SmarterAnalytics

BP Enablement

IBM Cognos
Performance Management

Sean Corr
WW Performance Management &
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Performance is based on measurements and projections using standard IBM® benchmarks in a controlled environment. The actual throughput or performance that any user will experience will vary depending upon many factors, including considerations such as the amount of multiprogramming in the user's job stream, the I/O configuration, the storage configuration, and the workload processed. Therefore, no assurance can be given that an individual user will achieve results similar to those stated here.

Agenda

- • Why Performance Management matters

  - • Challenges and Solutions

- • Industry Trends and how to adapt

  - • Analyst findings

- • Disclosure Management

- • Sales Performance Management

- • Star Analytics

- • Conclusion

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£€$¥ FINANCE ISSUES & CHALLENGES

Volatility   Expense   Risk   Growth

Reporting   Forecasting   Cash Flow

Shareholders   Revenues   Regulation

Transparency   Uncertainty   Working Capital

Capital   Profitability   Variability

Analytics driven organizations outperform

Analytically sophisticated organizations are

260%

more likely
to be top performers
than analytic beginners

Top performers are

84%

more likely
to have information management
and business analytics integrated
into their core business strategy
and day-to-day operations

Respondents who say analytics creates a competitive advantage

2011 — **58%**

2010 — **37%**

57% increase
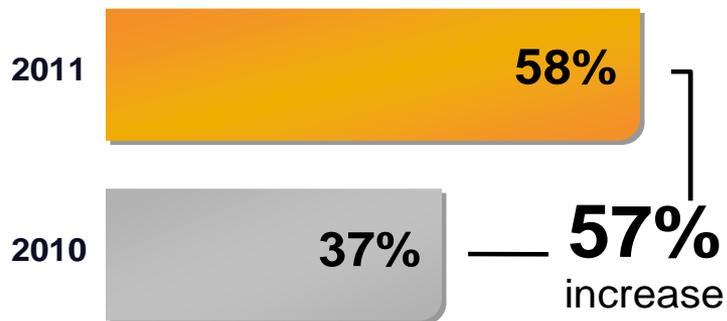
Organizations achieving competitive advantage with analytics are

2.2x

more likely
to be substantially outperform their
industry peers

If they are to achieve their performance potential…

100%

Potential

70%

Realized
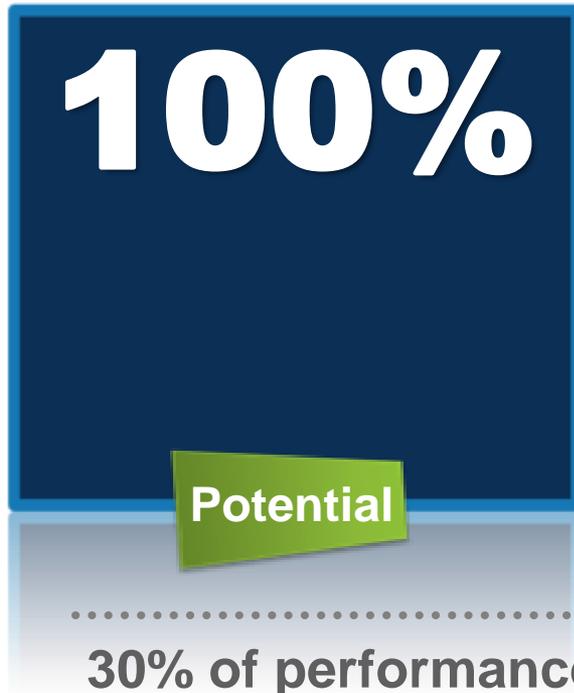
- Low value, labor-intensive work
- Lack of insight & coordination
- Weak analytic maturity

30% of performance potential is lost due to
subpar performance management

Source: CFO Executive Board 2011; IBM Analysis

Transforming Performance Management
Aligning resources with opportunities for better outcomes

30% of performance potential is lost due to
subpar performance management

My financial objectives do not line up with our execution plans

Linked financial and operational plans, forecasts, and profitability expectations

Why do I have to jump between several applications to try to make sense of our performance?

Common information and technology platform

I find out about performance problems too late to react

Real-time and continuous visibility and action

IBM business analytics deliver ...

Time

Drive efficiencies and scale

- Eliminate intensely <u>manual efforts</u>
- Structure and <u>automate</u> dynamic <u>processes</u>
- <u>Scale</u> to large user communities and data sets

Control

Gain agility and preparedness

- Link <u>operational and financial</u> performance management
- Support <u>advanced analytic</u> techniques (e.g., scenario and predictive analytics)
- Eliminate delays in coordinating around to emerging realities

Confidence

Improve effectiveness and outcomes

- Dramatically <u>reduce risk of errors</u>
- Cost-effectively address <u>compliance</u>
- Drive new <u>confidence</u> in analytics-driven decision making

IBM Performance Management

Guide management strategy in the most profitable directions with timely, reliable insights, scenario modeling and transparent reporting

- Link financial and operational plans through driver-based models.

- Guarantee the quality and accuracy of financial numbers for timely, sustainable compliance.

- Track performance against strategic objectives.

- Perform "what-if" scenario modeling and create flexible rolling forecasts.

- Replace rigid budgets with continuous planning—daily, weekly, or monthly

Performance reporting and scorecarding

Performance Management
Target Audience

KEY	SOLUTION AGENDA / PLAY	AUDIENCE TARGETS		KEY INDUSTRIES
	Planning Analysis & Forecasting; Profitability Modeling & Optimization; Performance Reporting & Scorecarding	Finance	Operations	▪ Insurance and Banking, Retail, Industrial, Life Sciences (including Performance Blueprints)
	Disclosure Management; Financial Close Management	Finance		▪ Insurance (Solvency II), Public Sector (CAFR)
	Incentive Compensation Management; Sales Performance Management	Finance & HR	Sales Ops	▪ Insurance and Banking, Retail, Industrial, Life Sciences (Med Supplies & Pharma), Communications

Performance Management

Broad Solution Coverage – supported by BluePrints

Enterprise Performance Management

Planning Analysis & Forecasting
Profitability Modeling & Optimization
Performance Reporting & Scorecarding

Finance

- Financial Close & Account Reconciliation
- **Financial Consolidation**
- **Disclosure Management**
- Tagging & External Filing (XBRL, HMRC, etc)

- Expense Planning & Control*
- Workforce & Comp Planning*
- Initiative (Project) Planning*
- …

Finance

Human Resources

IT

Operations

- Sales and Ops Planning*
- **Product Profitability***
- Capital Expenditure Planning*
- Capital Project Planning*
- Initiative (Project) Planning*
- …

- …Industry Specific Performance Management*

Product Development

Operations
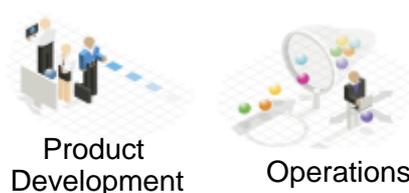
Sales

- **Incentive Compensation Management** (Varicent)
- Territory & Channel Management (Varicent)
- Quota Planning (Varicent)
- Customer Profitability*

- …Industry Specific Performance Management*

Customer Service

Sales

Marketing

* IBM Cognos Performance Blueprints are pre-defined data, process and policy models that address a number of <u>functional process</u> areas and the needs of <u>specific industries.</u> (links available in slide show mode)

As finance evolves, organizations need to understand **WHAT** happened, **HOW** they are doing, and **WHAT** the future may hold

WHAT WILL HAPPEN NEXT?

- **Cash forecasting**
- **Scenario-based planning and forecasting**
- **Strategic investment decision support**
- **Volatility and risk-based predictive and behavioral modeling**

HOW ARE WE DOING?

- **Customer and product profitability**
- **Spend optimization**
- **Working capital analysis**
- **Market, customer, & channel pricing**
- **Sales and supply chain effectiveness**

WHAT HAPPENED?

- **Balance sheet, profit and loss, and cash flow statements**
- **Revenue and cost variance analysis**

IBM solutions help organizations **TRANSFORM financial PROCESSES** and drive improved performance

£€$¥

Finance Solutions
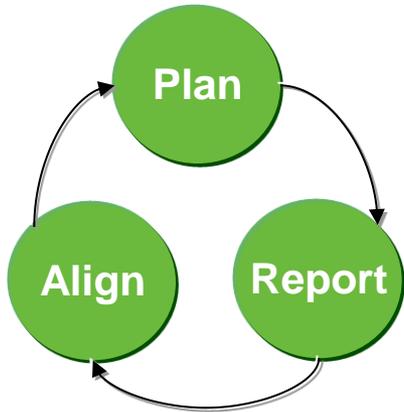
Plan

Align

Report

Plan
- Improve visibility with driver-based and predictive forecasts
- Rapidly adjust and realign resources

Report
- Deliver fast, reliable performance reports and analysis
- Automate financial close process
- Meet new disclosure and filing mandates

Align
- Define, measure, and adjust strategy with metrics
- Deliver engaging, up-to-the-minute dashboards

Capabilities

Reporting & Analysis

Predictive Analytics

Scorecarding & Dashboarding

Planning, Budgeting & Forecasting

Disclosure Management

Financial Consolidation

Profitability Modeling & Optimization

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EPM Technology Enablement Levels
Current and Projected

Technology enablement in planning and forecasting is virtually at the same level as in analytics and reporting (i.e., business intelligence) technology. While both will continue to trail financial consolidation and external reporting technology, they will **experience substantial technology investment and enablement growth over the next two to three years**.

