

Performance Mgmt – How What and Why

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DATA MANAGEMENT

*DATA SERVERS, DATA WAREHOUSE
AND DATA ARCHIVING (PRINCETON)*



**ENTERPRISE CONTENT
MANAGEMENT**

INCLUDING FILENET PRODUCT PORTFOLIO



**INFORMATION INTEGRATION &
MASTER DATA MANAGEMENT**

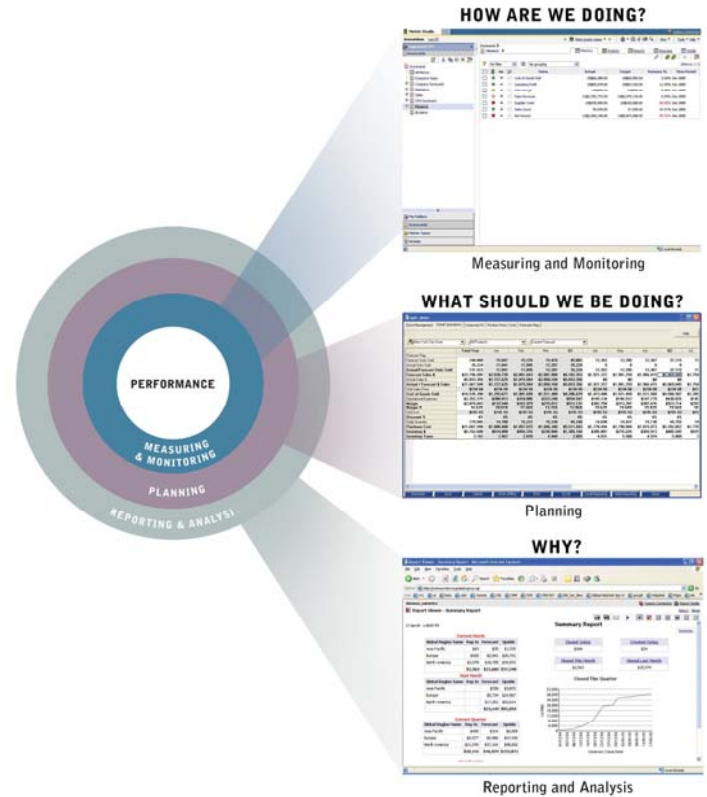
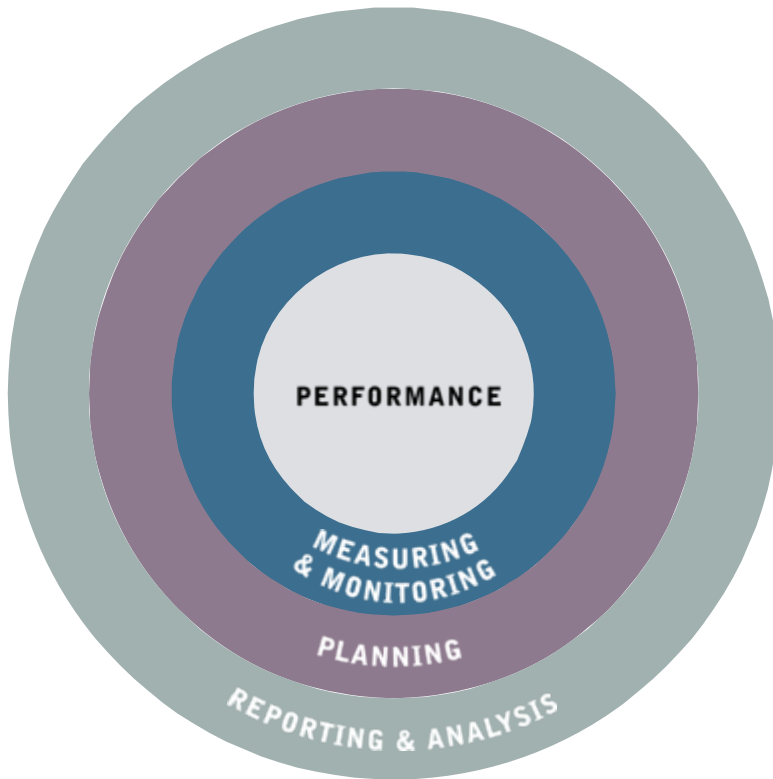
*PREVIOUSLY KNOWN AS ASCENTIAL,
DWM, SRD & TRIGO.*



