



## IBM GBS/FM Financial Performance Management Services

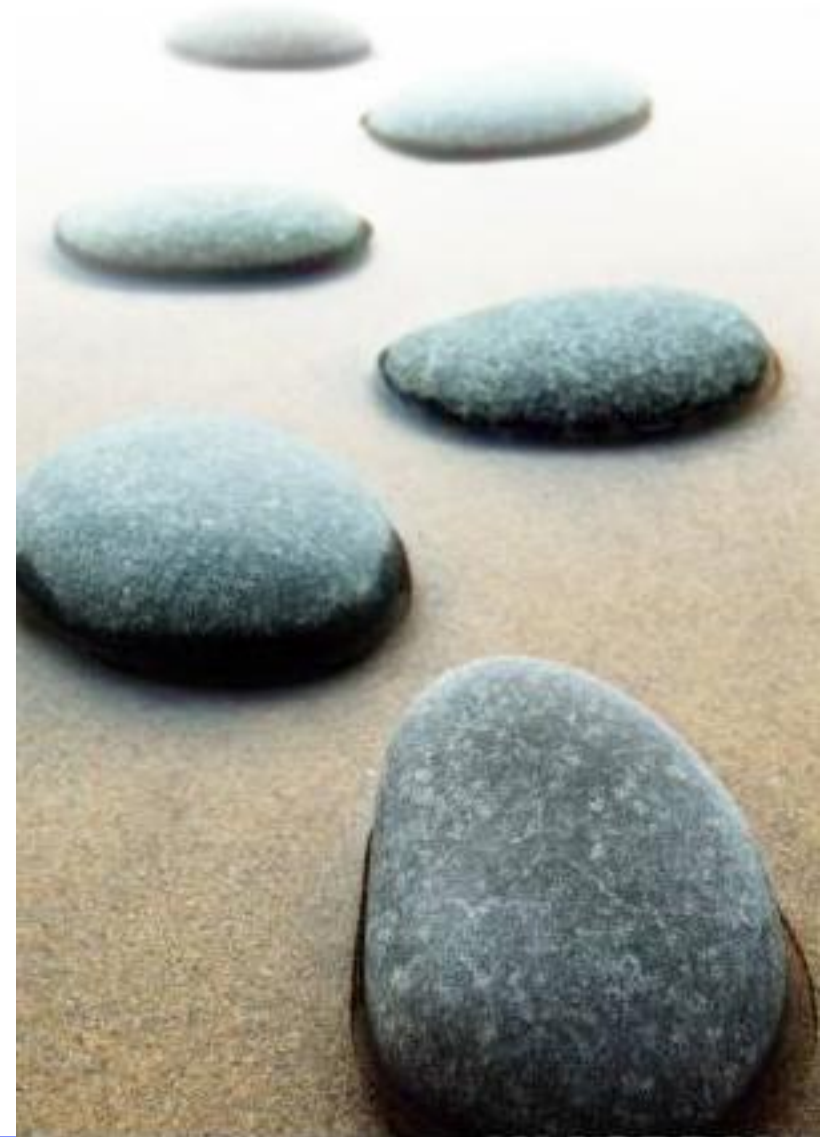


### ***Promoting More Effective Decision Making:***

*An inside look at how the U.S. Department of Justice is using technology to shift financial managers from transaction managers to strategic thinkers*

## Agenda:

- Rising to the challenges of performance management, transparency, and accountability
- Align planning, budgeting, reporting and forecasting to manage risk and drive performance
- CFO Dashboard: Insight into Performance
- Case Study: The UFMS Dashboard at DOJ
  - Why we needed a dashboard solution
  - How it fits with UFMS
  - The UFMS Dashboard in Action
  - Lessons Learned
  - Plan Forward
- Open Discussion





## CFO's: Rising to the challenges of performance management, transparency, and accountability

### ■ Challenges

- Operate on a performance-driven basis and demonstrate value
- Justify funding requirements without having the ability to demonstrate transparency
- Manage risk without even knowing what they are and how they impact your performance
- Managing resources without knowing what they are doing, why they are doing those activities, and how much the cost
- Supporting a mission or vision aligned to a strategic plan without knowing how well your programs and operations are performing

