



FINANCE FORUM

2009

Journey to becoming an Integrated Finance Organization

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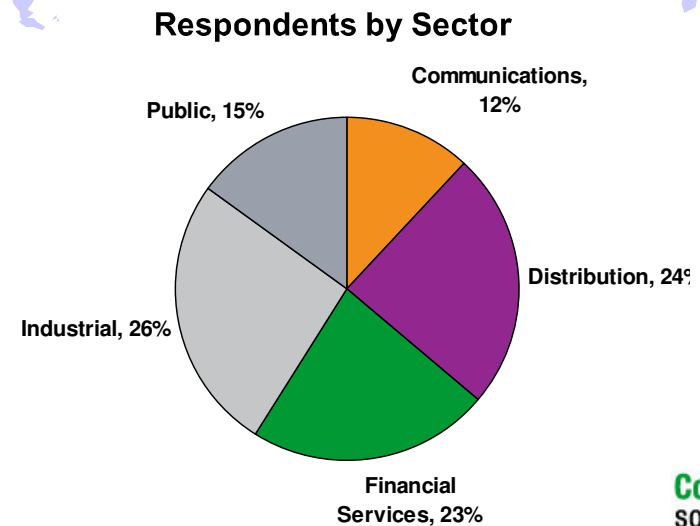
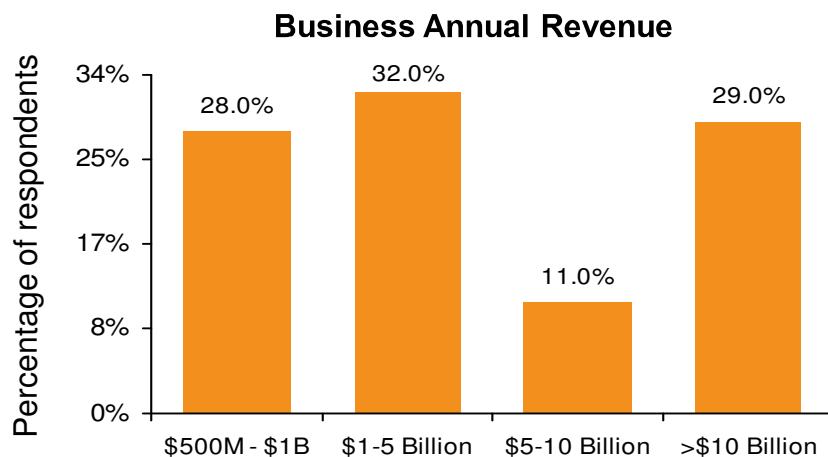
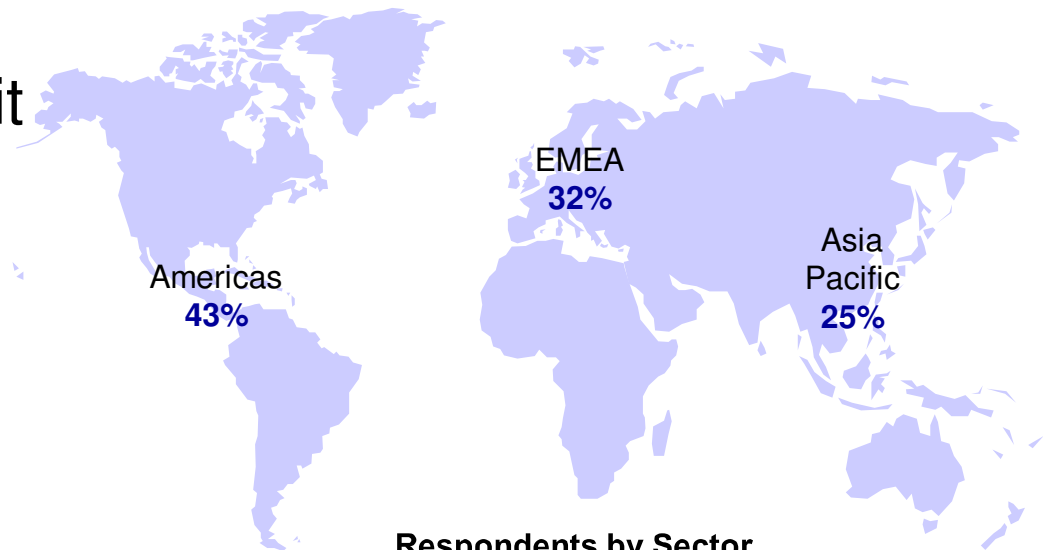


