

# FINANCIAL SERVICES BRANCH PERFORMANCE



PERFORMANCE BLUEPRINT  
APPLICATION BRIEF

A WEB-BASED PERFORMANCE  
MANAGEMENT APPLICATION

## INTRODUCTION

This application brief demonstrates a web-based planning and reporting process for retail bank branch profitability using Cognos Planning and Cognos 8 Business Intelligence. Best practices at leading banks enable those responsible for branches to validate their forecast plans against corporate set targets, as well as allowing management to clearly communicate their expectations. By capturing account and balances information across loan and deposit products, the costs driven by associated volumes can be calculated using transactions and activity information fed from any activity-based costing (ABC) solution. Cognos has formed a partnership with advanced ABC solution provider Acorn Systems to deliver integrated activity-based planning and analysis capabilities. The *Retail Branch Performance Blueprint* offers the branch manager an on-the-ground view, with real-time profitability feedback on decisions related to branch volume, accounts, rates, spreads, fee income, compensation, staffing, direct expenses, and assigned expenses. In the *Blueprint* IT costs are captured at the transaction level and do not appear as a separate expense. Had the activity-based costing source used in the model not allocated IT expense to each transaction within an activity, then IT expenses would have been independently trackable. The components of profitability are interrelated and act as drivers. For example, an increase in the number of loan accounts will create more revenue and also drive an increase in the transaction volumes and activities associated with loan accounts thereby generating an increase in the associated expenses. By implementing this *Blueprint*, a bank will also benefit from forward-looking visibility into workforce decisions at both the branch level and the company level as a whole. The *Blueprint* and processes described in this application brief are generic for any retail bank, yet can be configured to support the complex and diverse requirements of any financial institution.



## OVERVIEW

Performance management systems allow management to articulate goals and provide a measurement process so that performance against the goals can be tracked and feedback provided. At a corporate level, effort is made to manage shared services spending rates. At the branch level, line managers make staffing and direct expenses decisions to optimize the efficiency and output of their staff. Collaboration must occur on a forward-looking basis so that branch-level decisions are aligned with corporate expectations, and so that variances can be evaluated.

Optimal staffing levels can be dependent upon a number of drivers, including branch volume trends and customer service KPI objectives. Staffing needs may also be affected by operational issues such as special promotions or restructuring.

Branch managers need clear targets and goals, and need to understand corporate expectations. Managers must be able to forecast both operational needs and profitability, and get continuous feedback on their performance against corporate targets and profitability guidelines. The *Financial Services Branch Performance Blueprint* helps meet these needs.

## BLUEPRINT OBJECTIVES

The *Branch Performance Blueprint* meets a number of objectives:

- 1) Establishes clear and concise targets for each branch at a profit-and-loss (P&L) level.
- 2) Establishes clear and concise targets for each branch by product group and customer segment.
- 3) Calculates revenues and loan losses based on account balances and account levels.
- 4) Uses Acorn's activity-based costing engine to calculate activity volumes from historic activity intensity rates driven by forecast account activity by product and transaction.
- 5) Uses derived volume activity to calculate assigned expenses using shared services rates.
- 6) Lets managers plan staffing at all levels in the branch.
- 7) Provides the ability to enter direct expenses associated with the branch
- 8) Provides immediate feedback on planning decisions.
- 9) Allows reporting and analysis by branch, product, and household.

## KEY COGNOS PLANNING BENEFITS

- Powerful, flexible model development using Cognos Analyst to customize the *Branch Performance Blueprint*.
- Web-based deployment of models for process workflow, data collection, and consolidation.
  - Real-time workflow.
  - Real-time consolidation.
  - Real-time browser-based calculations for immediate results.
- Scalable architecture with proven deployments to thousands of line managers.
- Linking functionality to ensure collaboration between all areas of the enterprise.
- Form-based planning with selection boxes to drive application logic and calculations.
- Flexible analysis and report development using industry-leading Cognos 8 Business Intelligence

## Representative Workflow

The *Branch Performance Blueprint* is designed for collaborative use by retail division executives, regional managers, financial planning & analysis, and retail branch managers to help line managers align staffing and direct expense decisions with corporate

The following describes basic workflows in which a branch manager would:

- Review corporate targets for branches.
- Create new revenue and expense reduction initiatives to align baseline plans and corporate targets.
- Assess impacts on product and customer profitability.
- Evaluate indirect activity-based costs that impact branch bottom line.
- Monitor key performance indicators.
- Generate reports and analyses.

## Targets by Branch

	Sep-05			Oct-05			Nov-05			Dec-05			2005			Jan-06		
	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap
Contribution Margin	166,848	124,723	42,126	211,221	113,014	98,207	213,353	118,578	94,775	220,436	123,605	96,831	1,682,614	1,352,742	329,872	173,281	93,514	79
<b>Key Performance Indicators:</b>																		
% Balance Growth	2.5%	0.0%	2.5%	2.1%	4.5%	(2.5%)	2.1%	4.9%	(2.9%)	2.1%	5.3%	(3.2%)	2.3%	3.3%	(1.0%)	1.6%	2.6%	(1.0%)
% Revenue Growth	1.7%	(0.9%)	2.6%	6.9%	1.6%	5.3%	2.8%	1.0%	1.8%	2.9%	1.3%	1.6%	4.2%	40.0%	(35.7%)	(0.3%)	(0.3%)	
% of Income from Fees	5.6%	7.3%	(1.4%)	6.5%	0.6%	5.9%	7.2%	0.3%	6.9%	7.8%	0.3%	7.5%	5.9%	4.9%	1.1%	4.4%	4.7%	
Profitability Movement Indicator	1.94%	1.79%	0.14%	7.81%	7.42%	0.39%	2.40%	2.58%	(0.18%)	2.35%	2.79%	(0.43%)	5.22%	4.59%	0.64%	(0.63%)	(1.68%)	0
Efficiency Ratio (costs / revenue)	58.6%	5.8%	52.8%	53.4%	6.0%	47.4%	54.8%	6.0%	48.8%	55.2%	6.0%	49.2%	63.0%	6.1%	56.9%	58.8%	7.1%	5
Revenue per Employee	13,297	8,679	4,618	15,685	9,568	6,117	16,120	10,274	5,847	16,593	10,574	6,020	13,291	10,591	2,701	16,549	13,205	3
Net Income per Employee	3,797	2,125	1,672	5,555	1,904	3,651	5,465	2,011	3,454	5,544	2,000	3,544	39,951	27,162	12,789	3,063	1,041	2

The first tab in the blueprint, *Targets by Branch*, contains information from the *Branch Plan* tab found later in this application brief, and from an upload of targets that may be populated from a Cognos Contributor application designed to create these targets or from another source. The column labeled **Act/Fcst** contains either the actual data for prior months or the current forecast based on decisions made within the *Blueprint*. The **Target** column is uploaded and represents managements target or goals for this particular branch. **Gap** is used for evaluating performance against goals. A trend analysis of this item will be used to report on whether we are closing the gap or diverting away from targets.

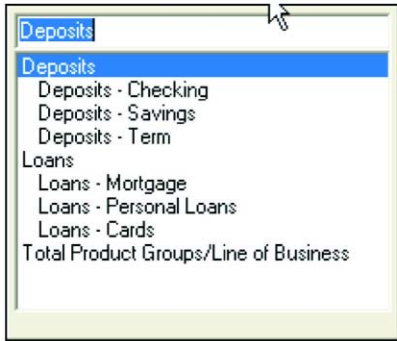
There are no selections to be made on this tab as it is for informational purposes only.

