IBM Cognos Forum

Ignite knowledge, ideas, connections

Moving from Scorecards to Strategic Management

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Information Management

Cognos. software

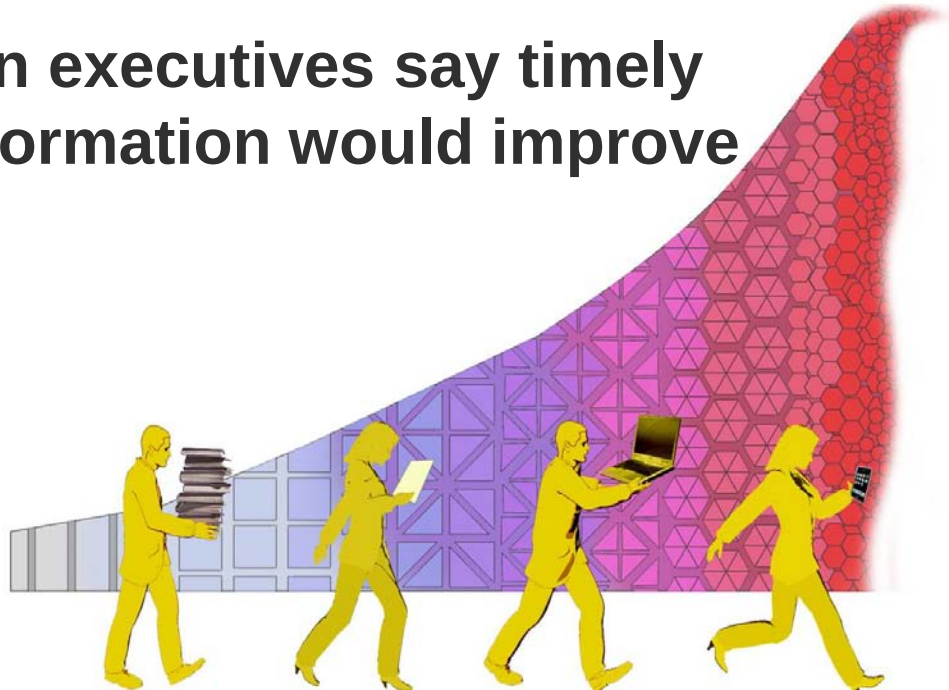
Why?

> **Less than 10% of companies successfully execute their strategy (Fortune Magazine)**

- **Mediocre growth**
- **Lost market share**
- **Lower profitability**

Photo courtesy Andrew Grochocki

- 10% of employees reported that they understood their company's strategy (Kaplan and Norton)
- 40% of organisations linked their budgets to their strategies (Kaplan and Norton)
- 66% of corporate strategy is never executed. (Ernst & Young)
- 82% percent of Australasian executives say timely access to higher quality information would improve profitability (Deloitte)
- 85% of executives teams spend less than 1 hour per month discussing strategy (Kaplan and Norton)



The Out and Under Performers

Out Performers

- 73% communicate their strategy
- 63% align business units to strategy
- 77% translates strategy into measures
- 60% have IT SLAs
- Ownership & Accountability
- Comprehensive Business View

Under Performers

- 28% communicate their strategy
- 28% align business units to strategy
- 43% translate strategy into measures
- 41% have IT SLAs

Scorecarding Readiness Level

- Visualise metrics in a report or dashboard
- Metrics not strategically aligned
- No formal targets
- Basic performance monitoring

Metrics Monitoring

Performance Management Impact

Scorecarding Readiness

Scorecarding Readiness Level

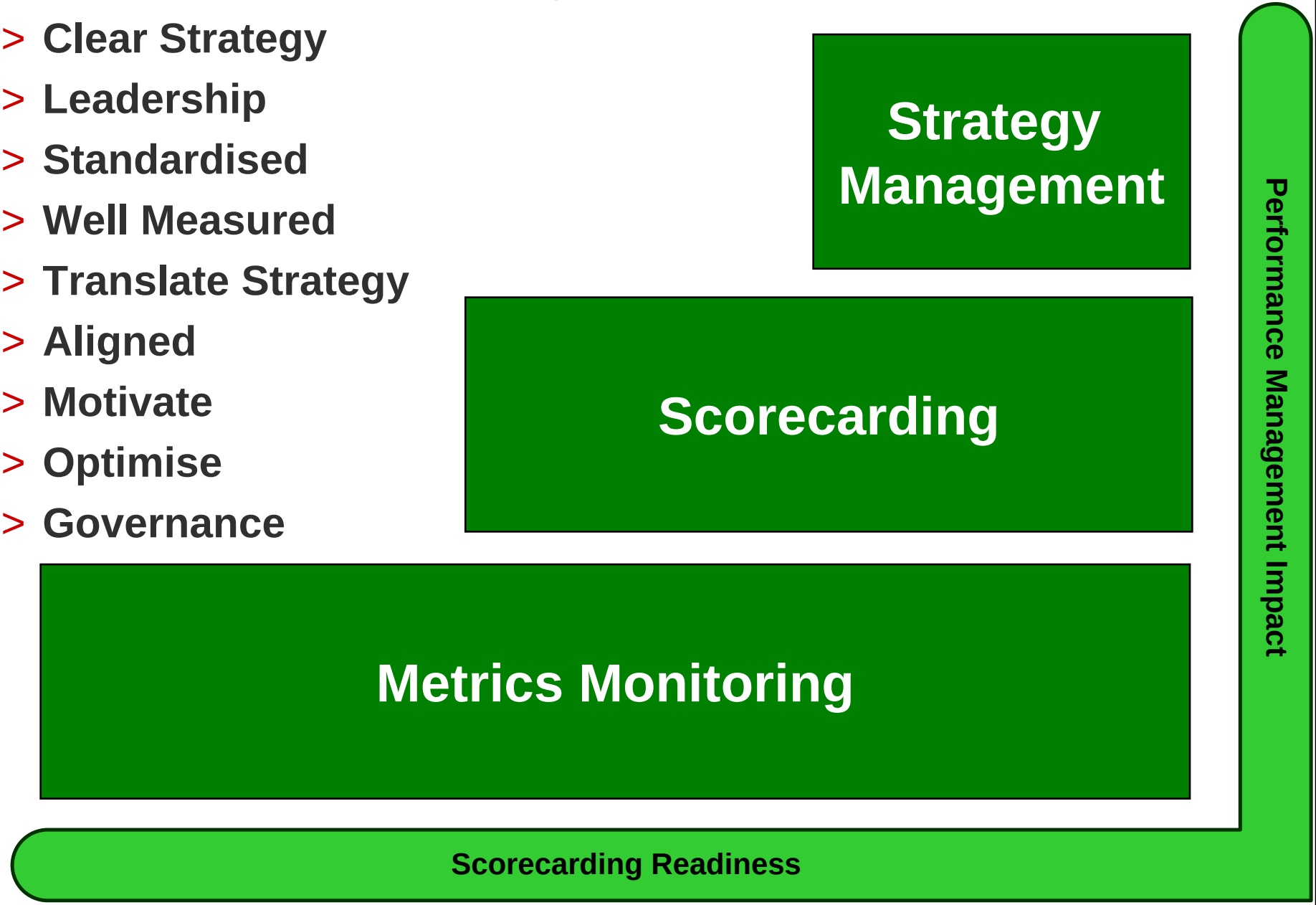
- Standardised Metrics
- Departmental or across teams/franchises
- Metrics ownership and accountability
- Common metrics framework
- Metrics linked to BI reports & analysis
- Not part of top-down, enterprise initiative

