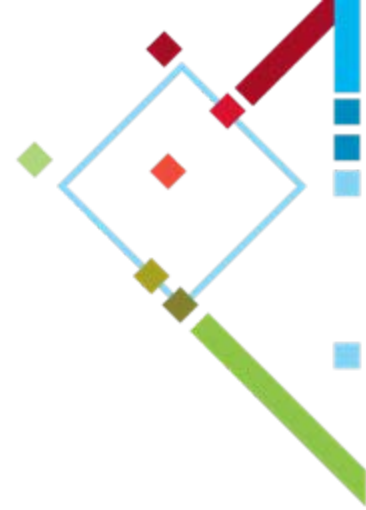


The Finance Agenda: 2011 and Beyond

David A. J. Axson

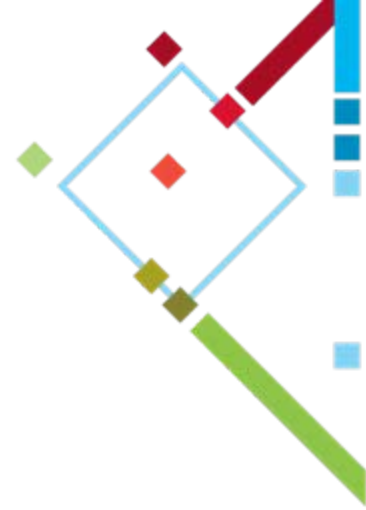


Only one Englishman is playing in the NBA, for which team?

- Portland
- Golden State
- Utah
- Chicago
- Atlanta
- Toronto
- Boston
- Cleveland
- San Antonio
- Miami

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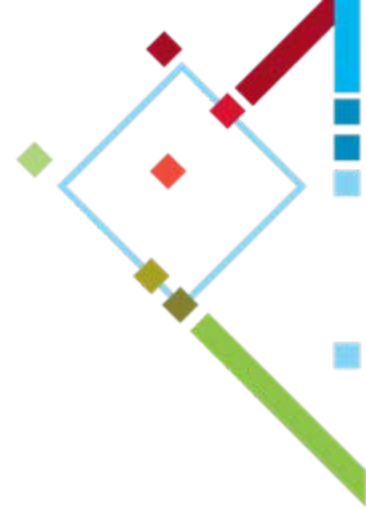
Anticipate and shape business outcomes



2.2% < **1%**

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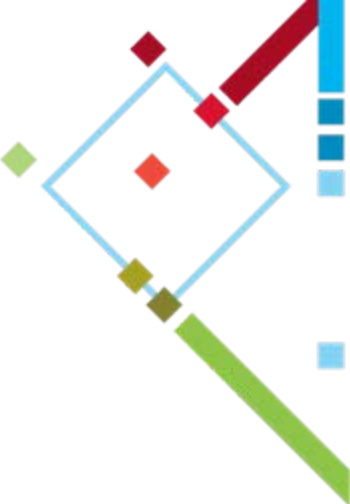
Anticipate and shape business outcomes



65–80%

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89

The last mile

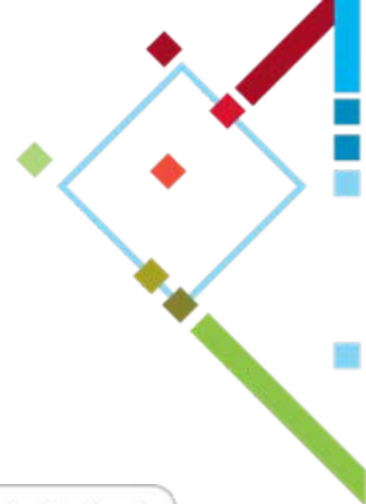
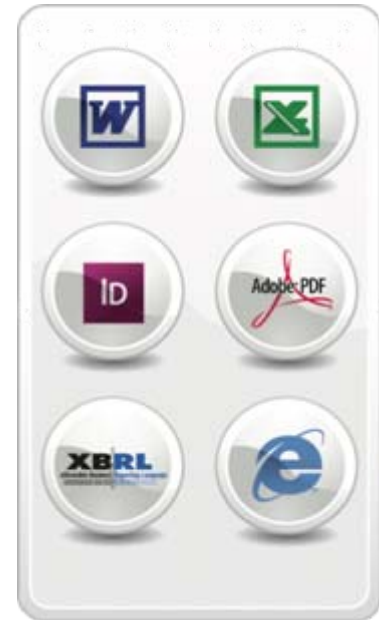
Customers

