

IBM Cognos Performance
Better Intelligence. Better Business.

**Analytic Applications:
Measuring Corporate
Performance Consistently
Across the Enterprise**

IBM Cognos Analytic Applications,
Business Unit Leader



Agenda

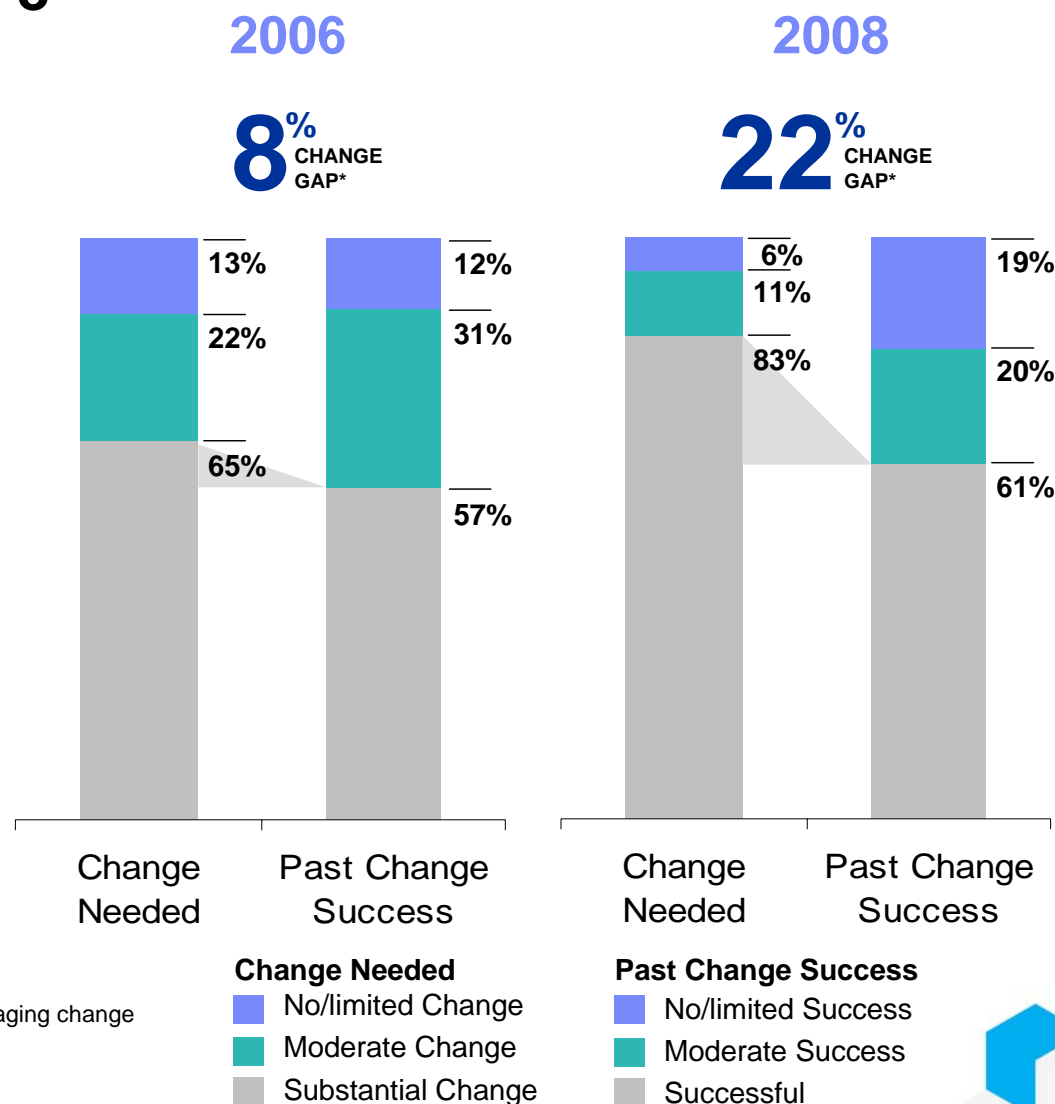
- Taking Advantage of Business Change
- Using Information as a Strategic Asset
- IBM Cognos Analytic Applications – Transformation Data to Insight
- New Applications
- Implications for Your Organization



The “Change Gap” Triples in Just Two Years

More CEOs than ever before – 8 in 10 – anticipate turbulent change, and plan bold moves in response

- In two years the gap between the ability to manage change and the challenge ahead has tripled
- The number of companies reporting limited or no success has surged 60%



* Difference or 'gap' between expected level of change needed and past success in managing change

Source: IBM Global CEO Study 2008; n (2006) = 709, n (2008) = 1104



... But Change Needs to Grapple with an Info Explosion

3 in 4

business leaders say
more predictive
information would
drive better decisions

1 in 3

managers frequently
make critical decisions
without the information
they need

19+ Hours

spent by knowledge workers
each week just searching for
and understanding
information

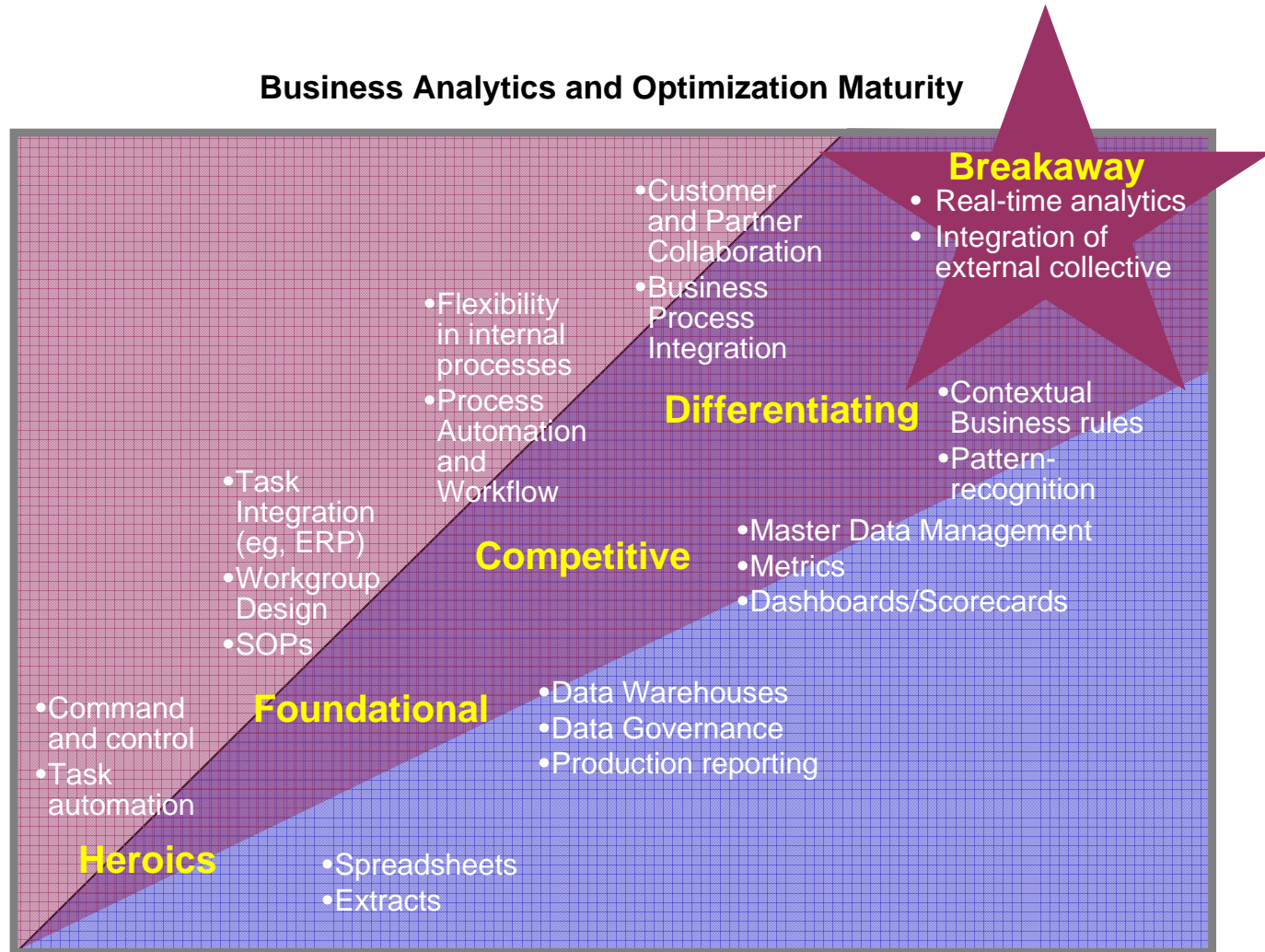


*“...40 exabytes of data created in 2008...
more than created in the previous 5,000 years combined...”*