Performance Management Impact

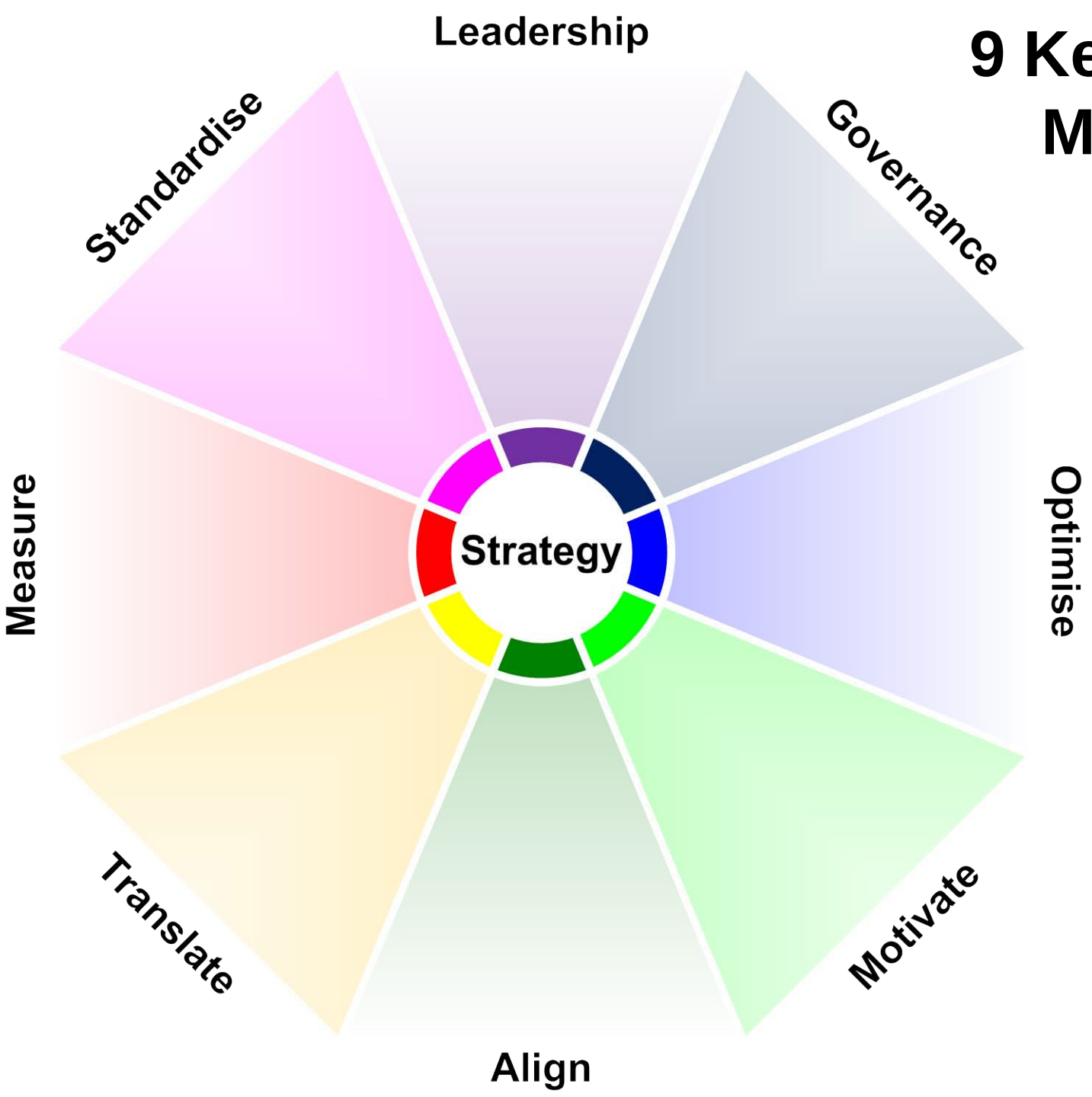
Scorecarding Readiness

Scorecarding Readiness Level

- > Clear Strategy
- > Leadership
- > Standardised
- > Well Measured
- > Translate Strategy
- > Aligned
- > Motivate
- > Optimise
- > Governance



