BI PRODUCT DEVELOPMENT GUIDE V4 – MANAGEMENT EDITION

FOR COGNOS
OEM PARTNERS

THE NEXT LEVEL OF PERFORMANCE™

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Note: By design, this version of the BI Development Guide (the Management Edition) contains content for the first four sections and two appendices of the Guide only. However, please note that we have included the Table of Contents for the complete guide to provide you with a preview of the full spectrum of content that we provide to our OEM Partners once they have signed a Cognos partnership agreement.

1 | Introduction

1.1 PURPOSE

This Guide is intended to assist in the business and technical planning and execution of Cognos 8 and integrating Cognos 8 into core applications. The intended audience is Cognos OEM Partner product management and development staff, as well as the Cognos deployment teams and professional services teams providing assistance to OEM partners.

This document will provide the foundation to the supplemental Cognos Proven Practices documents mentioned below.

There will be an area on PartnerNetwork where specific documents relating to Cognos Proven Practices will be shared with all OEM Partners. By utilizing this area the content can be easily updated and new information can be readily shared with our OEM Partners. Topics will cover considerations specific to OEM requirements relative to Design and Development around modeling, User Interface, Security, Application Integration, Adminstration, Installation & Distribution, and Localization.

Note: For new features check the Cognos support site (**http://support.cognos.com**

2 | Business Case

The purpose of a business case is to convince management or an external funding agency to establish resources for a proposed initiative. The section below is intended to guide the business plan author on what should as a minimum, be covered in the plan. A sample business plan for a hypothetical product has been provided in **Appendix A**.

2.1 SITUATIONAL ANALYSIS

This section is designed to provide important background information such as:

→ Where you are today? What is the existing product set? How many units have been sold and into which markets? What is the trend?

→ What other product sets are planned?

→ A strategic view of the proposed offering – Is this a market leadership opportunity or must-have to keep up with competition? Is this a new revenue generating opportunity or non-chargeable enhancement to existing offering?

→ Why will anyone buy the proposed product? What will it allow customers to do that they cannot do today?

2.2 MARKET OPPORTUNITY

This section is intended to paint a picture of the unfulfilled need the new product will fill.

→ Is the market well-defined and understood? e.g. Health Care Facility Management, Corporate Expense Analysis, etc.

→ How is it segmented?

→ What is the market size and growth rate of each segment for next 3-5 years?

→ Which market segments does the proposed product offering target?

→ Who is the target customer and what are the buying behavior(s)? How can these be capitalized on to bring sustainable success?

2.3 THE OFFERING

The purpose of this section is to describe exactly what is going to be developed and marketed and to position it clearly so that the product vision can be articulated.

→ What is the new offering (describe in lay terms)?

→ What is the market need addressed by proposed offering?

→ Will the product have any legal protections such as patents?

2.4 COMPETITION

Describe the current competitive landscape and how the current product is positioned relative to the competition. How will the new offering affect the situation? What are the new product's key differentiators?

Successful OEM Partners have found that, not only does the add-on analytic application add revenues, but the partner can now win more deals with a more complete offering. They also may be positioned as the market leader if they are first to market with their analytic application.

2.5 MARKETING & SALES STRATEGY

It is important to put some initial thought into how the product will be marketed and sold. Will there be a general marketing approach, or will individual market segments be attacked in succession (one program per quarter for example)? Is the product sold only through a direct sales channel or will there be re-sellers involved as well?

While the marketing program will be solidified closer to product completion, it is important to give consideration to marketing early. Given that the existing marketing efforts are directed at the core offering, it will be necessary to develop messages and programs in support of an analytics application. This will undoubtedly require some thought and preparation

2.6 FINANCIALS

This section will give financial credibility to the business plan. It is only when the financial figures are compiled, that a go/no go decision can be made. In some cases, the addition of BI may be narrow in scope, such as a reporting module needed to achieve the same level of reporting as a competitor. It is conceivable that no additional revenue would accrue if all of the competitors offer the same level of reporting in the base price of the core application.

On the revenue side, consider:

- → Back-to-the-base sales
- → Sales made in conjunction with core offering
- → New customer wins that would not have been possible before the implemention of the BI product

On the cost side, there are several considerations:

- → BI product tools
- → Product integration effort (not the core team)
- → Marketing
- → Pre-sales and sales training
- → First-line customer support

2.7 MILESTONES

- → Are there key milestones to be met? (major trade show for example where the new product will be launched?)
- → Initial high-level project plan and phasing

3 | Product Definition

"If you don't know where you're going, you'll end up somewhere else." This adage sums up the importance of knowing what business advantage you want to provide to your clients with your Business Intelligence solution.

3.1 PRODUCT VISION

The Product Vision should have been outlined in the Business Case identifying the market need being addressed, Customer Advisory Group input (or enhancement requests from customers), and which products are being integrated in the new BI product.

Scope of the New Application
This section defines the boundary of the project and which requirements, functions and user roles are within this boundary at a high level. It should also explicitly define those areas excluded from the project where there is any possibility of misunderstanding. (i.e. initial project will only address the reporting needs for the xyz component/module of the core application or the new data warehouse will only initially include a subset of the operational tables, etc.)