Clients can Breakaway and Sustain Advantage with an Information-Led Transformation Approach

Business Analytics and Optimization Maturity



Business Operations

How the business applies information to achieve its goals

- Policies
- Biz Processes
- Organization

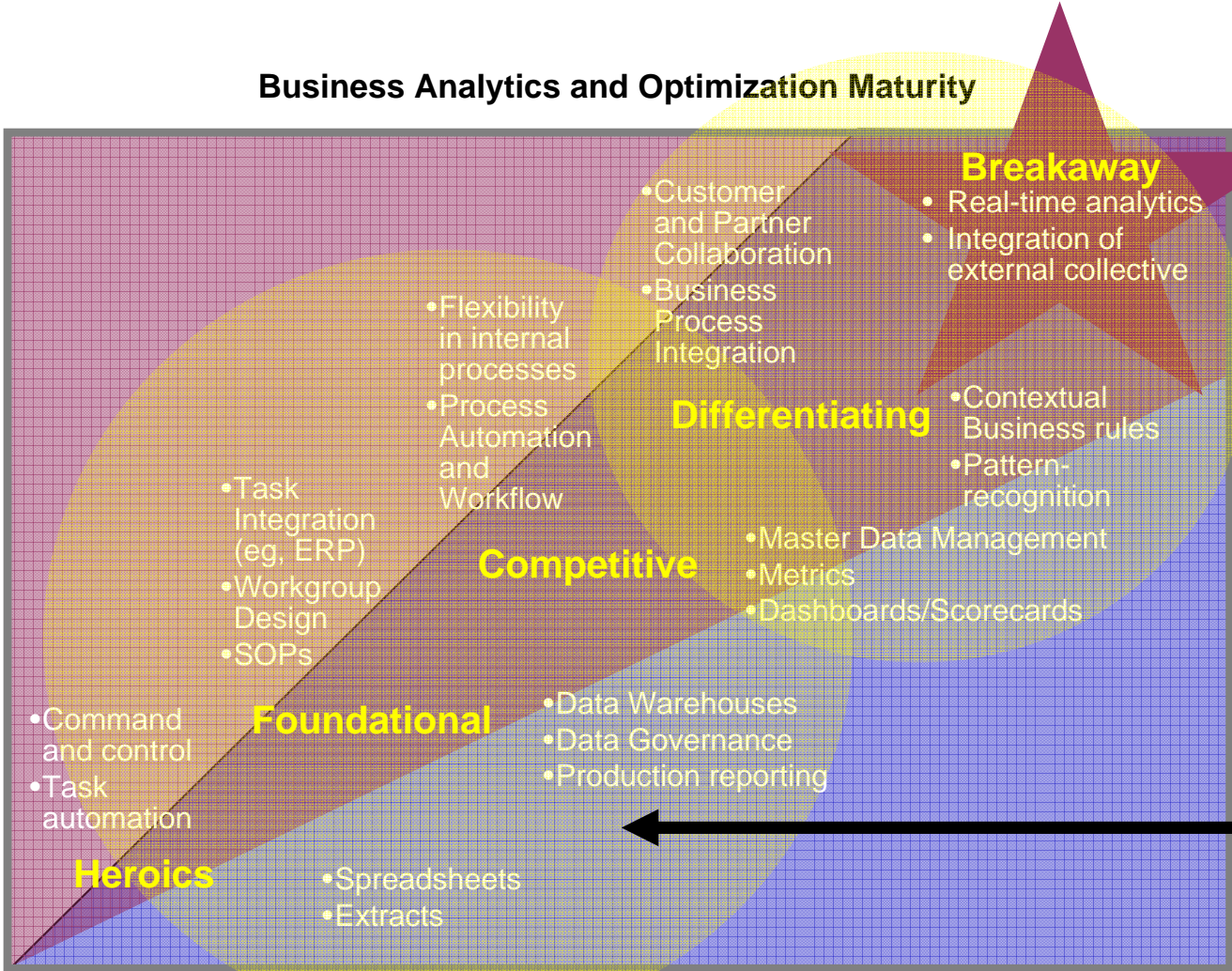
Information and Analytics

How the business manages information and learns from it



Clients can Breakaway and Sustain Advantage with an Information-Led Transformation Approach

Business Analytics and Optimization Maturity



Micro:
Applied and operationalized at point of impact

Macro:
Decision and Process Foundation

Business Operations

How the business applies information to achieve its goals

- Policies
- Biz Processes
- Organization

Information and Analytics

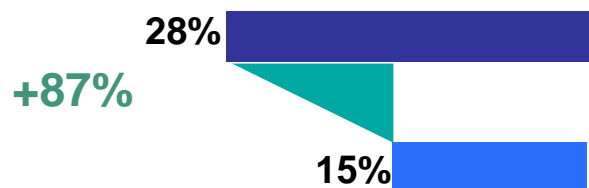
How the business manages information and learns from it



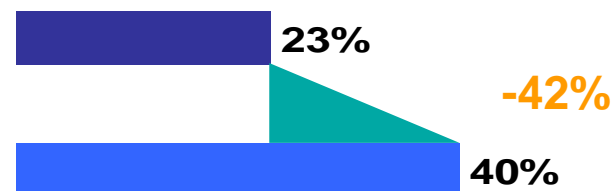
CIOs make it possible to bring innovative plans to life while "keeping the engines humming"

High growth CIOs are expected to spend more time to enable the business and corporate vision

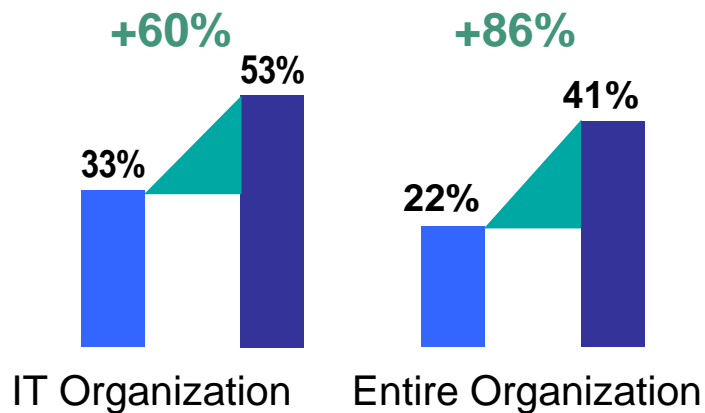
Business and corporate vision enabler



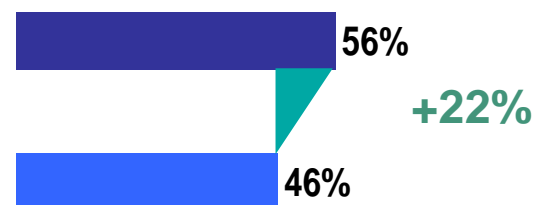
Core Technology services provider



High growth CIOs actively use collaboration and partnering technologies...

