

Financial Consolidation Buyers Guide

Software Provider and Product Assessment

EXECUTIVE
SUMMARY



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PART
OF





Bend, Oregon

June 2024

The information contained in this Ventana Research Buyers Guide provides a baseline of knowledge that enterprises can use to evaluate the sophistication of software providers and products in the area of financial consolidation. Our findings are drawn from thorough, research-based analysis of product and customer experience categories that best represent how an enterprise should evaluate software providers.

Nothing in this report or our research is intended to imply that one software provider or product is the right choice for any one particular enterprise. Rather, our goal is to provide an objective rating of software providers and products related to the topic of this Buyers Guide using our research methodology and blueprint for successful evaluation and selection. We performed this research independent of any external influence, charged no fees for any software provider to participate in the research and invited all relevant providers that met our inclusion criteria. This report includes products generally available as of May 31, 2024.

The complete Buyers Guide report and research is available to be licensed for use across an enterprise or the internet. We provide insights on the technology industry, software categories and providers related to this Buyers Guide to enterprises through our Ventana On-Demand research and advisory service. We also offer assessment services using this research to help discover and provide guidance on software provider selection.

We certify that Ventana Research performed this research to the best of our ability, that the analysis is a faithful representation of our knowledge of software providers and products, and that the ratings are our own.

Ventana Research



Bend, Oregon, USA
541-940-1010

info@ventanaresearch.com



Financial Consolidation

The financial records of an enterprise must be periodically reviewed and summarized to create financial statements that inform executives and interested third parties of the organization's financial condition and performance. A consolidation of the financial records and other departmental close processes involves an intricate set of repeated processes that must be performed in a prescribed order and fashion. Enterprise software enables finance and accounting departments to be more productive by automating calculations, coordinating the execution of processes and facilitating communication among participants. The desire to make the department more productive and resilient has led to increased investment in technology to assist in performing the full consolidate and close cycle.

This guide examines software that focuses solely on managing the financial consolidation process, software that assists in managing the accounting close processes and packages that combine the functionality of both.

Ventana Research defines consolidation software as an application that manages the financial consolidation process in conformance with accounting standards for enterprises with



The consolidation process and its methods are tightly prescribed by financial accounting authorities and can be quite complex.

complex requirements. All accounting or ERP systems will perform a statutory consolidation of the accounts handled in that system using the generally accepted accounting principles of that parent company. But this approach is inadequate for enterprises that, for example, have accounting systems from multiple providers or other complicating factors that necessitate a separate system. We define close management software as applications that support the timely and efficient completion of close cycle tasks, especially automating reconciliations and performing process management functions.

Consolidation is necessary when an organization has multiple legal entities, subsidiaries, joint ventures or other forms of ownership or control of operating units.

The financial consolidation process involves eliminating intercompany transactions and balances to provide a comprehensive and accurate view of the organization's financial condition and performance. The consolidation process and its methods are tightly prescribed by financial accounting authorities and can be quite complex.

Consolidation is only part of the financial or accounting close, which is the process of finalizing a company's financial statements at the end of an accounting period, such as a month, quarter or year. During the financial close, all financial transactions are reconciled, reviewed and adjusted as needed to prepare the financial statements. These include the balance sheet,



income statement, cash flow statement and the statement of shareholders' equity. This process is essential for ensuring the accuracy and completeness of financial reporting, and it is often a critical step in meeting regulatory requirements and providing stakeholders with a clear picture of the company's financial performance.

In all but the smallest enterprises, consolidation and close processes require coordination and collaboration. Software assists in ensuring that steps in the processes are handled completely and correctly, collaboration is assisted by direct communications, documents and notations by participants are easily accessed and necessary reviews and sign-offs are performed. Those managing the process are assisted in being able to monitor progress and provide alerts when issues arise.

Consolidation and close management software has improved, incorporating real-time integration with source systems. This is important because of the myriad last-minute adjustments and corrections that take place during the consolidation process. Systems now offer more effective collaboration features to smooth the process and ensure resiliency, including secure data sharing as well as centralized document storage for working papers and supporting evidence. For enterprises with especially complex structures and reporting requirements, the ability to consolidate using multiple accounting standards at different levels and branches of the corporate hierarchy can be useful.