3.2 VALUE PROPOSITION

What is the value of your solution to your customers? Defining a strong and compelling value proposition is key to the success of positioning and selling your solution.

A value proposition is a clear, concise series of factual statements focusing on tangible results from your BI solution. The more specific your value proposition, highlighting differentiators where possible, the better. A solid, proven value proposition is essential to opening more doors and closing more business.

Strong value propositions focus on how the solution will deliver results: increased revenue, faster time to market, decreased costs, improved operational efficiency, increased market share, decreased employee turnover, improved customer retention levels.

3.3 PRODUCT REQUIREMENTS

Your vision for your BI product defines what you hope to accomplish with your proposed initiative. To design your solution, however, you need to perform traditional needs analysis and understand how the information is to be used to make decisions and support business objectives. The determination of the business domain is the responsibility of the product manager, who will have accumulated requirements for your BI solution from customer discussions, research of the subject area including industry literature, and possibly examination of competitive products.

3.3.1 A Decision-Centric View of the Business

It is therefore the BI models that power your Business Intelligence solution. They package information from various data sources and present it to decision-makers. The BI models is the encapsulation of business requirements into precisely what is needed for business decisions rather than simply providing all of the data that is available from the underlying data sources.

One of the most important design requirements considerations relative to the BI models, and one that should be made early in the project, is whether or not data will be staged into a separate database (Information Repository) from the core application(s). The decision to be made is whether the BI product will report from the transaction database or from a separate data warehouse or mart. (**Refer to section on Design Alternatives**)

Basic single-application, single-source BI deployments may not require repositories. In these cases, you can construct the BI model from the source system (transaction database). Should you expect your solution to expand at some point, however, creating a repository at the outset can save you considerable time, money and effort down the road.

To start key business questions need to be addressed with the BI product for each module. If we take a Sample Sales Subject Area model, key business questions to be addressed might include the following:

Product Sales Trends

What product lines or specific products are being sold? How much revenue are they generating? How have these lines contributed to overall margin? How have these products performed to the previous period? and over time? What has been the rate of change? Which products are emerging as leaders? Which products are experiencing declining share?

Where have the products been selling? Which regions? Which customer groups? Rank leading customer segments for these products.

Who has been selling these products? Which sales offices have performed in specific product lines? Which reps have championed sales in their regions?

What products has the sales office been selling? What levels of revenues or contributions have been generated from specific product lines or products? What volumes have been moved this period? How does it compare to the previous period?

As a sales rep, what's been selling? How has the product mix impacted potential contribution to revenues and margins? Is the sales rep meeting volume targets? How has the sales rep performance change over time?

Customers Profile, Buying Trends

How large is the customer base? How has this changed over time? What is the average revenue per customer? Which customer groups offer the highest total and average revenue contribution? Which groups are contributing most to volume? Most to margin? How do customer groups/segments rank in contribution to overall revenue?

Has the average purchases per customer been increasing or decreasing over time? Have the number of products being purchased increased or decreased over time?

Have revenues from a specific customer group been increasing over time – is this an indication of trend – an opportunity? Have the revenues for these groups decreased – and if so is it a product offering or satisfaction issue?

As a sales office, what has been the contribution of the customer base to objectives? Who are the highs versus low margin customers? Has this been changing over time? What have they been buying, how much and how often?

As a sales representative, how has the customer base's profile changed over time? What are they buying – how much and how often?

Organizational Effectiveness

How many invoices are being processed per year? How does this volume relate to revenue? Has this been improving over time?

Which organizations are producing the highest volumes of transactions? How does their volume of transactions compare to the average revenue per transaction across the organization?

Scorecarding

Do your requirements include the need for a scorecarding application? A scorecard is an application or custom user interface that helps organization's manage performance by understanding, optimizing, and aligning organizational units, business processes, and individuals. It should also provide internal and industry benchmarks, goals, and targets that help individuals understand their contributions to the organization. This performance management should span all 3 decision levels – the operational, tactical, and strategic aspects of the business and its decisions. It basically provides the organization with information on progress against strategic goals, based on set priorities and overall performance. This is accomplished by setting priorities for individual actions and decisions. (**For more information on Metric Studio/Designer visit Partner Network for product information and white papers.**)

The measurement of business performance is made up of a scorecard of key performance indicators. These are the framework for decision making in each individual organization. A number of the metrics listed below are important in most organizations and each organization also has metrics that are important to their specific industries. These metrics are often measured across business functions from sales to marketing to manufacturing. These metrics are also methodology independent and flexible enough to measure performance with various company processes.

Financial	Learning & Innovation
Total Assets ($)	Leadership Index (#)
Revenues/Total Assets (%)	Employee Turnover (#)
Profits/Employee (%)	Average Absenteeism (#)
Profit Margin ($)	Per Capita Annual Cost of Training ($)
Cash Flow ($)	Satisfied Employee Index (#)
Process	**Customer**
On Time Delivery (%)	Number of Customers (#)
Inventory Turnover (#)	Market Share (%)
Improvement in Productivity (%)	Annual Sales/Customer ($)
Administrative Expense ($)	Average Time Spent on Customer Relations (#)
Lead Time Production (#)	Customer Loyalty Index (%)

Additionally, impact analysis is also important in scorecarding as business managers must understand the interrelationship of all the key factors affecting the performance of the business. On time delivery has a direct impact on customer satisfaction which drives future revenues. A corporate strategy to improve on time delivery is a hypothesis about cause and effects. Measures can be attached to the objectives associated with the strategy in order to track the progress an organization makes towards achieving such specific strategic goals.