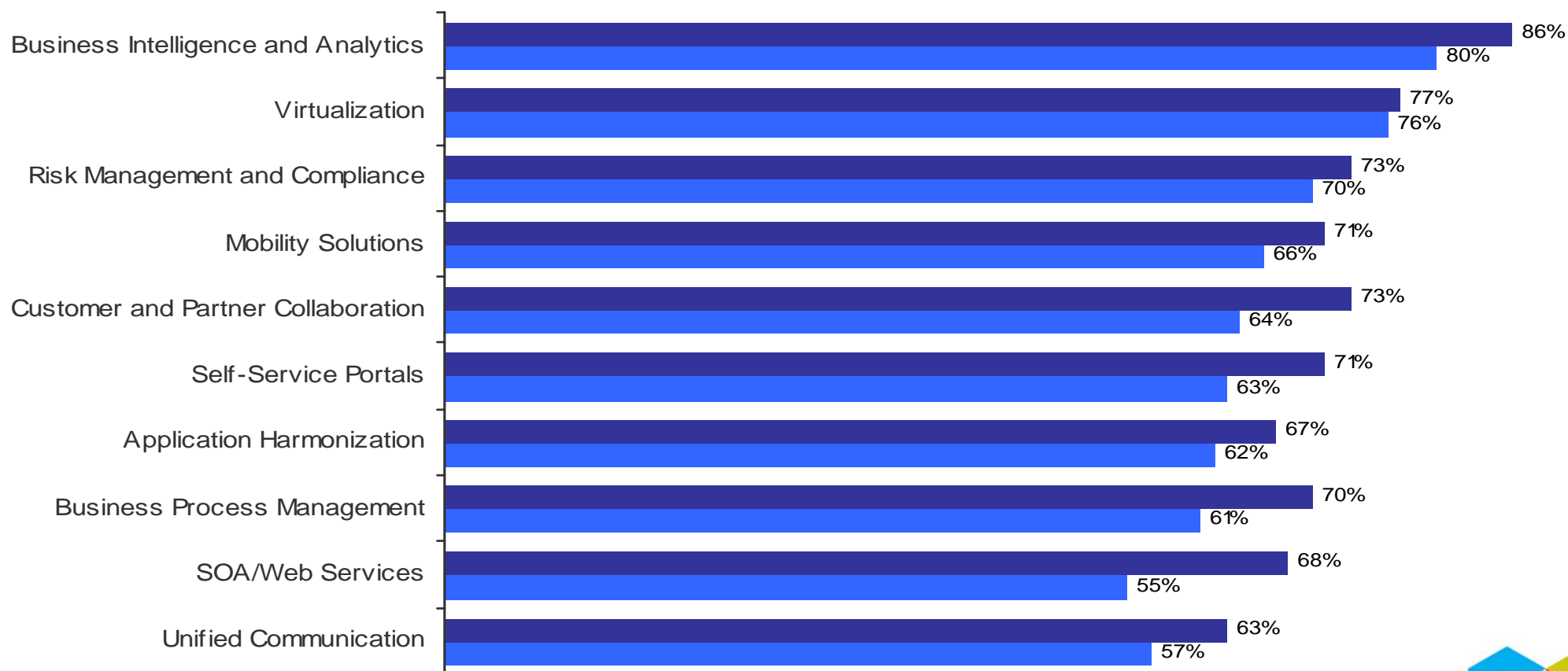


... and use third party business or IT services more often to improve their business agility



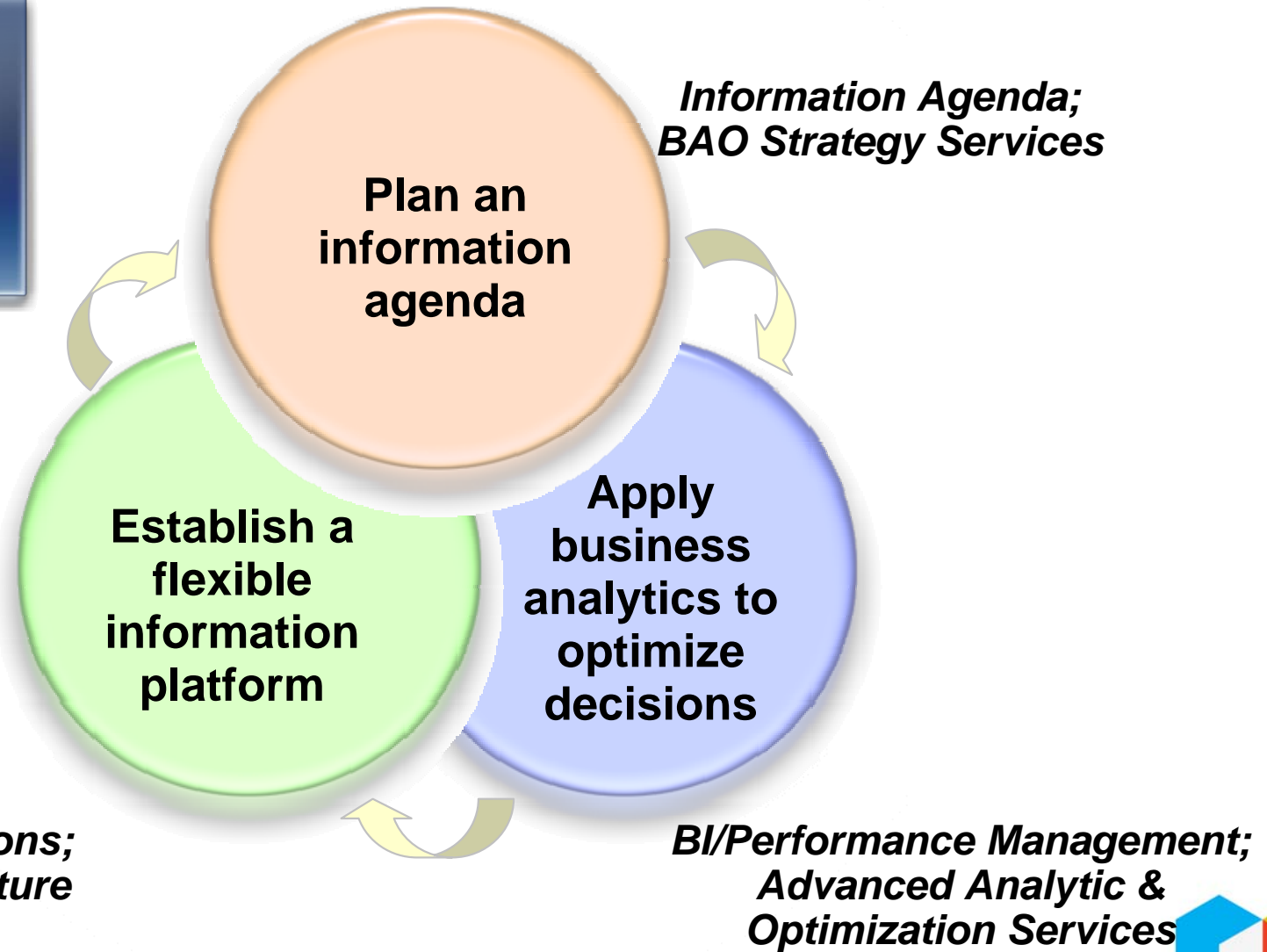
Innovation is not limited to IT solutions: business-oriented plans rank high among CIOs' visions of enhancing competitiveness

Ten Most Important Visionary Plan Elements
Interviewed CIOs could select as many as they wanted



How Do You Get Started on an Information-led Transformation?