### Product/Segment Target by Branch

	Oct-05			Nov-05			Dec-05			2005			Jan-06			b-C U/F
	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	Act/Fcst	Target	Gap	
Revenue less Assigned Expenses	18,004	16,326	1,678	18,608	16,772	1,836	19,164	17,261	1,903	222,954	199,107	23,846	19,413	13,951	5,462	
<b>Key Performance Indicators:</b>																
% Balance Growth	3.29%	1.89%	1.40%	3.23%	2.05%	1.18%	3.18%	2.19%	0.99%	1.81%	1.75%	0.06%	3.16%	1.89%	1.28%	
% Revenue Growth	(13.33%)	(2.84%)	(10.50%)	3.28%	0.86%	2.42%	2.95%	0.91%	2.04%	1.00%	1.00%	0.00%	1.27%	1.19%	0.08%	
% of Income from Fees	0.2%	0.2%	0.0%	0.2%	0.2%	0.0%	0.2%	0.2%	0.0%	11.3%	11.3%	0.0%	0.1%	0.2%	(0.1%)	
Profitability Movement Indicator	(14.16%)	(13.34%)	(0.82%)	3.35%	3.27%	0.09%	2.99%	2.94%	0.05%	1.04%	0.99%	0.05%	1.30%	1.26%	0.04%	
Assigned Expenses / Revenue Ratio	0.1%	0.9%	(0.8%)	0.1%	0.9%	(0.8%)	0.1%	0.8%	(0.8%)	0.1%	0.9%	(0.8%)	0.1%	1.0%	(1.0%)	
Revenue per Employee	662	448	214	684	486	198	704	503	201	8,159	6,284	1,875	713	539	174	
Net Interest Margin	19,169	108,504	(89,334)	19,794	112,223	(92,429)	20,373	116,299	(95,926)	210,436	1,166,087	(955,651)	20,666	120,717	(100,051)	
Fees	38	175	(137)	44	178	(135)	49	182	(133)	26,326	148,092	(121,765)	15	185	(171)	
Revenues	19,208	16,640	2,568	19,838	17,088	2,750	20,422	17,580	2,842	237,362	202,572	34,690	20,681	14,248	6,433	
Loan Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Assigned Expenses</b>																
Call Center	991	176	815	1,012	176	836	1,036	176	859	11,856	1,965	9,891	1,043	160	883	
Operations	213	96	116	217	98	120	222	99	123	2,953	1,128	1,425	224	103	121	
Mortgage Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Lending Back Office	0	41	(41)	0	42	(42)	0	44	(44)	0	472	(472)	0	34	(34)	
Credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Assigned Expenses</b>	1,203	313	890	1,229	316	914	1,258	319	939	14,409	3,565	10,844	1,267	297	970	
Number of FTE's	29	42	(13)	29	40	(11)	29	40	(11)	29	37	(8)	29	40	(11)	

The second tab of the blueprint, *Prod/Seg Target by Branch*, contains information from the *Product Segment Plan by Branch* tab discussed below, or from an upload of targets that may be populated, as in the tab above, from either another Cognos Contributor application designed to establish these targets or from another data source. The column labeled **Act/Fcst** contains either the actual data for historical months, or the current forecast based on decisions made within the blueprint. The **Target** column is uploaded and represents managements target or goals for this particular branch. **Gap** is used for evaluating performance against goals; a trend analysis of this item will be used to report on whether we are closing the gap or diverting from targets. This tab varies from the previous tab in that it sets targets and tracks results at the product group and customer segment levels. Notice that the above tab has drop-down menus to select both the product group and customer segment for which you wish to plan.

### Product Group



### Customer Segment



The Product Group and Customer Segment dimensions are easily modified to reflect the product groups and customer segments defined by *Blueprint* users.

There are no selections to be made on this tab as it is for informational purposes only.

### Revenue and Balances

Branch Profitability   Contributions   Atlanta Branch - Cognos Planning - Contributor												
Prod/Seg Target by Branch Revenue and Balances Volume Activity Generator Assigned Expenses Staffing Direct Expenses												
Atlanta Branch	Deposits - Checking	Affluent	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06
<b>Balances</b>												
Opening Balances	6,318,173	6,452,095	6,588,605	6,727,702	7,042,274	7,362,630	5,568,975	7,688,770	8,020,693	8,358,401		
Planned Runoff	4,175	4,291	4,406	4,522	4,638	4,753	49,409	4,869	4,984	5,100		
New Business	138,098	140,801	143,504	319,094	324,993	330,893	2,169,204	336,792	342,692	348,591		
(Attrition) Balances	0	0	0	0	0	0	0	0	0	0		
Ending	6,452,095	6,588,605	6,727,702	7,042,274	7,362,630	7,688,770	7,688,770	8,020,693	8,358,401	8,701,891		
Average	6,385,134	6,520,350	6,658,154	6,884,988	7,202,452	7,525,700	6,399,412	7,854,732	8,189,547	8,530,146		
% Balance Growth	2.12%	2.12%	2.11%	4.68%	4.55%	4.43%	2.80%	4.32%	4.21%	4.11%		
<b>Accounts</b>												
Opening Accounts	338	351	364	377	390	403	260	416	429	442		
New Accounts	17	17	17	17	17	17	204	17	17	17		
(Attrition) Accounts	4	4	4	4	4	4	48	4	4	4		
Closing Accounts	351	364	377	390	403	416	416	429	442	455		
% Account Growth	3.85%	3.70%	3.57%	3.45%	3.33%	3.23%	3.92%	3.13%	3.03%	2.94%		
Planned Margin %	2.500%	2.500%	2.500%	2.750%	2.750%	2.750%	2.570%	2.750%	2.750%	2.750%		
Net Interest Margin	13,302	13,584	13,871	15,778	16,506	17,246	164,488	18,000	18,768	19,548		
\$ Fees per New Account	0	0	0	0	0	0	0	0	0	0		
Average \$ Fees per Account	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		
Fees as % of Balance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Fee Waivers as % of Fees	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%		
Fees	2,115	2,217	2,318	2,401	2,464	2,527	24,561	2,589	2,649	2,708		
Loan Loss Rate as % of Balance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Loan Losses	0	0	0	0	0	0	0	0	0	0		
<b>Customers (Branch / Segment only)</b>												
Opening	8,100	8,200	8,300	8,400	8,500	8,600	96,600	8,700	8,800	8,900		
Net New Customers	100	100	100	100	100	100	1,200	100	100	100		
Closing Customers	8,200	8,300	8,400	8,500	8,600	8,700	97,800	8,800	8,900	9,000		
Total Revenue	15,417	15,801	16,189	18,179	18,970	19,774	189,050	20,589	21,417	22,256		
% Revenue Growth	2.52%	2.49%	2.46%	12.29%	4.35%	4.24%	4.80%	4.12%	4.02%	3.92%		



The third *Blueprint* tab, manages branch Balances, Accounts, and Net New Customers. In this tab, those responsible for forecasting Runoff, New Business, and Attrition for account balances, and New Accounts and Attrition in the number of accounts runs appropriate forecasts. A forecast is run for each Product Group and for each Customer Segment within the group. To facilitate data entry, the tab may be reoriented as needed. For example, the tab may be reoriented to work on the Planned Runoff for all product groups in the Affluent customer sector,

