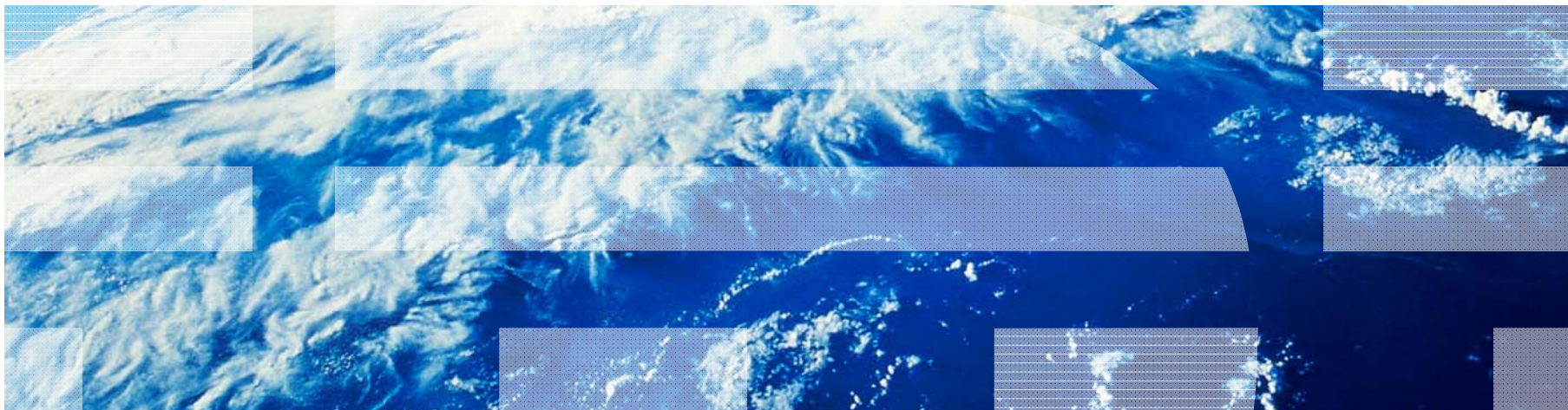




Improving business performance with IBM Cognos 8 BI: Better decisions for all users, with maximum IT efficiency



Agenda



Optimizing performance



Business user challenges

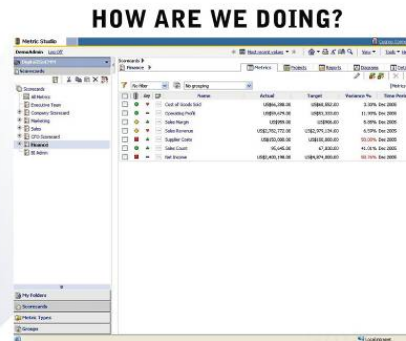


Capabilities and demos

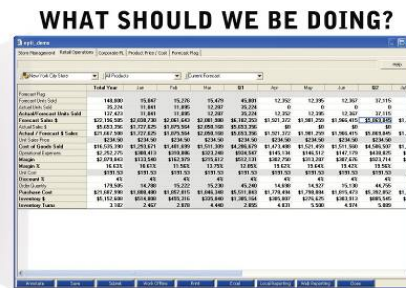


Deployment options

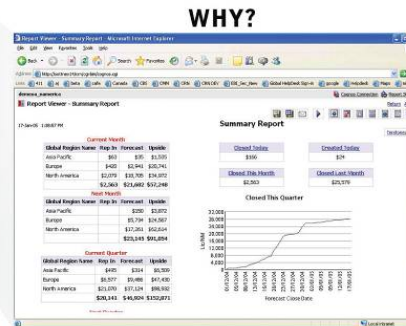
Three questions that drive BI & Performance Management



Measuring and Monitoring



Planning



Reporting and Analysis

- Provides 'snap shot' view of business
- Personalized and relevant for most impact
- Easy to modify and explore and get to the heart of the issue

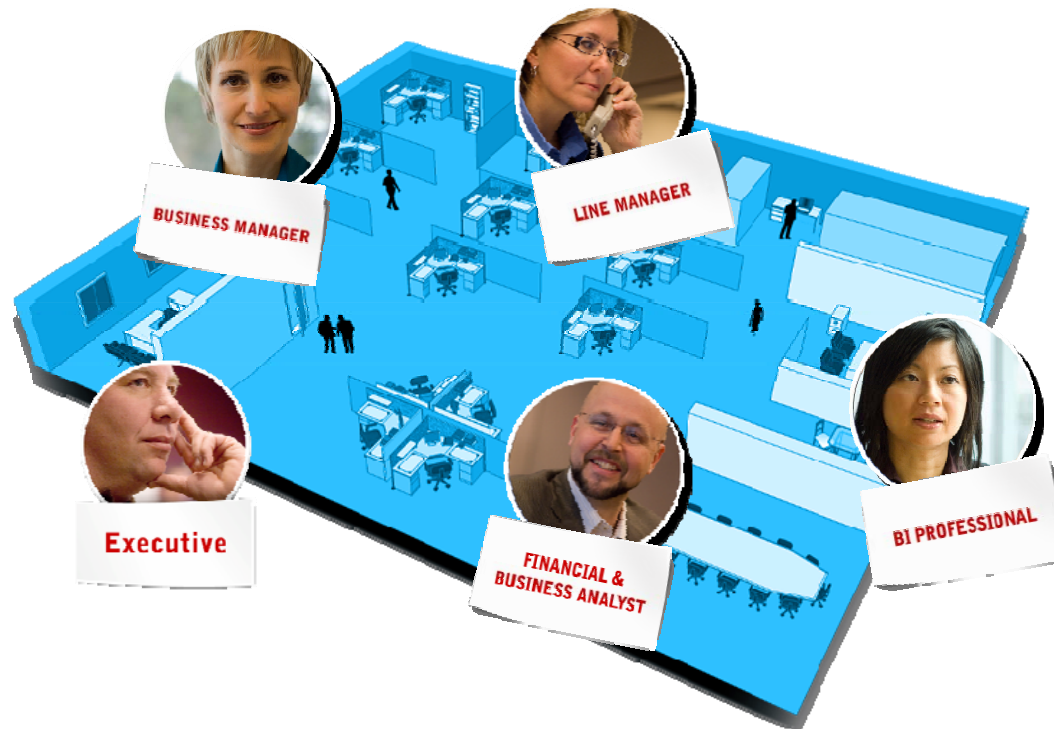
The reality of living in a globally integrated world

- Economic integration and future uncertainty
- Increasingly complex supply chains and empowered consumers
- New competitors and fast-changing industry dynamics
- Slowing superpowers and emerging economies
- Energy shortfalls and erratic commodity prices



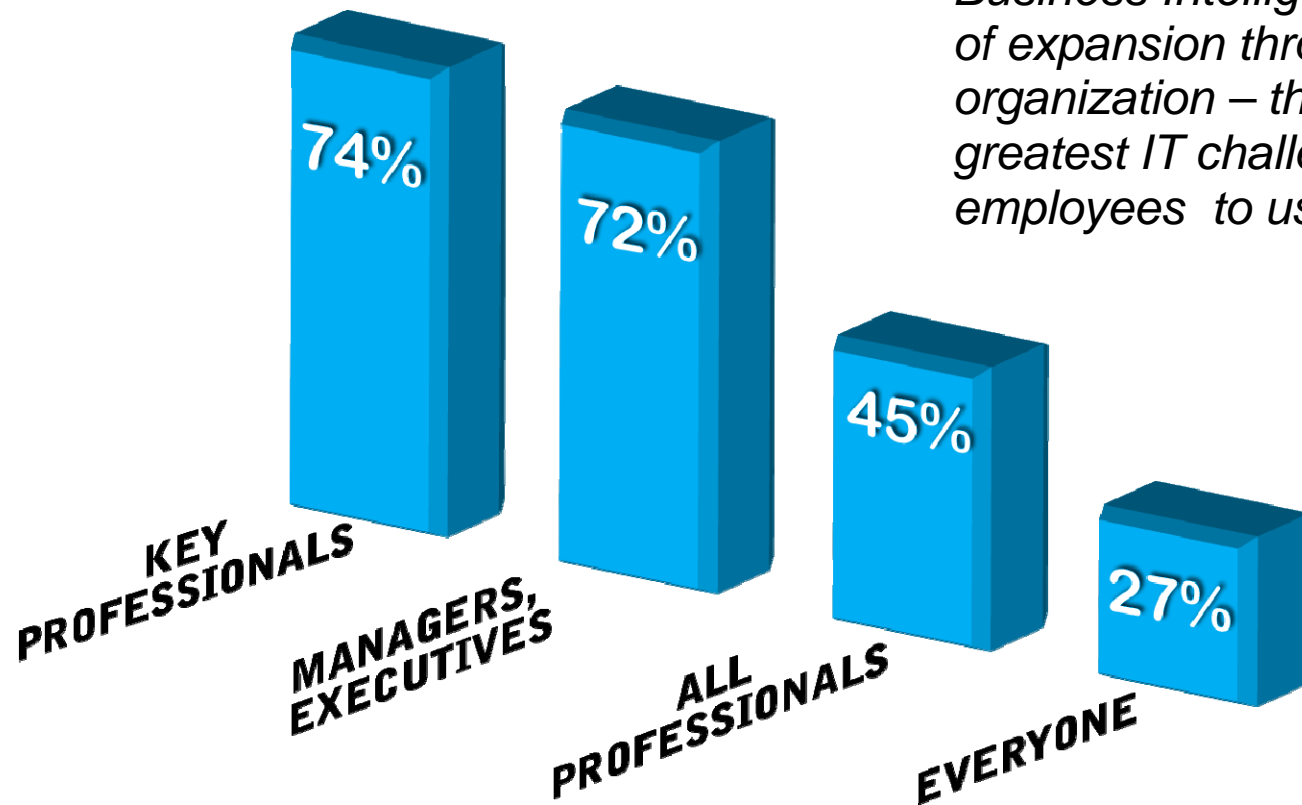
Unprecedented amounts of new information are being generated –presenting both a challenge and an opportunity for organizations seeking insight.

The BI & Performance Management Objective



Everyone in an organization needs business intelligence to ensure they are more informed, engaged, and aligned to drive higher performance

So who actually uses BI?



