

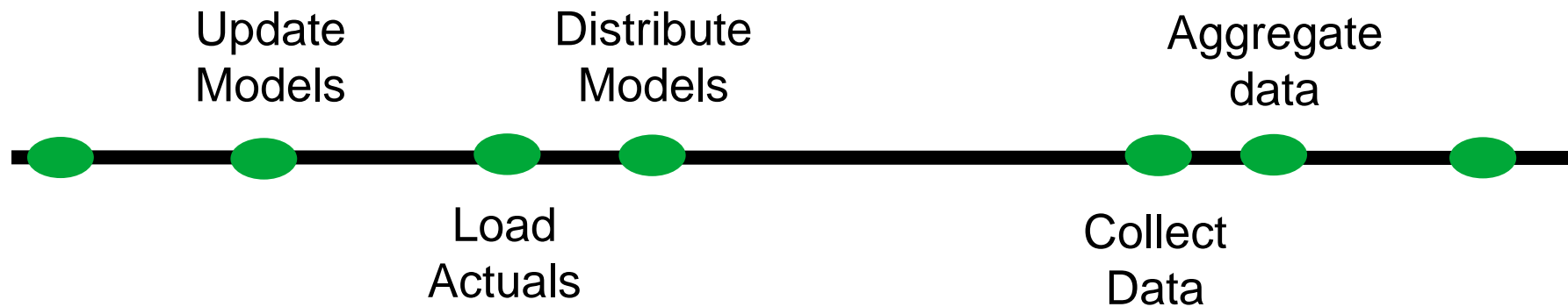
Planning, Analysis & Modeling

Business Analytics
and Optimization University

Sales Readiness Course



What Customers Struggle With Spreadsheet Hell – The Traditional Approach To Planning, Budgeting & Forecasting



What Customers Struggle With High Costs, Poor Accuracy, Lack Of Confidence

Difficulty deploying spreadsheets and legacy systems for collaborative and analytic processes

Lack of insight in to extra-finance involvement

Financial analysis and management reporting **limitations** which can cripple a department's **abilities to react** and drive growth

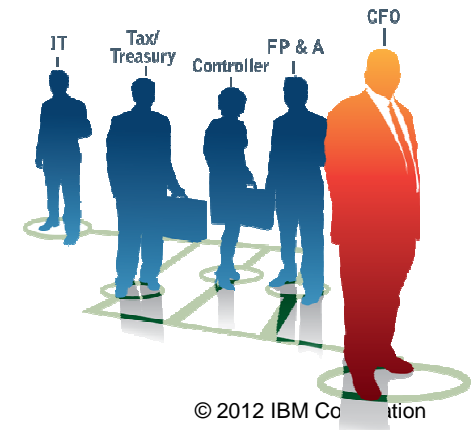
Can only share scenarios by **sharing spreadsheets**

Poor performance against large data sets

Multiple scenarios typically require **multiple spreadsheets**

Disparate systems resulting in **limited accessibility** to data, **disconnected plans and analysis** and **unreliable insight**

Too many **dependencies on IT**, reporting and system maintenance takes too long, resulting in a lack of finance's ability to meet the dynamic needs of their organization



Identifying the desired outcome

What if you could...

- avert predictable surprises from financial & operational performance.
- provide a complete & consistent view of financial performance.
- increase the quality of communications to your stakeholders.
- deliver timely, reliable forecasts & plans that align operational tactics to financial/corporate targets.
- automate financial & operational plans and forecasts enable your department to engage the right LOB managers?
- significantly shorten your process and submission timelines?
- reduce spreadsheet prone errors?
- reduce of staffing hours on consolidation efforts?
- eliminate the data governance risk of spreadsheets and help Finance to improve efficiencies in their budgeting and forecasting processes?
- alleviate your departments 'hand-holding' of Finance's applications?