**BUSINESS INTELLIGENCE &
PERFORMANCE MANAGEMENT**

COGNOS

Cognos Performance Management Framework

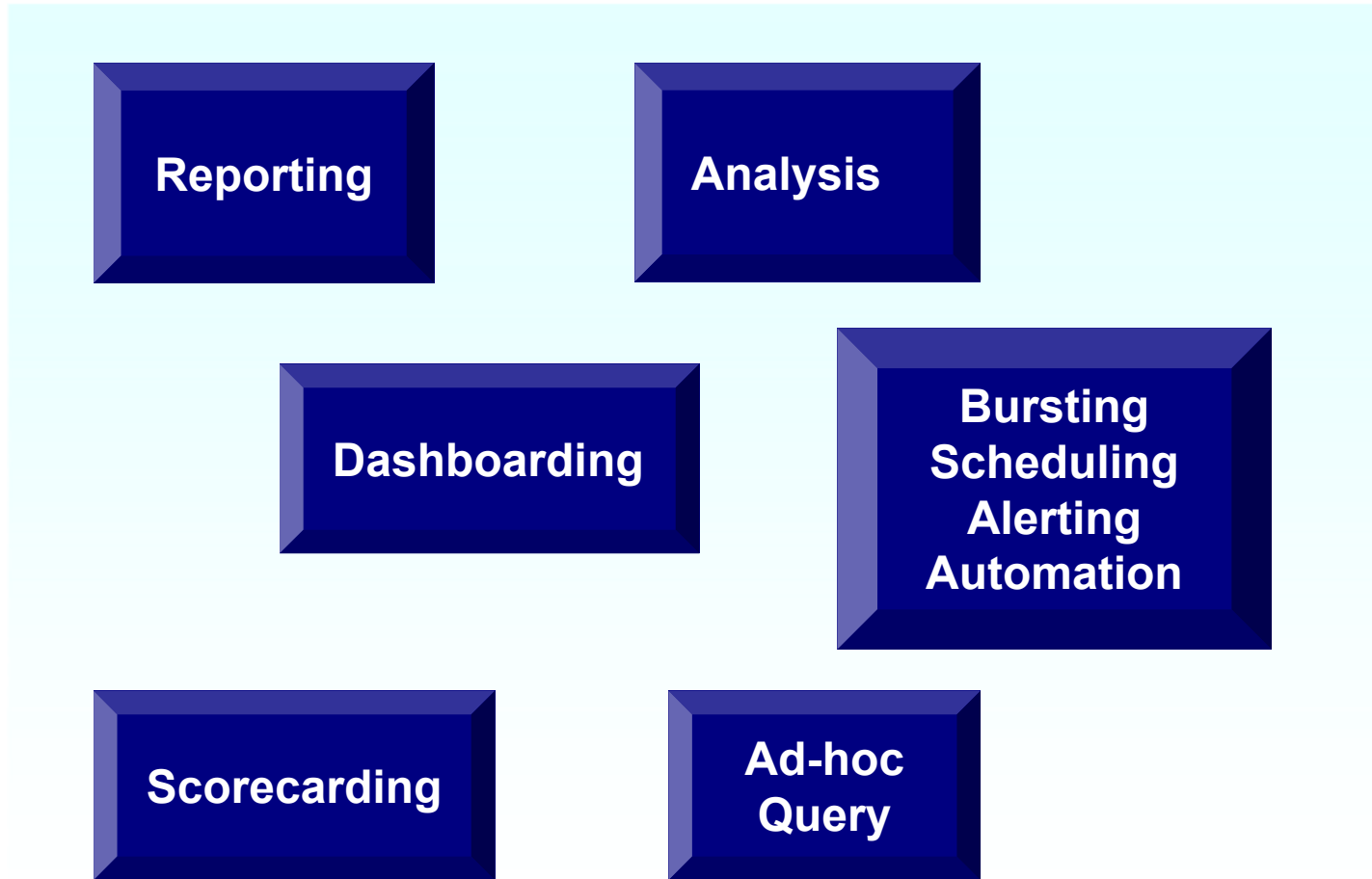


Agenda

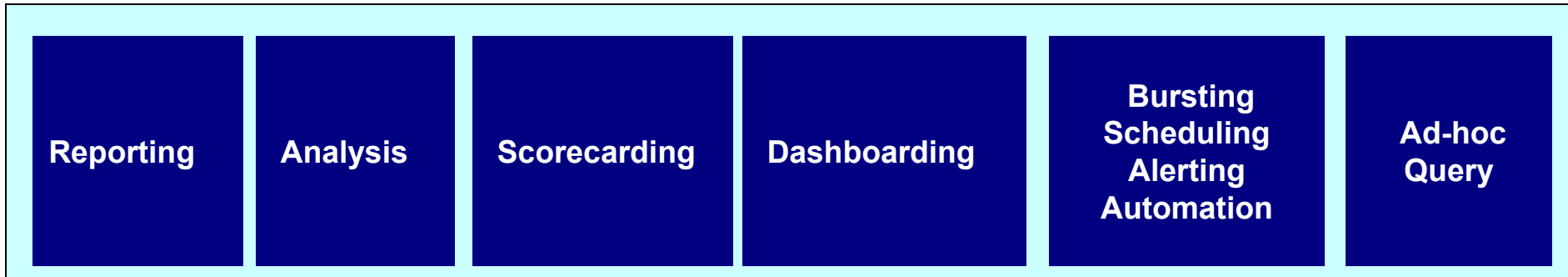
- **Evolution of Performance Management**
- **Performance Management Capabilities**
 - Business Intelligence
 - FPM – A Specialized View Of Performance Management
- **What to Listen for from Customers**
- **Cross-selling Opportunities**
- **Conclusion**



