# Business Transformation & Information Applications

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IBM Information ON Demand 2010

INFORMATION-LED TRANSFORMATION

LEAD THE WAY

January 21 - SINGAPORE • January 26 – MALAYSIA • January 28 - THAILAND

# Transform Your Organization with Information

**Volume of Digital Data**

**Variety of Information**

**Velocity of Decision Making**

## Lack of Insight

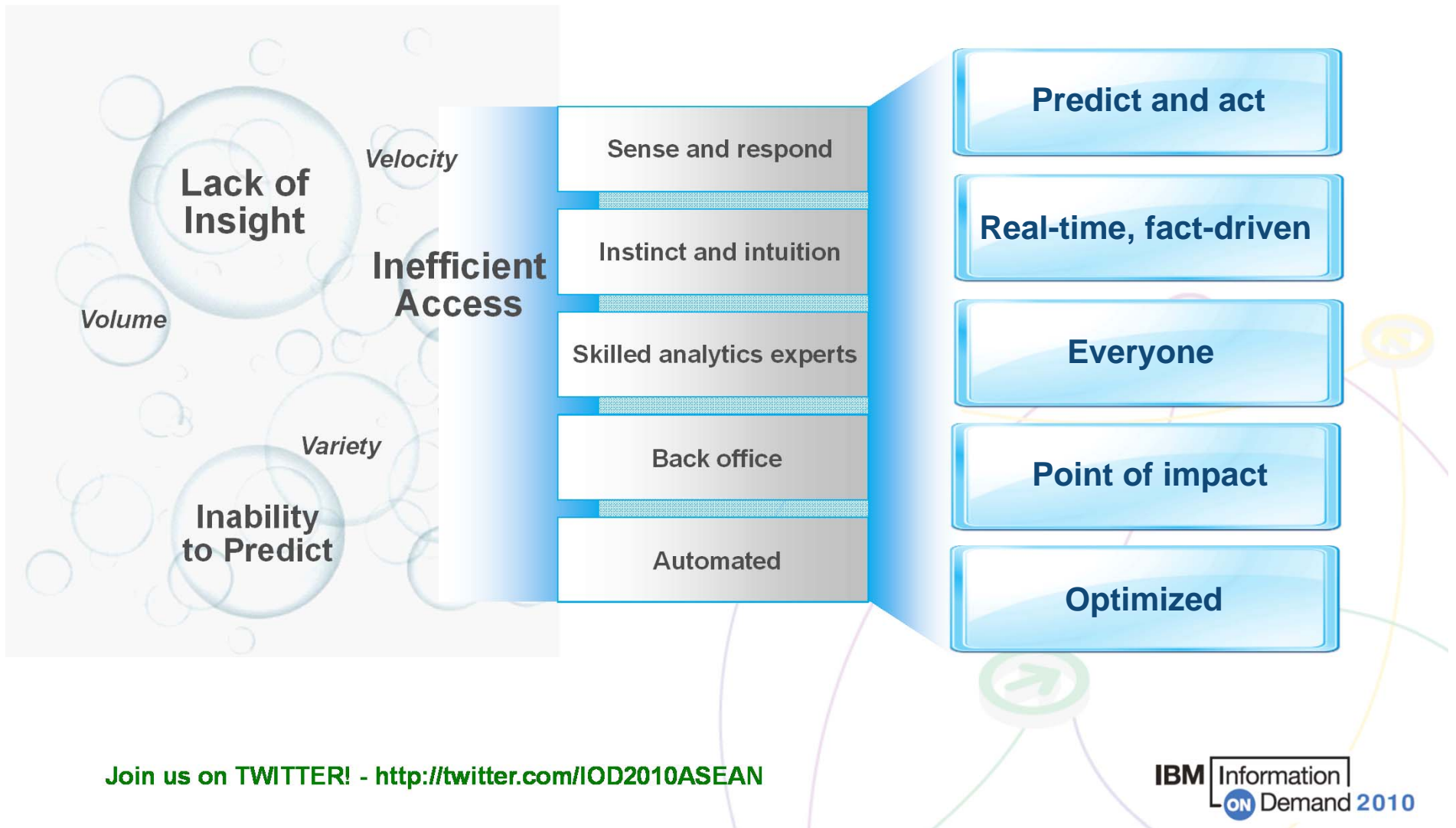**1 in 3 managers frequently make critical decisions without the information they need**

