IBM

# FINANCE FORUM 2009

# Strategy management with IBM Cognos 8 BI Scorecarding v8.4

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# *Agenda*

- Strategy Execution Failure

- Scorecarding Maturity Level

- IBM Cognos 8 BI Scorecarding Value

  – Addressing Strategy Management & Scorecarding Issues

- Product Demo: IBM Cognos 8 BI Scorecarding

- Conclusion

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# Strategy Execution Failure

- Less than 10% of companies successfully execute their strategy (Fortune Magazine)
  - Mediocre growth
  - Lost market share
  - Lower profitability

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# *Reasons for Strategy Execution Failure*

- Lack of strategy communication

- Lack of ownership & accountability

- Lack of focus on strategic objectives

- Lack of a comprehensive business view
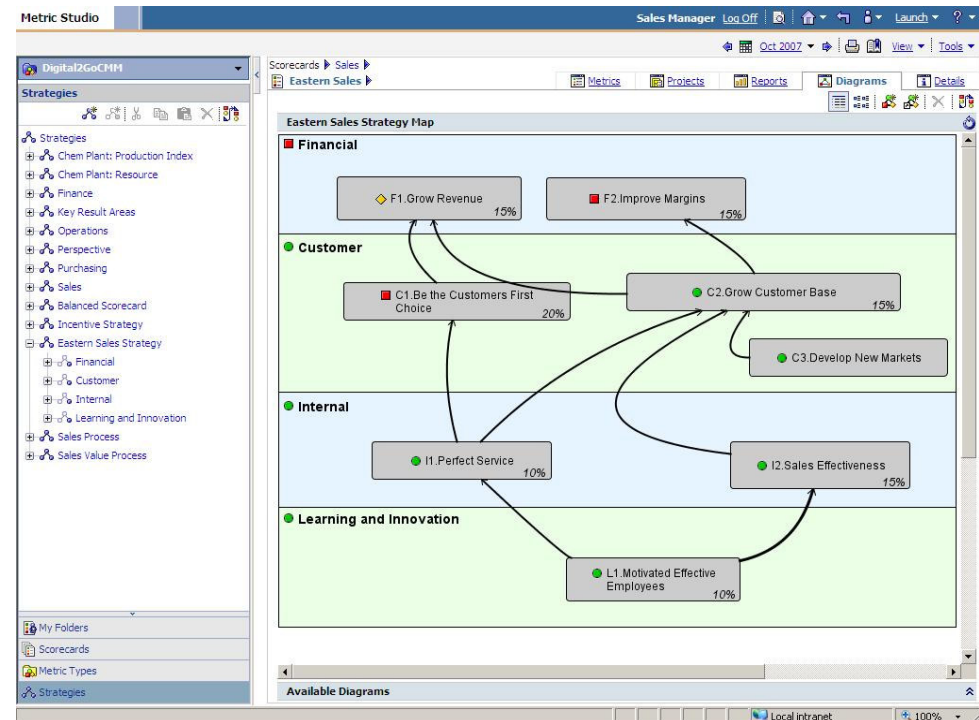
# *What is a Scorecard?*

- Captures strategic and tactical objectives
  - Improve revenue by 20%
  - Reduce costs by 10%
  - Increase market share by 5%

- Provides a status of how an organization/LOB/Dept is performing against objectives
  - Red, Yellow, and Green status indicators

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# *Scorecarding Maturity Level*

- *Visualize metrics in a report or dashboard*
- *Metrics not strategically aligned*
- *Basic performance monitoring*