	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06
<b>Deposits</b>	<b>15,515</b>	<b>15,991</b>	<b>16,297</b>	<b>16,602</b>	<b>15,515</b>	<b>15,805</b>	<b>16,095</b>	<b>187,254</b>	<b>16,385</b>	<b>16,675</b>	
Deposits - Checking	3,944	4,060	4,175	4,291	4,406	4,522	4,638	4,753	49,409	4,869	4,984
Deposits - Savings	5,856	5,856	5,856	5,924	5,991	4,666	4,718	4,770	67,064	4,822	4,874
Deposits - Term	5,715	5,837	5,960	6,082	6,204	6,327	6,449	6,572	70,781	6,694	6,817
<b>Loans</b>	<b>345,617</b>	<b>352,675</b>	<b>362,889</b>	<b>373,103</b>	<b>383,317</b>	<b>393,531</b>	<b>403,745</b>	<b>413,960</b>	<b>4,238,407</b>	<b>424,174</b>	<b>434,388</b>
Loans - Mortgage	9,190	9,418	9,647	9,875	10,103	10,332	10,560	10,789	114,388	11,017	11,245
Loans - Personal Loans	294,988	298,457	305,082	311,708	318,334	324,960	331,585	338,211	3,566,259	344,837	351,463
Loans - Cards	41,440	44,800	48,160	51,520	54,880	58,240	61,600	64,960	557,760	68,320	71,680
<b>Total Product Groups/Line of Business</b>	<b>361,133</b>	<b>368,428</b>	<b>378,880</b>	<b>389,400</b>	<b>399,919</b>	<b>409,047</b>	<b>419,551</b>	<b>430,055</b>	<b>4,425,661</b>	<b>440,559</b>	<b>451,063</b>

Or for all Customer Segments for a given product:

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06
Affluent	3,482	3,597	3,713	3,828	3,944	4,060	4,175	4,291	4,406	4,522	4,638	4,753	49,409	4,869	4,984
Wealth Accumulator	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,309	4,358	4,655	4,707	4,759	52,611	4,810	4,862
Mass Market	498	498	498	498	498	498	498	504	510	3,692	3,733	3,774	15,702	3,815	3,856
<b>Total Customers</b>	<b>8,240</b>	<b>8,356</b>	<b>8,472</b>	<b>8,587</b>	<b>8,703</b>	<b>8,818</b>	<b>8,934</b>	<b>9,104</b>	<b>9,275</b>	<b>12,869</b>	<b>13,078</b>	<b>13,286</b>	<b>117,722</b>	<b>13,494</b>	<b>13,703</b>

Fields in gray are non-editable and are either locked historical data, data linked over from other tabs, or items calculated based upon information entered in the white or editable areas

As changes are made, they are highlighted in **BLUE** along with any cells affected by the change. Balance changes will affect Revenue numbers and flow through the model to subsequent tabs. Likewise, changes in the Accounts area will affect income (revenue from new accounts) and drive account related activity volumes. Account-related activity volumes will affect *Assigned Expenses*, that is, expenses specifically related to the number and types of accounts in the model.

## Volume Activity Generator

	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06	Apr-06	May-06	1-
Accounts	68	71	74	77	80	83	86	89	92	95	95	98	101	104	107	110	13
Activity Intensity Rate	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04
Activity Intensity Rate Override	0	0	0	0	0	0	0	0	0	10	10	0	0	0	0	0	0
<b>Activity Volume</b>	<b>205</b>	<b>215</b>	<b>224</b>	<b>233</b>	<b>242</b>	<b>251</b>	<b>260</b>	<b>269</b>	<b>278</b>	<b>945</b>	<b>3,506</b>	<b>297</b>	<b>306</b>	<b>315</b>	<b>324</b>	<b>333</b>	

The fourth tab, the *Volume Activity Generator* is where the activity-based costing portion of the *Blueprint* is executed. In all the other tabs in the model that use products as a dimension, we plan at the Product Group level. In this tab, we take a deeper view of branch performance. While still planning at the Branch and Customer Segment level, we now delve deeper and plan at both a Product and Activity level. We'll take a closer look at each dimension separately. In the above view of the *Volume Activity Generator*, notice a drop down box currently showing Customer Inquiry Calls.

- Call Center
- Customer Inquiry Calls
- Renewals-Call Ctr
- Telephone Banking Support
- Loan Origination-Call Ctr
- Deposit Origination
- Operations
- Accept Deposit ATM
- Mailing/Postage Cost
- Process Bill Payments
- Process Checks
- Process Deposits
- Produce Statements
- Mortgage Sales
- Loan Sales
- Loan Renewals
- Lending Back Office
- Loan Origination-lending BO
- NSF Loan Processing
- Loan Payment Processing
- Loan Termination
- Statement Prep & Mail
- Renewals-loans
- Credit
- Credit Reviews - Internal
- Credit Reviews - Third Party

This is one of the many activities that might be associated with a specific product. In fact, when loading data from Acorn's activity-based costing engine, many transactions may make up an activity for a specific product and customer segment. For example, Activity-Customer Inquiry Calls would be made up of many different types of transactions. Purchase Inquires, Call Center Balance Inquiries, Call Center Inquiries, and Inbound Purchase Calls would all be examples of items that are part of Activity-Customer Inquiry Calls. The number of times these activities take place for a given product, at a given branch, for a given customer segment during a specific period, in our case monthly, is defined as the Activity Intensity Rate. In other words, it is not only the transactions that make up the activity, but the number of times an activity might occur within the month (i.e. a customer might make a Call Center Balance Inquiry twice a month). In a subsequent tab, *Activity Intensity Rate Calc*, you will see how the Activity Intensity Rate is determined using a historical basis and linear extrapolation. Activity Intensity Rate is used with the Accounts forecast within the *Revenue and Balances* tab to forecast Activity Volumes that will be used to drive Assigned Expenses.

Transactions which flow into Activities are based upon specific Products and Customer Segments. Therefore we plan at the product level within the *Volume Activity Generator*.



Checking - 50+ Checking
Checking - Checking Reserve
Checking - Free Checking
Checking - Interest Checking
Checking - Relationship Checking
Deposits - Checking
Savings - Basic Savings
Savings - COD
Savings - High-Yield Money Market
Savings - Regular Savings
Savings - SmartSaver Accounts
Deposits - Savings
CD
Deposits - Term
Mortgage - Alt A Subprime
Mortgage - Branch Originations
Mortgage - CRA Government Lending
Mortgage - Direct Banking
Mortgage - LPD Originations
Mortgage - No Doc
Mortgage - Wholesale
Loans - Mortgage
Line of Credit
Unsecured Loan
Auto Loan
Loans - Personal Loans
Credit Card - Mastercard
Credit Card - Visa
Loans - Cards

Within the *Revenue and Balances* tab we plan at the Product Group level.

Deposits
Deposits - Checking
Deposits - Savings
Deposits - Term
Loans
Loans - Mortgage
Loans - Personal Loans
Loans - Cards
Total Product Groups/Line of Business

We must therefore link the information between these to differing dimensions. History we know, thus actuals are loaded directly from Acorn’s activity-based costing engine. We populate forecast months by linking the Product Group from the source, Revenue and Balances, to the target dimension Products. Note that the target dimension, Products, does contain the items planned in the source list (i.e. Deposits – Checking, Deposits – Savings, etc. are on both lists). When linking data from the source we “breakback” or “allocate” the accounts across products based upon the running three month average. For instance, if Checking – 50+ Checking averaged 12 percent of Deposit – Checking for the previous three months, then that basis would be used to allocate all forecast months.

In the following two screens, notice how the Average of the Opening Accounts and Closing Accounts ((233 + 267)/2 or the 250) from the Revenue and Balances tab linked over and allocated to the Loans – Mortgages area of the *Volume Activity Generator*. All else being equal, Mass Market to Mass Market, Atlanta to Atlanta, Dec ’05 to Dec ’05, the total for the Product Group allocated itself based upon the last three months actual history.

Having now linked in account information, and using the Activity Intensity Rate that was calculated elsewhere, we can now calculate the Activity Volume by product, customer segment, and month at the branch level to use as a driver in the next tab, *Assigned Expenses*.