In addition to the key business questions, there are various **detail and status** reports that are currently being used or that have been requested. These should be listed with a brief explanation of the requirement of each report. For example

CUSTOMER ORDER LIST

Detail listing of customer orders showing Country, Region, Customer, Sales Rep, Net Sales Amount, Total Sales Quantity

PRODUCT ORDER SUMMARY

Detail listing of products for customers showing Customer Name, Sales Rep, Invoice Date, Product No., Description, Net Sales Amount, Sales Quantity, Sales Profit Margin, Sales Discount Amount

PRODUCTION REPORTS

- Customer Invoices
- Product Shipping Statements
- Statutory Reports

3.3.2 Functions/Features

This section outlines a comprehensive list of features/functions that the product must deliver and should be broken out by the various modules, or general section if feature/function covers all modules. It should also be noted whether the specific feature/function is required or a "nice to have" and which phase of the product release it will be implemented. (Sample below)

Module	Feature/Function	Required	Phase	Comments
General	Export	Yes	One	Formats should include csv, xls, pdf, html, xml
	Ad Hoc Reporting & Exploration	Yes	One	For unplanned information needs
	Security	Yes	One	Report/Server Admin, User Access rights to reports, DB security and security by value/single signon
	Email Reports/Alert Notification	Yes	One	Ability to email reports for distribution or alert notification
	Unicode and Multi-Lingual Support	Yes	One	Must be Unicode compliant to support multi-lingual and localized report delivery – A report authored once should be delivered in multiple languages simultaneously from a single server, as well as localized to reflect different currencies, data formats for dates, zip codes, etc.
Sales Center	Charting	Yes	One	Bar, Line, Pie.
	Multiple reports and displays on same report with Multi-Layout	Yes	One	Need to be able to show a graph and a list report on the same page over the Web as well as be able to specify different pages of a report
	Sales Comparisons	Yes	One	Ability to show Reps with Cur Month Sales on the left of the report and a rank list of total sales for the month on the right of the report.
	Relative Time Periods for trend analysis	Yes	One	Need to be able to time series analysis by week, month, quarter and year with comparison to previous year for the same period.
	Prompt Report	Yes	One	Should also include cascaded prompts
	Effective Dating	Yes	One	Ease of use to allow reporting for most recent information
	Report Scheduling	Yes	One	By administrator and each user
	Calculations	Yes	One	Both predefined and ability for user to define
	Conditions	Yes	One	Both predefined and ability for user to define
	Report to Report Drill Thru	Yes	One	Ability to go from one report (Sales Rep Detail) to more detail report (Customer detail)
	Predictable Response Times	Yes	One	Due to the large volume of data
	Scorecarding	Yes	One	To monitor Sales Efficiency, Growth in Customer Base & Revenue and to improve Margins

If you will be implementing a data mart solution, then ETL should be documented as well for each module.

Module	Feature/Function	Required	Phase	Comments
Data Mart Team Project	Incremental Loading	Yes	One	Daily basis
	Multiple Data Sources	Yes	One	Oracle and xls
	Slowly changing dimensions	Yes	One	Reps can be reassigned
	Effective Dating	Yes	One	Needs to be considered during the load of the data mart
	Source Filtering and Validation	Yes	One	There is invalid data in the operational source
	Translations	Yes	One	Map coded data to text descriptions
	Aggregations and Calculations	Yes	One	To be determined

3.3.3 Supported Environments

This section outlines a list of supported environments that the product must support by the various modules. It should also be noted whether the specific environment is required or which phase of the product release it will be implemented, along with any limitations or constraints. Areas that should be considered include the following:

Which hardware and operating systems will be supported currently and in the future? Are there any special requirements that need to be considered such as multiple servers, load balancing, and fault tolerant server configuration options? When identifying the operating systems, versions supported and to be supported in the future should be documented here, along with any patches that may be required for the operating system.

Hardware and operating systems should be considered for Database Servers, Web Servers, Application servers, Directory Servers (security) and clients.

Most importantly identify the hardware and operating systems needed for development, testing and QA.

Consider the versions that will be supported currently and in future releases.

- Web servers
- directory servers
- application servers
- browsers
- databases (including non-relational data sources, database drivers)

If you will be staging the data in a data mart, then you need to also specify both the source and target databases that will be accessed.

For the most current list of environments supported by Cognos products, including operating systems, check the Cognos support site under “Software Environments” (**http://support.cognos.com**).

3.3.4 Supported Languages/Localization

This section outlines the languages and locales you currently support or plan on supporting including an indication of where used – data, end-user UI, Admin UI, report headings. It should also be noted whether the specific language or where used is required, nice to have, or which phase of the product release it will be implemented.

Any differences in what is supported by various countries based on regulatory requirements should be noted here as well.

3.3.5 Supported Standards

This section outlines any supported standards you currently support or plan on supporting that the BI product must adhere to. For example: HTTPS for security or the end-user application must be J2EE compliant.