**Performance Management Impact**

**Metrics Monitoring**
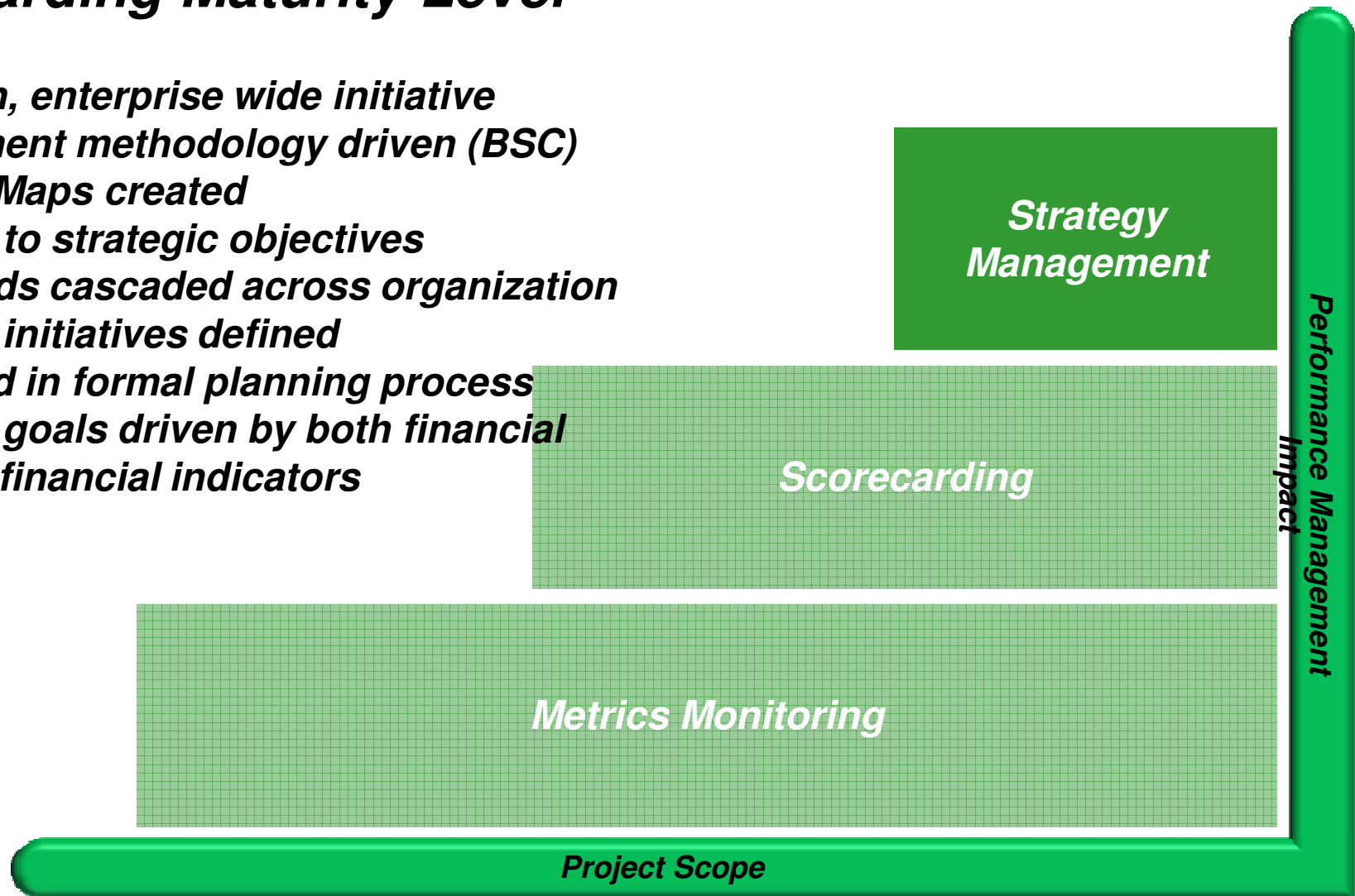
**Project Scope**

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# Scorecarding Maturity Level

- **Standardized metrics**
- **Departmental or across teams/franchises**
- **Metric ownership and accountability**
- **Common metrics framework**
- **Metrics linked to BI reports and analysis**
- **Not part of top down, enterprise initiative**