Business Intelligence is on the cusp of expansion throughout organization – this is reflective of the greatest IT challenge – getting employees to use new technologies

% Importance of distributing BI within organization (% indicates top 3 box of a 10 point rating scale)

Rating Scale:
10 = Extremely important



Source: BusinessWeek Market Advisory Board C-Team Survey



Pain points

..



Executive

Users get frustrated, lose patience with tools they have or don't know where to get information



BI Professional

Every time someone wants a different type of dashboard IT has to create a new one in a different tool



Casual Business User

Users find it frustrating when they have conflicting information.



BUSINESS MANAGER

No ability to investigate the reasons for why the indicators are what they are.

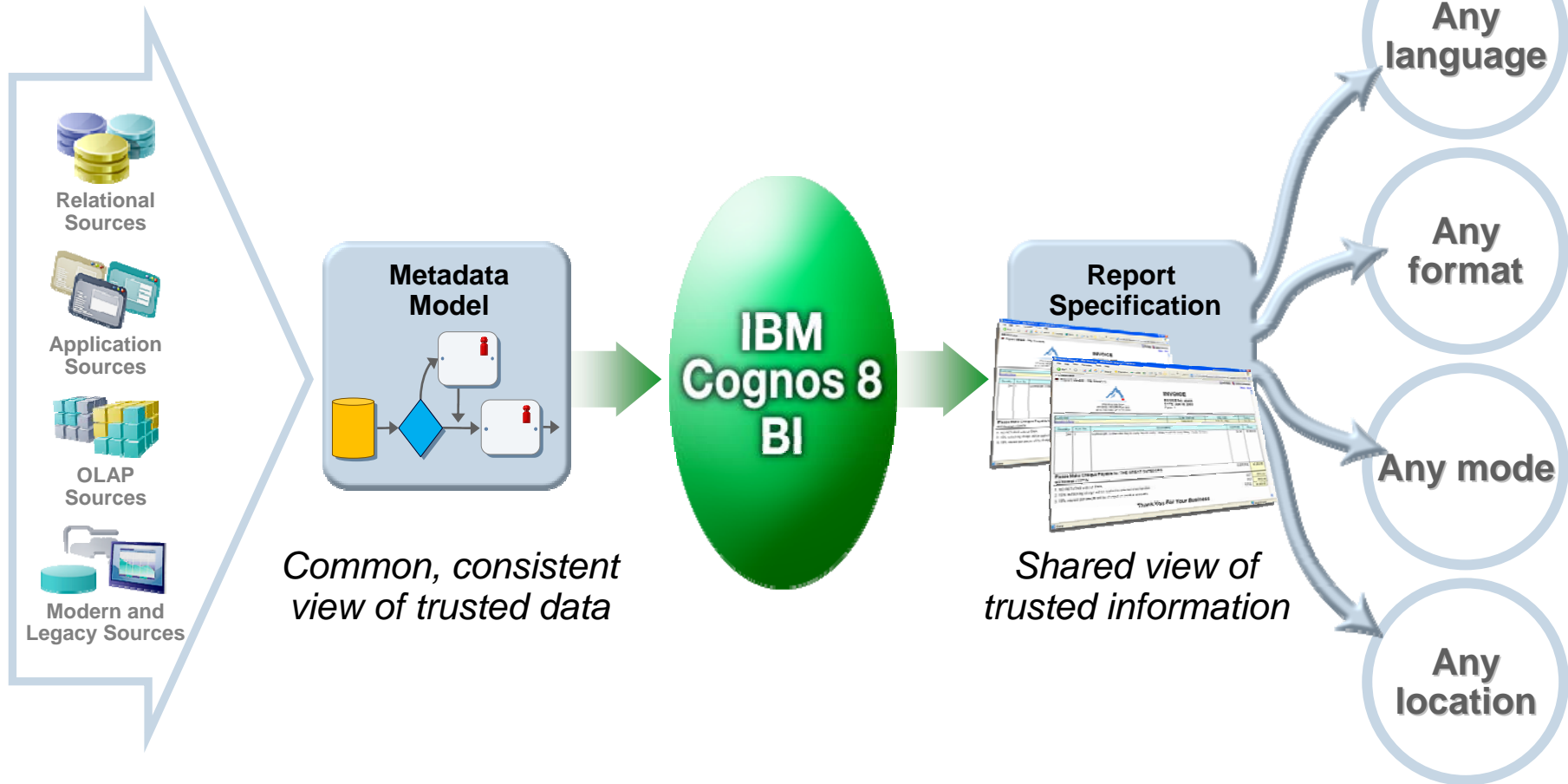
IBM Cognos 8 BI Reporting

IBM Cognos 8 BI Reporting delivers **a single environment**, built on an **open enterprise platform** to address all **reporting requirements**.

- Only IBM Cognos Reporting delivers...
 - Universal data access
 - Full breadth of report coverage
 - Author once, access anywhere
 - Holistic support for global deployments
 - Secure reporting environment
 - Integration with enterprise applications



Author once. Access anywhere.



Constar International's reporting challenge

- The challenge
 - Limited IT resources
- The solution:
 - Empower users to generate their own reports and then train more sophisticated users to create reports in Report Studio to “polish and upgrade” Query Studio reports in Report Studio

Month	Plant Number	Major Description	Minor Description	Actual Units	RF3 Units	Actual Units - RF3 Units	LY Actual Units
200812	710	110-CSD SINGLE SERVE	113- 16 OZ. CSD	0	0	0	1,541,551
200812	710	130-WATER SINGLE SERVE	134- 5L WATER (INCLUDES 16 OZ.)	0	0	0	1,445,080
200812	710	300-FOOD GENERAL	302- SALAD DRESSING	11,481,720	4,263,211	7,218,509	6,472,700
200812	710	300-FOOD GENERAL	306- KETCHUP	10,296,300	9,000,000	1,296,300	1,183,000
200812	710	500-PREFORMS COMB.	501- PREFORM - BEVERAGE	5,232,184	5,231,628	556	0
200812	710	510-PREFORMS CUSTOM	502- PREFORM - OTHER	1,110,000	3,794,326	(2,684,326)	0
Summary				20,122,204	22,209,175	5,833,029	10,642,331



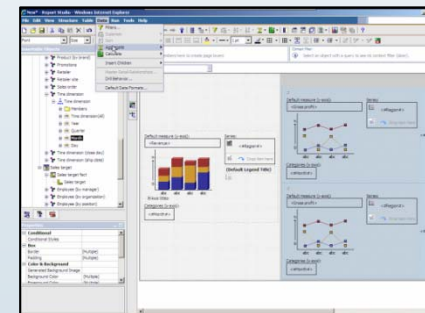
Month	Plant Number	Major Description	Minor Description	Actual Units	RF3 Units	Actual Units - RF3 Units	LY Actual Units
<Month>	<Plant Number>	<Major Description>	<Minor Description>	<Actual Units>	<RF3 Units>	<Actual Units - RF3 Units>	<LY Actual Units>
<Month>	<Plant Number>	<Major Description>	<Minor Description>	<Actual Units>	<RF3 Units>	<Actual Units - RF3 Units>	<LY Actual Units>
<Month>	<Plant Number>	<Major Description>	<Minor Description>	<Actual Units>	<RF3 Units>	<Actual Units - RF3 Units>	<LY Actual Units>
Summary				<Actual Units>	<RF3 Units>	<Actual Units - RF3 Units>	<LY Actual Units>

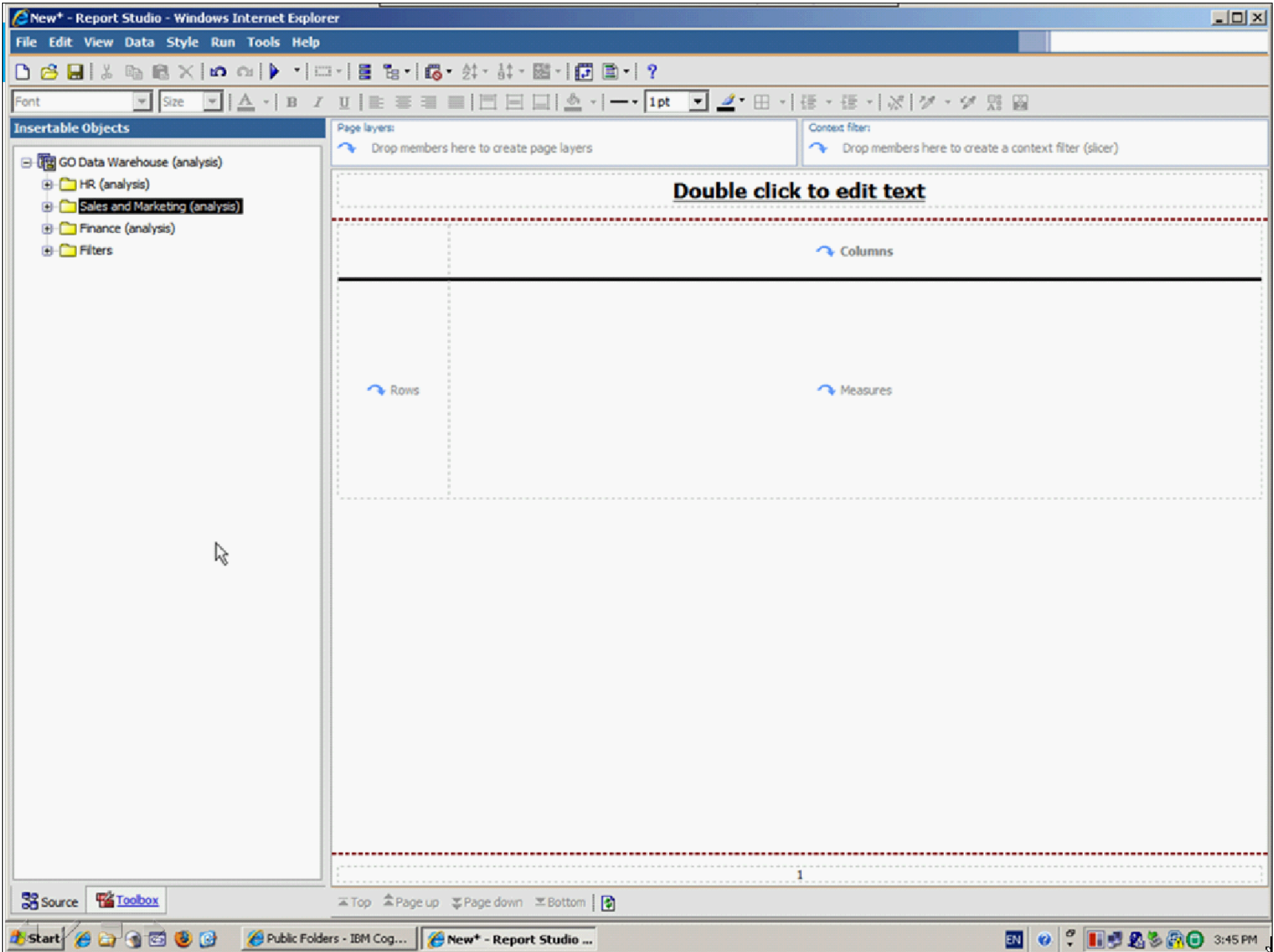
Report authoring for all users

- IBM Cognos 8 BI Report Studio
 - Express authoring mode
 - Simplified user interface
 - Live data
 - Statement-style reports
 - Professional authoring mode
 - Multi-lingual
 - Pixel-perfect formatting
 - Multi-source, multi-page, multi-style
 - All report styles with flexible output
 - Scheduling, email bursting, and event-triggers