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2008 CFO Study coverage

- Jointly conducted with the Economist Intelligence Unit (EIU)
- 1,230 CFOs covered in 79 Countries

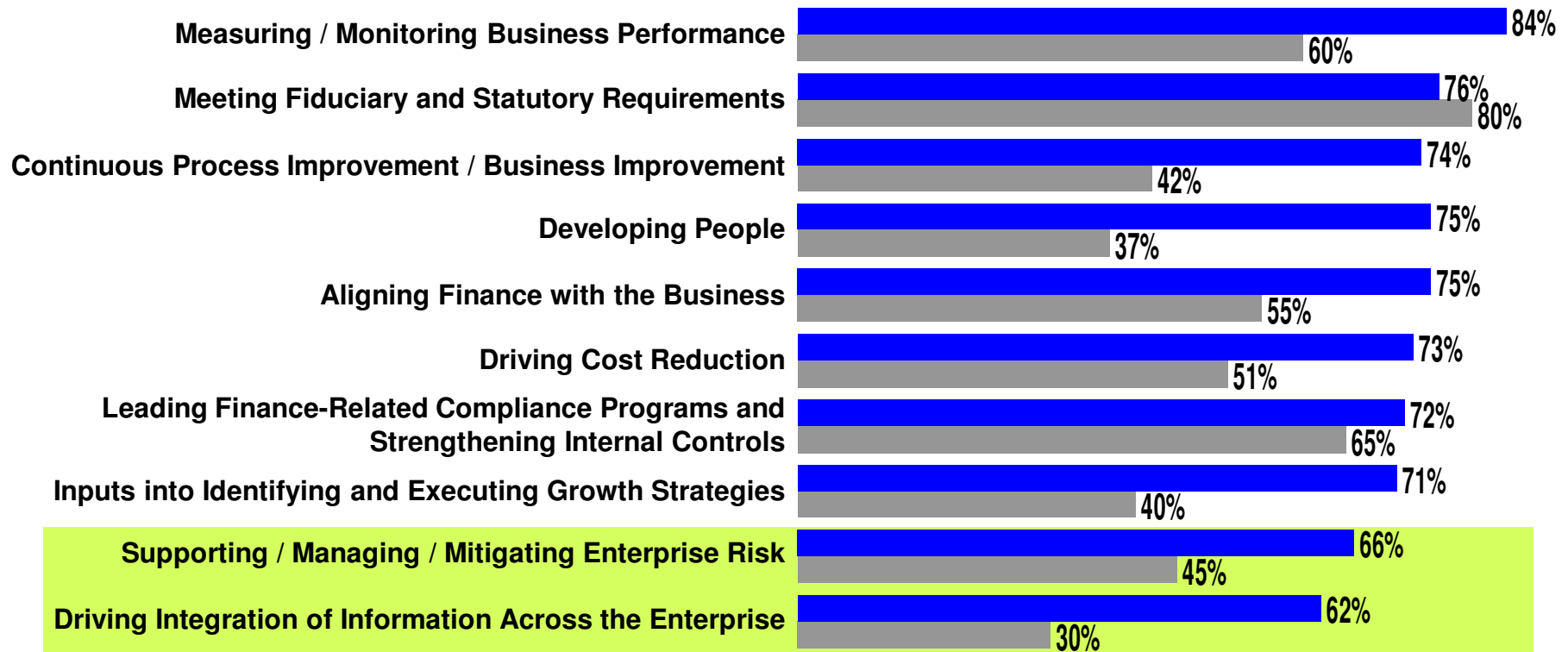


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What's Important to the CFO?

CFO Agenda



■ Importance
■ Effectiveness



The two agenda items ranking lowest in importance are key differentiators of financially successful companies

