

Mark Rolfe FCCA– Performance Management Solutions Exec, Europe
9th June 2015

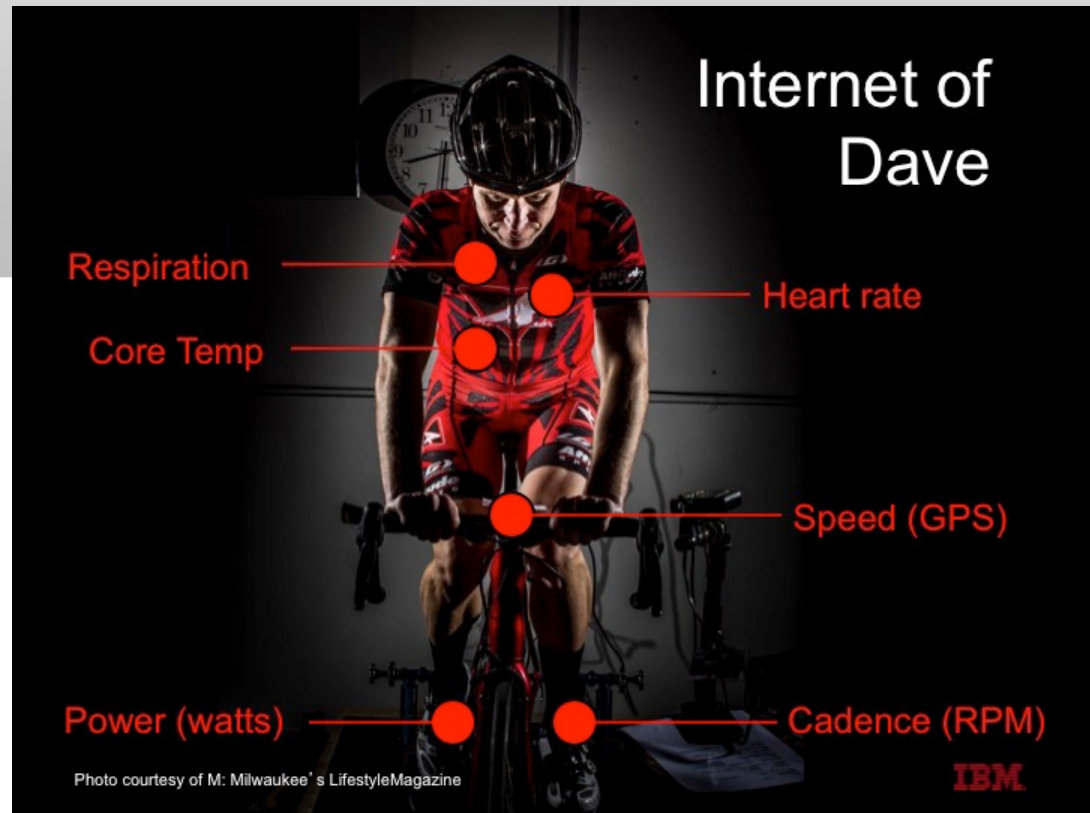
Strategic Performance Management for a Future-Ready Enterprise



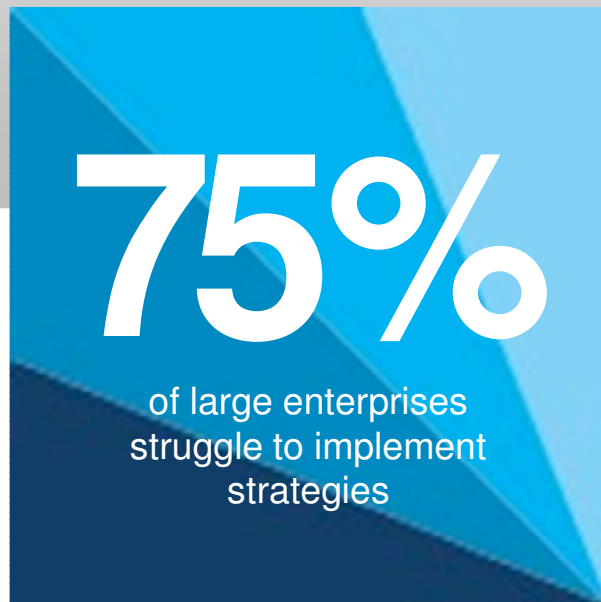
Epic Performance powered by Analytics

Dave Haase – Race Across America (RAAM)

<http://www.ibmbigdatahub.com/blog/sweat-grit-and-analytics-get-finish-line-first>



