Driving enterprise performance: unlocking value through end-to-end EPM

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Introduction

> As a CFO, my biggest challenge is no longer access to data — it's alignment. When planning, actuals, tax and compliance operate on different versions of the truth, decision-making slows and risk increases. An integrated EPM approach gives us a single, harmonized data foundation, connecting strategy to execution in real time. That's what enables faster steering, stronger compliance and the confidence to use data and AI as true value drivers for the business.
>
> **Dominik Asam**
> Chief Financial Officer (CFO), SAP SE

Business leaders today are expected to make faster, more confident decisions, often with incomplete or disconnected information. When finance, tax and operational teams work from separate data sets and planning processes, organizations struggle to gain a clear, enterprise-wide view of performance. The result is delayed insight, inconsistent and delayed reporting, and missed opportunities to act with precision.

At the same time, the pace and complexity of change continue to accelerate. The 2025 EY Tax and Finance Operate Survey reveals that organizations are navigating a landscape shaped by rapid shifts in tax and trade policies, along with technological advancements that are sparking a data and artificial intelligence (AI) renaissance. These changes are not just linear; they are swift and unpredictable, presenting both challenges and opportunities for reinvention.

How can organizations effectively adapt to these shifts and secure their future? Insights from tax and finance leaders in the survey highlight that 79% of respondents stress the importance of strategic functional alignment, recognizing tax and finance as vital partners in navigating complex business landscapes. In the EY AI Pulse survey, data fragmentation was seen as a top barrier to scaling AI in finance and planning.

Enterprise Performance Management (EPM) is a methodology that provides a robust analytical framework that integrates financial planning with operational systems. By streamlining report production, aligning strategies, and promoting data-driven decision-making, this holistic perspective can help drive better outcomes. However, many traditional EPM solutions fall short by not integrating essential areas like tax compliance, sustainability and integrated management reporting. What if EPM could go further? How can we embrace EPM to break down barriers, foster collaboration with harmonized data and position your organization to pursue its objectives to optimize its profitability and performance in this ever-evolving landscape?

Let's explore how you can transform your approach to performance management and identify new opportunities for growth.

Legacy EPM: Integration gaps and collaboration barriers

Modern organizations must navigate the complexities of multiple compliance standards while integrating various functions to manage performance effectively and remain competitive. The challenges posed by today's global landscape, the explosion of data and AI, and the need for internal alignment and operational efficiency demand a new strategy for EPM.

While existing EPM solutions are robust, they often focus primarily on finance and have a narrow functional scope. This leads to separate dashboards for tax compliance, sustainability and management reporting. Data fragmentation is a frequent issue, with planning and actuals stored in different silos, complicating reconciliation. Additionally, teams such as IT, tax and accounting often lack a unified platform, which limits effective collaboration and alignment.

Current state

Classical EPM focuses on financial planning and analysis. Today, the scope and structure typically include:

Enterprise planning

- Budgeting and forecasting cycles
- Scenario modelling
- Driver-based planning

Business consolidation

- Aggregation of entity-level data into consolidated statements
- Intercompany eliminations
- Compliance reporting

Technology landscape

- On-premise or hybrid architectures
- Structured data models
- Workflow driven

Rethinking enterprise performance management: the need for integration

To tackle the rising challenges of today's business environment, organizations must adopt a more integrated EPM strategy that fosters collaboration and streamlines processes across all functions. This approach emphasizes multidimensional data and aligns four essential roles or personas: Accounting, Controlling, Tax and IT. Integrated EPM improves value streams by linking strategy, financials and operations across end-to-end activities, enabling organizations to optimize how value is created, rather than managing performance in vertical silos.

Integrated EPM improves the value stream by enabling:

- End-to-end visibility across the value chain
- Ability to focus on value drivers, not just costs
- Better prioritization and allocation of resources
- Faster decision-making and feedback loops
- Continuous improvement and adaptability

Integrated EPM improves value streams by making value creation measurable, visible and manageable across the entire business.

What are the key components needed for end-to-end EPM?

To effectively manage the performance of your business:

EPM must evolve into a holistic, integrated platform that continuously aligns planning and actuals by operating on two core data sets – planning data (budgets, forecasts, scenarios) and real-time operational and financial results – while supporting three accounting standards: IFRS, statutory and tax accounting. This includes managing permanent and temporary differences to ensure accurate reconciliation and compliance. It must also effectively serve four key personas: IT for scalability, integration, and governance; Tax for complex calculations and reporting; Accounting for financial close and compliance; and Business Controllers for planning and performance management.