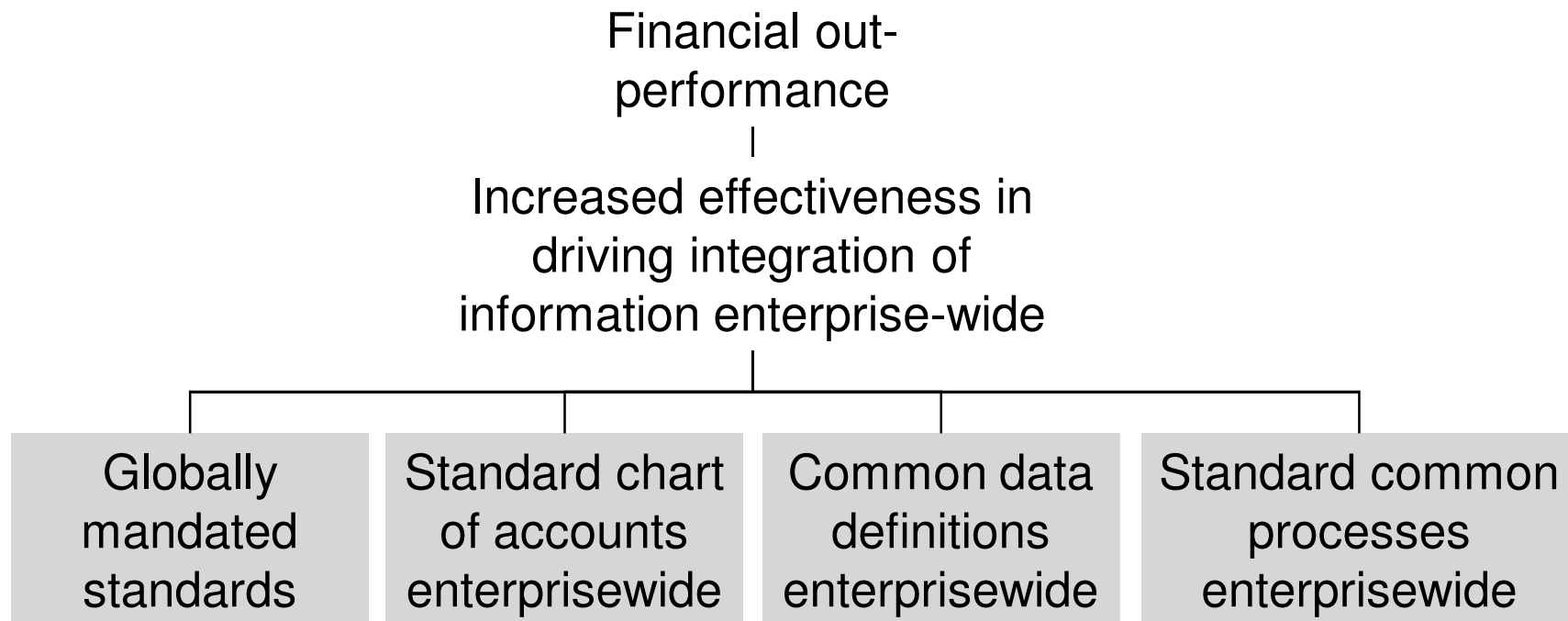
Source: IBM Global Business Services, The Global CFO Survey 2008

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So, what are the drivers of effective information integration?