Traditional BI Products – point solutions



Evolution of BI Suites

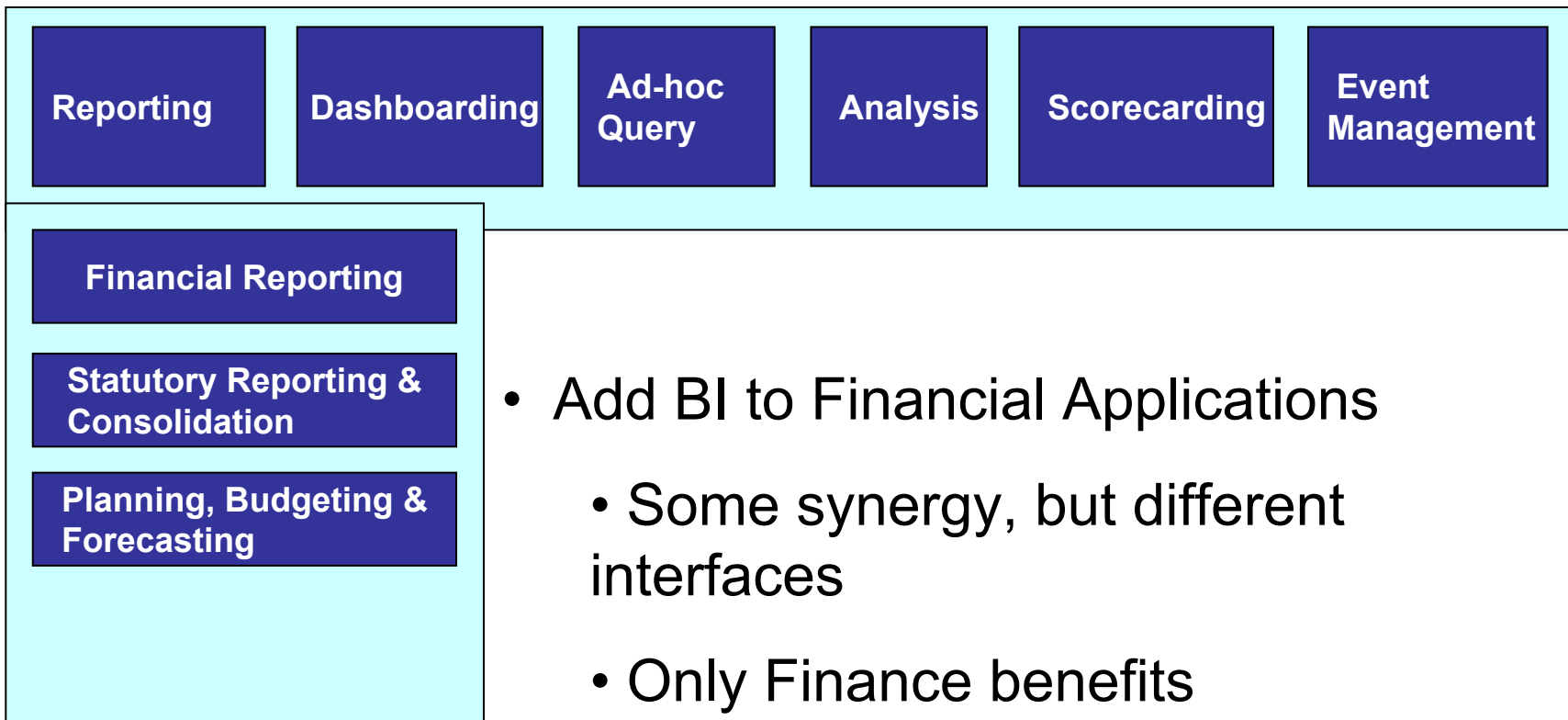


- Loosely integrated
- Different architecture and platform
- Different User Interfaces
- Different Interfaces to source systems
- Inconsistencies in Results, Admin, etc



Evolution of CPM/BPM/EPM

Corporate Performance Management
Business Performance Management
Enterprise Performance Management



Cognos Develops the BI Platform

Reporting

Dashboarding

Ad-hoc
Query

Analysis

Scorecarding

Event
Management

Financial
Reporting &
Consolidation

Planning,
Budgeting &
Forecasting

- Single Portal
- Common Metadata, Security, Integration Services, Query Engine, Automation, Process Management
- Broadens User Reach



Cognos Performance Management Platform



Business Intelligence Platform

Reporting

Dashboarding

Ad-hoc Query

Analysis

Scorecarding

Event Management

Performance Management Platform

FPM

SPM

OPM

HRPM

.....

.....

Financial Reporting & Consolidation

Planning, Budgeting & Forecasting

Heterogeneous

RDBMS DW

OLAP Data
PowerPlay
SAP BW
ESSBASE
Microsoft AS

Flat Files

IBM Information On Demand

2008

>>> Comes To You
13 MAY - SYD, 15 MAY - MEL

Act.Right.Now.

Agenda

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Introducing IBM Cognos Business Intelligence

- **Make more informed, faster, and more aligned decisions**
 - **Full range of BI capabilities** for all user communities to receive relevant information how, when and where it is needed
 - **Open enterprise-class platform** to provide IT cost-effectively scale to meet growing user demands
 - **Frameworks and proven practices** provide the expertise to ensure success on the journey to performance management

