IBM Cognos Software Demo Transcript
IBM Performance Manager Online Demo

Overview

Now you can improve performance and create more significant and sustainable business advantage than ever before. A new best practice decision making approach from Cognos breaks corporate performance into specific functions, each containing information sweet spots that can transform companies from being middle of the pack to industry leaders.

Better information is the vehicle that drives leadership producing actions. Business activity falls broadly into procedural and knowledge-based tasks. Procedural tasks produce value through well-defined optimized processes -- for example, an automotive assembly line. Other examples include repeatable people processes such as administrative workers logging customer satisfaction reports.

Increasing productivity for these tasks is where most businesses focus their performance improvement efforts. Your business also creates considerable value through knowledge-based work.

Knowledge workers make sense of complex relationships, drawing on their experience, analyzing available information and collaborating with others to determine what should happen next.

Examples include deciding how to increase profit margins for car sales in a region, or how to improve customer satisfaction with limited resources and tight profitability targets.

The complex nature of these problems makes their solutions far less obvious. It's relatively straightforward to analyze procedural improvements such as modeling how a major investment in a drive train assembly system will impact your bottom line.

It's a greater challenge to determine how a small price change for your flagship car in the eastern U.S. may affect unit sales and availability across your entire vehicle line, not to mention the impact on parts availability, costs, plant utilization, overall profitability and other vital business metrics.

Knowledge-based work has grown the most in the last 10 years, now representing over 70 percent of all new jobs. More importantly, McKinsey business analysts discovered knowledge intensive industries have far greater variability in their performance.

This means you have a tremendous opportunity: opportunity to significantly distance your company from competitors and to create a far more sustainable competitive advantage than the small and fleeting productivity gains from procedural improvements.

Cognos worked with industry experts to identify a number of common information sweet spots or decision areas to support your knowledge workers. These sweet spots exist in every major functional area or department.

Cognos software lets you monitor, analyze and plan more effectively across these sweet spots, and will allow you to make better decisions, drive better performance and gain a significant competitive advantage. Companies that make better decisions based on information sweet spots will be best positioned to lead while those that don't will lag behind.

What's your next step? Select a department to discover how Cognos can help you on your performance improvement journey. See how best practice decision areas can transform your business performance.

Executive Management
As an executive manager, you work through others to accomplish corporate goals, but you assume direct responsibility for the success or failure of the business. Better corporate performance means you must understand and manage across financial and operational systems. In effect, you're the chief balancing officer who must answer such questions as: is the business performing to shareholder expectations?

Are we driving top line growth effectively? Are we managing operational expenses effectively? And, are we managing long-term assets in a way that drives future revenue growth and cost efficiencies? Let's see how the Cognos Performance Management Solution can provide valuable insight into these areas.

Executives must manage a lot of activity by monitoring a few key areas. Scorecards like this one provide a high level picture of importantly financial and operational metrics. This scorecard tells you that performance in the critical areas of revenue, revenue growth and expense growth has been solid. However, it also tells you that you're currently trending flat in these areas.

Another way executives get vital performance information quickly is through compound dashboards. Besides being a great summary of important data, they can serve as a launch point into deeper analysis.

Selecting Revenue Analysis in this dashboard, it's clear you're having a tremendous year so far. But the value of a performance management system is the ability to uncover details well beneath the surface.

Delving further into entertainment media revenue, you see the Americas remain strong. You also see that Asia-Pacific -- a strategic focus for the executive team -- has become a meaningful contributor to sales.

You can dive into the Asia-Pacific region and then into the growing Japanese market. It's clear that two cities drive all Japanese sales, meaning there are significant growth

opportunities if you can expand distribution into other high population centers such as Kyoto.

Returning to a metric scorecard, you see that while you're still below your Japanese growth targets, you're trending up. Looking at the information behind the trend, you see you're already moving in the right direction. And that expanding into more Japanese cities should get you there.

As an executive, you need current information to be responsive and agile. That means having live access to metrics such as these on the road. You can get timely reports delivered right to your mobile device. And the reports are still fully drillable and include all of the various ways to view your business.