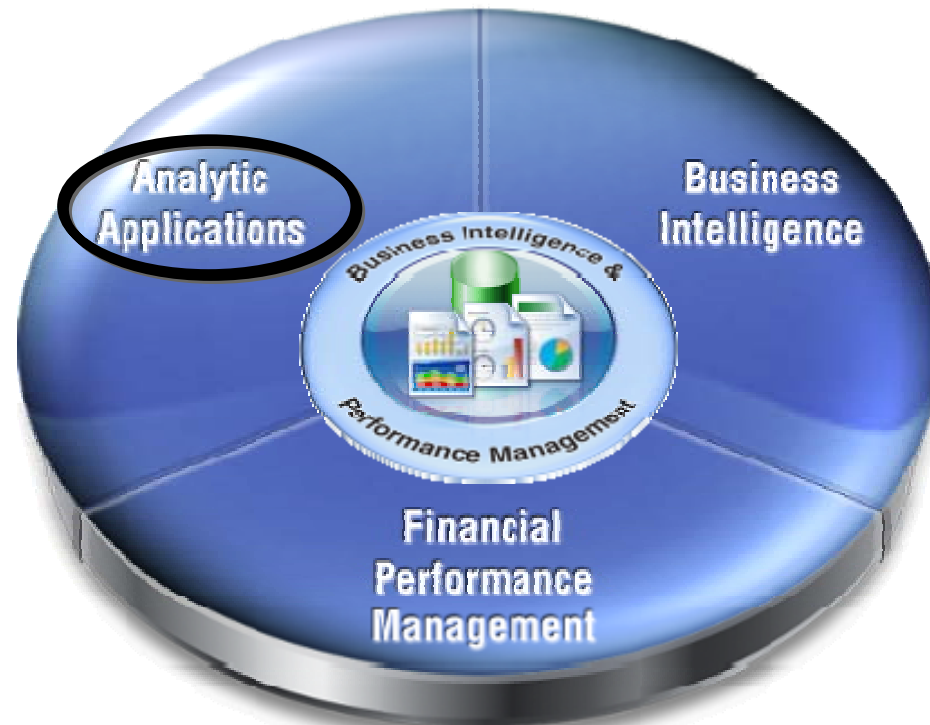
Industry out-performers are **8 times** more likely to pursue information-led transformation at an enterprise level than industry under-performers



Business Intelligence & Performance Management Optimize Business Performance

Realize fast time to value with adaptable, packaged BI applications

IBM Cognos Analytic Applications



Make better, faster decisions by sharing, understanding, analyzing and sharing information

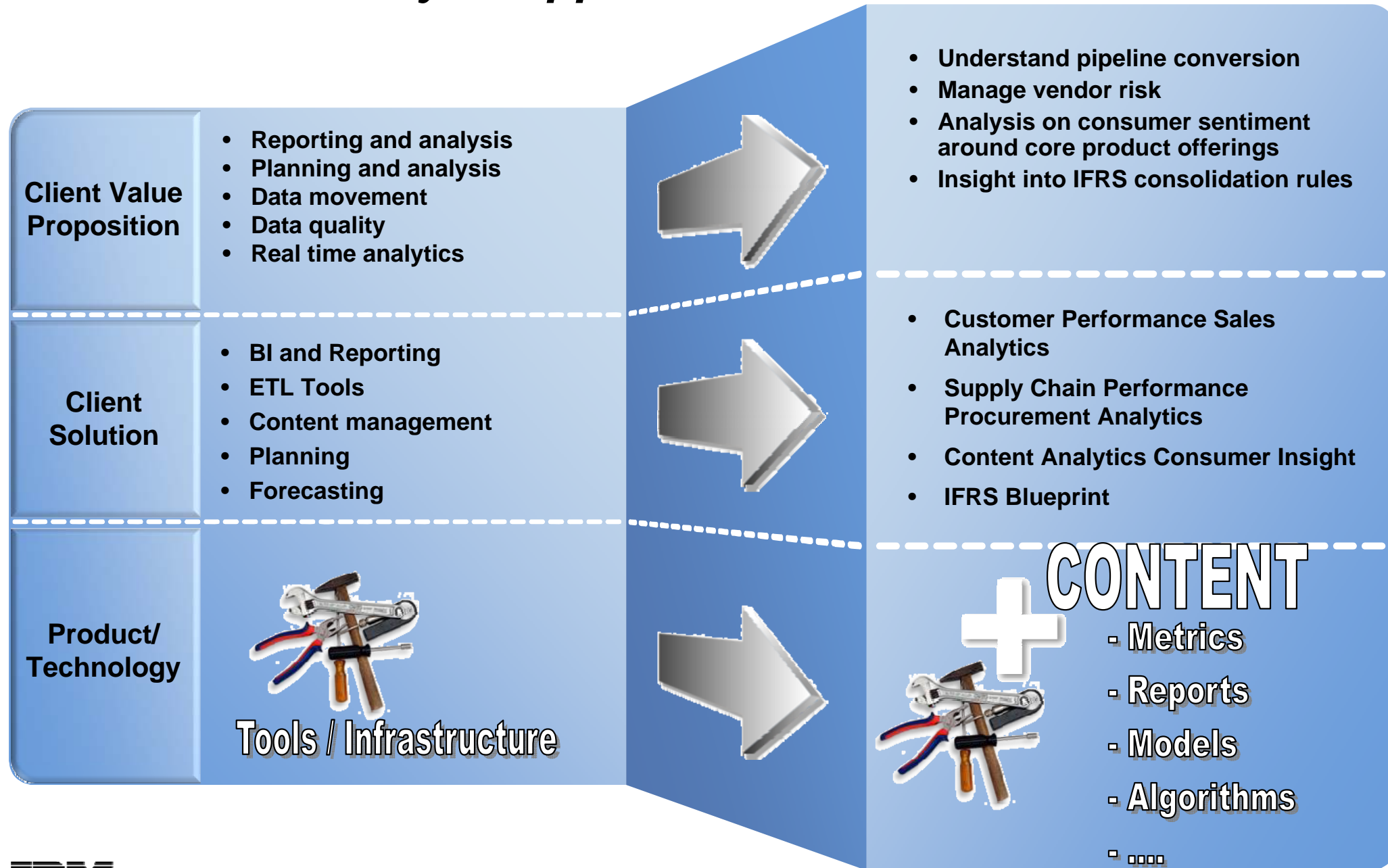
IBM Cognos 8 BI

Drive dynamic, reliable and sustainable financial performance management practices

*IBM Cognos 8 Planning, IBM Cognos 8 BI, IBM Cognos 8 Controller
IBM Cognos TM1*



What Defines Analytic Applications?



IBM Cognos Analytic Applications = Smarter Decisions



- Faster insight drives faster time-to- value and action
- Consistent measurement of business strategy
- More effective management of risks and controls
- Anticipate and explore new opportunities



Smarter Decisions = Smarter Businesses

Faster insight at the point of impact

Pervasive fact based decision making

Action led aligned outcomes

Common decision framework across the value chain

Optimized business performance



Packaged BI = Analytic Applications



Defined data extraction: Enables the application to access and manage data from disparate sources.



Defined data model: A codified set of measures and analysis.



Defined business content: A collection of reports and metrics derived from the pre-defined data model.

Gartner Inc. Definition

Who cares?

“... well imagine the solution to your performance challenge was on the 10th floor of an office building?”



Your Options

Build

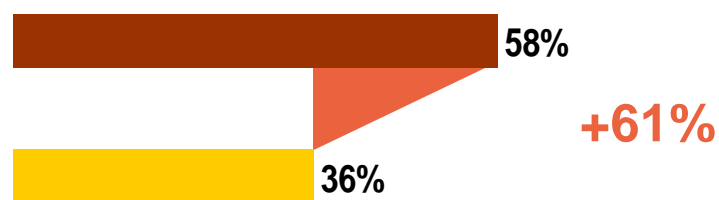


Buy



CIOs are skilled customer advocates that create value by truly understanding what customers want

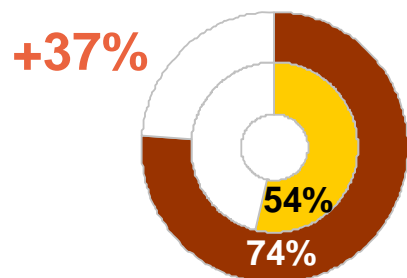
High growth CIOs proactively craft data into actionable information



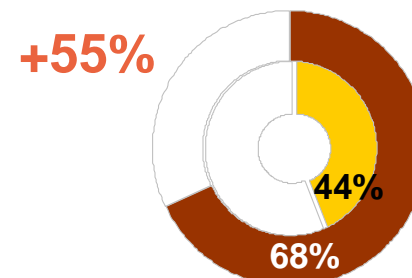
"We do recognize the strategic advantage of using data to support improved decision making. We are not as strong as we would like to be, but this is a key plank of our strategy moving forward."