Branch Performance   Contributions   Atlanta Branch - Cognos Planning - Contributor							
File Edit View Tools Actions Help							
Targets by Branch Prod/Seg Target by Branch Revenue and Balances Volume Activity Generator Assigned Expenses							
Atlanta Branch Mass Market Loans - Mortgage							
	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06
<b>Balances</b>							
<b>Opening Balances</b>	32,786,179	33,295,338	33,826,010	34,198,196	34,591,895	29,824,455	35,007,108
Planned Runoff	0	0	100,000	100,000	100,000	300,000	62,558
New Business	509,158	530,672	552,186	573,700	595,213	5,722,653	822,303
(Attrition) Balances	0	0	80,000	80,000	80,000	240,000	66,622
<b>Ending</b>	33,295,338	33,826,010	34,198,196	34,591,895	35,007,108	35,007,108	35,700,232
<b>Average</b>	33,040,758	33,560,674	34,012,103	34,395,045	34,799,502	32,361,910	35,353,670
<b>% Balance Growth</b>	1.55%	1.59%	1.10%	1.15%	1.20%	1.34%	1.98%
<b>Accounts</b>							
<b>Opening Accounts</b>	174	177	185	206	233	174	267
New Accounts	8	15	27	34	42	172	3
(Attrition) Accounts	4	8	6	7	8	78	7
<b>Closing Accounts</b>	177	185	206	233	267	267	263
<b>% Account Growth</b>	2.12%	4.16%	11.34%	13.18%	14.74%	4.31%	(1.72%)
Planned Margin %	2.002%	1.953%	2.002%	2.002%	2.002%	1.878%	2.005%
<b>Net Interest Margin</b>	55,117	54,616	56,730	57,369	58,044	607,608	59,070
\$ Fees per New Account	0.00	0.00	225.00	225.00	225.00	67.43	225.00
Average \$ Fees per Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fees as % of Balance	0.09%	0.09%	0.00%	0.00%	0.00%	0.06%	0.00%
Fee Waivers as % of Fees	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Fees</b>	2,388	2,597	6,067	7,640	9,450	42,570	576

Current owner: wilcox

Branch Performance   Contributions   Atlanta Branch - Cognos Planning - Contributor										
File Edit View Tools Actions Help										
Targets by Branch Prod/Seg Target by Branch Revenue and Balances Volume Activity Generator										
Atlanta Branch Mass Market Accounts										
	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06	Apr-06
Mortgage - Alt A Subprime	9	10	10	12	13	13	14	14	14	14
Mortgage - Branch Originations	28	29	31	35	40	40	42	42	42	42
Mortgage - CRA Government Lending	17	17	19	21	24	24	25	25	25	25
Mortgage - Direct Banking	47	48	52	58	67	67	70	70	69	69
Mortgage - LPO Originations	0	0	0	0	0	0	0	0	0	0
Mortgage - No Doc	47	48	52	58	67	67	70	70	69	69
Mortgage - Wholesale	28	29	31	35	40	40	42	42	42	42
<b>Loans - Mortgage</b>	176	181	195	219	250	250	265	264	261	2
Line of Credit	88	88	89	95	103	103	106	103	102	·
Unsecured Loan	88	88	89	95	103	103	106	103	102	·
Auto Loan	88	88	89	95	103	103	106	103	102	·
<b>Loans - Personal Loans</b>	264	264	266	284	310	310	319	309	307	3
Credit Card - Mastercard	25	24	25	29	33	33	36	35	35	·
Credit Card - Visa	46	44	45	51	60	60	64	64	62	·
<b>Loans - Cards</b>	71	68	70	80	93	93	100	99	97	·

Current owner: wilcox

## Assigned Expenses

Branch Performance   Contributions   Atlanta Branch - Cognos Planning - Contributor																			
Prod/Seg Target by Branch   Revenue and Balances   Volume Activity Generator   <b>Assigned Expenses</b>   Staffing   Direct Expenses   Product Segment Plan by Branch   Branch Plan   Shared Services Unit Rates																			
Atlanta Branch   Loans - Mortgage   Mass Market																			
	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
<b>Call Center</b>																			
Volumes																			
Planned Unit Price																			
Cost																			
Customer Inquiry Calls	160	160	159	154	155	161	163	163	169	182	204	233	2,064	246	246	243	237	236	24
Volumes	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79
Planned Unit Price	126	126	125	121	122	127	128	128	132	143	160	183	1,620	193	193	191	186	185	18
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals-Call Ctr	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone Banking Support	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Origination-Call Ctr	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63	8.63
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposit Origination	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73	5.73
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Operations</b>																			
Volumes																			
Planned Unit Price																			
Cost																			
ATM Transaction	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mailing/Postage Cost	160	161	159	155	156	162	164	164	169	182	205	233	2,071	247	247	244	237	237	24
Volumes	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Planned Unit Price	106	106	105	102	103	107	108	108	112	120	135	154	1,367	163	163	161	157	156	16
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Process Bill Payments	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Process Checks	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Process Deposits	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Volumes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Produce Statements	1.72	1.73	1.71	1.66	1.68	1.74	1.76	1.76	1.82	1.96	2.20	2.51	2,225	266	265	262	255	255	26
Volumes	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44
Planned Unit Price	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost	247	248	246	239	241	250	253	253	261	281	316	360	3,193	381	380	376	366	365	37

Tab five, *Assigned Expenses*, is where we calculate expenses driven by account activity. All calculations are reflective of the choices made in the preceding tabs. It is not necessary to show this information to the user. We have included this tab as a courtesy for informational purposes. An administrator of the Cognos Contributor application could decide to hide this tab and allow a user to see the consolidated results in the *Product Segment Plan by Branch* or the *Branch Plan* tab. Volumes are fed from the *Volume Activity Generator* and the Planned Unit Price from an assumptions tab, discussed below. Planned Unit Price is set at a corporate level based upon historical values and recent initiatives.



