



Increase Predictability and Reduce Risk

A key ingredient to a company's success and survival is the ability to predict the future as quickly and accurately as possible. The forecasting process is crucial in managing performance expectations, making tactical adjustments, and achieving your goals. Using Extensity® MPC financial performance management software, you can forecast quickly, easily, and accurately.

MPC's forecasting capabilities allow you to quickly gather pipeline and other detailed information from your field sales organizations around the world, consolidate and analyze the information at a summary and detailed level, and compare the forecast to an objective time-series statistical benchmark based on past performance, product trends, and seasonal patterns. With MPC, you can generate a statistical benchmark forecast at the required detail level to offer a historical performance guide against which you can assess your working forecast.

Forecasting with MPC requires no statistical expertise because the forecasting engine embedded in the software selects the optimum statistical technique to analyze the data you specify. You can generate rolling forecasts, check the accuracy of submitted plans, and receive automatic alerts that allow you to easily spot and quickly take action on issues as they arise.

MPC helps you reduce the amount of time it takes to collect forecast information across your organization and around the world at the level of detail you require. You can collect forecast information as frequently as needed over the web, through Excel, or other business systems. Combining MPC's workflow and approval processes, statistical benchmark engine, analytic capabilities, and management's judgment and experience, you gain a more accurate picture of future performance.

Extensity MPC's forecasting capabilities offer you many benefits.

When forecasting with MPC, you achieve realistic results.

- **Driver-based forecasting**—enables you to develop a more accurate view of future business performance through management of key operational activities driv-

ing those results (e.g., prior customer purchase trends, discounting practices)

- **Reduced forecast game-playing**—using relevant data from multiple sources, enables you to create statistically accurate benchmarks and compare them against forecast submissions to test the likely accuracy of those submissions
- **Detailed forecasting**—provides for forecasting not simply on a summary level, but incorporating important details that can significantly affect the expected results (e.g., by product line, region, sales channel)
- **Objective time-series forecasting**—enables you to take into account past trends and seasonal patterns to generate more realistic forecasts at the summary or detail level and store them in the single database as a budget, forecast, or second opinion; enables you to eliminate from the forecast one-time or unusual events that skew your view to gain a true picture of the likely scenario in the future, improving your planning process
- **Seeding the budget**—allows you to start with an attainable, realistic forecast containing data that can, in turn, be used to jump-start the budget process

Using MPC, you create valid forecasts without statistical expertise.

- **Rolling forecast capabilities**—allows you to shift planning away from less accurate historical budgeting and forecasting, instead moving toward a continuous predictive modeling method, automatically adjusting the revenue targets to meet your goals as each period closes and a new period rolls forward

- **Sophisticated forecasting engine**—selects for you the optimum statistical method for data analysis (e.g., Holt-Winters, exponential smoothing, Box Jenkins) without requiring expertise on your part; enables you to simply choose the data on which to base the forecast and the number of future periods to be included; reveals the trend, seasonality, and variation in the series being forecasted
- **Flexibility**—enables you to select data from different historical series, but it does not need to come from the same version or year, only from a continuous set of dates; enables you to create forecasts at any level, including by product or product line, by month or quarter, or by region or office

You can quickly identify problems and make effective adjustments with MPC.

- **Email alert generation**—enables you to receive information that calls your attention to predicted results that fall outside the established goals
- **Drill-down capabilities**—allow you to penetrate beyond summary numbers to transactional details, often in the source system itself, to perform detailed forecasting and obtain more accurate results
- **Leveraging “what if” scenarios**—allows you to simulate business scenarios and analyze the impact of many changes (e.g., new products, mergers and acquisitions, investments, revised profit targets, competitive activity) to decide the optimal mix of resources, and respond accordingly with planning and forecasting changes; enables you to build and analyze contingency plans
- **Trend analysis**—enables you to easily identify emerging trends by comparing predicted performance against planned performance
- **Text notes**—allow you to attach remarks explaining the rationale behind numbers during the forecasting process
- **Web-based**—allows you to submit and retrieve data easily anywhere, anytime; promotes easy, economical deployment and ongoing maintenance
- **Flexibility to work offline**—enables you to work in disconnected mode in Excel (e.g., while on the road) and easily synchronize the data into MPC’s central database

Beyond Forecasting

With Extensity MPC, you can move beyond forecasting to true performance management. MPC not only helps you improve your forecasting process, but also enhances the overall efficiency and effectiveness of your business.

You can direct the focus and actions of the organization through strategic planning; align resources to support your corporate objectives through financial and operational planning, flexible budgeting, and realistic forecasting; and monitor and control performance with meaningful reporting and analysis that leads to improved decision-making.

MPC is an open, fully integrated financial performance management system that helps you extend your investment in your existing platforms, applications, and systems.

About Extensity

Extensity is *the leading* financial performance management company focusing exclusively on the comprehensive needs of finance professionals. With more than 12,500 customers worldwide, Extensity enables better financial management and decision-making throughout the enterprise in many of the world’s most progressive and successful companies.

We leverage the power of trusted, finance-centric data through a comprehensive set of end-to-end solutions from financial applications to performance management. Extensity has over 1,100 employees in 42 offices worldwide.

To Take Action

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