of greater size and complexity, especially when high levels of concurrency are required. This is critical for implementations involving thousands of users and shorter, even daily, reforecasting cycles.
- The vendor released version 9 in 2014, which introduced new predictive capabilities such as clustering for data mining and regression analysis, supporting time series forecasting. Some unique capabilities include providing confidence probabilities and the identification of outliers in order to facilitate additional end-user interpretation.
- Board International's version 9 included a number of features to support more collaborative corporate planning, such as mobile data entry and, notably, its new Nexel business rule interface. It provides an Excel-like interface that allows business users to create and modify application and model rules.

Cautions
- Although the vendor can offer its solution on various cloud platforms such as Amazon Web Services (AWS), it has minimal experience supporting this type of offering. Board International currently has no cloud offering; it plans to release one in 2015.
- The majority of the vendor's sales, consulting and support capabilities are located in EMEA; however, it has a growing market presence in North America and the Asia/Pacific region, as well as some coverage in South America. Prospective customers outside of EMEA, especially those with larger numbers of users and more-complex use cases, should appraise the vendor's local consulting and support capabilities.

Host Analytics
Host Analytics is a pure-play, cloud based CPM vendor with offerings that support financial consolidation, disclosure management, BP&F, reporting, dashboards, modeling, analysis and collaboration. The vendor also provides a separate sales planning offering. Host Analytics' technology partners include Microsoft, Birst (within the Host Analytics Cloud offering), Dell Boomi (within the Integration Cloud offering) and others, such as Box, for enhanced data load functionality.

Host Analytics, the first pure-play cloud vendor to provide a full CPM suite, maintained its position as a Visionary vendor in this space. In recent years, the vendor has pursued a strategic direction to take its offerings upmarket, relative to some of the other vendors in the Niche Players and Visionaries quadrants.

Strengths
- Host Analytics’ customers span a range of midsize to large organizations, and the vendor has demonstrated its ability to support more-complex implementations. Regardless of the increased number of these use cases, Host Analytics’ customers surveyed have consistently reported an ability to support their applications autonomously, with a low need for ongoing external consulting support.
- The vendor has expanded its product offerings by introducing a Sales Planning offering in 2014. It also plans to release additional operational planning solutions for marketing and supply chain during 1H15, which indicates good vision for integrated financial planning.
- Host Analytics has announced an in-memory modeling engine to be released in April 2015. The Host Analytics Modeling Cloud is the result of a new technology partnership with MongoDB, and has the potential to allow the vendor to support a wider variety of use cases, particularly those involving more integrated financial planning and more extensive modeling.

Cautions
- Host Analytics can have challenges supporting the combination of complex models and large data volumes. It will need to further develop its messaging and demonstrate the capabilities of its Modeling Cloud offering in order to expand its support of integrated financial planning and other model-driven complex use cases within large organizations.
- The majority of the vendor’s customers are located in North America, and all customers surveyed were headquartered in that region. Prospective customers outside of North America should evaluate customer references in their regions and appraise the vendor’s local consulting and support capabilities.
- Host Analytics’ survey results related to anticipated ease of implementation and implementation cost were slightly below average. Prospective customers with larger, more-complex implementations should evaluate their project plans against other in-production customers with complex use cases and Host Analytics’ best-practice recommendations.
IBM's customers tend to leverage their CPM suites to support more strategic CPM requirements, although the suite also supports OOF processes. The platform includes solutions for FC&C, BR&F, PM&O and strategy management. IBM supports mobile, Web, desktop and Microsoft Excel-based UIs and customizations. Cognos Insight facilitates desktop presentation, visualization and end-user model creation, and Performance Modeler supports model creation and deployment. IBM also provides narrative and collaboration-focused management, external reporting (XBRL) and financial close management through IBM Cognos Disclosure Management (CDM).

IBM is a consistent leader in this market. However, IBM's position, along with all the Leaders in the Magic Quadrant, has been reduced this year to reflect the CPM cloud momentum captured by some of the Niche Player and Visionary innovators with more extensive CPM public cloud experience. IBM’s CPM cloud capabilities are currently small, but growing.

**Strengths**
- IBM has many large CPM customers and a global reach. In addition, IBM has an extensive consulting ecosystem and a large service organization with business domain and industry financial transformation expertise. These capabilities should also help its current and future CPM cloud customers address new, unique PM requirements.
- Cognos TM1's strong IMC and advanced analytics can support complex planning and forecasting models and workflows, and with Cognos TM1 v.10.1 and subsequent releases, IBM continues to increase TM1's performance with additional smart caching and contention locking improvements. Cognos Controller has also received a performance upgrade and became available hosted on the IBM Cloud in 4Q14.
- IBM introduced Watson Analytics, a cloud-based smart data discovery solution, in 2014. Although not intended solely for OOF use, Watson Analytics complements Performance Modeler and makes SPSS diagnostic and predictive capabilities accessible to the average finance user.

**Cautions**
- During 2014, IBM had few customers in production with its hosted, cloud based TM1, CDM and Controller solutions. IBM also offers Concert, which provides cloud-based, guided business process support, social collaboration and mobility for IBM’s cloud offerings. The adoption of IBM’s cloud and hybrid capabilities is small, but growing; the vendor will need to continue to invest in cloud-based CPM.
- Although TM1 and CDM are available as hosted solutions on the IBM Cloud, additional steps are currently needed to avoid certain technical limitations related to hybrid on-premises/cloud use cases. For example, Remote Desktop Services is required to run certain administrative end-user components, such as Performance Modeler.
- Cognos TM1 requires a relatively high degree of initial configuration and support expertise. Customers with limited technical resources should evaluate related implementation and support efforts.

**Infor**

Infor delivers a broad CPM suite and has a widespread global customer base. Infor has two separate CPM offerings, CPM and Infor Dynamic Enterprise Performance Management (d/EPM). Infor continues to support the CPM 10.4 product line (v.10.4.2 was released in June 2014). d/EPM was released in March 2014; this offering duplicates functionality from Infor’s current CPM suite, but leverages the Infor in-memory BI platform.