Another factor driving the adoption of dedicated software is the desire to shorten the accounting close. The accounting or financial close is the process of finalizing a company's financial statements at the end of an accounting period, such as a month, quarter or year. During the financial close, all financial transactions are reviewed and adjusted, and the financial statements are prepared, including the balance sheet, income statement, cash flow statement and the statement of shareholders' equity. This process is important for ensuring the accuracy and completeness of financial reporting, and it is often a critical step in meeting regulatory requirements and providing stakeholders with a clear picture of the company's financial performance. ISG-Ventana Research asserts that by 2027, one-half of midsize and larger enterprises will use close management software to speed the close and achieve greater control of the process.

Consolidate and Close Management
Market Assertion

By 2027, one-half of midsize and larger enterprises will use close management software to speed their close and achieve greater control of the process.

Robert Kugel, CFA
Executive Director, Business Research

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There has been agreement that organizations should complete the accounting close within a business week. Workflow automation is especially useful in handling the close-consolidate-report cycle, specifically to manage the process in a hybrid working environment and for organizations that span the globe. As with any workflow-enabled process, administrators



spend far less time ensuring individuals have started or completed their tasks, hand-offs are smoother and, where reviews and approvals are required, these events are recorded and easily accessed by external and internal auditors and support assertions by executives that internal controls and procedures have been followed.

In accounting, the term reconciliations refers to any process that compares two sets of records to ensure their accuracy and consistency—an inherent component of the double-entry framework. This typically involves comparing financial transactions or balances from different sources, such as bank statements versus accounting records or intercompany

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Automating reconciliations, especially intercompany transactions, makes the staff more productive and makes the department a more attractive place to work.

transactions between different subsidiaries of a company. The main objective is to ensure that the books balance by identifying and resolving discrepancies between two sets of records, ensuring that the accounting data is accurate. Automating reconciliations, especially intercompany transactions, makes the staff more productive and makes the department a more attractive place to work.

Workflow-enabled systems also contribute to a smoother close because consolidating and closing the books should be almost exactly the same from one period to the next, including processes for handling exceptions and unexpected events and managing the close calendar. With workflow, the controller and chief accounting officer can spend less time on administration while having greater situational awareness and control.

Today's technology can help finance and accounting executives make their departments more productive in ways that improve the working environment and make it possible for them to attract and retain the best talent in a resource-constrained environment. It's likely that advances provided by artificial intelligence (AI) and even generative AI (GenAI) will make dedicated consolidation and close software an even more compelling choice, especially in a time of growing complexity in accounting standards and tax laws. While accounting relies on doing the same things consistently, how they are done is always evolving because of legal and regulatory changes as well as the constant change in how accounting principles are reflected in processes. A continuous improvement mindset is necessary to have the adaptability and resilience to remain productive. Software designed to assist in managing the accounting close is a necessary tool for financial executives.



The capability frameworks for the Financial Consolidation, are as follows:

Consolidation

Methods for managing:

- Consolidation processes
- Ownership structures
- Currency
- Intercompany management
- Journals
- Roll-up structures
- Multi-GAAP reporting
- Data validation
- Collaboration, compliance and auditing
- Application of AI/Gen AI to processes

For inclusion in the Ventana Research Financial Consolidation Buyers Guide for 2024, a software provider must have a standalone application (not functionality included in an ERP or accounting system), be in good standing financially and ethically, have at least \$25 million in annual or projected revenue, more than 50 employees, sell products and provide support on at least two continents and have at least 25 customers. The principal source of the relevant business unit's revenue must be software-related with at least one major software release in the last 12 months. The product must be capable of accessing data from a variety of sources as well as guiding and managing the consolidation processes in an enterprise. The required criteria includes:

- Capabilities for Consolidation, such as consolidation process management, consolidation, intercompany management, journals and optionally support for auditing and AI/GenAI capabilities. These are the essential functions of a financial consolidation.

This research evaluates the following software providers that offer products to address key elements of financial consolidation as we define it: Board, Fluence Technologies, Jedox, IBM, insightsoftware, Infor, OneStream, Oracle, Planful, Prophix Software, SAP, Talentia Software, Vena Solutions, Wolters Kluwer, LucaNet and Workday.



Buyers Guide Overview

For over two decades, Ventana Research has conducted market research in a spectrum of areas across business applications, tools and technologies. We have designed the Buyers Guide to provide a balanced perspective of software providers and products that is rooted in an understanding of the business requirements in any enterprise. Utilization of our research



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methodology and decades of experience enables our Buyers Guide to be an effective method to assess and select software providers and products. The findings of this research undertaking contribute to our comprehensive approach to rating software providers in a manner that is based on the assessments completed by an enterprise.