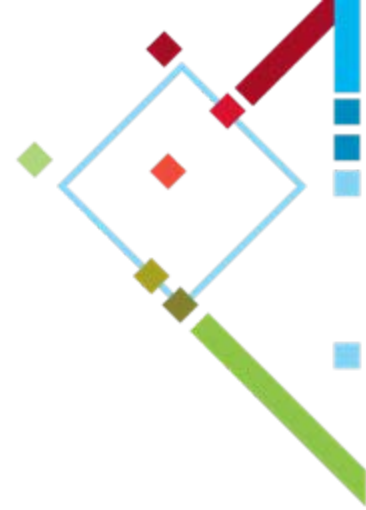


Operations



Suppliers





Lehman Brothers

Earthquakes

Vegas real estate

Healthcare

H1N1

Volcanic ash

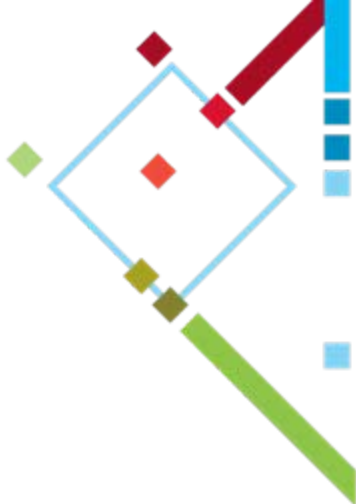
Greece, Ireland, Spain ...