Strategy execution is a struggle

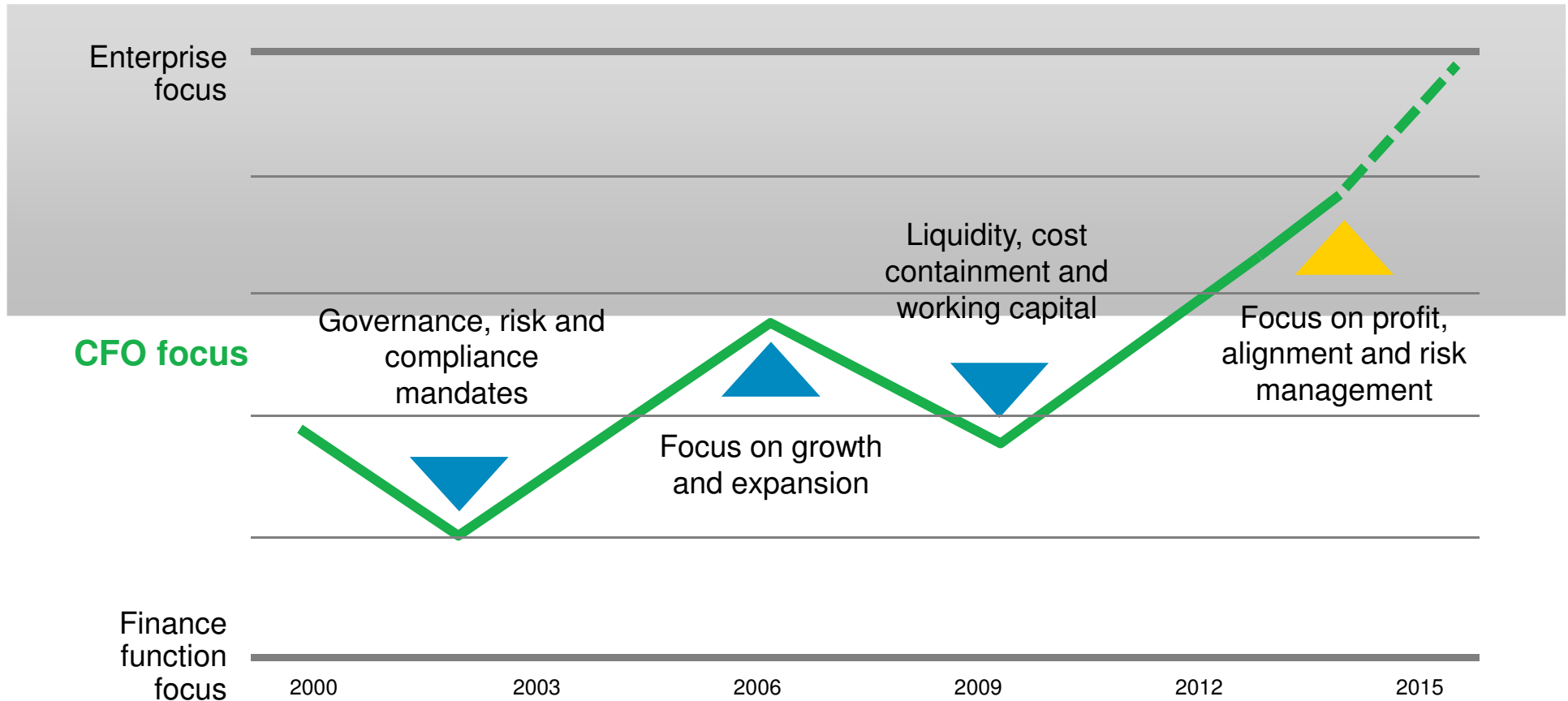


Only 9% of managers say they can **rely on colleagues in other functions** and units all the time, and just half say they can rely on them most of the time

30% cite **failure to coordinate across units**, making that a close second to failure to align (40%)

One-third of managers cite **difficulties adapting** to changing market circumstances

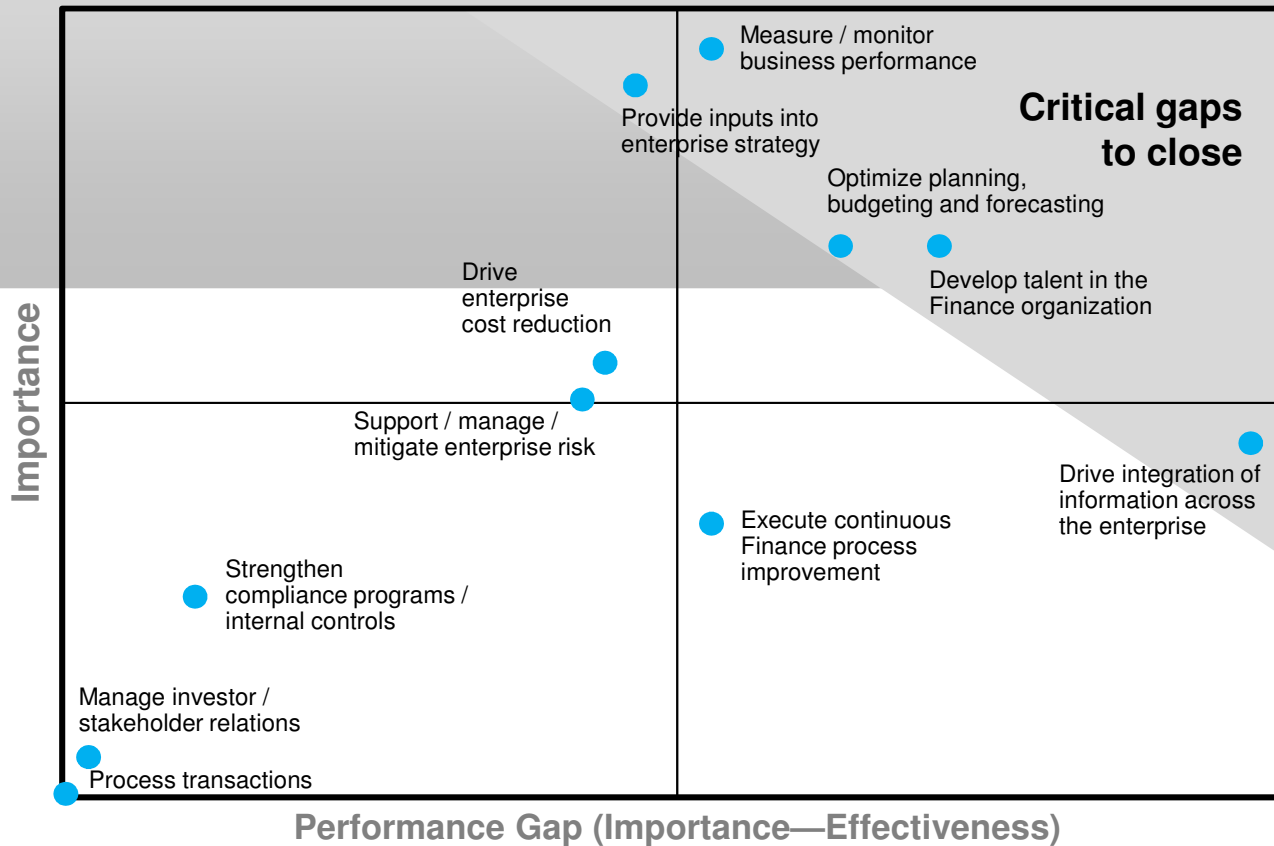
CFOs are taking a more prominent role in enterprise decision making



Adapted from CEB Finance, 2011.