## Inefficient Access

**1 in 2 don't have access to the information across their**

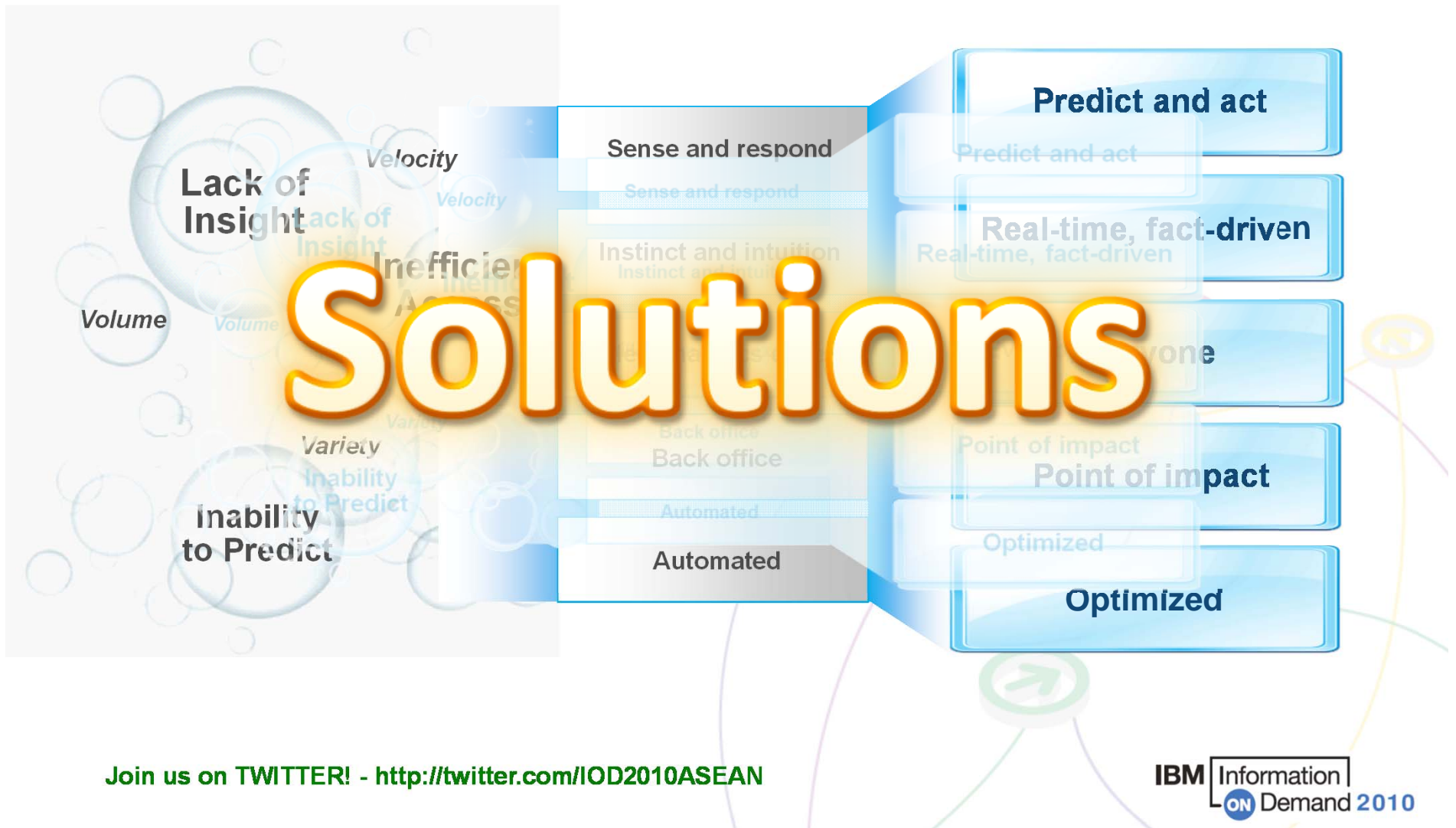**organization needed to do their jobs**

## Inability to Predict

**3 in 4 business leaders say more predictive information would drive better decisions**

Source: IBM Institute for Business Value

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# New ways of working to optimize decisions and actions

| | | |
|---|---|---|
| **Lack of Insight** *Velocity* | Sense and respond | **Predict and act** |
| **Inefficient Access** *Volume* | Instinct and intuition | **Real-time, fact-driven** |
| | Skilled analytics experts | **Everyone** |
| *Variety* | Back office | **Point of impact** |
| **Inability to Predict** | Automated | **Optimized** |

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# New ways of working to optimize decisions and actions

# Accelerating information-led transformation

**Create Value**

# Information Applications

**Lower Costs**

## Information-Led Transformation

Cost Takeout & Efficiency    Proactive Risk Management    Profitable Growth

### Business Analytics & Optimization Solutions

| Financial Services | Public | Distribution | Industrial | Communications |
|---|---|---|---|---|
| $ | 🏛 | ◎ | ✺ | 🛰 |

Financial Performance Management...          Supply Chain Management...

Cross Industry

Human Capital Management...          Customer Relationship Management...