FIG. 1   EPM technology enablement levels, current and projected
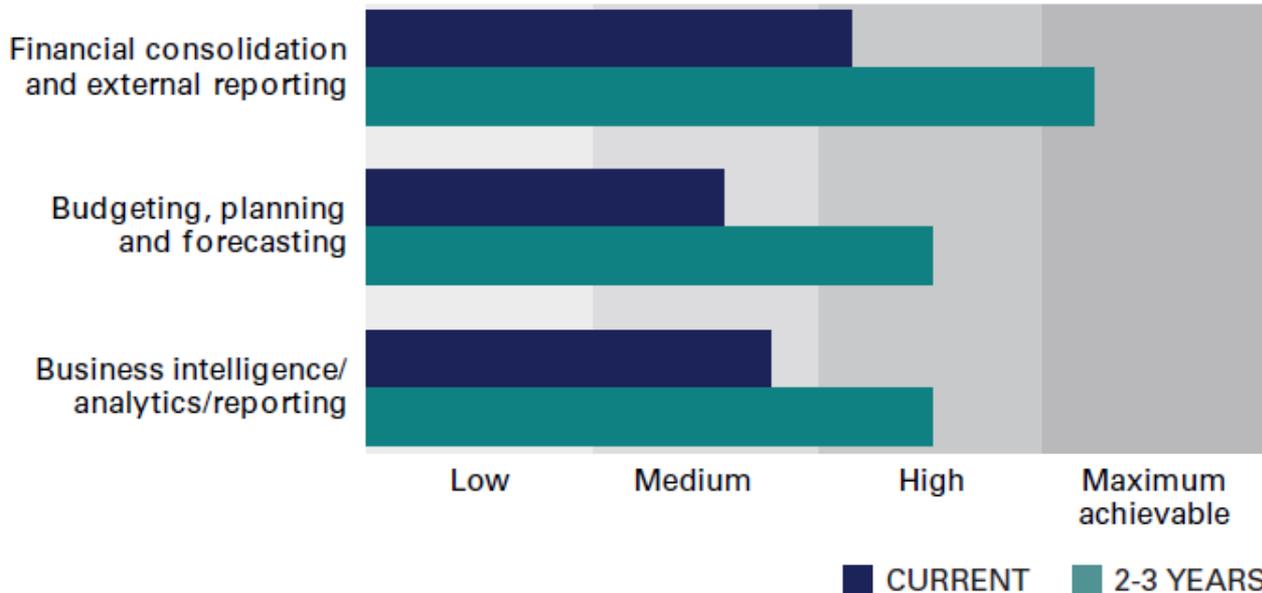
Source: Technology in Finance Study, The Hackett Group, 2012

CFOs See the Importance of Business Analytics

CPM projects are the highest priority on the CFO's business analytics initiatives list, according to the 2012 study. The top four priorities in this area are addressed by CPM suites, including performance **scorecards; budgeting, planning and forecasting; financial consolidation; and profitability management.**


Figure 8. Components to Be Upgraded in 2012

Component	Percentage
Performance measurement/scorecard/dashboard	68
Planning/budgeting/forecasting	62
Financial consolidation and reporting	57
Customer and product profitability	52
Data warehouse	42
Predictive modeling	32
Statistical analysis	25

Percentage of Respondents
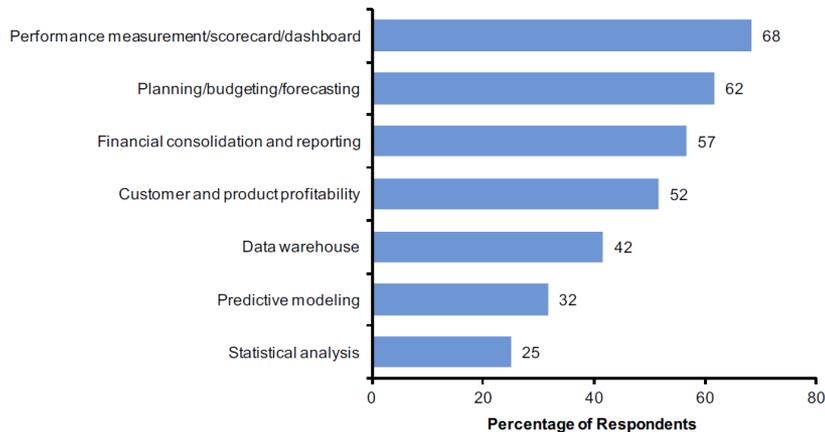
Source: Gartner (June 2012)

Figure 9. Components to Be Upgraded in 2013

Component	Percentage
Planning/budgeting/forecasting	63
Performance measurement/scorecard/dashboard	60
Customer and product profitability	48
Financial consolidation and reporting	46
Data warehouse	46
Predictive modeling	30
Statistical analysis	22

Percentage of Respondents
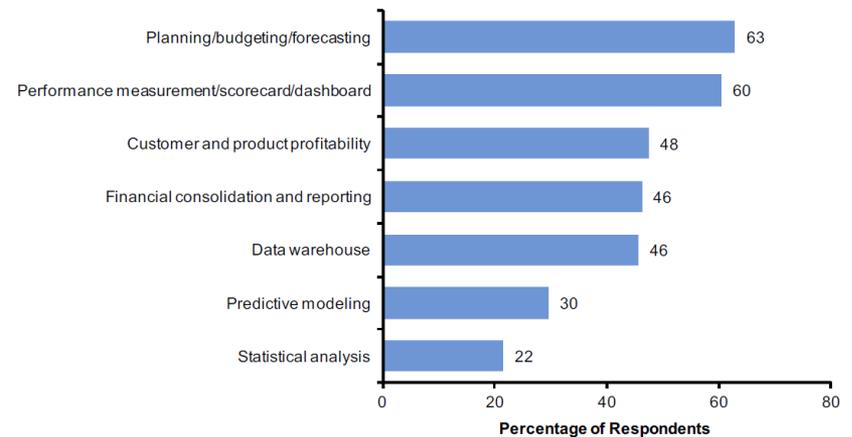
Source: Gartner (June 2012)

IBM Business Analytics addresses the full complement of priorities with a vastly more cohesive, advanced architecture

Driving Better Outcomes with Smarter Analytics for Performance Management

Performance Management

	IBM	Oracle	SAP
Drive efficiencies and scale			

Time

- Eliminate intensely manual efforts
- Structure and automate dynamic processes
- Scale to large user communities and data sets

Gain agility and preparedness

Control

- Link sales, operational and financial performance management
- Support advanced analytic techniques (e.g., scenario and predictive analytics, narrative reporting)
- Eliminate delays in coordinating around to emerging realities

Improve effectiveness and outcomes

Confidence

- Dramatically reduce risk of errors
- Cost-effectively address compliance
- Drive new confidence in analytics-driven decision making

IBM Positioned in Leaders Quadrant of the Gartner Magic Quadrant for Corporate Performance Management Suites

Magic Quadrant for Corporate Performance Management Suites
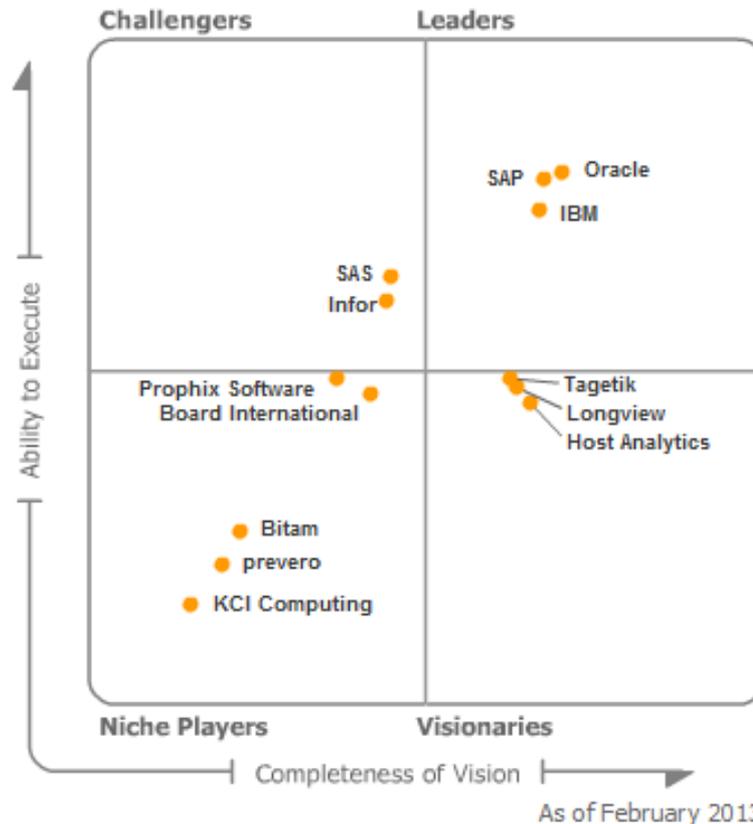
Source: Gartner "Magic Quadrant for Corporate Performance Management Suites", Christopher Iervolino, John E. Van Decker, Neil Chandler- 14 February 2013