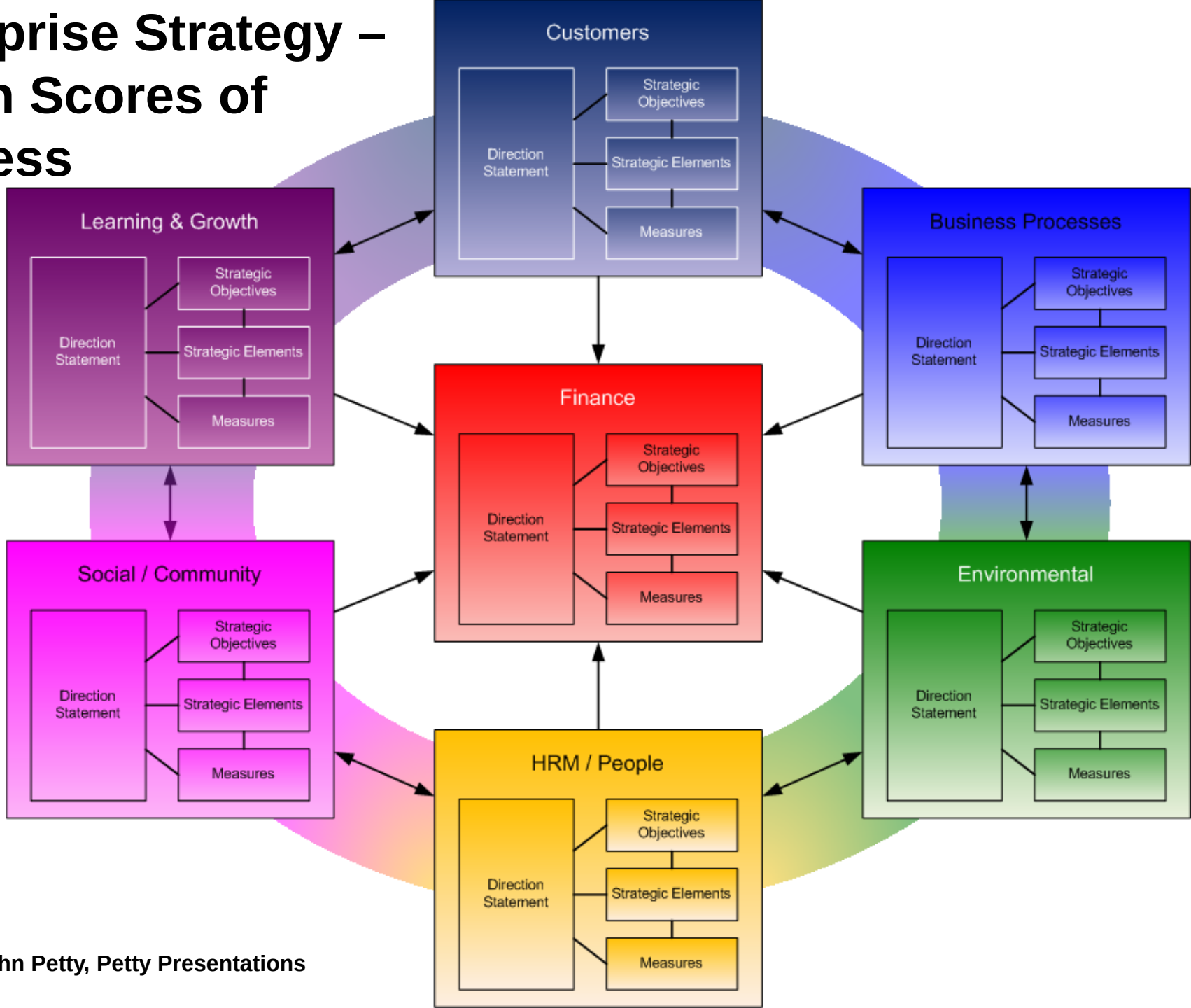
9 Key Strategic Management Processes



- Vision, Mission & Values
- Strategic Framework
- Strategic Shifts or Strategic Change Agenda (From/To)
- Strategic Analysis (Internal / External)
- Strategy Formulation

Photo courtesy Andrew Grochocki

Enterprise Strategy – Seven Scores of Success



Courtesy: John Petty, Petty Presentations

- Technical vs Non-technical
- Finance and IT
- Performance Management Strategic Framework
- PM Vision
- Strategic Change Agenda

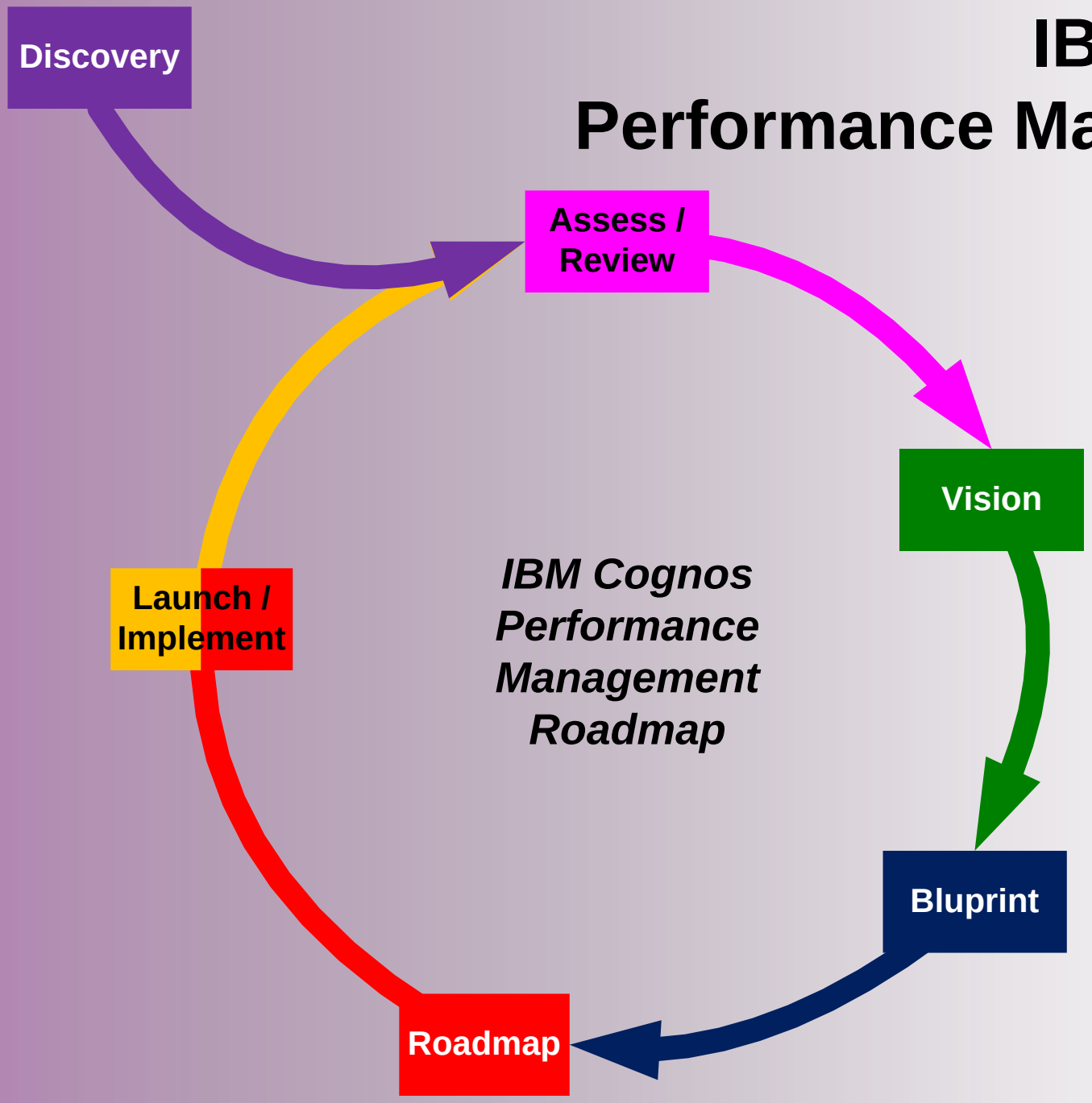
Photo courtesy Andrew Grochocki

7 Scores of Success For A PM Strategy

Leadership

- Board & Executive Sponsorship
  - Board & Executive Scorecard
  - CIO & CFO are actively involved
- Regular Reviews
- Dedicated Strategy Agenda Item
- Not Another Project
- Walking the Talk
- Transparent Roadmap

