

IBM Cognos Performance
Better Intelligence. Better Business.

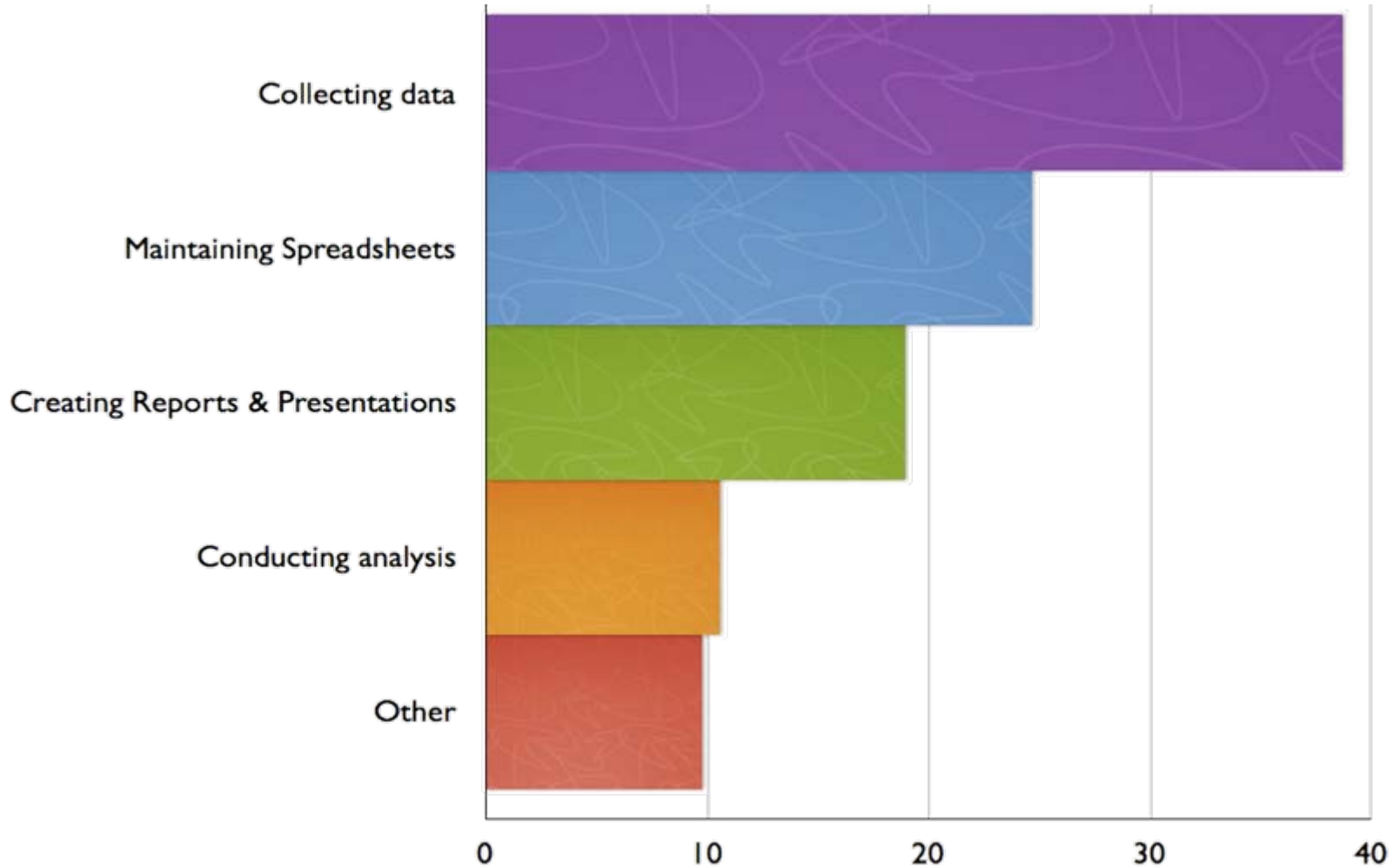
Tips for Driving Enterprise- Wide BI and Performance Management Success