Identifying the desired outcome

Benefits and Values

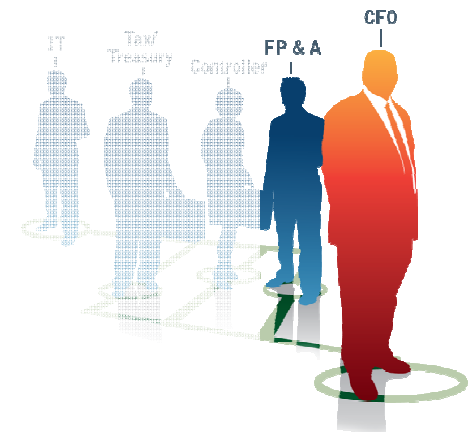
Finance can improve planning, budgeting, forecasting & analysis process by

- Eliminating spreadsheet errors (links, calculations)
- Reducing cycle time by up to 70% (from months to weeks)
- Reducing staff effort by 40-50%
- Increasing accountability and participation and support best planning practices
- Enabling timely, reliable forecasts that align operational tactics with financial targets

What's The Value Respond Quickly To Optimize Business Performance

Finance can improve planning, budgeting, forecasting & analysis process

- Eliminating spreadsheet **errors** and **assumptions**
- **Reducing** staff effort by 40-50%
- Empowers the business to make **faster**, **better** and more **frequent** decisions
- Comparing the value and cost of alternative courses of action in order to **build strong business recommendations**



Planning, Analytics & Optimisation Capabilities to Plan, Forecast and Explore

Model



Analyze



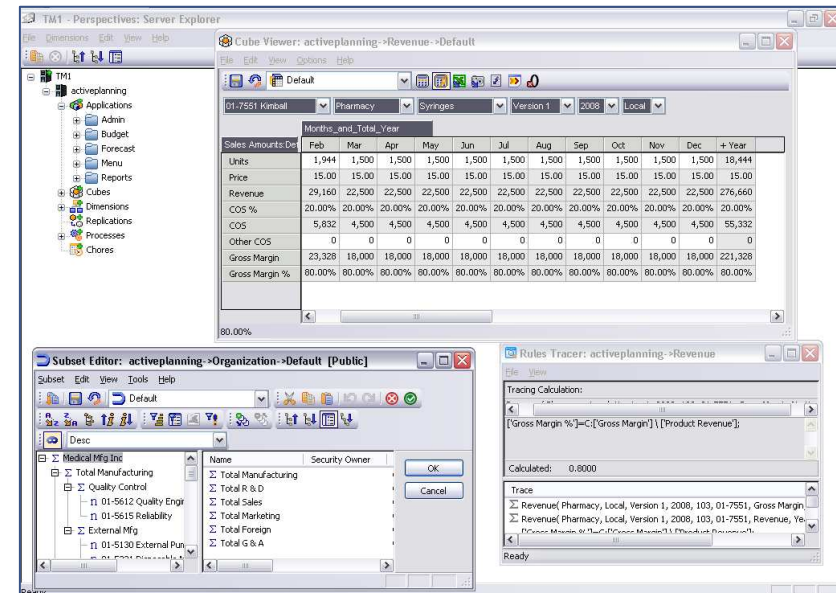
Collaborate



Model

Create and deploy models faster and more easily

- Model the dynamic needs of the organization
- Leverage business knowledge
- Minimize coding and IT resources
- Flexibility to
 - Meet the broad requirements
 - Adapts to changing business process



Collaborate

Increase Accuracy and Confidence

- Wide Participation
 - Focussed Contribution
 - Ownership
 - Communication
- High Frequency
 - Time Appropriate Plans

Contributor - Expense Forecast

Contributions

Reviews

- Total Company
- UK Sales
- US Operations
 - US IT
 - US Marketing
 - US Finance
 - US Legal
 - US HR
 - US Administration
- UK Operations
- US Sales

You are a reviewer or contributor for:

Name	State	Ownership	Reviewer
Total Company	Incomplete	None	None

Which consists of:

Name	State	Ownership	Reviewer
Total Company (All)			
UK Sales	Work In Progress	Admin	None
US Operations	Not Started	None	None
UK Operations	Not Started	None	None
US Sales	Not Started	None	None

Workflow Detail for Total Company

Current state: ● Incomplete

At least one item belonging to this item is **Not started**, and at least one other item is in a state of **Work In Progress**. Data in this state was aggregated. The **Incomplete** state applies only to review approval items.

