



SC&H GROUP'S HYPERION EPM "EXPERTISE AT WORK"  
FOR A \$2B NATIONAL SECURITY PRIME CONTRACTOR

SC&H's Business Performance Management division implemented Oracle's Hyperion Planning solution to solve our client's budgeting and forecasting challenges. The SC&H team worked efficiently and diligently alongside management, applying financial, operational, and industry expertise to deliver exceptional business results.

To improve efficiencies, shorten budgeting and forecasting cycles, and provide increased data flexibility and accuracy, the Company set out to develop automated Hyperion EPM applications that would replace existing manual methods.

With dozens of locations in the U.S. and worldwide, the company is a \$2B government contractor specializing in national security and mission-critical technology solutions. The company provides IT and systems engineering services to the Federal government, and has customers in virtually every U.S. agency.

In this environment of budgetary uncertainty, contractors are focused on remaining competitive while reducing operating costs. Government agencies are under extreme pressure to minimize spending. Today, as the government is ratcheting up efforts to show it is safeguarding dollars, contractors must very clearly demonstrate that their accounting practices and procedures comply with government requirements. Those that do this well with systems, infrastructure, policy, and procedures, and have an ability to adapt to new requirements, possess a huge advantage over their competitors. However, if data is inaccurate, or internal accounting processes, such as contract cost allocations, are performed incorrectly, the overall profitability and well-being of the government contractor could be severely jeopardized.

This government contractor sought the expertise of a regionally-based Oracle Platinum Partner to assist with streamlining its budgeting process and increasing the accuracy of its planning data. The company was using disparate Excel spreadsheets to aggregate monthly accounting and financial data. Consolidation cycles were long, and forecasting capabilities were limited due to the static and labor-intensive nature of their reporting processes. With over 500 users worldwide, this contractor needed a dynamic, detailed revenue and expense planning model that met their industry-specific revenue cycle criteria, complied with their cost allocation needs, and supported their data integration and project management activities.



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### The Contractor's Budgetary and Planning Challenges

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The Company needed an Oracle Platinum Partner with extensive and successful experience. They also needed a blend of technical and functional expertise, and an expert who would use a team-based and consensus-developing approach. For these reasons, SC&H was selected.

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In an environment of slowed growth, increased competition, and heightened cost sensitivity, the company recognized that it needed to have greater visibility into budgeting and forecasting data. The company's budgeting and forecasting cycles were extremely long. This was primarily due to analysts using many disconnected spreadsheets to assemble these key pieces of information. Also, there was no standardization of data entry, which raised questions of fundamental data integrity. As a result, the company had limited visibility to budget issues, updates were very difficult, and consolidations were extremely labor-intensive.

The company's immediate goal was to streamline its budgeting process and increase the accuracy of data used for planning. Five (5) full days to complete a budgeting process was far too long, and having to put "pencils down" for a day during a budget cycle was a big issue. This was especially true in the contractor's increasingly fast competitive environment. Because new projects being quoted usually required several iterations before they could be finalized, increased flexibility was needed for projects and proposals, especially for the purposes of calculating complex indirect rates applied. The allocation process could take up to 20 hours to run. Data accuracy, especially data integrity, also needed to be addressed.



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### SC&H Provided Expert Solutions

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Budget/forecasting cycles were reduced from five (5) days to 15 minutes each.

The company also now has a much more comprehensive view of operations than was previously present.

Competitiveness in the government contracting industry has been substantially improved for this SC&H client.

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Given these challenges, the company needed a trusted advisor who could bring the necessary professional resources to bear quickly, efficiently, and economically. The company felt they needed experts who could clearly define the relevant business requirements, identify key stakeholders, and work with all constituents in a team-based project management approach. The company also needed to effectively control both the costs and the time involved in delivering all solutions needed. The company released a request for proposals to several larger firms, and SC&H won based on its team-based, detailed, and tailored approach. SC&H is the only world-class, Oracle Platinum Partner based in the region. The company was equally impressed by SC&H's experience, which includes leading over 100 successful Hyperion implementations for clients located in over 25 countries.

SC&H's cross-disciplinary team worked closely with the company's CFO, VP of Finance, Director of Finance, CIO, and Director of IT to implement and deploy Oracle's Hyperion Planning Solution ("Planning") across its entire user base. Planning is a centralized, Web-based planning, budgeting, and forecasting solution that integrates financial and operational planning processes and improves business predictability.