Here's the desktop view of the scorecard for your executive team. Sorting by results allows you to quickly find and focus on problem areas. Return on capital employed is an important sweet spot that is currently below projections. Diving deeper, you can see this sweet spot has been mostly above target for the past several months. You may decide it merits watching rather than taking immediate action.

Back to the scorecard. You notice that customer acquisition and survey metrics are strong, but sales from new customers is down. It might be worth requesting information on customer retention to get the full customer picture. With your performance system, you can easily search through company reports to get customer renewal rates.

You don't need to know the specific name of the report as you can search on the content inside the report. Finding the report you're looking for, you see that key renewal rates are comfortably above targets.

With scorecards and associated reports, you've quickly gained insight into customer acquisition, retention and sales, all critical sweet spots for executive managers.

Overhead is another sweet spot for operational expense management. This impact diagram shows overhead in the red and seems to suggest training expenses could be the reason why.

In this case, training is driving overhead into the red, not because costs have risen; they've stayed consistent, but because you significantly reduced spending targets for the summer. Obviously this did not reflect the need, perhaps due to your expansion in Asia, or maybe you've had an unexpected rise in new employees. As an executive your challenge is balance.

Staying with the important employee sweet spots, this report shows attrition growing at an alarming rate. Looking at the factors that drive attrition, you see training days below target. Cutting training may not help the bottom line when you consider the overall impact of the cuts.

In addition to analyzing results, executives must also adapt plans and forecasts for budgets and risk. Balancing risks and results and meeting compliance requirements are especially critical in today's strict regulatory environment.

This interactive plan lets you see risk in a number of forms: financial, liability, brand, customer, and more. To get a full picture of the implications of your decisions, you can change your forecasts and model the effect of your decisions.

In addition, annotations can be used to make assumptions among your team. You can also use forecasting to manage and dive into smaller operating unit functions. In this forecast you can see how one branch plans its head count and related expenses and see how it rolls up to the corporate whole.

Like any navigator, executive managers need a clear view ahead and behind, as well as a current, accurate reading of all critical gauges in order to balance all requirements and steer the company effectively. Select an option to learn more or get additional details about the Cognos Performance Management Solution for executive management by visiting us on the Web.

Finance

Finance really needs but two tools: a magnifying glass and a crystal ball. Finance must be able to clearly know, control and report what is happening and what has happened. And, finance must also clearly see the future, spotting upcoming opportunities and how to take advantage of them.

Answering the following key questions can help finance lead the way to improving overall corporate performance. Where is your business performance strong or weak? What underlying factors affect financial performance?

How do you best support, coordinate and manage the delivery of meaningful plans? How do you manage working capital, collect accounts receivable, and monitor cash use effectively?

How do you balance and structure the financial funding options, resources and risks of the business? What are your investment priorities, and why? How can you efficiently manage cash and liquidity requirements?

This dashboard provides a great overview for finance managers, from illustrating typical finance metrics to indicating performance in other departments that can affect finance numbers. Declines in these areas can harm sales, renewals and employee turnover and associated costs.

You notice that while your order backlog was brought under control in the winter, you're underperforming versus targets and previous year results in the most recent quarters. But key finance pulse points such as sales and profit and earnings metrics are trending well.

Scorecards allow you to consolidate thousands of data points into smaller pools of key performance indicators. Fortunately, as a whole, your scorecard looks good. If you like good news, you can sort the indicators by descending performance. And you can reverse that if you want to focus on problem areas that need attention: in this case, overhead, training and days sales outstanding in Asia.

You decide to investigate overhead, the worst performing metric. An impact diagram shows overhead as affecting net profit upstream, and that training expenses appears to be causing the overhead problem.

How could training account for such a big problem, especially when larger expenses are green? A performance management system helps uncover root causes that may not be obvious.

Drilling further, you see that while training costs are relatively flat, they're well above summer targets. Clearly there's a disconnect between actual and planned.