Three Questions that Drive Performance



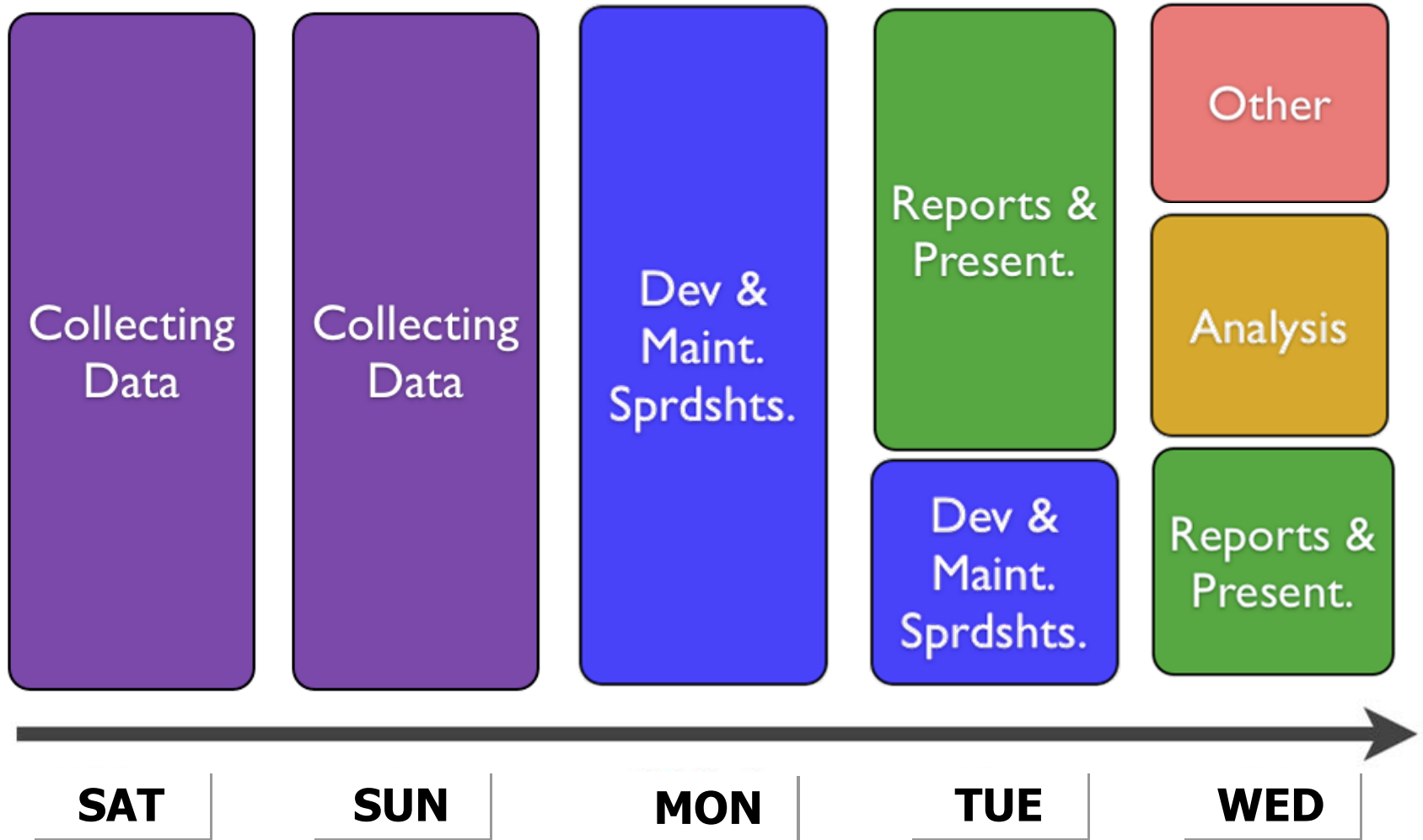
How do we spend our time?