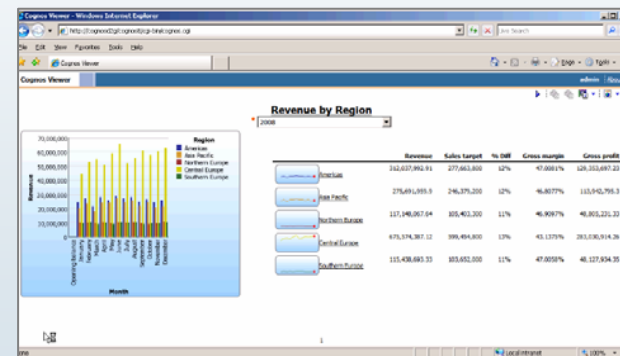
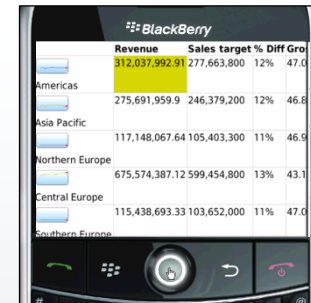
Annual Growth (2004,2005)			
	2004	2005	% Growth (2004,2005)
Current Liabilities			
Total Assets	7,221,655,724.04	8,093,940,061.96	23%
Accounts Receivable Total	1,325,189,463.04	569,639,843.05	-56%
Asset Cost and Clearing Total	141,172,726.08	299,397,506.90	40%
Cash and Short Term Investments	5,548,803,083.53	8,103,812,482.70	46%
Inventory	89,250,919.29	142,496,734.27	60%
Other Assets Total	-48,051,135.76	-71,586,807.90	-48%
Other Current Assets Total	1,956,741.42	4,982,638.42	154%
Resource Rate Variance	231,222.00	-499,434.00	-50%
Total Accumulated Deprec. & Amortization	-43,229,494.19	-48,775,104.81	-57%
Unearned Revenue From Contracts	-10,325,341.00	-20,205,736.42	-90%
Total Assets	0.00	0.00	0%
Total Liabilities			
Accrued Payroll and Taxes	-3,814,383,430.15	-4,724,121,590.79	-24%
Accounts Payable	-305,503,402.15	-465,105,816.43	-33%
Current Income Taxes Payable	0.00	0.00	0%
Current Liabilities	-3,496,247,569.54	-4,032,982,495.26	-15%
Long Term Liabilities	-29,932,314.00	-30,352,191.19	-95%
Other Current Liabilities	-27,943,706.43	-30,552,277.43	-9%
Total Owners Equity	-3,407,372,253.06	-4,144,818,481.17	-12%



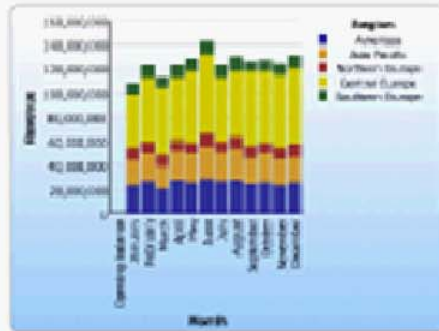


Reports on the Go!

- IBM Cognos 8 Go! Mobile
 - Delivers IBM Cognos 8 BI content to mobile users
 - Leverages the Cognos 8 platform, including security
 - Rich native client, purpose-built
 - Location awareness
 - Support for BlackBerry, Windows Mobile and Symbian



Revenue by Region

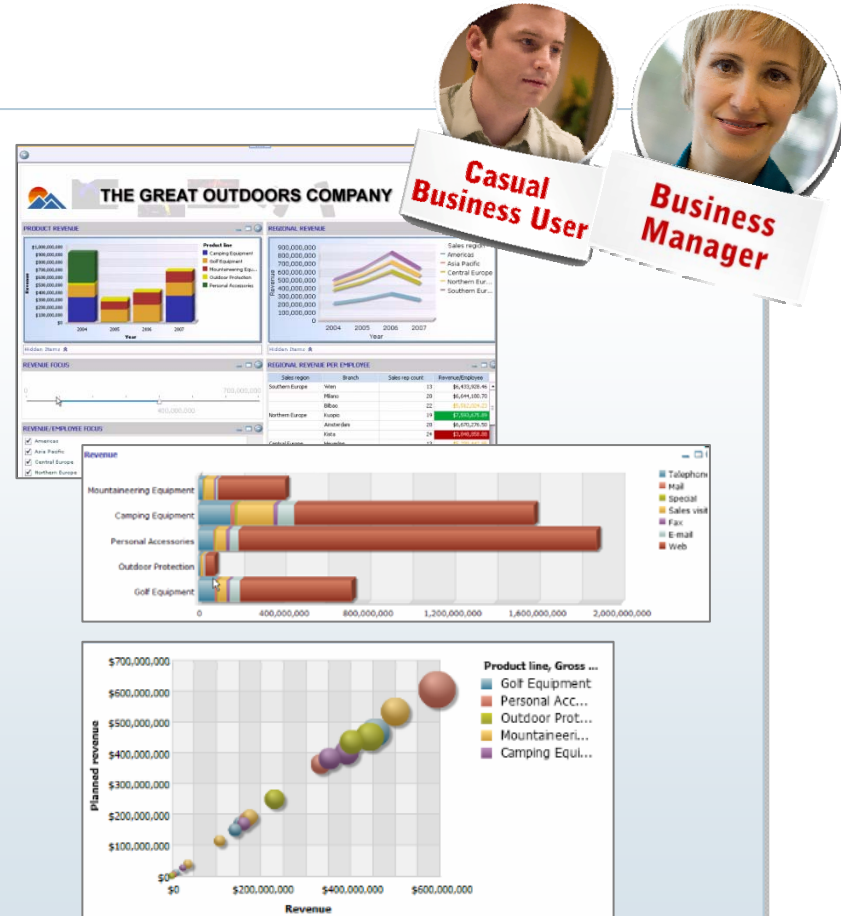


	Revenue	Sales target	% Diff	Gross margin	Gross profit
Americas	312,037,992.91	277,663,800	12%	47.0081%	129,353,697.21
Asia Pacific	275,691,959.9	246,379,200	12%	46.8077%	113,942,795.3
Northern Europe	117,148,067.64	105,403,300	11%	46.9097%	48,805,231.33
Central Europe	675,574,387.12	599,454,800	13%	43.1375%	283,030,914.21
Southern Europe	115,438,693.33	103,652,000	11%	47.0058%	48,127,934.35

Column Focus (Column 5 of 6)

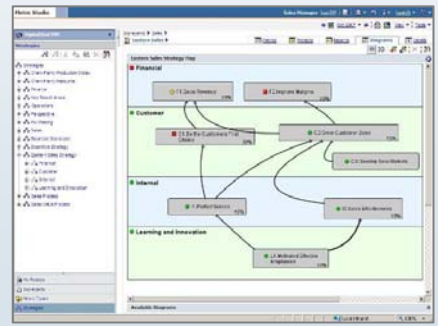
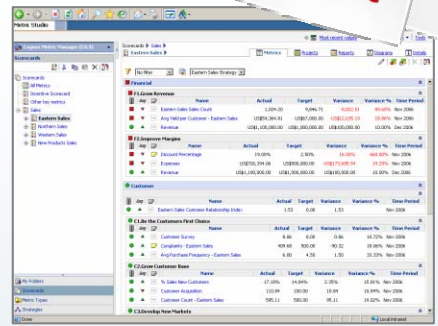
Personalized dashboards

- IBM Cognos 8 Go! Dashboard
 - Dynamic and customizable dashboarding capabilities
 - End users can quickly create and personalize their dashboard
 - Drag and drop ease
 - Trusted Cognos assets



Personalized dashboards

- IBM Cognos 8 BI Metric Studio
 - Link strategy to operations
 - Communicate strategy across the organization
 - Track performance against strategic objectives
 - Create metrics with consistent business rules defining thresholds and targets
 - Provide departmental and employee focus
 - Ensure accountability and ownership
 - Scorecard metrics linked to BI reports and analysis for diagnostic detail

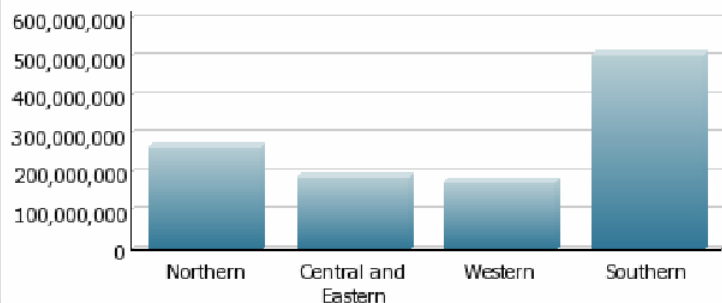


No filter No grouping

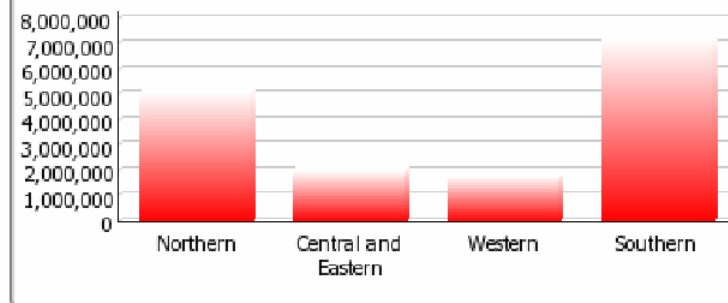
[Metrics: 1-8]