Components of an *Integrated Finance Organization*

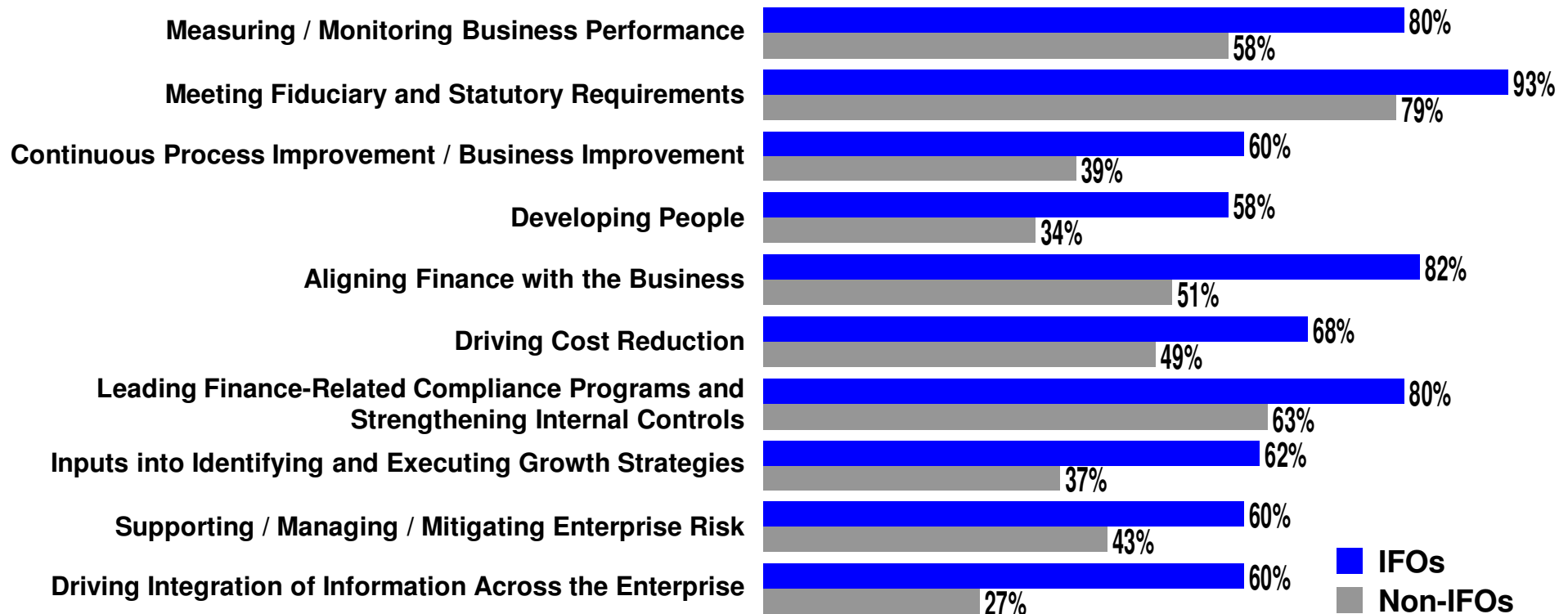


These are the components of good governance and what we are calling the **Integrated Finance Organization (IFO)**