Environmental sustainability

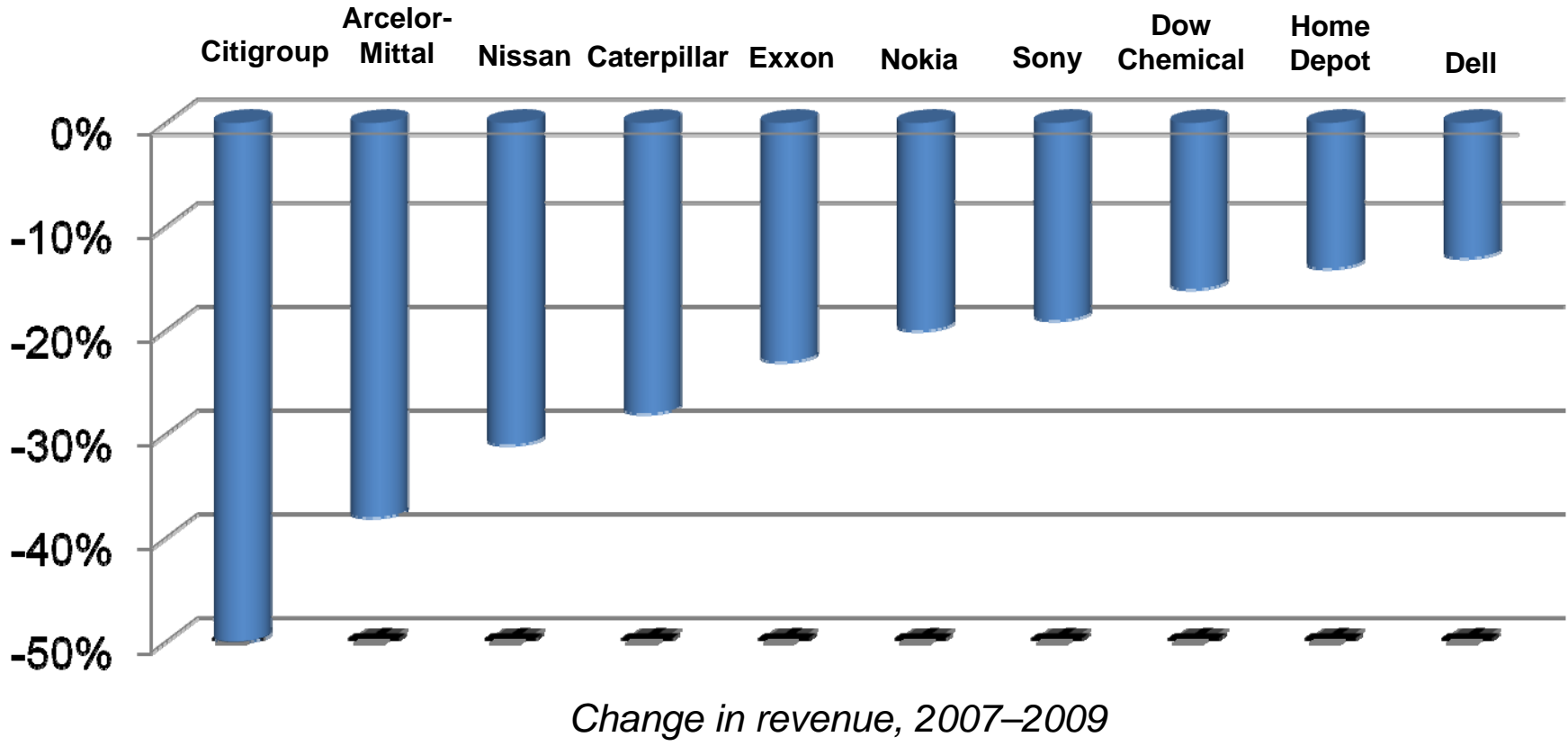
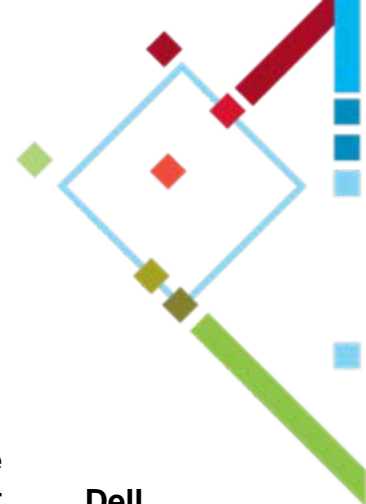
Egypt, Libya...

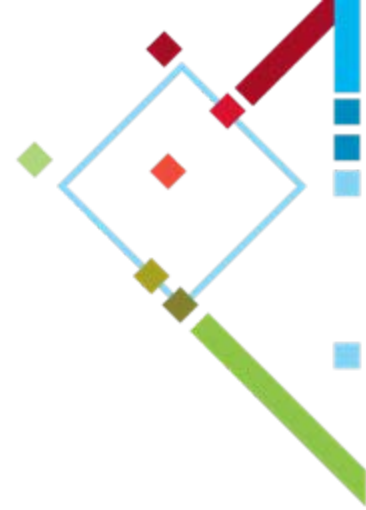
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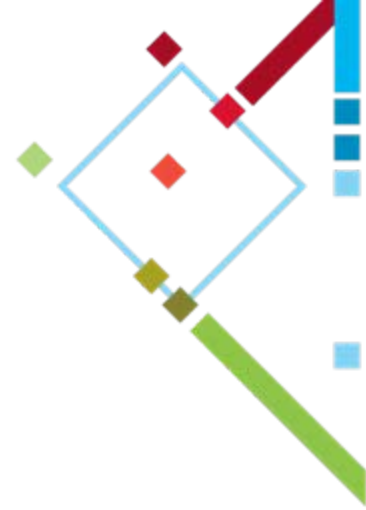
No one is immune.