Business Partner Rally 2013

Gartner Magic Quadrants Related to Business Analytics Initiatives: IBM in the Leaders Quadrant

- IBM is positioned as a **leader in seven Gartner Magic Quadrants** that are integral to business analytics initiatives:

Vendor in the Leaders Quadrant of the Gartner Magic Quadrant for:	IBM	Microsoft	Oracle	SAP
BI & Analytics Platforms (Feb/13*)	✓	✓	✓	✓
CPM Suites (Feb/13*)	✓		✓	✓
Global BI & PM Service Providers (Jan/11*)	✓			
Governance, Risk & Compliance Platforms (Oct/12*)	✓		✓	✓
Data Warehouse DBMS's (Jan/13*)	✓	✓	✓	✓
Data Integration Tools (Oct/12*)	✓		✓	✓
Data Quality Tools (Aug/12*)	✓			✓
* Magic Quadrant publication date				

Gartner: Corporate Performance Management User Survey Results

Figure 11. Overall Satisfaction Versus Average Number of Users Considering Module Use
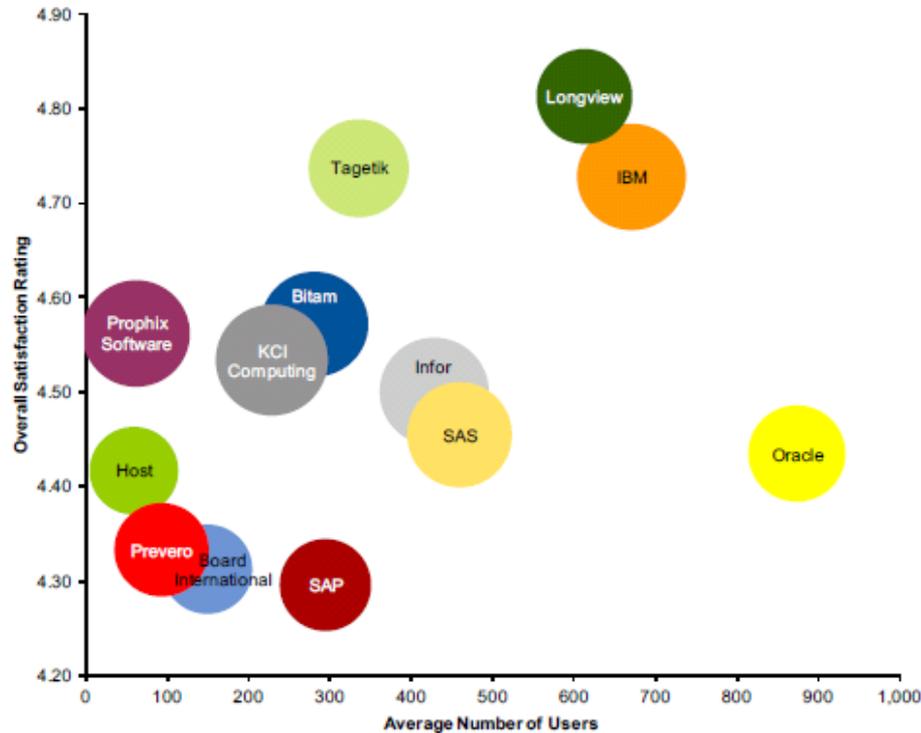
The figure represents customer perceptions, not Gartner's opinion, and may feature vendors that in Gartner's opinion don't deliver the functional capability described (N = 233). The full prevero CPM offering was not included in this study; only Winterheller customers were surveyed .

Source: Gartner (May 2012)

Source: Gartner – "User Survey Analysis: Customers Rate Their Corporate Performance Management Vendors",
Christopher Iervolino | Neil Chandler – 23 May 2012

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Gartner: Corporate Performance Management User Survey Results

Figure 13. Cost to Date for Components per User (Median Costs per Category)

Median hardware cost per user
Median internal labor and head count per user
Median external service cost per user
Median software cost per user
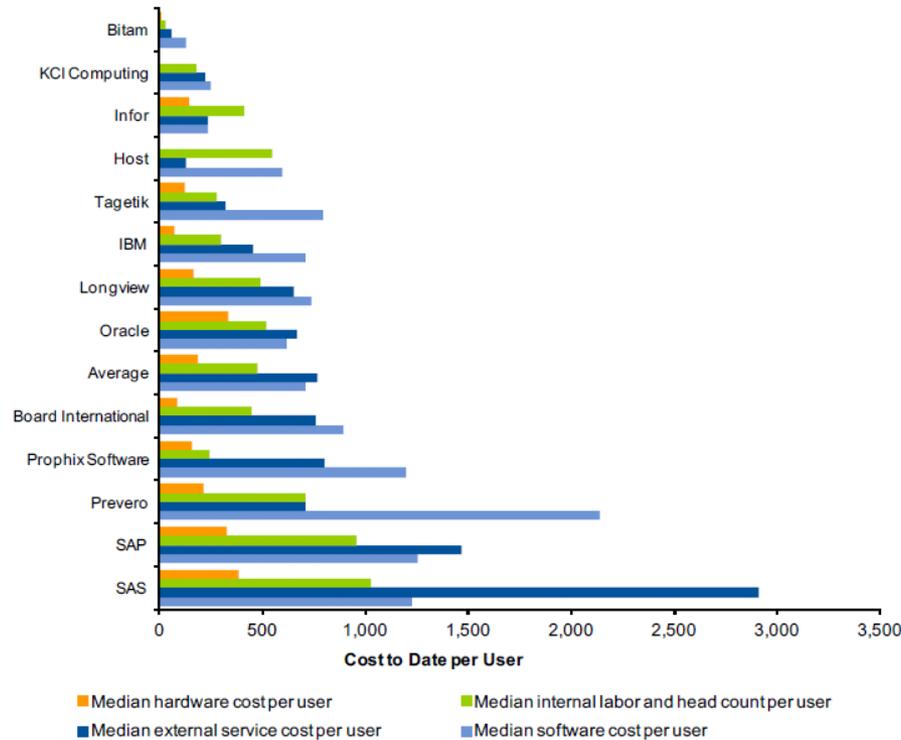
Average cost components are calculated by taking the total cost component, and dividing it by an estimation of the average number of users. The figure represents customer perceptions, not Gartner's opinion, and may feature vendors that in Gartner's opinion don't deliver the benefits described (N = 233). The full prevero CPM offering was not included in this study; only Winterheller customers were surveyed

Source: Gartner (May 2012)

Source: Gartner – "User Survey Analysis: Customers Rate Their Corporate Performance Management Vendors",
Christopher Iervolino | Neil Chandler – 23 May 2012

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The complete close process:

CLOSE	CONSOLIDATE	REPORT & File
First Mile	Consolidation	Last Mile

First Mile
Data quality and control system for collection and reconciliation

Consolidation
Financial consolidation and systems for processing and preparation

Last Mile
Reporting on Close Process Data

Certifying and publishing external documents

Companies today **believe** that the last mile of the close process is really the **only use case** that needs to be addressed with a disclosure management **application**.

Value Chain of Information

5,000

Value Chain of Information

Cash   5,000

Value Chain of Information

Europe
March
2012
USD in 1,000's

	Actual
Cash[5]	5,000

Value Chain of Information

Europe March 2012
USD in 1,000's

Balance Sheet

Management Briefing Deck
Adjusted and Consolidated
April 4, 2012

	Actual	Plan	Variance	Var %
Cash	5,000	15,000 (67%)	(10,000)	

Value chain of information

Balance Sheet

Management Briefing Deck
Adjusted and Consolidated
April 4, 2012

March 2012

USD in 1,000's

	Actual	Plan	Variance	Var %
Cash[5]	5,000	15,000	(10,000)	(67%)

Note 5:

Cash position *eroded substantially* from *prior quarter* and against *plan*. Days Sales Outstanding (DSO) *increased* to *120* days versus *90* in *2011 Q4*.

The DSO increase was due to an unanticipated departure of several associates in A/R Collections Department and a substantial increase in net-new orders.

Global Initiative #45 is to decrease DSO to 75 days by Q4 2012. We are just starting to implement #45 in April with the hiring of 15 new A/R Collections associates. Based on our planned ramp-up schedule we anticipate getting to plan by Q3 2012, for both Cash balance and Days-Sales-Outstanding.

