

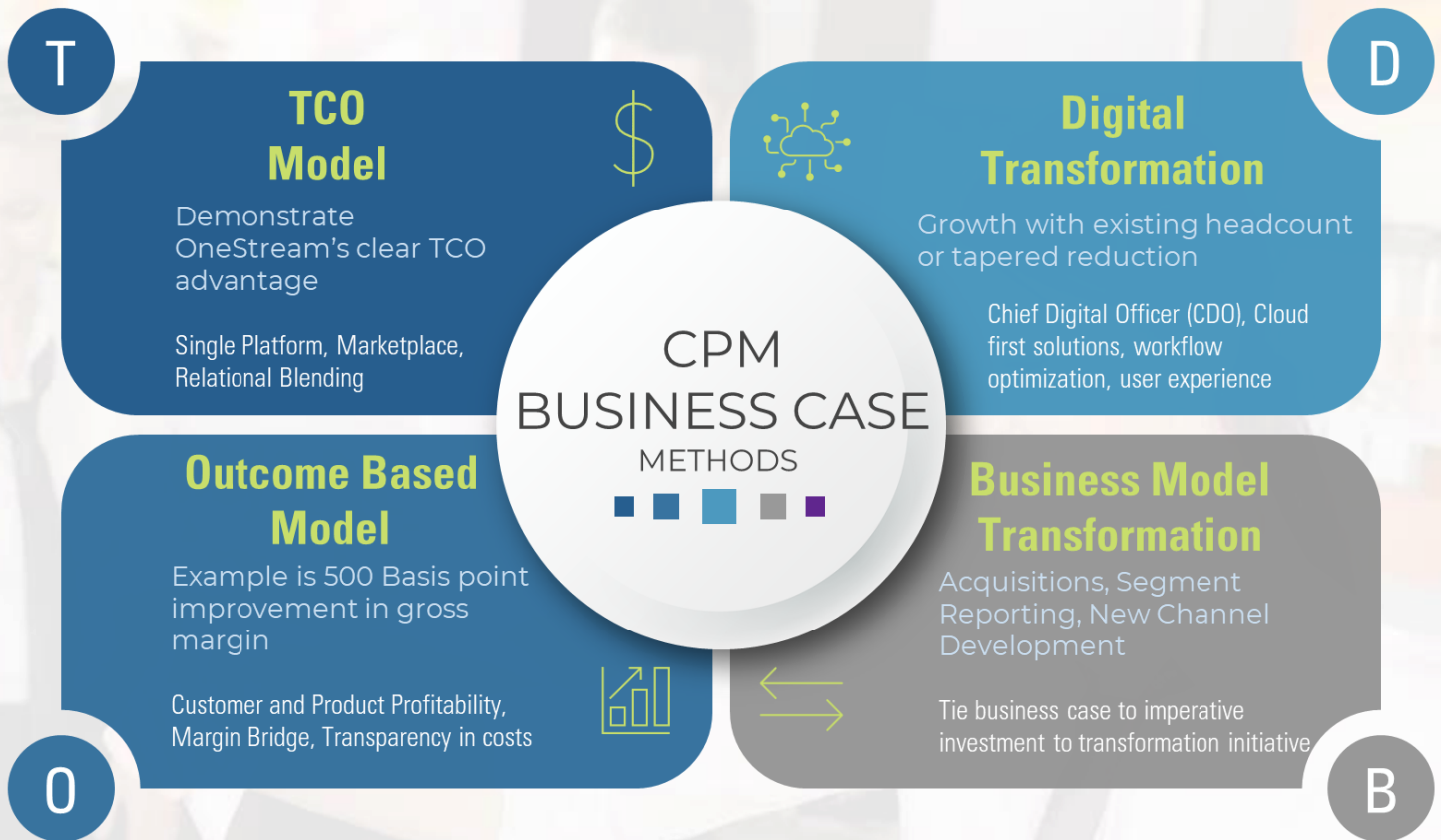
# Defining the Business Case for CPM - The Value Equation



BLACKDIAMOND  
ADVISORY

*A unique perspective on developing a business case  
for Corporate Performance Management*

## The Four Key Methods for Preparing a CPM Business Case



$$\text{EPM ROI} = \frac{(R^e + R^i)^{AE}}{(I^1 + I^2 + I^3 \dots I^n) \times 1/AE}$$

Return on Saved Expenses (R<sup>e</sup>)

Investment (I<sup>n</sup>)

Return from Better Revenues (R<sup>i</sup>)

Active Engagement (AE)

# EXAMPLES OF BUSINESS CASE METHODS USED TO DETERMINE VALUE IN CPM

## Total Cost of Ownership (TCO) Model

Seven Year Ownership Cost - OneStream Software vs (Current State)

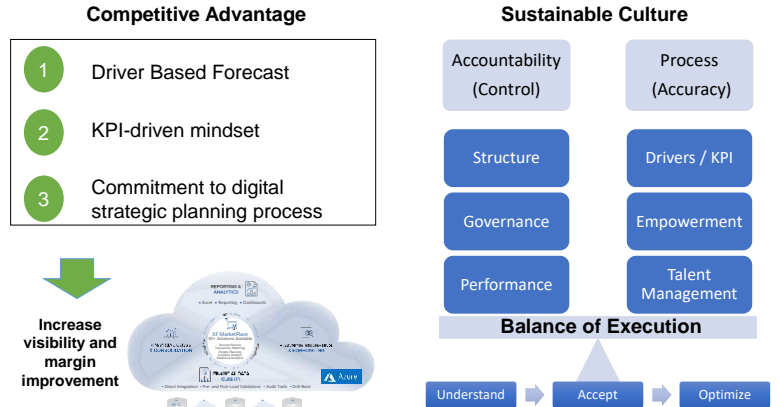
OneStream Savings over 7 Years: \$ 8,130,759

How many years does Delaware North use for TCO Comparisons?

