IBM White Glove Events

Moderator: Tim O'Brien
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Operator: Good day, and welcome to today's Web conference. During today's event, all participant lines have been muted to prevent background noise. If you require technical support at any time, please press star then zero on your touch-tone phone, and someone will assist you. This event will – is being recorded.

There will be a question-and-answer session after the formal comments. You may submit questions electronically throughout the day's presentation using the question-and-answer feature on the Web.

At this time, we are going to start the recording. Please stand by.

We would like to welcome everyone to today's Web event titled performance blueprints in action, cost transparency. At this time, it is my pleasure to turn the floor over to Mr. Tim O'Brien. Mr. O'Brien, you have the floor.

Tim O'Brien: Thank you very much, and welcome, everyone, to this installment of the IBM Cognos performance blueprint in action Webcast, brought to you by the IBM Cognos Innovation Center. Today's Webcast will feature the cost transparency performance blueprint. I will soon introduce my IBM colleague, (Frank McKean), Banking and Financial Markets Executive for the Americas, as well as (Mike Wilcox), Advisory Software Engineer.

But before I introduce them, I wanted to first go through a few things to update you all on some things happening in the IBM Cognos Innovation Center, as well as what research we've gleaned from the activities and interactions we've had with our global customer community. As you all know, the IBM Cognos Innovation Center is a membership based community consisting of IBM Cognos customers, we've got over 6,000 that are members of the innovation center. We also partner with third party thought leaders, like (Jeremy Hope), (David Axe) and (David Norton), (Peter Noiswantzen) and (Steve Lukens) as well from IBM global business services, and many others. And all of these advisors speak at our events, they author a thought leadership that we make exclusively available to our membership, and they also present at Webcasts like these Webcasts that we put on each month.

And all of this work that we do in getting together with our community, whether it's through live events or Webcasts, as well as our – not only the customers, but as well as the thought leaders, produces a number of benefits from which our innovation center members benefit. Some of these things that we produce are the live best practices workshops, the monthly Webcasts, which I'll get into in a little more detail, as well as the IBM Cognos performance blueprints, one of which we'll be showing you today. The thought leadership and best practice articles I mentioned, customer success podcasts, we have a number of those available to you, a monthly newsletter and calendar of events of what's going on across not only the innovation center, but as well as the business analytic segment.

We also have an online community that you all can participate in, we host the financial performance management cab, and we've got a number of customer benchmarking tools that we make available. Now I mentioned those live workshops, one of them that we deliver is on best practices in forecasting, featuring the rolling forecast, and you can see on your screen these are just some of the dates that we're delivering workshops in cities throughout North America in April, May and June, more soon to be added. Another workshop we're delivering is around strategy execution best practices, and here's some more dates that we'll be delivering this workshop throughout North America, and you know lastly, something called the performance management experience, it's something we're delivering again in Q2. And all of these workshops are all wrapped around the notion of performance management, and the idea being business insight to allow decision makers throughout the organization to understand, to be able to drive, monitor and understand their business to make more informed decision making, so it's less about gut based, or intuitive based decision making, and closer to the more fact based decision making.

And these workshops are really focused around the business side of things, how you facilitate deploying these types of best practices in your organization, and we do at the very end show how this can be facilitated through our technology, but the core of these workshop is really around the business practices, and we're not only delivering you those best practices, but we also want to get you engaged in round table discussion with the other participants, because that's where I think you learn just as much as no only what are the best practices, but what are the right practices for your organization, what is the art of the possible today, not five years down the road?

And you're all participating in today's performance blueprints, and action Webcast, we do this the first Tuesday of every month. We've got three others that we deliver, a best practices and action Webcast the second Tuesday, something we call the financial performance insider the third Tuesday, and another one called (BI) strategies. And these Webcasts focus around business practices, those best practices across the entire spectrum we call business analytics and performance management.