Using alerts, you can trigger events based on defined conditions, such as training expenses being red. In this case, you can trigger an automated e-mail to your HRVP if training costs continue to exceed forecasts. She will then be expected to manage it.

Looking again at your impact diagram, you see net profit is also being affected by warnings in consulting services and customer support revenue. You decide to find out more. A historical chart shows the gap between actual and targets is widening. While the metric isn't out of control yet, you'll want to find out from customer service why they're underperforming.

Managing operating profit and margin is another finance sweet spot. Here you see revenue, gross and operating profit and margins by major division. All are performing very well. In your role as performance advisor, you may want to raise forecasts so the street knows you're anticipating higher profits.

You also know you may have more funds available to invest for further growth. This report gives greater detail about net sales. Clearly showing seasonal availability and increased contributions by various divisions. This view ranks regional offices by sales.

Germany and Belgium especially merit further investigation, as they're significant contributors that are below target. Accessing reports on your mobile device is ideal when traveling or tracking what's happening overseas during non-traditional work hours.

With Cognos, reports on your mobile device are more than static e-mails; they're fully interactive, so you not only see which product lines are leading the way, but how they're performing quarter by quarter. You're always connected and in control even when you're not at the office.

The income statement is another sweet spot for financial performance. In this case rather than being a set of disconnected spreadsheets, you can easily choose any view you wish to see.

Looking at the Americas, you see you're exceeding forecasts across the board. As a finance manager, you are responsible for visibility and control. And while you have clear visibility that the business is healthy, this level of variability shows a lack of control.

One way to extend your control is by extending the planning and budgeting function out to front line managers. They have the best handle on actual costs and potential revenue. Unlike spreadsheets, the Cognos planning function gives finance clear visibility into the numbers entered.

Here you can see a front line manager extended payment terms to suppliers due to the anticipated strain on cash flow from an upcoming product launch. You can preset limits on modifications to prevent front line managers from placing the company at risk.

The result? You've achieved the right balance of empowering front line operations managers to make decisions they're best positioned to make, while still maintaining the visibility and control your job demands.

That same control is extended to forecasting, which requires input from a number of front line managers. At a glance, you can check the status of the current forecast, including who has completed their work and who hasn't. You can also easily see variances from prior forecasts. This level of visibility is critical for financial confidence and control and for better performance management.

These are just a few examples of how a performance management system can serve as the magnifying glass and the crystal ball that finance needs. Select an option to learn more, or get additional details about the Cognos performance management solution for finance by visiting us on the Web.

Product Development
Deliver quality products at the right time and on time. That's the job of product development. As a performance-driven product development manager, you define and measure drivers and milestones that affect your new product pipeline and your sustainable future success.

To do this, product development must answer questions in three key decision areas: which gaps in the product portfolio are addressable with available resources, and what are the risks?

How do we manage priorities, schedules and risks as they change during the development process? And, how do we use external feedback to enhance and confirm new product development?

A Cognos Performance Management Solution helps you answer these questions. Because your team is largely responsible for shaping the company's future, active research projects are top of mind for you and the executive team.

Grouping research projects by risk and time to maturity lets you balance the near-term and long-term needs of your product portfolio. It's clear you've done a good job of spreading projects across quadrants.

Scorecards provide another way to assess results. This one shows projects company-wide, including yours, ITs and other departments. You've aggregated your new development projects into a single metric, and here you see as a whole you're doing well.

But the quadrant view showed that while some projects are on track, others aren't. Two important efforts are your [Crystobel] project where you're enhancing one of your aging flagship products, and the project called [Edward], a product extension targeted for Europe to win share from a key competitor.

The [Crystobel] project is back on track after a significant setback in the summer when marketing overhauled its requirements. Project Edward's progress against target is off slightly this month, but it's a big concern -- you're in a tight race with a European competitor to beat them to market. This dashboard, populated with data from your budgeting and planning systems and other sources, captures project status, phases and costs.

In this view for a life sciences company, you need a steady pipeline of new pharmaceutical products. That means ensuring trials move through their various stages.