Source: IBM Global Business Services, The Global CFO Survey 2008

IFOs are more effective at executing their agendas

IFOs are More Effective

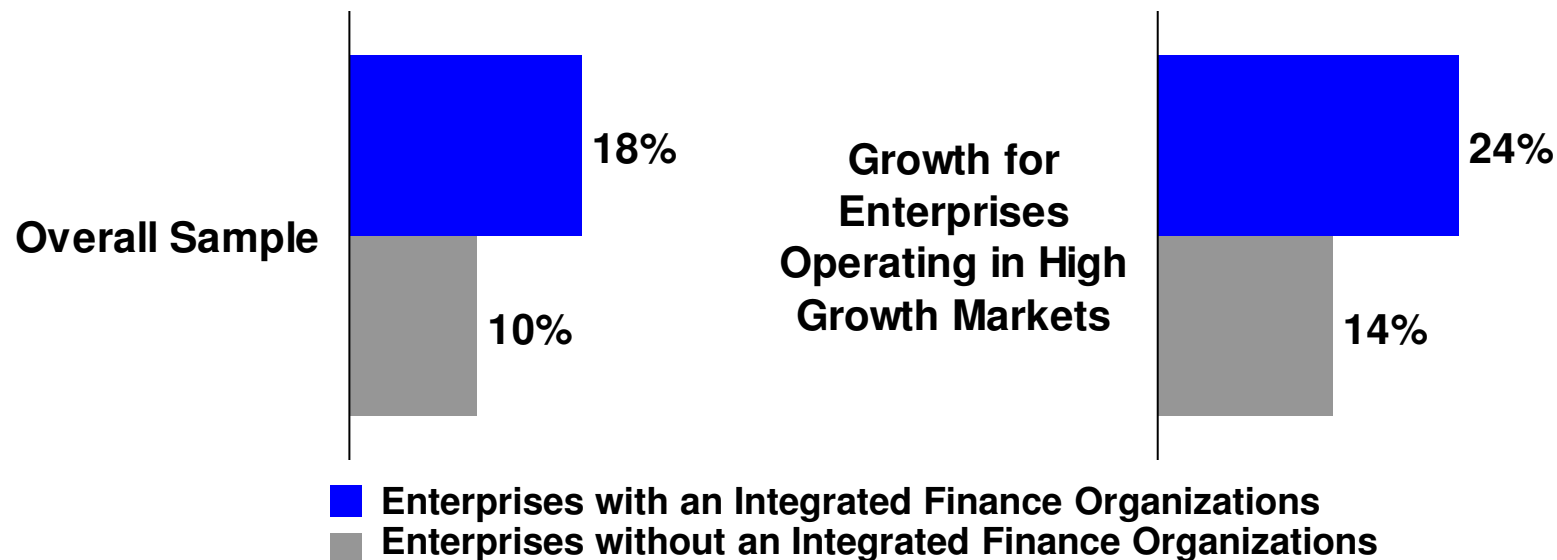


❖ | *Effectiveness is it's own reward, but...*

Source: IBM Global Business Services, The Global CFO Survey 2008

Enterprises with an IFO are rewarded financially

Revenue Growth Rates 5 Year CAGR

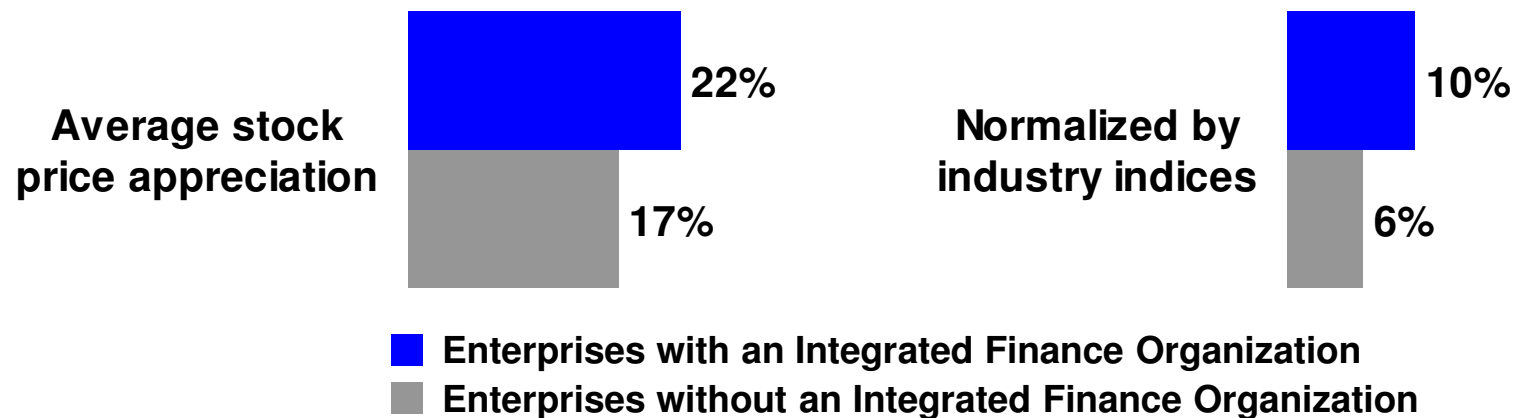


Source: IBM Global Business Services, The Global CFO Study 2008

Stock price appreciation echoes the trend in high growth marketplaces

Stock price appreciation 5 year CAGR

Enterprises Operating in High Growth Marketplaces



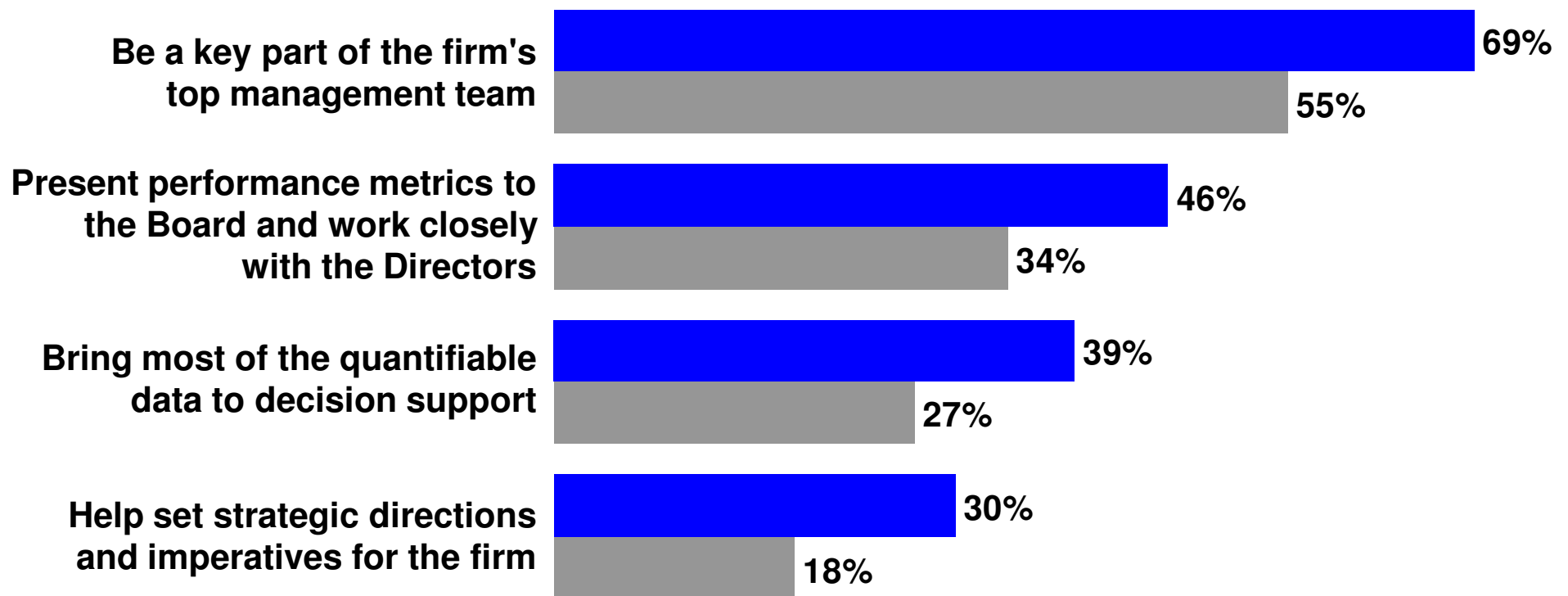
Source: IBM Global Business Services, The Global CFO Study 2008