Lack of confidence in the <u>process</u>, reports, & data

Significant Gap in Narrative Reporting and Disclosure Management Capabilities

Which Department Does your BI Team Support?
- Finance: 71%
- Average of all others: 31%

Technology Gap

What is primary business application for generating management reports?
- Spreadsheets: 82%
- Other: 18%

Process Gap

Failings of Finance
- Fail to consistently deliver meaningful insight: 71%
- Unable to redirect poor assumptions: 79%
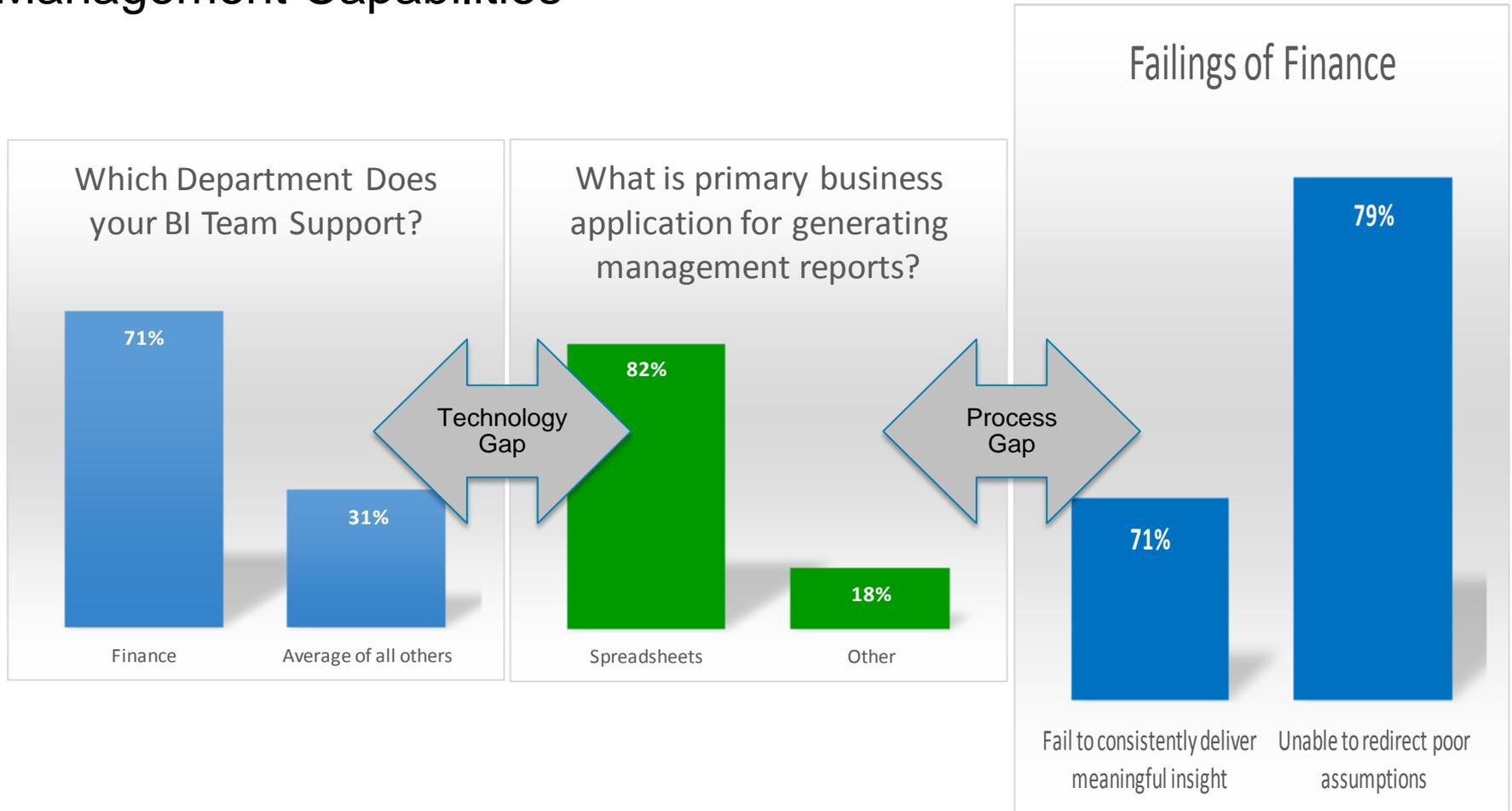
TDWI: 2012 BI Benchmark Report
TDWI, September 2012

Technology in Finance Study,
The Hackett Group, 2012

The Insight Deficit in Finance,
The CEB Finance, 2012

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Senior finance individuals agree:

Across the board, <u>manual processes</u> and pervasive use of <u>personal productivity tools</u> (spreadsheets, word processing files, PowerPoint and email) increase the difficulty in completing the **close process**

What does this mean?

🕐

TIME

❀ Increased Time to prepare

CONTROL

✔ Less Control over the process

CONFIDENCE

Reduced Confidence in the process

Figure 3. Reliance on personal productivity tools makes many financial close activities more difficult.

Does reliance on personal productivity tools make it more or less difficult for your company to carry out financial close activities?

	Not more difficult	More difficult
Maintain data security	29%	68%
Ensure accuracy of data	38%	62%
Update financial statements	49%	47%
Collaborate in preparing financial statements	56%	43%
Audit financial statements	55%	41%
Perform account reconciliation	69%	31%

Note: For each category, 0%–3% of respondents said, "Don't know/Not applicable."

From our work in the current year, we established that **95% of the excel spreadsheets examined had errors** *out of which* **80% had significant monetary errors** *(i.e. spreadsheet gives an incorrect result).*

Source: PwC, 2011

Poor practices – directly impact performance

Finance organizations must run efficiently and effectively but there are many challenges:

- <u>Non-integrated</u> close relating to **narrative reporting** is negatively impacting organizations
- <u>Non-automated</u> data flowing to narrative portions or discussions takes time away from value added work
- <u>Manual activity is predominately filling this void</u>

Figure 1. Many finance executives say that narrative portions of financial reports consume a substantial amount of their staff and management time.

How much **staff** *time is required to* **collect, consolidate, and prepare** *the narrative portions of your financial reports?*

- Minimal 11%
- Substantial 41%
- Moderate 49%
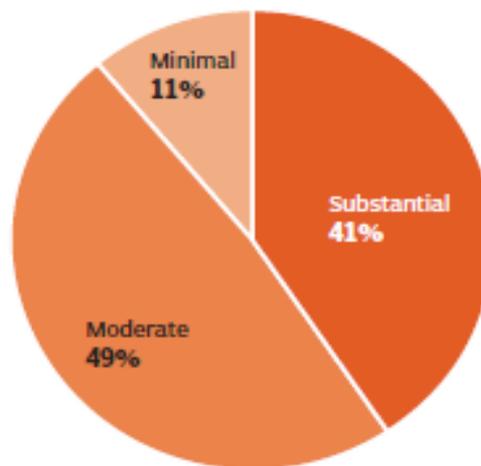
How much **management** *time is required to* **analyze, approve, and review** *the narrative portions of your financial reports?*

- Minimal 13%
- Substantial 31%
- Moderate 56%
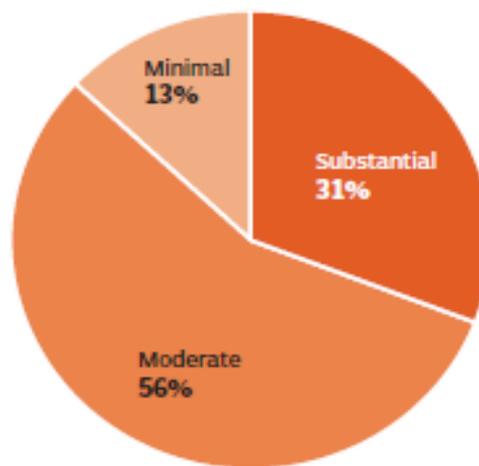
How do the existing processes and tools used to manage and support critical finance activities impact your organization's ability to access, analyze and present insights to drive value?

