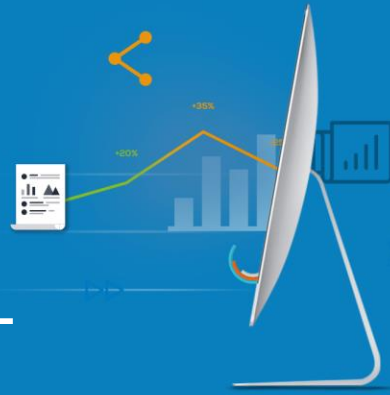


# CCH TAGETIK PRODUCTION COST PLANNING and CONTROL



## Don't Let Costs Be a Wrench in the Production Line

Production cost planning needs to be an integral part of your company's budget. Now you can merge this keystone process into your financial management mix, giving all departments involved —logistics, manufacturing, purchasing, sales, and finance— the insight to align their activities around realistic, profit-centered budgets. When you need bottom-up approach to production cost planning, our solution comes complete with everything you need to control costs, improve decision making and maximize profit.

## CCH Tagetik Production Cost Planning and Control

### ALIGN OPERATIONS AND FINANCE

Production cost planning is equal parts a finance issue and operational issue. Tackle both using our unified solution's single data source and central planning platform. Production can manage the MRP and sales and finance can see the COGS and consolidated plan— all in one solution. Both units can simulate the impacts of changes to production costs on operational scenarios and the P&L.

### MAXIMIZE PROFITABILITY

Automate MRP by reconciling operational needs with the financial reality. Use cost allocation to analyze the profitability of each product, product line, plant, or group. Allocate production capacity over time and plants. Set controls at the sales, production and warehouse levels. Reflect BOM, purchase prices, standard UOM and work cycles in the production, purchase, subcontract and workload plan.

### IMPROVE CONTROL

Control production cost planning across processes, departments, and contributors with a unified solution. Assign tasks, manage approvals, keep track of collaborators, and identify bottlenecks using our automated workflow. Define responsibility and see who owns each part of the process. Ensure transparency with an audit trail that captures every milestone in the data lifecycle.

### BETTER INSIGHTS, BETTER DECISIONS

Our powerful data engine, the CCH Tagetik Analytic Information Hub, collects and centralizes granular information across production, sales, and finance, giving you transparency into true costs. The Hub enables you to compare distribution workloads in what-if scenarios and play out the impacts of changing costs on the BOM, work cycles, purchase price, and stock.

### CALCULATE COGS PRECISELY

Improve the efficiency of COGS calculation process by using pre-built templates for production, purchase, and contract workload plans. Play out how these numbers change based on modifications to production, purchasing or contracts. By seeing the P&L impact, you can choose the best way forward for both financial and production.

### REDUCE IT DEPENDENCY

Pre-packaged and built based on best practices, our solution was constructed based on insights gained from years of implementing production planning solutions. With its user-friendly front-end, Finance and Operations can manage the solution without depending on IT.

*“Today, more than ever it's important to have a clear line of sight from production operations through to finance for COGS. Having a planning solution with the transparency and the levers to adjust based on real-time data provides control and the ability to quickly pivot your plans to address market changes.”*

**Anthony Marzetti**

VP Product  
CCH Tagetik

### Why CCH Tagetik?

- **Finance Owned:** Purpose built to be maintained by Finance, reducing TCO and dependency on IT.
- **Unified CPM Solution:** Consolidation, Planning, Reporting and Disclosure in one solution.
- **Reliability:** Our implementation team consistently delivers.
- **Cloud Without Compromise:** On premises. On cloud. One solution. The choice is yours.

## Addressing Common Challenges

**Fragmented Planning Processes:** To control production costs, you need to analyze these costs from all angles and perspectives. Production, cost and sales must be calculated in chorus to determine their P&L impact. It is crucial to have a tool that is capable of processing and calculating these components in tandem.

**Inconsistent Data Across Production, Sales and Finance:** When logistics, manufacturing, purchasing, sales, demand and finance departments use different data to create their plans, the result is spilled funds and decisions made without the P&L in mind.

**Increased Reliance on COGS:** Changing course in times of high uncertainty requires organizations to choose the best business pivot based on testing out the potential scenarios. And yet, many companies don't have a way to gauge the effects of key costs, like COGS, on KPIs like net income.

**Delocalization of Production:** With production spread across many plants and geographies, and local data fragmented along with it, corporate finance teams struggle to get a complete understanding of an organization's performance, or a true understanding of the drivers influencing profitability.

## Features

**Materials Requirements Planning (MRP):** Plan for production, purchasing and subcontract and workload by plant, currency, scenario, standard unit of measure (UOM), purchase price, bill of materials (BOM) and work cycles. Calculate the monthly BOM, MRP to support sales, account for intercompany sales and MRP workload.

**Production Cost Planning for Finance:** Allocate costs by product. Calculate the purchase cost, standard production cost, closing inventory and COGS and see their impact on P&L by plant and by group.

**What-if Scenario Analysis:** Simulate and compare the impacts of sales, COGS, purchase cost, stock valuation, assets — and more — on your P&L.

**Built-in Financial Intelligence:** Automatically convert currencies, run on-the-fly FX simulations and report on foreign exchange rate effects.

**Advanced Analytics and Dashboard KPI's:** Access and transform granular data into actionable information and then illustrate those insights on dynamic, real-time dashboards. Get a view of your full cost planning KPIs including products analyzed, sales by entity, COGS, initial, and final stock value.

**Collaboration, Workflow and Audit Trail:** Monitor and control processes with a customizable workflow that has built-in logic for assigning tasks, submissions, collaborator communication, and approvals. Capture the lifecycle of data and plans every step of the way with an audit trail that tracks who did what, when, and where.

**Pre-built Solution:** This solution comes pre-built with automatic data validation, a process workflow, collaboration tools, end-to-end audit trail, and enterprise-level security that keeps sensitive information confidential.

## About Wolters Kluwer | CCH Tagetik

Wolters Kluwer enables finance, legal, tax, and healthcare professionals to be more effective and efficient. We provide information, software, and services that deliver vital insights, intelligent tools, and the guidance of subject-matter experts. We understand the complex challenges that face the Office of the CFO and translate that knowledge into intuitive, enterprise-scale CCH® Tagetik performance management software solutions that drive business results. With over 180 years' experience in the markets we serve, Wolters Kluwer is lifting the standard in software, knowledge, tools and education.