Improving profitability and performance through end-to-end EPM

How end-to-end EPM improves profitability and performance management

End-to-end EPM improves profitability by linking strategy to plans and KPIs, using rolling forecasts and scenarios to test options quickly, increasing cost and margin visibility to reduce leakage and reallocate spend to higher ROI, connecting operational drivers to financial outcomes (pricing, capacity and working capital), and speeding decision-making through automation, near real-time reporting and analytics that strengthen accountability and corrective action.

An effective EPM platform integrates these processes through a unified data model that includes both planning and actuals. This model features a process layer that supports planning, consolidation, tax, and management reporting. Additionally, it incorporates a cloud-native, secure and scalable technology layer, establishing a solid foundation for a future-ready EPM strategy. By embracing this vision, organizations can enhance their performance management capabilities and navigate the complexities of the modern business landscape more effectively.

End-to-end EPM framework: driving horizontal alignment

End-to-end EPM framework improves enterprise performance by connecting finance, tax, sustainability and operations in one integrated way of working. It provides business leaders with a unified view of performance and enables faster, more confident decisions. It improves agility by supporting rapid scenario modeling and near real-time insight, which helps teams respond to volatility.

It is underpinned by a single data model that provides one source of truth for planning, actuals and compliance. This enables reusable data products and reduces reconciliation through consistent definitions. Integrated workflows, controls and audit trails also strengthen governance, transparency and compliance across the organization.

To effectively manage the performance of your business:

- Driver-based planning
- Group-wide risk-embedded performance management
- Real-time transaction level detail, reconciled by design
- Including financials and sustainability, across the value chain

Statutory accounting and reporting

Management accounting and business steering

Tax accounting and management

Planning and simulation	**Intercompany management**	**Close and consolidation**	**Disclosure and analysis**
Integrated planning, connecting operational drivers with financial outcomes.	Intercompany transparency based on an integrated value chain.	Intelligent, real-time financial group close.	Financial, tax and sustainability disclosures and analysis.

Implement controls and execute

Financials ESG

Data management — **Data products and harmonized data model**

Benefits of rethinking EPM

The benefits of end-to-end EPM

A fast close improves forecasting accuracy by providing timely, trusted actuals that shorten the feedback loop between performance and prediction. With quicker access to finalized results, organizations reduce reliance on estimates, identify performance drivers earlier, and refresh rolling forecasts using real data. This enables faster course correction, more accurate assumptions, and forecasts that remain relevant in changing conditions.

Accounting

Earlier, more reliable insight, improving forecast confidence, decision speed and capital allocation while strengthening governance and accountability.

Controlling

Real time actuals for variance analysis and rolling forecasts, enabling more accurate assumptions and quicker reforecasting.

IT

Reduces manual reconciliation and data latency, improving data quality and system integration that underpin reliable forecasting.

Tax

Aligns management and statutory data earlier, reducing late adjustments and forecast volatility caused by post-close corrections.

Harmonized data

The 2025 EY Tax and Finance Operations Survey reveals that many professionals still face significant challenges with data management. Clean, organized, and centralized data is essential for tax and finance functions striving to be both compliant and value-driven. This foundational element not only enhances clarity around compliance, sustainability goals and tax transparency but also serves as a vital catalyst for AI-driven transformation. The EY AI Pulse Survey shows that AI delivers value only when data is consistent, trusted, and integrated.

Harmonized data enables organizations to move from isolated AI pilots to enterprise scale results. 96% of organizations investing in AI see productivity gains, but data fragmentation is repeatedly cited as a major barrier to scaling those gains across the enterprise. By harnessing the power of harmonized data, organizations can achieve remarkable efficiency, gain sharper insights and secure a competitive edge.

A unified data model

AI in EPM is not just about cost removal – it is a reinvestment engine fueling value streams across planning, forecasting, tax management and performance steering. Adopting an integrated data model allows organizations to establish a single source of truth for planning, actuals and compliance. This approach promotes data reusability, enabling the creation of reusable data products for analytics and reporting. As a result, organizations can reduce reconciliation efforts across various functions. Additionally, enhanced governance through integrated workflows and audit trails fosters greater transparency and compliance, further strengthening the overall data management framework.