Finance agenda for 2011

- Liberate professional staffs
- Make analytics real
- Embrace risk



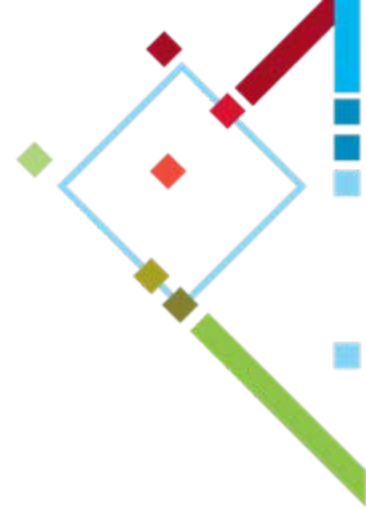
MAWS Mucking About with Spreadsheets

PNIB Putting Numbers in Boxes

BRBH Building Reports by Hand

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Anticipate and shape business outcomes



MONDAY

*Collecting
data*

TUESDAY

*Collecting
data*

WEDNESDAY

*Maintaining
spreadsheets*

THURSDAY

*Developing
reports*

*Maintaining
spreadsheets*

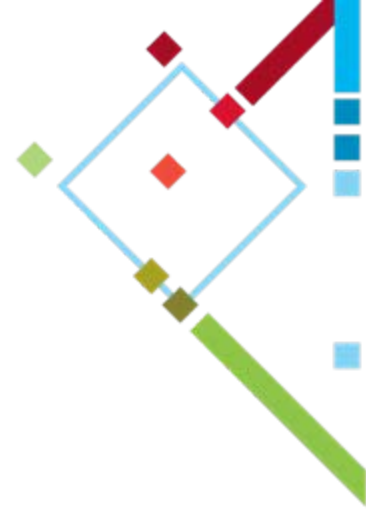
FRIDAY

*Other
activities*

*Performing
analyses*

*Developing
reports*

Focus



MONDAY

*Collecting
data*

*Performing
analysis*

TUESDAY

*Performing
analysis*

WEDNESDAY

*Interacting
with decision
makers*

THURSDAY

*Interacting
with decision
makers*

FRIDAY

*Other
activities*

*Strategic
initiatives*

*Personal
development*

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Anticipate and shape business outcomes



TimeWarner

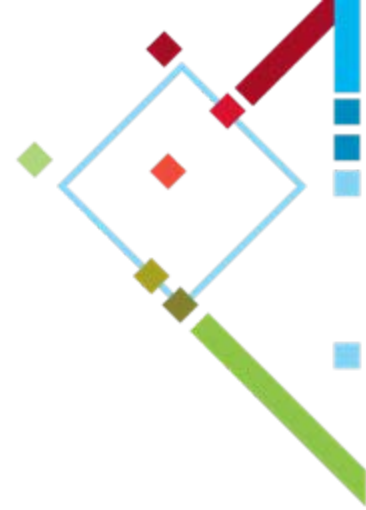


HBO[®]

Time Inc.