IBM Cognos Performance Management Roadmap

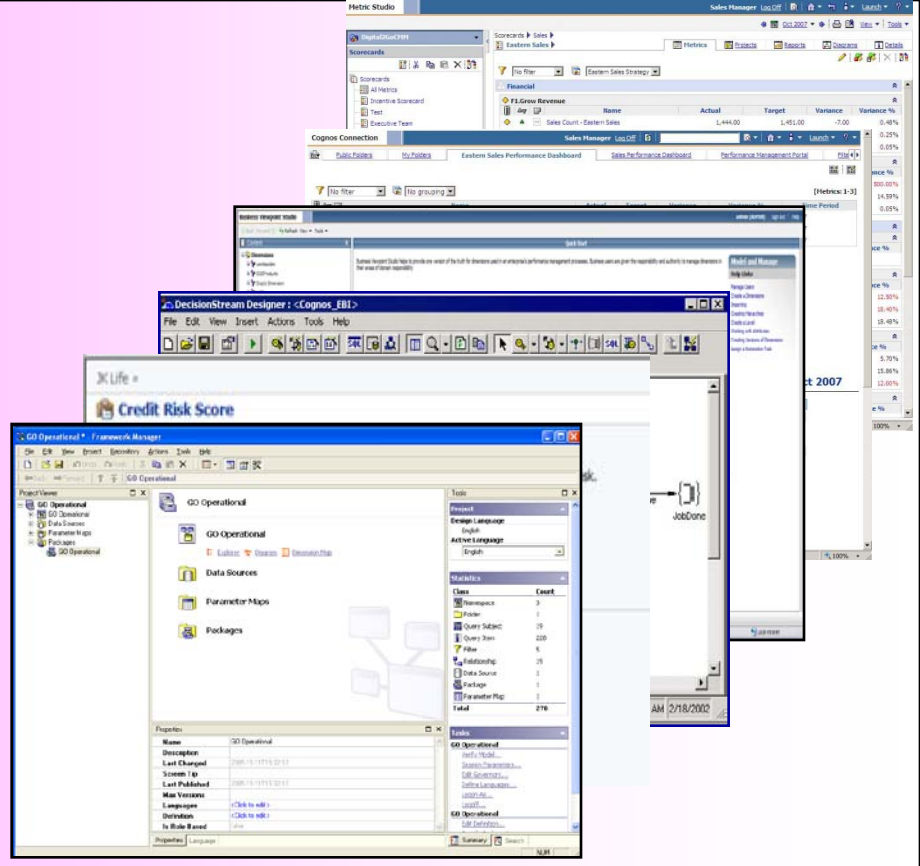


Standardise

- Processes
- Objectives & Goals
- Data
- Language
- Dimensions
- Rules
- Information
- Tools and Enablers
- Reports
- Processes
- Roles & Skills
- Decision Making

Standardisation

- IBM Cognos Metrics Studio
- IBM Cognos BI & Reporting
- Business Viewpoint
- Data Warehousing
- Business Glossary
- Framework Manager
- IBM Infosphere



IBM Industry Models

Leverage Industry Practices

Business Glossary

Manage Business Terms

Information Analyzer

Discover Data Content

Data Architect

Design Enterprise Models

FastTrack

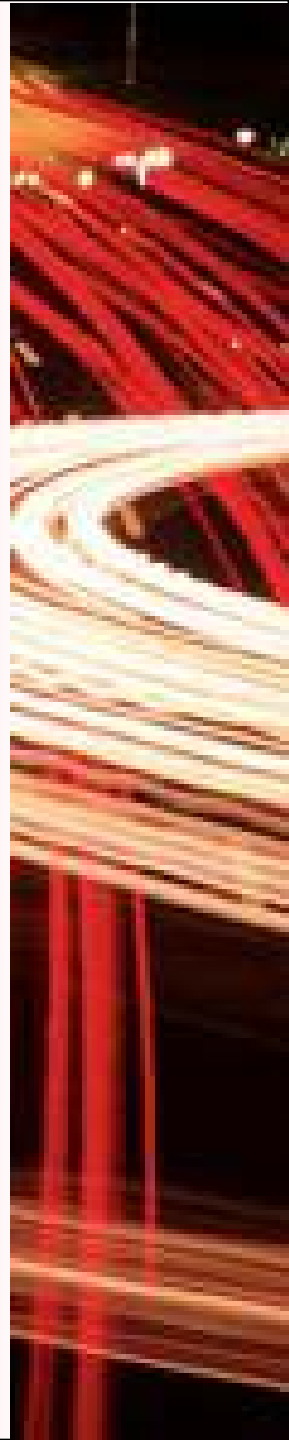
Capture Design Specifications

Metadata Workbench

Monitor Data Flows

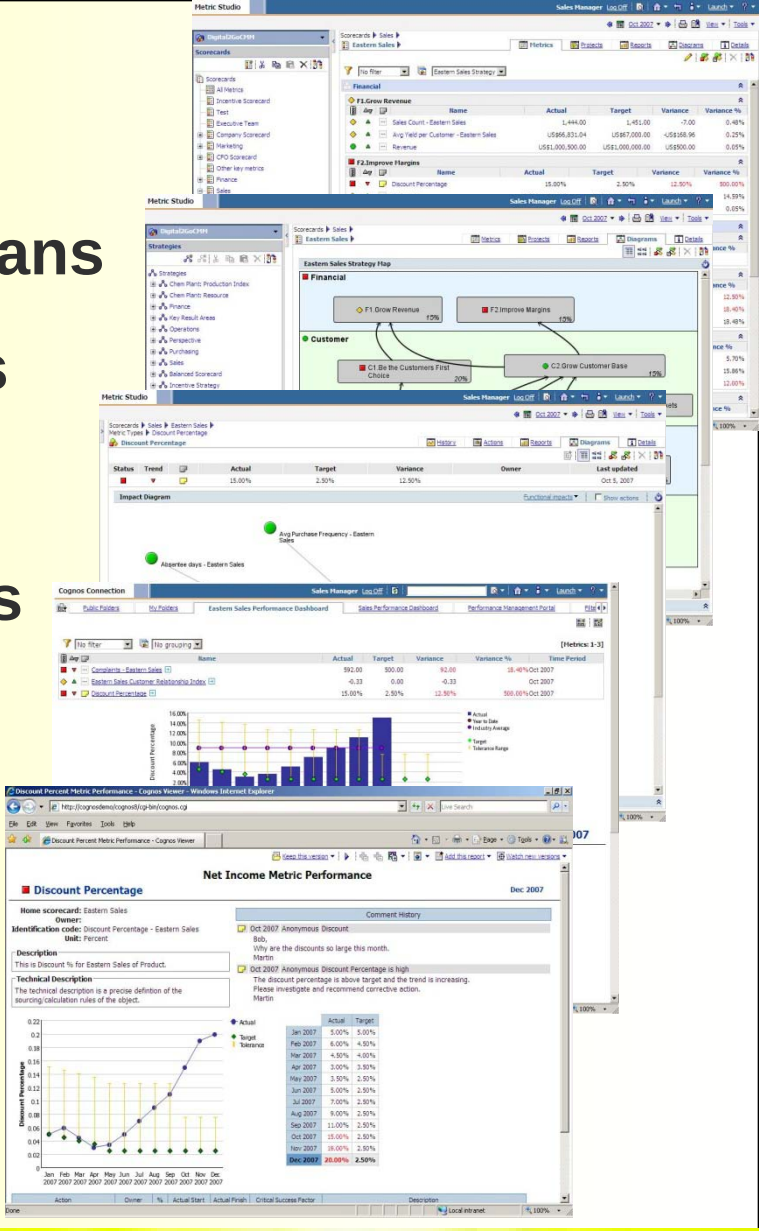
Measure

- Aligned
- Cross Functional
- Ratios
- Targets
- Defined
- Balanced
- Forecasting & Predictive
- Positive
- Responsibilities
- Timely