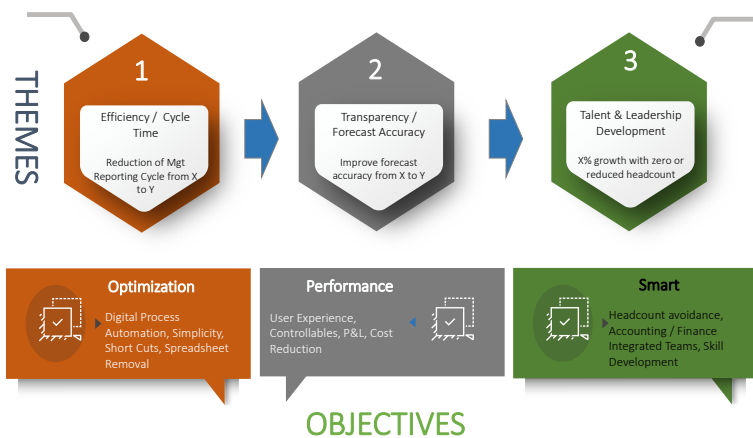
	2020	2021	2022	2023	2024	2025	2026	TOTAL
<b>(Current State) Examples**</b>								
Current Oracle Perpetual Software (HFM, PLNG, FDM, Essbase, DRM)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Oracle Support (22%+ annual increase)	\$ 690,000	\$ 682,500	\$ 716,625	\$ 752,456	\$ 790,079	\$ 829,583	\$ 871,062	\$ 5,292,305
Current Blackline Support (assume 5% annual increase)	\$ 250,000	\$ 262,500	\$ 275,625	\$ 289,406	\$ 303,877	\$ 319,070	\$ 335,024	\$ 2,035,502
Current "Other" Support	\$ 120,000	\$ 126,000	\$ 132,300	\$ 138,915	\$ 145,861	\$ 153,154	\$ 160,811	\$ 977,041
<b>New Oracle Software? Will add? Licenses be needed to move from OnPrem to Cloud? TBO</b>								
Implementation/Upgrades (combined)	\$ 450,000	\$ -	\$ 500,000	\$ -	\$ 1,300,000	\$ -	\$ -	\$ 2,250,000
Application Managed Services - Juron	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 1,008,000
IBM Hosting	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,750,000
<b>Total</b>	<b>\$ 1,864,000</b>	<b>\$ 1,465,000</b>	<b>\$ 2,018,550</b>	<b>\$ 1,574,778</b>	<b>\$ 2,933,816</b>	<b>\$ 1,695,807</b>	<b>\$ 1,760,898</b>	<b>\$ 13,312,849</b>
<b>Cumulative Spend</b>	<b>\$ 1,864,000</b>	<b>\$ 3,329,000</b>	<b>\$ 5,347,550</b>	<b>\$ 6,922,328</b>	<b>\$ 9,856,144</b>	<b>\$ 11,551,951</b>	<b>\$ 13,312,849</b>	
<b>OneStream**</b>								
Software Subscription (138 Interactive/137 View)	\$ 408,870	\$ 408,870	\$ 408,870	\$ 408,870	\$ 408,870	\$ 408,870	\$ 408,870	\$ 2,862,090
Support - Included in Subscription	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Azure Cloud Fees	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600	\$ 1,117,200
Oracle Support (1 year transition to OS)	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,000
Blackline Support (run in parallel until replaced with OS)	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Other Support (run in parallel until replaced with OS)	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000
Implementation/Upgrades	\$ 1,000,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 1,300,000
Managed Services - Included w/ OneStream	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hardware - Included w/ OneStream	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 2,588,470</b>	<b>\$ 618,470</b>	<b>\$ 618,470</b>	<b>\$ 618,470</b>	<b>\$ 618,470</b>	<b>\$ 618,470</b>	<b>\$ 618,470</b>	<b>\$ 5,182,090</b>
<b>Cumulative Spend</b>	<b>\$ 2,588,470</b>	<b>\$ 3,206,940</b>	<b>\$ 3,825,410</b>	<b>\$ 4,443,880</b>	<b>\$ 5,062,350</b>	<b>\$ 5,680,820</b>	<b>\$ 6,299,290</b>	

## Digital Transformation Example

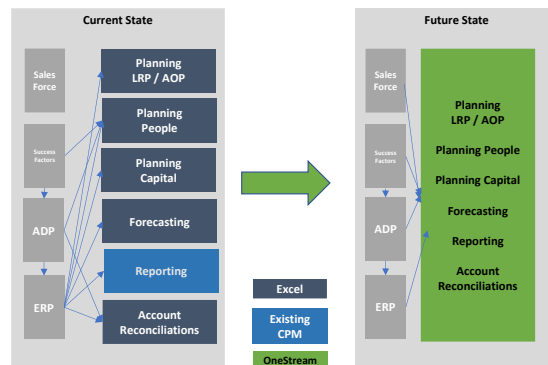
Shifting to strategic plan and digital reporting structure



## Outcome Based Model



## Business Transformation Model



OneStream has made significant investments in its financial planning capabilities resulting in dramatically improved functionality to support driver-based plans and scenario models and provide a compelling opportunity to completely change the work for accounting and finance while materially improving the quality and speed of financial plans and forecasts.

We are in the process of fully evaluating the capabilities of OneStream and plan to make a compelling business case to invest in the new functionality.