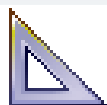


Web

Office

Mobile

Search



Reporting



Analysis

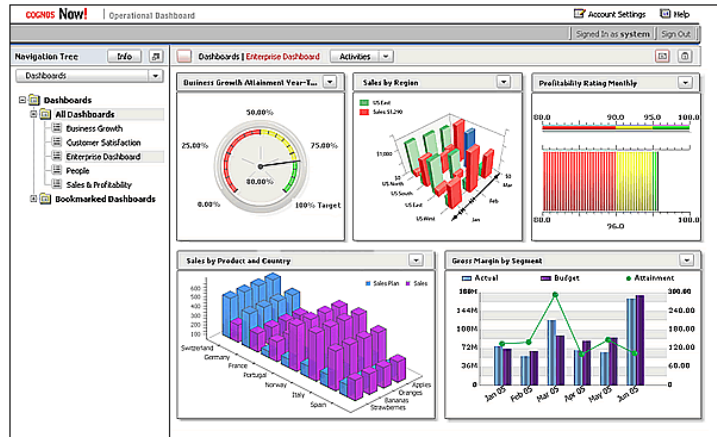


Dashboards



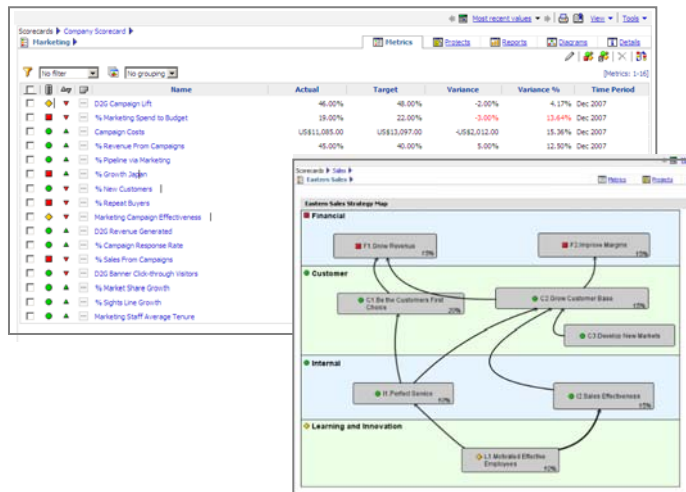
Scorecarding

“How Are We Doing?”



■ Dashboards

- Provides at-a-glance, high impact views of complex information
- Helps quick focus on issues that need attention and action
- Are highly visual and intuitive
- Combines information across disparate sources



■ Scorecarding

- Provides instant measurement relative to targets and benchmarks
- Aligns decisions and tactics with strategic initiatives
- Supports scorecarding methodologies
- Ensures ownership and accountability



Reporting is Reporting Right?

Managed

Production

Transactional

Ad hoc