## Staffing

Prod/Seg Target by Branch		Revenue and Balances		Volume Activity Generator		Assigned Expenses		Staffing		Direct Expenses		Product Segment Plan by Branch		
Atlanta Branch		Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06					
CSR I	Existing Headcount	10	10	10	9	9	108	9	9					
	Net New Headcount	0	0	(1)	0	0	1	0	0					
	Number of FTE's	10	10	9	9	9	9	9	9					
	Average Annual Salary	28,527	28,527	28,527	29,383	29,383	29,383	29,383	29,383					
	Overtime %	8.00%	10.00%	10.00%	12.00%	12.00%	9.68%	12.00%	12.00%					
	Benefits / Loading Factor (pre-loaded, not adj)	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%					
	<b>Total Salary/Related Costs</b>	<b>33,519</b>	<b>33,995</b>	<b>30,595</b>	<b>31,954</b>	<b>31,954</b>	<b>371,455</b>	<b>31,954</b>	<b>31,954</b>					
	<b>Branch Staffing Productivity Guidelines:</b>													
	Annualized Revenue per FTE:	502,192	510,610	606,468	623,319	641,928	511,823	639,902	652,112					
	Revenue Growth vs Prior Month	69.50%	28.19%	2.86%	55.78%	54.96%	70.21%	77.43%	33.03%					
FTE Growth vs Prior Month	0.00%	0.00%	(10.00%)	0.00%	0.00%	(0.53%)	0.00%	0.00%						
CSR II	Existing Headcount	8	8	8	7	7	83	7	7					
	Net New Headcount	0	0	(1)	0	0	1	0	0					
	Number of FTE's	8	8	7	7	7	7	7	7					
	Average Annual Salary	25,724	25,724	25,724	26,496	26,496	26,496	26,496	26,496					
	Overtime %	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%					
	Benefits / Loading Factor (pre-loaded, not adj)	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%					
	<b>Total Salary/Related Costs</b>	<b>23,666</b>	<b>23,666</b>	<b>20,708</b>	<b>21,329</b>	<b>21,329</b>	<b>249,741</b>	<b>21,329</b>	<b>21,329</b>					
	<b>Branch Staffing Productivity Guidelines:</b>													
	Annualized Revenue per FTE:	627,741	638,262	779,744	801,411	825,336	664,617	822,731	838,430					
	Revenue Growth vs Prior Month	69.50%	28.19%	2.86%	55.78%	54.96%	70.21%	77.43%	33.03%					
FTE Growth vs Prior Month	0.00%	0.00%	(12.50%)	0.00%	0.00%	(1.80%)	0.00%	0.00%						
CSR III	Existing Headcount	4	4	5	4	4	47	4	4					
	Net New Headcount	0	1	(1)	0	0	1	0	0					
	Number of FTE's	4	5	4	4	4	4	4	4					
	Average Annual Salary	20,400	20,400	20,400	20,971	20,971	20,971	20,971	20,971					
	Overtime %	9.50%	9.50%	9.50%	9.50%	9.50%	9.00%	9.50%	9.50%					
	Benefits / Loading Factor (pre-loaded, not adj)	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%					
	<b>Total Salary/Related Costs</b>	<b>9,146</b>	<b>11,432</b>	<b>9,146</b>	<b>9,402</b>	<b>9,402</b>	<b>109,882</b>	<b>9,402</b>	<b>9,402</b>					
	<b>Branch Staffing Productivity Guidelines:</b>													
	Annualized Revenue per FTE:	1,255,481	1,021,220	1,364,552	1,402,468	1,444,337	1,167,100	1,439,779	1,467,252					
	Revenue Growth vs Prior Month	69.50%	28.19%	2.86%	55.78%	54.96%	70.21%	77.43%	33.03%					
FTE Growth vs Prior Month	0.00%	25.00%	(20.00%)	0.00%	0.00%	(2.64%)	0.00%	0.00%						

The sixth tab, *Staffing*, is where a branch manager plans for one of the largest expenses within the branch. A branch manager will be able to control Net New Headcount by month and by type of position, such as Customer Service Rep (CSR I). Managers will also have some latitude in defining Average Annual Salary and Overtime % for the position. Based upon these few entries, staffing costs for the entire branch will be calculated and viewable here or as part of the *Branch Plan* tab. Since staffing is not planned at the Product Group or Customer Segment level, they are not included within the *Product Segment Plan by Branch* tab. Included within the *Staffing* tab are also a few Branch Staffing Productivity Guidelines. Besides the guidelines included in the tab, others may be added or existing ones modified to suit an individual bank's need.

## Direct Expenses

Prod/Seg Target by Branch		Revenue and Balances		Volume Activity Generator		Assigned Expenses		Staffing		Direct Expenses		Product Segment Plan by Branch		
Atlanta Branch		Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
Facilities and Related	19,704	19,080	18,128	19,034	19,941	20,847	233,569	20,988	20,237	20,036	21,112	19,263	18,359	
Travel & Entertainment	3,103	3,004	2,854	2,997	3,140	3,283	36,256	3,235	3,141	3,196	3,276	3,019	2,965	
Postage and Supplies	5,014	4,897	4,719	4,889	5,059	5,229	58,253	4,948	4,985	4,901	4,995	4,845	4,848	
3rd Party Costs	5,636	5,862	6,087	6,313	6,538	6,764	65,500	3,636	4,683	4,917	5,151	5,385	5,619	
<b>Total Direct Expenses</b>	<b>33,457</b>	<b>32,843</b>	<b>31,788</b>	<b>33,233</b>	<b>34,677</b>	<b>36,122</b>	<b>393,578</b>	<b>32,807</b>	<b>33,045</b>	<b>33,049</b>	<b>34,534</b>	<b>32,511</b>	<b>31,791</b>	

The seventh tab, **Direct Expenses**, is where a branch manager may enter expenses directly associated with the particular branch which were not driven by bank-related volume activity. Historical data is loaded in past months, The user may then enter or adjust Direct Expense for all forecast periods. The expense categories shown are for illustrative purposes only, and may be expanded and modified to reflect the needs of the particular bank. It should be noted that Direct Expenses are also planned at the branch level and not broken down by Product Group nor Customer Segment. For this reason, they are included on the Branch Plan tab, as are Staffing Costs. Since we have no direct method of allocating them to Product Group and Customer Segment, they are not included on the *Product Segment Plan by Branch* tab. Towards the end of this application brief, you will learn about a variety of metrics and reports available using Cognos 8 Business Intelligence.

### Product Segment Plan by Branch

	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06
Net Interest Margin	45,599	50,339	51,793	53,702	55,117	54,616	56,730	57,369	58,044	607,608	59,070	60,248
Fees	1,950	2,126	2,165	2,399	2,388	2,597	6,067	7,640	9,450	42,570	576	2,376
<b>Revenues</b>	<b>47,549</b>	<b>52,465</b>	<b>53,958</b>	<b>56,101</b>	<b>57,506</b>	<b>57,213</b>	<b>62,797</b>	<b>65,009</b>	<b>67,494</b>	<b>650,178</b>	<b>59,646</b>	<b>62,624</b>
Loan Losses	0	0	0	0	0	0	0	0	0	0	33,144	33,805
<b>Assigned Expenses</b>												
Call Center	121	122	127	128	128	132	143	160	183	1,620	193	193
Operations	341	344	356	361	361	372	402	451	514	4,560	545	543
Mortgage Sales	0	0	0	0	0	0	0	0	0	0	0	0
Lending Back Office	1,007	1,015	1,053	1,066	1,067	1,100	1,186	1,332	1,519	13,472	1,609	1,604
Credit	3,627	3,854	3,791	3,837	3,840	3,961	4,271	4,797	5,469	48,507	5,794	5,777
<b>Total Assigned Expenses</b>	<b>5,096</b>	<b>5,135</b>	<b>5,327</b>	<b>5,392</b>	<b>5,566</b>	<b>6,001</b>	<b>6,740</b>	<b>7,684</b>	<b>8,141</b>	<b>68,159</b>	<b>8,141</b>	<b>8,117</b>
<b>Revenue less Assigned Expenses</b>	<b>42,453</b>	<b>47,331</b>	<b>48,631</b>	<b>50,709</b>	<b>52,110</b>	<b>51,647</b>	<b>56,796</b>	<b>58,269</b>	<b>59,810</b>	<b>582,018</b>	<b>51,506</b>	<b>54,507</b>
<b>Key Performance Indicators:</b>												
% Balance Growth	1.37%	1.42%	1.46%	1.51%	1.55%	1.59%	1.10%	1.15%	1.20%	1.34%	1.98%	2.01%
% Revenue Growth	9.92%	10.34%	2.84%	3.97%	2.50%	(0.51%)	9.76%	3.52%	3.82%	4.40%	(11.63%)	4.99%
% of Income from Fees	4.10%	4.05%	4.01%	4.28%	4.15%	4.54%	9.66%	11.75%	14.00%	6.55%	0.97%	3.79%
Profitability Movement Indicator	11.68%	11.49%	2.75%	4.27%	2.76%	(0.89%)	9.97%	2.59%	2.64%	4.45%	(13.88%)	5.83%
Assigned Expenses / Revenue Ratio	0.11%	0.10%	0.10%	0.10%	0.09%	0.10%	0.10%	0.10%	0.11%	0.10%	0.14%	0.13%
Revenue per Employee	1,585	1,749	1,799	1,753	1,855	1,788	2,165	2,242	2,327	22,298	2,057	2,159
Number of FTE's	30	30	30	32	31	32	29	29	29	29	29	29

The eighth tab in this application is *Product Segment Plan by Branch*. This tab consolidates information developed on previous tabs that were planned at the Product Group and Customer Segment levels. This tab also calculates for the user certain Key Performance Indicators as defined by management. This list of indicators is easily amended to facilitate the needs of a specific bank. This tab does not include staffing costs or direct expenses, since these two items are not planned at the product group and customer segment level. Data from this tab is linked back to *Prod/Seg Target by Branch* and used in making comparisons to corporate targets.