### Business Analytics & Optimization Platform

| Performance Management & Analysis | Advanced Analytics | Process Optimization |
|---|---|---|

### Trusted Information Platform

Information Integration & Master Data Management

Enterprise Content Management

Data Warehousing & Data Management

### Workload Optimized Systems & Services

retention and compliance for all types of workloads

## Finance

### Performance Management Applications

- **Enterprise Planning, Budgeting, and Forecasting**

- **Consolidation and Corporate Reporting**

- **Financial Analytics (e.g., profitability)**

- **Strategy Management & Scorecarding**

### Performance Process



STRATEGY

Plan, Forecast, and Control
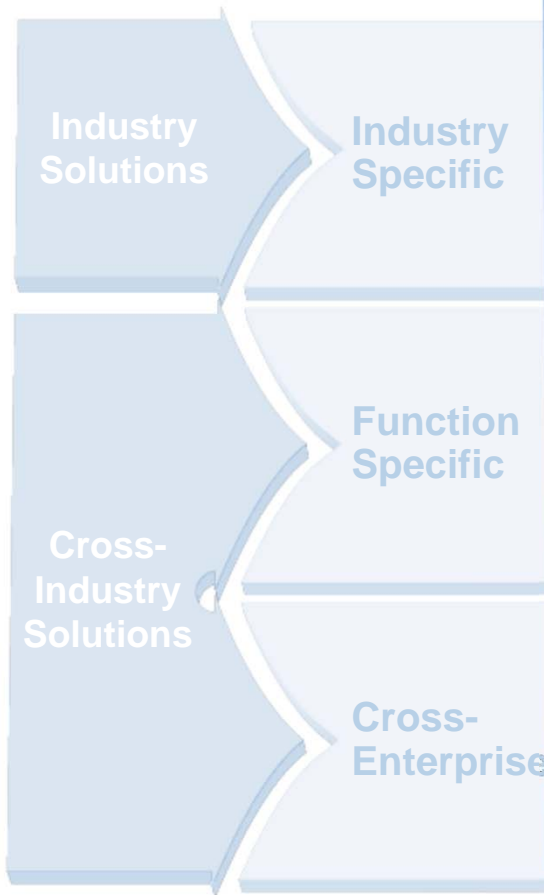
Analyze and Optimize
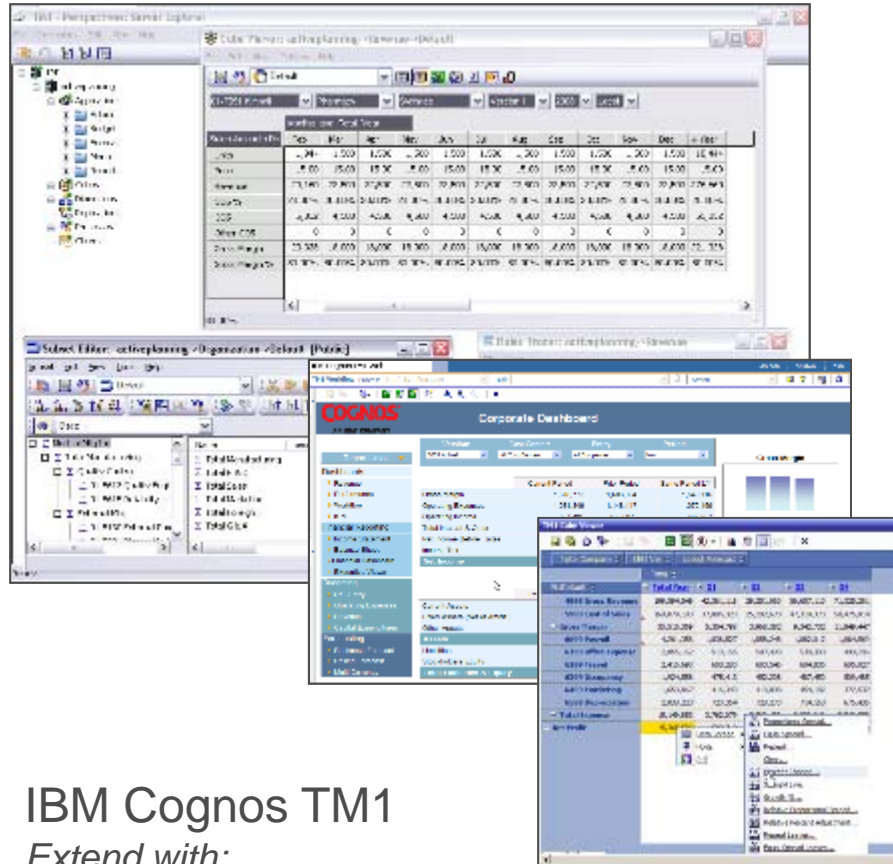
Close, Consolidate, and Report

### Analytic Applications
**Financial Performance**
- General Ledger Analytics
- Accounts Receivable Analytics
- Accounts Payable Analytics

### Industry Frameworks

Industry Solutions

Industry Specific

Function Specific

Cross-Industry Solutions

Cross-Enterprise

# Plan, Forecast, and Control
## IBM Cognos TM1

- → A patented 64-bit read-write in-memory planning and analytic engine
- → Multidimensional and Multi-cube
- → Excel-based Modeling experience
- → Familiar Excel & Web contribution interfaces
- → Sophisticated spreading Input Methods
- → Real-time Analytics