Consumer products CIO, Ireland

CIOs expect end-customers in five years to continuously explore new channels...



... and anticipate much greater levels of integration and transparency with customers in the next five years



Smarter Financial Decisions

Business Challenge

- Inconsistent financial view for all operating units
- Cumbersome month- and quarter-end financial reporting

What's Smart?

One version of Financial Performance delivered via Packaged Financial Analytics
Agility and adaptability to meet dynamic data requirements.

Smarter Business Outcome

- Executives have access to unified view of financial performance
- Consistent financial metrics enterprise wide
- More accurate financial management reporting



"Cartus is using Financial Performance Analytics to provide executives and LOB managers a unified financial view to ... help them drive smarter financial decisions across the enterprise."

Greg McMahon, Director BI



Smarter Workforce Decisions

Business Challenge

- Small team of HR professionals supporting 9000 employees - highly distributed offices
- Need a standardised assessment of cost and management of compensation and talent acquisition.

What's Smart?

Robust workforce reporting and analysis system
Consistent HR metrics for all LOB managers

Smarter Business Outcome

- Standard workforce measurement metrics deployed through the organization
- Ability to measure and assess talent and HR needs against aggressive business



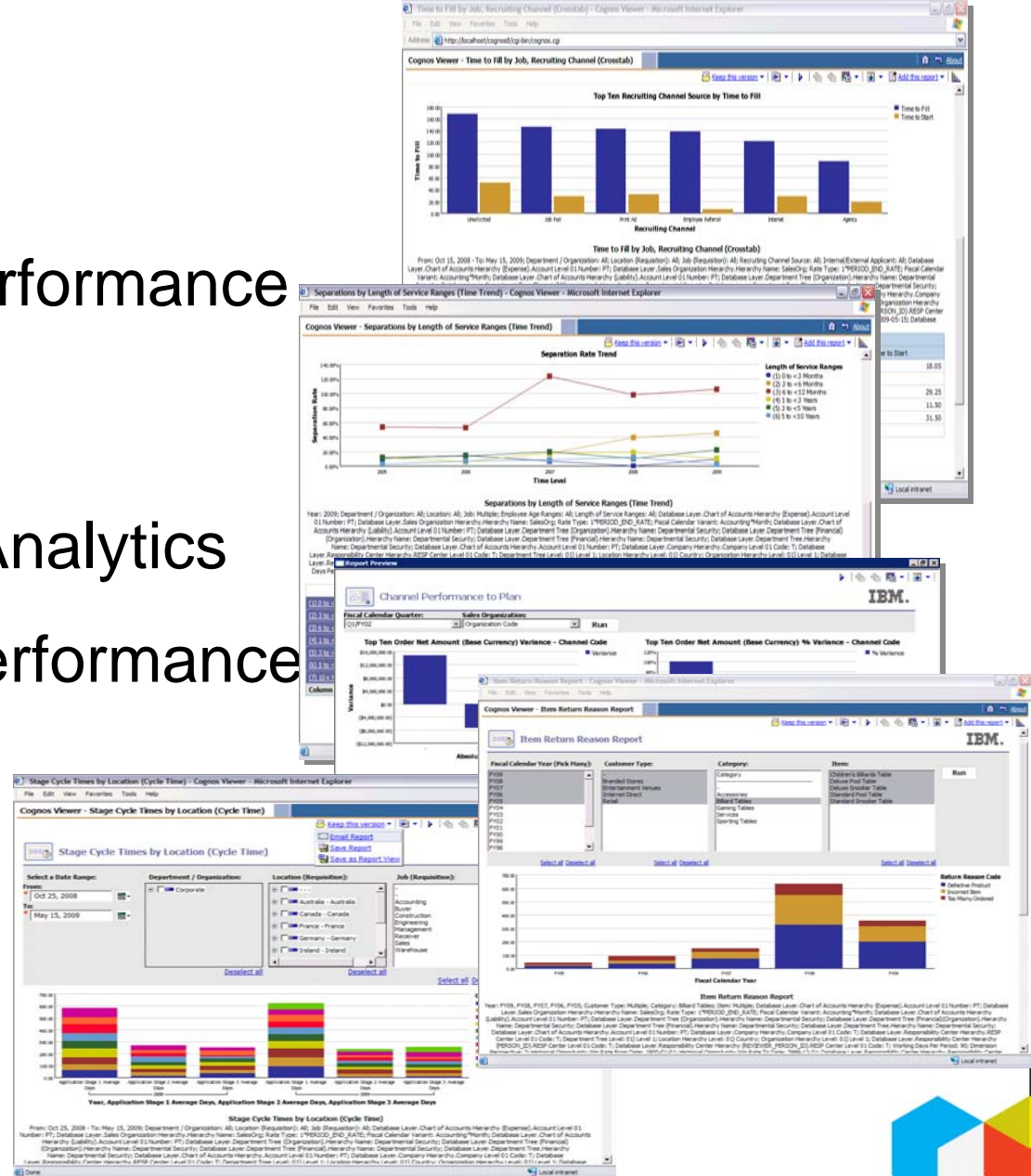
“ ... ready access to strategic information and professional-development tools that will support growth throughout the organization ... [with] analytical capabilities they need to identify trends early on and make informed decisions.”

Pam Wilfong, VP HR, A.J.G



Expanding Portfolio

- IBM Cognos 8 Customer Performance Sales Analytics
- IBM Cognos 8 Supply Chain Performance Procurement Analytics
- IBM Cognos 8 Workforce Performance Talent Analytics



Why Should I Care About Sales Analytics?

Sales Analytics can save sales professionals time in their days and give them the information they need to grow their business.

“Less than 2% of sales executives believe that their sales forces are productive.”

Source: IDC, 2009

“The top 20% of our sales force represents more than 60% of revenue.”

Source: CSO Insights

“Enterprises miss the equivalent of 10% of total annual sales in ‘lost opportunity’ revenue that could have been captured as a result of better insight on sales activities and target markets.”

Source: Gartner Inc.

“54% of sales representatives failed to turn leads into a meeting.”

Source: CSO Insights

“The percentage of salespeople failing to hit their sales quota rose from 38.8% to 41.2% last year.”