And one way to stay current with the innovation center, as you can see we're doing a lot of different things, customer success stories and podcasts, thought leadership, live workshops, Webcasts, many different things we make available to our community, as well as our online community, our Linked In group, and our Twittering, we want to make all of this available to you on demand, we know how hard it is a lot of times to find out what's going on in our group.

And here's an easy way to do so, and this is what we call the IBM Cognos Innovation Center widget, and you all can download this widget. And you all can download this widget very easily just going to IBM.com/Cognos/innovation-center, and you'll see a way to download that widget, it should take about one minute, and it's a great way, as I mentioned, to stay connected to the innovation center.

And I think we'll all agree that in today's global marketplace, the world's smaller and flatter, it's certainly riskier, and also smarter than it's ever been before. And what we're seeing in organizations through these workshops that we're delivering in our interactions with our customers is that we're seeing to succeed in this new economic environment, if you will, is organizations are doing a number of different things to focus on value, exploit opportunities as they come up, and act with speed to stay ahead of the competition. And there's a number of things in there that we get into in these workshops that organizations are doing to optimize their business practices, exploit those opportunities, focusing on value and act with speed.

Just quickly take you through things, I think to bring us to today, the way industrial economy operated was really a lot different than it is today. And in this industrial economy, there were tangible assets that could be measured and monitored very easily, because we really, and it a manufacturing based economy. And as a manufacturing based economy, to be able to understand your business was pretty easy, to understand what the value is of your business, it's basically your raw materials and your finished products, things like inventory, property plant and equipment, your money, that's the value of your company.

And (Brookings) Institution did a study where in 1982 they looked at the S&P 500 and based on the S&P 500, breaking down market value of these organizations between tangible and intangible value, and those things I brought up earlier are more tangible assets. And in 1982, 62 percent of the market value of S&P 500 companies was based on tangible value, things you could actually measure and monitor and physically see.

In 1992, that number shrunk to 38 percent tangible value, more on the intangibles, of course. And then in 2006, only 10 percent of market value was based on tangible value. Now what does this mean? These intangible assets are things like I'm showing you on the screen right now, innovation in product and services, customer relationships and loyalty, information technology and databases, employee competency skills and motivations, efficient responsive and high quality operating processes.

Now what does this mean? What this means is that your people, your decision makers in your organization have never, ever been more important for your organization to be successful in today's global economy.

And as I mentioned, we're more instrumented, we're more interconnected, and we're certainly more intelligent. But what's happening, these decision makers need information to be able to make the decisions that they make on a day to day basis for the company to be heading in the right direction, and have it be reflected in the market value of the company. And decision makers are lacking insight, they have inefficient access to the information they need, and most importantly, there's an inability for them to predict to make better decisions.

And imagine a world where think of in pharmaceuticals, a sales manager being able to predict regions where doctors prescribe high volume of medications, or a telco call center rep who's able to apply social relationships of customers to prevent churn.

Think a loan officer who's able to adjust credit lines as transactions are occurring to account for risk fluctuations, or a retail sales associate who can determine discount levels for select people at the time of sale instead of offering the same to all.

And when I talk about this, what we're really talking about is business analytics, it's taking trusted information for actionable insights to make informed decisions, which of course is going to lead to optimized performance.

And IBM does something called an IBM global CFO and CIO study – this began about seven or eight years ago. And in a global CIO study in 2009, over 2,300 CIOs participating in this study, 83 percent of them said their number one concern is business analytics. So clearly this is top of mind for CIOs across the – across the world.

And when we talk about this, what we really are talking about is the ability to decide and then act on the information. And business analytics is all about answering three questions, what's happening, why, and what is likely to happen? And regardless of what region of the organization you sit in, what level, or what function of the organization, these decisions are taking place every day, and it's important to be able to deliver the right information to the decision makers that's on time, it's reliable, it's easy to consume, it's on target, and if that occurs, better decision result, certainly better performance.