> “A scalable data platform streamlines data integration processes, making it easier to connect information from various departments, systems and external sources. This not only accelerates analysis but also improves collaboration by giving everyone access to the same.
>
> **Sveinung-Baumann-Larsen**
> EY Global SAP Alliance

What technologies are needed for a modern EPM solution?

> SAP's agentic EPM portfolio is foundational to the Autonomous Enterprise. Individually, these agents automate routine, domain-specific activities. Collectively, they work together to assess impacts across business functions and up to the group level, enabling optimization through a unified, enterprise-wide perspective. Our EPM agents establish the foundation for agentic steering by delivering highly accurate decision support frameworks while ensuring transparency, control and trust.
>
> **Michael Emerson**
> Head of EPM Product Management, SAP

Enterprise Resource Planning (ERP) systems form the backbone of many organizations' operations, playing a vital role in EPM. They provide essential data and analytics capabilities that enable organizations to measure and manage performance effectively.

With SAP Cloud ERP, businesses can set realistic goals, monitor progress, and make informed decisions that can help enhance efficiency and productivity.

SAP Business Data Cloud

SAP Business Data Cloud is a fully managed SaaS solution that unifies and governs all SAP data while seamlessly connecting with third-party data sources. This integration provides line-of-business leaders with the context needed to support impactful decisions. The platform transforms outcomes through intelligent applications that automate processes, adapt to changes and learn in real time using AI. By harmonizing mission-critical data within an open data ecosystem, organizations gain unparalleled insights into their operations through a powerful semantic layer.

Additionally, SAP Business Data Cloud lays the groundwork for reliable AI. It ensures that data across applications and operations is consistent, responsible and relevant, fostering a robust environment for AI-driven initiatives.

SAP Business Data Cloud serves as the foundation for a cloud-native, scalable platform designed for next-generation EPM. Its key capabilities include:

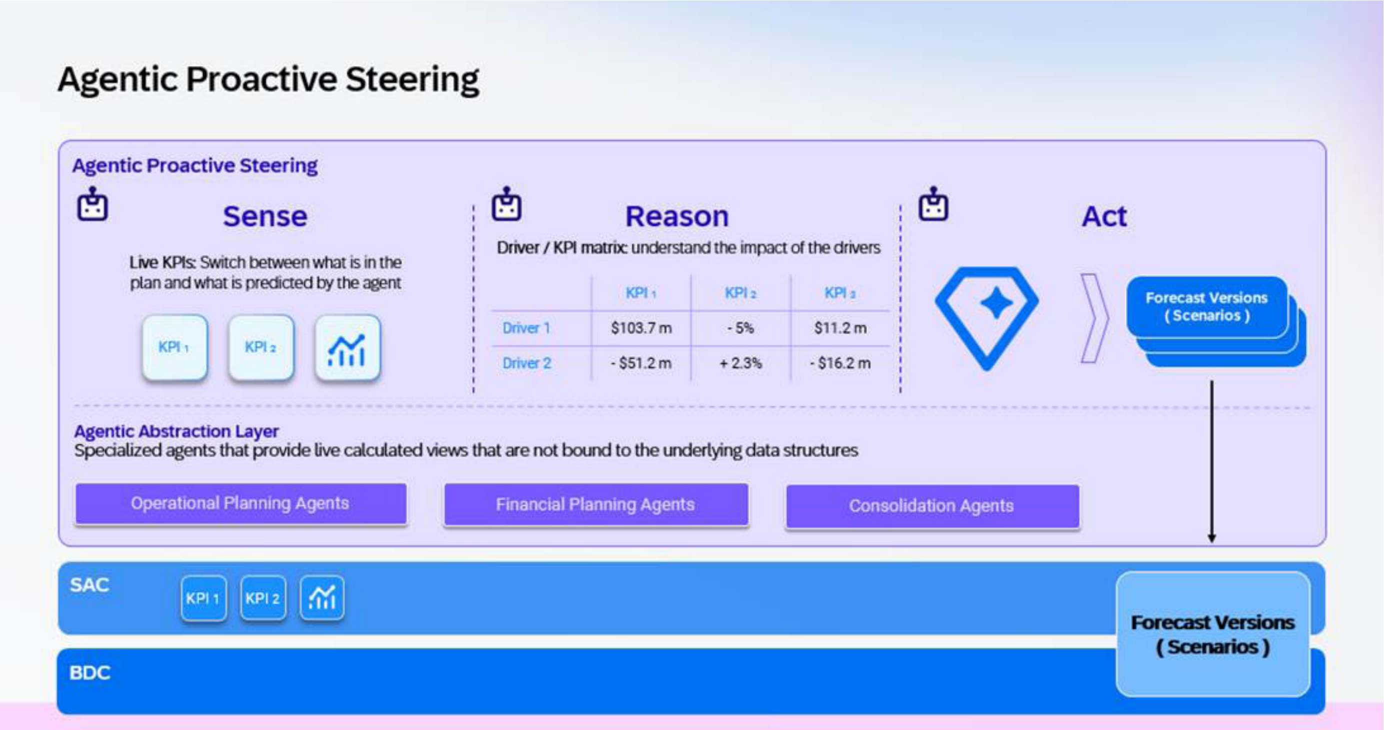
- **Unified data layer:** Harmonizes planning and actuals for consistent reporting.
- **Multi-GAAP support:** Smoothly accommodates IFRS, statutory and tax standards.
- **Advanced analytics:** Offers predictive planning, variance analysis and performance dashboards.
- **Persona-based access:** Provides role-specific content tailored for IT, tax, accounting and controllers.
- **Extensibility:** Integrates with SAP Cloud ERP, other SAP applications as well as third-party systems for detailed coverage.