Yet finance must address critical gaps

Importance vs. Performance Gap for finance activities



Source: IBM Institute for Business Value, The Global C-suite Study 2013

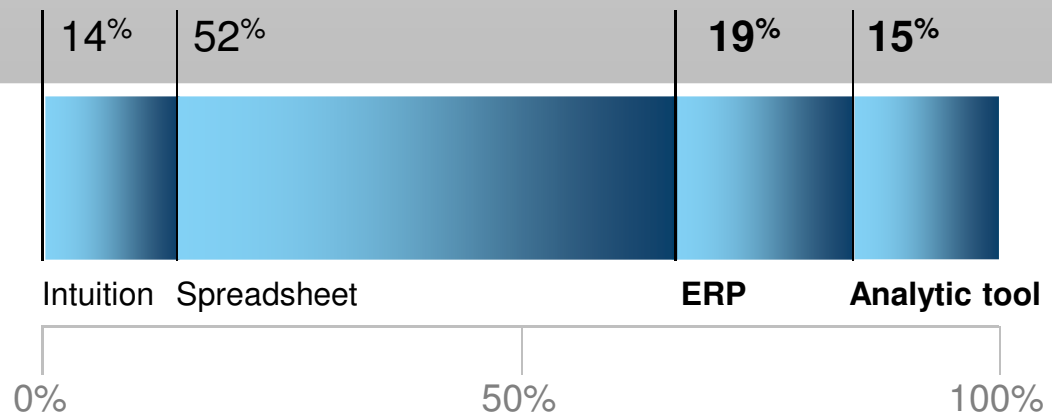
Finance continues to rely on spreadsheets and intuition for two-thirds of decision support activities



We need to ensure we deliver value through changing technology versus being a slave to our systems.”

–CFO, Insurance, United Kingdom

Capabilities/tools used to support finance



Source: “CFO insights from the Global C-Suite Study”, IBM Institute for Business Value, 2014
Source: Question CFO6--What capabilities / tools does your organization use for the following activities?

Leading finance organizations focus on data analytics to deliver stronger business foresight

Effectiveness of Finance



“My objective is to move the finance staff from a state of transaction thinking to one of analytical thinking.”

–CFO, Insurance, Canada

Source: “CFO insights from the Global C-Suite Study”, IBM Institute for Business Value, 2014
Source: Question CFO7--How effective is your organization at performing the following?

A future ready enterprise is smart, coordinated and agile

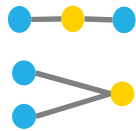
Q: How long will it take to complete the exercise?

Rules

1. Take position
2. Choose target pair

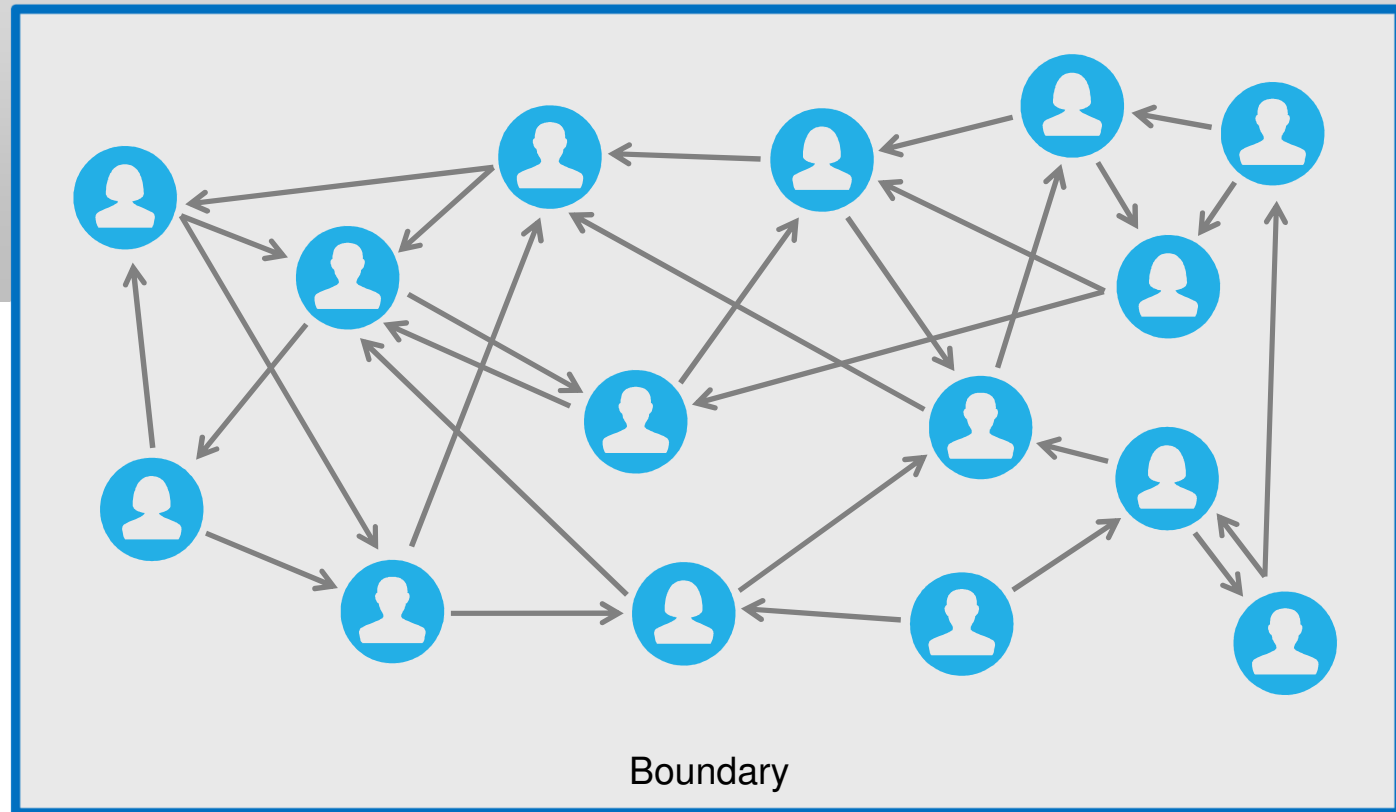


3. Move until equidistant



Goal

Stop when you reach equilibrium





A. Let's watch!





What if: One person were in charge?



What if: Half the people had a 3 second delay?