Infor’s position in the Challengers quadrant is relatively consistent with last year; however, like other vendors in the Challengers and Leaders quadrants, its position has been reduced this year to reflect the CPM cloud momentum captured by some of the Niche Player and Visionary innovators with more extensive CPM public cloud experience.

**Strengths**
- d/EPM takes a broader approach to CPM, with expanded analytics leveraging Infor’s IMC-enabled BI platform, improved application integration via Infor ION and new CPM process support, such as real-time forecasting and consolidations. It also integrates with Infor Ming.le, the vendor’s social computing platform. Cloud availability for d/EPM through AWS was also announced in September 2014.
- Infor announced the release of Infor CloudSuite Financials in September 2014. This suite, built on AWS, combines core financial management, treasury applications, close and reconciliation management, BI, and treasury and cash management support. This offering provides a cloud-based alternative and can improve ERP-CPM FC&C transparency and close management.
- In keeping with its industry-specific core ERP focus, the vendor will release new d/EPM solutions for healthcare and the public sector. Its capital planning module will be released in 2015.

**Cautions**
- Although Infor will continue to maintain, enhance and support existing customers using its traditional CPM platform, the vendor has excluded it from its strategic direction. Existing Infor customers should monitor the product roadmaps and begin to plan eventual transition efforts.
- Infor’s newer d/EPM suite provides new capabilities by combining new CPM, BI and integration functionality; however, adoption of d/EPM has been slow. In addition, Infor’s hosted cloud offering is relatively new. Customers evaluating d/EPM on-premises or hosted via AWS should seek existing customer recommendations and evaluate similar, in-production use cases.
- Infor’s d/EPM suite currently lacks disclosure management capability beyond XBRL reporting. Customers requiring disclosure management support should evaluate complementary solutions.

**Longview Solutions**

Longview Solutions offers both traditional CPM suite and tax solutions. Its two separate offerings (Longview Corporate Performance Management and Longview Tax) share the same unified Longview 7 platform that supports both OOF and strategic CPM processes, and benefits both traditional CPM and tax customers.
Longview Solutions was acquired from Exact Holding by Marlin Equity Partners in July 2014, this initiated a period of transition for Longview. The success of its current strategy is not guaranteed. There have been recent changes in senior management and reporting structures that have resulted in market and customer confusion. Gartner has lowered Longview Solutions' Magic Quadrant position in the Visionaries quadrant for 2014, but we expect that 2015 activity will further clarify its market position.

Strengths
- Longview 7.2 was released in June 2014. It included updates to Longview Tax for support of tax department calendaring and workflow. The platform has also been enhanced with the ability to manage transactional data. The March 2015 update included additional usability and performance improvements, including new IMC capabilities.
- Marlin Equity Partners' acquisition of Longview Solutions can provide the vendor with additional product and market opportunities not previously available. For example, although too recent to be factored into Longview Solutions' Magic Quadrant scoring, on 31 March 2015, the vendor announced that it is merging with Germany-based arcpian. This may lead to interesting product and geographic expansion opportunities.
- Of all the vendor references surveyed for this Magic Quadrant, Longview Solutions' customers reported the largest average number of users (634) and the longest average period of use (nine years). These results are higher than any other vendor, including the Leaders. This demonstrates high levels of solution adoption.

Cautions
- Although it's too soon to fully gauge the results of the vendor's changes that have occurred since the Marlin Equity Partners' acquisition, current customers should seek additional market confirmation of Longview Solutions' strategy and a more definitive long-term product roadmap.
- Longview Solutions' emphasis on its tax offerings in recent years has been the source of some concern among its traditional CPM customer base, and there has been some attrition within senior management in the tax area. Although the vendor's current Magic Quadrant survey satisfaction scores have not been indicative of any related problem, current customers will need to monitor its ability to provide consistent support during this transitional period.
- While Longview Solutions has several existing and new global customers and office locations in the U.K. and the Netherlands, the vast majority of the vendor's customers are in North America.

Oracle
Oracle's EPM suite includes the on-premises offerings Hyperion Financial Management (HFM), Hyperion Financial Close Management, Hyperion Disclosure Management, Hyperion Planning, Hyperion Profitability and Cost Management, and Hyperion Strategic Finance. Oracle Scorecard and Strategy Management is also available as part of Oracle Business Intelligence Foundation Suite. Additional solutions exist for metadata management; extraction, transformation and load (ETL); financial master data management; account reconciliation; and tax data provisioning. In addition to the Hyperion on-premises CPM suite, the vendor offers the Oracle Planning and Budgeting Cloud Service (PBCS) on a subscription basis with higher degrees of multitenancy.

Oracle is a consistent leader in this market and maintained its ability to execute its leadership position due to its broad support of CPM processes, as well as the February 2014 release of its SaaS PBCS offering, ahead of the other Leaders in this Magic Quadrant. The positions of all the Leaders have been reduced this year to reflect not only the CPM cloud momentum captured by some of the Niche Player and Visionary innovators, but also the importance of having more extensive related CPM public cloud experience for 2014. Given Oracle's release of PBCS, as well as its strong initial market traction, this position shift affected Oracle less than the other Leaders.

Strengths
- Oracle maintains the dominant market share in this space, with many large CPM customers, complex use cases and a global reach. It also has an extensive suite of financial offerings and a large consulting ecosystem, with broad business domain and industry financial transformation expertise.
- Oracle has seen strong initial market traction with its PBCS offering, with an estimated count of over 300 customers. Oracle PBCS addresses the market's demand for BP&B public cloud offerings that improve ease of use through new UIs, simplified navigation and administration, and Excel-based formula creation and maintenance. PBCS can also support certain on-premises/cloud hybrid capabilities, such as drill-down to detail on-premises data via a URL, batch execution of data movement tasks and combined cloud/on-premises master data management (MDM) through Oracle Data Relationship Management (DRM). Oracle also announced a new public cloud offering for financial and management reporting, and planned availability for Oracle's Enterprise Performance Reporting is 1H15.
- The vendor's recently released 11.1.2.4 Hyperion EPM included a number of important upgrades, including HFM and Hyperion Planning performance improvements, supplemental data management capabilities in Hyperion Close Management, and the incorporation of functional and operational enhancements from Oracle's PBCS into Hyperion Planning. Additional UI changes were also added in the EPM suite to simplify both on-premises and mobile use. This release also includes support for Hyperion Financial Management on Oracle's Exalytics In-Memory Machine.