Name	Actual	Target	Variance	Variance %	Time Period
AR to Sales Ratio	1.9	1.2	0.7	58.3%	Nov 2009
% Invoices Past Due Day	13.00%	5.00%	8.00%	160.00%	Nov 2009
Quick Ratio	0.7	1.5	-0.8	53.3%	Nov 2009
Number of Disputed Payments	18	20	-2	10%	Dec 2009
Days Sales Outstanding (DSO)	53.3	40.0	13.3	33.2%	Nov 2009
Days Payable Outstanding (DPO)	23.9	30.0	-6.1	20.3%	Nov 2009
Days Inventory Outstanding (DIO)	8.9	10.0	-1.1	11.0%	Dec 2009
Days Working Capital (DWC)	39.0	60.0	-21.0	35.0%	Nov 2009

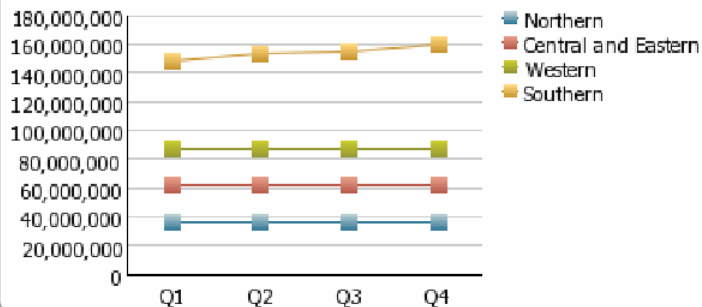
Gross Revenue



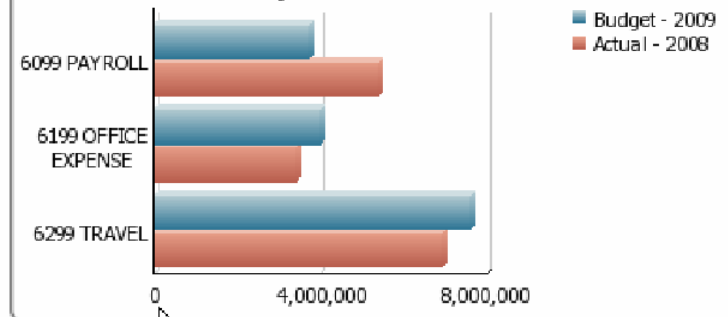
Operating Expense



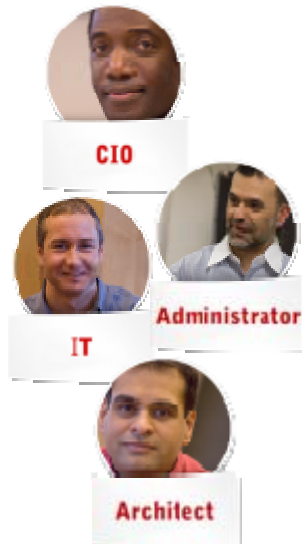
Net Profit



Expenditures Detail



Enterprise, On-Premise Deployment Options



Enterprise Software	Virtualization	Private Cloud	Optimized Business System
Leverage existing IT investment	Optimize use of resources	Standardize & share costs	Fast to install and run
<i>e.g. IBM Cognos 8 BI on supported OS and hardware of choice</i>	<i>e.g. Support for VMWare, IBM Cognos Now!...</i>	<i>e.g. IBM Cognos 8 BI for Linux on System z</i>	<i>e.g. IBM Smart Analytics System</i>

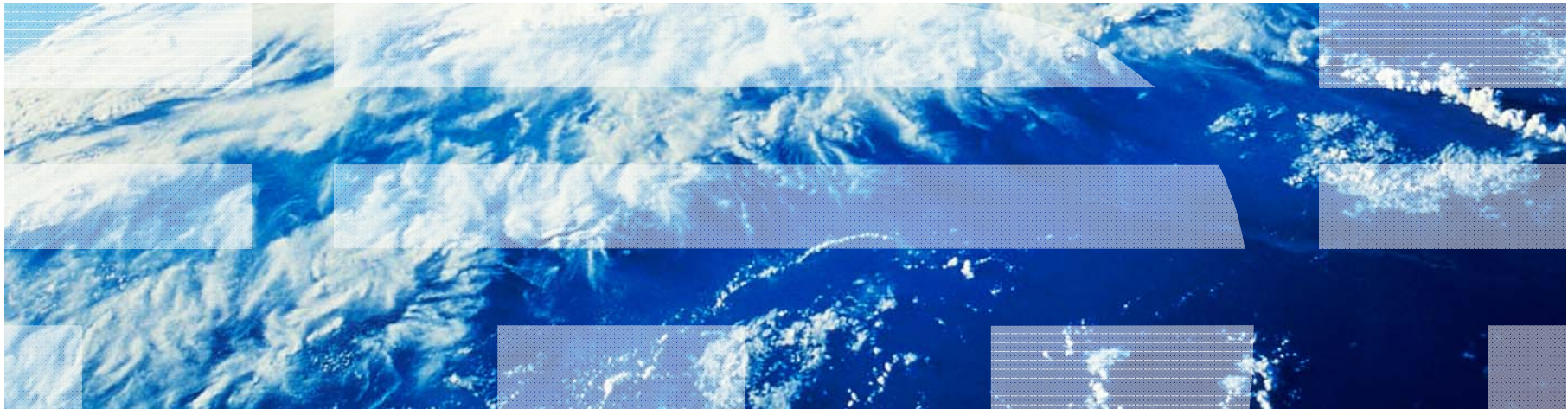




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Budgeting in turbulent times



Agenda

- **The status of budgeting today**
- **Best practices for improving your budgeting process**
- **Leveraging IBM Cognos to implement better processes**



“The world is flat.”
Thomas Friedman

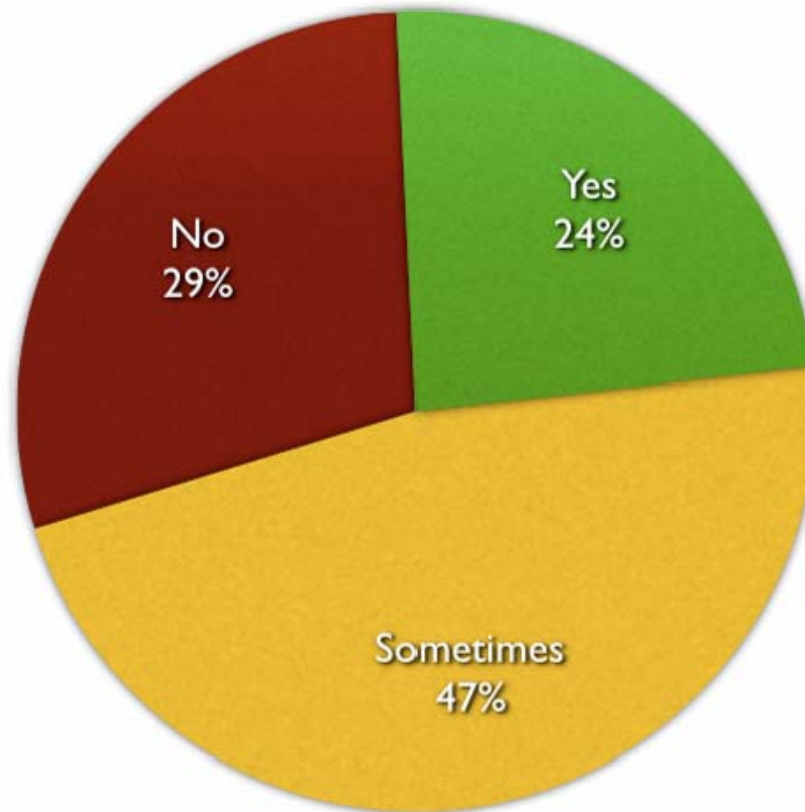


**73% of surveyed companies
need *more* than 3 months to
complete the annual budget.***



*** Hackett Group 2008**

Are we satisfied with the efficiency of the budget? No!



** Hackett Group 2008*

Over 35% of all companies report that their budget is out of date within the first quarter.





**„But the budgeting process at most companies has to be the most ineffective practice in management. It sucks the energy, time, fun and big dreams out of an organization. (...) And yet (...) companies sink countless hours into writing budgets. What a waste!“
Jack Welch, 2005**





How can we
improve the
process?

“By 1925 virtually all **management accounting** practices used today had been developed.”