Northstar architecture: Mapping the EPM process to SAP's modular platform

Joule provides a unified user experience that serves as a single point of access for managing enterprise performance effectively. SAP Business Data Cloud boosts performance by unifying planning logic with enterprise grade data storage and governance. Its flexible modeling and unified data model reduce silos and duplication. SAP Business Data Cloud also enhances performance through flexible modeling and a unified data model that spans multiple sources. This approach ensures that organizations can combine the right services for specific purposes, driving better outcomes.

SAP agentic AI planning

SAP's new agentic AI planning integrates with Business Data Cloud to support scalable, extensibility and in context access to data products and SAP applications. This shift aims to provide a harmonized, trusted data foundation, reducing time spent on data collection and validation.

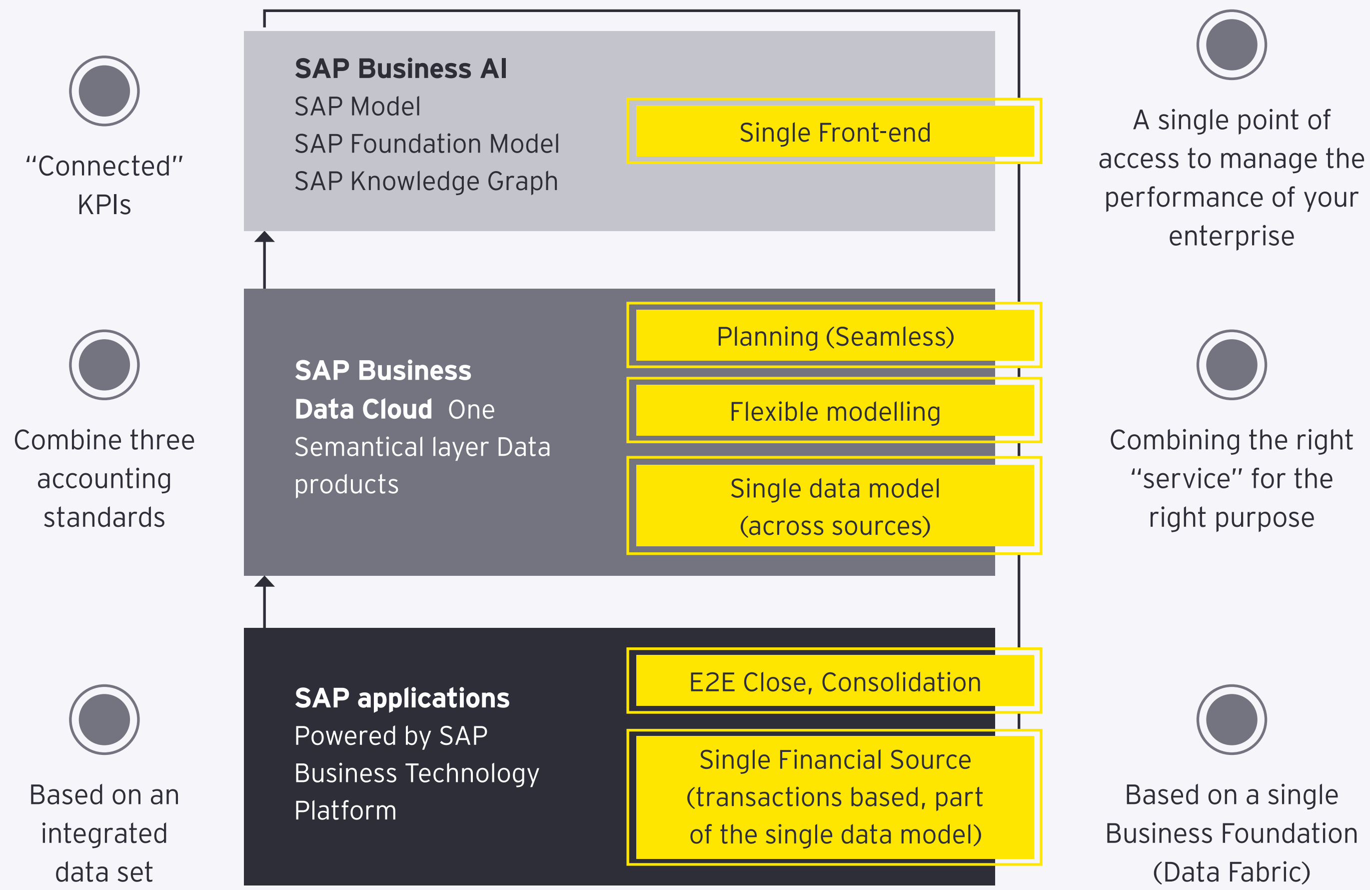


SAP's agentic AI planning features include:

Agentic planning workflows	AI powered agents and context management	Model creation and planning assistance	Transparency and human oversight
Introduction of agentic planning at every layer – execution, operational, tactical and strategic. These agents will sense, reason, and act on real time data, providing proactive alerts and scenario simulations for key KPIs.	The new agents will continuously monitor KPIs, reason through issues using flexible models and suggest actions or planning adaptations. Users can provide industry specific context, upload strategic documents, and align agents to relevant KPIs and data sources, including external data.	The agents can automate complex planning actions, compliance checks and scenario validations, always maintaining human oversight and governance.	All agentic actions are logged, ensuring transparency and human ownership of final plans. The assistant supports users in building, validating, and committing plans, with the ability to adjust or override AI generated suggestions.

Northstar architecture

Mapping the EPM process to SAP's modular platform:



... driven by SAP's modular solution

Building the right approach for your organization