### ■ Challenges are magnified by:

- Relentless budgetary and economic pressures,
- Increased oversight focused on improving efficiency and effectiveness,
- Ever changing regulatory requirements,
- Disparate systems that deliver disjointed or untimely reports, and
- A need to reduce the cost of services yet sustain or even increase results



## Effective CFO's align planning, budgeting, reporting and forecasting to manage risk and drive performance

- Key performance indicators (KPIs) can be presented alongside key risk indicators (KRIs)
- Enterprises looking to incorporate risk into planning should consider the following actions:
  - ✓ Prioritize risks based on greatest impact on strategic goals and likelihood of occurrence.
  - ✓ Create a line of sight working backward from the identified risks and their root causes.
  - ✓ Correlate risks within and across silos
  - ✓ Adjust for the compounding effects of seemingly independent risk events
  - ✓ Plan for different scenarios

**Factoring both risk and strategic alignment into the four main areas of performance management presents an opportunity to succeed... provided you have the right visibility and insight**



## CFO Dashboard Solutions: Using technology to create Insight into Performance and Strategic Value

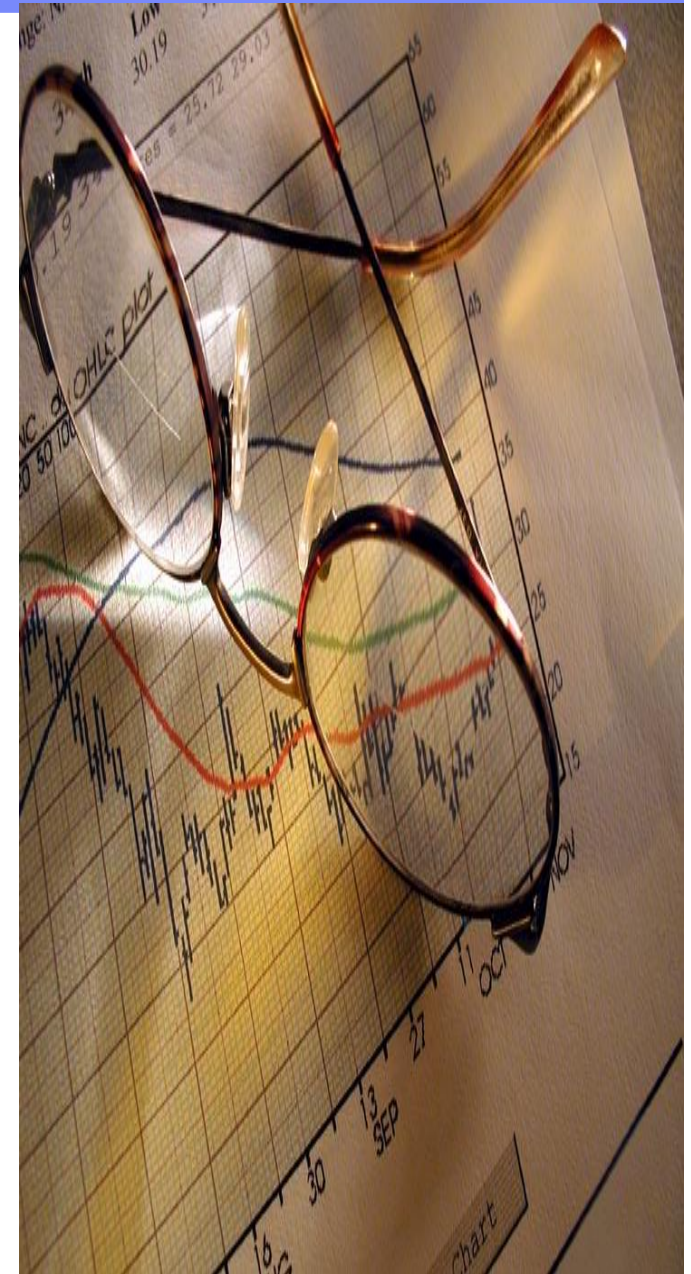
- Aligns with, and leverages, existing data and financial performance management capabilities
- Centralizes information from disparate systems in a single, web-based portal
- Creates transparency through access to granular details and root-cause analysis
- Provides specific financial performance management and dashboard solutions that reach across the financial management lifecycle including:
  - ✓ Organization-based Financial Health
  - ✓ Budgeting & Planning
  - ✓ Cost and Schedule Performance
  - ✓ Cash Flow Analysis
  - ✓ Revenue vs. Expense Analysis
  - ✓ Regulatory Compliance Monitoring
  - ✓ Capital Planning and Investment Control Assessments
  - ✓ HR Resource Tracking