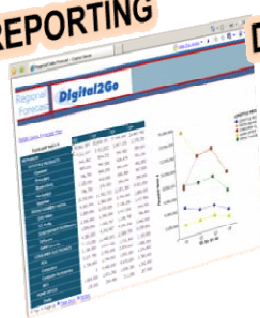
Kaplan & Johnson



The strong platform for Finance

IBM COGNOS 8 v4

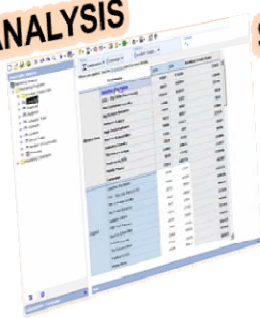
REPORTING



DASHBOARDING



ANALYSIS



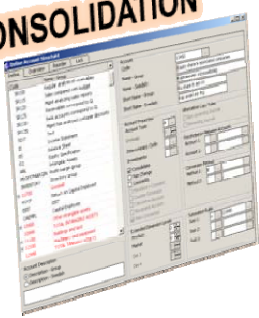
SCORECARDING



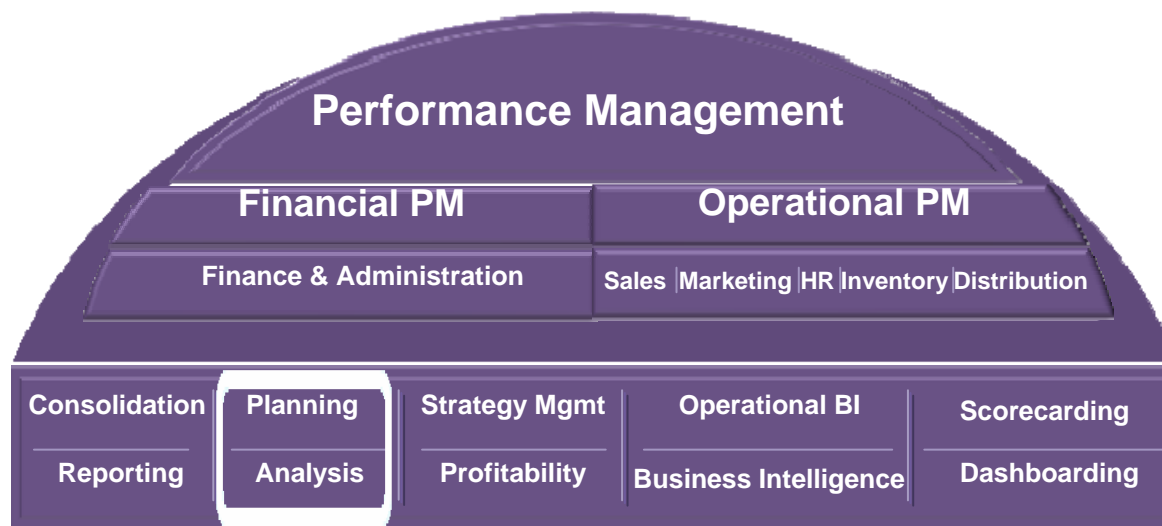
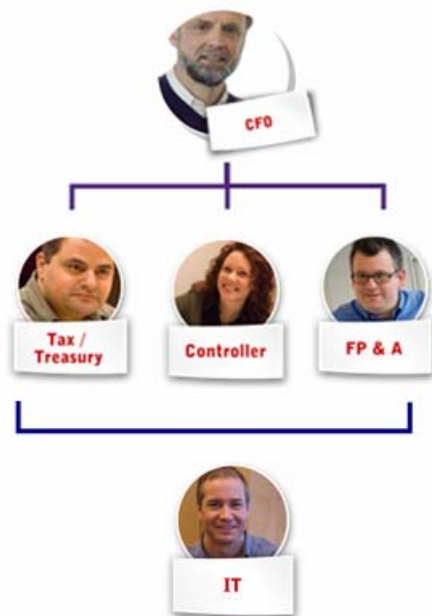
PLANNING



CONSOLIDATION



IBM Cognos Performance Management System



Our Mission: Help Finance drive performance management process excellence and better business outcomes; report with confidence, accelerate alignment of resources with opportunity.

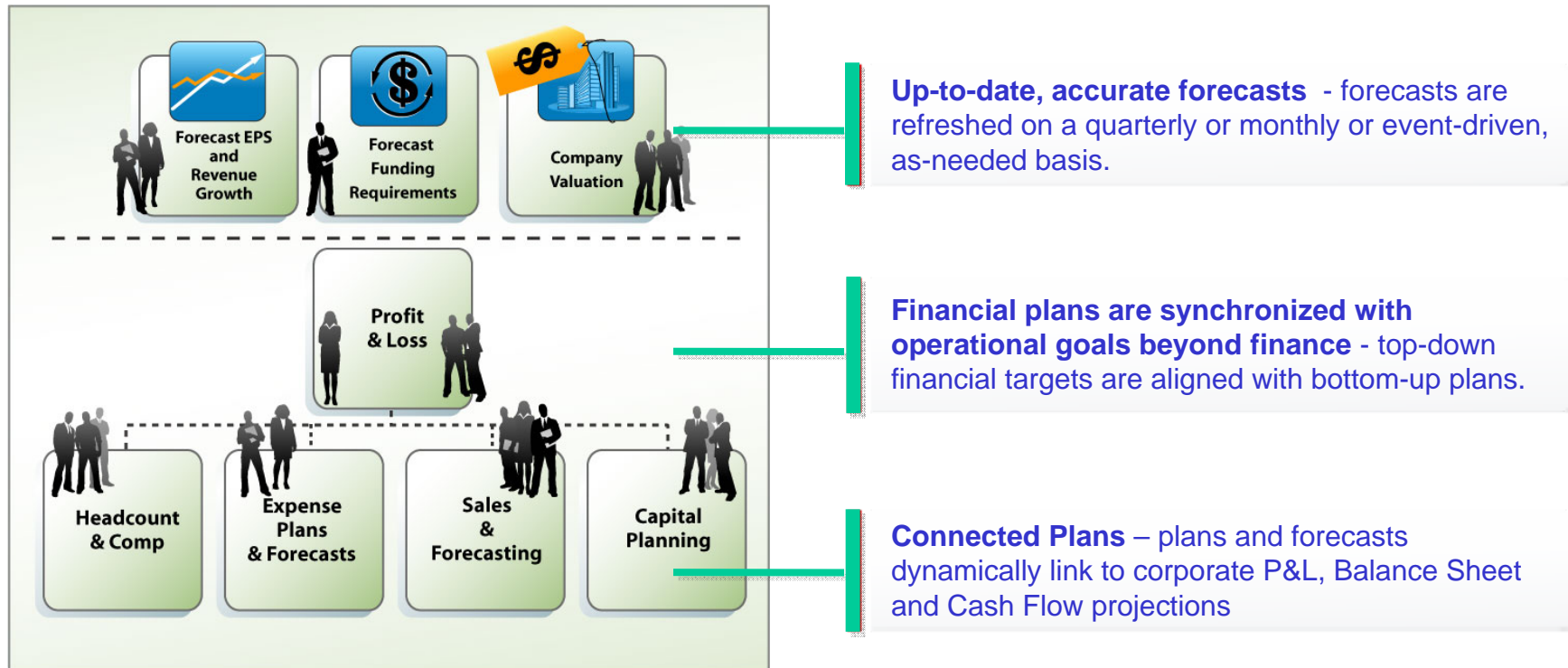
- IBM Cognos 8 Controller
- IBM Cognos TM1
- IBM Cognos 8 Planning
- IBM Cognos 8 Business Intelligence
- IBM Cognos 8 Business Viewpoint
- Performance Blueprints



IBM Cognos solutions for Budgeting, Planning and Forecasting

Effectively link data across departments

✓ Delivers timely, connected, reliable budgets, plans & forecasts

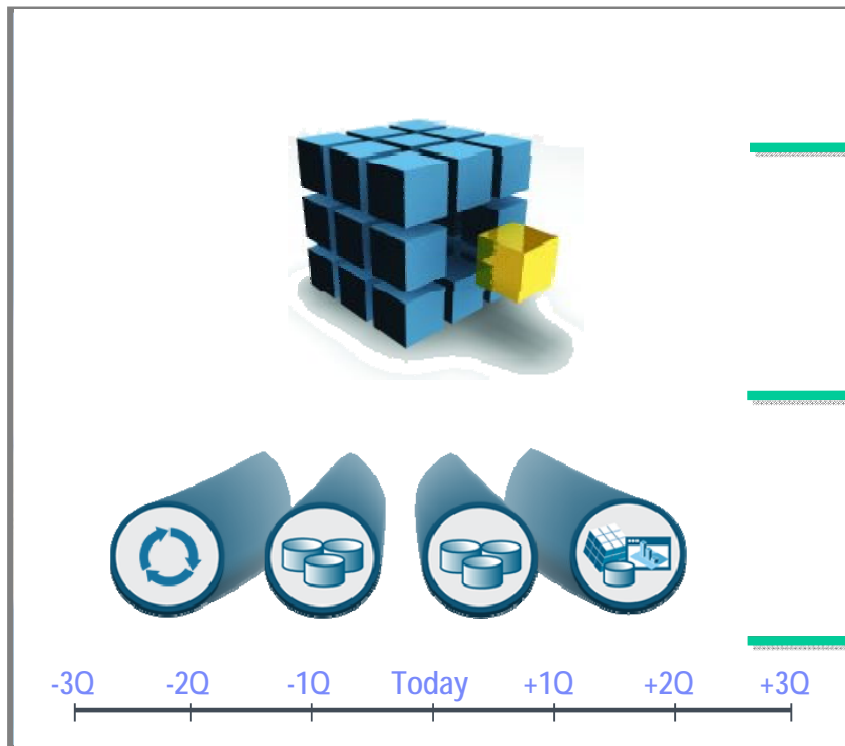
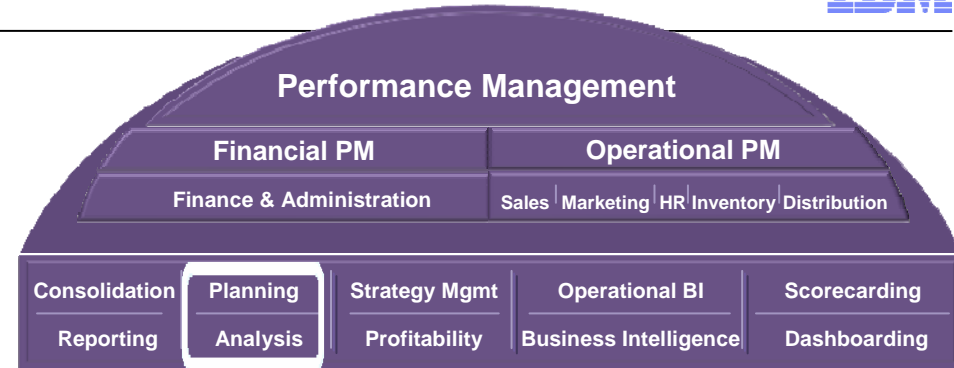


Timely, reliable forecasts & plans that align operational tactics with financial targets. Better, confident resource allocation decision-making.