This Ventana Research Buyers Guide: Financial Consolidation is the distillation of over a year of market and product research efforts. It is an assessment of how well software providers' offerings address enterprises' requirements for financial consolidation software. The index is structured to support a request for information (RFI) that could be used in the request for proposal (RFP) process by incorporating all criteria needed to evaluate, select, utilize and maintain relationships with software providers. An effective product and customer experience with a provider can ensure the best long-term relationship and value achieved from a resource and financial investment.

In this Buyers Guide, Ventana Research evaluates the software in seven key categories that are weighted to reflect buyers' needs based on our expertise and research. Five are product-experience related: Adaptability, Capability, Manageability, Reliability, and Usability. In addition, we consider two customer-experience categories: Validation, and Total Cost of Ownership/Return on Investment (TCO/ROI). To assess functionality, one of the components of Capability, we applied the Ventana Research Value Index methodology and blueprint, which links the personas and processes for financial consolidation to an enterprise's requirements.

The structure of the research reflects our understanding that the effective evaluation of software providers and products involves far more than just examining product features, potential revenue or customers generated from a provider's marketing and sales efforts. We believe it is important to take a comprehensive, research-based approach, since making the wrong choice of financial consolidation technology can raise the total cost of ownership, lower the return on investment and hamper an enterprise's ability to reach its full performance potential. In addition, this approach can reduce the project's development and deployment



time and eliminate the risk of relying on a short list of software providers that does not represent a best fit for your enterprise.

Ventana Research believes that an objective review of software providers and products is a critical business strategy for the adoption and implementation of financial consolidation software and applications. An enterprise's review should include a thorough analysis of both what is possible and what is relevant. We urge enterprises to do a thorough job of evaluating financial consolidation systems and tools and offer this Buyers Guide as both the results of our in-depth analysis of these providers and as an evaluation methodology.



How To Use This Buyers Guide

Evaluating Software Providers: The Process

We recommend using the Buyers Guide to assess and evaluate new or existing software providers for your enterprise. The market research can be used as an evaluation framework to establish a formal request for information from providers on products and customer experience and will shorten the cycle time when creating an RFI. The steps listed below provide a process that can facilitate best possible outcomes.

1. Define the business case and goals.
Define the mission and business case for investment and the expected outcomes from your organizational and technological efforts.
2. Specify the business needs.
Defining the business requirements helps identify what specific capabilities are required with respect to people, processes, information and technology.
3. Assess the required roles and responsibilities.
Identify the individuals required for success at every level of the enterprise, from executives to frontline workers, and determine the needs of each.
4. Outline the project's critical path.
What needs to be done, in what order and who will do it? This outline should make clear the prior dependencies at each step of the project plan.
5. Ascertain the technology approach.
Determine the business and technology approach that most closely aligns to your enterprise's requirements.
6. Establish software provider evaluation criteria.
Utilize the product experience: Adaptability, Capability, Manageability, Reliability and Usability, and the customer experience in TCO/ROI and Validation.
7. Evaluate and select the technology properly.
Weight the categories in the technology evaluation criteria to reflect your enterprise's priorities to determine the short list of software providers and products.
8. Establish the business initiative team to start the project.
Identify who will lead the project and the members of the team needed to plan and execute it, with timelines, priorities and resources.



The Findings

All of the products we evaluated are feature-rich, but not all the capabilities offered by a software provider are equally valuable to types of workers or support everything needed to manage products on a continuous basis. Moreover, the existence of too many capabilities may be a negative factor for an enterprise if it introduces unnecessary complexity. Nonetheless, you may decide that a larger number of features in the product is a plus, especially if some of them match your enterprise’s established practices or support an initiative that is driving the purchase of new software.

Factors beyond features and functions or software provider assessments may become a deciding factor. For example, an enterprise may face budget constraints such that the TCO evaluation can tip the balance to one provider or another. This is where the Value Index methodology and the appropriate category weighting can be applied to determine the best fit of software providers and products to your specific needs.