*Performance Management Impact*

**Scorecarding**

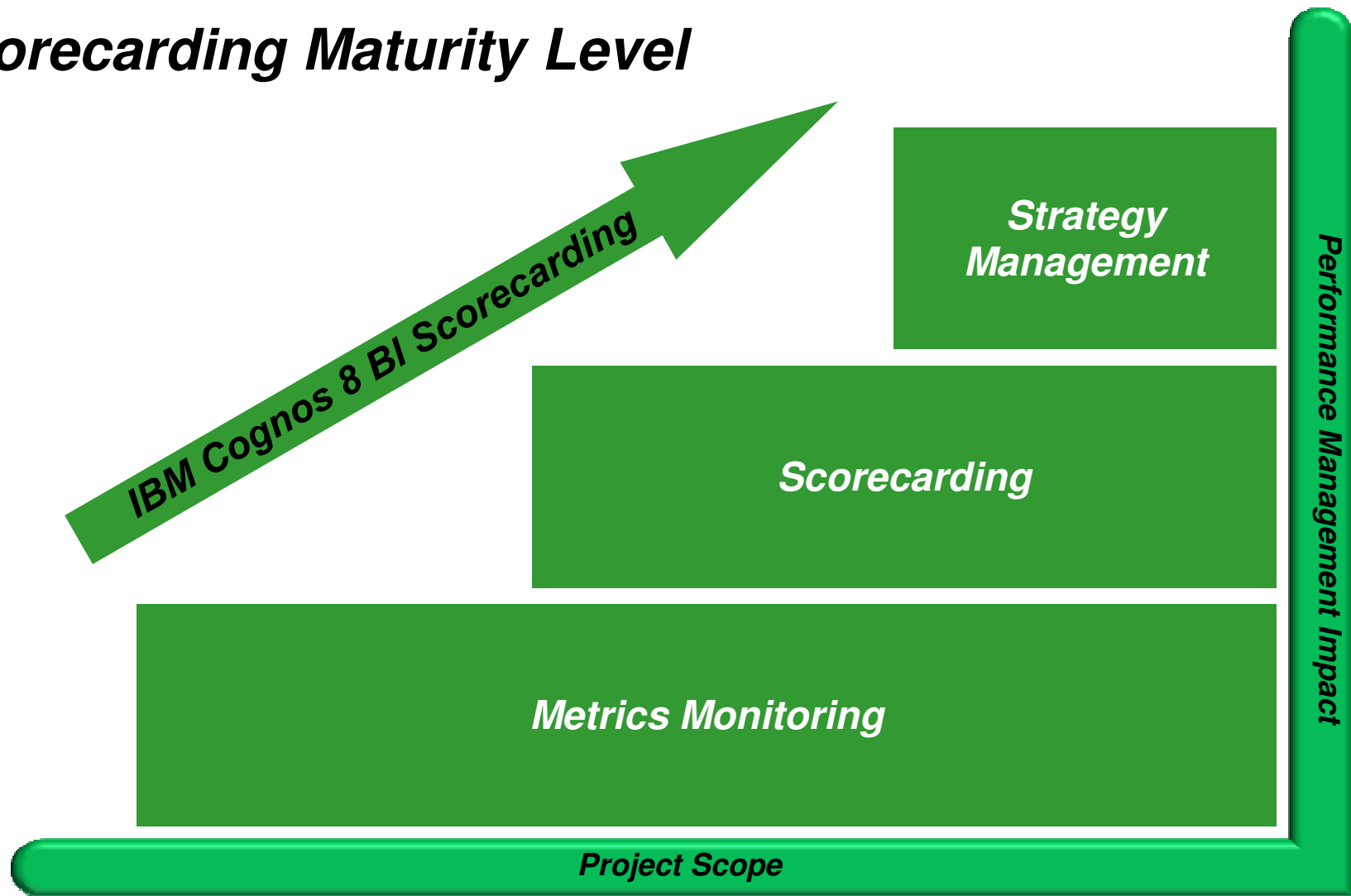**Metrics Monitoring**