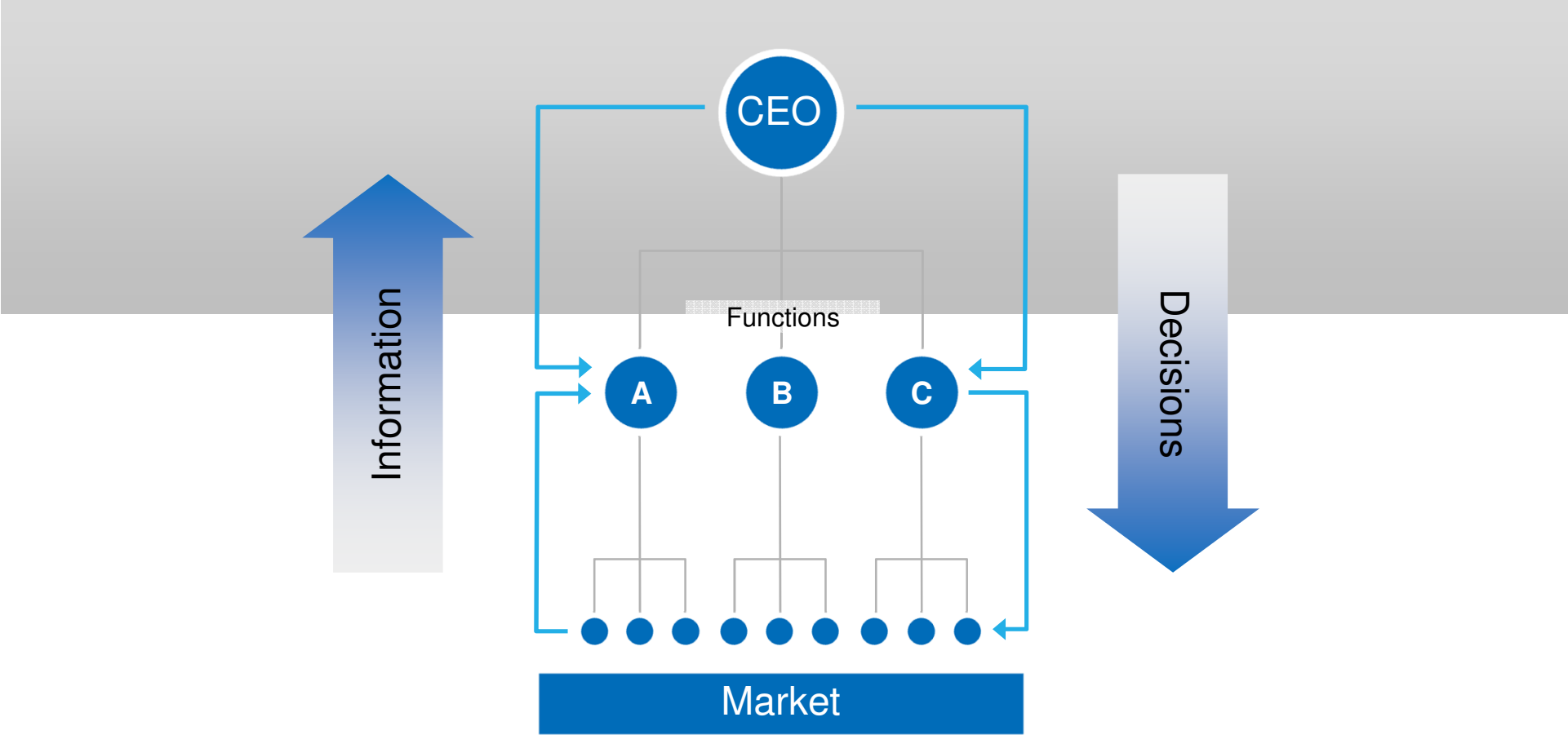
What if: Half the people were blindfolded—that is, they had no information?



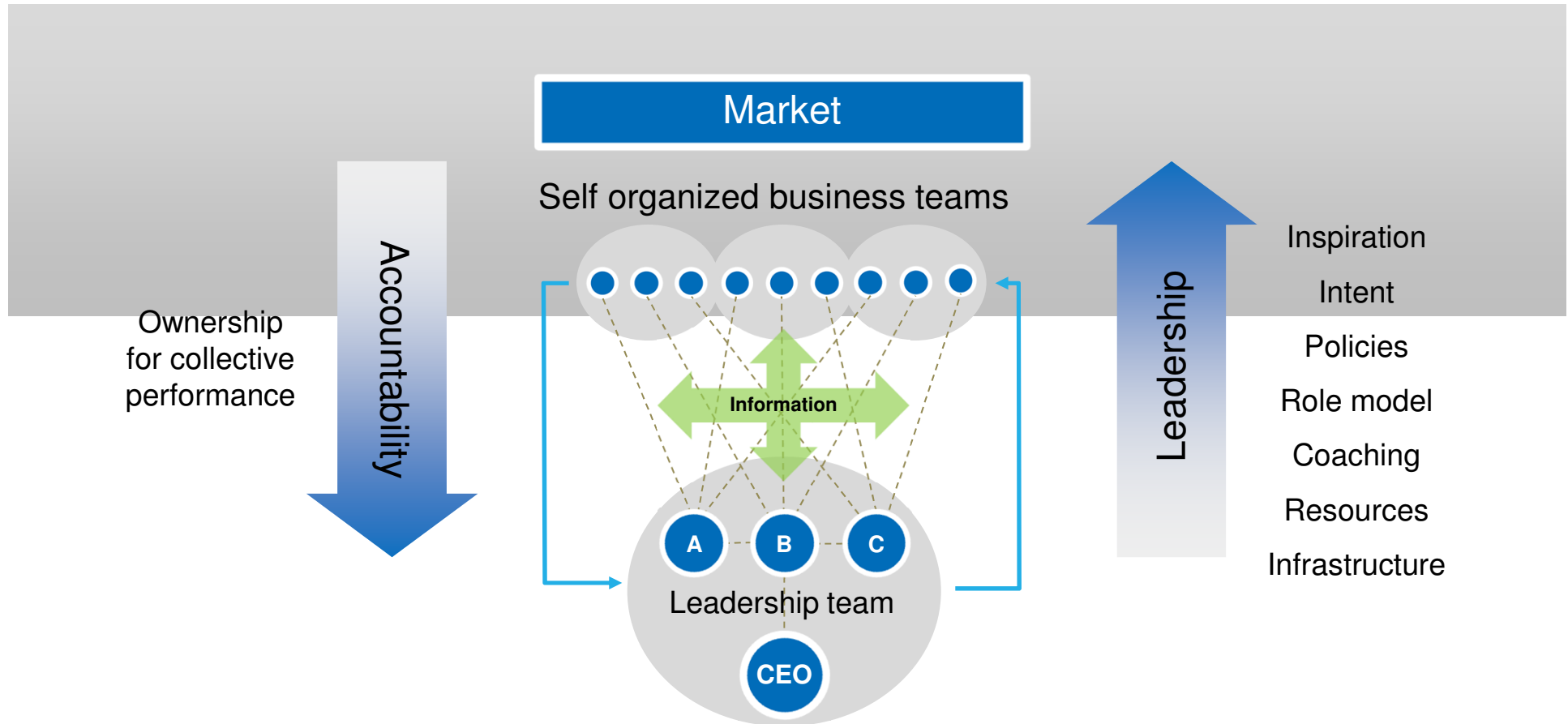
What if: Two narrow walls were placed in the middle?