## Branch Plan

Branch Performance   Contributions   Atlanta Branch - Cognos Planning - Contributor											
File Edit View Tools Actions Help											
Assigned Expenses Staffing Direct Expenses Product Segment Plan by Branch <b>Branch Plan</b> Shared Services Unit Rates Time calc											
Atlanta Branch											
	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06
Net Interest Margin	351,799	364,692	381,539	395,088	400,679	425,336	433,909	443,582	<b>4,374,492</b>	458,637	465,551
Fees	20,537	20,708	22,582	23,406	24,830	29,515	33,580	37,863	<b>280,950</b>	21,290	23,533
<b>Revenues</b>	<b>372,336</b>	<b>385,400</b>	<b>404,121</b>	<b>418,494</b>	<b>425,508</b>	<b>454,851</b>	<b>467,489</b>	<b>481,446</b>	<b>4,655,442</b>	<b>479,926</b>	<b>489,084</b>
Loan Losses	49,393	44,061	38,122	41,080	44,191	39,590	40,347	41,118	<b>485,909</b>	88,236	98,751
Staff Costs	109,147	109,147	117,471	112,473	115,235	101,982	106,894	106,894	<b>1,268,050</b>	106,894	106,894
Facilities and Related	18,755	17,875	19,704	19,080	18,128	19,034	19,941	20,847	<b>233,569</b>	20,988	20,237
Travel & Entertainment	2,865	2,815	3,103	3,004	2,854	2,997	3,140	3,283	<b>36,256</b>	3,235	3,141
Postage and Supplies	4,668	4,671	5,014	4,897	4,719	4,889	5,059	5,229	<b>58,253</b>	4,948	4,985
3rd Party Costs	5,185	5,411	5,636	5,862	6,087	6,313	6,538	6,764	<b>65,500</b>	3,636	4,683
<b>Total Direct Expenses</b>	<b>140,621</b>	<b>139,919</b>	<b>150,928</b>	<b>145,317</b>	<b>147,023</b>	<b>135,215</b>	<b>141,571</b>	<b>143,015</b>	<b>1,661,629</b>	<b>139,701</b>	<b>139,939</b>
<b>Assigned Expenses</b>											
Call Center	24,598	24,690	24,557	24,497	24,562	24,886	25,810	27,025	<b>299,575</b>	27,537	27,230
Operations	7,489	7,510	7,489	7,468	7,502	7,642	7,940	8,320	<b>91,646</b>	8,502	8,450
Mortgage Sales	11,760	11,836	11,833	11,799	11,758	11,873	12,302	12,873	<b>142,894</b>	13,167	13,025
Lending Back Office	6,015	6,055	6,040	6,010	6,030	6,199	6,581	7,086	<b>74,257</b>	7,320	7,237
Credit	17,346	17,540	17,505	17,455	17,595	18,225	19,585	21,352	<b>216,697</b>	22,215	22,002
<b>Total Assigned Expenses</b>	<b>67,209</b>	<b>67,632</b>	<b>67,423</b>	<b>67,228</b>	<b>67,446</b>	<b>68,825</b>	<b>72,218</b>	<b>76,655</b>	<b>825,069</b>	<b>78,741</b>	<b>77,944</b>
<b>Revenue Less Assigned Expenses</b>	<b>305,128</b>	<b>317,768</b>	<b>336,698</b>	<b>351,265</b>	<b>358,062</b>	<b>386,026</b>	<b>395,271</b>	<b>404,790</b>	<b>3,830,373</b>	<b>401,186</b>	<b>411,140</b>
<b>Total Controllable Expenses</b>	<b>207,830</b>	<b>207,551</b>	<b>218,352</b>	<b>212,545</b>	<b>214,469</b>	<b>204,040</b>	<b>213,789</b>	<b>219,671</b>	<b>2,486,697</b>	<b>218,442</b>	<b>217,883</b>
<b>Contribution Margin</b>	<b>115,113</b>	<b>133,788</b>	<b>147,648</b>	<b>164,869</b>	<b>166,848</b>	<b>211,221</b>	<b>213,353</b>	<b>220,657</b>	<b>1,682,835</b>	<b>173,249</b>	<b>172,450</b>
<b>Overhead</b>											
Finance	16,862	14,992	16,526	18,509	20,492	22,475	24,458	26,441	<b>230,516</b>	40,252	40,165
Executive	11,310	10,132	11,168	12,843	14,518	16,194	17,869	19,544	<b>160,580</b>	23,324	22,740
Human Resources	7,293	6,865	7,567	9,232	10,340	11,448	12,556	13,663	<b>110,246</b>	20,893	20,291
<b>Net Income</b>	<b>79,648</b>	<b>101,799</b>	<b>112,387</b>	<b>124,285</b>	<b>121,498</b>	<b>161,105</b>	<b>158,471</b>	<b>161,008</b>	<b>1,181,493</b>	<b>88,780</b>	<b>89,255</b>
Number of FTE's	30	30	32	31	32	29	29	29		29	29
<b>Key Performance Indicators:</b>											
% Balance Growth	3.76%	1.98%	2.30%	2.41%	2.48%	2.06%	2.09%	2.12%	<b>2.30%</b>	1.65%	1.67%
% Revenue Growth	13.36%	3.51%	4.86%	3.56%	1.68%	6.90%	2.78%	2.99%	<b>4.49%</b>	(0.32%)	1.91%
<b>% of Income from Fees</b>	<b>5.5%</b>	<b>5.4%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.8%</b>	<b>6.5%</b>	<b>7.2%</b>	<b>7.9%</b>	<b>6.0%</b>	<b>4.4%</b>	<b>4.8%</b>
<b>Profitability Movement Indicator</b>	<b>16.72%</b>	<b>4.14%</b>	<b>5.96%</b>	<b>4.33%</b>	<b>1.94%</b>	<b>7.81%</b>	<b>2.40%</b>	<b>2.41%</b>	<b>5.23%</b>	<b>(0.89%)</b>	<b>2.48%</b>
<b>Efficiency Ratio (costs / revenue)</b>	<b>63.38%</b>	<b>60.37%</b>	<b>60.88%</b>	<b>58.28%</b>	<b>58.63%</b>	<b>53.36%</b>	<b>54.79%</b>	<b>55.18%</b>	<b>61.82%</b>	<b>58.76%</b>	<b>57.41%</b>
<b>% Controllable Expense Growth</b>	<b>(1.02%)</b>	<b>(0.13%)</b>	<b>5.20%</b>	<b>(2.66%)</b>	<b>0.91%</b>	<b>(4.86%)</b>	<b>4.78%</b>	<b>2.75%</b>	<b>1.51%</b>	<b>(0.56%)</b>	<b>(0.26%)</b>
<b>Revenue per Employee</b>	<b>12,411</b>	<b>12,847</b>	<b>12,629</b>	<b>13,500</b>	<b>13,297</b>	<b>15,685</b>	<b>16,120</b>	<b>16,602</b>	<b>159,506</b>	<b>16,549</b>	<b>16,865</b>
<b>Net Income per Employee</b>	<b>2,655</b>	<b>3,393</b>	<b>3,512</b>	<b>4,009</b>	<b>3,797</b>	<b>5,555</b>	<b>5,465</b>	<b>5,552</b>	<b>39,959</b>	<b>3,061</b>	<b>3,078</b>

The ninth tab in the application is *Branch Plan*. This tab consolidates all information developed on previous tabs and is a complete look at a branch at the highest level. *Branch Plan* also contains overhead expense information for Finance, Executive, and Human Resources. As in the previous tab, a number of Key Performance Indicators have been calculated for end-user convenience and information. These indicators have been linked back to the first tab, *Targets by Branch*, so that they might be compared to management targets and to analyze trends.