... | 'Integration' is difficult to execute...so, how's it done?

CFOs who provide the “truth” not only sit at the table but helps to shape the business agenda

IFOs understand the relationship with providing the truth

Percent Strongly Agree



■ IFOs
■ Non-IFOs

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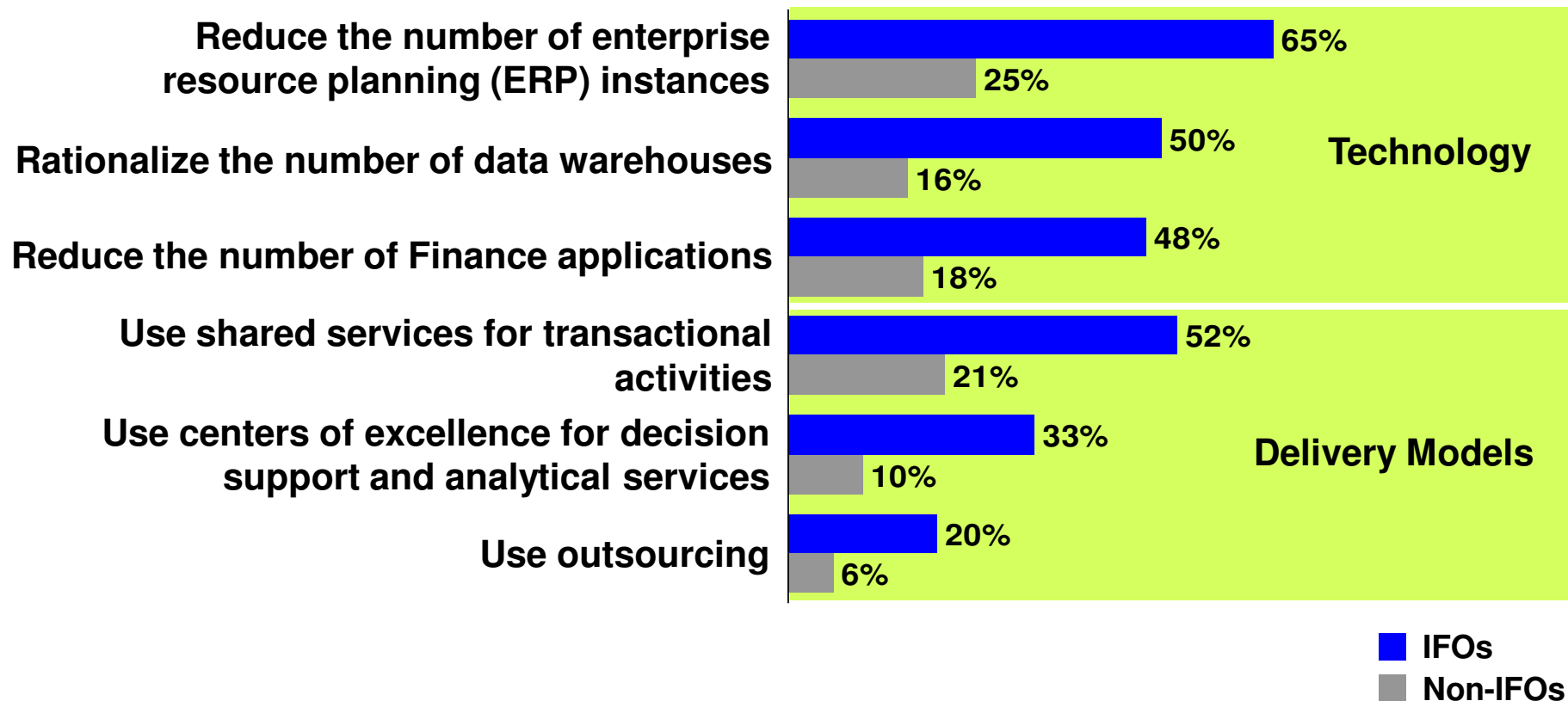
Source: IBM Global Business Services, The Global CFO Study 2008