**Project Scope**

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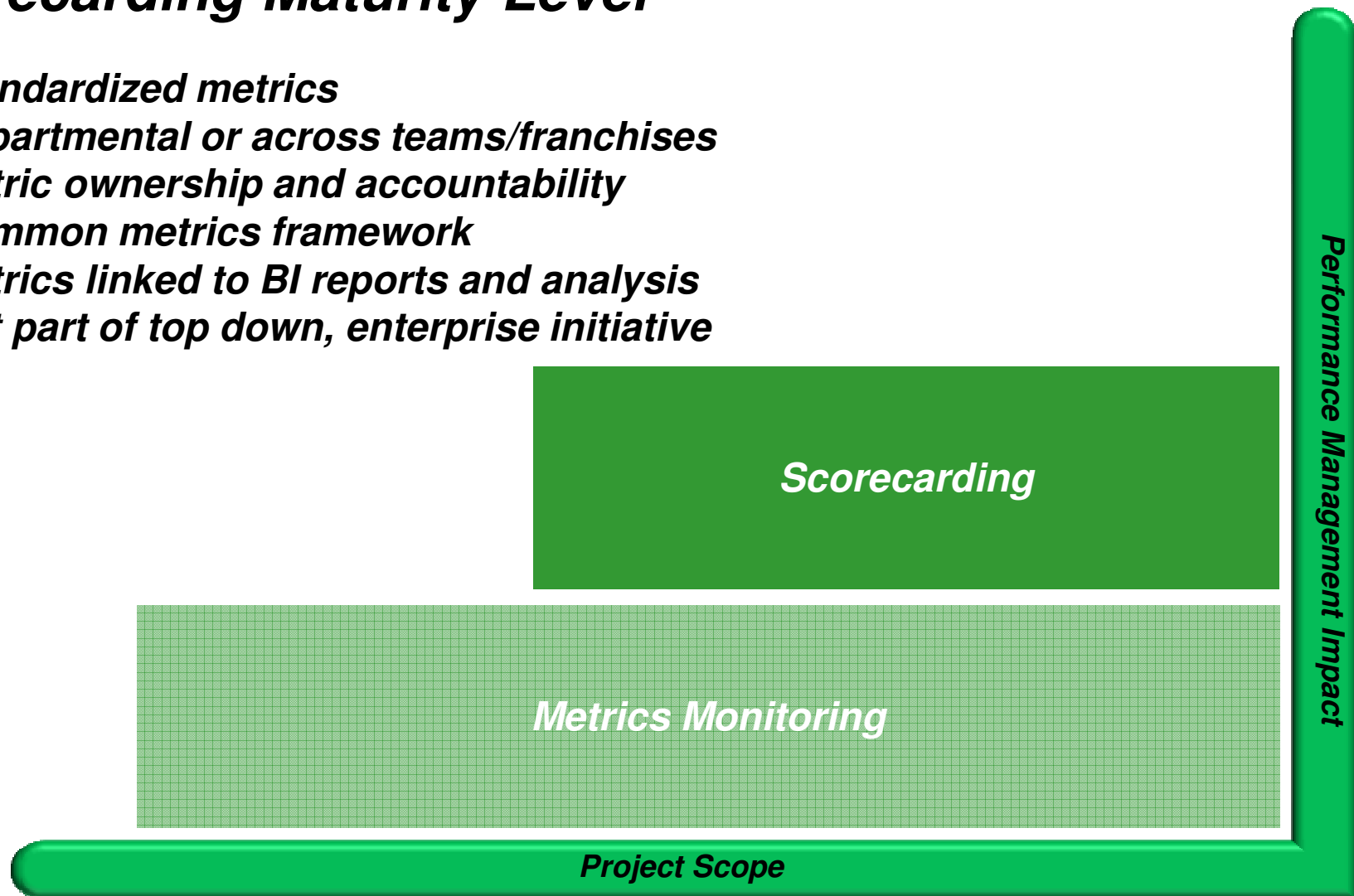
# Scorecarding Maturity Level

