

Gartner's Critical Capabilities for Cloud FP&A Solutions

When a company begins evaluating budget, planning, and forecasting software programs, the first step is generally identifying prospective solutions and agreeing on a short list of providers to consider. But how should you go about narrowing down your vendor short list?

Gartner and their Magic Quadrant (MQ) studies are the most well-known among IT industry analysis companies and studies. While Gartner Magic Quadrant studies include a wide variety of vendors in the market and classify them as Leaders, Visionaries, Challengers, or Niche – they do not classify vendors based on their suitability for various sized enterprises or specific use cases.

This is where the Gartner Critical Capabilities reports come in handy.

Gartner issued their 2020 Critical Capabilities Report for Cloud FP&A solutions shortly after they published the 2020 Gartner Magic Quadrant for Cloud Financial Planning and Analysis (FP&A) solutions. Gartner assessed 12 vendors across 9 essential competencies in the study.

- Financial budgets and plans
- Complex financial budgets and plans
- IFP and modeling (Integrated Financial Planning)
- Ease of implementation
- Ease of use and maintenance
- Application governance
- Reporting and analytics
- EMEA support
- Global support

These significant aspects were then weighted across six use scenarios, and suppliers were evaluated using this rating and weighting approach. Analysts evaluate vendor scores based on customer surveys, as well as the analysts' personal expertise and perspective on the vendors.

The following are the six use cases for which cloud FP&A solutions were ranked in the report:

- Upper midsize organization
- Large organization
- Global organization
- Business unit
- EMEA-based organization
- Lower midsize organization

The Report's Most Important Findings

Hearing the experts' perspectives on significant market developments is one of the most fascinating aspects of reading Gartner's reports. The market for cloud financial planning and analysis (FP&A) solutions is developing quickly, according to Gartner's 2020 Critical Capabilities Report for Cloud FP&A Solutions, as vendors offer basically comparable capabilities, but distinguished by fit for distinct use cases.

According to Gartner, FP&A systems are being more widely applied throughout businesses and are developing deeper integrated financial planning (IFP) capabilities. In keeping with Gartner's perspective of the growth of "extended planning and analysis," vendors are attempting to expand their planning capabilities beyond conventional financial planning domains and into areas such as HR, sales, and operations

According to the study, customers should assess how FP&A solutions might alter their financial processes by looking at the six use cases covered in the report and deciding which ones best reflect their own. They should analyze the important capability ratings for cloud FP&A solutions that are relevant to their anticipated usage. Then, as part of a complete assessment and selection process, pick the top suppliers — at least three and no more than seven — for these competencies as good prospects for further consideration.

OneStream was assessed for the third year in the Magic Quadrant for Cloud FP&A Solutions and the related Critical Capabilities report. OneStream was honored to be named a Leader in the 2020 Magic Quadrant report, placing them among the top 5 vendors in the industry. The 2020 Critical Capabilities study delves deeper into how OneStream stacks up against key client use cases.