Translate

- > Goals & Business Plans
- > Actions and Projects
- > Calendar
- > Balanced Scorecards
- > Strategy Maps
- > Impact Diagrams
- > Dashboards
- > Operational & Tactical Reports

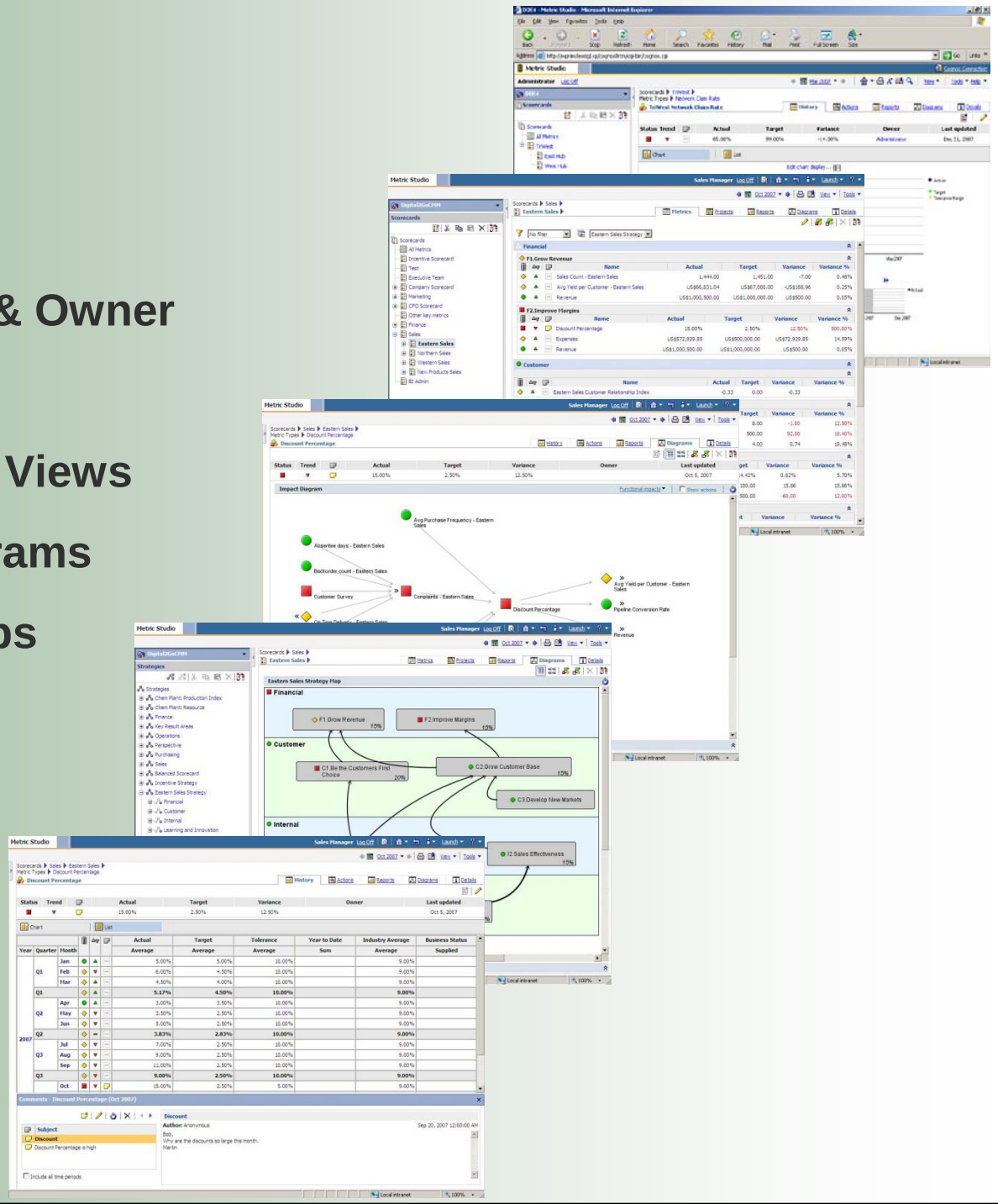


Align

- Business Units
- Support and Service Units
- Suppliers and Customers
- Processes
- Reports
- KPIs and Metrics
- Information
- Systems

Alignment

- Metrics Description & Owner
- Metric History
- Metrics Strategies & Views
- Metrics Impact Diagrams
- Metrics Strategy Maps
- Drill-Through



Motivate

- Communication
- Marketing
- Training
- Education
- Positive Benefits
- Personal Goals
- Partnerships