3.3.6 Integration Requirements

This section outlines any integration requirements you currently support or plan on supporting that the BI product must provide and will need to be considered during the design stage. Areas for consideration include the following:

Security **–** do you currently implement a 3rd party or homegrown security strategy? Or do you utilize an LDAP directory server? Based on this information, will you need to provide for a single sign-on strategy? Will you need to automate the creation/ synchronization of user and user classes to the security metadata layer?

User Interface/Portal **–** do you plan to utilize the out of the box Cognos BI Portal with possible customizations to look and feel, use the Cognos BI Portal API to integrate content into an existing application, or utilize Web Services to integrate the BI product by basically delivering the BI data into a custom user interface.

BI Models **–** do you plan to utilize the UI of the BI models metadata layer or do you require scripting the creation/maintenance of metadata or a portion of the metadata layer?

Cognos BI **–** how do you plan on integrating the portal, the cubes, reports and data repository (if applicable)? Will you be providing summary information in cubes and allowing drill through to detail? This should also include requirements for installation and configuration of the BI product along with your core application.

3rd party Software **–** consideration for any 3rd party software required, such as directory servers, Web servers, etc. that needs to be installed and integrated into the solution and installation process.

3.4 TECHNICAL REQUIREMENTS

This section outlines any requirements needed to ensure that the planned BI product performs optimally based on your target metrics. In addition, this section should document any technical or procedural constraints (i.e. procedural constraint might be requiring a 15 minute interval refresh of data mart.)

Performance & Scalability **–** As the number of users grows, and the amount and complexity of the data processed increases, performance can become an issue on any system. What's more, as users learn how BI can help them make better business decisions, they tend to generate a greater number of increasingly sophisticated reports, queries, and analyses, putting a heavier burden on the system. Therefore, a system's scalability is important when considering both existing and projected needs. To judge a system's scalability, a realistic evaluation of the performance of the system in a carefully defined and controlled test situation is needed as a benchmark, or guideline, to use when configuring server environments. **Check the Partner Network site. Search 'Benchmark' for platform-specific benchmarks** (**http://partnernetwork.cognos.com**)

User Metrics **–** Based on your customer profiles, metrics for the number of users broken down by named, active and concurrent users should be documented to assist in determining the proper configuration.

Named Users – make up the total population of users of the system. They represent the total user community, and can be active or concurrent at any time.

Active Users – are logged on to the system at a given time and can send a processing request at any time.

Concurrent Users – are not only logged on to the system (active), but are sending a request or waiting for a response. They are the only type of user actually stressing the system at any given time.

Data Metrics **–** Based on your customer profiles, metrics for the amount of data and refresh rates for cube or data mart builds should be documented. Information should include:

→ Volumetrics for data (size of database, number of fact rows, etc)

→ Data refresh rates (for cube/data mart builds)

3.5 OTHER REQUIREMENTS

Resource Constraints

This section provides information on any limitations on staff availability, skills required and hardware resources (availability of equipment for development, test, production).

In addition, you should consider the standard configuration requirements and recommendation to your customers.

Implementation Constraints Section

Any deadlines the project must meet, such as a preannouncement, demo for user conference/trade show, or a release date that coincides with a major release of the core application, are noted here.

Proposed Development Approach Section

Explain the development approach to be used to get the BI product to market and integrated with the core application – i.e. begin with pilot with a few selected customers, develop general release for a specific module of the core application, work with a Customer Advisory Counsel to obtain feedback/input, etc.

Training

Training is essential for an OEM Partner to become comfortable with the Cognos technologies and to enable the Partner to become self-sufficient in the various technologies to be able to develop high quality applications that the business can fully exploit. The education needs of the Project Team will be different; a training program should be configured to address each of these needs and included in the Project Plan.

Cognos offers a variety of tailored training programs that can range from public classrooms sessions to Virtual Classroom e-training sessions to highly customized tutoring delivered on your premises using your application.

These key business questions and requirements will then be used later in the BI Model Design and translated into what will be solved through the use of the various Cognos 8 BI Component.

3.6 PRODUCT ROADMAP & RELEASE SCHEDULE

The Road to Success

Now that you have signed an OEM Partner agreement with Cognos, what happens next? Here is where the real work starts. Cognos is committed to walking the road to success with you all the way. Like any project, there are sure to be bumps along the way, but together we can work through those to deliver a high quality, targeted BI solution to your customers. A well planned go-to-market strategy, developed together, is key to delivering on Partnership success.

To enable our Partners to be successful in a short time period, here are the key items that must first be in place:

- → A dedicated OEM Partner Product Manager and Project Manager (may be the same individual)
- → A clearly defined "Value-Add" solution
- → A well-defined services engagement model
- → A well-defined product launch strategy
- → A commitment by the Partner to "own" the process

To that end, it becomes imperative to have a full understanding of the roles of each person involved in this new Partnership both from within your organization, as well as within Cognos.

Once the contract is signed, the critical stage becomes the **"Value-Add" Development**. Weekly communications between your Cognos account team and your Product Manager/Project Manager are key to proactively managing any potential product issues, keeping the momentum alive, and begin laying the foundation for a successful deployment of your BI solution.