A traditional "top-down" organization



An analytics enabled organization: information is the enabler for strategy execution



Vision

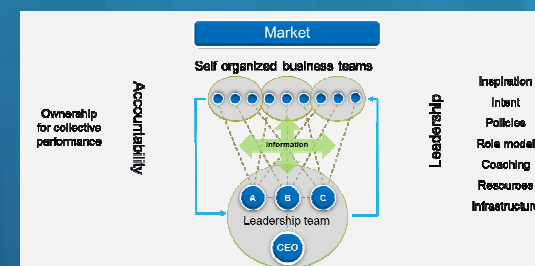
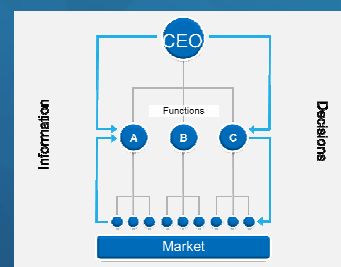
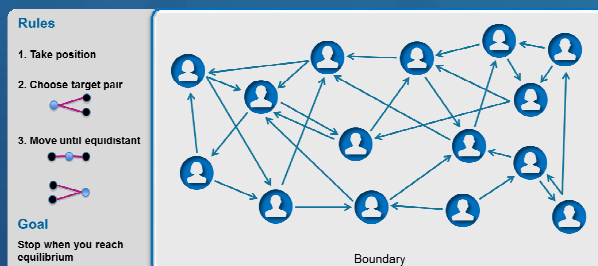


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Strategic Performance Management