Educate & Motivation

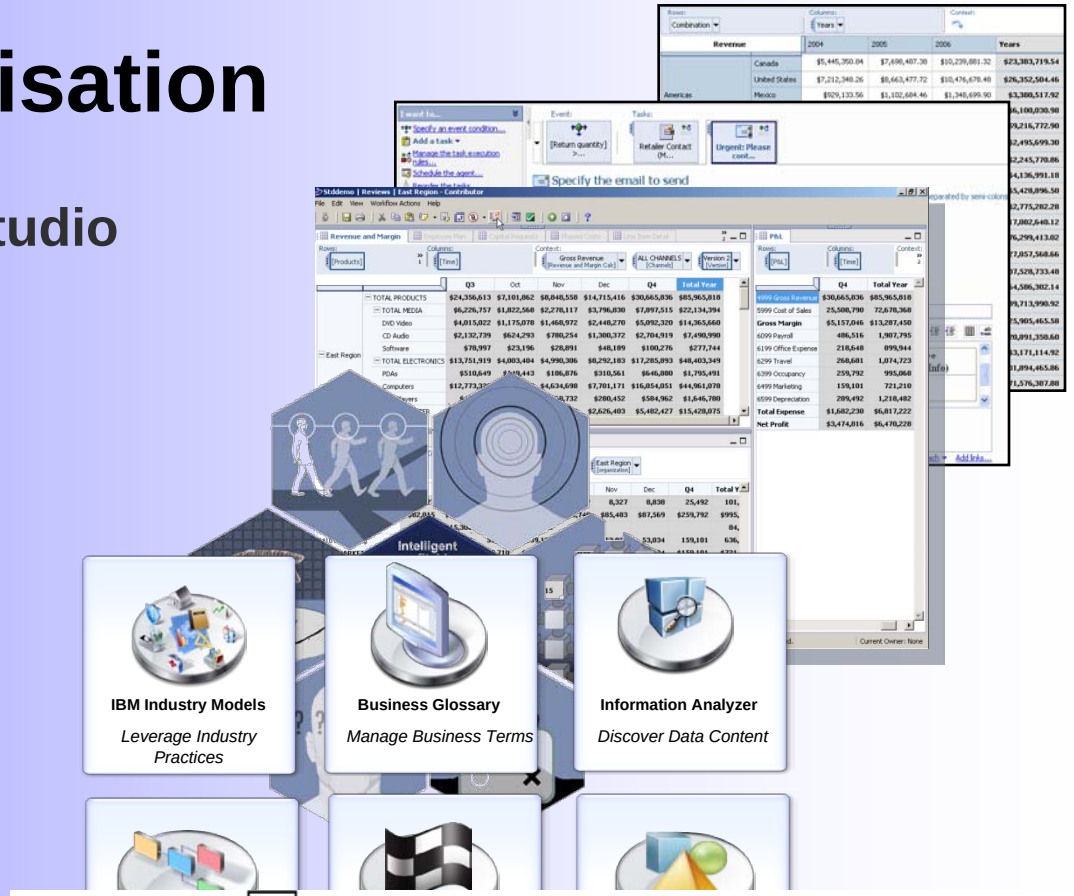
- > CBTs and E-Learning
- > Classroom Training
- > User Adoption Services
- > Learning Assessment Service
- > Proven Practices & TechTalk
- > Guardian and Assist Services

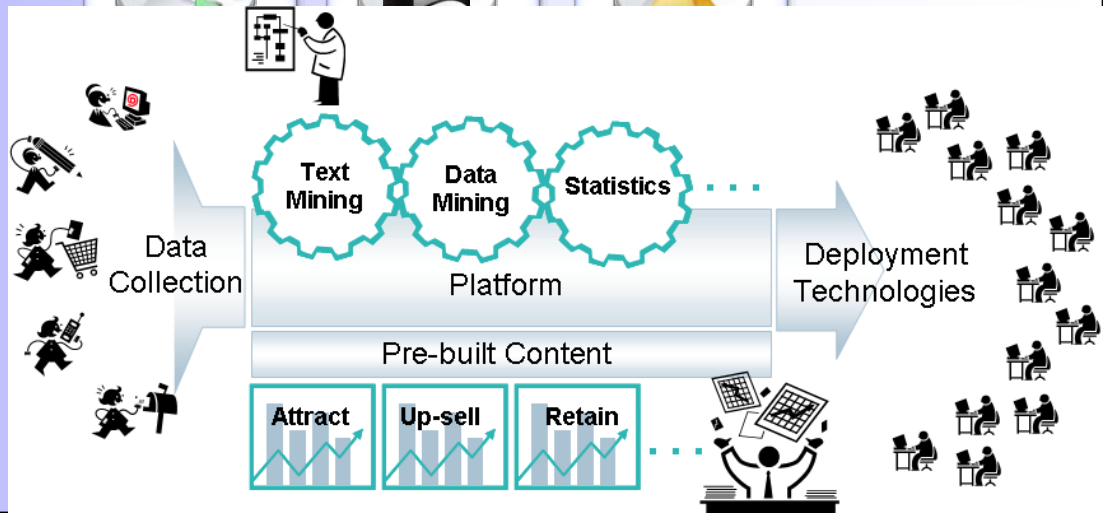
Optimise

- Strategic Planning
- Budgeting
- People
- Processes
- Systems
- Reports
- Manual Processes
- Data Quality
- Performance

Analytics & Optimisation

- > Analysis & PowerPlay Studio
- > Event Studio
- > EP & TM1
- > Innovation Centre & Blueprints
- > BAO
- > Infosphere
- > SPSS
- > Analytical Applications





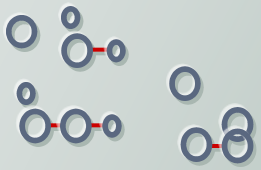
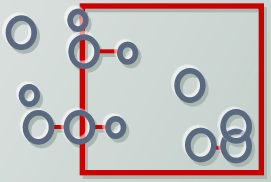
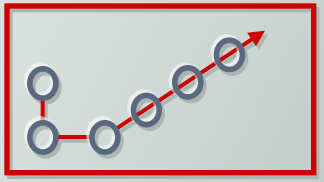
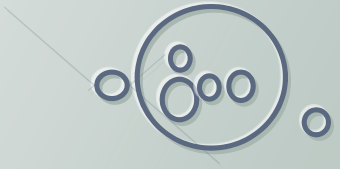
Governance

- Corporate Performance Management
- Employee Performance Reviews
- Portfolio and Project Management
- Review, Change and Enhance Strategy
- BICC, PMCC or SMO
- CPM Drives Strategy