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Enterprise standards lead to simplified technology and delivery models help maintain standards

Enterprise-wide Technology and Delivery Model Improvements

Percent fully adopted enterprisewide



Source: IBM Global Business Services, The Global CFO Study 2008

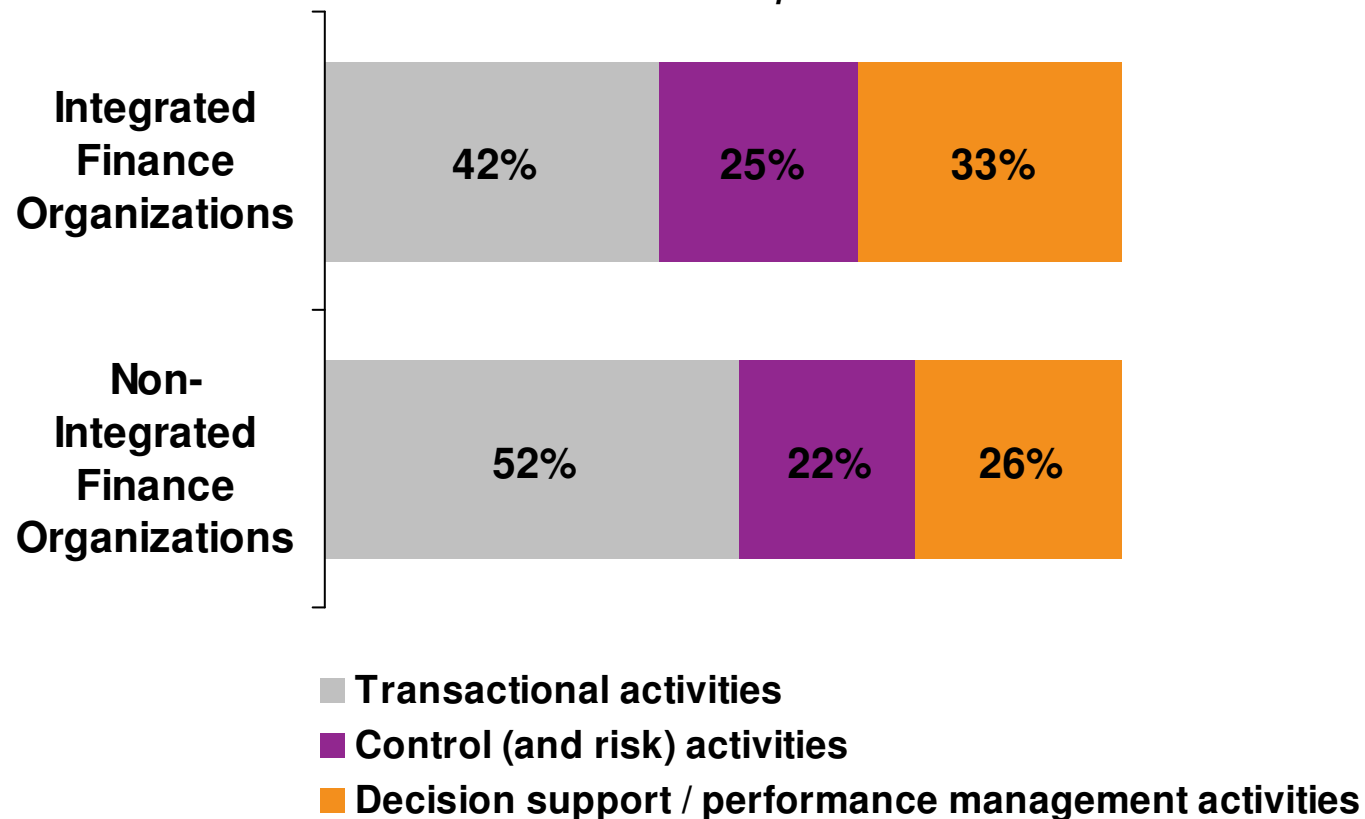
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Integrated Finance Organizations spend more time on decision support and controls