If that information is not timely, if it's considered inaccurate, if there's no confidence in those numbers, if it's not easy to consume, obviously you're going to be making more gut based decisions, they're probably not going to be timely, and it's going to adversely impact performance.

Now when I was talking about business analytics, it's not just a plug and play solution that organizations can adopt for themselves. IBM has a number of tools to help organizations down this path in planning the journey, to get a fast start, one of those ways it through a performance blueprint we're going to be showing you today. And then extending that value, as we know the journey is a consistent journey, a perpetual journey that never ends, because you always want to stay ahead of the curve in leveraging the technology and business practices that are out there.

So IBM, we're a great partner, we want to partner with you to help optimize decision making, want to maximize your business and IT productivity, and accelerate your success.

So I want to thank you all for indulging me there to pass on this information to you that we gleaned from our global customer community. It's my pleasure now to hand the microphone over to my colleague, (Frank McKean), Banking and Financial Markets Executive for the Americas. (Frank), you have the floor.

(Frank McKean): Thank you, Tim. And today, I'm going to spend some time covering a very specific performance blueprint called cost transparency. I am the banking and financial markets executive for the Americas, (Mike Wilcox) is our Advisory Software Engineer who was instrumental in developing this solution within our innovation center.

(Mike) is going to also participate and deliver a demo, I will participate with a demo as well. But just to give you a little bit of perspective before we get into some of the content of this cost transparency blueprint, many organizations regardless of what industry they are in are facing a challenge on a day to day basis to manage and control costs in operating those businesses. And today, this cost transparency blueprint is going to be a solution that will help companies regardless of what industry they are in in understanding those operations, information technology costs associated with delivering services to their internal folks, and how those services are ultimately delivered to the customers they support as an organization, and doing that from an optimized perspective. But more importantly understanding how those resources are being consumed to drive success for the overall business.

So to get started, let's talk about well what specifically do I mean when I talk about cost transparency? And again, the foundation of this blueprint is cost transparency, it's a next generation solution that brings together both costing and chargeback of IT and operations resources. Now I'm going to be talking today more specifically from a banking perspective, because we've initially developed this solution that we're going to deliver to and go to market with initially within the banking industry. But again, this solution can be applied across industry, and is not meant to just be a specific vertical alliance solution just for banks.

So this – the cost transparency solution is really trying to address how IT operations management supports the various business lines without – within the organization, they're using those resources to really deliver services to customers. And it's important that you know that the IT and operations divisions, or organizational units within a bank specifically tend to have large operating expense budgets, and are you know critical in delivering banking services to customers. And there's been some frustration within the industry within specific banks that when business lines are charged, the internal costs from the support they get from the information technology group, or from banking operations group, that those charges are not understood, it – and they don’t understand how it's impacting the bottom line for the – for the business that they are running, and operating, and obviously selling products to customers.

So one of the key areas that we're trying to address with this is to really try and truly get a good understanding of how the IT and operations resources are being consumed by the line of business to provide those services to customers. How the line of business truly understands what those costs are, obviously being represented in terms that they can understand, that the solution does not use arbitrary cost allocation methodology, which a lot of solutions do today. It brings together both costing and chargeback, and also allows for the IT and operations management team to understand available capacity that they have to – really to look to support the growth of the business. It uses a driver based costing approach, and it highlights the cost of delivery, and the various service levels required to deliver best practice service to our internal line of business customers.

And it – and it really creates a productive – a more productive dialog between the IT operations management team and the line of business folks who are dealing directly with customers in understanding as the business grows or declines, where those operations resources need to be either you know ramped up, or maybe have to be pulled back. So really it's trying to provide a best practice approach for not just understanding what those costs are, but also how does it support the ongoing forecasting and budgeting of those resources going forward?

So some of the things that have been somewhat of a challenge, at least within the banking industry, is that many banks and financial services companies are relying on cost allocation systems, this is – you know and really there's a huge challenge for banks to provide services you know to their customers, and related to those services, provides intense pressure on the back office and operations folks to deliver those services successfully with high – with a high level of quality to those customers.