**Result:** Shifts financial management focus from transaction management to performance optimization and strategic planning



## CFO Dashboard Solutions: Accelerated “Go-Live” Schedules

- Provides central access to reports and databases through the dashboard portal
- Leverages pre-existing report accelerators, KPI's and benchmarks
  - Financial and performance management report templates and accelerators
  - Metrics and KPIs from years of experience supporting the CFO environment throughout the public sector
  - A database of performance benchmarks provided from IBM's Benchmark Centers around the world.





## IBM GBS/FM Financial Performance Management Services



## *Case Study: The UFMS Dashboard at the Department of Justice*



## Why a UFMS Dashboard Is Needed at DOJ

Managers require a means to:

- ▶ Integrate information and monitor performance
- ▶ Move from historical reporting to near real-time data and analytics
- ▶ View 'at-a-glance' information about selected business performance
- ▶ Experience UFMS benefits before their Component's UFMS implementation is complete
- ▶ Improve decision-making through enhanced transparency, accountability, efficiency, and compliance





# UFMS Dashboard in Action – Navigation Pane

**KPIs** – displays metrics comparing actual performance to targeted levels.

**Graphs** – presents links to graphical representations of data relevant to the user role.

**Reports** – interactive; supplies information as soon as data is refreshed.

**Report Links** – offers additional external reports relevant to users.

**Reference Links** – helpful tools and web pages.

**Budget**

**Finance**

**Key Health Performance Indicators**

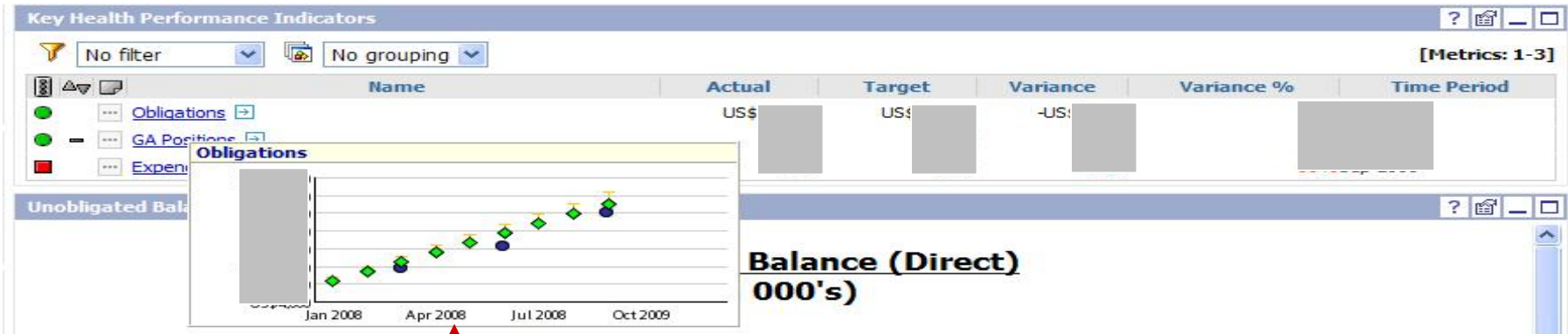
Name	Actual	Target	Variance	Variance %	Time Period
Obligations					
GA Positions					
Expenditure % to Total Spending					