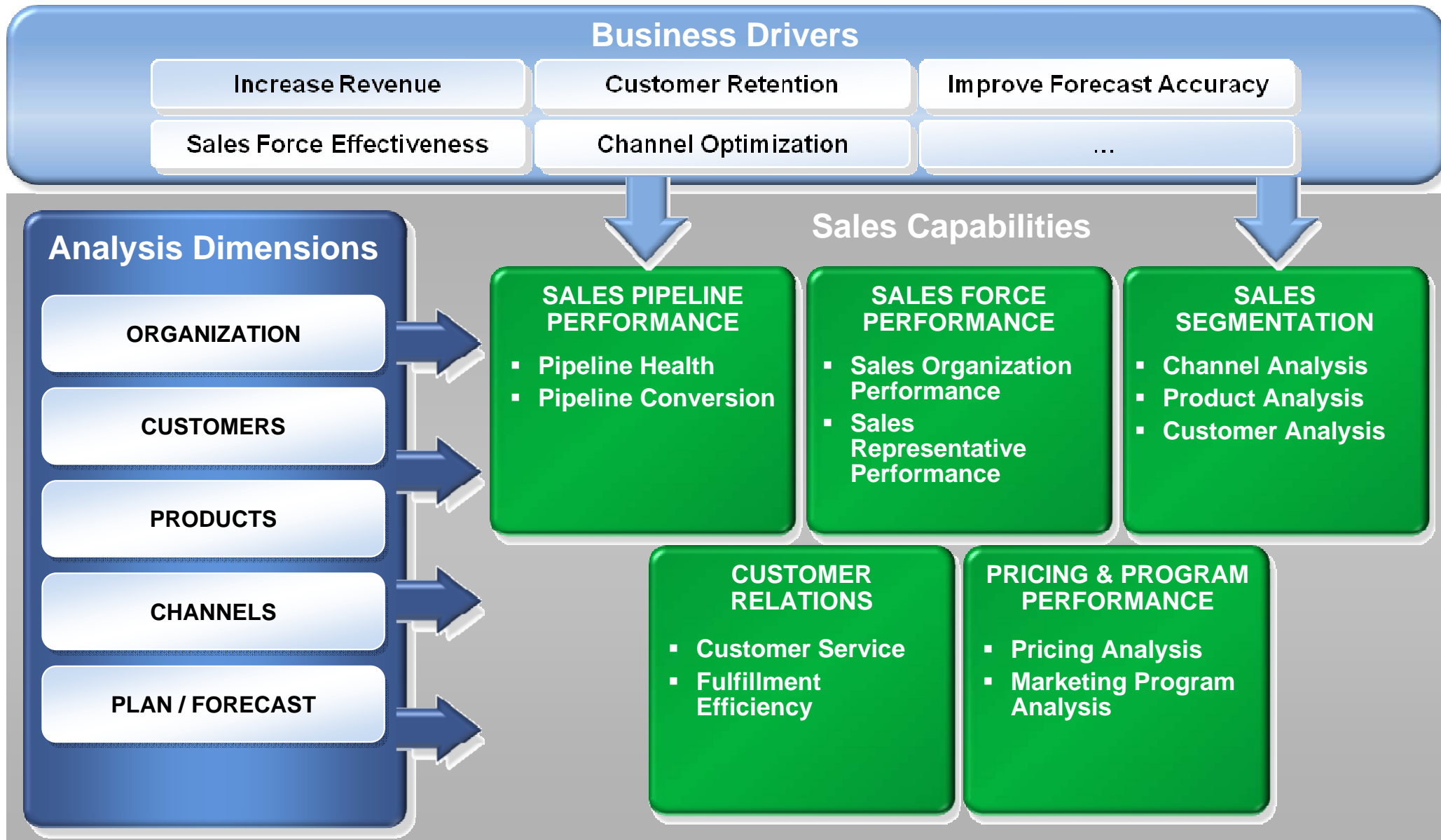
Source: CSO Insights

“Forecasting Survey indicated only 21 percent of surveyed companies were able to achieve 90 percent or greater accuracy levels at 30 days out.”