With that, this has resulted in obviously an intense pressure for banks with the current environment that the banks are in you know with the – with the current crisis that we're all feeling and going through is there's certainly intense pressure for banks to reduce and control the spending to support obviously their growth, especially focusing in on these IT and operations areas. Which typically you know at least the financial institution represent a large percentage of the operating expense budget. Many banks unfortunately default to a simplified cost allocation method in distributing costs to their internal business users. These simple cost allocation solutions tend to cause issues, and don't provide the line of business a clear understanding of what they're being charged. In many cases, the costing data's at too high a level, it's not represented in business terms, as I mentioned, and it certainly does not you know sufficiently explain how the operations and IT resources are being consumed by the folks within – you know that are running the line of business, and really generating the revenue for the bank.

The fluctuations in costs charged you know are fluctuating maybe because it's just a seasonality issue, or it's a simple cost allocation system based off the general ledger. So again, the information that's being provided is not giving them insight into how they are leveraging those internal resources to, again, provide more value out to their external customers.

And most importantly, the cost allocation systems create a high degree of volatility. Again, not really providing the business value that the – that the line of business folks need to you know really provide better service to their customers.

So, again, there is these challenges with the current cost allocations method. And what we're trying to address with the cost transparency solution is obviously to address these issues, and answer the limitations of these cost allocation solutions that are currently being leveraged.

Cost transparency continuously provides visibility into cost drivers, and true resource consumption. It strengthens the partnership between the line of business, and the IT and operations management teams, enabling the decisions being made around those resources really are supporting the growth and maximizing the return on investment that the bank is looking for.

It brings together both costing and chargeback, it is incorporated into the planning and forecasting process, so that when the IT and operations management team comes to the table to update their forecasts, or put together their annual plans, it's a collaborative effort with the line of business and a much more productive session to really create budgets and forecasts that everybody believes in, and is really going to drive the ultimate success of the business.

Once in place, this cost transparency solution will allow for that new conversation to occur between, again, the ITI operations management teams, and the – those folks running the internal line of businesses that are dealing with the bank's customers.

So some of the other things that the cost transparency blueprint is doing is it also is providing, I mentioned their driver based costing methodology, it's also providing the flexibility to you know build models that are more specific to your organization. It certainly is scalable from the standpoint of the amount of volume of data that tends to be needed in order to actually implement a best practice solution, it supports you know top down and bottom up planning process, and certainly again is providing the line of business managers with that critical cost information that's helping them understand how they potentially can reduce costs, but then again, demonstrate you know the value of how they deliver services to their ultimate customers.

Again, the – this solution also provides reporting analytics around all the costing data, it delivers monthly and quarterly report packages based on need, not necessarily just delivered. It also provides you know activity based management analytics related to activity based costing model that can be leveraged, again, depending on the methodology that the bank is using, but we are, again, promoting a more driver based approach to driver more insight into the costs that are being charged back from IT and operations.

So some of the components of the cost transparency blueprint, and we're going to show you a demo here in a minute you know it combines obviously dashboards that are providing all the reporting and analytics. It's also – we're also going to demonstrate the costing piece, and then ultimately how the charge backs are being done, and certainly provides the infrastructure to deal with the data and how the data is brought into this solution, and obviously all of the reports that are accessible from the various different business users, which should include obviously IT and operations management, it would include finance from a budgeting and forecasting perspective, and then obviously all the various line of business folks that are going to leverage the information from this solution.

So to talk about some of the real business benefits, again, the cost transparency blueprint segregates costs and provides business unit and bank management a single view of performance that can help them plan for and predict charges. So it's really going to help them focus in on where, if there's an increase or maybe a reduction in resources related to the growth or decline in the business. They can truly focus right in on that, and be all on the same page as far as where those – the growth and decline of resource needs will need to be – need to be placed. And a much more strategic way of doing that versus some of the real raw cost cutting exercises that currently the banking industry is going through as we – as we speak.