Changed time: June 15, 2009 8:26:21 AM EDT

Changed by: Admin

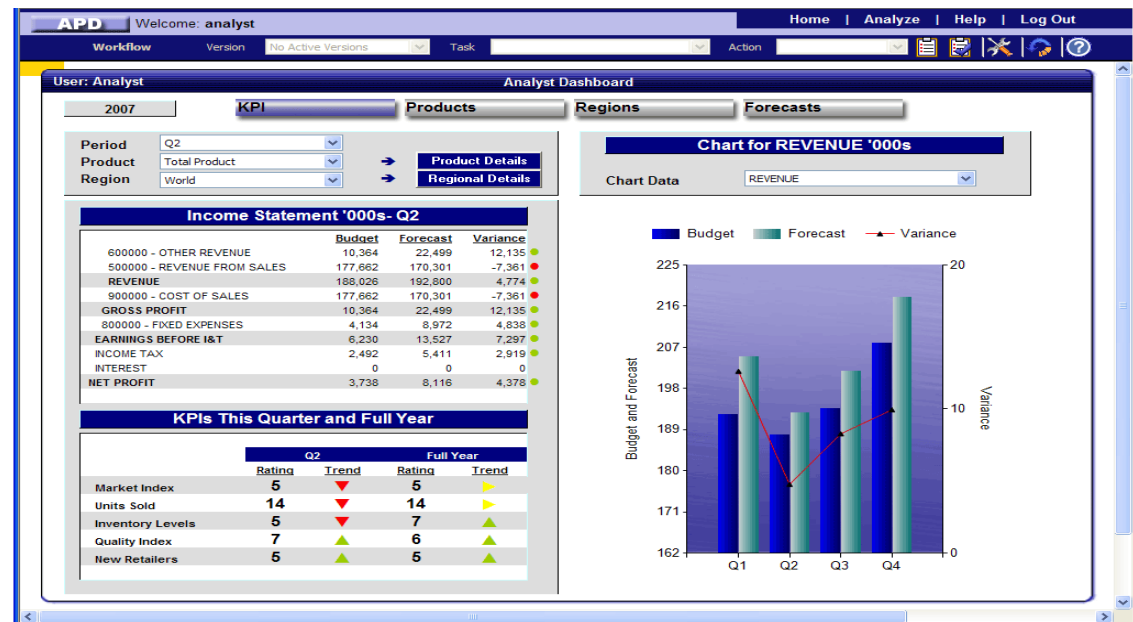
Viewed: yes

Reviewed: no

Analyse

Make Better Decisions and React Faster

- Investigate Performance Gaps
- Validate Drivers and Assumptions
- Define & Explore “What If” Scenarios
- Organisation
- Product/Channel Mix
- Exchange Rates
- Etc.



Why Customers Choose IBM Cognos TM1 Finance Can Perform Analysis Quickly And Easily

- Owned By Finance
 - Easy-to-use administration functions and minimal maintenance required reducing need for specialized IT resources
 - Centralized administration, rules development, and data source agnostic ETL extraction
- Power/Scalability
 - Real Time
 - Not limited on data scale thanks to TM1's 64-bit in-memory read/write OLAP
- Breadth of Planning & Analytic Capabilities.
- Part of a wider, integrated Business Analytics Platform.

The IBM Business Analytics Impact A Customer Story

Key Pains

- Company was unable to respond to rapid change (9/11 decimated company; Wars in Afghanistan and Iraq + SARS impacted world travel)
- Planning and budgeting took too long, added little value;
- Forecasts took weeks to compile and were too detailed and inaccurate

Impact

- On the way to becoming a lean and efficient finance function – They create space and time for decision support
- Added value by implementing a continuous planning process to manage the future including a fast, company-wide, driver based forecasting process
- Organization can now constantly prioritize resources to better manage risk and support best investment opportunities



Result

Shortened the forecasting cycle, increasing efficiency

- 37% reduction in time required to complete one forecast cycle due to process redesign and automation

Enabled more frequent resource allocation decisions

- Those additional opportunities enabled Amex to increase investments by 20%, yielding an 8% rise in new cards.