Cautions
- Oracle's PBCS offering has experienced strong initial sales; as new PBCS customers move into production, prospects interested in this solution should evaluate references with similar use cases.
- Oracle received the lowest Magic Quadrant survey scores in help desk support and for responsiveness in fixing software bugs. This is consistent with previous years. If PBCS customers experience similar issues, this could be more problematic, as cloud solutions require more of an ongoing reliance on the vendor in broader, but related areas, such as performance, availability, support and upgrades.
- Oracle's Hyperion on-premises EPM suite requires a relatively high degree of initial configuration and support expertise. While Oracle provides capabilities for the integration of the on-premises applications with its new PBCS, this has not yet been fully demonstrated in production.
Customers with limited technical resources should evaluate related implementation and support efforts when planning hybrid Hyperion Planning/PBCS projects.

**SAP**

SAP’s EPM solutions support an extensive breadth and depth of CPM functionality, and are typically used by large, complex organizations. They are favored by those standardizing on an SAP ERP and/or SAP BI platform. Its flagship BP&F and financial close offering, SAP Business Planning and Consolidation (BPC) version for SAP NetWeaver combines the most common CPM needs of the OOF into a single product. SAP’s other key CPM components include SAP Strategy Management, SAP Profitability and Cost Management, SAP Disclosure Management, and the recently introduced SAP Cloud for Planning public cloud solution.

SAP is a consistent leader in this market and has seen an increase in its Completeness of Vision this year, largely due to its continued product and platform investment in ERP-CPM simplification to support new OOF and strategic CPM processes. However, the positions of all the Leaders in this Magic Quadrant have been reduced this year to reflect the CPM cloud momentum captured by the some of

**Prevero**

Prevero offers a CPM suite with BI capabilities, as well as separate solutions for planning, consolidation and treasury. Its suite includes support for budgeting, forecasting, reporting, financial consolidation, dashboards, modeling and analysis, as well as project portfolio planning and several industry-specific offerings. In Q115, prevero purchased BI vendor MIK.

The vendor’s position in the Magic Quadrant is slightly favorable as compared to last year. Its position, was positively affected by its new advanced analytics capabilities; however, its cloud capabilities and related experience negatively impacted prevero’s Magic Quadrant position. The vendor’s acquisition of MIK was not a scoring consideration for this research, because it occurred very recently (early 2015) and, as a result, Gartner has not yet perceived a market impact affecting prevero’s position.

**Strengths**

- Prevero customers surveyed for this Magic Quadrant have consistently given the vendor high ratings. It ranked within the top quartile for overall vendor satisfaction.
- The vendor's modeling engine is used for a variety of needs within its customer base, such as for sales planning and materials pricing. The vendor has also developed industry-specific offerings for utilities, sports and airports.
- The MemoLytics IMC engine, introduced in 2014, supports complex models and new predictive planning capabilities, supported by a forecasting wizard.

**Cautions**

- Prevero has traditionally been most widely known in the DACH region (Germany, Austria and Switzerland), and will need to continue to build its direct support and leverage its presence in other areas. During 2014, the vendor opened new offices in the U.K., the Netherlands, France and Italy, and the recent purchase of MIK should help prevero expand its presence in Western Europe. However, customers evaluating prevero will need to evaluate its support, consulting and sales capabilities in their areas.
- The vendor's customer base is largely composed of midmarket organizations; however, the vendor's acquisition of MIK has added to its list of larger customers, and good progress has been made in creating a software and service offering for large organizations. Larger organizations evaluating prevero should review similar use cases in organizations of comparable sizes.
- Although prevero offers a cloud option, it has a relatively small number of cloud customers, as most of its customers currently prefer a private cloud approach.

**Prophix**

Prophix’s unified solution is largely used by midmarket organizations to support financial consolidation, reporting and budgeting. Prophix customers commonly leverage their planning and forecasting capabilities for traditional planning and forecasting, as well as for more integrated sales, workforce, project, revenue and other planning needs.

The vendor’s position in the Magic Quadrant has remained relatively consistent with last year. This reflects a favorable Ability to Execute positioning due to market performance and a Completeness of Vision positioning related to customer traction with the vendor's Detailed Planning Manager functionality.

**Strengths**

- Prophix’s suite is built on the Microsoft SQL Server 2014 platform, and leverages Microsoft Excel and SharePoint. It is well-suited for midsize organizations with a Microsoft strategy.
- The Magic Quadrant survey results indicate strong interest and adoption of the vendor's Detailed Planning Manager in support of integrated financial planning. Prophix also introduced new reporting, data discovery and visualization capabilities in 2014, and introduced disclosure management in October 2014 through its recent partnership with Rivet Software (Rivet was acquired by Equity Administration Solutions in September 2014).
- Prophix reports having more than 2,500 live customers. This compares favorably with other vendors in the Niche Players quadrant.

**Cautions**

- Although most Prophix customers leverage the vendor's financial consolidation and reporting capabilities, those with complex consolidation processes should evaluate customer references with similar use cases, and should consider conducting a proof of concept (POC). A comprehensive update to the vendor's financial consolidation capabilities is planned for 2H15.
- Larger organizations evaluating enterprise-wide solutions should evaluate references with similar levels of complexity, data volumes and number of users.
- Prophix has not yet made a cloud option available; Prophix Cloud is planned for 2H15.
the Niche Player and Visionary innovators with more extensive CPM public cloud experience. Because SAP released its Cloud for Planning offering recently (in February 2015), it’s not fully reflected in the vendor's Magic Quadrant scores.

**Strengths**

- SAP maintains a dominant market share in this space, leveraging its extensive ERP customer base for CPM market growth. Its CPM customer base is composed of many large global customers and complex use cases. SAP has a large consulting ecosystem with broad business domain and industry financial transformation expertise.

- BPC 10.1 was released into general availability in 3Q14. It provides a new HTML5 UI, new consolidation monitoring and enhanced proportional entity, and periodic consolidation support. More significantly, it embeds new integrated planning capabilities as part of the Simple Finance bundle. Simple Finance leverages the Hana platform to improve CPM performance, and allows for more unified ERP-CPM financial process support.

