Performance Management in turbulent times

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Session Objectives

In today’s session we will:

- Discuss the role of **Performance Management** in turbulent times
- Introduce IBM Cognos and the **Cognos 8 Performance Management** software
- Review some examples of Performance Management in **real life**
„The world is flat.“
Thomas Friedman
We need to deal with specific challenges

I. Demand is in a Dramatic (and Uncertain) Decline

II. Companies Facing Constraints on Credit and Capital

III. Industry Structure Can Change Significantly in Crisis
2009 – A Year of Challenge & Opportunity

“... new leaders emerge who win not by surviving the storm, but by changing the game. Changing the game requires process transformation that infuses intelligence into our decision-making and management systems …”

Sam Palmisano, IBM CEO, on Smarter Planet…
How do we manage this situation?

- Report numbers
- Forecast future performance
- Identify issues & opportunities
- Understand dependencies
- Test & develop actions
- Plan future performance
Better Performance

Decision Making

Information

Data
Performance Management is your GPS!
Three Questions that Drive Performance

How are we doing?

Why?

What should we be doing?
Three Questions that Drive Performance

- **Why?**
- **How are we doing?**
- **What should we be doing?**

- **MARKETING**
- **FINANCE**
- **PRODUCT DEVELOPMENT**
- **SALES**
- **OPERATIONS**
- **CUSTOMER SERVICE**
- **IT**
- **HR**
Performance Management Capabilities

- FINANCE
- IT
- PRODUCT DEVELOPMENT
- CUSTOMER SERVICE
- MARKETING
- SALES
- OPERATIONS
- HR

- Planning
- Measuring & Monitoring
- Reporting & Analysis
Scorecard or dashboard shows On Time Shipments below plan.
Report shows production bottleneck due to Material Shortage
Demand Volume is reviewed and Plant Production Plan is adjusted to remove bottleneck.
But the reality can be very complex
Do we use the right tools?

• Detailed annual budget
• Disparate systems
• Manual processes
• Spreadsheet jungle
How does IBM Cognos help?
IBM COGNOS 8 v4

- 40 years of success
- R&D Talent Pool: over 1000 R&D
- Platform independent
IBM Cognos 8 – Your Performance Management System

**Applications & Blueprints**
- Financial Performance
- Financial Consolidation
- Partner Applications
- Partner Blueprints
- Workforce Performance
- Banking Risk Performance
- 20+ Functional Blueprints
- 30+ Industry Blueprints

**Access & Interactivity**
- Any Language
- Any Format
- Any Mode
- Any Location

**Universal Capabilities**
- Query
- Reporting
- Analysis
- Scorecards
- Dashboards
- Planning
- Manage Dimensions
- Build Datasets
- Define Metrics
- Capture Context

**Business Modeling**
- Access & Optimize Information
- Organize & Capture Content
- Deploy & Manage Applications
- Architect & Integrate Solutions

**Performance Management Platform**

**Information Infrastructure**
- Information Integration, Warehousing and Management
- Data Management
- Content Management
Folksam

- One of Sweden’s largest financial management companies; 50 Offices, 3000 staff
- Insures every other Swede

“The Challenge
- 60% of planning time spent collecting and consolidating from SAP R/3 and other sources
- 40% of planning time spent using information for planning

“The Cognos Solution
- 15% spent on collecting and consolidating data
- 85% spent on productive, future-oriented work

“If you don’t know what you’re talking about, you can’t make the right decisions.”
George Janson, Business Intelligence Coordinator
Value for your business: IBM Cognos

Better Business Outcomes

End-to-end Capabilities

Financial Risk Insight
Workforce Optimization
Dynamic Supply Chain
Customer & Product Profitability
Business Optimization
Multi-channel Marketing...

Cognos software

InfoSphere™ software

FileNet software

DB2. Informix. software software

Information Infrastructure
How can we leverage this capability in real life?
How are we doing?

Why?

What should we be doing?
How are we doing?
How are we doing?

Why?
How are we doing?

Why?

What should we be doing?
How are we doing?  Why?  What should we be doing?
“World-class EPM organizations deliver 2.4 times the equity market returns of industry-peers companies.”

Source: Hackett Group, 2008
Session Summary

• Turbulent times require active Performance Management

• It’s time to change our management processes

• IBM Cognos provides proven solutions to help you drive your corporate performance
Wrap Up and Next Steps

GET STARTED

- Learn more: www.ibm.com/cognos
- Speak to your business partners
- Meet with our experts

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Thank You