- **High Data and User Scalability**
- **Model-Based Approach**
- **Supports Best Practices**
- **Fusion of Analysis & Planning**
- **Owned by Finance**

IBM Cognos TM1
*Extend with:*
IBM Cognos 8 BI
Performance Blueprints

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# Advancing TM1 Capabilities
## IBM Cognos TM1 9.5



- **Personal Scenarios** NEW

- **Contribution and Workflow**

- **Easier, Quicker Solution Deployment**

Unmatched blend of high contribution planning and forecasting, scenario analytics and flexibility

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# Blue Mountain
## A diversified, year-round resort

- **ROI: 1822% within one month**
- **Reduced labor costs by $2.5 million/year**
- **Fast adjustments to inventories year-to-year**

**Nucleus Research**
www.nucleusresearch.com

NUCLEUS RESEARCH

## Performance Pain

→ **Slow budgeting – delayed data/slow processes**

→ **Data spread across 13 units from a multiplicity of systems**

→ **Difficult maintenance for thinly stretched IT Staff**

## IBM Solution Impact

→ **Faster, simplified budgeting process**

→ **Access to daily reports that directly support profitability**

→ **Advanced analytics to identify staffing levels and drive marketing campaigns**
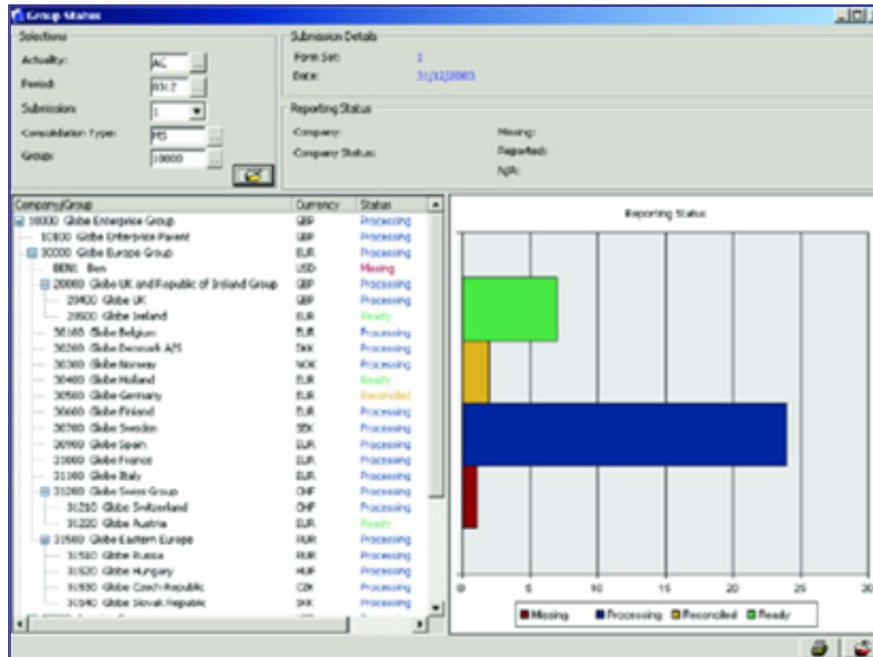
→ **Improved inventory management**

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# Close, Consolidate and Report
## IBM Cognos 8 Controller



→ Application Framework

→ Close Cycle Management

→ Integrated Consolidation Processes

→ Publish Financial Statements

→ Management Reporting & Analytics

- **Finance-Managed**
- **Global and Local Consolidation Best Practices**
- **Financial Reporting & Analytic Standardization**

IBM Cognos 8 Controller
*Extend with:*
IBM Cognos TM1
IBM Cognos 8 BI
Performance Blueprints

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# Advancing Controller Capabilities
## IBM Cognos 8 Controller 8.5