The three analytic imperatives for strategic performance management



Demonstration

Empower every person with analytics

Tell your colleagues to log in for free @ www.watsonanalytics.com

You are entitled to *Professional Edition* with your analytic solutions

100s of new questions each day

Answer questions

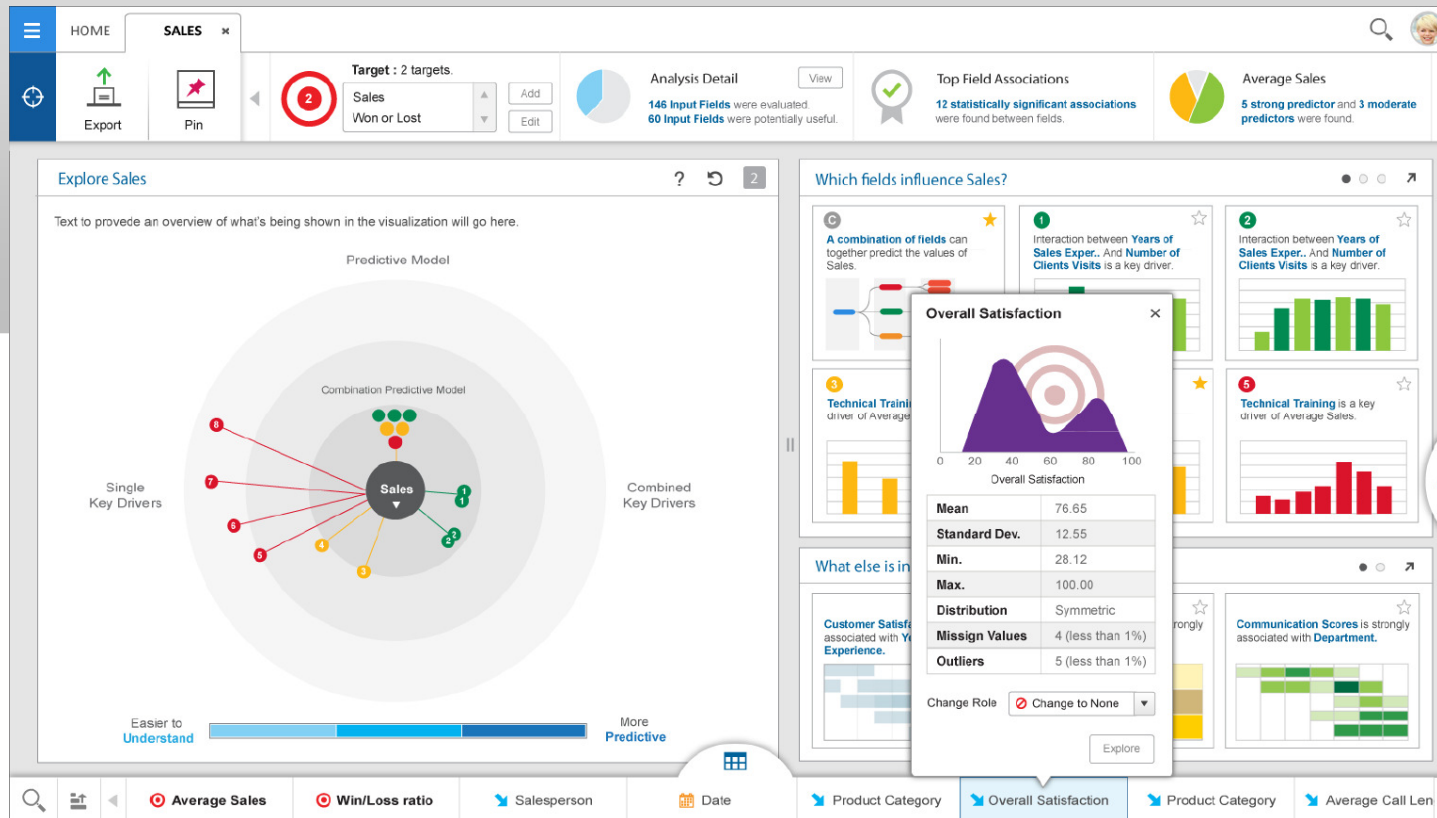
Think ahead

Tell a story

IBM Watson Analytics

Empower every person

Scale expertise with advanced analytics





Empower every person

Engage with guided tasks, social collaboration and mobility

IBM Concert - 2014 Operating Process

Tasks	Due Date	Completed	User
2013-2014 Sales Plan	Oct 25, 2013	<div style="width: 50%;"></div>	
Instructions & Feedback	Oct 01, 2013	<div style="width: 100%;"></div>	LindaHillis
Territory Plan		<div style="width: 100%;"></div>	
Quota by Rep		<div style="width: 100%;"></div>	
Revenue Plan		<div style="width: 100%;"></div>	
Performance Dashboard		<div style="width: 100%;"></div>	
Sales Expenses		<div style="width: 100%;"></div>	
Commercial Modeling by Product		<div style="width: 100%;"></div>	
2014 Corporate Budget		<div style="width: 100%;"></div>	
2013 Quarterly Consolidate and Close		<div style="width: 100%;"></div>	

IBM Concert - Dept 101 Base Plan Y2014

ACCOUNT	Trend	Base Plan Y2014 Total	Base Plan Y2014 Jan	Base Plan Y2014 Feb	Base Plan Y2014 Mar	Base Plan Y2014 Apr	Base Plan Y2014 May	Base Plan Y2014 Jun	Base Plan Y2014 Jul	Base Plan Y2014 Aug
Compensation		8	5	5	5	8	7	8	8	8
# Employees		400,250	29,000	29,000	29,000	29,000	39,500	45,625	45,625	45,625
Salaries		106,074	6,674	5,000	6,674	2,100	9,825	12,181	12,762	8,123
Other Payroll		22,328	1,896	1,896	1,896	1,896	2,589	2,988	2,213	2,213
Payroll Taxes		526,652	37,570	35,896	37,570	32,996	51,914	60,794	60,600	55,961
Direct Employee Costs										
Employee Expense Drivers		1,020	86	92	84	98	93	89	76	72
Computer Cost per Employee		575	55	40	40	40	55	55	40	40
Office Supplies Cost per Employee		6,020	430	430	430	350	602	615	450	688
Other Employee Expense		3,850	275	275	780	75	385	650	125	440
Other Employee Related Expenses		11,473	846	837	1,344	563	1,135	1,409	691	1,240
Operating Expenses		113,580	32,964	32,854	11,775	1,016	9,962	8,770	905	3,256
Non-Labour Expenses		25,000	1,800	1,900	1,950	2,000	2,083	2,083	2,083	2,083
Operating Expense Sub-Total		138,580	34,764	34,754	13,725	3,016	11,046	10,854	2,988	5,350
Allocated Expenses		225,363	25,069	24,896	25,072	25,052	25,052	25,058	25,058	25,058
Allocated Finance Expense		75,834	5,781	6,437	6,436	-	7,321	8,929	7,216	7,675
Allocated Manufacturing Expense		294,323	32,407	32,163	32,410	-	32,385	32,393	-	32,386
Allocated Distribution Expense		144,729	16,090	16,090	16,090	-	16,091	16,091	15,032	16,059
Allocated IT Expense		162,426	18,058	17,943	18,070	18,387	18,056	18,060	27,362	18,056
Allocated Admin Expense		899,675	97,415	99,549	86,078	41,439	96,905	100,532	74,668	99,243
Allocated Expenses										
TOTAL EXPENSES		1,578,380	170,596	171,037	150,718	78,014	163,000	173,588	138,947	161,793

IBM Concert - Key Plan Metrics

- Gross Margin, All Regions, All Companies
- Operating Income, All Regions, All Companies
- Percent of Revenue, New Products, All Companies
- Operating Expense, United States, 2014, Budget Version 1
- Gross Margin, All Regions, All Companies
- Operating Income, North Region, All Companies
- Percent of Revenue, Mobile