Analytical

- Provides full breadth of report types
- Delivers consistent information across all types of report output
- Enables collaboration across users, communities and with IT
- Provides access via email, portal, MS-Office, search and mobile devices etc.



Cognos 8 Analysis

- **Top down exploration and analysis by key business drivers**
 - Automatic intelligent time trending
- **Designed for large data volumes**
 - OLAP or relational data sources
- **Powerful comparative analysis**
 - Mixed grain analysis
 - Simple or compound filters
 - Nested top and bottom reports
 - Custom sets
- **Analysis / reporting lifecycle**
 - Collaboration and re-use



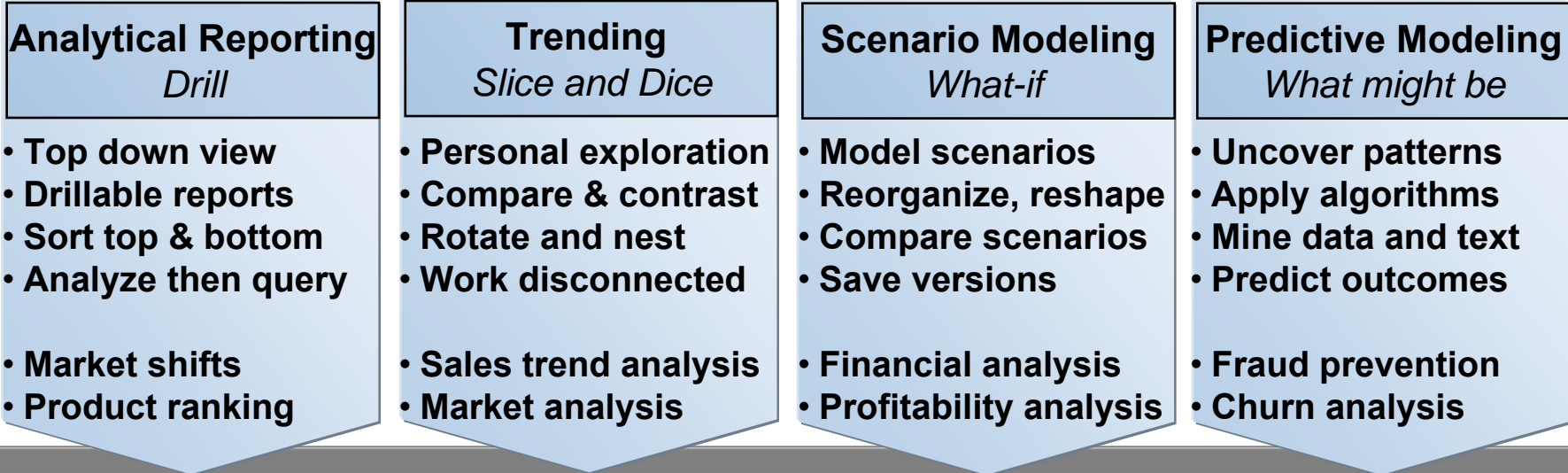
Makes exploration and discovery simple and accessible