**NEW**
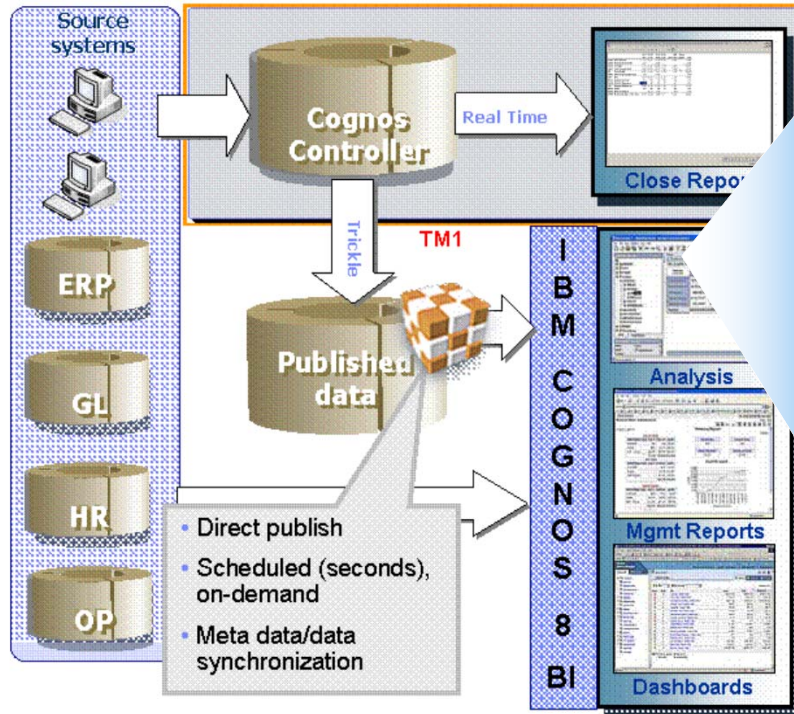
- Enhanced Global Consolidation
- Enhanced User Experience
- Extended Financial Analytics

Best-in-class, built-for-purpose engine; unmatched financial analytics powered by TM1

# TeliaSonera

> **Leading Telco in Nordic & Baltic Region with over 9.2 Billion Euro in Revenue and Employees numbering 28,500, 400 entities, 350 Named users, and 7,000 Accounts**

## Performance Pain

→ Unable to deliver both statutory deadlines and management reporting views of the business

→ Coordinate a single view across multiple currencies and legal entities

→ Inability to deal with the complexity of multi-currency consolidation and reporting in multiple legal jurisdictions
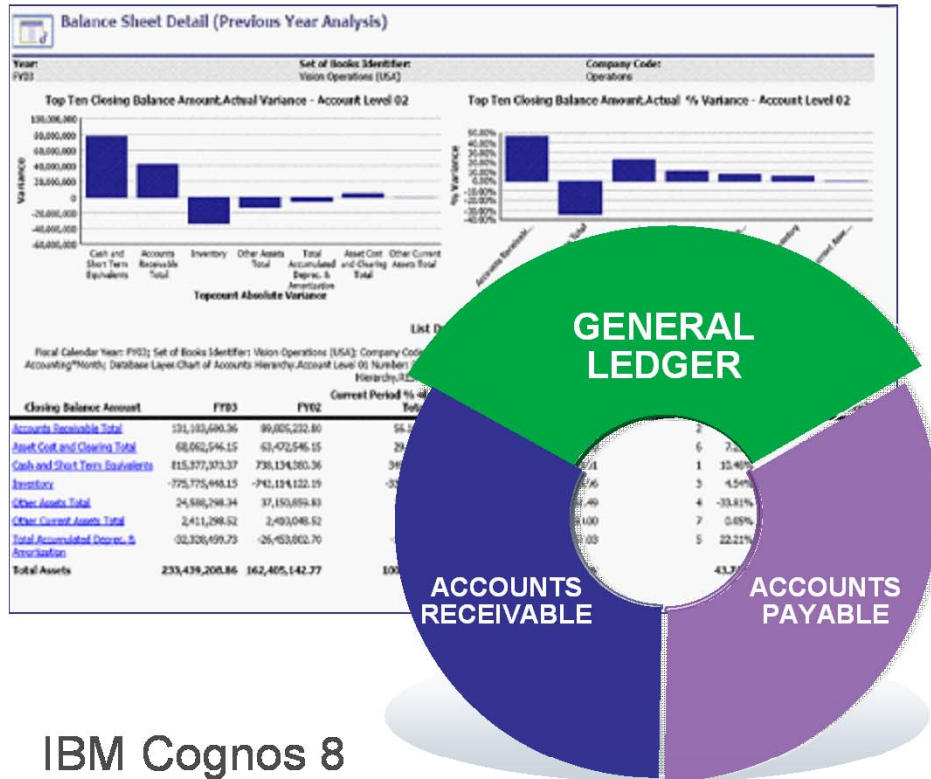
## IBM Solution Impact

→ Implemented legal and management rollup in more than 20 currencies and 100's of intercompany transactions

→ Complex ownership with minority interests, associated companies and cross ownership

→ Complex legal consolidation: Inflation reporting, IAS 39 (IFRS), multiple GAAP's

→ Mgmt views: Mobility, Broadband, Integrated Enterprise Service and Eurasia

# Analyze & Optimize
## IBM Cognos 8 Financial Performance Analytics



Balance Sheet Detail (Previous Year Analysis)

GENERAL LEDGER

ACCOUNTS RECEIVABLE

ACCOUNTS PAYABLE

IBM Cognos 8
    Financial Performance Analytics

*Extend with:*

IBM Cognos TM1

IBM Cognos 8 BI

→ Packaged Reporting & Analytics
  – Predefined content
  – Connectors to sources

→ Adaptable to change in content & context

→ Extendable platform

- **Rapid ROI**
- **Configurable & Adaptable**
- **GL/AR/AP Performance Visibility**

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# Cartus

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

*Greg McMahon, Director BI*

## Performance Pain

→ Inconsistent financial view for all operating units

→ Cumbersome month- and quarter-end financial reporting

## IBM Solution Impact

→ Executives have access to unified view of financial performance

→ Consistent financial metrics enterprise wide

→ More accurate financial management reporting

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Financial ... Public ... Distribution ... Industrial ... Comms ...