- SAP released its SAP Cloud for Planning in February 2015. This is a public cloud offering with embedded analytics and social collaboration that is built natively on the IMC SAP Hana Cloud Platform.

**Cautions**

- SAP's on-premises CPM offerings require a relatively high degree of initial configuration and support expertise, and BPC 10.1, as part of SAP's Simple Finance offering, has caused some confusion regarding the number of bundled SAP products and related configuration approaches.

- The functional footprint has not yet been fully communicated for SAP Cloud for Planning. Customers with limited technical resources should evaluate related implementation and support efforts when considering hybrid on-premises/cloud CPM projects.

- SAP received the lowest Magic Quadrant survey scores for cost and ease of implementation. This could be more problematic for cloud customers that expect a faster time to value. SAP has made three quick-start implementation options available for SAP Cloud for Planning in order to address this.

**SAS**

The SAS PM suite is composed of four integrated offerings: SAS Financial Management, SAS Strategy Management, SAS Cost and Profitability Management (formerly known as the SAS Activity-Based Management and SAS Profitability Management offerings), and SAS Capital Planning and Management. These offerings draw on the vendor’s business analytics competencies, and are most often used by organizations with complex analytics PM needs.

The vendor's position is slightly less favorable as compared to last year. Although it remains popular for PM&O, its offerings are used less often to support other CPM processes. Also, the suite's breadth of capabilities has grown less, compared to other vendors in this Magic Quadrant. In addition, its overall scores have been reduced, along with the other vendors in the Challengers and Leaders quadrants, due to an increased market demand for cloud-based solutions with a shorter time to value. Certain SAS CPM offerings are now available as hosted cloud solutions; however, Gartner has not yet received related customer feedback for these.

**Strengths**

- SAS embeds advanced analytics capabilities, such as correlation analysis and predictive forecasting, and includes intuitive visualizations and wizards to make these capabilities more accessible to finance users.

- SAS’s Capital Planning and Management offering integrates financial and risk planning processes between the OOF and operations, and provides additional support for certain industry verticals, such as banking (released in June 2014) and insurance (released in January 2015). In addition, SAS Cost and Profitability Management is available as a standard offering on AWS.

- SAS’s 1Q15 release further enhances its IMC capabilities. Caching has been improved for the loading of large data files, refresh rates for Excel have been improved, and integration between Strategy Management and Visual Analytics has been improved.

**Cautions**

- The vendor's customers are typically large organizations that leverage their CPM suite for sophisticated planning, forecasting and analysis, and for performance and risk management, rather than for financial close support. Also, SAS does not offer a disclosure management solution.

- In addition to SAS Cost and Profitability Management on AWS, other SAS PM solutions are available on the SAS Cloud. However, during 2014, the vendor had few customers in production with these offerings. Prospects interested in this solution should evaluate references with similar use cases.

- SAS’s EPM offerings require a relatively high degree of initial configuration and support expertise. Customers with limited technical resources should evaluate related implementation and support efforts.

**Solver**

Solver is an ERP-centric CPM vendor that partners with a number of accounting software vendors, most notably Microsoft (Microsoft Dynamics AX and Microsoft Dynamics NAV) and Sage (Sage X3, Sage 500 and Sage 300), Intacct, Acumatica, and SAP (SAP Business One). Some 95% of Solver’s revenue is with these ERP channels. Solver's tight integration with these ERP channels allows for detailed transactional reporting and drill-down capabilities that are unique in this space.

Solver maintained its position in the Niche Players quadrant; however, its Completeness of Vision position was increased due to improved 2014 company performance achieved by leveraging its sales channel, partner and geographic strategies.

**Strengths**

- Solver’s growth has benefited from its unique sales channel approach. It currently has more than 200 partners, an increase of 38% since last year. These partners include chiefly accounting...
software partners, such as Microsoft and Sage. It also has partnerships with cloud ERP vendors Intacct, Acumatica, NetSuite and Salesforce. This approach results in Solver often being considered as a component of the initial ERP sale.

BI360 is built on a Microsoft platform and utilizes a Microsoft SQL database. Its relational star schema allows BI360 to store transactional data both for CPM and transactional reporting, providing detailed drill-downs and links to operational data. In addition, through its partnerships with document management vendors PaperSave and DocLink, drill-downs can be performed via hyperlinks to document images, such as those used by ERP sales and payables modules.

A native Apple iOS app was released in early 2014 and an Android app was released in December 2014. These capabilities, like their desktop counterparts, are unique in that they allow the user to run a report on a mobile device and then drill down into the transactional detail on the server. Solver also has private cloud offerings with joint ERP/CPM installations that allow for real-time reporting in the cloud through ERP-focused hosting partners such as Concerto Cloud Services, Data Resolution, SaaSplaza, RoseASP and SMB Suite.

Cautions

Although Solver has made solid progress with moving many modules, including reporting, budgeting, dashboards and collaboration, to multitenant, Web-based offerings, some modules, such as the BI360 Data Warehouse Manager and administration tools, are not there yet. It's the vendor's intention to develop all modules into fully multitenant offerings during 2015. Solver officially launched its BI360 cloud offering in January 2015, leveraging AWS, and currently offers a number of cloud connectors.

BI360's database design may have scalability issues with large data volumes; as a result, optimal performance is closely related to application design. Version 4.5 is intended to further leverage IMC capabilities in Microsoft SQL Server 2014 to improve this.

BI360 had previously lacked disclosure management capabilities; however, Solver can now provide these capabilities through its new partnership with Rivet Software (XBRL, benchmarking data and Microsoft Office integration for reports and presentations). Close support can require more customized application design than many other CPM vendors' solutions. Prospective customers should closely evaluate Solver's capabilities in this area.

Tagetik

Tagetik supports both OOF and strategic CPM initiatives, and is particularly strong in complex statutory reporting. The vendor's CPM suite is broad — it supports budgeting, forecasting, reporting, financial consolidation, dashboards, modeling and analysis, as well as close and disclosure management. Tagetik also offers cash-flow planning and packaged integration for Microsoft, SAP Hana and Qlik analytics platforms. Tagetik maintained its position as a Visionary vendor for 2014.