As a result, the cost information is more detailed, it can be acted upon and measured actual consumption of services, along with different – differing levels of services that are being provided. Because the actions are fact based, decisions times horizons are reduced, obviously critical to, again, increase the value of how the information is being leveraged, and additionally, enhances the planning and forecasting of IT and operations resources, because both the provider, the IT and operations group, and the consumer of those resources, the line of business, understand clearly what the key usage drivers are that support the growth or decline of their business.

One example that I want to show you, we've actually had one success story for a large financial institution in their investment banking area where they have actually leveraged the Cognos solution, along with the Cognos planning solution to deliver a cost transparency solution. And really their focus was to really look to you know really provide their investment banking line of business with a better understanding of the costs that they were being charged from their investment banking operations group.

We were talking – we're talking about a $300 million operating expense budget that was being charged back, and they were – obviously the line of business was very frustrated not understanding what those charges you know specifically meant, and how they could help collaborate with the operations group to manage those costs better, and ultimately look to see as they grow the business what resources needed to be added, or in some cases where there was some decline in some of the other business lines, where they needed to make more strategic cost reductions.

So this solution has been successfully implemented at a large financial institution, and they have – they have seen you know excellent results from our internal investment, specific to this solution, and have you know got an ROI of tenfold of what the original investment in the Cognos solution. So with that, we do have some obviously credibility in the market, this solution is brand new from the standpoint of us going to market with it, but it has been already implemented at one of our banking customers.

If we now switch gears, we're going to kind of go to the demo, and I will now turn it over to (Mike Wilcox), and (Mike) and I will collaborate on giving you a glimpse into the actual solution itself.

So, (Mike), if you want to take control, I'll start off the actual demo presentation with really we're going to log on as the cost transparency business – we're looking at the cost transparency business intelligence portal, and we're logged on as a business analyst. And as we talk through the demo, we are going to be talking through the demo as a business analyst. Obviously there will be different users, depending on their role in the organization, but for this particular demo, we're going to be focused on as a business analyst.

As I log on, I'm presented with a dashboard that provides an overall summary of our costs by services, activities, business unit and resources. OK, so those are the four quadrants that you're looking at on this portal. The dashboard is receiving real time updates from our cost transparency planning model, so any changes in the model are immediately visible in the dashboard, and we'll show you that as we – as we go through the demo.

I may – I may choose to interact multidimensional content to investigate trends and performance in more detail. For example, in the upper left dashboard quadrant, I'm interested in seeing a monthly breakout of online peak versus non-peak costs, which is highlighted. And if I wanted to see that trend you know over the month for 2009 for actual and forecast, it's a simple click on that particular report that's now going to give us that breakout trend you know over the various months throughout 2009.

So now, if I wanted to extend you know this to say you know what, I want to – OK, I'm looking at online processing peak versus online processing non-peak, and I wanted to extend that to not just online, I wanted to look at our batch processing, and our batch processing non-peak, I can also quickly just submit an additional services that we're providing, and understand what the – you know what the cost trends look like there, OK, just a simple click, and you're obviously getting much more information around those particular services being provided by the information technology group.

So if we – if we now look over at the activities, we can get a little bit deeper analysis, if we wanted to look at some specific activities that are being performed within any of the information technology group or operations, and if we were to drill down just on operations, we can get some indications as the costs associated with providing those activities, and we get a much more detailed view of the different types of activity that are supporting in this example our mainframe services, and really monitoring the environment that first activity is the highest cost we're seeing related to the mainframe services that we're providing to our customers. And again, this gives you a little bit more detail all the way down to the individual activity level.