IBM



Measure what matters

Example: global aid organization

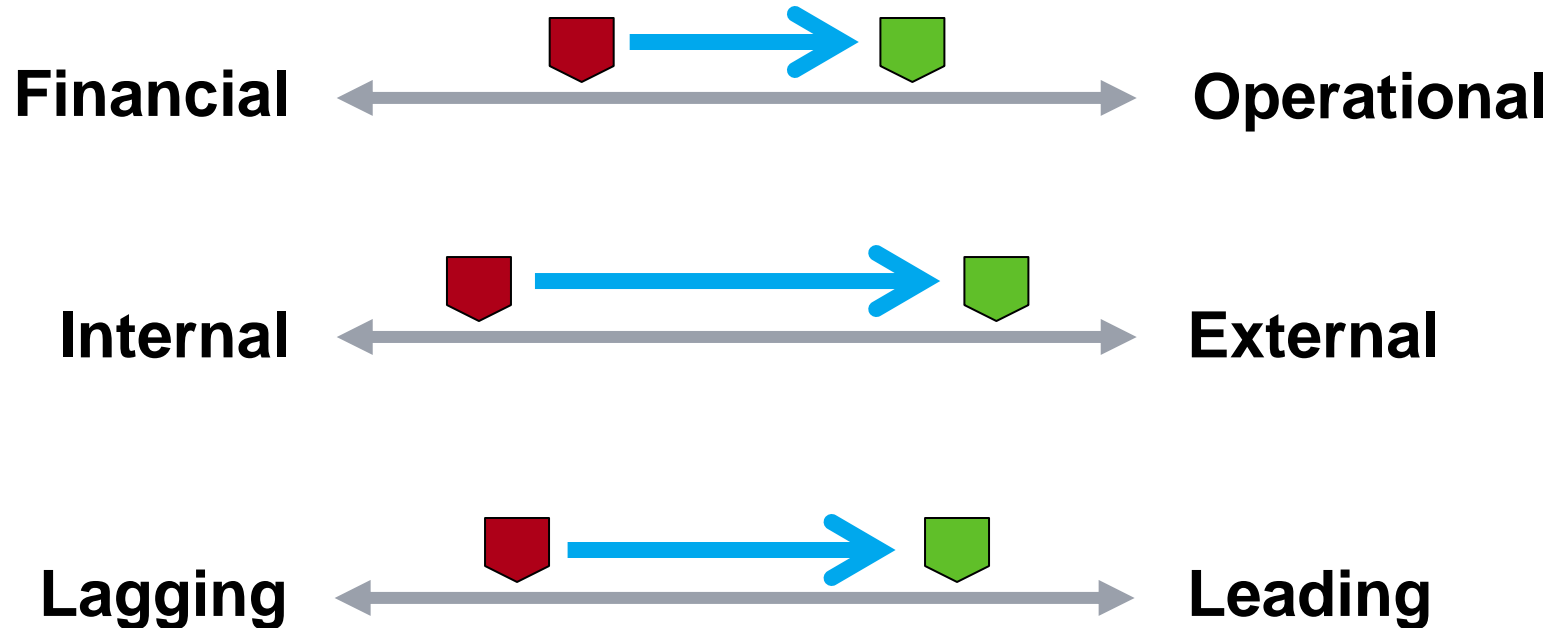
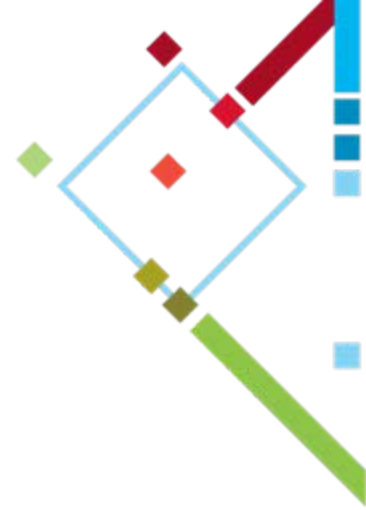


- 60% complete
- 59% to budget
- 55% to time

- 6 of 10 wells completed
- 3 of 7 filtration systems installed

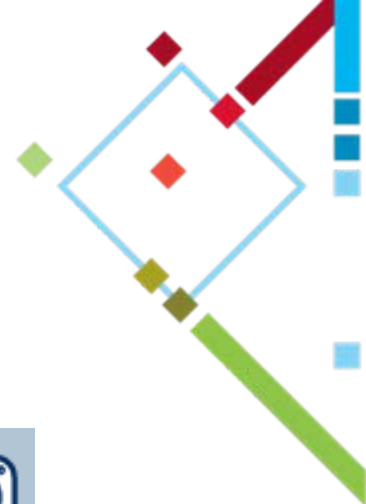
- Mortality rate down 7%
- Cholera rate down 11%

Redefine balance

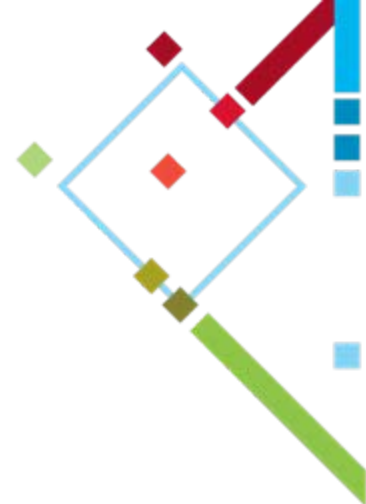


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Anticipate and shape business outcomes