How to Use this Deck

Attn Sellers:

- This is a compilation of several different FSR presentations that emphasizes certain points & use-cases of FSR
- Use in an 'ala carte' manner to create the presentation depending on the audience and the opportunity
- Before presenting these slides - qualify each meeting agenda – are you hunting for:
 - **Integrated SEC Reporting solution**
 - **Enterprise Disclosure Management solution**
 - **Automation and enhanced controls around Excel based processes**
 - **Transitioning from GAAP to IFRS**
 - **A combination of above**
 - **All of the above**
- Create a customer presentation based on the above criteria
- Also – add relevant analyst coverage of different use cases for FSR located at the end of the deck

How to Use this Deck (cont)

Attn Sellers:

- Slides 1 – 6 are generic and can be used as base slides for most presentations
 - 2 – highlights the many manual processes and challenges in the OOF
 - 3 – highlights the risks in MS Office to perform critical PM processes and reporting
 - 4 – highlights the key capabilities and value drivers of FSR
 - 5 – Explains how FSR works – gives context for the rest of the conversation
 - 6 - Visually shows the powerful capability of ‘single version of the truth’ using FSR
- Depending on the agenda/problem that the prospect is looking to solve add the relevant set (or combination of sets) of slides next:
 - Integrated SEC Reporting solution
 - Enterprise Disclosure Management solution
 - Automation and enhanced controls around Excel based processes
 - Transitioning from GAAP to IFRS
 - What the analysts are saying