Strengths

Tagetik customers surveyed for this Magic Quadrant have consistently given the vendor high ratings. Tagetik ranks among the highest in customer satisfaction among vendors with a high average number of users, and ranks in the top quartile of all vendors in overall vendor satisfaction.

The vendor has begun to expand its base of cloud customers, and has seen an increased percentage (35%) of larger customers with more than $1 billion in annual revenue.

The vendor introduced a number of product upgrades in 2014, including a simplified UI, new dashboard and mobile (including write-back) capabilities, collaborative reporting, intercompany matching cockpits, and in-memory improvements. Integrated financial planning for manufacturing/consumer packaged goods and additional planning and reporting solutions for financial services were also added.

Cautions

Tagetik will need to continue to grow its base of cloud customers and related cloud support capabilities in order to gain CPM cloud market share against other vendors with SaaS offerings.

Although the vendor has gained additional traction in North America, the majority of its customers are in Western Europe. Customers evaluating Tagetik in other regions should evaluate its support and consulting capabilities in their areas.

Tagetik's packaged analytics integration for SAP Hana and Qlik analytics platforms are new offerings; prospective customers should evaluate existing customers with similar use cases.

Talentia Software

Talentia Software is new to the CPM suite Magic Quadrant this year and entered as a Niche Player, providing OOF CPM solutions as well as human capital management (HR, talent and payroll) solutions. It is headquartered in Paris, and has French offices in Lyon, Marseille and Nantes. Other offices are located in London, Madrid, Lisbon, Italy (Milan and Bari) and Athens.

Strengths

Talentia Software has over 1,300 live customers; this is favorable compared to other vendors in the Niche Players and Visionaries quadrants.

The vendor can support complex statutory consolidation and reporting requirements. The majority of its customer base is in France, and many of those customers use Talentia Software for these purposes. The vendor’s combination of CPM and human capital management solutions allows for more integrated financial planning and reporting between the finance and HR areas.

Talentia Software offers both on-premises and cloud-based solutions, as well as industry-specific solutions for banking, insurance and real estate.

Cautions

The vendor is relatively unknown outside France, although it does have support and sales operations in other areas. Customers evaluating Talentia Software in other regions will need to evaluate its support, consulting and sales capabilities.

Talentia Software focuses on OOF CPM features, such as FC&C, reporting and budgeting. Companies requiring more advanced forecasting, modeling and BI capabilities should evaluate...
the vendor's capabilities in these areas.

- Although the vendor offers both on-premises and cloud-based solutions, cloud customers currently represent a small percentage of its customer base.

### Tidemark

Tidemark, a new addition this year, entered the CPM suite Magic Quadrant as a Visionary. The Tidemark platform was released into the market in August 2012, and it introduced financial consolidation and close support in April 2014, satisfying the FC&C inclusion criterion for this CPM suite Magic Quadrant. Tidemark is a pure-play cloud vendor headquartered in Redwood City, California, providing integrated financial and operational planning, and related performance analytics. Tidemark supports financial planning, operational planning, labor and expense planning, profitability analysis, and financial consolidation, and provides a planning offering for higher education.

### Strengths

- Tidemark's unique IMC-enabled platform uses Hadoop in order to leverage high-volume, structured transactional data as well as unstructured context data. Machine learning algorithms support diagnostic and predictive analytics by identifying causal factors and applying statistical methods to increase the accuracy of financial planning.
- Tidemark's applications are organized around business processes, and offer capable collaboration and mobile capabilities.
- Tidemark's platform allows for unique capabilities, such as its Dynamic Aggregations feature released in November 2014. This feature allows for consolidations across intersecting hierarchies. The solution also provides other innovative functionality, such as Tidemark Storylines, which presents performance reporting with expanded narratives and actionable visualizations.

### Cautions

- As a young company, Tidemark customers' participation in the Magic Quadrant survey was lower than the other vendors; however, of the responses received, certain important ratings, such as overall value for the money, were among the highest for all vendors.
- Survey results indicate that Tidemark's consolidation module is largely used by smaller and midsize organizations, and business units within larger companies (more than $1 billion in annual revenue). Larger organizations evaluating this offering, especially for enterprise-wide use, should evaluate similar use cases in organizations of similar sizes.
- As Tidemark is the youngest vendor in this study (coming out of beta in August 2012), it has a smaller number of customers than other vendors in this study. Also, the vast majority are in North America. Prospective customers outside of that region should appraise the vendor's local capabilities.

### Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor's appearance in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

**Added**

- Anaplan
- Talentia Software
- Tidemark

**Dropped**

- KCI Computing
- Bitam

The following vendors did not meet the criteria for inclusion in the Magic Quadrant, but are benefiting from the opportunities available within the CPM market and may be worthy of consideration in CPM evaluations:

- BlackLine — Provides a SaaS-based financial close suite to support regulatory and compliance requirements. Its solutions support the entire close process, from operational subsystem close procedures through external reporting. Its suite includes product offerings for account reconciliation and automation, task management, transaction matching, journal control, and variance analysis.
- Jedox — Provides a combined BI and CPM online analytical processing (OLAP) platform with B&P&F capabilities and write-back functionality. It allows business users to perform planning, analysis and reporting functions without specialized technical knowledge. The vendor provides a Microsoft Excel interface and Jedox's Web-based spreadsheet interface, both useful where spreadsheets are widely used. Web and mobile clients are available, as well as ETL and OLAP capabilities that can be used in the cloud or in a client/server infrastructure.
- Planview — Provides project portfolio management solutions for capital initiatives and long-range planning for business-driven investments. Planview supports top-down strategic planning and multiyear capital planning, with integration to financial budgeting and ERP systems.
- Trintech — Provides a cloud-based software solution ensuring the accuracy and integrity of financial data across the entire record-to-report cycle. This includes integrated account reconciliation, certification, journal entry, financial close oversight, risk and compliance management, and disclosure management capabilities.
- Vena Solutions — Leveraging the investment companies have made in their Microsoft Excel models and knowledge, Vena Solutions provides a SaaS solution for budgeting, planning, forecasting, reporting and analytics. Vena Solutions uses a centralized in-memory database as a foundation, along with workflow management, control and reporting capabilities, all while
utilizing native Excel in the cloud.