**Unobligated Balance (Direct) (in 000's)**

**Available for Obligation vs. Actual Obligations**

Year	Quarter	Available for Obligation	Total Obligated
2008	Q1		
2008	Q2		
2008	Q3		
2008	Q4		

# UFMS Dashboard in Action – Key Health Performance Indicators



*Small window appears when hovering over a KPI category providing a high-level graph of health and performance of various organizational measures.*



# UFMS Dashboard in Action – Dashboard Generated Charts

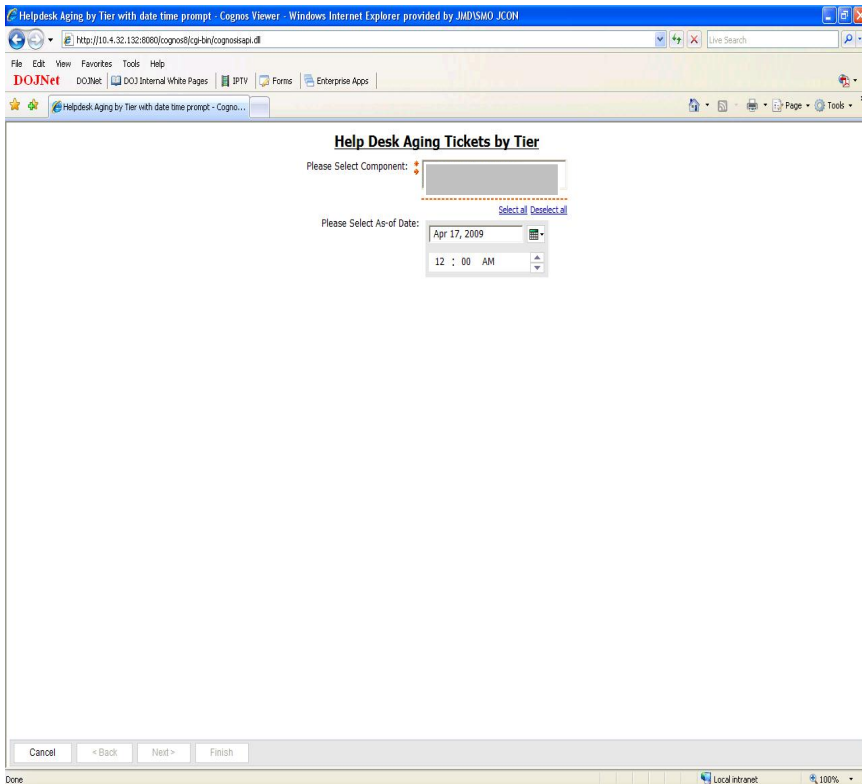
**Click on any link in the 'Graphs' section of the navigation pane. The graph chosen will appear in the main viewing area on the dashboard.**