SC&H performed the following tasks associated with the scope of work:

- **Created New Budgeting and Forecasting Model:** SC&H created a detailed, customized revenue and expense planning model for projects. SC&H assisted in defining the company's new budgeting and forecasting requirements, and applied that definition to the proper business design of the Planning application. This model supported the required data integrations with PeopleSoft Financials (8.9) and PeopleSoft Human Resources (9.1).
- **Built Government Contractor-Specific Business Rules:** SC&H built business rules that addressed a complex cost plus, T&M, and fixed price revenue model in addition to company-wide allocations of indirect expenses. SC&H also helped to build up their intricate indirect rate calculations.
- **Eliminated Data Integrity Issues:** SC&H gave the company one data entry source for consistent reporting among business units. This eliminated manual manipulations of data and data integrity issues.
- **Implemented Data Automation Process:** SC&H constructed an automated process for nightly data and metadata loads. SC&H also gave the company the ability to integrate and load data five times per day.



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SC&H utilized a team-based approach and worked with the company's management and worldwide users on preliminary architecture and application design, requirements definition, project plan development, build-out & configuration, training, testing & validation, and roll-out. SC&H established checkpoints throughout all phases to verify the successful completion of each phase prior to commencing the next. SC&H completed all project phases, from development and design through rollout and end-user training, in less than a year.

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Manual data entry was eliminated, improving data integrity and reallocating 500 analysts to focus on data intelligence.

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The solutions implemented by SC&H provided the government contractor with many new and improved capabilities. As a direct result of SC&H's expertise, the company's forecasting and budgeting cycles were significantly reduced. Before Hyperion Planning was implemented, the company spent five (5) days to collect and update budget data. After the Hyperion implementation, this same process took approximately 15-20 minutes. All manual spreadsheets were eliminated, and the company was able to reallocate over 500 analysts from performing these laborious data collection tasks to focusing on data analysis.

Additionally, the company greatly enhanced their forecasting abilities. This contractor gained the ability to look forward versus retroactively. Throughout this process, some users gained data capabilities that they had not seen previously. SC&H provided the company with a dynamic modeling tool that promoted fluidity as compared to a tool based on static, inflexible data.

This system also considered industry-specific requirements, such as contract pricing and cost allocations. The method by which a government contractor models for each contract type is vastly different, and often ends up to be a challenging exercise for firms. SC&H recognized this due to its industry experience, and created a solution for revenue modeling while also providing the tools necessary to help the company build up their complex indirect rate calculations. Once completed, subtle indirect costs and overhead could be flexibly allocated to individual projects, both for proposal development and existing project tracking.

SC&H provided the company with a unified, comprehensive, and accurate view of operations with the new system applications developed. Significant improvements in data automation and metadata integration were realized for the company. The company now had one source for consistent reporting among business units, which they never had previously. The ability to manually manipulate data was also eliminated, resolving the company's data integrity issues. The company's flexibility had been greatly increased with programmed allocations, as compared to previously slow, cumbersome, hard-coded data. The company achieved a level of information for management decisions that it never had before.



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### Why SC&H?

SC&H's world-class service, open communication, unparalleled work ethic, and team-based approach were paramount in delivering exceptional business results for this company. Operational efficiencies improved, costs were accurate and are now well-managed, budgeting is fast and flexible, and management now has a far more comprehensive view of operations. SC&H professionals worked efficiently alongside management to design and implement a system that delivers the requested results and achieve the organization's near-term and long-term goals and objectives. SC&H communicated a clear project vision, conducted regular project status meetings, led interactive design sessions, and managed training to exceed client expectations. Since the time of the successful project completion, the company has needed help with several additional enhancements to the base applications. They have turned to SC&H for all of these additional assignments. SC&H's passionate teams, powerful minds, and proven expertise continue to work for this client.

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SC&H Business Performance Management is a division of SC&H Group, LLC, an audit, tax, and consulting firm applying "expertise that works" to minimize risk and maximize value. SC&H Group's practices advise companies from emerging businesses to the Fortune 500 on accounting, tax, profitability, and strategy solutions. Clients in all states and worldwide benefit from SC&H Group's commitment to delivering powerful minds, passionate teams, and proven results on each and every engagement.

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