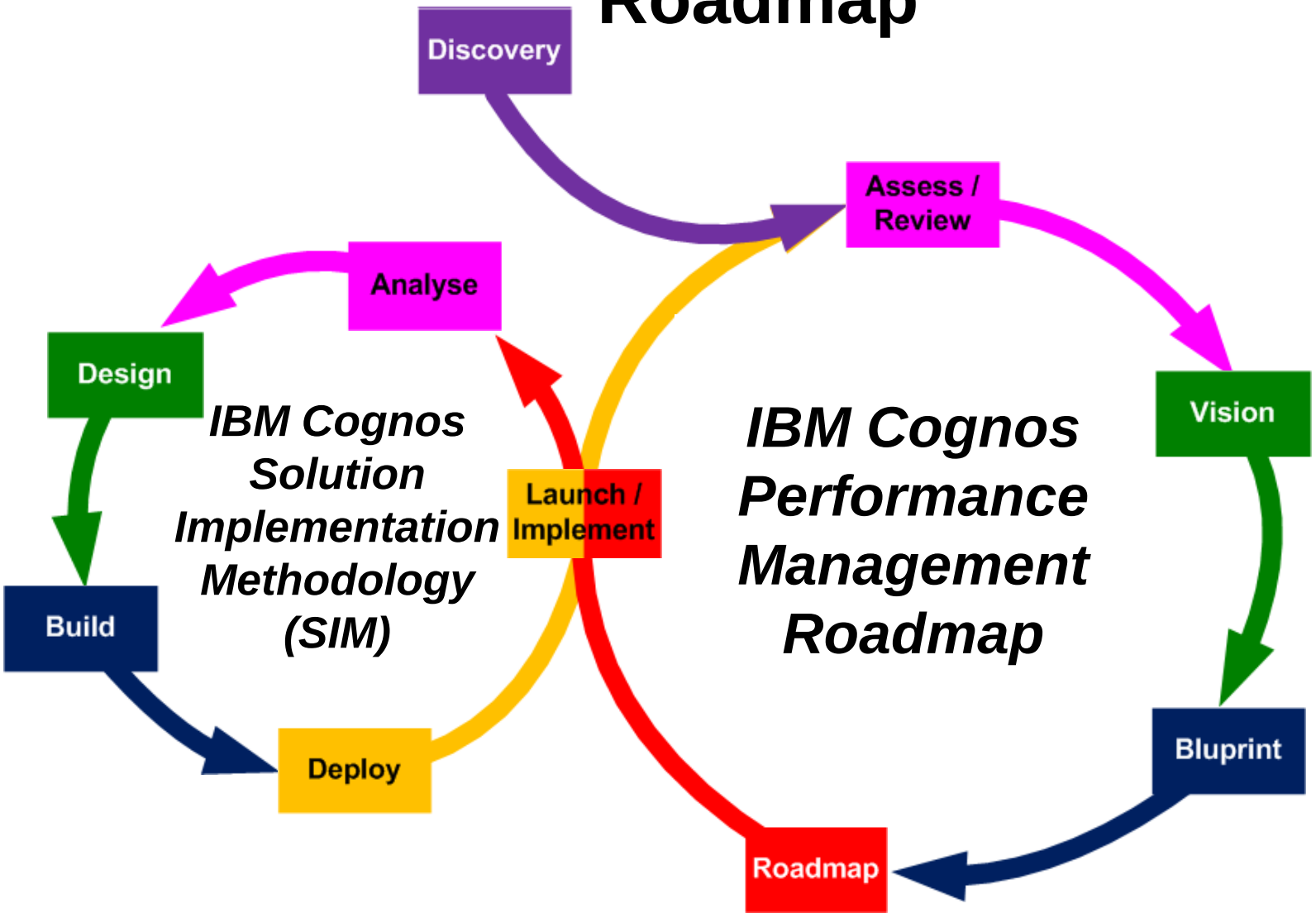
IBM Cognos Service Offerings

Photo courtesy Andrew Grochocki

BICC & PMCC

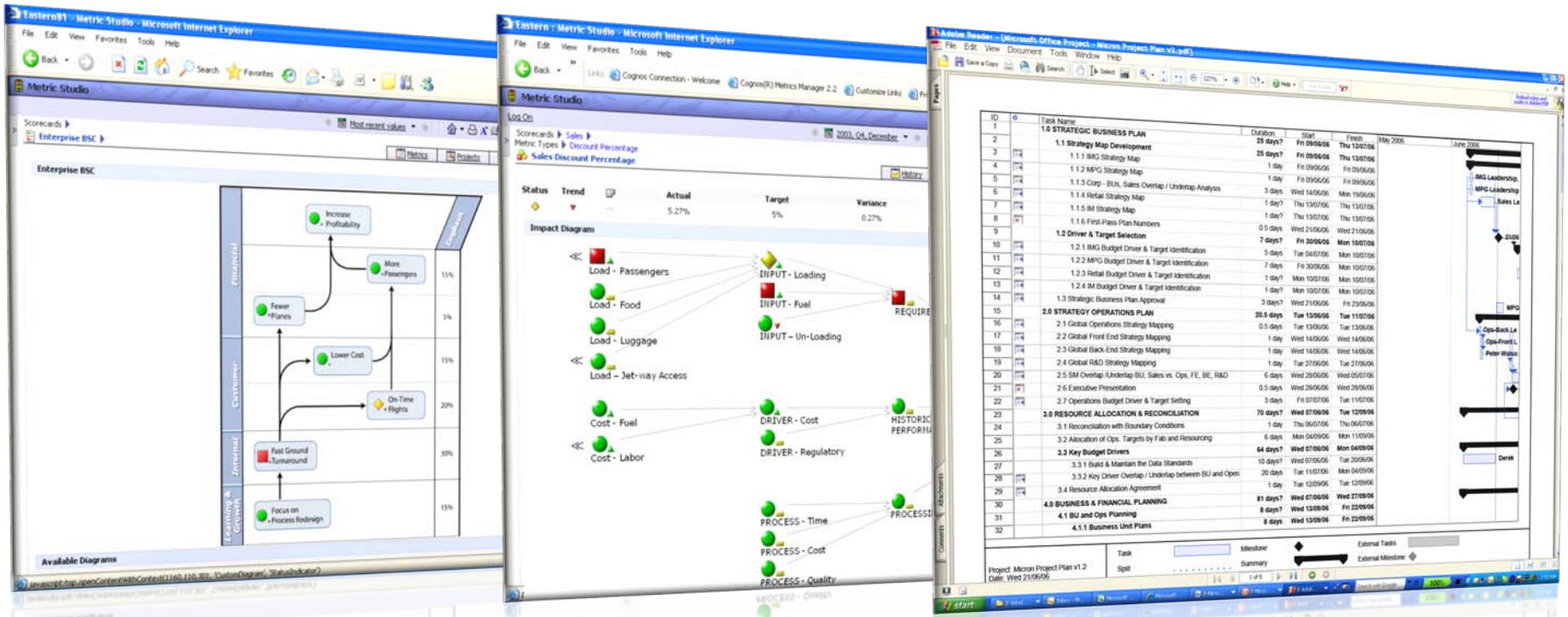
	UNCONTROLLED PM BEHAVIORS	PM STANDARD PROCLAIMED	PM STANDARD ENFORCED
PM Projects	 Random Projects	 Project Registration	 Project Prioritization
Knowledge	Knowledge Silos	 Gathering/Grouping	Shared and Leveraged
BICC / PMCC	COGNOS BICC / PMCC Program Office Culture of Best Practice		Expanded/Enhanced Formal