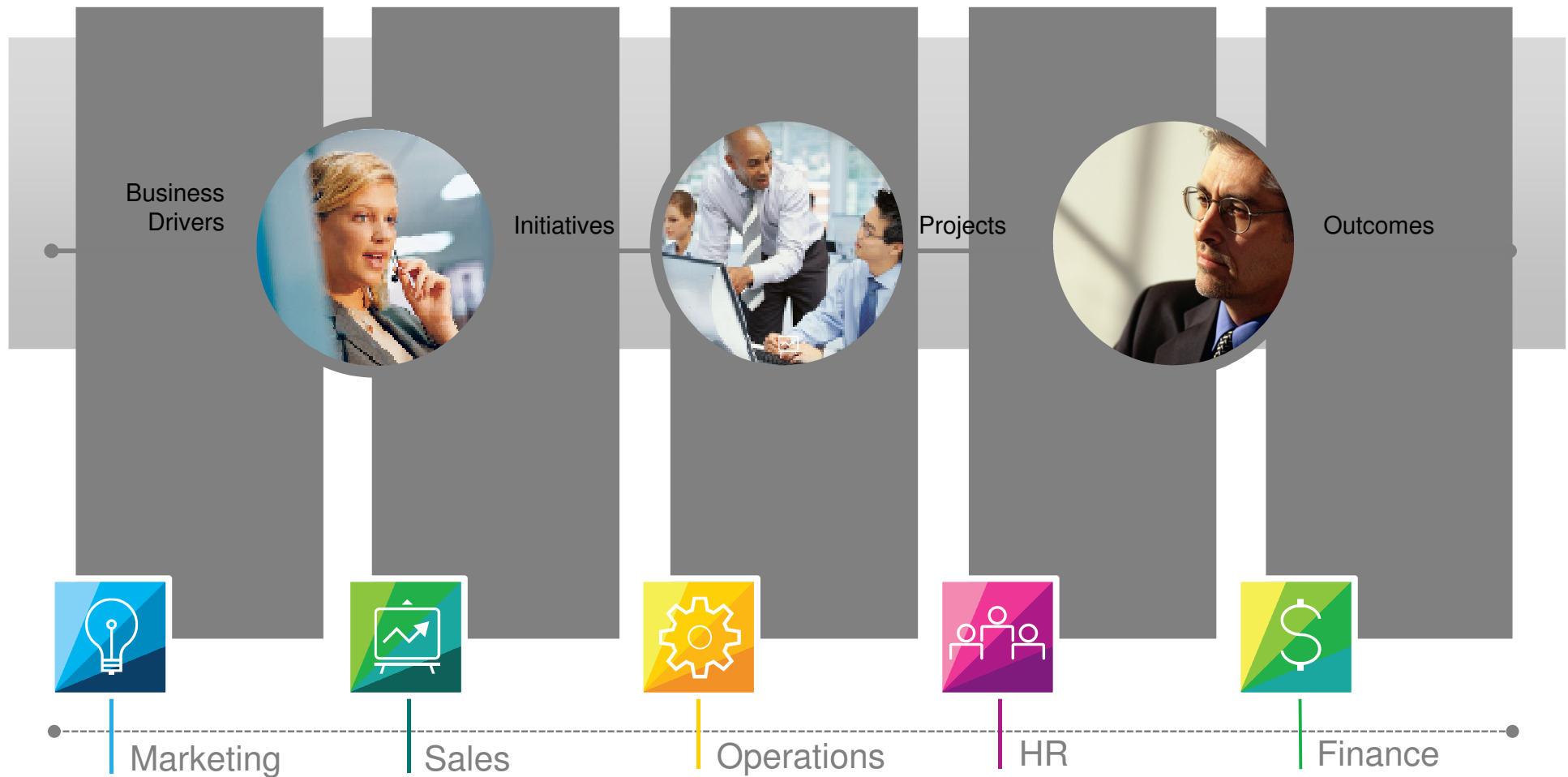
IBM Concert - Collaboration

Showing comments from all topics

- This chat: Thanks for the hard work so far team. @MaggieHoward @LindaHillis when can we expect your results? The expense screen is not quite ready.
- Russell Jones: @MaggieHoward for the numbers has now been submitted.
- Linda Hillis: @DerekTan Cost estimates have been updated for all new markets. Exchange rates too. Please ping me with any questions. Thank! #FinanceForum2015
- Daniel Rodrique: @DerekTan I'm concerned to allocate an working with.
- Irma Sankov: @DerekTan How we unc APAC?
- Is APAC go-to mark: Yes, we've done end No, they're not
- Derek Tan: Hi Team, I'd like to see training until mid-2014. Do you think it's possible?
- Daniel Rodrique: I've updated our presentation of estimates and financial projections. Please let me know if you want to discuss any of my changes.

Unlock enterprise advantage

Align the organization around common drivers, initiatives and frequent updates



Unlock enterprise advantage

Link financial and operational performance management



Increase business agility with cloud



Benefits

Optimize IT structure | Quick provisioning | Security and control



Marketing



Sales



Operations



HR



Finance

Invitation: try it!



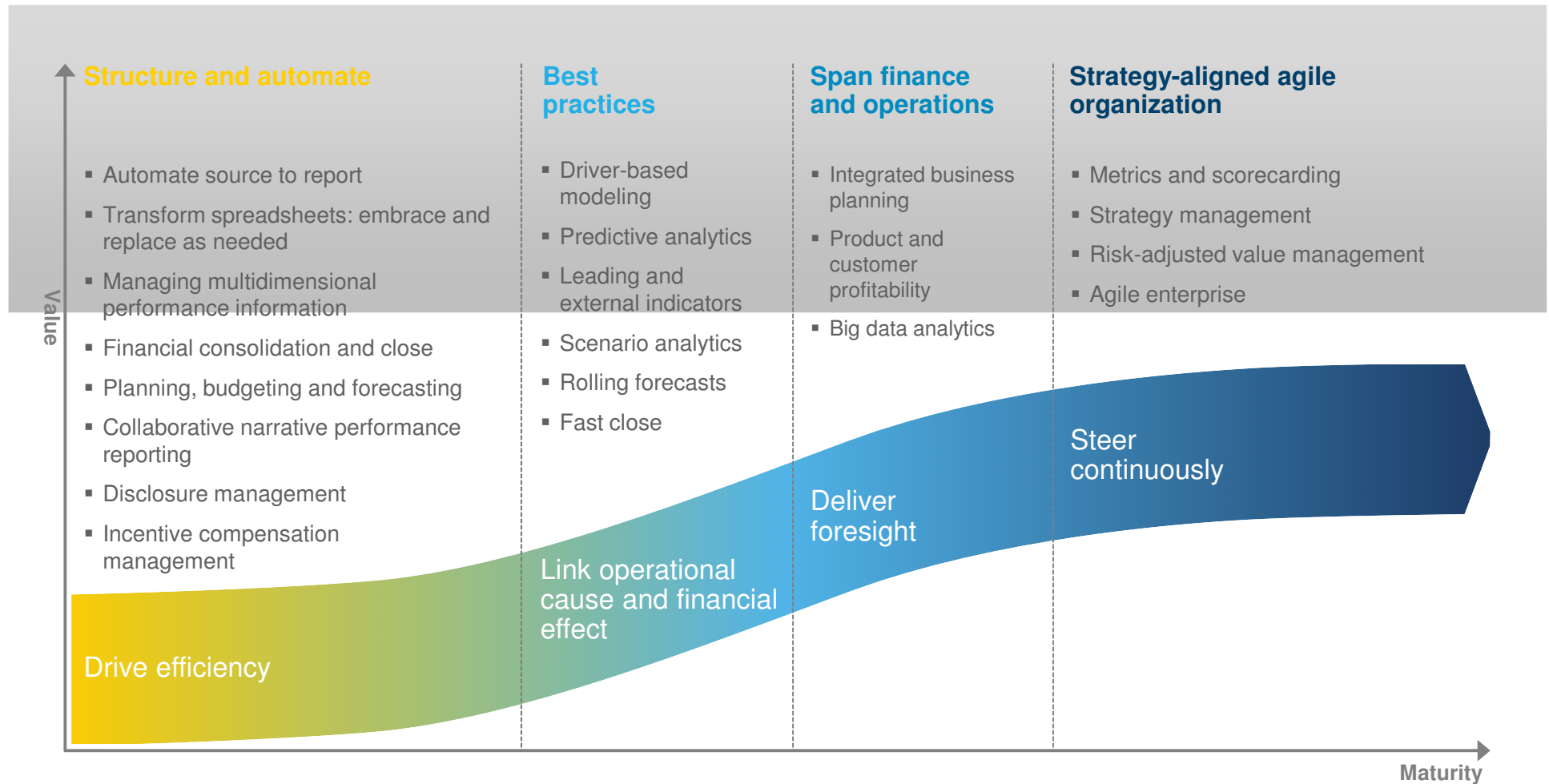
The screenshot displays the IBM AnalyticsZone website interface. At the top, there is a navigation bar with links for 'Industries & solutions', 'Services', 'Products', 'Support & downloads', and 'My IBM'. The main header features the 'AnalyticsZone' logo and the tagline 'Free Downloads & Trials'. A secondary navigation bar includes 'Home', 'Topics', 'Downloads', 'Blogs', 'Events', and 'Forums'. On the right side, a list of benefits is provided: 'FREE Trials & Downloads', 'Exclusive Events', 'Discussion Forums', 'Top Research', 'Best Practices', and 'Expert Blogs & more!'. The left sidebar contains a 'Solution' section with a 'Cloud Trial' button and a 'Blueprint' section with a list of options: 'Cloud Trial', 'Full Model', 'Personalized Trial', and 'Quick Download'. The main content area is titled 'IBM Big Data and Analytics Performance Blueprint Profitability Analysis' and includes a sub-section 'Our solution' with a descriptive paragraph. A prominent green button labeled 'Try it now!' is highlighted with a red circle. Below this, a 'Profitability Analysis' section provides a brief overview of the tool's capabilities. The footer contains contact information: 'Contact us: 800-IBM-4YOU (800-426-4968)' and a copyright notice: '© 2015 IBM Corporation'.