## Shared Services Unit Rates

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06
<b>Call Center</b>															
Customer Inquiry Calls	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	\$0.79	<b>\$0.79</b>	\$0.79	\$0.79
Renewals-Call Ctr	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	<b>\$1.73</b>	\$1.74	\$1.74
Telephone Banking Support	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	<b>\$1.44</b>	\$1.44	\$1.44
Loan Origination-Call Ctr	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	<b>\$8.63</b>	\$8.63	\$8.63
Deposit Origination	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	\$5.73	<b>\$5.73</b>	\$5.73	\$5.73
<b>Operations</b>															
ATM Transaction	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	<b>\$0.03</b>	\$0.03	\$0.03
Mailing/Postage Cost	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66	<b>\$0.66</b>	\$0.66	\$0.66
Process Bill Payments	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	<b>\$0.13</b>	\$0.13	\$0.13
Process Checks	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	<b>\$0.02</b>	\$0.02	\$0.02
Process Deposits	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	<b>\$0.01</b>	\$0.01	\$0.01
Produce Statements	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	<b>\$1.44</b>	\$1.44	\$1.44
<b>Mortgage Sales</b>															
Loan Sales	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	<b>\$6.81</b>	\$6.81	\$6.81
Loan Renewals	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	\$3.55	<b>\$3.55</b>	\$3.55	\$3.55
<b>Lending Back Office</b>															
Loan Origination-lending BD	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	\$5.09	<b>\$5.09</b>	\$5.09	\$5.09
NSF Loan Processing	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	\$2.70	<b>\$2.70</b>	\$2.70	\$2.70
Loan Payment Processing	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	<b>\$0.02</b>	\$0.02	\$0.02
Loan Termination	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	\$3.98	<b>\$3.98</b>	\$3.98	\$3.98
Statement Prep & Mail	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	\$0.67	<b>\$0.67</b>	\$0.67	\$0.67
Renewals-loans	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	\$6.92	<b>\$6.92</b>	\$6.92	\$6.92
<b>Credit</b>															
Credit Reviews - Internal	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	\$8.63	<b>\$8.63</b>	\$8.63	\$8.63
Credit Reviews - Third Party	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	\$12.89	<b>\$12.89</b>	\$12.89	\$12.89

The tenth tab in the *Financial Services Branch Performance Blueprint* is *Shared Services Unit Rates*. This is an assumptions tab that contains both the historic rates and the rates being forecast by management. These rates are used in the Assigned Expenses tab and are driven by the activity volume calculated within the *Volume Activity Generator*. When developing these rates, management takes into account historical trends, anticipated changes in processes, and how future hardware and software purchases might affect unit rates. The user has no input here; the Cognos Contributor administrator may even elect to hide this tab from end-user view.

## Time Calc

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06
Actual Months Indicator(Hide)	1	1	1	1	1	1	1	1	1	0	0	0	0	0
Actual Months	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06
Forecast Months														
Current Month(Hide)	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Lag C1(Hide)	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Lag C2(Hide)	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Lag C3(Hide)	0	0	0	0	0	0	1	0	0	0	0	0	0	0
Month (IID)(Hide)	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06
Months for Average														
Act/Fcst	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
Actual Months Cumm (Hide)	1	2	3	4	5	6	7	8	9	9	9	9	9	9

The eleventh *Blueprint* tab is *Time Calc*. This tab allows for a rolling forecast and facilitates the averaging of account balances over the previous three months in the *Volume Activity Generator*. This tab also is used to facilitate allocation of account information from the Revenue and Balances tab to the Volume Activity Generator based upon running three-month phasing. This tab requires no input from the user and may be hidden at the discretion of the Cognos Contributor administrator.

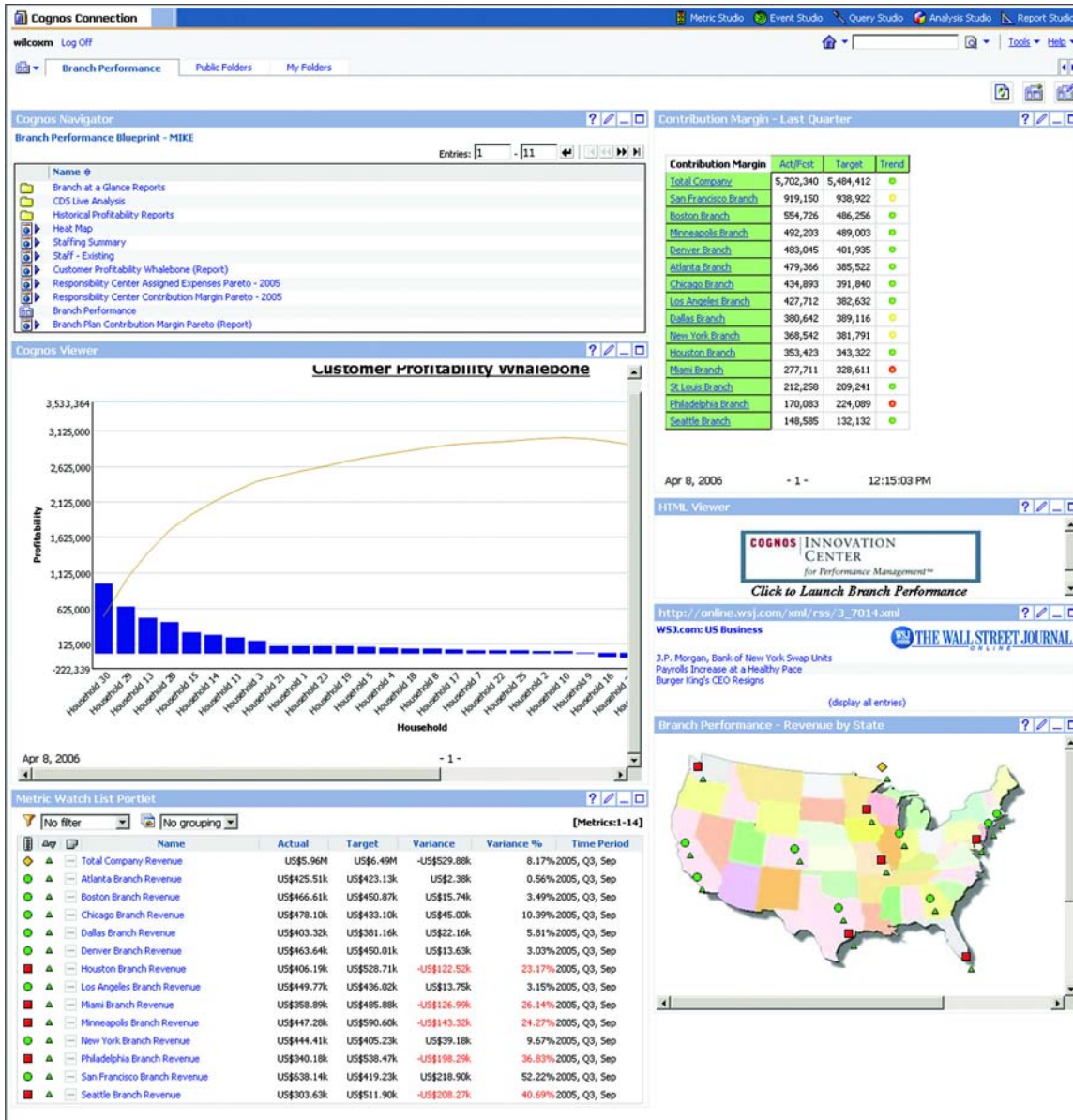
### Activity Intensity Rate Calc

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005	Jan-06	Feb-06	Mar-06
Act/Fcst	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast		Forecast	Forecast	Forecast
Accounts	6	6	6	6	6	6	6	6	6	6	0	0	0	0	0	0
<b>Activity Intensity Rate</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>	<b>3.04</b>

The twelfth and final tab is *Activity Intensity Rate Calc*. From the activity-based costing source, we load historical Accounts and Actual Activity Volume (Hide). By dividing Volume by the number of accounts, we arrive at the Actual Activity Intensity Rate. Using this information and some data brought over from the *Time Calc* tab, we are able to do a linear extrapolation and derive an Activity Intensity Rate that is linked into the *Volume Activity Generator* to calculate forecast volumes based upon current account balances and anticipated activity rates.