If we scroll down to really the bottom quadrant to the right, which is our resources tab, we also can get a very high level view of you know the total operating expense budget you know for you know all the different organizational units within the information technology group. So in this case, the mainframe system services is actually making up 27 percent of the total pie of operating expenses.

And if we wanted to get a little bit more detailed view, we also look over to the left, we see that there's other managed reports and ad hoc reporting. But if we go over to the manage reports thing, we see something called the resource view cross tab, and if we were to click on that, there are reports that we can just generate on demand that provide us with a little bit more detail. So if we wanted to look at – select a time for 2009 actual and forecast, and get a little bit more deeper dive into the operating expense across those organizational units, now we're getting a full resource view of all of those costs by operating expense category by specific organizational unit.

And again, this has given us obviously a lot more detail, but it's providing us some more insight into the operating expense components within the information technology group.

So if we go back to that tab, one of the other things we wanted to show quickly, and we're obviously not going to go through every report that's available in this blueprint, but just to kind of cover the highlights, one of the other reports in the quadrant down to the left, which is the business unit invoice, that is basically showing us a view of now how the various business units within the organization, in this case a bank, are being – you know what costs are being charged to them. And if we want to see you know a little bit more detail, that's giving us again a high level view, it looks like from the standpoint of this that our actual versus our forecast 2009 versus 2010 forecast looks like we did a pretty good job in forecasting those costs that are being charged out.

But if we wanted to get a little bit more detail, we can actually go up and click on the business unit invoice tab, and that's going to give us a much more detailed picture, but again, now we're just looking at you know some very specific charges that are being charged out across the various business lines, so we're looking at our batch processing peak costs against, again, our batch processing non-peak costs, and we're – and we can see that by the various line of businesses that are being charged with those costs, so you're looking at home loan, the commercial banking business, the retail, corporate card services and so on.

We can certainly go down even further to drill through to understand more detail7, but again, this is just giving you a glimpse just into some of the reporting capabilities that we've built into this cost transparency blueprint.

Again, trying to provide that transparency from the standpoint of what's being charged out to the business line, and conversely understanding from the IT and operations perspective what they are actually charging to the business line.

So with that, what I'm going to do now is we're going to – we're going to focus in on, (Mike), if we go back to the dashboard view, the overall dashboard view as a business analyst. One tab we haven't discussed is you know we're seeing all of these costs that have been charged back, now we want to understand well you know how was that done? How do those charges you know being charged back and now we want to talk, and I'm going to kind of give the floor to (Mike Wilcox) to walk us through the TM1 model that we've developed that's actually doing all the chargeback. So, (Mike), take it away.

(Mike Wilcox): OK. We'll log onto the cost transparency model, hopefully that's up on your screen right now. The – what we're – when we take a look at this here, what we can see is that all our information is grouped by tabs that we're taking a look at. We've come into our first tab, which is resource view. And I'm looking at my total operational expenses as I start here for my financial organization for my organizational units.

One of the things that is taking place in the model, if you notice as an example, this 25 million 276, 448, 26, this is our resource view of our dollars, how are they coming in, what are the dollars we have to allocate? And as we end up going through different tabs and looking – that's because I sat and waited for a while before we came on, so I'll just log back in again, this won't take long.

So we're coming back into the cost transparency at a business analyst. And you can see real time how quick it comes up. So we – this is the tab we are looking at resource view. If I jump over to activity view, a tremendous amount of activity actually taking place to open that tab. We come back to the exact same number, so our – the numbers we have resources, we have an activity view of exactly the same dollar amounts of money. When we go and we look at the services view for these dollars, again, we're looking at the same thing as when we go to allocate them out to business units, we come back to the same exact dollar amount.

Going back over to our resources view very quickly, as I said, I stood here and I'm looking at this for all my expenses for all my different org units, if I wanted to sit here and reorientate my cube, as an example. Now for – I could go for total – my operational expenses, how do they split out? I could say perhaps I want to look at just one of my operational expenses, you'd also have the ability that I could take that to give myself a different view. I think I missed on that drop, so let's go for a drop again.