You see your projects are largely on budget except for the 283 Study. You also note that three of your trials are underforecast for the required number of patients, and you see you don't have all the data from each team yet: 12 team leaders are still crunching numbers and five haven't completed this week's update.

A performance management approach means knowing how your area affects the company overall. This scorecard shows metrics that may seem to be the sole domain of sales or marketing, however, you know they're also related to the products you develop so your effectiveness has a direct impact on these areas.

Your role is to help marketing define the next big thing. Sales from new customers are a measure that shows how successful you've been. Recently that metric could be better. Market share is another product development sweet spot. You can track the changes and share and correlate it against your new product delivery schedule to help hit the company's numbers.

The report portal is another way to align your development team. Your program tracking station with filters for directors, managers and individual projects puts all the information in one place. You decide to filter the report to get information on the data manager component of the Black Project.

Work orders are the building blocks of your process. You can see their status, how they're doing against targets, and the ones coming up. Filtering by your own workload shows the status of your team's work orders, as well as your next tasks. This is a great way to align your team around the process.

Another product development information sweet spot involves fixing problems in the development cycle. This report helps you monitor software bug numbers and trends by activity. Not all bugs are created equal, and this priority ranking helps your team focus on the most critical ones.

It also points out a disturbing number of emergency bugs. Limiting the view to a single project owner, you see a more balanced distribution with one emergency bug and eight in the high category. You can also drill through to see how bug totals vary over time. You see you've brought the problem under control and within targets.

You can get more detail about individual project components. Here you can see the status of targeted work orders. Scrolling down provides detailed information on implemented work orders.

As a performance manager, you need to manage people as well as projects. Training, retaining and rewarding team members is critical, while also balancing HR expenses. This workforce planning report helps you align headcount and staffing budgets with your upcoming project cycles.

These examples show how Cognos can help product development succeed across many cross-functional requirements, while balancing risk and generating a pipeline of timely new products. Select an option to learn more, or get additional details about the Cognos Performance Management Solution for Product Development by visiting us on the Web.

Operations
Improving performance in the operations department is vital to every type of business, because any efficiency gains you produce flow directly to the bottom line. In operations, you're continually identifying ways to get more for less. But you're also balancing the need to reduce costs with the need to improve quality and meet customer demands.

Because small operational gains can result in large profitability wins, managers must look at performance in a number of key areas, such as ensuring timely cost-effective supply chain delivery, cost-effectively adjusting production to fluctuating demand. Minimizing inventory and costs while ensuring that customers get what they need when they need it and improving production efficiency.

The Cognos Performance Management Framework gives operations managers the tools and insights they need to win at the margins. Let's see how. The dashboard gives you a clear macro view of what's happening in operations across the business. These problems jump out. There's a capacity issue in Texas, and you're not shipping to customers on time.

Worse, your on-time shipment performance is trending down. You discover that shipments have been late for some time. It's a chronic problem that must be fixed. Customer satisfaction and service level agreements are at stake.

You quickly step back through the chain of metrics that influence shipments. Scheduled to actual production is the culprit, and poor machine utilization is its driver. The machine production dashboard pinpoints it. We have a problem in Houston.

Drilling down to see what's going on in Houston, you discover production isn't keeping up with demand for entertainment products. Getting even more detail, it becomes clear the problem is specific to game consoles.

You need to find a contractor to offload game console production from Houston. Which contractor is the best choice among those who can make game consoles? Contractor 1 is obviously the best choice cost-wise, but you want to make sure the savings are not at the expense of quality, delivery or other factors. The good news, Contractor 1 also has the greatest capacity, reinforcing them as your best choice given the current capacity shortfall.

Having also noticed a distribution problem, you look more closely at the contractors to find out more. Contractor 8 has ruled themselves out, since they often deliver late. However, even though the contractor you're leaning toward is mostly on time, when they do miss dates, they miss them significantly. You decide to tighten that part of their service level agreement to address that problem.