Cognos Planning Survey 2008



Same data...different perspective



#1

CIOs chose Business Intelligence and Analytics as the #1 most important visionary plan element – IBM Global CIO Study, September 2009

Organizations experience up to a 20% increase in productivity when using BI and PM – IBM Cognos ROI Evaluation Report, Nucleus Research, May 2009

20%

68% of organizations are considering or actively implementing BI technologies – Forrester, The Business Case for BI, Now More Critical than Ever, Boris Evelson, August 2009

68%



BUT...

Penetration of active users is only 24% – Pervasive Business Intelligence, TDWI, 3rd Quarter, 2008

24%

“Only 14% of companies are connecting strategy to execution with their BI and Performance Management Initiatives”

– Computerworld survey, March 2009

14%

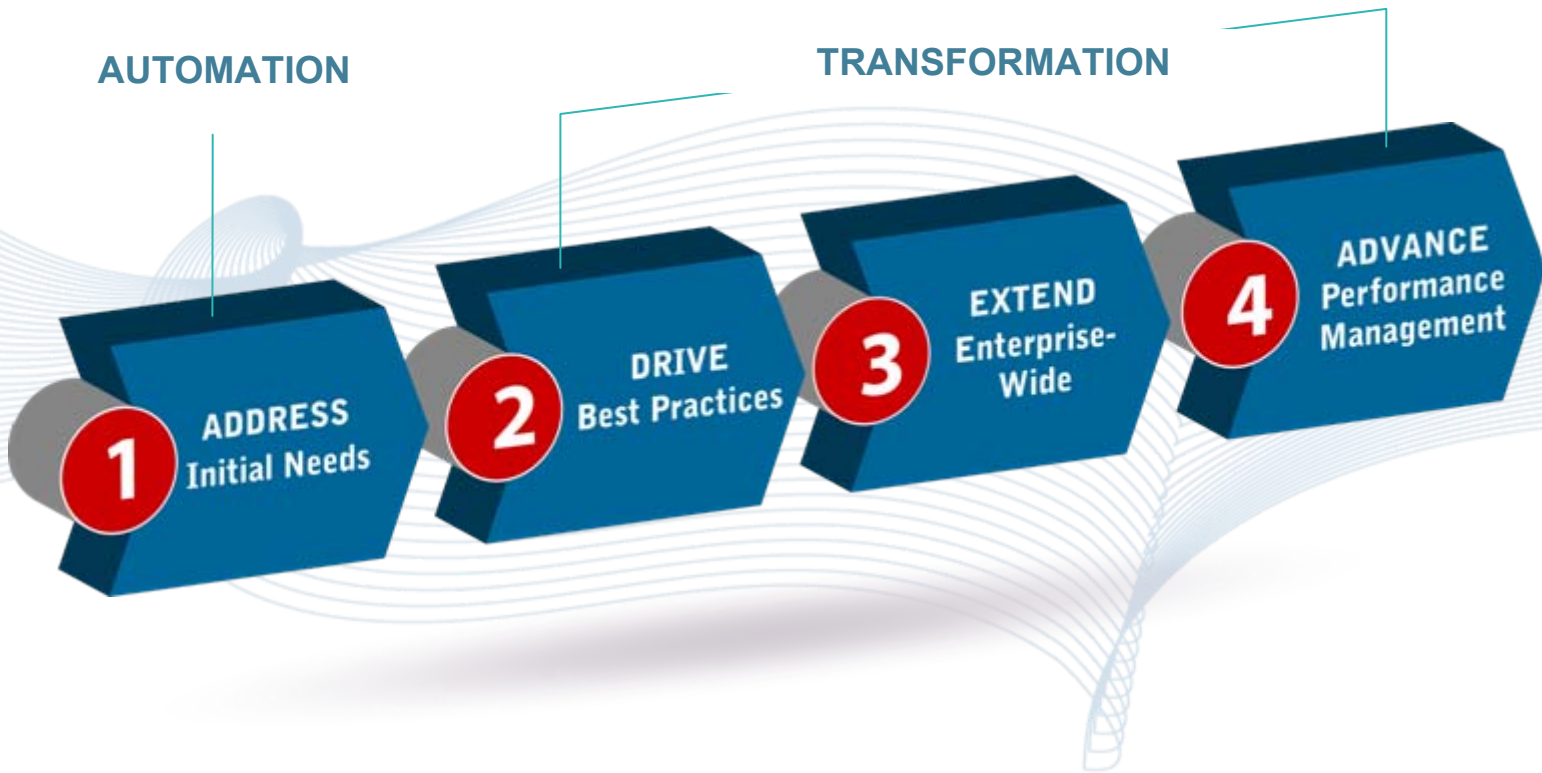
67%

Cite lack of time, budget and resources as their main challenge for implementing BI and Performance Management Initiatives

– 2009 Computerworld survey



A roadmap towards success



Address Initial Needs



Move Beyond Spreadsheets



People

- Free up experts
- Engage casual users

Process

- Eliminate re-keying
- Enable process visibility

Technology

- Leverage familiar user interfaces (Excel, Web)
- Implement workflow

Cognos Advantages