Overall Scoring of Software Providers Across Categories

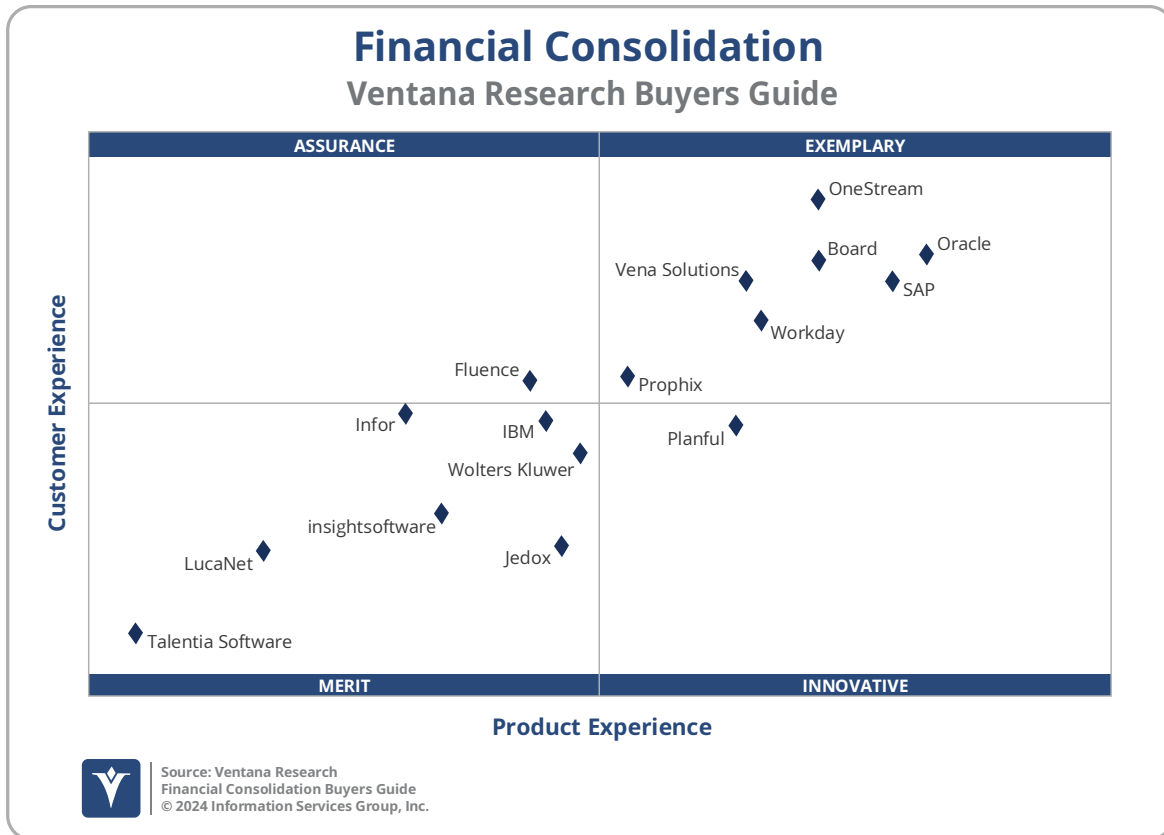
The research finds Oracle atop the list, followed by OneStream and SAP. Companies that place in the top three of a category earn the designation of Leader. Oracle and OneStream have done so in six of the seven categories; SAP in five; Board in two and Planful and Vena Solutions in one category.

The overall representation of the research below places the rating of the Product Experience and Customer Experience on the x and y axes, respectively, to provide a visual representation and classification of the software providers. Those providers whose Product Experience have a higher weighted performance to the axis in aggregate of the five product categories place farther to the right, while the performance and weighting for the two Customer Experience categories determines placement on the vertical axis. In short, software providers that place closer to the upper-right on this chart performed better than those closer to the lower-left.

The research places software providers into one of four overall categories: Assurance, Exemplary, Merit or Innovative. This representation classifies providers’ overall weighted performance.

Financial Consolidation Overall			
Providers	Grade	Performance	
Oracle	A-	Leader	85.8%
OneStream	A-	Leader	85.4%
SAP	A-	Leader	85.1%
Board	A-		83.4%
Vena Solutions	B++		80.5%
Workday	B++		79.7%
Planful	B+		74.1%
Prophix	B+		73.1%
Wolters Kluwer	B+		70.4%
Fluence	B+		70.2%
IBM	B+		69.1%
Jedox	B		66.2%
insightsoftware	B-		62.4%
Infor	B-		61.0%
LucaNet	C++		54.2%
Talienta Software	C+		48.2%

Source: Ventana Research
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Exemplary: The categorization and placement of software providers in Exemplary (upper right) represent those that performed the best in meeting the overall Product and Customer Experience requirements. The providers rated Exemplary are: Board, OneStream, Oracle, Prophix, SAP, Vena Solutions and Workday.