IBM Cognos FSR

Governance, Automation and Standardization in the Office of Finance

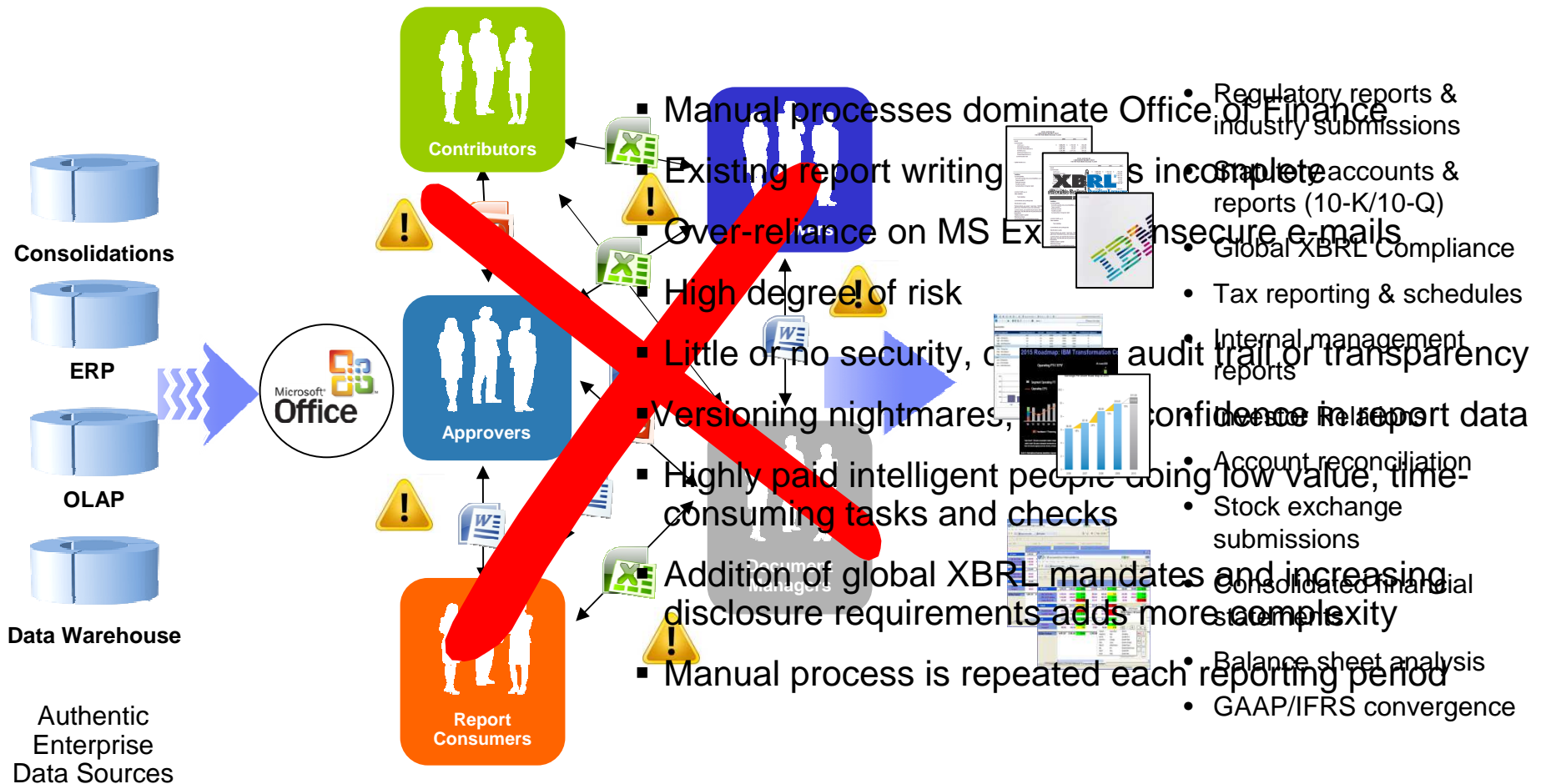
Dan O'Brien
April 2012

Current Challenges in Office of Finance



- Today's finance function must be lean and controlled in order to drive value
- Existing processes and infrastructure doesn't enable compliance, collaboration, or data quality - making it nearly impossible to operate effectively....

Manual Finance & Report-Based Processes no Longer Sustainable



Governance, Automation and Standardization IBM Cognos FSR

The screenshot displays the IBM Cognos Financial Reporting Studio (FSR) interface. It features several overlapping windows and panels:

- Data Wizard:** A panel on the left for configuring data sets and page options.
- Workflow:** A central panel showing a workflow diagram with steps like 'Data Contributor (Editable)', 'Reviewer Manager', 'Data Collector', and 'External Auditor'.
- Financial Reporting A:** A window displaying a consolidated balance sheet for Office Supplies Inc. for the year ended December 31, 2009.
- Legal:** A window showing a report on 'Nonhazardous Waste Recycling' with a prominent '8.4%' figure.
- XBRL eXtensible Business Reporting Language:** A large logo at the bottom of the interface.
- Reporting Tools:** Various icons for 'Data Contributor', 'Reviewer Manager', 'Data Collector', and 'External Auditor' are visible.

The financial reporting window shows the following data:

	2009	2008	2007
Assets			
Current Assets	\$ 1,006,510	\$ 2,163,239	\$ 852,206
Cash	1,502,261	120,076	1,428,054
Accounts Receivable	1,841,554	313,037	1,557,722
Inventory	1,276,096	2,071,912	844,803
Prepaid Expenses	71,864	-	52,287
Other Current Assets	19,225	12,826	19,101
Total	6,916,282	4,999,092	4,888,104
Liabilities			
Current Liabilities	2,479,287	682,873	1,983,517
Accounts Payable			
Total	\$ 6,900,779	\$ 5,388,865	\$ 6,872,621

Embed governance, audit trail and controls management

Enhance data Integrity
Address enterprise disclosure and efficiency across the global financial operation