We have developed a five-step program to ensure the successful kickoff of your BI solution development project. Certain components to this program are dependent on your level of partnership commitment to Cognos; please consult your Cognos Account Manager for further details.

A high-level overview of these steps follows in **Appendix B**, highlighting the typical key players involved in bringing your BI solution to market.

Release planning is the process of planning a new release, including identifying requirements, ordering the required hardware and software, working with budgets, identifying human resources, creating release documentation, and reviewing technical aspects of the release and change process. You should create release management planning documentation such as detailed implementation procedures, testing procedures, and backout procedures. The level of planning is usually directly proportional to the risk level of the release.

A successful project should have the following goals for release planning:

- → Ensure all resources are identified and in place.
- → Ensure a clear goal has been set and met.
- → Ensure the release conforms to all organizational standards for design, configuration, version, naming conventions, and management.
- → Create backout procedure.
- → Define escalation paths should something go wrong.
- → Define affected users and downtimes for notification purposes.

3.7 PRICING & PACKAGING

Creating value during the sales cycle around your unique value-add to the Cognos products is extremely important. You should be able to clearly communicate how your solution is specifically designed for your application, leveraging Cognos technology. You know your application best and no other vendor can deliver a BI solution that can uniquely address your customer's needs.

Clearly communicating these points during the sales cycle will make it easier to validate your pricing and packaging approach. It is difficult to put a price tag on a solution that is viewed as a commodity, with no clear differentiation vs. what they could purchase directly from Cognos. Some customers may push back and say "Why can't I just go to Cognos directly for these products? Wouldn't I get more favorable pricing if I dealt with Cognos directly vs. going through you?".

These questions are easily diffused and taken off of the table if you have effectively communicated your unique value-add during the sales cycle. If you have successfully done so, customers are more than willing to pay a price for the value-add component you are delivering alongside the Cognos products.

There are several steps to consider when developing pricing for your solution::

- → Determine the overall cost model for your BI solution: development, support, marketing, sales, etc.
- → Based on the above, and your internal profit margin goals, determine your required profit margin to support this business
- → Based on your Cognos discount and determined profit margin percentage, calculate list pricing for the Cognos BI products embedded in, or delivered with, your solution
- → Determine the pricing for your value-add component based on market research and consulting with your Cognos Account Manager

In addition, we strongly recommend that you develop "bundled" pricing for your solution (Cognos BI products + your value-add component + support). Without question, this communicates to your customer that you are selling an integrated, complete solution developed specifically for your application vs. just a bunch of tools, pieces, and parts.

There are four key elements generally included in a pricing proposal:

- → Software Licenses (including Cognos products and your value-add)
- → Customer Support
- → Education Services
- → Professional Services

Once you have determined the pricing for the individual components of the solution, and the margin you would like to achieve, presenting the complete solution pricing to your customer in a "bundled" format is recommended.

We suggest developing pricing for your value-add component on a named user basis. This makes for simpler presentation to the customer and also enables you to leverage additional license fees going forward as the customer adds users. In addition, you should only license your value-add when coupled with Cognos product. As mentioned before, if licensed separately, your solution may not be viewed as an integrated, complete solution developed specifically for your application.

Please note that Education Services and Professional Services are optional to include with the bundled solution pricing. However, many partners find that including a "fast pack" of services and/or education days enables the customer to get off to a quick start and ensures that they have the proper training and support required for a successful implementation.

Your Cognos Account Manager can provide some initial guidance in developing your "fast pack" of services for initial education and implementation. As you move forward with more deployments, based on your experience over time, you will be able to better fine-tune the scope of your initial "fast pack" of services.

For specific pricing guidance and packaging examples based on the terms included in your Cognos OEM Partner agreement, please contact your Cognos Sales Account Manager.

4 | Project Management

The key to any successful implementation of the Cognos Suite of Business Intelligence products is to treat the "Business Intelligence Solution" as a Project that includes the full Project Life Cycle (Analysis, Design, Development, Testing, Implementation, etc.). This seems pretty obvious, but may be forgotten when it is so easy to generate queries, build models and information packages.

Typical projects can be partitioned into modules; each of these modules is either mandatory or optional depending upon the selected approach. The following table indicates these modules and describes each of them:

Module	Description	Optional
Planning	Necessary in all situations to select an approach and produce the Business Plan.	No
Requirements Analysis	Determination of the business domain. How the information is to be used to make informed decisions. Define security, technical requirements and constraints.	No
Staging Database or Information Warehousing	BI applications typically need to use staged data for high performance and usability. This module may not be required if data can be extracted from operational systems directly, or if an information warehouse database already exists.	Yes
Data Feeds	The operational source data usually has to be manipulated before storage in the Information Warehouse (via Data Manager), or being fed directly to Transformer.	No
Model & Report	The backbone of the BIS, i.e. the models and reports to be produced.	No
User Interface	Create a Web site that implements the Portal/User Interface Design and deliver the content of the BI Model to the decision makers.	No
Administration	Security and access, changes to the BI models/marts	No
Infrastructure	Over all install process, install method, components, directory structures	No
Implementation	Install-and-go versus Service offering, upgrade process, help desk.	No

4.1 PROJECT PLANNING

The first step to a successful project is putting together a team with the right set of technical skills and business knowledge. In some partner organizations, a person may be responsible for dual roles on the project. Some members may be internal staff, Cognos staff or other external resources. Once the team is formed then individual roles, responsibilities and contact information should be outlined.