Innovative: The categorization and placement of software providers in Innovative (lower right) represent those that performed the best in meeting the overall Product Experience requirements but did not achieve the highest levels of requirements in Customer Experience. The provider rated Innovative is: Planful.

Assurance: The categorization and placement of software providers in Assurance (upper left) represent those that achieved the highest levels in the overall Customer Experience requirements but did not achieve the highest levels of Product Experience. The provider rated Assurance is: Fluence Technologies.

Merit: The categorization of software providers in Merit (lower left) represents those that did not exceed the median of performance in Customer or Product Experience or surpass the threshold for the other three categories. The providers rated Merit are: Jedox, IBM, insightsoftware, Infor, Talentia Software, Wolters Kluwer and LucaNet.

We warn that close provider placement proximity should not be taken to imply that the packages evaluated are functionally identical or equally well suited for use by every enterprise



or for a specific process. Although there is a high degree of commonality in how enterprises handle financial consolidation, there are many idiosyncrasies and differences in how they do these functions that can make one software provider's offering a better fit than another's for a particular enterprise's needs.

We advise enterprises to assess and evaluate software providers based on organizational requirements and use this research as a supplement to internal evaluation of a provider and products.



Product Experience

The process of researching products to address an enterprise’s needs should be comprehensive. Our Value Index methodology examines Product Experience and how it aligns with an enterprise’s life cycle of onboarding, configuration, operations, usage and maintenance. Too often, software providers are not evaluated for the entirety of the product; instead, they are evaluated on market execution and vision of the future, which are flawed since they do not represent an enterprise’s requirements but how the provider operates. As more software providers orient to a complete product experience, evaluations will be more robust.

The research results in Product Experience are ranked at 80%, or four-fifths, of the overall rating using the specific underlying weighted category performance. Importance was placed on the categories as follows: Usability (20%), Capability (20%), Reliability (15%), Adaptability (10%) and Manageability (15%). This weighting impacted the resulting overall ratings in this research. Oracle,

SAP and OneStream were designated Product Experience Leaders. While not a Leader, Board was also found to meet a broad range of enterprise product experience requirements.

Many enterprises will only evaluate capabilities for workers in IT or administration, but the research identified the criticality of Usability (20% weighting) across a broader set of usage personas that should participate in financial consolidation.

Financial Consolidation Product Experience		
Providers	Grade	Performance
Oracle	A-	Leader 69.5%
SAP	A-	Leader 68.4%
OneStream	A-	Leader 66.8%
Board	A-	66.5%
Workday	B++	64.4%
Vena Solutions	B++	64.1%
Planful	B++	62.1%
Prophix	B+	58.0%
Wolters Kluwer	B+	56.0%
Jedox	B	55.6%
IBM	B+	55.2%
Fluence	B+	54.9%
insightsoftware	B-	49.6%
Infor	B-	48.2%
LucaNet	C++	42.5%
Talienta Software	C+	36.5%

Source: Ventana Research
Financial Consolidation Buyers Guide
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Customer Experience

The importance of a customer relationship with a software provider is essential to the actual success of the products and technology. The advancement of the Customer Experience and the entire life cycle an enterprise has with its software provider is critical for ensuring satisfaction in working with that provider. Technology providers that have chief customer officers are more likely to have greater investments in the customer relationship and focus more on their success. These leaders also need to take responsibility for ensuring this commitment is made abundantly clear on the website and in the buying process and customer journey.

The research results in Customer Experience are ranked at 20%, or one-fifth, using the specific underlying weighted category performance as it relates to the framework of commitment and value to the software provider-customer relationship. The two evaluation categories are Validation (10%) and TCO/ROI (10%), which are weighted to represent their importance to the overall research.

The software providers that evaluated the highest overall in the aggregated and weighted Customer Experience categories are OneStream, Oracle and Board. These category Leaders best communicate commitment and dedication to customer needs.

While not a Leader, Vena Solutions was also found to meet a broad range of enterprise financial consolidation requirements.

Several software providers we evaluated did not have sufficient information available through their website and presentations. While many providers have customer case studies to promote success, others lack depth in articulating their commitment to customer experience and an enterprise’s financial consolidation journey. As the commitment to a software provider is a continuous investment, the importance of supporting customer experience in a holistic evaluation should be included and not underestimated.