IBM Cognos TM1

Fast, easy-to-use analysis & planning



Compact data storage and exceptionally fast performance

Fuses analysis and planning in easy-to-use environment

A component of Cognos 8 Performance Management Platform

	Year	Q1			Q2			Q3			Q4				
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct				
Unit Price	197	202	199	203	203	203	203	203	203	203	203	203	180	20	
Units Sold	539,687	126,160	48,279	38,940	38,940	133,413	44,471	44,471	44,471	133,413	44,471	44,471	44,471	146,701	48,901
Gross Revenue	106,057,622	25,451,907	9,625,458	7,913,224	7,913,224	27,111,300	9,037,100	9,037,100	9,037,100	27,111,300	9,037,100	9,037,100	9,037,100	26,383,116	9,937,211
Unit Cost	128	128	126	128	128	128	128	128	128	128	128	128	128	128	12
Cost of Sales	69,179,176	16,101,872	6,105,646	4,998,113	4,998,113	17,123,910	5,707,970	5,707,970	5,707,970	17,123,910	5,707,970	5,707,970	5,707,970	18,829,485	6,276,491
Gross Margin	36,878,446	9,350,035	3,519,812	2,915,111	2,915,111	9,987,390	3,329,130	3,329,130	3,329,130	9,987,390	3,329,130	3,329,130	3,329,130	7,553,631	3,660,711
Gross Margin %	35	37	37	37	37	37	37	37	37	37	37	37	37	29	3

Proven practices for high performing organisations



High
Participation

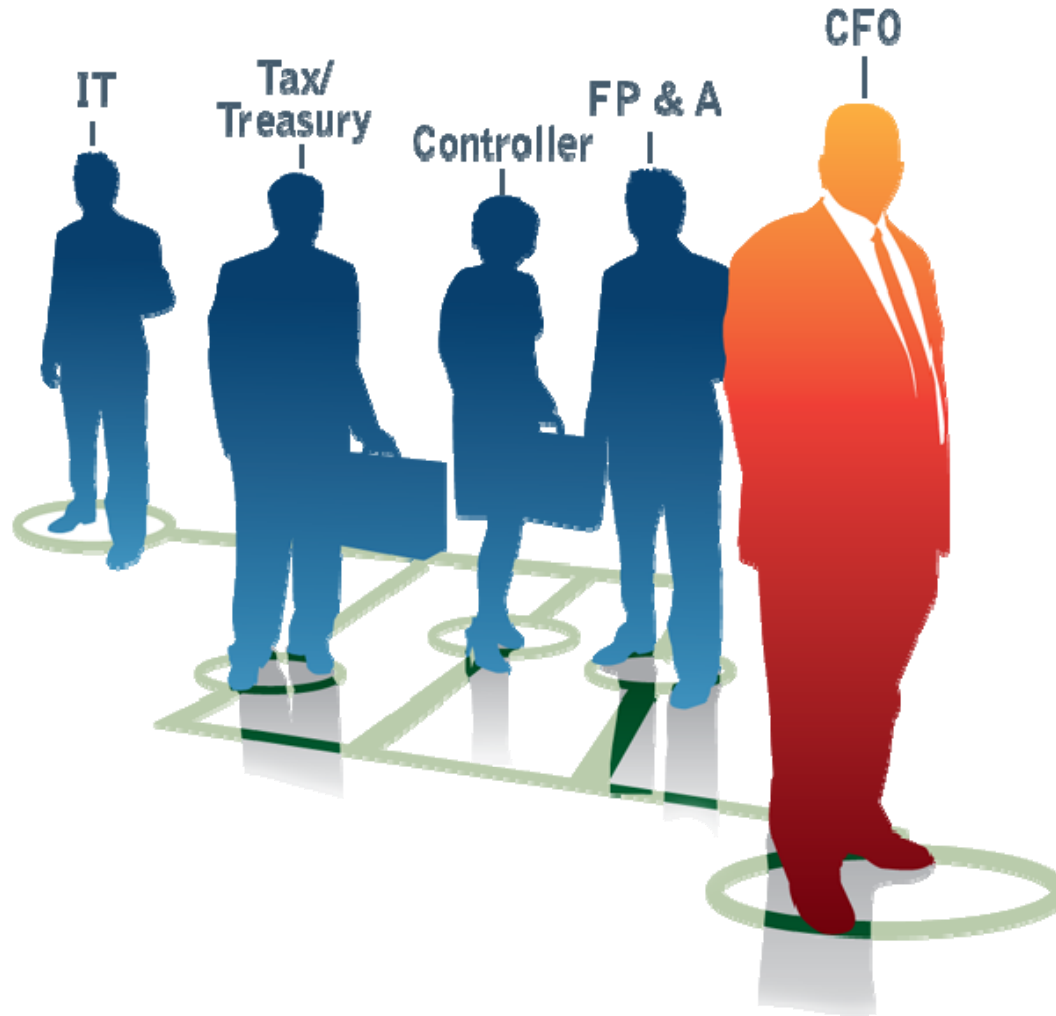


Better
Models

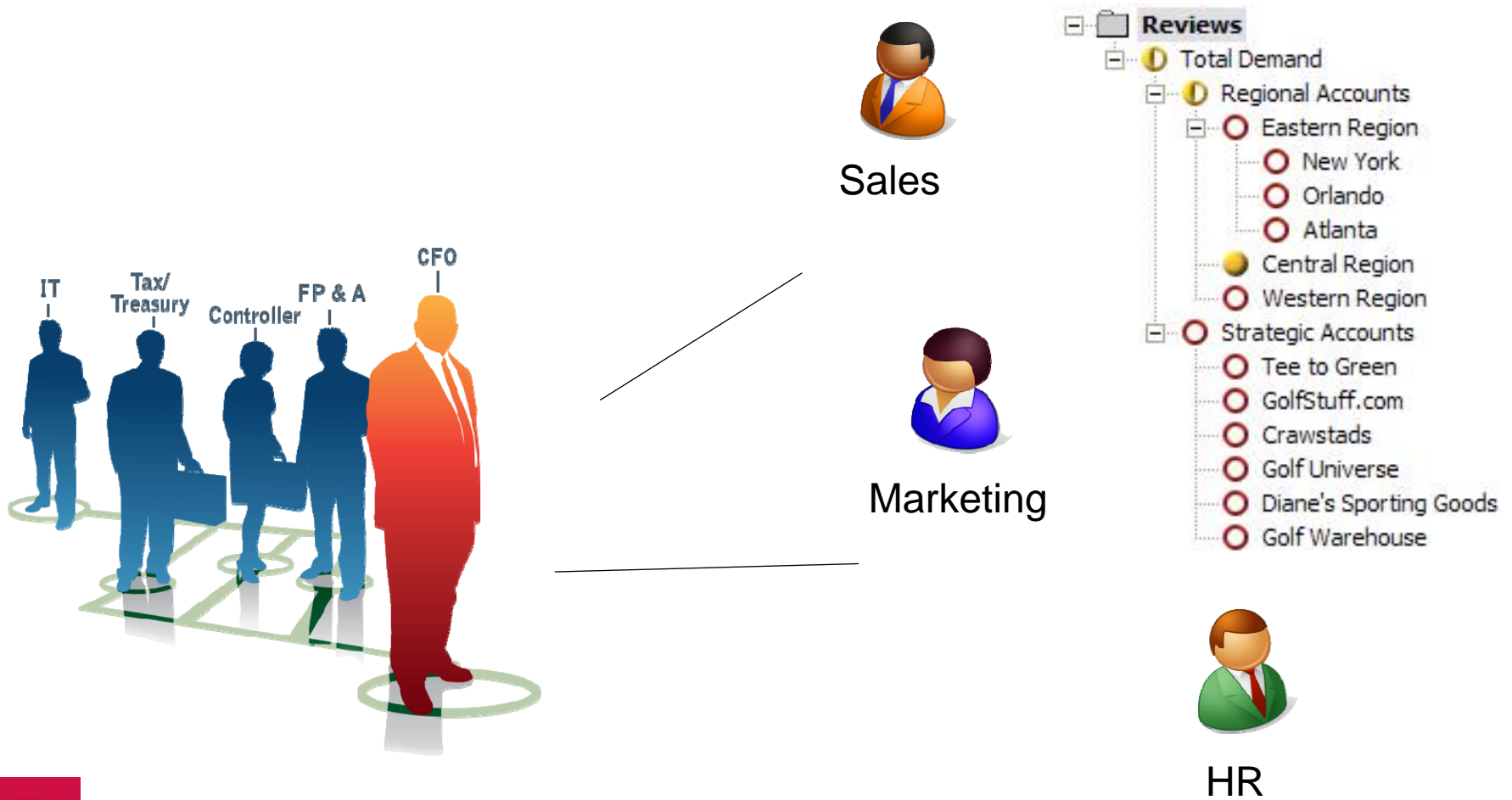


Rolling
Forecasts

Who creates the budget?



High participation - Involve the right people



Financial Planning

- Contributions
- Reviews
 - Total Company
 - Northern
 - Copenhagen
 - Helsinki
 - Oslo
 - Central and Eastern
 - Warsaw
 - Prague
 - Western
 - London
 - Paris
 - Southern
 - Rome
 - Lisbon
 - Madrid

You are a reviewer or contributor for:

Name	State	Ownership	Reviewer	Last Data Commit
Total Company	Incomplete	None	None	Never committed

Which consists of:

Name	State	Ownership	Reviewer	Last Data Commit
Total Company (All)	Incomplete		None	
Northern	Ready	None	LDAP\Trent Green	Never committed
Central and Eastern	Work In Progress	None	LDAP\Trent Green	Never committed
Western	Ready	None	LDAP\Trent Green	Never committed
Southern	Not Started	None	LDAP\Trent Green	Never committed

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**, **Locked**, or **Ready**. Data in this state was aggregated. The **Incomplete** state applies only to review approval items.