# HR

## Business Drivers

| Aging Workforce | Workforce Visibility | Multi-Generational WF |
| Top Talent Retention | Strategic Diversity | And More...... |

**Industry Solutions**

**Industry Specific**

**Function Specific**

**Cross-Industry Solutions**

**Cross-Enterprise**

## Analysis Dimensions

- GLOBAL VISIBILITY
- DEMOGRAPHICS
- DIVERSITY
- EXPERIENCE
- TOP TALENT
- KEY TALENT
- MANAGEMENT LEVEL

### WORKFORCE STRENGTH
- Global Strength
- Demographic Strength
- Diversity Strength
- Top Talent Strength

### TALENT ACQUISITION
- Global Hiring
- Demographic Hiring
- Diversity Hiring

**NEW**

### TALENT DEVELOPMENT
- Global Progression
- Demographic Progression
- Diversity Progression
- Top Talent Progression
- Diversity Performance

### TALENT RETENTION
- Global Turnover
- Demographic Turnover
- Diversity Turnover
- Top Talent Turnover

### WORKFORCE COMPENSATION
- Global Compensation
- Demographic Compensation
- Diversity Compensation
- Pay for Performance

## Industry Frameworks

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# Arthur J. Gallagher

> **… ready access to strategic information and professional-development tools that will support growth … [with] analytical capabilities they need to identify trends early on and make informed decisions.**
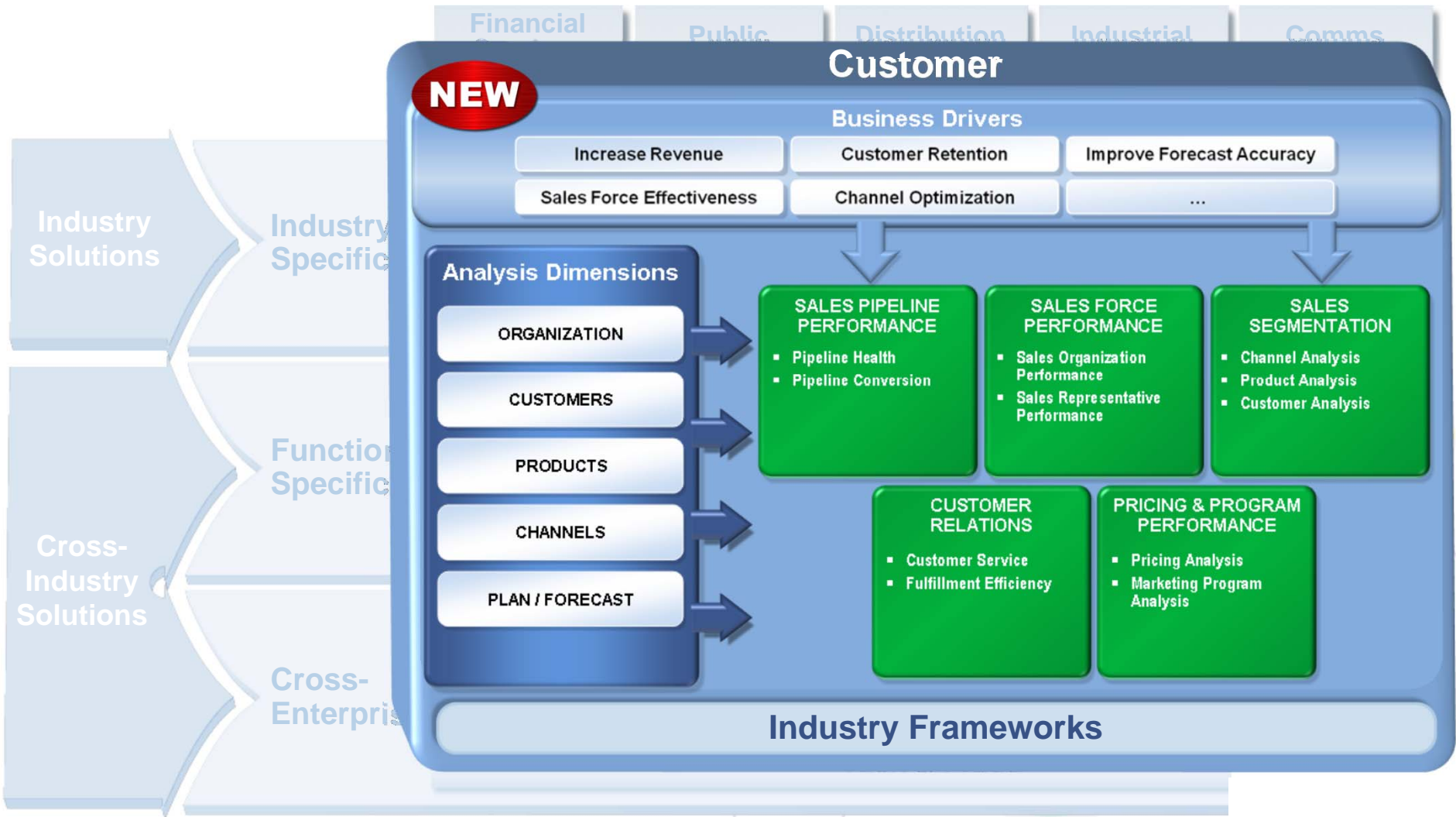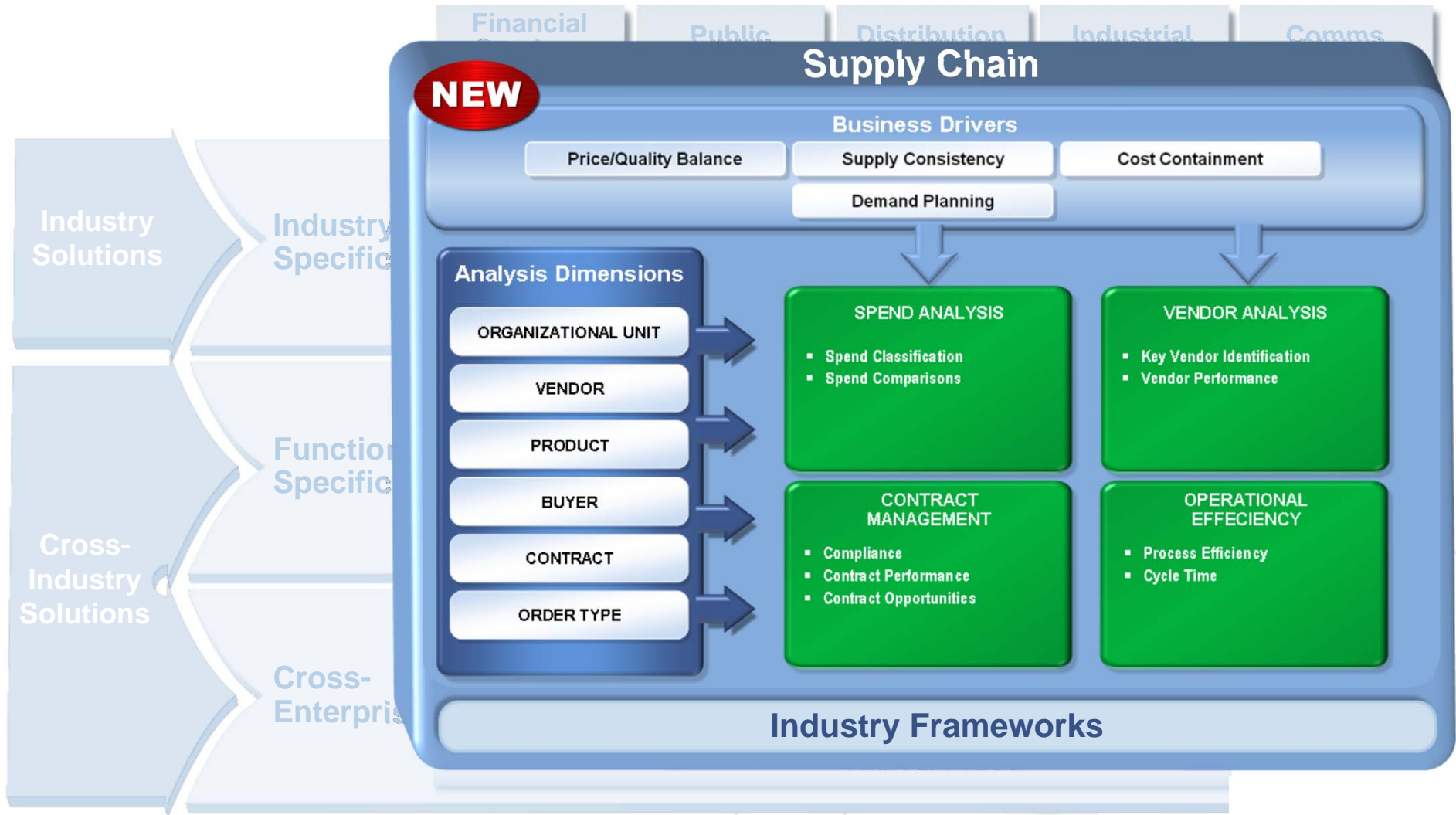
*Pam Wilfong, VP HR, A.J.G*

## Performance Pain

→ Small team of HR professionals supporting 9000 employees - highly distributed offices

→ Need a standardized assessment of cost and management of compensation and talent acquisition.