The Four Styles of Analysis

Broad Usage
(Consumers)

Focused Usage
(Specialist)



IBM Cognos 8 BI Reporting

IBM Cognos 8 BI Analysis

IBM Cognos 8 BI Café

IBM Cognos TM1

IBM DB2 or SPSS





FPM – A Specialized View Of Performance Management



- Financial Performance Management systems **structure and automate the processes that help companies**
 - Plan, forecast and control enterprise resources;
 - Measure, analyze and optimize performance in the context of strategy;
 - Report to external stakeholders with confidence.



What Should We Be Doing?

Enterprise Planning

- Replaces spreadsheet based, manual budgeting and planning processes
- Connects operations and finance
- Engages the whole organization to make better informed decisions
- Replaces rigid, annual budgeting with continuous planning for higher responsiveness
- Supports best practices such as drive based planning and rolling forecasts
- Offers packaged best practice Blueprints for processes inside and outside of finance across multiple industries

		Aug	Sep	Oct	Nov
Existing Employees	Salary	40,260	38,343	38,343	32,168
	Merit	1,025	1,025	1,118	1,025
	Merit %	2.55%	2.67%	2.92%	3.19%
	Total Salary	41,285	39,368	39,461	33,193
	Bonus	9,984	9,984	9,984	7,577
	Equity (Cost Basis)	817	786	788	650
	Severance	0	0	0	0
	Total Employee Comp (less Equity)	51,269	49,352	49,445	40,771
	Total Employee Comp (Including Equity)	52,086	50,139	50,233	41,420
	Headcount	10.25	9.25	9.25	8.25
	Bonus %	24.18%	25.36%	25.30%	22.83%
New Employees	Salary	905	1,123	1,146	1,244
	Merit	0	0	0	0
	Merit %	0.00%	0.00%	0.00%	0.00%
	Total Salary	905	1,123	1,146	1,244
	Bonus	31	58	75	75
	Equity (Cost Basis)	0	0	0	0
	Severance	0	0	0	0
	Total Employee Comp (less Equity)	937	1,181	1,221	1,319
	Total Employee Comp (Including Equity)	937	1,181	1,221	1,319
	Headcount	5.25	6.25	8.25	9.25
	Bonus %	3.44%	5.13%	6.56%	6.04%
	Salary	41,165	39,467	39,489	33,412
	Merit	1,025	1,025	1,118	1,025
	Merit %	2.49%	2.60%	2.83%	3.07%
	Total Salary	42,191	40,492	40,607	34,437



Why?

■ Financial Analytics

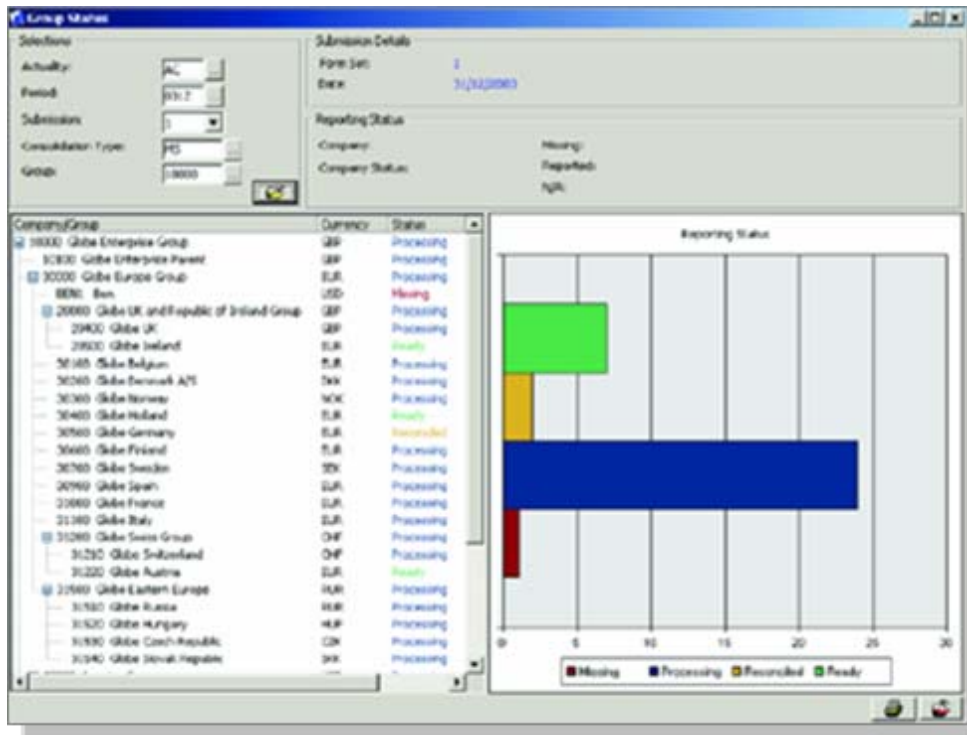
- Offers high performance, real-time, read-write capabilities.
- Analyzes and optimizes large, highly complex, rapidly changing data sets with real-time response.
- Analyzes profitability, sales mix, and price/volume variance.
- Improves planning, analytics, and "what-if" scenario modeling.