Changed time: February 4, 2010 3:56:28 AM PST

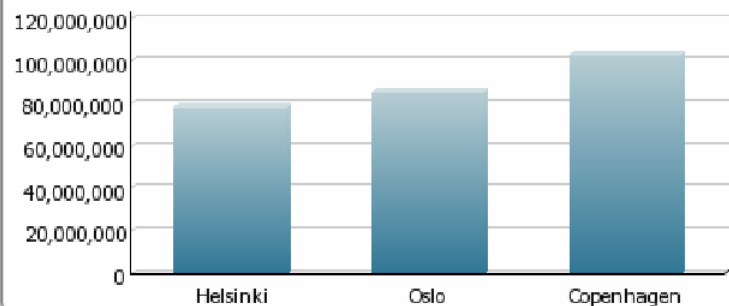
Changed by: LDAP\Jeff Richards

Viewed: no

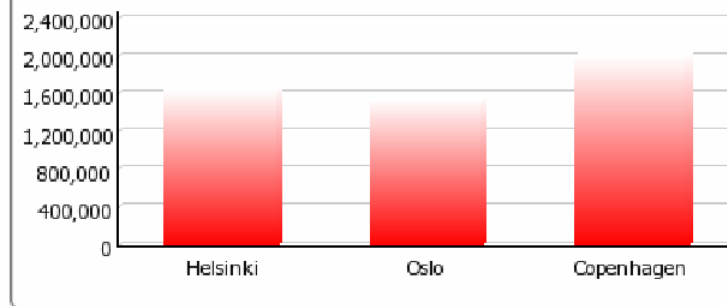
Reviewed: no

Planning Reports

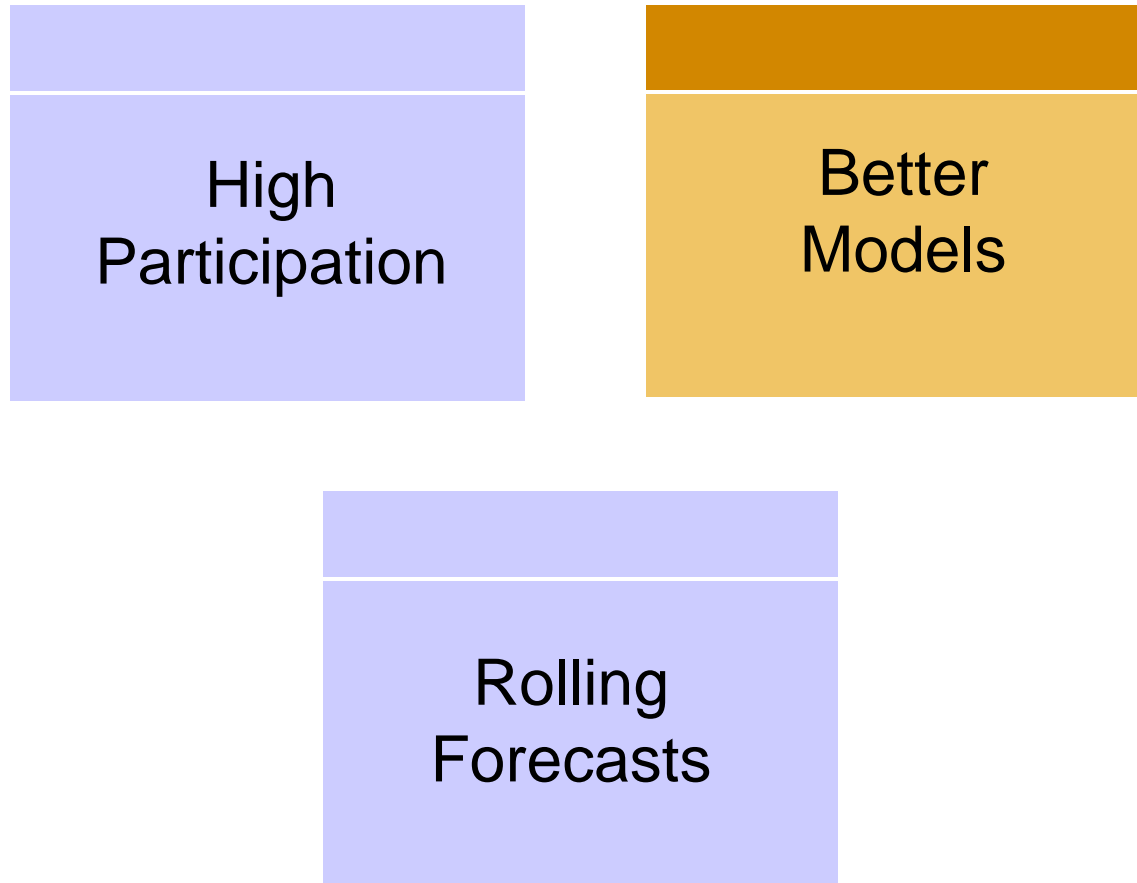
Gross Revenue



Operating Expense



Proven practices for high performing organisations



	January	February	March	April	May	June	TOTAL	YTD Actuals Variance	YTD Act Var %	Total Variance	Total Var %
Salaries	19.00	19.00	19.00	19.00	19.00	19.00	243.00	-1.00	-1%	-3.00	-1%
Bonus	1.43	1.50	1.76	1.66	2.00	1.80	22.56	-2.35	-39%	2.56	13%
Benefits	0.19	0.19	0.19	0.19	0.19	0.19	2.43	1.35	59%	-0.07	-3%
Insurance	0.15	0.15	0.15	0.15	0.15	0.15	1.80	0.00	0%	-0.10	-5%
Rent	2.90	2.90	2.90	2.90	2.90	2.90	34.80	0.00	0%	-1.20	-3%
.....											
.....											
.....											
Utilities	3.00	2.00	2.50	1.58	1.00	1.00	22.77	0.92	8%	-1.23	-5%
Office Supplies	0.11	0.20	0.16	0.20	0.07	0.37	3.30	0.07	9%	1.00	43%
Travel - Air	7.15	7.50	8.80	9.00	15.00	9.00	118.50	-17.45	-58%	13.50	13%
Travel - Hotels	1.43	1.50	1.76	1.66	2.00	1.80	22.56	-3.35	-67%	-7.44	-25%
.....											
.....											
.....											
Travel - Car	0.72	0.75	0.88	0.83	1.00	0.90	11.28	-2.68	-178%	6.28	126%
Travel - Train	1.30	1.00	1.50	1.00	1.20	1.00	20.00	-1.50	-33%	9.00	82%
Gifts & Misc	0.50	0.00	0.00	0.50	0.00	0.00	6.00	0.00	0%	-1.00	-14%
Maintenance & Repair	0.35	0.14	0.06	0.43	0.30	0.36	3.04	0.02	1%	0.04	1%
Marketing	2.00	0.00	8.00	9.00	4.00	7.00	59.00	-3.00	-15%	5.00	9%
Net Income	9.83	16.17	14.35	9.90	20.18	17.53	200.01	15.43	28%	0.01	0%

The language of our forecasts need to change



Opportunities

Pipeline

Number of employees

Customer Satisfaction

VS.



634172 - Revenue (New Accts)

665891 - Office Supplies (Paper)

665892 - Office Supplies (Pens)

677199 - Gifts, Misc.

Expense Plan | Work InProgress | Customer Support - Windows Internet Explorer

Call Drivers | Call Demand | Staff Plan | Staff Costs | Expense Summary

Rows: Assumptions:Default [Assumptions] | Columns: Year:Default [Year] | Context: Customer Support [Organization] | Budget [Version]

	2010	2009
Call Duration	15	14
Adviser available hours per day	6.0	6.0
Team Leaders per hundred calls	1	1
Call Rate per Sales Units - New Product	5.0%	5.3%
Call Rate per Sales Units - Existing Product	1.0%	1.2%
Follow-up calls - New Product	1.8	1.8
Follow-up calls - Existing Product	1.2	1.2
On-boarding Costs	2,000	1,900