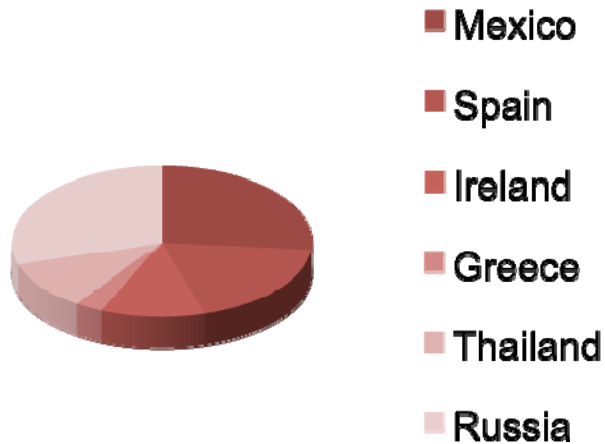


Risk based

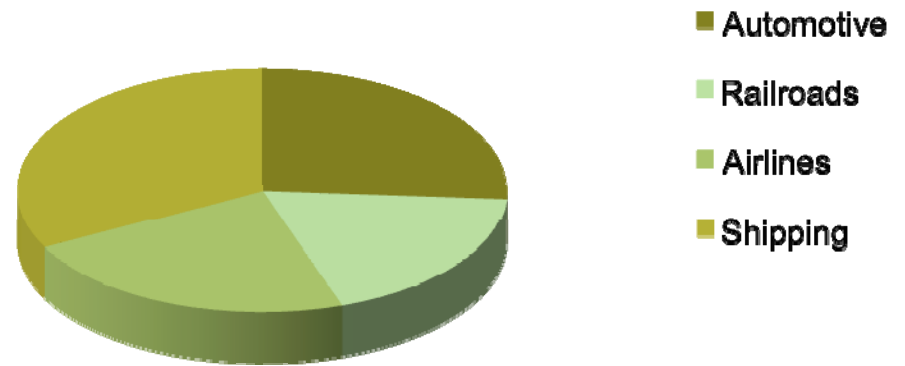


Revenue at risk

Geography

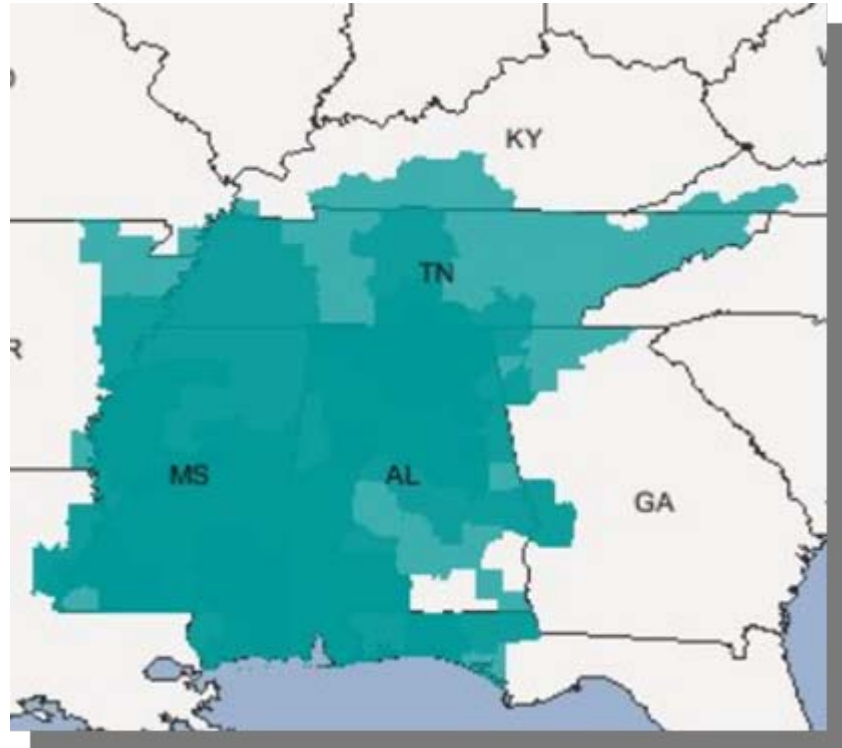


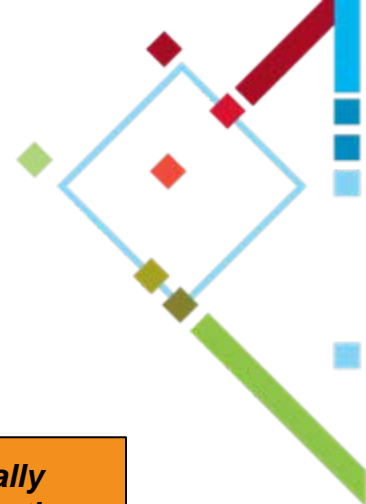
Sector





- Largest privately held wireless company in the United States
- Headquartered in Jackson, Mississippi
- Employs approximately 1,350 people
- Has more than 80 retail locations





Understand the risks inherent in plans and forecasts

Sales	
- products	1,234
- services	798
COGS	
- product cost	994
- service cost	370
Gross margin	668
Marketing costs	201
Sales costs	175
Admin costs	
- Facilities	35
- IT	125
- HR	80
- Legal	21
Corporate	35
Net margin	(4)

Product sales typically difficult to predict more than 90 days out

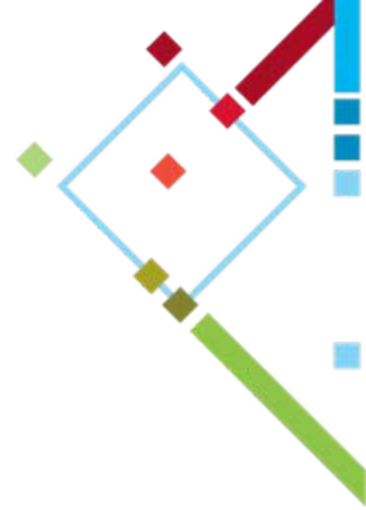
Some long term commitments but exact spending varies with short term demand

Almost all facilities are on long term leases

High confidence
Moderate confidence
Low confidence

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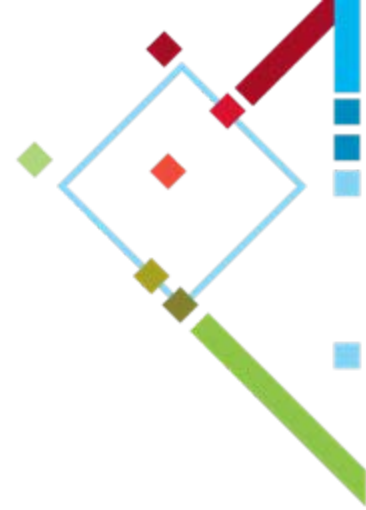