For a list of other specialty BP&F vendors, see "Market Guide for Specialty Budgeting, Planning and Forecasting Applications."

**Inclusion and Exclusion Criteria**

**Market Presence:**
- At least 25 live customers using two or more of the CPM suite applications from that vendor.
- License, maintenance and subscription revenue of at least $10 million from CPM applications in the most recent fiscal year.
- Live customers in more than one of the following geographic regions: North America, South America, EMEA, the Asia/Pacific region and Japan.
- Target customers are either midsize or large companies, or large public-sector/nongovernmental organizations (NGOs) with multiple, diverse departments. Vendor solutions must support customers in a variety of industries.

**Product Capabilities:**
- A CPM suite offering, at a minimum, supports financial consolidation and close and financial BP&F, as defined above. Although not required, disclosure and close management are recommended. Vendors with strategic CPM, but no financial CPM capabilities are excluded.

**Vendor Viability:**
- Vendor must be viable, and must not be in the process of filing for bankruptcy.

**Evaluation Criteria**

**Ability to Execute**

These criteria and weightings were used to evaluate vendors' market positions:

- **Product or Service:** This involves CPM suite functionality across the five application components described above. It includes the ability to support a range of organization sizes, including large enterprisewide implementations and complex use cases. It also encompasses the underlying technical architecture.
- **Overall Viability:** This includes an assessment of the organization's overall financial health, its financial and practical success, the size of the business, and the likelihood that the individual business will continue to invest in the CPM suite within the vendor's portfolio of products.
- **Sales Execution/Pricing:** This comprises the vendor's capabilities in all sales activities and the structures that support them. This criterion also includes an assessment of the cost of CPM suite licenses, implementations and ownership.
- **Market Responsiveness/Record:** This involves the vendor's overall effectiveness in the market, including market share, the number of live implementations of its CPM suite, the number of enterprisewide implementations, the vendor's responsiveness to users and the capability to articulate a clear CPM value proposition.
- **Marketing Execution:** This was not rated as a separate criterion because it was evaluated as part of Market Responsiveness/Record, as well as under Operations.
- **Customer Experience:** This includes the vendor's capability to deliver presales and postsales support, which enables clients to be successful with their CPM suites. This criterion also includes the quality and availability of the vendor's support desk and implementation services.
- **Operations:** This involves the organization's capability to meet goals and commitments with respect to CPM suites. Factors include the quality of the organizational structure, such as skills, experience, programs, systems and other vehicles that enable vendors to operate effectively and efficiently in the market on an ongoing basis.

**Table 1. Ability to Execute Evaluation Criteria**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product or Service</td>
<td>High</td>
</tr>
<tr>
<td>Overall Viability</td>
<td>High</td>
</tr>
<tr>
<td>Sales Execution/Pricing</td>
<td>Medium</td>
</tr>
<tr>
<td>Market Responsiveness/Record</td>
<td>High</td>
</tr>
<tr>
<td>Marketing Execution</td>
<td>No Rating</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>High</td>
</tr>
<tr>
<td>Operations</td>
<td>Medium</td>
</tr>
</tbody>
</table>

Source: Gartner (April 2015)

**Completeness of Vision**

These criteria and weightings were used to evaluate the position of vendors in the market:

- **Market Understanding:** This is the vendor's capability to understand buyers' needs and to translate those needs into available products and services. It addresses whether vendors show the highest degree of vision and listen to and understand buyers' wants and needs, and whether they can shape or enhance these wants and needs with their added visions.
Marketing Strategy: This involves a clear, differentiated set of messages matching Gartner’s vision of CPM that is communicated consistently throughout the organization and is externalized effectively to the market.

Sales Strategy: This is the strategy for selling CPM suites that uses the appropriate network of direct and indirect sales, marketing, service, and communications affiliates to extend the scope and depth of market reach, skills, expertise, technologies, services, and the customer base. This weighting was lowered to Medium this year in order to reflect the decreased impact a larger customer base and more extensive consulting ecosystem have had on market growth. As a result, this criterion is now less beneficial to the market leaders.

Offering (Product) Strategy: This refers to the CPM suite product strategy covering breadth and depth of functionality, underlying technology, and openness.

Business Model: This refers to the soundness of each vendor’s strategy to deliver CPM suites to the market. This weighting was lowered to Medium this year in order to reflect the less favorable impact of established business models that have been built around primarily on-premises solutions. As a result, this criterion is now less beneficial to the market leaders.

Vertical/Industry Strategy: This refers to the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of vertical market segments.

Innovation: Consideration of unique approaches and innovations, such as use of technology, development of product enhancements, availability of licensing and execution of partnering. This weighting was raised this year in order to reflect the market’s increased desire for new cloud-based solutions with a shorter time to value, as well as new capabilities that enhance ease of use and further support collaborative workflows, integration and data analysis.

Geographic Strategy: This is the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the home geography, directly or through partners, channels or subsidiaries, as appropriate for the geography and market.

Table 2. Completeness of Vision

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Understanding</td>
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<tr>
<td>Marketing Strategy</td>
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<tr>
<td>Sales Strategy</td>
<td>Medium</td>
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<tr>
<td>Offering (Product) Strategy</td>
<td>High</td>
</tr>
<tr>
<td>Business Model</td>
<td>Medium</td>
</tr>
<tr>
<td>Vertical/Industry Strategy</td>
<td>Medium</td>
</tr>
<tr>
<td>Innovation</td>
<td>High</td>
</tr>
<tr>
<td>Geographic Strategy</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Gartner (April 2015)

Quadrant Descriptions

Leaders

Leaders possess a large percentage of the market share in the CPM suite market and demonstrate superior CPM sales levels. They can deliver breadth and depth of CPM suite functionality, as well as provide enterprise-wide implementations to support a broad CPM strategy. Leaders excel at vision, successfully articulate a business proposition that resonates with buyers, are well-recognized in the space, have broad international presence in execution, and are supported by the viability and operational capability to deliver on a global basis.