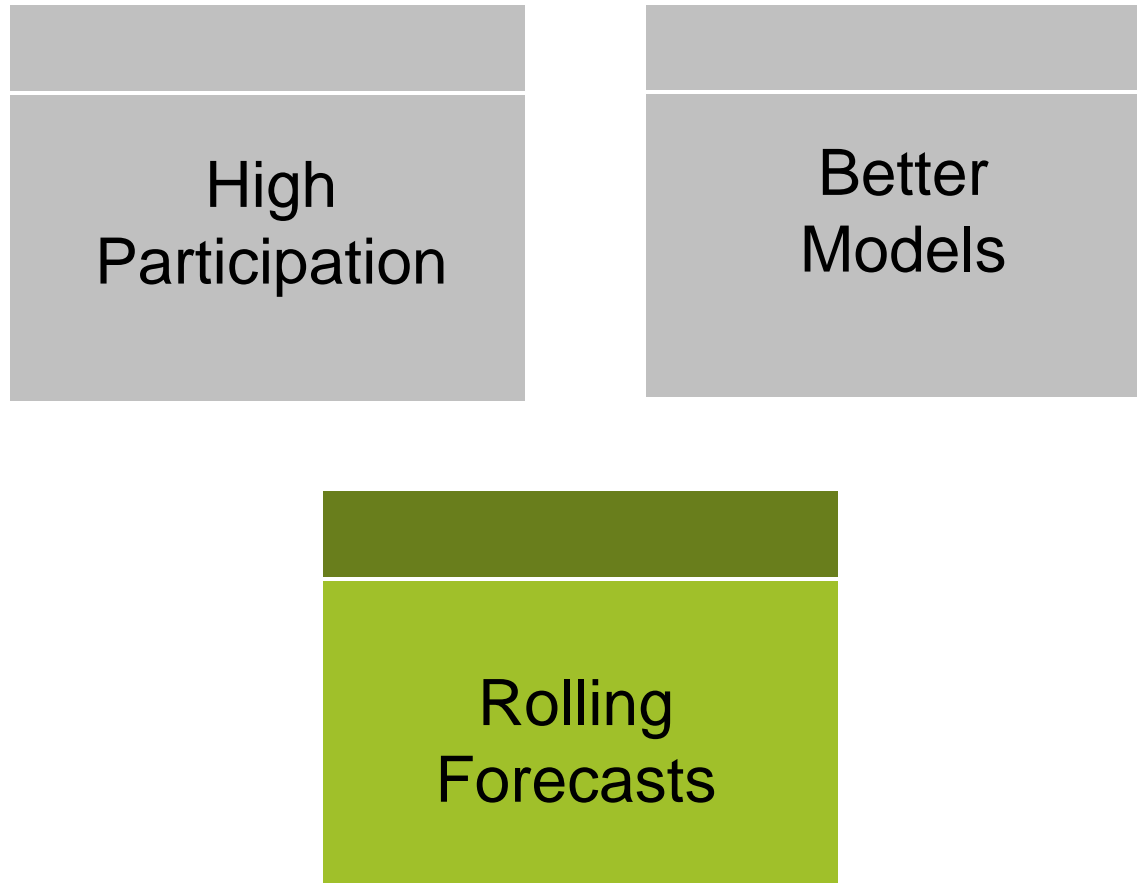
Page 1 of 1

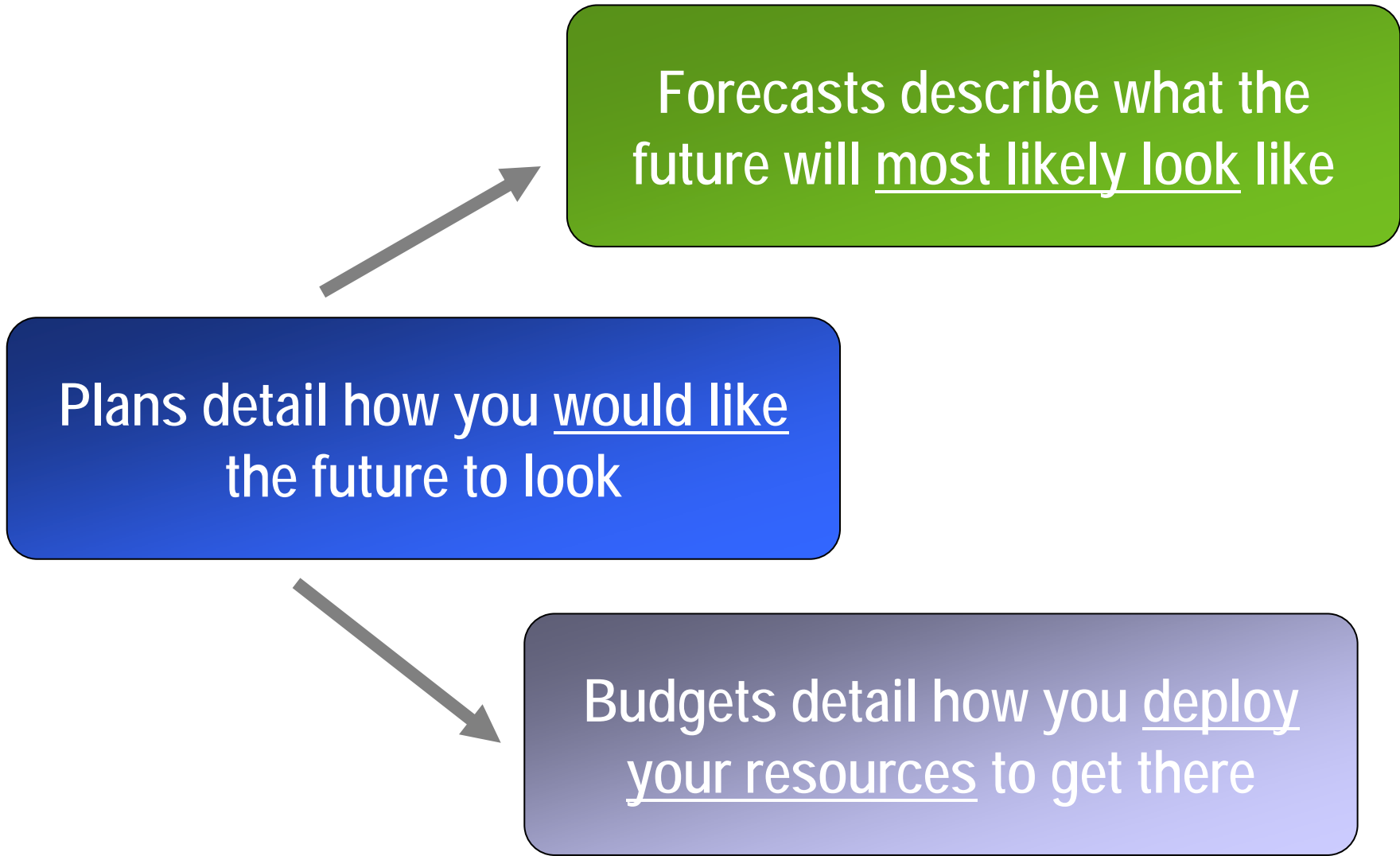
Current Owner: LDAP\Jeff Richards

Done | Trusted sites | 100%

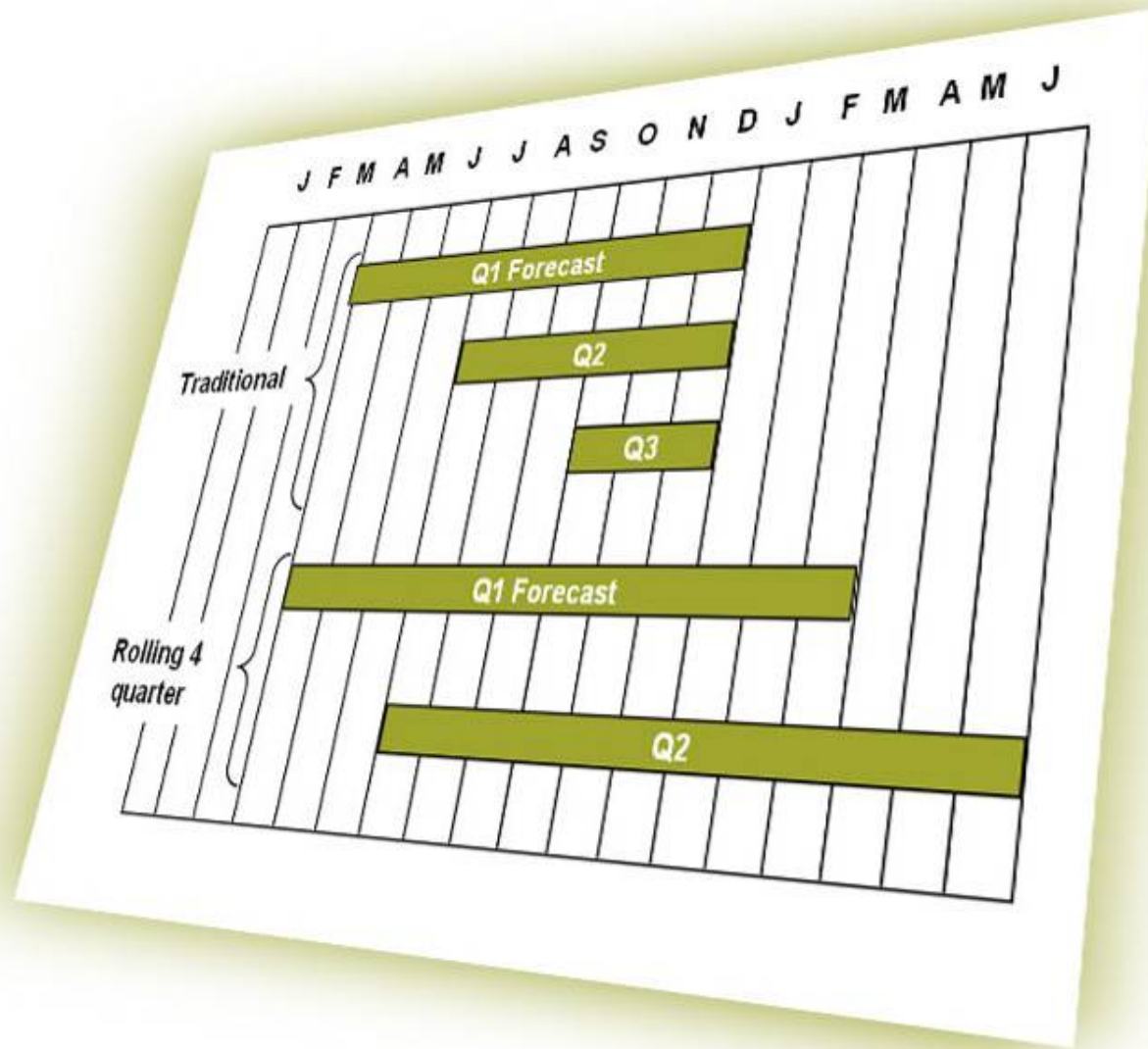
start | TM1S : smartexpense... | Contributor - Expens... | Expense Plan | Work ... | 3:56 PM

Proven practices for high performing organisations





Supplement your budget with a Rolling Forecast



Forecast Properties

A = Actual

B = Budget

F = Forecast

N = No Forecast

Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2005	A	A	A	A	A	A	A	A	A	A	A	A
2006	A	A	A	A	A	A	A	A	A	A	A	A
2007	A	A	A	A	A	A	F	F	F	F	F	F
2008	F	F	F	F	F	F	F	F	F	N	N	N

Proven practices for high performing organisations



High
Participation



Better
Models



Rolling
Forecasts

Revenue - Cognos Viewer - Windows Internet Explorer

http://cognosprod/cognos8/cgi-bin/cognos.cgi?b_action=cognosViewer&ui.action=run&ui.object=storeID(%22i6846A5D78A9

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Revenue - Cognos Viewer

Cognos Viewer - Revenue Trent Green Log On About

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[Base]

Organization Channel Year Version Measure Suppress Zero? [Margin](#)

Massachusetts Distributors 2009 Budget Units Sold

Enter New Product DVD Video Ultra
 Enter New Product Line Total Media

Add Product

Search:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Total Products	24,306	19,040	16,412	21,161	18,972	18,696	17,462	18,259	17,429	19,340	21,844	26,806	239,727
Total Media	17,275	11,813	10,283	13,423	11,075	11,340	10,103	10,206	9,648	11,555	13,120	16,722	146,563
Total Electronics	4,132	4,261	3,613	3,874	4,136	4,397	4,658	4,919	5,180	5,442	5,703	5,964	56,279
Total Theatre	2,900	2,967	2,515	3,864	3,762	2,959	2,701	3,134	2,600	2,344	3,021	4,120	36,886

Revenue TopProducts GrossMargin

Start Revenue - Cogn... E:\TM1Models\gu... Microsoft Excel TM1 - Perspective... 6:16 AM

Summary

- The budgeting process needs to change
- Companies do receive value from a process that leverages technology and best practices
- There is the opportunity in a crisis to drive change

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Clinton: 'Never waste a good crisis'

Reuters

Friday, 6 March 2009

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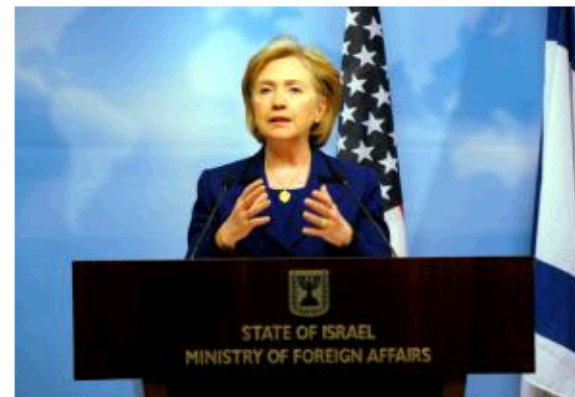
US Secretary of State Hillary Clinton today told an audience "never waste a good crisis", as she highlighted the opportunity of rebuilding economies in a greener, less energy intensive model.

Highlighting Europe's unease the day after Russia warned that gas exports to the EU via Ukraine might be halted, she also condemned the use of energy as a political lever.

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- [Revenge of the rainforest](#)
- [Search the news archive for more stories](#)

Clinton told young Europeans at the European Parliament global economic turmoil provided a fresh opening: "Never waste a good crisis ..."



GEGTTY

Clinton told young Europeans at the European Parliament global economic turmoil provided a fresh opening: "Never waste a good crisis ... Don't waste it when it can have a very positive impact on climate change and energy security."





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