- *Top down, enterprise wide initiative*
- *Management methodology driven (BSC)*
- *Strategy Maps created*
- *KPIs tied to strategic objectives*
- *Scorecards cascaded across organization*
- *Strategic initiatives defined*
- *Integrated in formal planning process*
- *Strategic goals driven by both financial and non-financial indicators*

**Strategy Management**

**Scorecarding**

**Metrics Monitoring**

*Performance Management Impact*

**Project Scope**

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# Scorecarding Maturity Level



**IBM Cognos 8 BI Scorecarding**

**Strategy Management**

**Scorecarding**

**Metrics Monitoring**

**Performance Management Impact**

**Project Scope**

# *IBM Cognos 8 BI Scorecarding v8.4*

- Strategy Map & Impact Diagram portlets

  - Strategic scorecard information now available in portal based dashboards

- IBM Cognos Go! Dashboards

  - Scorecards and metric lists available
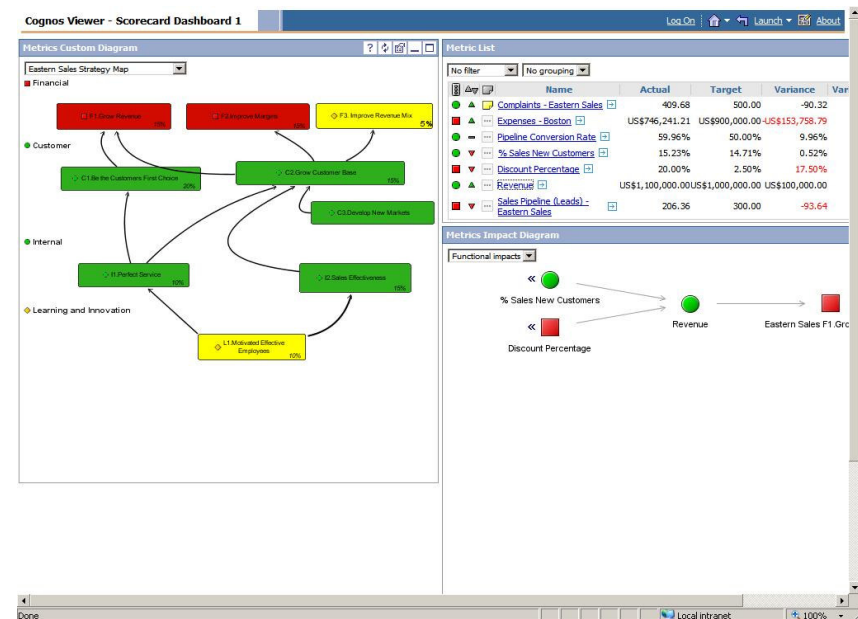


*You can communicate scorecards & strategic information more easily to a wider audience*

# *Create Once, Consume Anywhere*

## *Managed*
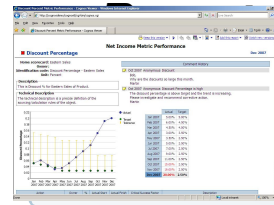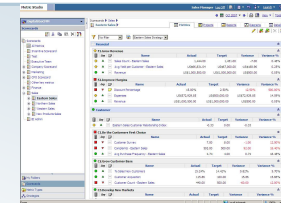
> *Scheduled personalized pre-authored scorecard reports*