**Unobligated Balance (Direct)**  
(in 000's)

**Available for Obligation vs. Actual Obligations**

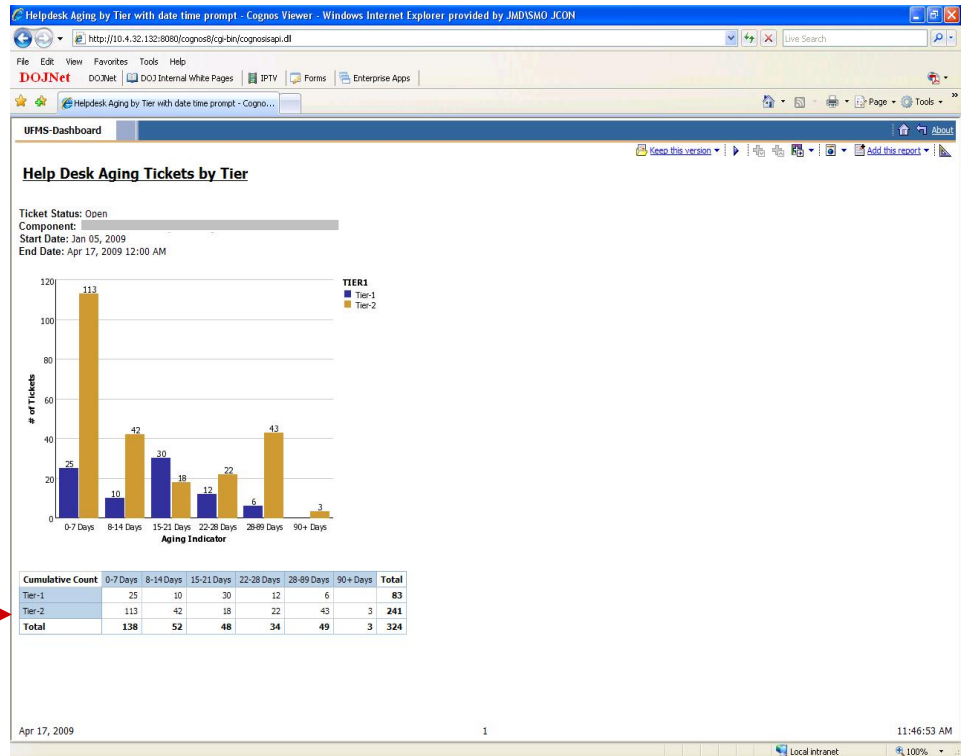
Year	Quarter	Available for Obligation	Total Obligated
2008	2008 Q1		
2008	2008 Q2		
2008	2008 Q3		
2008	2008 Q4		

# UFMS Dashboard in Action – Dashboard Generated Reports



**Click on any link in the 'Reports' section of the navigation pane. Prompt page appears in a new window.**

**The selected report, with data based on prompts chosen, appears in a new window and can then be exported to .pdf, Microsoft Excel, etc.**





# What have we learned so far?

## ▶ Stakeholder Management

- **Issue.** Transparency may expose issues.
- **Resolution.** Effectively communicating with key stakeholders and involving end users from deployment onset helps to manage expectations of everyone involved.

## ▶ Business Processes and Reporting

- **Issue.** Managers do not want to give up control of information.
- **Resolution.** It is critical to document and standardize business processes as well as have consistent report formats where data source access is not granted to avoid data migration issues.

## ▶ Business Definitions

- **Issue.** Data comes from many different sources and from many different processes.
- **Resolution.** Because different offices often times do not speak the same language, standardizing and documenting common business definitions becomes crucial to delivering meaningful intelligence.

## ▶ Source Data

- **Issue.** Data owners may prefer to provide “scrubbed” data that is sanitized and manipulated.
- **Resolution.** Direct access to source data is essential; source data is what provides the ability to drill down and analyze information.