Team Members:

Product/Project Manager is responsible for coordinating and integrating activities between the core application and BI Product application development. In order to do this, the Project Manager needs strong communication and interpersonal skills, along with an in depth knowledge of the technologies being implemented. This person may also be responsible for providing the necessary resources to accomplish the objectives defined for the BI product. In most cases, the Project Manager provides the overall/summary definitions of the work to be accomplished and may also provide the detail definitions. This person may also work closely with the Product Marketing Manager to define the scope of the project and may involve other members of the team.

Database Administrator (DBA) is required because their understanding of the database is crucial in implementing a BI product. This person would be responsible for creating and maintaining the data warehouse/operational databases. In addition, they would be responsible for answering questions relative to where the data can be found and whether the columns required are available in the data warehouse or the operational database. (Source to Target mappings and Gap Analysis, ERD, etc.)

Programmer/Analyst is essential for the design of the feeder process since they know how the operational system(s) work in detail and can determine how and when the data is to be processed. This person can provide aggregations, calculations, and data manipulations at this stage to improve performance during the reporting process. They should have a good knowledge of SQL and the BI Tools to work with the DBA to ensure the proper join paths are defined based on the user reporting requirement. They assist the Business Analyst in developing the more complex queries for reporting and for the feeder processes. Additionally, they assist the Business Analyst in validation of the data and results sets to assure there are no underlying problems in the structure of the data and result sets.

Business Analyst with knowledge of the business requirements and reporting needs of the users, they help to define the business rules, the naming conventions, user classes, folder structure, calculations, etc. They also understand the hierarchy of the data and ownership of information which can be built into the BI product.

Users to validate requirements are met and provide feedback for modifications and enhancements. In most cases this will probably be a member of the Marketing Department who has met with users and understands the user's requirements or a Customer Advisory Council.

Web Specialist is responsible for the design, development, customization and integration of the Web components and user interface/portal. Usually requires understanding of Web-based technologies, Web-based programming languages (i.e. HTML/DHTML and editing tools, browsers, XML, XSLT, Web services, Java, Javascript, Perl, etc.) and other design-related or graphic applications.

Security Specialist Specialist is responsible for defining, implementing and integrating security requirements for authentication and authorization. Usually requires an understanding of database/application security, LDAP directory servers, firewalls, encryption, access control lists, etc.

Implementation Specialist is responsible for the creation of installation scripts to integrate with the Partner's existing application installation. This person is also responsible for documenting the installation procedure or providing the necessary information to the Documentation Specialist.

Documentation Specialist is responsible for documenting the Partner's packaged BI product application (standard reports, models, catalog, etc.) This will also include any documentation relative to the data warehouse process if applicable.

Education Specialist Specialist is responsible for determining the type of education material that will be required and who will provide the education. Cognos offers a 'Train the Trainer' service which is designed to provide the Partner with the ability to train their own customers using materials developed by Cognos' professional course developers, with workshops customized to the Partner's application data. The Partner may decide to direct their customers to the Cognos public education courses.

Help Desk/Support Specialist is responsible for first line of support and will define the internal support strategy.

Each member of the team should be identified as well as any Cognos/external contacts identifying each specific role and responsibilities for the project along with their contact information. A sample template is shown below.

Role	Responsibility	Customer Contact/ Information	Cognos Contact Information

4.2 PROJECT PLAN

The Project Plan details the man-days per task and outlines milestone events (i.e. completion of demo for user conference). Generally, it is difficult to provide dates for each task at this stage of the project. However, dates and a Gantt chart can be drawn up as part of the review process.

4.3 PROJECT REPORTING AND CONTROL

As we all know, a major success ingredient to any project is communication. Project Team meetings provide a forum for creating good communication between the team members (both internal and external members). This also enables the team to discuss problems and issues earlier, before they impact the project timelines. Items to be maintained/discussed should include, but are not limited to the following:

- → **Project Schedule –** maintain, distribute or make available to all members
- → **Progress/Status Reports –** maintained and periodic reviews
- → **Issues/Observation Log –** maintain and periodic reviews
- → **Change Control Procedures –** set up, communicated and sign offs

Most importantly, Project Review Meetings should be scheduled on a regular basis and any updates of release schedules should be communicated along with the above information.

4.4 PROJECT TEAM TRAINING

At every stage in your project, training is critical to success because it helps accelerate knowledge transfer to the project team. Cognos offers extensive and comprehensive training courses spanning all roles and responsibilities of Cognos 8 BI.

Cognos offers a number of training options for our Partners such as e-Learning, public classroom training and customized training solutions as well as onsite training. For some roles, the accelerated Fast Track training might also be appropriate. Your Sales Account Team will work with you to define the appropriate training to meet your training needs.

For more information on courses, schedules an dother training options please visit PartnerNetwork. **https://partnernetwork.cognos.com/partnernetwork/partner/pndocs4/education/training/solutions.jsp**

12 | Appendices

APPENDIX A: SAMPLE BUSINESS CASE: PROJECT ANALYZER

Note that this is a purely hypothetical example for illustrative purposes only. Its intent is to show the type and level of detail for content in each section of a business case.