## *Scorecarding*

> *Interact with and customize all scorecard information*

## *Go! Dashboard*

> *Dynamic and customizable dashboards based on trusted scorecard data*

**Create Scorecard Info Once in C8 BI Scorecarding**

## *Portal Dashboard*
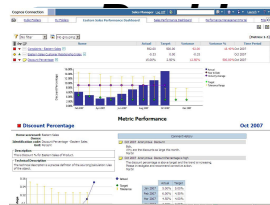
> *Scorecard info via portlets*

## *Go! Mobile*

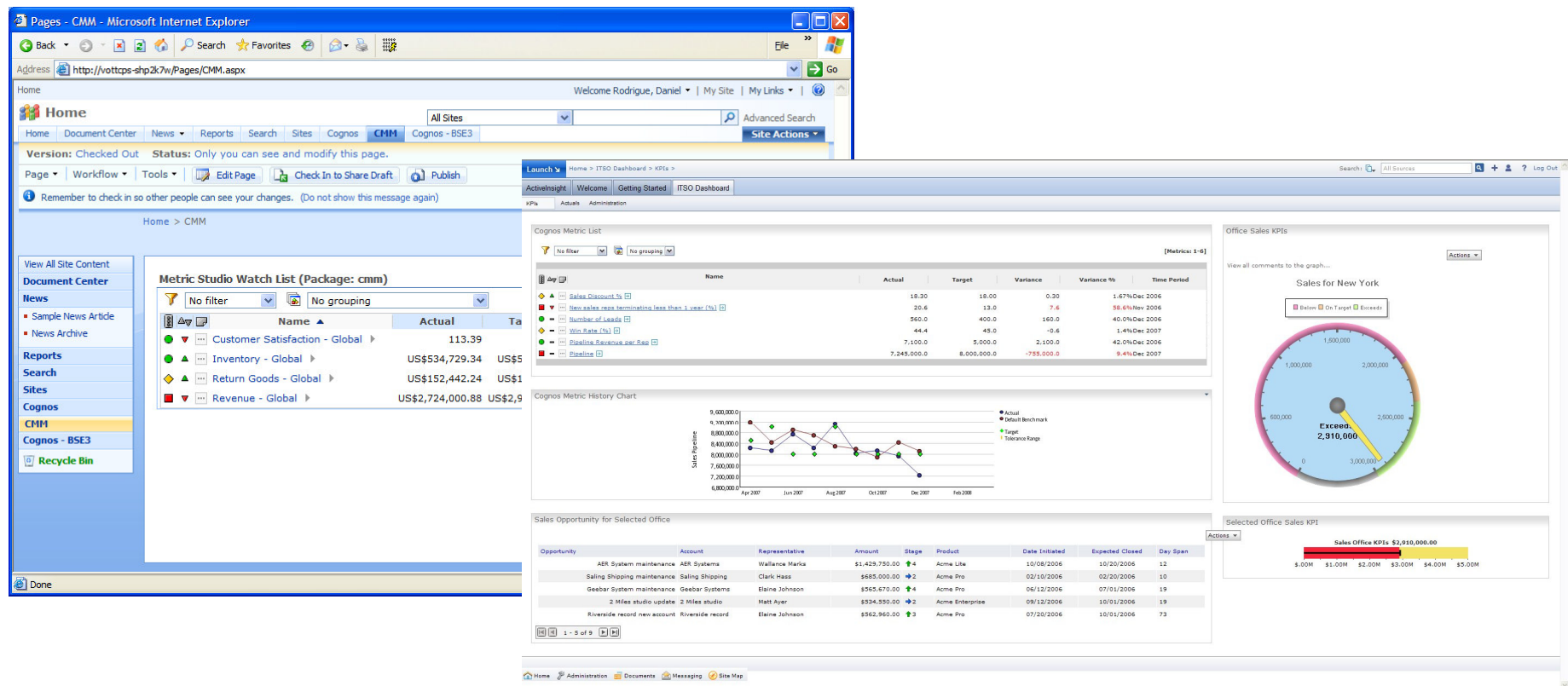> *View and consume scorecards on Mobile Devices*

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# *Supports Open Standards*

- IBM Cognos 8 BI Scorecard portlets support WSRP
  - Can be viewed in non-IBM Cognos portals

# *IBM C8 BI Scorecarding Demonstration*

# *Conclusion*

- IBM Cognos 8 BI Scorecarding
  - Core component for Performance Management
  - Automates the strategy management and scorecarding process
  - Addresses customer requirement across the scorecarding maturity level
- Top down approach – IBM Cognos 8 BI Scorecarding
  - Links strategy to execution
  - Communicates strategy
  - Provides employee focus
  - Ensures accountability and ownership

Thank You

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