- Structures and automates all key financial PM processes
- Delivers systems “driven” by finance



Drive Best Practices

1

ADDRESS
Initial Needs

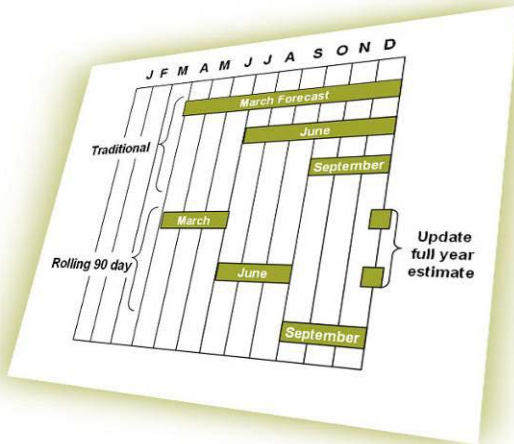
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DRIVE
Best Practices

3

Enterp
Wid

Best Practices



People

- Redeploy experts
- Rethink user communities

Process

- Rethink the horizons
- Drive Faster cycles

Technology

- Leverage common data architecture
- Model non-financial measures and metrics

Cognos Advantages

- Offers flexible systems that support best practices
- Provides know-how and resources to support transformation



Success Factor - The Innovation Center



RESEARCH, CASE STUDIES, ARTICLES



David Axson
President,
The Sonax
Group



Jeremy Hope,
BBRT



Wilfried Lux,
FH Sankt Gallen



Steve Lukens
Global Leader,
Financial
Management,
IBM

ASSETS, RESOURCES, EVENTS

Innovation Roundtables
Member Communities

Best Practices
Performance Blueprints

IBM Cognos
Innovation Center
for Performance Management

MEMBERS AND PEER NETWORK / COMMUNITY



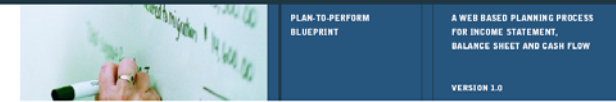
Blueprints: Hands-on Best Practices



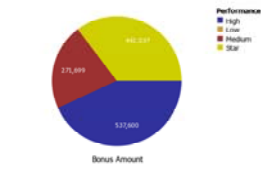
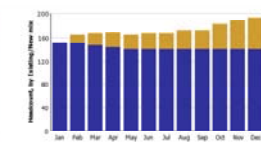
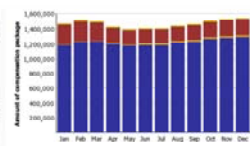
Blueprints