An integrated EPM approach can support meaningful transformation. Now is the time for leaders to modernize their performance management capabilities. In the face of data fragmentation, complex regulatory demands and the need for faster, data-driven decisions to drive insight into action, an end-to-end EPM strategy offers organizations the advantage of harmonized data across Accounting, Managerial and Tax functions crossing business entities. This connectivity can enhance agility and support compliance and strategic decision-making actionability throughout the enterprise.

	Planning and simulation	**Intercompany management**	**Close and consolidation**	**Disclosure and analysis**
Statutory accounting and reporting	Statutory plan	Intercompany reconciliation	Legal close	Statutory disclosures
Management accounting and business steering	Driver-based planning	Settlements and allocations	Management close	Multi-dimensional analysis
Tax accounting and management	Tax planning and simulation	Operational Transfer Pricing	Tax accounting and provisioning	Country-by-country reporting and BEPS (Pillar 2)

Implement controls and execute

ESG   Financials

Data management	**Data products and harmonized data model**

Contacts

Connect with our EY teams today to discover how an EPM framework, powered by SAP Business Data Cloud, can be tailored to your organization's needs. EY teams can help you progress toward a unified, AI-enabled performance management platform and realize more of your organization's potential.

The EY and SAP alliance provides trusted and strong brand collaboration with the right capabilities to help large corporations respond to the challenge. By leveraging core SAP and related ecosystem SAP applications for tax, such as SAP Build, and by using EY leading knowledge and experience, EY teams can help accelerate the evolution of an agile tax function.

EY teams have in-depth experience of designing, configuring, and helping implement SAP solutions. We leverage our experience from other tax, statutory, finance and managerial finance use cases, such as operational transfer pricing and sustainability performance management.

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All in to shape the future with confidence.

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