How Are We Doing?

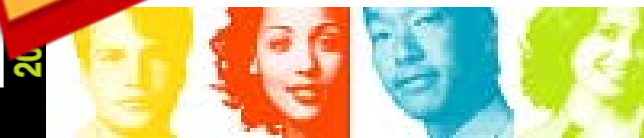
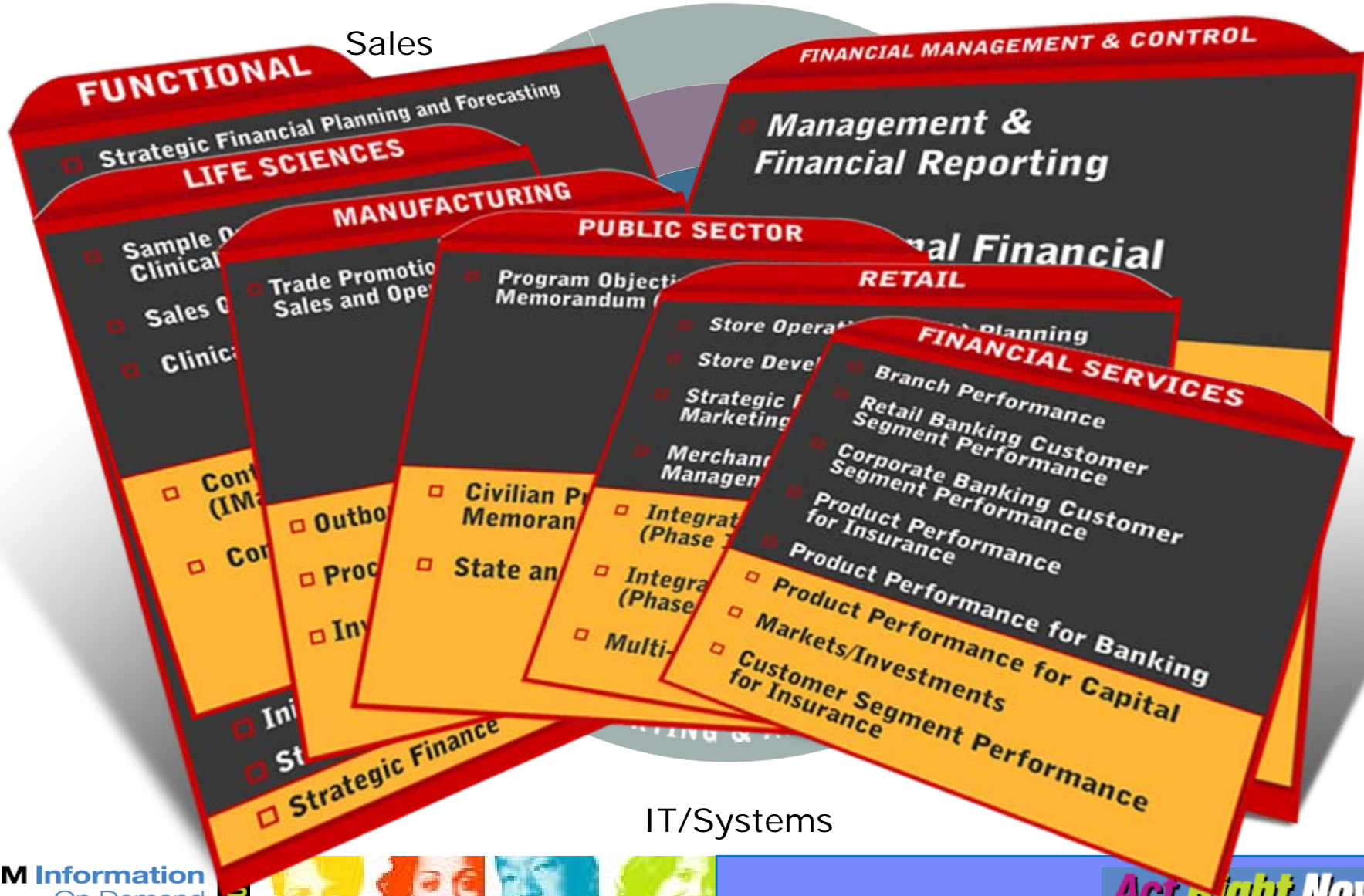
Financial Consolidation