Situational Analysis

Directional Projects has been in business since 2002 and has had 4 years of profitability, based on the core Team Project offering, which provides task management, scheduling and billing for management consultants and other services professionals. We have now sold 38,000 licenses into 200 companies, including independent consultants. Of these, 170 are active and making regular support payments. The trend is positive, with our growth rate consistently over 15%.

Aside from this proposed analytics package, there are no other products on offer. Team Project is scheduled for its 5.0 release in March 2007, with a host of new features and often-requested print functions now included with the core offering.

While we continue to obtain new accounts, there is also an opportunity to sell an add-on product to the supported customer base of over 30,000 users. Not only will this provide a new revenue stream, it allows us to show innovation by increased business value in the complete offering, making us more competitive. Currently none of our competitors are offering project profitability analytics. Once we have successfully introduced the product into our traditional market segment of professional services, we could consider developing analytics for other project-oriented businesses such as Construction.

The proposed Analyzer product will allow consulting firms to analyze profitability of an entire project, any phase of a project, and any project member. It will also allow comparisons of projects to each other as well as to any external benchmark project. This has previously not been possible without extensive loading of data into Excel, with further extensive use of Excel macro programming. Additionally, it has not been possible to produce high-quality charts with Excel, making it less useful for professional presentation and use in corporate reporting.

Market Opportunity

The market for project analytics is as yet undefined. While there are approximately 25 firms providing software for distributed project management, few of these focus on consultants, rather providing a broadly horizontal solution with standard reports on late tasks, overall project overruns, etc. Of those whose software can be adapted to suit the needs of consulting firms, none of these offer analytics. This is therefore an opportunity to capture market share early by demonstrating innovation and greater value in the complete offering. Furthermore, we can show our new offering to industry analysts and should be receive analyst validation for our product leadership.

The market is segmented as follows:

- management consulting firms
- independent consultants
- professional services firms
- other project-oriented industries such as construction

All of these industry segments are showing healthy growth rates according to a leading industry analyst firm and a management consulting institute. See the chart below. CAGR = Compound Aggregate Growth Rate.
All amounts are expressed in $M US.

Segment	2002	2003	2004	2005	2006	2007	2002 (%)	CAGR (%)
Management Consulting	1,013.0	1,114.4	1,281.5	1,499.4	1,775.2	2,119.6	56.9	15.9
Independent Consultants	53.0	53.7	57.5	63.9	73.6	86.9	3.0	10.4
Professional Services	141.0	143.9	154.7	173.5	204.1	241.9	7.9	11.4
Construction	572.4	601.1	6.285	801.7	947.6	1,137.1	32.2	14.7
Total	1,779.5	1,913.0	2,178.9	2,538.4	3,000.4	3,585.5	100.0	15.0

From the table, one can see that our product sales growth, at 15%, has been roughly in line with the growth rate for Management Consulting firms overall. In order to increase revenues, we need an additional offering to increase the average order value. Creating the Analyzer product allows us to increase revenues through both back-to-the-base sales and new competitive opportunities, allowing us to break out of the range and achieve a higher revenue growth rate overall.

The lowest growth rate is among independent consultants, which are also the smallest sector among our customers and are the least likely to purchase a higher-priced add-on application. We will therefore target the other three markets.

Phase I will target Management Consulting and Professional Services firms. Both of these segments have an interest in increasing profitability by being able to analyze both their projects and individual consultants, and are therefore likely to be willing to spend on profitability optimization tools.

In Phase II (one year out), we will target the Construction market with a solution configured specifically for that industry. We will be able to leverage much of the common functionality required in software support for project-oriented work shared by both management consulting firms and construction (many resources, large projects, etc). However, the perceived value will be in the features specifically aimed at the construction industry, and given that we will be the only offering for profitability analytics for construction (as of today), our prospects for market leadership there are good.

The Offering

Project Analyzer is designed to monitor performance of projects, people and capital resources (for construction add-on). It is essentially a data warehouse in-a-box for project performance management. All of the source-to-target mappings for the data warehouse creation process, as well as the infrastructure required to support the reports, and the reports themselves will all be included.

Project Analyzer will support both regular profitability reporting on a weekly, monthly, quarterly basis, as well as ad hoc reporting to meet unplanned information needs. These are the enhancement requests most often made by our customers, and it is designed to answer their needs, as well as provide a perspective on their project and people profitability that surpasses their expectations. The combination of software, information models for analysis and project evaluation methodology will be a unique offering on the marketplace and a patent application will be made for it.

Currently there are no competitive offerings for Analyzer, however we will continue to monitor all of the competitive Web sites as well as attend all relevant trade shows to ensure that we are not caught off guard and are at least aware of any competitive offerings that come onto the market.

Competition

None of our traditional competitors for project planning, scheduling, and billing have offered an analytics package, giving us first-mover advantage if the current situation holds. We will have at least year of advantage if no one develops a similar offering until after they have seen ours and decide to create a competitive product based on market response.

Marketing & Sales Strategy

The plan is to be in beta with the new offering within six months of approval for this proposal. We will obtain at least 10 beta testers from our current customer base, in addition to another 5 from new competitive situations during the development phase. The goal is to have at least 5 who will provide references and testimonials for our press announcement accompanying the product launch.