- Pre-defined models
- Incorporated Best Practices
- Integrated and aligned
- Tried, Tested, Validated
- Flexible, open, smart

STRATEGIC FINANCIAL PLANNING AND FORECASTING



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Salary	49,473	53,500	55,666	57,333	52,867	53,784	53,784	56,284
Merit	167	361	537	630	724	747	747	3,365
Merit %	0.34%	0.67%	0.96%	1.10%	1.37%	1.39%	1.39%	5.98%
Total Salary	49,641	53,860	56,203	57,963	53,591	54,531	54,531	59,649
Commission Earned	0	0	0	0	0	0	0	0
Recoverable Draw	0	0	0	0	0	0	0	0
Minimum Guarantee Draw	0	0	0	0	0	0	0	0
Bonus	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,939
Equity (Cost Basis)	287	288	289	290	267	267	267	281
Severance	0	0	0	0	0	0	0	0
Total Employee Comp (less Equity)	56,282	60,501	62,843	64,604	60,232	61,171	61,171	66,588
Total Employee Comp (Including Equity)	56,569	60,789	63,133	64,893	60,499	61,439	61,439	66,869
Headcount	16.00	18.75	19.75	20.75	19.75	20.25	20.25	21.25
Headcount Change	0.00	2.75	1.00	1.00	(1.00)	0.50	0.00	1.00
Bonus %	13.30%	12.33%	11.82%	11.46%	12.39%	12.18%	12.18%	11.63%



You have access to a rich portfolio



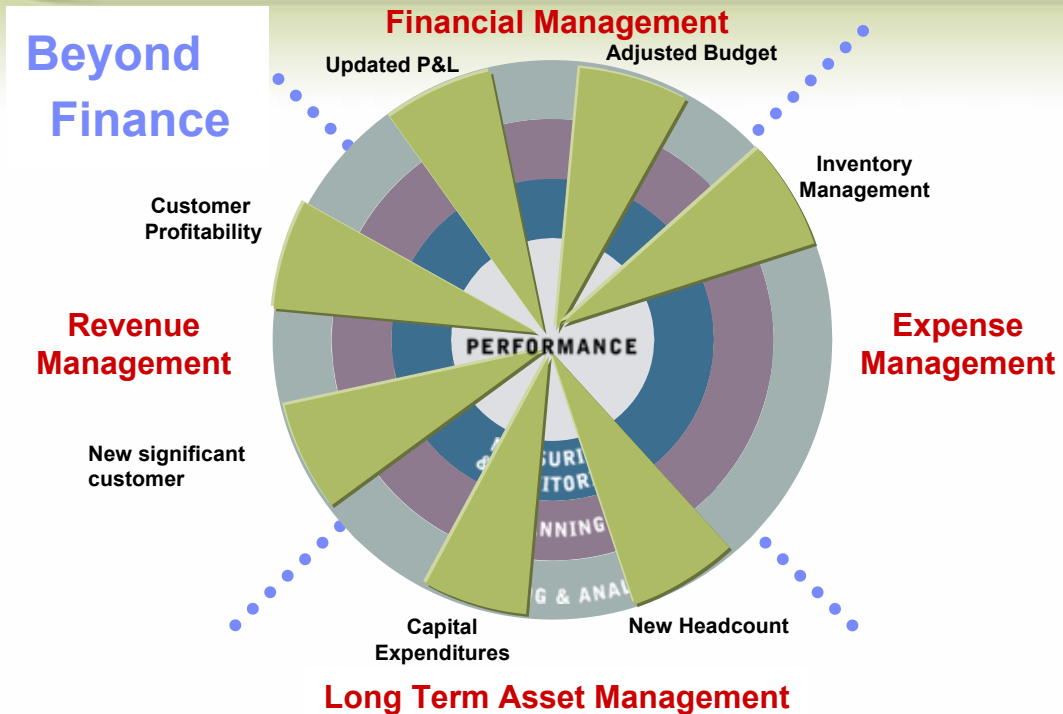
PERFORMANCE BLUEPRINTS BY FUNCTION

Best-practice blueprints use planning, analytics, consolidation and BI capabilities to address recurring financial and operational planning and management processes