Financial Consolidation Customer Experience			
Providers	Grade	Performance	
OneStream	A	Leader	17.6%
Oracle	A-	Leader	17.0%
Board	A-	Leader	16.9%
Vena Solutions	A-		16.8%
SAP	A-		16.7%
Workday	B++		15.6%
Prophix	B+		14.6%
Fluence	B+		14.5%
Infor	B+		13.9%
IBM	B		13.7%
Planful	B		13.7%
Wolters Kluwer	B		13.2%
insightsoftware	B		12.7%
LucaNet	B-		12.1%
Jedox	B-		11.9%
Talentia Software	C++		10.3%

Source: Ventana Research
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Appendix: Software Provider Inclusion

For inclusion in the Ventana Research Consolidation and Close Management Buyers Guide for 2024, a software provider must have a standalone application (not functionality included in an ERP or accounting system), be in good standing financially and ethically, have at least \$5 million in annual or projected revenue, more than 50 employees, sell products and provide support on at least two continents, and have at least 25 customers. The principal source of the relevant business unit's revenue must be software-related, and there must have been at least one major software release in the last 12 months. The product must be capable of accessing data from a variety of sources as well as guiding and managing the consolidation and close processes in an enterprise and in these include criteria requirements:

To qualify for Financial Consolidation Buyers Guide, the product should include the following capabilities: consolidation process management, consolidation, intercompany management, journals and optionally support for auditors and NLP capabilities.

The research is designed to be independent of the specifics of software provider packaging and pricing. To represent the real-world environment in which businesses operate, we include providers that offer suites or packages of products that may include relevant individual modules or applications. If a software provider is actively marketing, selling and developing a product for the general market and it is reflected on the provider's website that the product is within the scope of the research, that provider is automatically evaluated for inclusion.

All software providers that offer relevant financial consolidation products and meet the inclusion requirements were invited to participate in the evaluation process at no cost to them.

Software providers that meet our inclusion criteria but did not completely participate in our Buyers Guide were assessed solely on publicly available information. As this could have a significant impact on classification and ratings, we recommend additional scrutiny when evaluating those providers.



Products Evaluated

Provider	Product Names	Version	Release Month/Year
Board	Board Group Consolidation and Reporting	Board 14	Board 2024
Fluence	Fluence	2402.1	February 2024
IBM	Controller	11.0.1	July 2023
Infor	Dynamic Enterprise Performance Management d/EPM	May 2024	May 2024
insightsoftware	Longview	24.2	April 2024
Jedox	Jedox	2024.1	February 2024
LucaNet	LucaNet	LucaNet 24	May 2024
OneStream	OneStream	8.2.2	May 2024
Oracle	Cloud EPM Financial Consolidation and Close	May 2024	May 2024
Planful	Consolidation	24.5	May 2024
Prophix	Financial Consolidation	2024.1	March 2024
SAP	SAP S/4HANA Finance	2402	February 2024
Talentia Software	Corporate Performance Management	May 2024	May 2024
Vena Solutions	Financial Close Management	Spring 2024	May 2024
Wolters Kluwer	CCH Tagetik Financial Close and Consolidation; Account Reconciliation	May 2024	May 2024
Workday	Adaptive Planning	R1 2024	May 2024



Providers of Promise

We did not include software providers that, as a result of our research and analysis, did not satisfy the criteria for inclusion in this Buyers Guide. These are listed below as “Providers of Promise.”

Provider	Product	Capabilities	Employees	Revenue	Customers
Anaplan	Anaplan	No	Yes	Yes	Yes
Centage	Centage	No	Yes	Yes	Yes
Cube	Cube	No	Yes	Yes	Yes
DataRails	DataRailes	No	Yes	Yes	Yes
insightsoftware	Clausion Consolidation	No	Yes	Yes	Yes
insightsoftware	IDL Konsis	No	Yes	Yes	Yes
Joiin	Joiin	No	Yes	No	Yes
Microsoft	Dynamics365 Finance	No	Yes	Yes	Yes
Sage	Sage Intaact	No	Yes	Yes	Yes



About Ventana Research

Ventana Research, now part of Information Services Group, provides authoritative market research and coverage on the business and IT aspects of the software industry. We distribute research and insights daily through the Ventana Research community, and we provide a portfolio of consulting, advisory, research and education services for enterprises, software and service providers, and investment firms. Our premiere service, Ventana On-Demand (VOD), provides structured education and advisory support with subject-matter expertise and experience in the software industry. Ventana Research Buyers Guides support the RFI/RFP process and help enterprises assess, evaluate and select software providers through tailored Assessment Services and our Value Index methodology. Visit www.ventanaresearch.com to sign up for free community membership with access to our research and insights.

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