So I can take a look and see for my – for my – all my units, my expenses, and just drilling down and looking at the information in different ways. I'm looking at this for actuals and forecast month by month, or I can take a look at this by the 2008 actuals, my actual forecast for 2009, my budget, and my 2010 forecast.

So the user has a lot of ability to sit and manipulate the pages, the different tabs, and take a look at the items they would want to take a look at. Again, the same information that was in the resource view, we then have a – an ability to look at that from an activity view. Obviously these – this is the source for the information that (Frank) was showing you in the business intelligence we were looking at is where he was putting – pulling that at. You have your activities that are taking place, and these are you know just some – there's lots of activities that are happening. Again, you're looking at it from the same different time scale, and you can – we're looking at it for total serve (org) units, you can look at it for any one of the units, you could be looking at it for any one of the expense areas, however you wanted to come in and take a look at this.

The activity mainframe is where a lot of the work is done, going from activity view to services view. And what it's doing is based on both activity based ratios captured off of our servers, as well as constant ratios, it is moving the data from the activity view so that we can end up at our services view, so we can take this information and look at it by our total services.

So again, I'll reorientate here for you a tad, and we can look at a different services, so we can look at online peak, non-peak, batch processing, et cetera, where all our applications, we can have any one number of applications that you would have in your business, that type of thing. And again, we can look at over time where we can get a more consolidated view of the information if we'd like.

The services that are assigned to the business units, so how we could actually build these out to the business units. Again, we're coming back to the same dollar amounts, and so our business units by services, again, our on peak, off peak, those type of items. I'll put them a different way. I actually wanted to go there. We have trouble – see, I'm having trouble with my mouse. OK. I'll drop it there at the top, that'll be faster.

So that I can be looking for different processing across different business units, I could swap these back and forth, however different way I wanted to take a look at this, OK. There's a number of other tabs that are involved in the model, these are tabs that basically are used to hold the various calculation rules, as well as the drivers and those type of items that are used at getting at our different ratios. Activity based ratio, as an example. So our – they're ratios, so they have to always be coming back to 100 percent.

But if I was going into let's say audit vendor invoices, OK, and I'm going to go ahead and swap these two numbers, I happen to know that if I can move more items to off peak and peak, or something along those lines, I can – I can change how my operations, how my expenses are going through. So I'm going to change this to .850, and this one to .212150, OK, and recalculate. You can see that the changes I make are highlighted in blue, and that these items are used as drivers. And if I was to go back to my business unit invoice, you could see that just making that change, how it affects the other items. Let's pull these back. OK.

OK, that's basically how the model works. If you look at the model, you'll notice that in resource view, activity view, services view and business unit invoice, everything is pretty much grayed out. I am looking at the same numbers, just different views of those same numbers. If I wanted to pull any levers to modify or to change things, those items would be taking place within the ratios.

Male: Right.

(Mike Wilcox): OK. Are we open for questions at (inaudible).

(Frank McKean): Thanks, (Mike). This is – this is really the engine behind the cost transparency blueprint, which is where all the calculations are being performed, and as (Mike) mentioned you know those tabs that where those calculations are being performed would not be somewhere that the end user necessarily that would be leveraging the (BI) would necessarily spending a lot of time, this would be more where we'd have an – sort of the administrator role, or maybe even somebody in finance who's managing these cost models would actually be spending a lot of their time making sure that the activity based costing information, is it being updated appropriately to drive the appropriate costs out to the various line of businesses specific to the IT and operations organizational units?

So again, this is a model designed to provide you know finance that capability, and also can – and obviously is tied back to how they do their planning and forecasting. Again, creating that environment that's more collaborative between a line of business and the IT and operations management where those costs are being charged back from.

So with that, I think, (Mike), if there's anything else you were going to show from that perspective, I think we've concluded the cost transparency performance blueprint demonstration

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