CFO research

* July 2012 *Linking Numbers and Narratives: Correlating Quantitative Reports with Qualitative Analysis*

Gaps are pervasive & have direct impact on performance

Regulatory
- Solvency II
- COREP/FINREP
- Basel III
- XBRL Mandates

Controllership
- Internal & External Reporting
- Board Books
- GAAP vs IFRS

Investor Relations
- Presentations
- Press Release
- Web Communications

Treasury
- Global Cash Management
- Global Debt Management

Tax
- Schedule Preparation & Reporting
- Tax Compliance

FP&A
- Business and Operational Reviews
- Variance Explanation

- The challenges associated with manual processes and gaps in existing technology are not just in **external reporting – they are pervasive throughout the Finance organization**

- **Internal reporting opportunities too**

- All this extra work on low value activities steals time from higher value analysis

Laggards not effective or efficient…

- Too much time spent on manual data collection & creating reports by hand – causing delays in critical reports and analysis

- Over-reliance on personal productivity tools & email lead to longer cycle times and less accuracy in reports

- Execution, data accuracy & control challenges are pervasive

Total Cost of Financial Reporting per $1,000 in Revenue
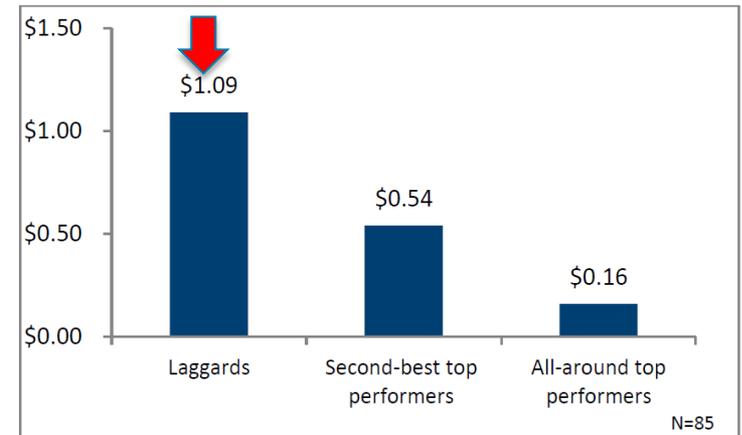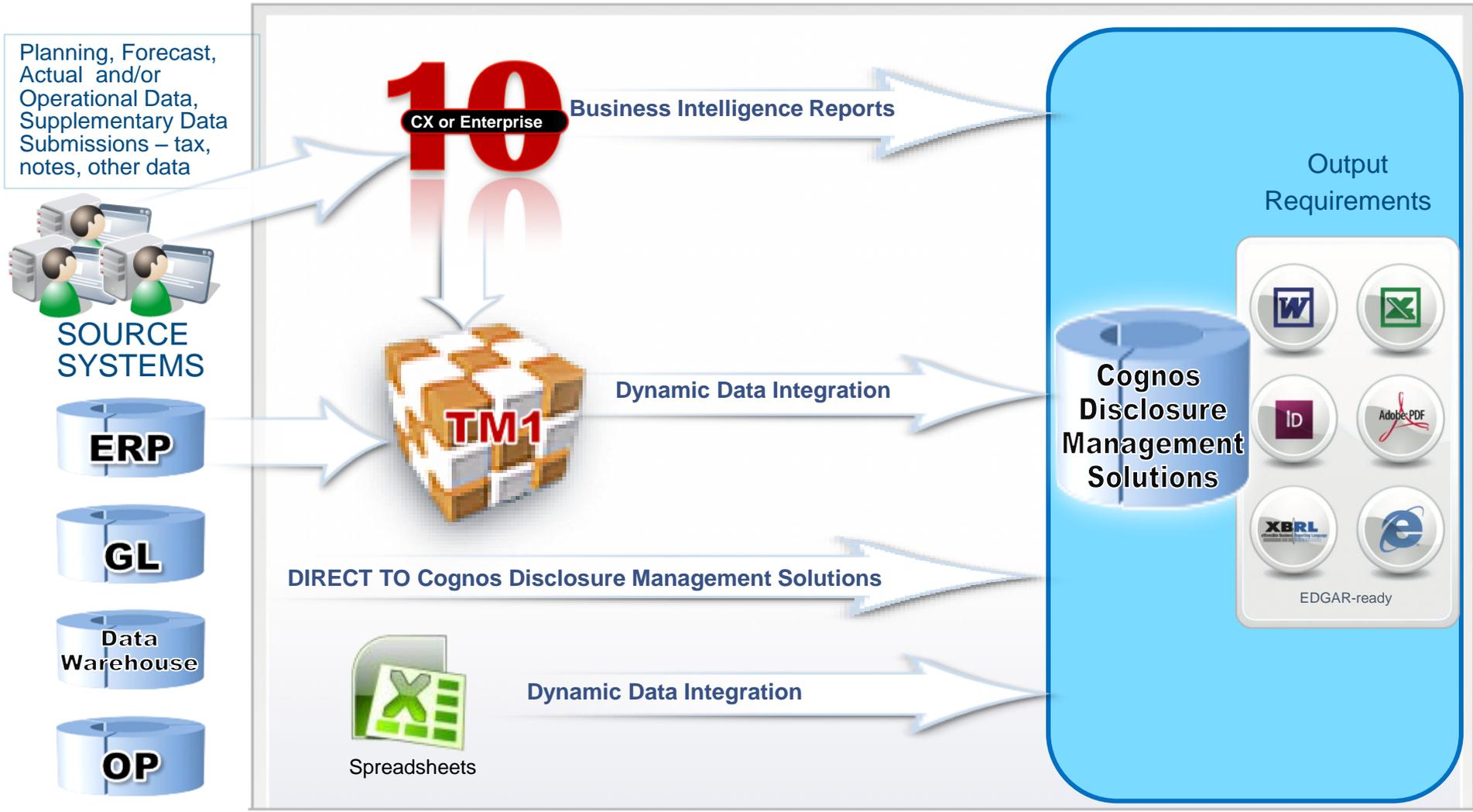
$1.50		
$1.00	$1.09	
$0.50		$0.54
$0.00		$0.16
	Laggards	Second-best top performers	All-around top performers

N=85

Business Partner Rally 2013

Cognos Disclosure Management

Planning, Forecast, Actual and/or Operational Data, Supplementary Data Submissions – tax, notes, other data

SOURCE SYSTEMS

ERP

GL

Data Warehouse

OP

10 CX or Enterprise

Business Intelligence Reports

TM1

Dynamic Data Integration

DIRECT TO Cognos Disclosure Management Solutions

Spreadsheets

Dynamic Data Integration

Cognos Disclosure Management Solutions

Output Requirements

EDGAR-ready

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Sales Performance Management: A Definition

To Meet These Challenges

- Increase sales productivity
- Align behavior with goals
- Increase organization agility
- Improve visibility and insight
- Reduce errors and cycle time
- Meet compliance requirements

▶ **SALES PERFORMANCE MANAGEMENT**

Automates the processes and functions for managing sales people and making them more efficient and effective

How is Sales Compensation Managed?
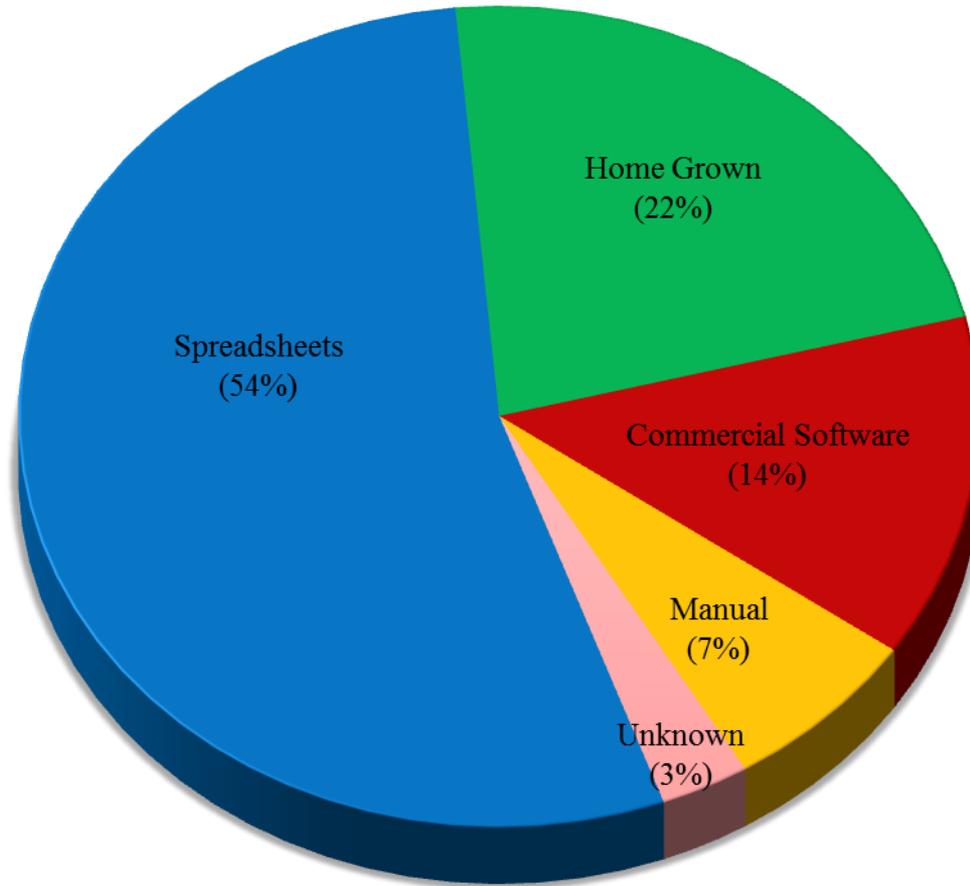
CSO Insights - 2011 Sales Compensation & Performance Management, Key Trends Analysis

Managing Sales Incentive Compensation Amid Uncertainty

In order to meet business objectives, finance executives **perceive the greatest value in increasing the sophistication of selling behaviors.** These same finance executives are most likely to see **room for improvement in their companies' ability to encourage sophisticated sales behavior** — the very improvement that they say would yield the greatest benefit.