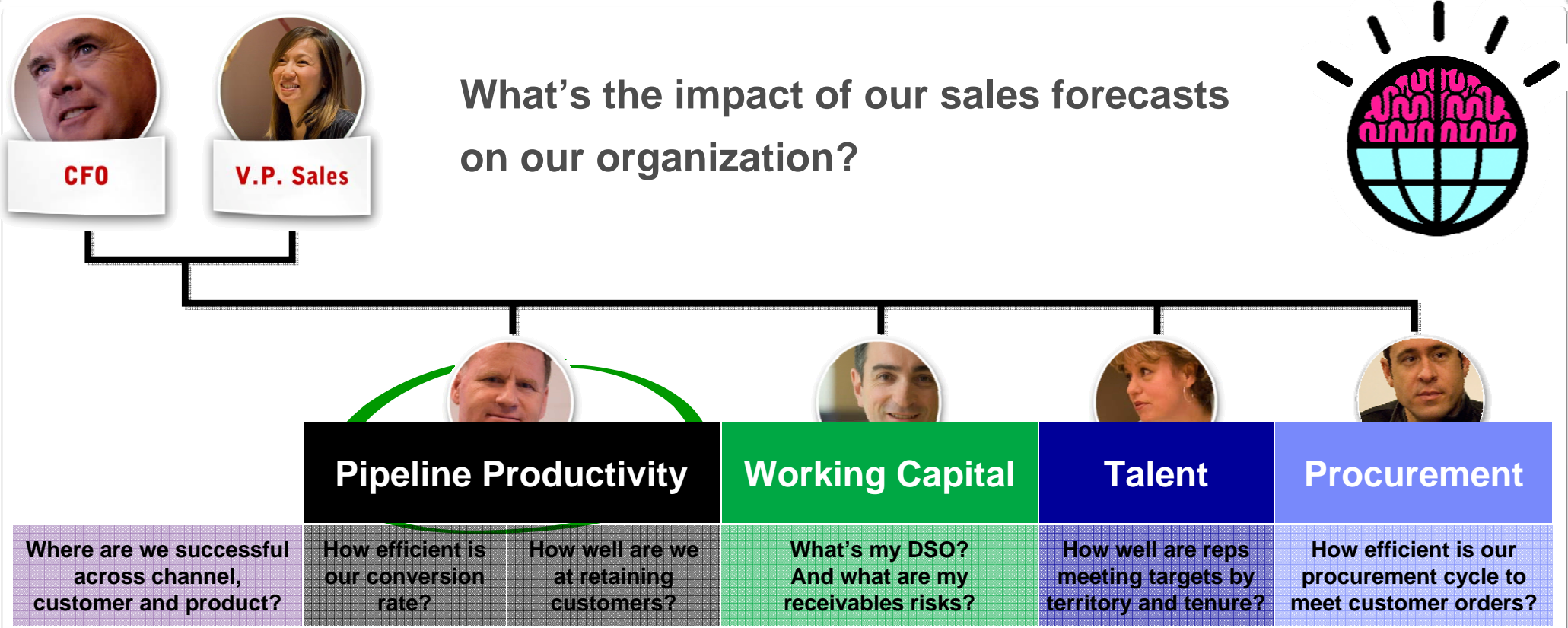
Source: Sirius Decisions



Sales Analytics – Proactive Decision Making



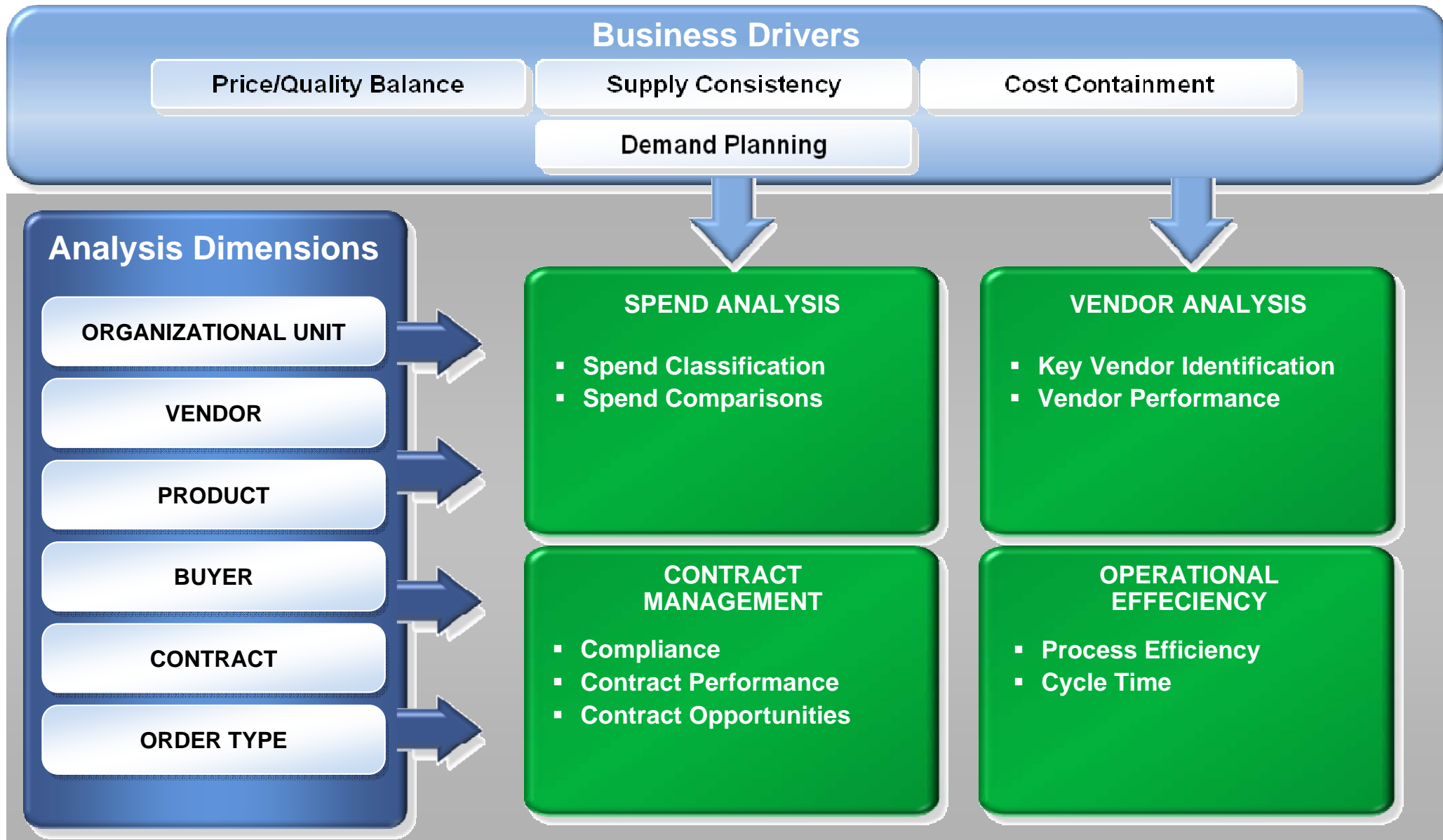
Sales Analytics: Smarter Businesses



Why Should I Care About Procurement Analytics?



Procurement Analytics – Proactive Decision Making



Procurement Analytics: Smarter Businesses



CFO



Supply Chain

How well can we assess procurement risk across our organization?



Supplier Management

Are we managing supplier and financial risks?

How well are suppliers adhering to their contracts?

Can we measure spend consistently?

Working Capital

Do we have the right balance between DPO and early payment discounts?

Talent

Can staff properly look for supplier and financial risks?

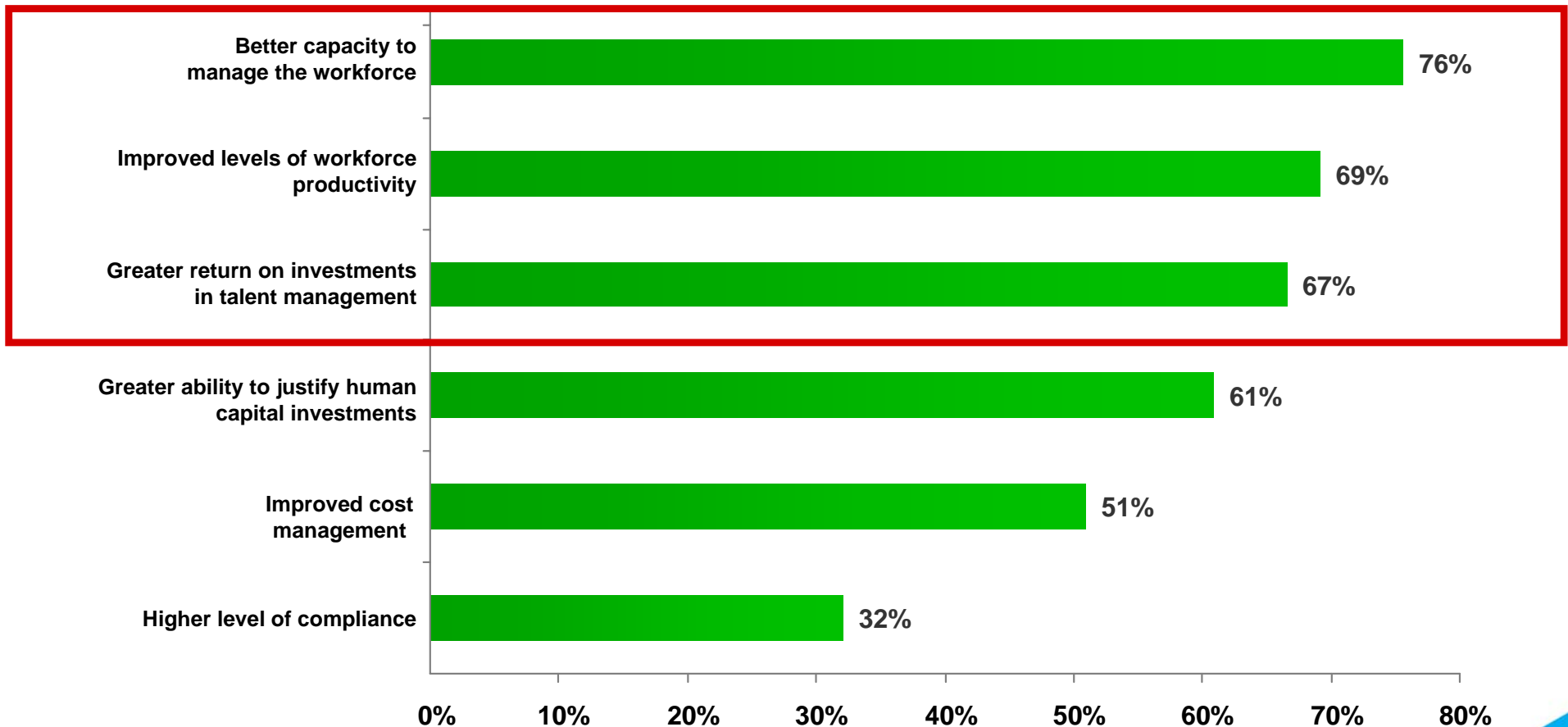
Fulfillment

Will low customer satisfaction affect orders?