## ▶ Client Security Requirements

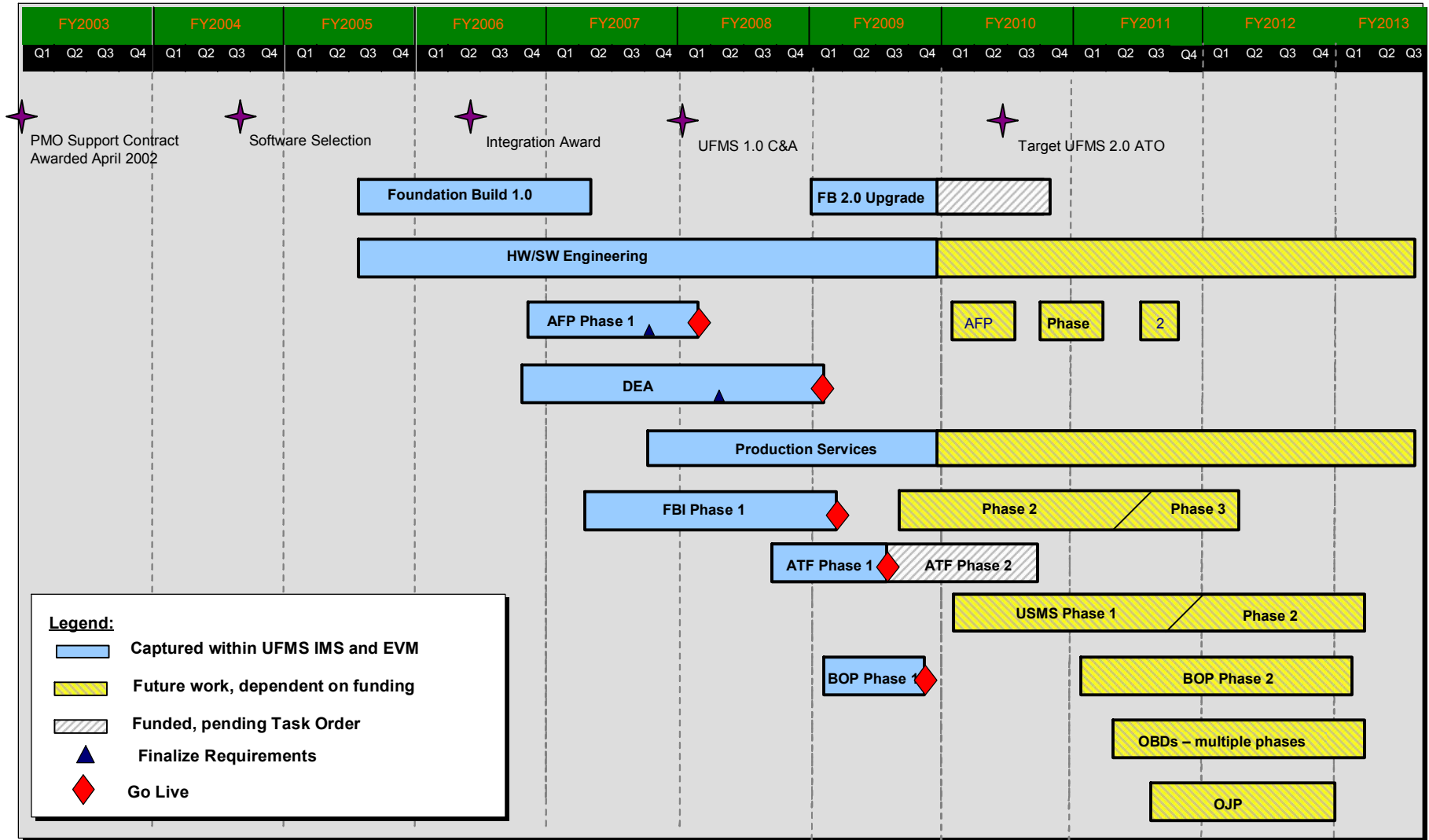
- **Issue.** Some data is proprietary to specific parts of the organization.
- **Resolution.** Anticipation and documentation of unique client technical security requirements is important. Unanticipated client technical security requirements may affect a team’s ability to use full dashboard capabilities.

## How will DOJ prepare for the full dashboard implementation?

- ▶ Include UFMS Dashboard activities in Component implementation planning and requirements through the post implementation support time period
- ▶ Include staff with dashboard expertise as part of the UFMS team, maintaining one team with one mission
- ▶ Apply data migration methodology to transfer data from legacy source systems to the UFMS Dashboard database
- ▶ Establish standard business processes for data and report formats, frequency of updates, and naming conventions; add new reports and Key Health Performance Indicators
- ▶ Expand business transformation activities to accommodate an expanded user group – identify organizational change management issues, train Business Intelligence (BI) administrators, standardize communications and messages
- ▶ Incorporate the UFMS Dashboard as part of the UFMS certification and accreditation (C&A) process



# Path Forward – UFMS Component Implementations



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*One System, One Vision*

# UNIFIED FINANCIAL MANAGEMENT

U.S. Department of Justice  
Unified Financial Management System

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