www.analyticszone.com

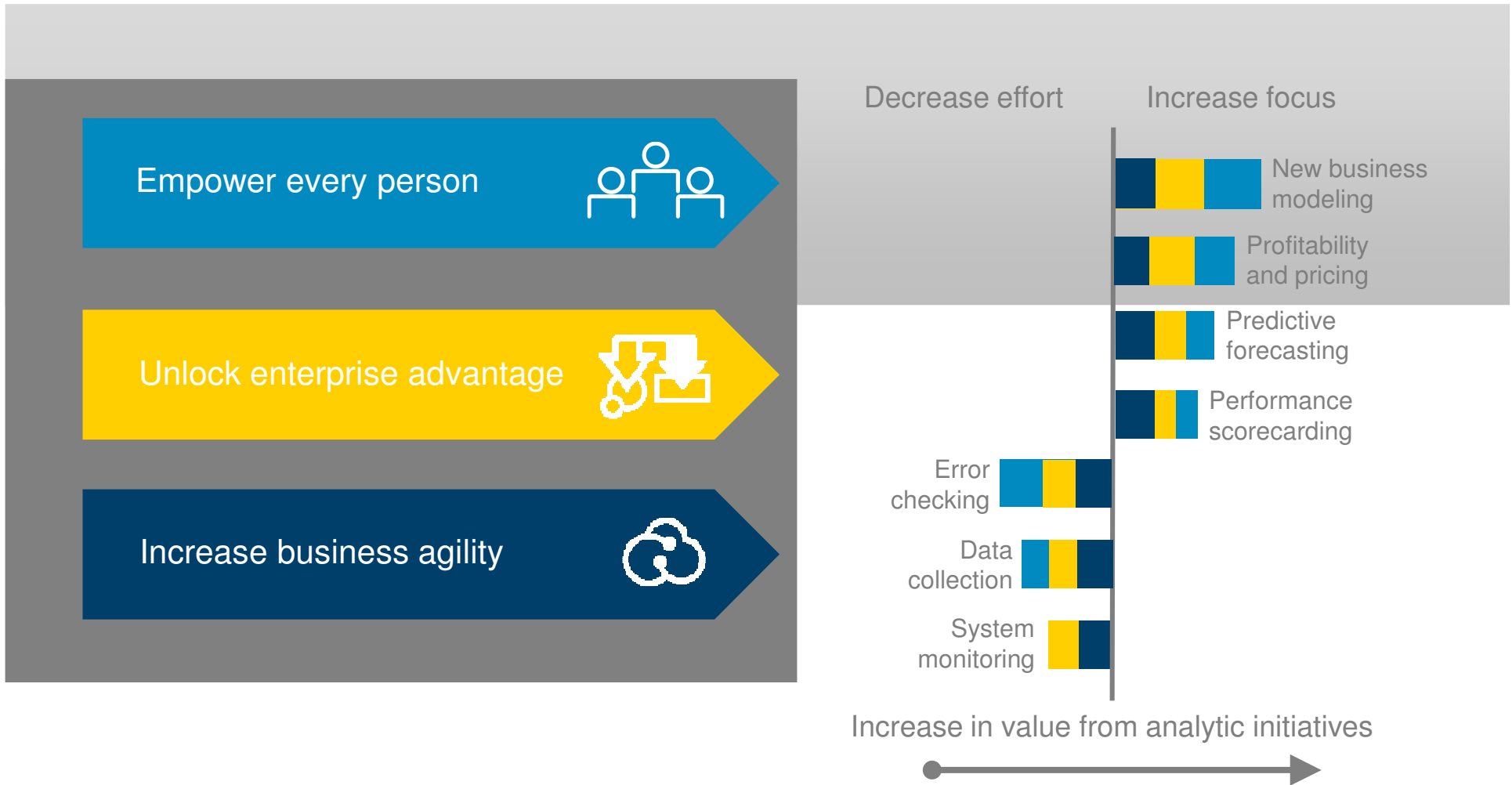
Next step?

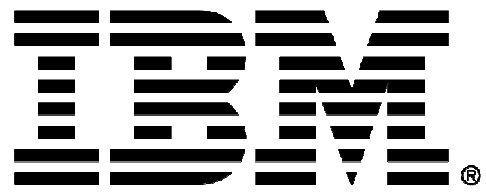
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