Workforce and Talent Analytics

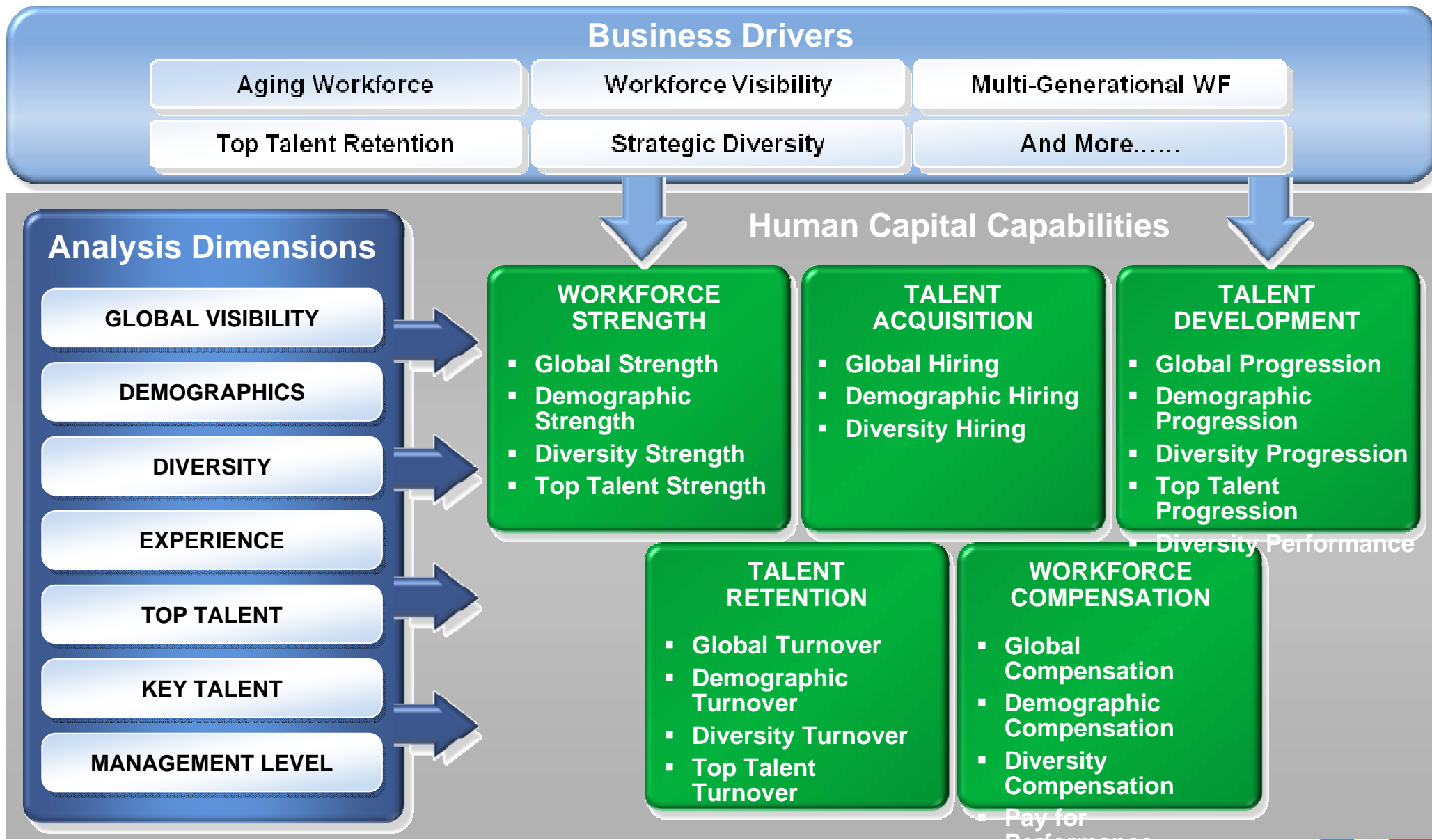
Where do you see the greatest potential benefits of workforce analytics?



* Percentages responding '4' and '5' with '1' being "not a challenge" and '5' being a "significant challenge"



Talent Analytics – Proactive Decision Making



When Selling Harder Isn't Working Smarter



Finance



Sales



Procurement



HR

Why is revenue for our marquee product trending down?

IBM Cognos 8 Financial Performance Analytics

- Revenue by Account Trend

IBM Cognos 8 Customer Performance Sales Analytics

- Sales Segmentation Dashboard
- Sales and Margin by Customer
- Item Quality Report & Item Return Reason Report

IBM Cognos 8 Supply Chain Procurement Analytics

- Item Quality Issue
- Vendor Performance Dashboard & Vendor Profile Dashboard

IBM Cognos 8 Workforce Performance and Talent

- Workforce Performance Dashboard
- Stage Cycle Times by Region for New Hires



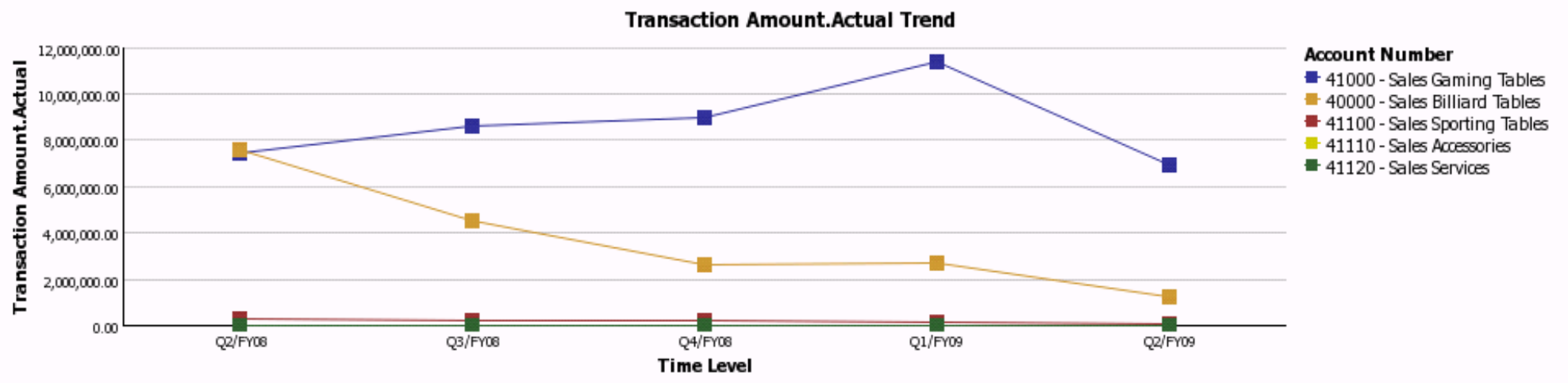
Revenue by Account Trend

Trend Type: Rolling Periods |
 Quarter: Q2/FY09 |
 Number of Periods: 5 |
 Account:

- 10000 - Total Assets
- 100000 - All Accts
- 11000 - Current Assets
- 11100 - Cash and Equivalents
- 11110 - Cash
- 11120 - Payroll Cash Account
- 11130 - Short Term Investments
- 11200 - Accounts Receivable
- 11210 - Trade Receivables
- 11220 - Accrued Receivables
- 11230 - Accrued Interest
- 11300 - Inventory

Run

[Select all](#) [Deselect all](#)



Revenue by Account Trend

Fiscal Calendar Quarter: Q2/FY09; Account: All; Database Layer.Chart of Accounts Hierarchy (Expense).Account Level 01 Number: PT; Database Layer.Sales Organization Hierarchy.Hierarchy Name: SalesOrg; Rate Type: 1*PERIOD_END_RATE; Fiscal Calendar Variant: Accounting*Month; Database Layer.Chart of Accounts Hierarchy (Liability).Account Level 01 Number: PT; Database Layer.Department Tree (Organization).Hierarchy Name: Departmental Security; Database Layer.Department Tree (Financial)(Organization).Hierarchy Name: Departmental Security; Database Layer.Department Tree (Financial).Hierarchy Name: Departmental Security; Database Layer.Department Tree.Hierarchy Name: Departmental Security; Database Layer.Chart of Accounts Hierarchy.Account Level 01 Number: PT; Database Layer.Company Hierarchy.Company Level 01 Code: T; Database Layer.Responsibility Center Hierarchy.RESP Center Level 01 Code: T; Department Tree Level: 01) Level 1; Location Hierarchy Level: 01) Level 1; Organization Hierarchy Level: 01) Level 1; Database Layer.Responsibility Center Hierarchy (PERSON_ID).RESP Center Level 01 Code: T; Database Layer.Responsibility Center Hierarchy (REVIEWER_PERSON_ID).RESP Center Level 01 Code: T; Working Days Per Period: 90; Dimension Perspective: 2; Historical Opportunity Win Rate From Date: 2007-05-15; Historical Opportunity Win Rate To Date: 2009-05-15; Database Layer.Responsibility Center Hierarchy.Responsibility Center Level 01 Code: T;

Making Businesses Smarter with Information Applications

- Faster time to value
- Information leveraged as a strategic asset to affect change
- Driving aligned business value outcomes
- Smarter Decisions
= Smarter Business