The CPM suite Magic Quadrant is a market study. The fact that certain vendors are market leaders does not mean that their solutions effectively address all functional and technical requirements for all use cases better than other vendors. In fact, in certain product-related areas as well as in other areas (such as cloud, ease of use, solution flexibility, innovation, implementation effort and ongoing support cost and others), Leaders can compare unfavorably against other vendors in this market (see "Critical Capabilities for Corporate Performance Management Suites" and "User Survey Analysis: Customers Rate Their CPM Vendors").

Challengers

Challengers must have strong sales revenue and multinational capabilities. They offer good breadth of functionality, but their solutions may lack one or more CPM components. They may provide offerings that are complementary to their established business applications to leverage their primary installed client base. Challengers may also have a more limited vision of CPM than Leaders.

Visionaries

Visionaries have a strong vision for delivering a CPM suite. They are distinguished by the innovation, openness and flexibility of their application architectures, and offer depth of functionality in the areas they address, but they may have gaps relative to broader functionality requirements. Visionaries often provide new or improved product functionality and execution capabilities to satisfy an underserved market need. A Visionary vendor is a market thought leader and an innovator; however, it may have yet to achieve sufficient scale and/or market share, or there may be concerns about its capability to grow and provide consistent execution.

Niche Players

Niche Players do well in a specific segment of the CPM suite market, or have limited capability to innovate or outperform other vendors in the market. These vendors may be focused on a specific domain or aspect of CPM, and are likely to lack depth of functionality, or they may have gaps relative to broader CPM suite functionality requirements. Niche Players may have reasonably broad CPM suites, but limited implementation and support capabilities and relatively limited customer bases, or
they may not have achieved the necessary scale to solidify their market positions. Some have a limited geographic presence outside their home regions.

**Context**

Although CPM encompasses a range of financial and analytical processes, 83% of the Magic Quadrant survey respondents reported using their solutions for budgeting; this percentage is consistent with last year. However, 81% of respondents in this year’s survey reported using their CPM applications for planning and forecasting, an 8% increase from last year. Also, during 2014, the majority of Gartner’s CPM inquiries regarding CPM processes dealt with BP&F-related topics. Clearly, these processes are top of mind for many organizations today. This is because, increasingly, dynamic business environments require a higher degree of coordination between strategic financial and operational planning, as well as more insightful financial forecasting in order to support effective PM. There is a growing use of more detailed and collaborative financial planning in order to increase organizational agility (see “Strategic CPM as a Driver for Organizational Performance Management”).

CPM solutions are evolving to meet this challenge, with new analytics, cloud and in-memory capabilities (see “In-Memory Computing Reinvents Integrated Financial Planning”). There has been a distinct increase in the number of projects in support of more granular strategic financial planning. The Magic Quadrant survey results show that a notable 57% of organizations supporting BP&F are considering using their vendor’s CPM solution to collect and analyze more granular data in their financial plans and/or forecasts within the next year.

FC&C remains a popular use of CPM solutions, but these processes and the applications that support them tend to be more static than those for BP&F. Seventy-one percent of Magic Quadrant survey respondents reported using their solutions for FC&C — slightly less than last year’s 75%. This result is likely due to the increased number of new customers that have prioritized BP&F and are currently only supporting these processes.

Enhanced financial control and automation (EFCA) solutions are also growing in popularity for large organizations with complex processes, especially those supported by diverse financial systems. Gartner estimates that, through 2019, 40% of enterprise finance organizations with complex processes, especially those supported by diverse financial systems, will leverage EFCA solutions to improve financial processes (see “Enhanced Finance Controls and Automation Fills the Gaps in ERP and CPM Processes”).

Although the CPM market is mature, opportunities exist and the market continues to evolve at a rapid pace. Many of the Visionary vendors in this Magic Quadrant attracted new funding during the past two years, most notably: Anaplan ($33 million of series C funding in 2013 and $100 million of series D funding in April 2014, totaled now at $144.4 million), Adaptive Insights ($45.9 million of series F funding in 2013, totaled now at $101.3 million), Tidemark ($13 million of series D funding and $1.1 million of venture funding in 2013, and $32 million of series E funding in April 2014, totaled now at $80 million), Host Analytics ($17 million of series D funding in 2013 and $25 million of series E funding in November 2014, totaled now at just over $100 million), and Tagetik (an initial external capital investment of $36 million in July 2014). Acquisition activity also increased in 2014. Axiom EPM was acquired by management consulting firm Kaufman Hall in April, and Longview Solutions was acquired by Marlin Equity Partners in July 2014. Although the CPM market is mature, a number of vendors in the space have made significant and, in many cases, unprecedented investments in the cloud, IMC, improved analytics and industry-specific offerings.

**Market Overview**

CPM market share and revenue levels remain important factors of each vendor’s relative scores. These are evaluated in conjunction with all the aforementioned Completeness of Vision and Ability to Execute criteria. However, this year’s scores also show that the innovators have taken more control of the MQ and have pushed the leaders back on both Completeness of Vision and Ability to Execute.

Each year, Gartner emphasizes the most impactful market factors when considering each vendor’s scores. This Magic Quadrant stresses capabilities in three primary areas of market evolution. The first is the cloud. The CPM suite market is shifting toward cloud-based solutions that deliver a shorter time to value and improved ease of use. The ability to provide cloud-based solutions and vendor experience with supporting these solutions factored heavily in this market study. The second primary area of market evolution reflects vendor ability to provide more comprehensive strategic financial planning support. The third primary area of market evolution is analytics. These 2014 adjustments are described as follows.