Managing Sales Incentive Compensation Amid Uncertainty

A report prepared by CFO Research Services in collaboration with Varicent Software Incorporated

CFO research services

VARICENT®
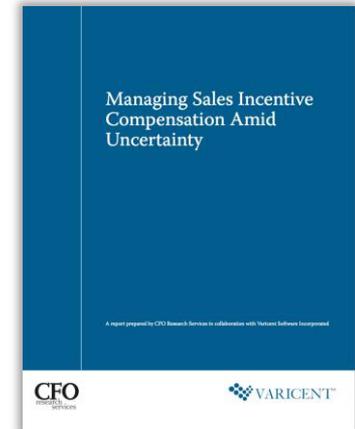
In your opinion, which of the following sales management improvements would be most likely to help your company reach its goals over the next two years?

Improvement	Room for improvement	Adequate performance	Excellent performance	Don't know/Does not apply
Encouraging sophisticated sales behavior (e.g., selling highly profitable business, cross-selling)	59%	27%	8%	6%
Using tools and analytics to improve sales performance	59%	31%	5%	5%
Gathering and using information on sales activity for planning, budgeting, and forecasting	50%	39%	8%	3%
Maximizing selling time for sales staff	43%	39%	8%	9%
Identifying and retaining talented sales staff	34%	52%	8%	6%

■ Room for improvement ■ Adequate performance ■ Excellent performance □ Don't know/Does not apply

Percentage of respondents

Sales Performance Management…

Comprehensive solution that helps organizations drive sales alignment from strategy through to execution…

Territory Management	Quota Planning	Channel Management	Incentive Compensation Management

SPM Business Processes
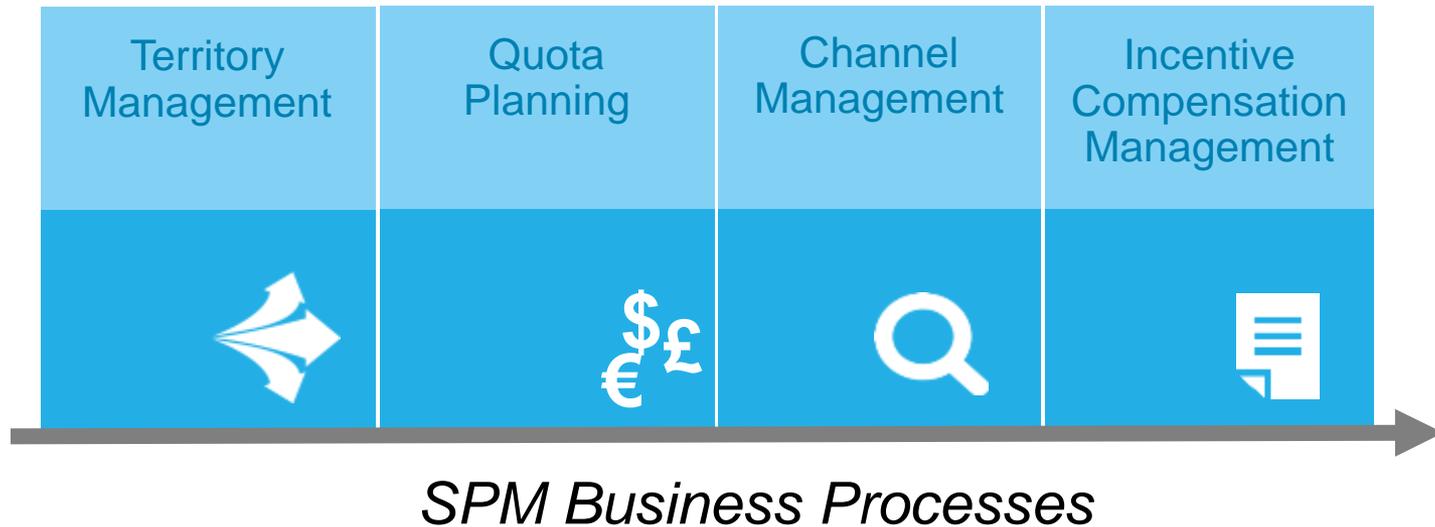
…ultimately leads to better management and utilization of sales resources

IBM Cognos Incentive Compensation Management

Incentive Compensation
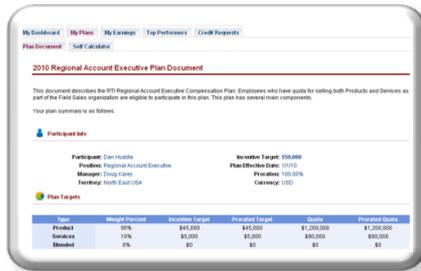
- Plan Documentation & Communication
- Incentive Calculations
- Manage Commissions, Bonuses, MBOs, Non-Cash Rewards, Scorecards
- Dispute Management

Territory Management

- Set Territories
- Crediting Rules
- Splits & Temporary Coverage
- Retroactive Territory Changes

Quota Management

- Plan by Individuals, Teams, Regions, Channels, Products
- Top Down – Bottom Up
- Variance Analysis
- Quota Re-assignments

Channel Management

- Direct, OEM and Distributor Tracking
- Agency Management – Insurance
- Certifications & Training
- Plan Eligibility

Report   Analyze   Model   Plan

What-if Analysis   •   Dashboards and Scorecards   •   Trending   •   Exception Reporting

Why Now?

Pressure in sales organizations to grow and become more efficient

2012 Most Important Sales Priorities

Priority	%
Increase Revenue	72%
Improve Efficiency of Sales	57%
Grow Business in Net New Customers	56%
Align Sales Force to Business Goals	56%
Increase Selling to Customers	47%

Mark Smith, Ventana Research (2011)

VENTANA
RESEARCH

And finance leaders are recognizing the growing magnitude of compensation

10.7%　11.5%

Sales Compensation spend as a percentage of annual revenues is up to **11.5%** from **10.7%**

CSO Insights - Sales Compensation Key Trends Analysis (2011)

CSO INSIGHTS
Measuring Effectiveness
Chief Sales Officer

Sales Performance Management (SPM) technology is a recognized route to efficiency and accuracy

Organizations adopting SPM technologies

Reduce errors by more than **90%**

Reduce processing times by more than **40%**

Reduce IT/Admin staffing by more than **50%**
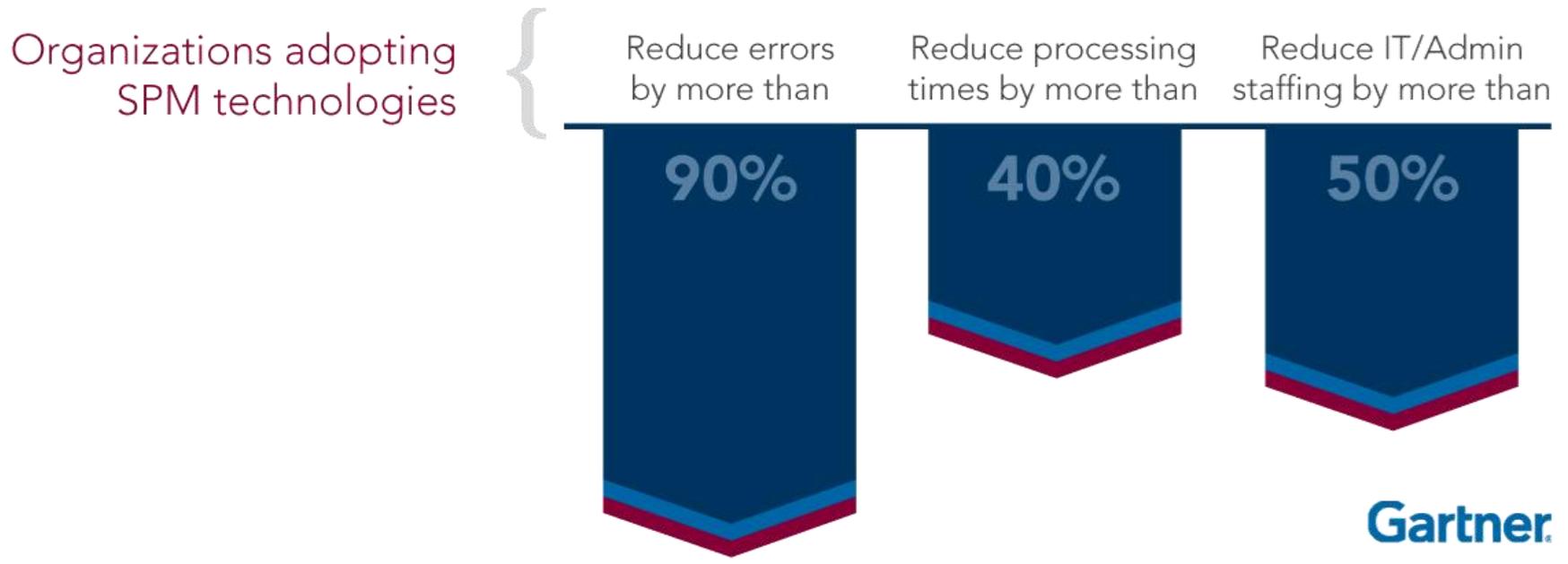
Gartner