- **NEW!** Strategic Investment
 - Expense Planning & Control
 - Revenue Planning & Forecasting
 - Workforce Planning
 - Capital & Initiative Planning
 - ...
- Management and Financial Reporting (MFR)
 - Close, Consolidate, Report (CCR)
 - Group Consolidation and Corporate Reporting (GCCR)
 - ...



Extend Enterprise-Wide



Cognos Advantages

- Easily models and links operational plans, analytics, and metrics
- Supports rapid prototyping
- Provides know-how and resources to support transformation



Leverage the industry Blueprints



PERFORMANCE BLUEPRINTS BY INDUSTRY

Best-practice blueprints that leverage PM capabilities by design to address industry-specific performance management processes linked to competitive advantage

Financial Services

- Branch Performance
- Retail Banking Customer Segment Performance
- Corporate Banking Customer Segment Performance
- Product Performance for Insurance
- Risk-Adjusted Profitability for Banking (IBM)

Life Sciences

- Clinical Trial Planning
- Sample Optimization

Manufacturing

- Sales & Operations Planning
- Trade Promotion Management
- S&OP Executive Review

Retail

- Store Operations (P&L)
- Store Development
- Merchandise Planning

Government

- Program Objectives Mgt



Advancing Performance Management

3

EXTEND
Enterprise-
Wide

4

ADVANCE
Performance
Management

Drive Performance



People

- Lead culture change
- Develop competency

Process

- Improve process linkages

Technology

- Span enterprise systems; reconcile “differences”

Cognos Advantages

- Provides all PM capabilities
- Leverage all PM data sources
- Supports development of competency centers



Summary: Your roadmap to success



Performance Management Requirements

- Structure and Automate Core Processes
- Drive and Sustain Best Practices
- Report, Analyze, Model, Plan, and Score Enterprise-wide Performance
- Span all systems and connect management decision-making



Final Tip: How can we calculate the ROI?



Source: "Justifying Your CPM Investment," David Axson



Measures of success

**PROCESS
QUALITY**

How fast are we?
How accurate are we?

**STAFF
LEVERAGE**

How many people do we need?
How much value-add work?

**RISK
MITIGATION**

Can we identify good projects?
What risks do we need to monitor?

**DECISION
QUALITY**

Do we outperform?
Do we satisfy our investors?



Your guide towards the business case



Improving **effectiveness**
is the reason for investing

Improving **efficiency**
justifies investment

Source: "Justifying Your CPM Investment," David Axson

Available for download @ www.ibm.com/cognos/innovation-center



Important Links & Next Steps

Blueprints, Whitepapers, Workshops & More:

www.ibm.com/cognos/innovation-center

Performance Management Experience Workshop:

www.ibm.com/cognos/pmes

Innovation Center for Performance Management

Your connection to best practices and industry leaders

IBM Cognos Performance
Better Intelligence. Better Business.

Thank you!



Outcomes of Best Practice BI And PM Initiatives

- IBM Cognos software can **improve the productivity of workers** involved in reporting, finance, or analysis by up to **20 percent**
- Nucleus finds that when organizations use IBM Cognos software to improve the productivity of its workforce or analyze how it is deployed, **staffing needs can be reduced** by up to **15 percent**
- Nucleus finds that IBM Cognos software enables companies to **reduce asset levels** by up to **15 percent**



*ROI Evaluation Report, IBM Cognos Software, Nucleus Research,
May 2009*