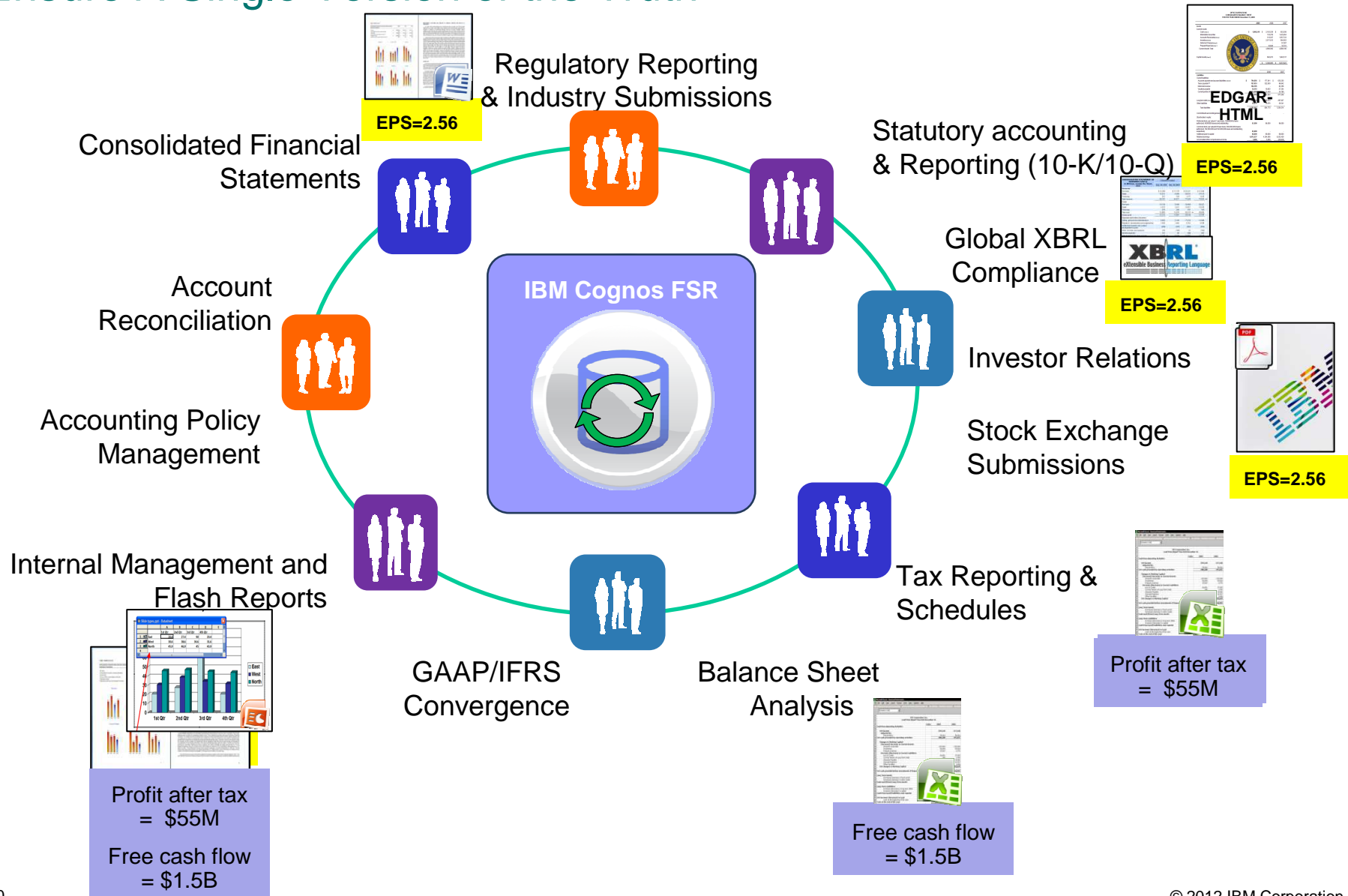
- Enhance awareness and visibility of timely and accurate statutory, tax and regulatory compliance data that causes integrity concerns
- Increase efficiency and cost reduction through process automation

- **Automation**
- Accelerate and streamline global finance operations to significantly reduce costs
- Increase operational agility and re-focus effort to more value added analysis

IBM Cognos FSR – How it Works



Ensure A Single Version of the Truth



Risk mitigation

1 Risk of Errors

Feature	Benefit
Integration to source data	No re-keying of data
Variables in text	Consistency across the report
Validation Rules	Numbers always tie-out

One version of the truth

Feature	Benefit
Security to view or edit each object	Users only see the data they are supposed to see
Workflow controls access throughout the process	Users only see data when they are allowed to see it

Access to information is controlled

3 Risk of Insider Leaks

Risk of Late Filing

2

Feature	Benefit
User prior report as a template for the next period	No need to re-apply formatting
Automatically load new data	No need to re-key data

Start reviewing the final report sooner

Feature	Benefit
Compliance Checklists	To ensure that the right steps are being followed
Audit Trail	To track who did what, and when they did it

Increased confidence in the final report

Risk of Non-Compliance

4