Gartner MarketScope for Sales Incentive Compensation Management (2010)

Why Companies Adopt SPM Technology

Efficiency & Accuracy

Business Enablement

Risk Reduction

Reduce errors	Mergers & Acquisitions	Internal Audit
Shorten cycle times	New Comp Plans	Compliance
Replace technology	Business Re-Orgs	Dodd-Frank

Profile of Target Customers

Large Sales Force	Plan Complexity	Lots of Change	Buyer Roles

- Generally 200+ sales reps
- Direct & Indirect
- Sales, Management, Others on variable comp

- Multiple compensation plans
- Lots of measures
- Overlays
- Proration
- Splits

- To plans
- To territories
- To assignments
- To targets

- Compensation
- Sales Operations
- Finance
- Sales Mgt
- HR
- IT

SPM addresses the Smarter Analytics Initiatives

Grow, retain and satisfy customers

- Align sales plans with corporate strategy
- Allow new kinds of plans that drive appropriate behaviour
- Gain insight as into good and poor performing areas

SmarterAnalytics   IBM

Smarter Analytics is focused on driving these 4 initiatives

1 Grow, retain and satisfy customers — · Churn management · Social media sentiment analysis · Propensity to buy/Next best action

2 Increase operational efficiency — · Predictive maintenance · Supply chain optimization · Claims optimization

3 Transform financial processes — · Rolling plan, forecast and budget · Financial close process automation · Real-time dashboards

4 Manage risk, fraud & regulatory compliance — · Operational and financial risk visibility · Policy and compliance simplification · Real-time Fraud identification

Smarter Analytics

23   © 2012 IBM Corporation

Increase operational efficiency

- Reduce error rates
- Increase speed of processing
- Reduce Administration time

Transform financial processes

- Move from revenue to profit and margin based plans
- Use compensation data as a key source for Sales Analytics

Manage risk, fraud & regulatory compliance

- Internal audits
- New compliance requirements
  - Federal Reserve Bank
  - Dodd-Frank

Agenda

- Why Performance Management matters

  - Challenges and Solutions

- Industry Trends and how to adapt

  - Analyst findings

- Disclosure Management

- Sales Performance Management

- Star Analytics

- Conclusion

IBM has acquired Star Analytics, Inc.'s Software Portfolio

IBM has acquired the software portfolio of **Star Analytics**, a privately-held business analytics company.

Star Analytics' software portfolio **complements** IBM's leadership in business analytic and performance management software by providing faster access and real-time insight into specialized data sources.
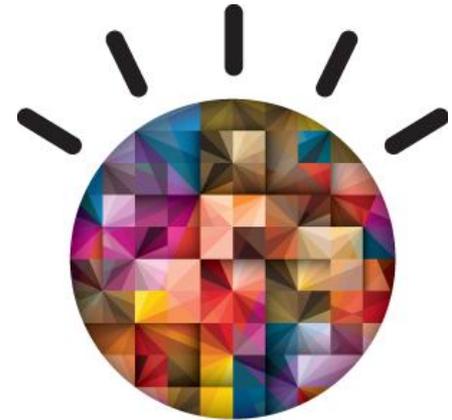
Visit www.ibm.com/software/analytics/announce/star-analytics/ for more information.

Star Analytics offers two products for data integration & automation

- Star Integration Server (SIS) for **integration** of your BA environment
- Star Command Center (SCC) for **automation** of your BA environment

INTEGRATION

- Extracts data, metadata and security

- Supports Oracle Essbase, Hyperion Planning, and Hyperion Financial Management

- Automated, near real-time

STAR INTEGRATION SERVER™

Open Reporting Standards / RDBMS

Flat Files Data, Meta Data & Security

Star Schema
Data, Metadata, & Security
(DWH & Reporting)

STAR COMMAND CENTER™

AUTOMATION

- Process Automation & Self-Service

- Workflow Orchestration

- Life Cycle Management

- Audit & Compliance

ORACLE | Hyperion

▶ Essbase ▶ Planning ▶ HFM

Star Integration Server
Advanced Software for Extracting and Sharing Hyperion Data

- A high-speed **data bridge** to share Hyperion data and extend corporate investments in business analytics

- Proven performance in extracting data, metadata and security from Oracle **Essbase**, Oracle Hyperion Financial Management (**HFM**) and Oracle **Hyperion Planning** applications

- **Patented methods for data extraction** to deliver robust level of **performance** while maintaining the integrity of complex source data

- Native support for target **flat file output and relational technologies** including: IBM DB2, Oracle RDBMS and Microsoft SQL Server
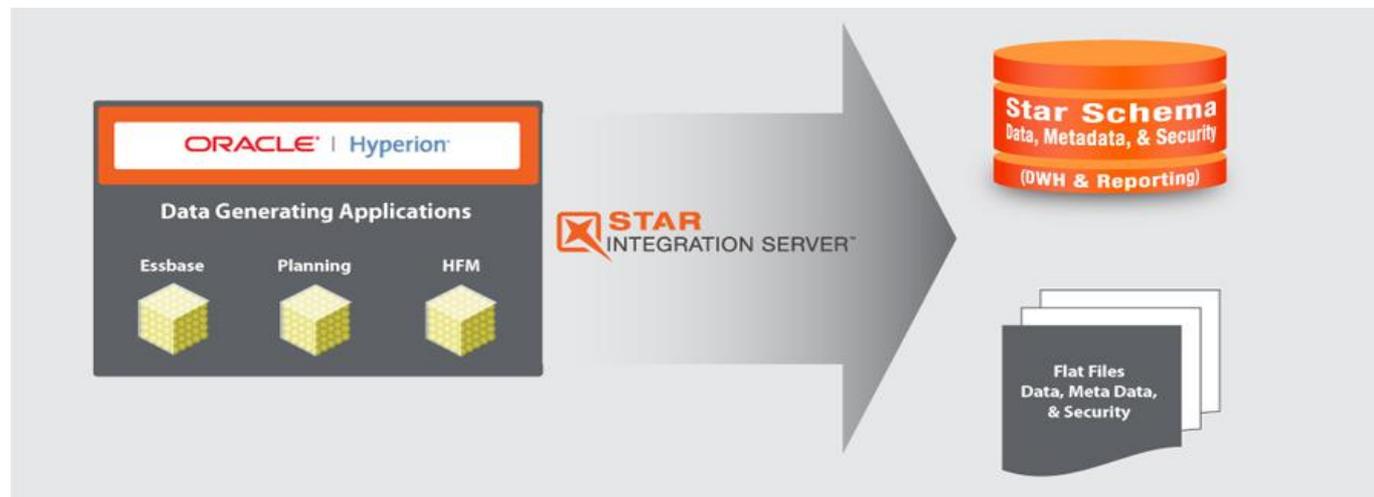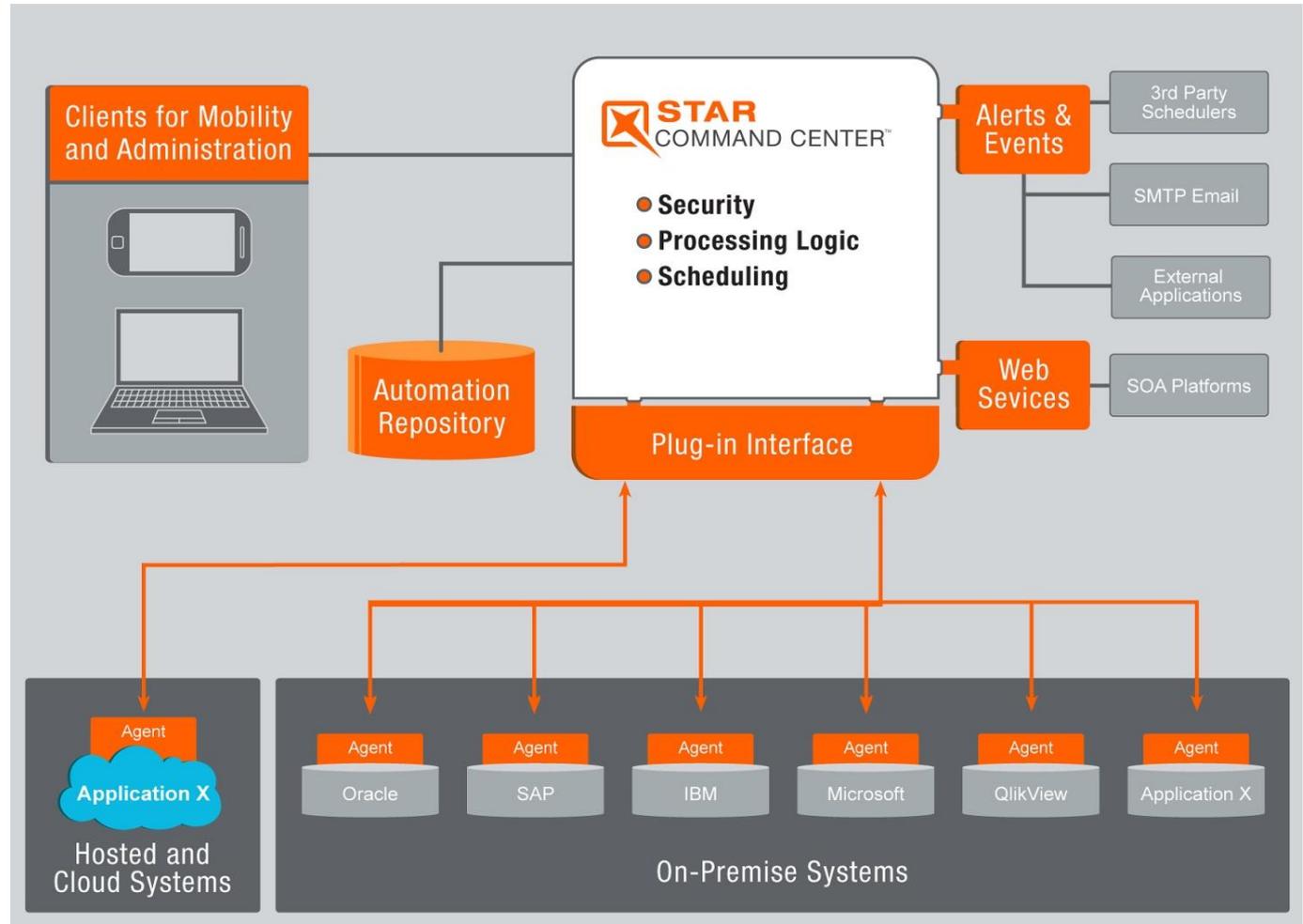
Star Analytics Customers are realizing benefits today