These references will be used to go-to-market with both our existing customer base and new opportunities. Both will be exposed to the product through Webinars, with invitations sent in a mailing, followed up by a telephone call from our Inside Sales Team. The Webinars will be held twice a month. Pre-sales will be trained to provide a demo on-site during pre-sales situations with prospects as well as regular return visits to existing customers. Inside sales will qualify prospects sufficiently so that the direct reps do not make unnecessary on-site visits where there is no real opportunity.

Major Milestones

1. Code Complete Date
2. Beta product to 10 customers
3. Product launch
4. On-stage presentation at Annual Certified Management Consultants' show in October
5. 10 major customers in first 90 days

Financials

Based on our research, we believe the market will accept an add-on analytic application priced at 35% of the price of our core application, currently listing at $190,000 USD, approximately $66,500. We have therefore chosen a list price of $65,000.

The bundle includes the following Cognos components: a Data Manager run-time license and 25 seats each of Cognos 8 ReportStudio, QueryStudio and AnalysisStudio. The contract allows for re-sale of full use Data Manager, in addition to additional seats of Cognos 8 components restricted in use to data coming from the core application and data marts derived from that data.

The price being used for revenue projections therefore is $65,000, with an early promotional discount of 25% for existing customers who buy in first 180 days. Additional revenues are support (25% of licenses) and services for installation, customization and deployment (25% of license sales).

Costs include:

- Cognos fees and support for Data Manager, Cognos 8 ReportStudio QueryStudio and AnalysisStudio
- Development/integration costs
- Travel/training/meeting costs
- Marketing launch program costs

Once the revenues and costs have been tallied in a spreadsheet, the financial implications of the proposed product will be clear. It is then possible to model various pricing schemes to assess their impact on overall revenue generation.

APPENDIX B

Partnership Steps to Success

Step	Goals	Participants
1 *Initial Planning Conference Call*	• Introduction of the Cognos deployment team and Partner project team • Determine immediate training and consulting requirements and associated dates to jump start project • Schedule Project Kickoff discussions	• Cognos: - Area Technical Manager - Account Manager - Pre-Sales System Engineer - Education Manager (as required) - OEM Deployment Manager (as required) • Partner: - Product Manager/Project Manager - Project Team members as appropriate
2(a) *Partnership Kickoff Discussions*	*Fact Gathering – Account Planning/Project Evaluation:* • Presentation by Partner of their company, organization structure, and information outlining their products and their BI vision • Discussion to understand Partner business process & their competition to begin developing value proposition • Discussion of BI Requirements today and in future (high level) • Demonstration of the Partner Application (and various modules) • Discussion of their Architecture/Environment today and in future • Discussion of the Partner's Services and Support model for their application (and how it will be utilized with the BI Solution) • Verify/Identify Language/Locale support • Verify/Identify Release Schedules/ Timeframes (if multiple projects going on simultaneously, need to prioritize) • Identify any up coming User Conferences and corresponding requirements • Review each person's role in the account (both Cognos & Partner) - Identify Project Team and Business Team - Identify Skill Set (for use in setting of Training Plan) • Demonstration of Cognos Suite (as required if some members of Partner's team have not seen products) • Determine if all the required products/versions have been received and installed • Identify any possible integration points/issues at a high level	• Cognos: - Area Technical Manager - Account Manager - Pre-Sales SE - OEM Deployment Manager (as required) - Consultants (as required) - Alliance Support Contact (as required) • Partner: - Product Manager/Project Manager - Project Team members as appropriate

APPENDIX B

Partnership Steps to Success (continued)

Step		Goals	Participants
2(b)	*Partnership Kickoff Discussions*	*Process & Procedures:* • Alliance Support Client • Identify Partner key support contact • Review Support Plan and Process • Review PartnerNetwork, KnowledgeBase, Logging Customer Support Calls (via Web and via phone)	Same as 2 *(a)*
3	*Development of Training & Services Engagement Plan*	• Consulting - Secure appropriate resource based on the requirements of the project • Training - Secure appropriate resource for Training based on requirements – Determine what, if any, customization of the training might be required • Review services recommendations	• Cognos: - Account Manager - Pre-Sales SE - OEM Deployment Manager (as required) - Consultant(s) (as required) - Education Manager (as required) • Partner: - Product Manager/Project Manager
4	*On-going Account Management*	• Provide guidance/recommendations of various areas of their BI application • Introduce new technologies when and where applicable • Assist in development of demos, scripts, workshops • Determine need for support for Partner beta sites for references • Discuss product brochures, press releases, presentation materials, mailings back to the base, etc. • Review Purchasing procedures, sales reporting process, etc.	• Cognos: - Account Manager - Pre-Sales SE • Partner: - Product Manager/Project Manager - Various Project Team members as appropriate
5	*Post Product Launch*	• Schedule a wrap up meeting to: • Review success or failure of certain processes for the next project • Review completion of all tasks – development, installation, marketing, sales, etc. • Set up Workshops for Partner SEs/Reps • Discuss additional phases (as appropriate)	• Cognos: - Account Manager - Pre-Sales SE - OEM Deployment Manager (as required) • Partner: - Project Manager