Anticipate and shape business outcomes





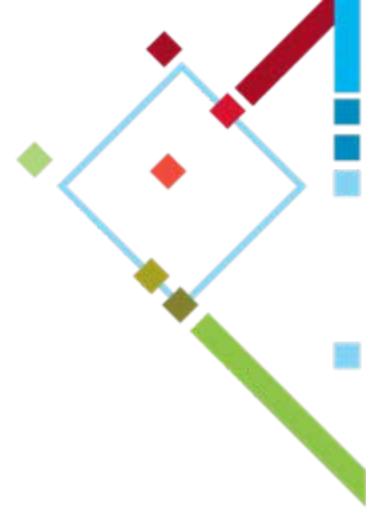
Building the “last mile”

- ***Eliminate all manual handoffs*** in the collection, validation, reporting and dissemination of information
- ***Integrate analytics*** with core business information systems to allow for easy, fast and accurate access to data
- ***Develop monitoring and early-warning systems*** that quickly direct managers to areas of opportunity or threat
- ***Embed control and compliance*** policies, practices and metrics into all operational processes so that confidence levels are high and exceptions are immediately identified
- ***Invest*** in the attraction, development, retention and rewarding of talented finance professionals



Which of the following companies has never been British owned?

- Kohl's
- Holiday Inn
- Burger King
- Brooks Brothers
- Dr Pepper
- Farmers Insurance
- Kimberly Clark
- Dunkin' Donuts
- Baskin-Robbins
- Miller Beer



Thank you