IBM Cognos Performance Management Roadmap

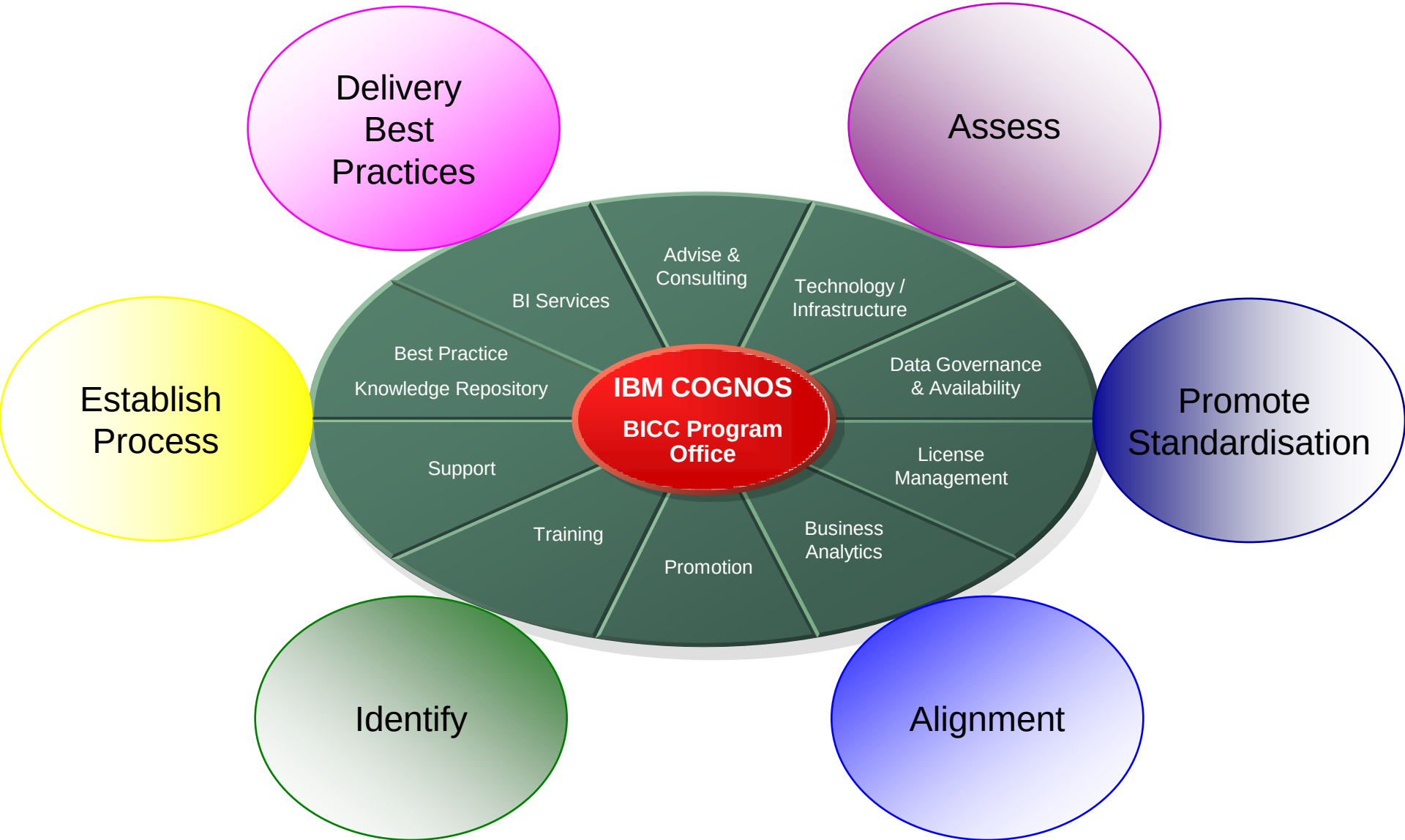
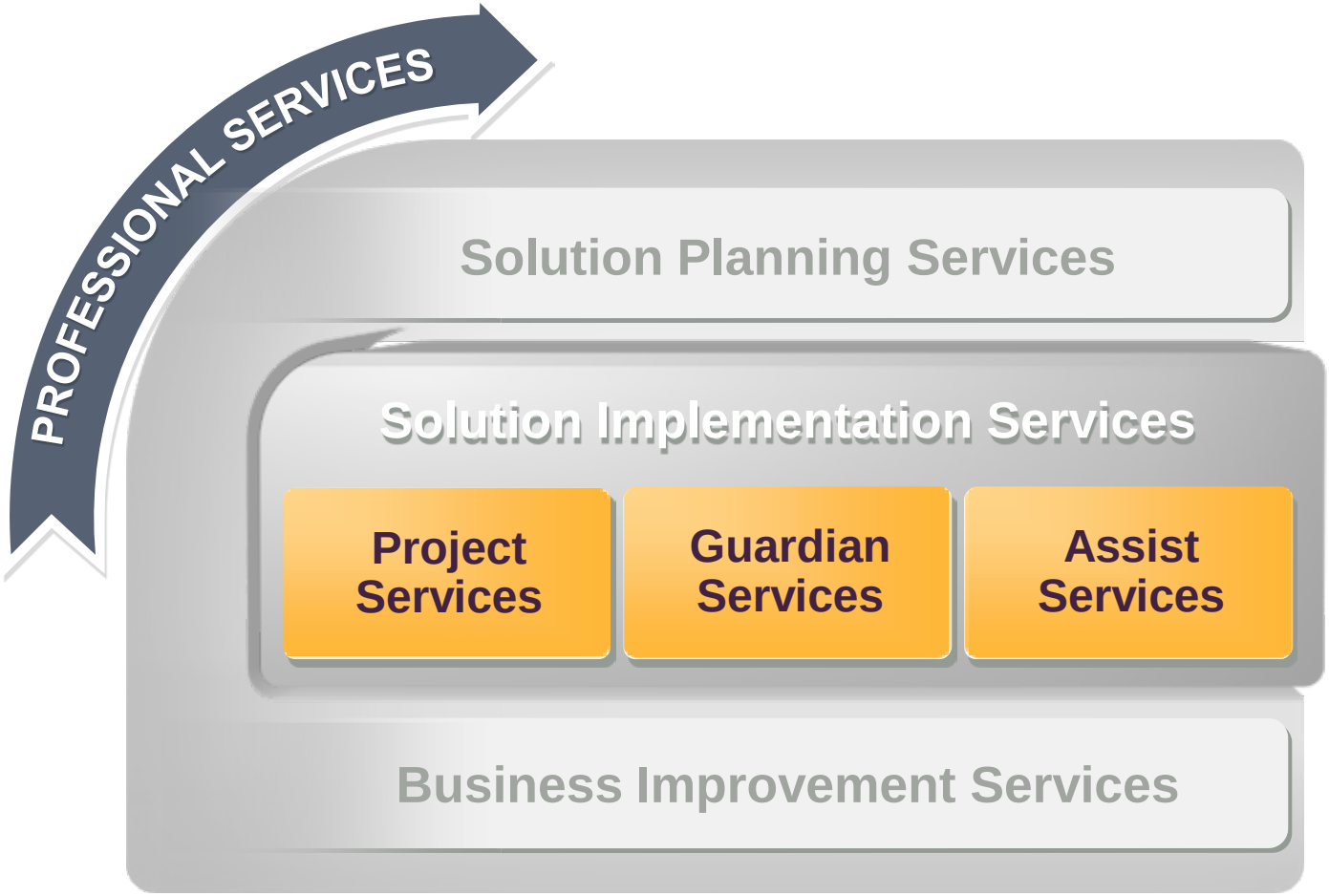


IBM Cognos PM2 Rapid Scorecard Service

Build the Strategic Linkages → Determine Indicators of Success → Link Processes & Projects → Build Management Processes → Launch



IBM Cognos BICC Service



Cognos Professional Services – The Enablers