## IBM Solution Impact

→ Standard workforce measurement metrics deployed through the organization

→ Ability to measures and assess talent and HR needs against aggressive business objectives

## Customer

**NEW**

### Business Drivers

| Increase Revenue | Customer Retention | Improve Forecast Accuracy |
|---|---|---|
| Sales Force Effectiveness | Channel Optimization | ... |

### Analysis Dimensions

- ORGANIZATION
- CUSTOMERS
- PRODUCTS
- CHANNELS
- PLAN / FORECAST

**SALES PIPELINE PERFORMANCE**
- Pipeline Health
- Pipeline Conversion

**SALES FORCE PERFORMANCE**
- Sales Organization Performance
- Sales Representative Performance

**SALES SEGMENTATION**
- Channel Analysis
- Product Analysis
- Customer Analysis

**CUSTOMER RELATIONS**
- Customer Service
- Fulfillment Efficiency

**PRICING & PROGRAM PERFORMANCE**
- Pricing Analysis
- Marketing Program Analysis

### Industry Frameworks

Financial ... Public ... Distribution ... Industrial ... Comms

**Industry Solutions** — Industry Specific

**Cross-Industry Solutions** — Functional Specific

Cross-Enterprise

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# When Selling Harder Isn't Working Smarter

**Finance**

**Sales**

**Procurement**

**HR**

## Why is revenue for our marquee product off vs. plan?

*Enterprise Planning & Forecasting with IBM Cognos FPM*

• **Rolling Revenue Plans & Forecasts at any level of detail**

*IBM Cognos 8 Financial Performance Analytics*

• **Revenue by Account Trend & vs. Plan**

*IBM Cognos 8 Customer Performance Sales Analytics*

• **Sales Segmentation Dashboard**

• **Sales and Margin by Customer**

• **Item Quality Report & Item Return Reason Report**

*IBM Cognos 8 Supply Chain Procurement Analytics*

• **Item Quality Issue**

• **Vendor Performance Dashboard & Vendor Profile Dashboard**

*IBM Cognos 8 Workforce Performance and Talent*

• **Workforce Performance Dashboard**

• **Stage Cycle Times by Region for New Hires**
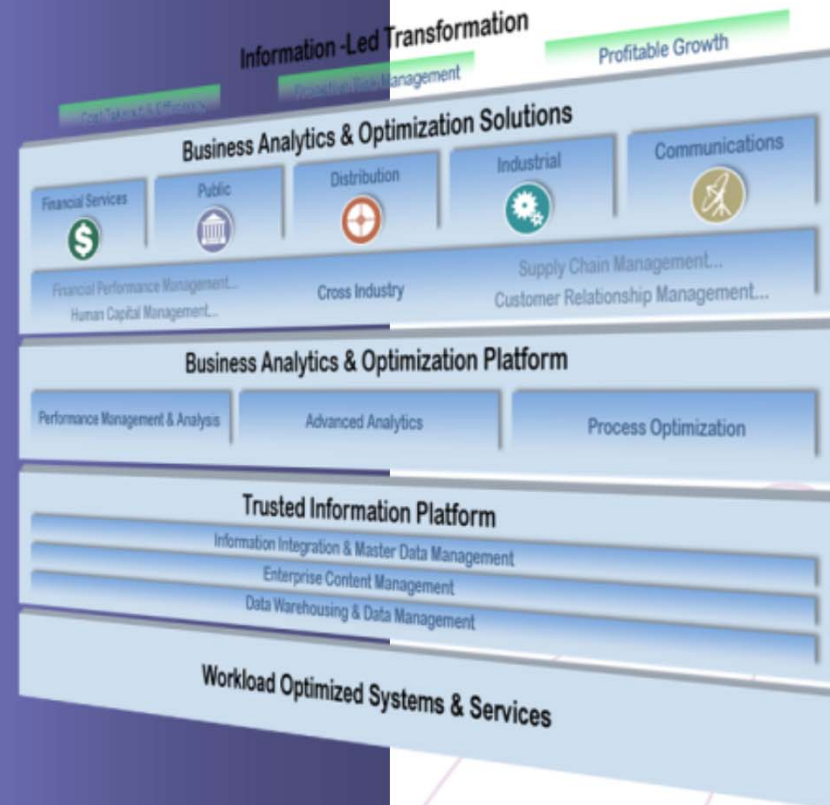
# Summary

**Information Applications can dramatically accelerate your transformation**

**With new and improved applications across financial, supply chain, sales and workforce …**

**…there has never been a better time to learn more**

**…leverage know-how you already have**

**…and access the expertise to accelerate your success**



**ovum**

"…Since 2006, IBM has deliberately & doggedly constructed an unparalleled portfolio… it's difficult to see how any competitors will be able to compete anytime soon…"

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# Thank You



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