- Replaces manual spreadsheet based or legacy consolidation solutions
- Improves the cycle times to ensure a timely close
- Minimizes errors and improves data quality during the closing process
- Accelerates the delivery of financial information to business stakeholders
- Ensure better controls around the consolidation process to ensure compliance



How We Talk to Customers About PM:

We Speak to Customers in Context to Industry and Function



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What to Listen for from Customers

- Information management process is inefficient
- Users cannot get information in a timely manner
- Users cannot get the right information in context
- Collecting and verifying the data is challenging
- Everyone working with different numbers
- Information spread across hundreds of disconnected spreadsheets
- Close process is too long
- Inability to model scenarios and conduct "what if" analysis
- Different tools access different data
- Data silos across disparate systems
- Data volumes are growing exponentially
- Lack of data consistency
- Desire for self service BI & FPM applications



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IBM Accelerates Information On Demand Initiative

Cross-company initiative combines IBM's strengths to unlock the business value of information as clients focus on business optimization...

Pre-integrated Software Offerings



Industry-specific Solutions

- Financial Risk Insight for Banking
- Risk Adjusted Profitability for Banking
- Health Analytics
- Life Sciences Promotional Spend & Compliance
- Retail Store Operations & Planning
- Crime Management and Insight
- Municipal Performance Management Scorecard
- Manufacturing Sales & Operations Planning
- Financial Planning
- Workforce Analytics

Services & Systems

- Information On Demand Infrastructure Acceleration
- Storage Optimization
- Data Mobility
- IBM Balanced Warehouse
- IBM Compliance Warehouse for Legal Control



All Leveraging Cognos...



Industry Joint Solutions

Industry	Solution Area	Description	IBM Software Product Alignment
Banking	Risk Management	<ul style="list-style-type: none">• Risk Management Cockpit (BI)• Risk Adjusted Profitability Blueprint (EP)	BDW/IFW, DB2, WebSphere Portal, Application Server, Information Integrator
Insurance	Insurance Information Warehouse	Cognos BI for the IIW	IIW/IAA, DB2, WebSphere Portal, Application Server, Information Integrator
Retail	Retail BI Solution – Market Basket Scenario	Cognos for the IBM RBIS Solution	RBIS, Retail Model, DB2, WebSphere Portal, Application Server, Information Integrator
Public Sector	Crime Information Warehouse	Crime Reporting and Analysis Solution	DB2, WebSphere Portal, Application Server, Information Integrator
Healthcare	Provider Cost/Quality Portal	Cognos BI solution for provider performance management	DB2, WebSphere Portal, Application Server, Information Integrator
Life Sciences	Physician Aggregate Spend BI	Cognos BI solution to report against regulations	DB2, WebSphere Portal, Application Server, Information Integrator

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Conclusion

- **Performance Management answers three key questions**
 - How are we doing?, Why? and What should we be doing?
- **Cognos key differentiator is that it is a single platform to optimize business performance**
 - Single platform lowers TCO and increases user adoption
- **BI is the foundation for Performance Management**
- **FPM is a specialized version of Performance Management targeted toward the Office of Finance**
 - Planning is the lead agenda for the FPM led PM journey



Questions?