Finance workload distributions

Percent of Time Spent

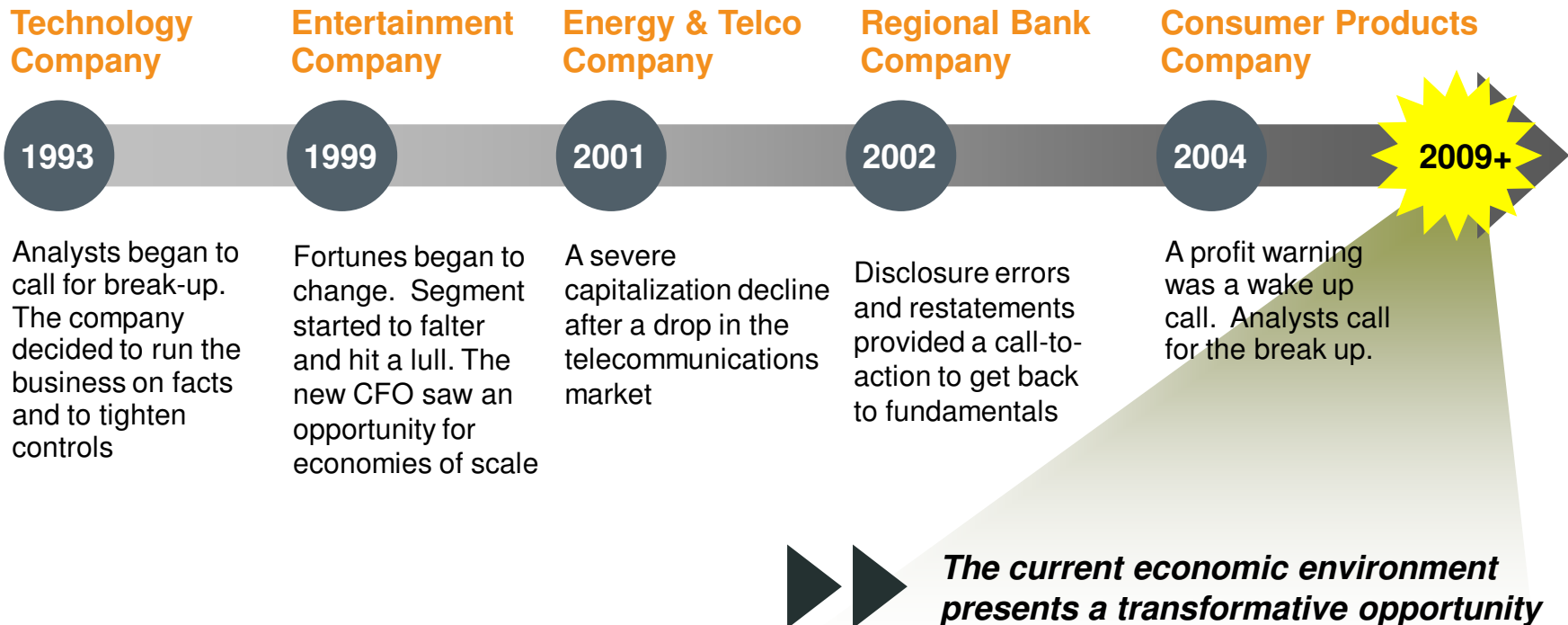


Source: IBM Global Business Services, The Global CFO Study 2008

Different paths, shared objective

The call-to-action for driving IFO has often been a downturn or event

Triggering Events



Different paths, shared objective

Where is your enterprise?



Data

- What is your enterprise's philosophy towards standards?
- How robust is your data management and governance?
- What are the implications of your current data environment on your processes, technology and delivery model?



Technology

- How can your technology serve as a unifying platform for greater information management?
- How does your technology affect your processes and data integrity?
- What are the implications of your current technology environment on your delivery model?

Process



- How common are your processes?
- Have you implemented global process owners?
- What are the implications of your current process environment on your data, technology and delivery model?

Delivery Model



- Do you perceive outsourcing as a way to quickly transform Finance with control?
- How might adjusting your delivery model provide you more flexibility?
- What are the implications of your current operating model on your data governance, process commonality and technology environment?

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Thank
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