EDMC — Education Management Corporation
- Tightly control all automated processes that surround Oracle Hyperion environment with Star Command Center
- Run & monitor processes from a Smartphone

MasterCard
- Automate data validation between various Oracle Essbase applications
- Fully controls other automated task requirements

Pfizer
- Automate data integration from all source systems and Hyperion Financial Management, Oracle Essbase and the data warehouse
- Provides immediate visibility into the focus areas

IBM uses Star Integration Server to Improve Worldwide Spend Analytics

Challenges

- **One common interface** for end-to-end expense management, reporting and analysis
- More efficient and effective tracking of worldwide expenses and **drill-down detail** into and across specific geographical areas
- Replaced legacy Oracle Essbase system with a **faster, more scalable** solution

Solution

- Star Analytics' Integration Server software extracted information from Hyperion Essbase and populated a staging repository
- Today, over **3,000 end users** (500 concurrent) access one single worldwide application run on **one IBM Cognos TM1 cube** rather than **16 disparate Oracle Essbase** cubes and the reduction in IT support has been substantial
- Entire solution **reduced cube load times** by 80% and calculation times from **45 minutes to near real time**
- **Improved cost controls across geo**

IBM Software
Business Analytics

Cognos Software

IBM leverages IBM Cognos TM1 system for worldwide spend analysis solution

IBM

Overview:

Challenge
- One common interface for end-to-end expense management, reporting and analysis.

Why IBM?
- IBM needed to more efficiently and effectively track worldwide expenses and drill-down detail into and across specific geographical areas.

In IBM's view, today's networked economy has created a global business landscape and a mandate for business change. Integrated global economies have opened markets of new opportunity and new sources of skills. The Internet has enabled communication and collaboration across the world and brought with it a new computing model based on continuous global connection. In that landscape, companies can distribute work and technology anywhere in the world.

Given these opportunities, IBM® is working with its clients to develop new business designs and technical architectures that allow their businesses the flexibility required to compete in this new landscape. The business is also adjusting its footprint toward emerging geographies, tapping their double-digit growth, providing the technology infrastructure they need, and taking advantage of the talent pools they provide to better service the company's clients.

Challenges Faced
As a large, global organization, IBM has a vast amount of expenses to track and manage across not only hundreds of geographies, but within more than 400,000 departments worldwide. With that much complex data to track, manage, and maintain visibility into, IBM needed to replace its legacy Oracle system with a faster, more scalable solution that would also tie closely into its already-implemented IBM Cognos® 8 Business Intelligence (BI) for System z® solution.

With different geographies and brands using their own data sources and processes for expense management, and no common interface to view and track expenses across the organization, performing analysis was often manual and siloed. Further, users weren't able to move from one system to another to view the data they needed to very easily, hampering the process and impeding the finance team's ability to drill down into the level of detailed data required to perform meaningful analysis of spending in order to keep global spending in control. Additionally, the team needed a solution that used Microsoft™ Excel™ to access data in a flexible manner, so that users could easily understand and leverage their use of that tool.

Why the Acquisition?

Acquiring an innovator
Business user driven data integration and automation with specialized focus on performance management data sources including Oracle Essbase, Oracle Hyperion Planning and Oracle Hyperion Financial Management

Addressing a critical market need
- Clients often rely on a patchwork of custom code that is hard to maintain and manual processes – both introduce compliance risks and ties up scarce technical staff

Delivering solution leadership
- Star Analytics' software enables access to Oracle Hyperion data sources using business APIs with high performance, patented (and patent pending) methods making data integration and automation simple, fast, reliable and secure
- Self-service user experiences for finance and performance management process owners support the automation of these integration processes while giving their IT partners the governance and control required

Building IBM leadership in Business Analytics
- Ensure business and IT leaders are free to choose best in class business analytics and performance management software that easily integrates with existing investments

Additional Information

- Star Products:

http://staranalytics.com/products/

- Star Demos:

http://staranalytics.com/support/demos/

Star Command Center Overview
An overview of Star Command Center. (3 min.)

Star Command Center Basic Demo
A short demonstration of Star Command Center. (2 min.)

Star Integration Server Connections
A demonstration of the SIS Connection Manager. (2 min.)

Star Integration Server Selections
A demonstration of the SIS Selection Manager. (2 min.)

- Star Solutions:

http://staranalytics.com/solutions/

Agenda

- Why Performance Management matters

    - Challenges and Solutions

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Business Partner Rally 2013

In Conclusion… are you ready to drive better outcomes?

Cognos Performance Management Solutions:

IBM | Status Quo?

1. Drive efficiencies and scale

- Structure & automate low value, manual and error prone processes
- Eliminate bottlenecks in collecting data, and building reports and focus on analysis and actions

Time
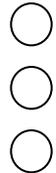
2. Gain agility and preparedness

- Integrate disparate data from across the organization
- Enhance strategy with analysis that correlates analytics with
- Scalable secure, collaborative environment
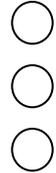
Control

3. Improve effectiveness and outcomes

- Dramatically reduce risk of errors
- Improve controls and governance across global finance organization
- Cost-effectively address compliance and escalating business expectations

Confidence

IBM Software
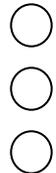
Vision2013

Drive Growth. Manage Risk. Optimize Performance.

May 19 – 22, 2013 JW Marriott Grande Lakes | Orlando, FL

IBM®

Why Attend Vision2013:

- **Gain Insights** and advice on how technology will help create world-class finance, risk and sales operations organizations
- **Learn** how IBM's integrated business analytics solutions help address financial governance, risk management and performance optimization
- **Enhance** financial planning & analysis, reporting, internal controls, risk management and sales performance management processes
- **Add value** to your organization by building analytical capabilities and finding more opportunities for growth
- **Discover** best practices from IBM experts and customer case studies across a variety of industries

Vision2013 Tracks:

- Financial and Operational Performance Management
- Sales Performance Management
- Financial Governance and Disclosure Management
- Risk Management

Who Should Attend Vision2013:

Business Partners who sell Performance Management, Risk Analytics or Sales Performance Management solutions

Finance & Accounting Professionals, External /SEC Reporting, Financial Analysts, Risk & Compliance Professionals, Sales Operations and Incentive Compensation Professionals

Vision 2013 Sponsorship Opportunities:
Sponsorship opportunities are still available! Vision 2013 satisfies the IBM 2013 Co-Marketing event eligibility criteria!
Visit www.ibm.com/software/analytics/vision for more details or contact Crisha Mulchan (cmulchan@ca.ibm.com)

Complimentary Business Partner Track: May 22 – 24, 2013
Business Partner Update Day - product roadmaps, market trends, positioning and competitive updates.
Business Partner Enablement - hands-on technical sales enablement for IBM Cognos Disclosure Management & Cognos TM1, IBM Cognos Incentive Compensation Management and Risk Analytics demo deployment kits.

For more information, including agenda and session abstracts please visit:
https://www-304.ibm.com/partnerworld/wps/servlet/ContentHandler/pw_com_sfw_ba_vision

Thank You

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