## Analysis and Reporting



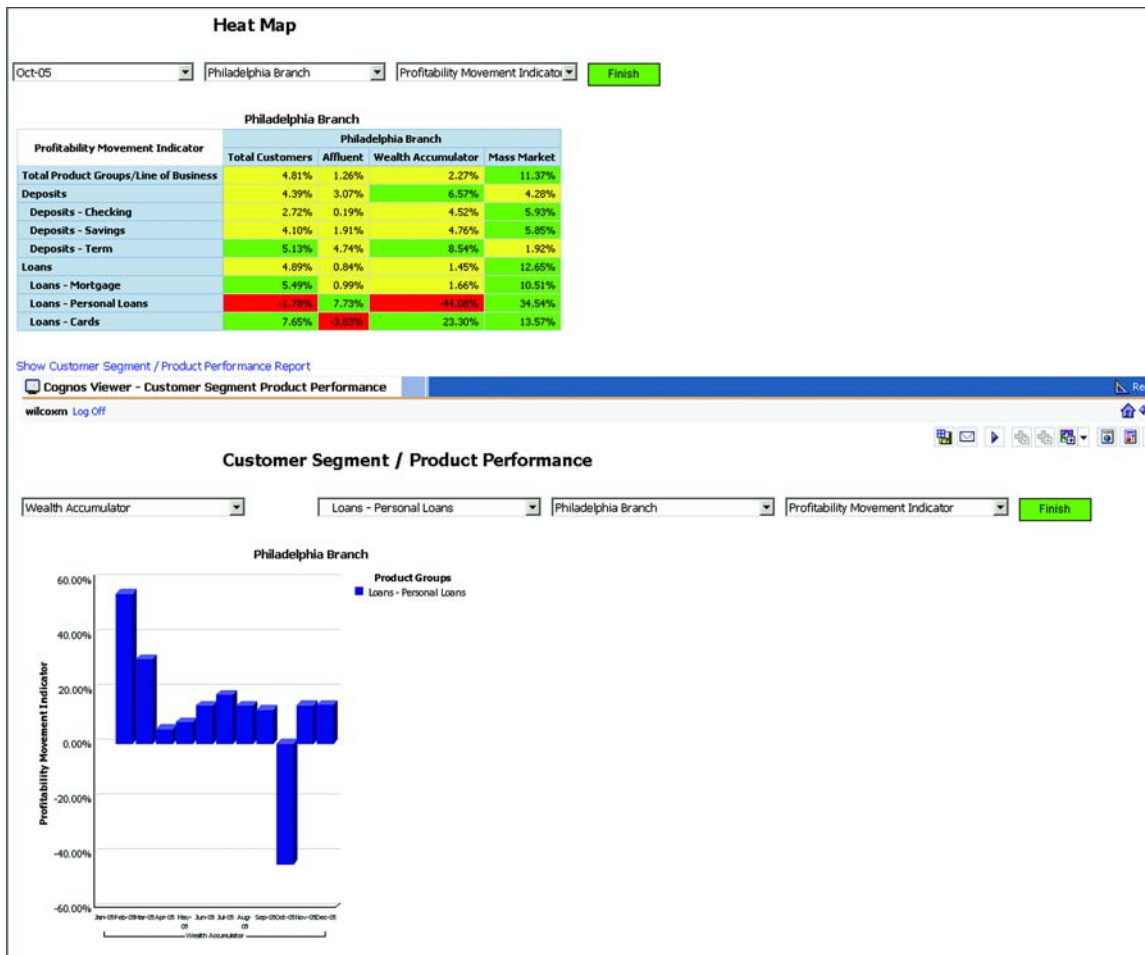
In addition to the planning functionality described to this point, the *Branch Performance Blueprint* includes reporting and analysis using Cognos 8 Business Intelligence. Reports can be created that reflect data from either the Cognos Planning Contributor model or from the Acorn activity-based costing model. For the purposes of this application brief, we will highlight three reports.

The first report, shown above, is a dashboard that serves as the starting point for branch managers. The sections of this dashboard (clockwise from top left) are: 1) Menu of available reports; 2) League table ranking

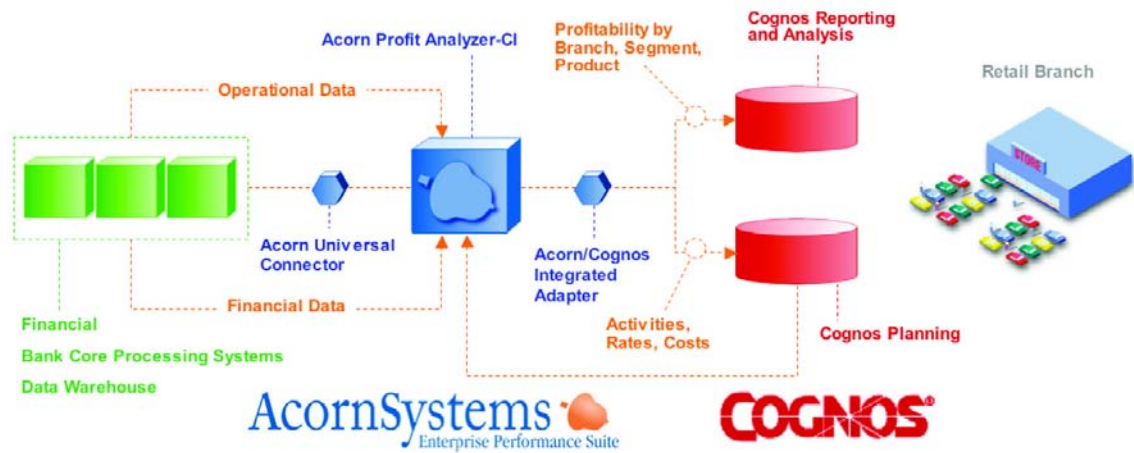




The third sample report, the Heat Map, shows how a branch manager might use the *Blueprints* powerful reporting capabilities to make customer segment and product-level decisions. In this chart, the performance of each customer segment, each product, and each product within a customer segment is shown. The user can look at profitability trends, revenue growth or balances growth to determine quickly which customer segments or products may need attention. As mentioned above, analysis and reporting from this *Blueprint* are not limited to these three reports. A bank can analyze or report on any information required.



## Acorn Integration



Acorn Systems offers Profit Analyzer, Cognos Integration Edition, based on its participation as the development and best practices partner for the *Cognos Branch Performance Blueprint*. Featuring a pre-defined template for key data inputs, flexible and extensible process modeling and calculation engine, as well as pre-built integration to Cognos' CPM Solution, an organization can achieve rapid time to results.

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