**Cloud-Based CPM Gains Additional Momentum**

CPM cloud offerings vary among vendors in terms of functionality, ease of use, application upgrade requirements and pricing. This is dictated largely by the solutions’ degree of multitenancy and vendors’ cloud development and support experience and capabilities. The projected use of the cloud has doubled over the 2013 study for business analytics and many CPM areas (see “Survey Analysis: Critical CFO Technology Needs: 2014 Gartner FEI Study”). Although CPM cloud applications continue to grow in popularity, the characteristics of this growth are multifaceted. During 2014, the most important characteristics of CPM cloud growth were:

- **Existing differences in CPM cloud adoption related to geography and organization size are changing.** Cloud-based CPM suite applications are most commonly used in North America, but are steadily being adopted across nearly all geographic regions at a compound annual growth rate (CAGR) of about 20% to 30%. This is consistent with Gartner’s estimates for all public cloud application services (see "Forecast: Public Cloud Services, Worldwide, 2012-2018, 4Q14 Update"). Although the base of cloud CPM applications is still larger for small and midmarket organizations, the number of larger organizations (more than $1 billion in annual revenue) turning to the cloud for CPM continues to increase. This is especially true for larger organizations complementing their existing enterprise-wide FC&C or BP&F solutions. This complementary usage is typically driven by specific business unit or departmental needs that aren’t being met by less flexible, centrally controlled CPM applications. The majority of Niche Player and Visionary vendors in this study are increasing their customer portfolios of larger organizations. This requires them to continue to expand their integration and application governance capabilities, increase their support of more-complex use cases, and/or, for some vendors, expand their coverage of industry-specific processes. With new BP&F cloud-based competition from Oracle and, more recently, SAP in this space, it will be increasingly important...
that the Niche Player and Visionary vendors pursuing these larger customers also ensure their consulting resources and third-party consulting partnerships have the industry expertise to support higher levels of business transformation.

**The megavendors IBM, Oracle and SAP are increasing their investments in new CPM cloud capabilities.** Although most Niche Player and Visionary vendors have once again achieved rates of revenue growth higher than the market average in 2014, these growth levels remain the highest for pure-play public SaaS vendors. The growing appetite for multitenant cloud-based offerings with lower initial setup and support costs, enhanced ease of use, and faster time to value has forced megavendors IBM, Oracle and SAP to step up their competitive response. All three vendors have implemented their hosted, cloud-based offerings with entirely new multitenant offerings. Oracle was first to do this with its February 2014 release of Oracle PBCS. SAP recently released its SAP Cloud for Planning in February 2015. IBM released its cloud-based Concert workflow collaboration offering in 2014. All three vendors plan to expand their portfolio of solutions to support additional CPM processes with new or expanded multitenant solutions in 2015. If successful, these new and future offerings will introduce new challenges to existing SaaS vendors, while simultaneously increasing the popularity of cloud-based CPM solutions, especially among larger companies.

**CPM cloud customers expect more business value.** There are four types of CPM vendors in this space (see “How to Evaluate CPM Cloud Solutions”):

1. Those that specialize in and offer only pure-play multitenant cloud solutions using one code base.
2. Those that offer their traditional on-premises solution as well as new multitenant cloud solutions. To varying degrees, this approach requires unique code for each solution.
3. Those that provide on-premises solutions and also offer the option to host their solutions using a third-party cloud service. These vendors tend to currently be investing in rearchitecting their on-premises products toward higher levels of multitenancy.
4. Those that provide on-premises and managed service options, either themselves or through partnerships, and utilize one single tenant code base.

The majority of vendors in this study can be classified into Categories 1, 2 and 3. The vendors in those categories, especially those that traditionally receive low customer satisfaction ratings, (see "User Survey Analysis: Customers Rate Their CPM Vendors") will need to demonstrate their ability to satisfy the market desire for simpler application design and implementation, more rapid time to value, and improved ease of use (from application administration, end-user process support and self-serve analytics standpoints), and, of course, will need to vastly reduce their traditional application upgrade and maintenance efforts. Vendors will also need to provide additional industry and process-specific expertise to reduce application customization efforts. Companies give up more control with SaaS vendors than with those offering only traditional application hosting or on-premises options. In the cloud, customers must rely on their vendors to a higher degree. This elevation of the importance of vendor trust and SaaS competency makes customer satisfaction of vital importance. This is especially true within the office of finance, a business domain that is necessarily conservative and risk-averse. There is a higher expectation of ease of use and customer satisfaction for cloud-based CPM applications, and successful SaaS vendors need to deliver higher degrees of overall business value in order to be successful.

**Integration and Platform-Related Capabilities Are Growing in Importance**

A historical lack of integration capability has prevented CPM solutions from fully delivering on their PM promise. The characteristic, loosely coupled integration generally available between ERP and CPM and other source systems, including domain-specific PM systems, has not been supported by an adequate PM architecture, and has lacked the analytics necessary for timely information delivery and collaborative workflow support. These considerations will become necessary as finance organizations begin to adapt to new business designs resulting from the blurring of the digital and physical worlds (see “Get Ready for Digital Business With the Digital Business Development Path”).

Also, hybrid on-premises/cloud CPM instances are becoming more common. Striking the right balance between the use of cloud and on-premises CPM can enhance cost control, compensate for decreasing levels of IT application support and support more urgent initiatives requiring a short time to value (see “Leverage a Hybrid Approach to Corporate Performance Management”).

Lastly, new solution options are emerging to leverage IMC to more closely integrate ERP and CPM processes. These can potentially support more comprehensive integrated financial planning and provide entirely new capabilities (see "In-Memory Computing Will Unlock New ERP and CPM Business Value"). They can also enhance the management and control of finance processes throughout the accounting cycle (see “Enhanced Finance Controls and Automation Fills the Gaps in ERP and CPM Processes”).

**Analytics Continues to Grow in Sophistication**

CPM analytics maturity can involve the analysis of more detailed operational data to investigate critical issues; forecasting algorithms requiring highly granular, timely internal and external data; and sophisticated planning models that examine the impact of multiple plan scenarios. CPM vendors, especially those with separate business analytics offerings, are embedding more sophisticated analytics and more flexible data discovery features into their solutions (see "Magic Quadrant for Business Intelligence and Analytics Platforms"). For CPM purposes, these need to be accessible by the average finance user in order to facilitate a common understanding of the business, leverage internal and external context data for forecasting, and enable more collaborative planning models. These features have not yet achieved a significant presence in the CPM market. However, as they evolve to require less effort and specialized knowledge, they will become more accepted by business users. These advanced analytics have the potential to help finance teams identify what is driving performance against targets and to advise business leaders on how changes in their business operations may impact future financial performance.