Wanting to ensure a committed relationship, you discover they're owed a good deal of money. You dive down to see if it's a problem, discovering it's a one-time issue that can be easily resolved.

Planning is another critical part of operations. The planning module lets you spread production based on demand trends you've identified. You can also individually reduce Houston's production based on your new outsourcing decision.

These are just a few of the powerful insights and planning capabilities from the Cognos Performance Management Framework and technology. As an enterprise level solution, your decisions are immediately visible and communicated throughout your organization. The result? Greater alignment, shared responsibility and better performance.

Select an option to learn more, or get additional details about the Cognos Performance Management Solution for operations by visiting us on the Web.

Human Resources
Human capital is your most valuable asset, yet it remains undervalued in many organizations. A big reason, human resources is consumed with administrative processes, such as payroll, benefits and sick leave -- important needs but not areas that create sustainable competitive advantage.

HR can contribute significantly more value by focusing on finding and keeping the right people, training them with the right skills, determining right quantities, organizing them the right way, ensuring competitive compensation, and advancing the right people into the right roles.

Cognos can help HR uncover the right answers to maximize performance. Let's take a closer look. Imagine your attrition report shows employees leaving at a faster rate than targeted. Knowing that the problem exists is important, but it's more important to identify its cause.

You quickly gauge current metrics that influence attrition, noticing that training costs are trending positively during this period of high attrition. You also see that recruiting expenses are beginning to rise.

Drilling further, you find that most people are leaving voluntarily, not due to health, transfers or other external reasons. Continuing to dive into greater detail, you discover that over half left due to lack of training and growth or due to lacking proper job tools. You now have actionable knowledge about the problem.

Digging even further uncovers the urgency of the situation. Many of those leaving are star rated employees: the very people you need most. You also discover the problem is especially pronounced in Germany and Belgium. You now know the answers to who, what, where and why. These answers empower you to resolve how, as in how to correct the problem.

To improve the situation, you add a trainer directly into your planning system while also increasing recruiting dollars to replace the employees who have left. The software automatically distributes those funds throughout the business units.

Similarly, HR data can also be monitored by other departments -- for example, this sales manager scorecard clearly shows you're beyond the targeted loss of sales reps within a year of their hire dates alerting you that further investigation is warranted.

Succession planning is another important HR function. Here you can correlate hire dates with job titles. Drilling into middle management levels, you can identify who has taken longer to ascend to those positions. Are these people not keeping pace with others; or, are they possibly overdue for promotion?

As you can continue, several managers jump out as having taken more courses than others -- personal initiative we want to encourage and reward whenever possible.

You decide to follow up to determine if they're in position for promotion and also to examine how you might replicate that behavior in others. Exploit HR's unique position in your organization by empowering them to elevate the contribution of your most valuable resources: your employees.

HR simply needs the right tools for the job. The Cognos Performance Management Solution enables HR to uncover the knowledge required to transform organizational performance. Select an option to learn more, or get additional details about the Cognos Performance Management Solution for HR by visiting us on the Web.

Systems

IT plays much more than just a technical and infrastructure support role. A performance-driven IT department can be a fundamental growth engine for the entire company. Maximizing IT's ability to help grow your business requires answers to several key questions.

Is IT aligned with core business objectives to drive growth and increase value? Are IT assets underutilized? How can you optimize them to achieve maximum return? Are critical projects on time, on budget and on strategy? Are vendor service levels and costs managed optimally? Are IT controls managed properly to mitigate risks and meet compliance objectives?

A Cognos Powered Performance Management System can help resolve these questions and challenges. Here are just a few examples of how. Building reports for other users is an important task for IT. IT is also a report user, in this case, to administer business intelligence usage. You can gauge usage volume overall and for individual reports. This can guide you as to the net value you're providing and whether you need more licenses. You can also analyze usage trends to see if spikes might degrade performance.

Drilling down lets you track usage by individual user. Now you know who is benefitting the most from these tools and who to prioritize for upgraded licenses. You can also discover departments that are underutilizing BI to determine why.

Many reports are underutilized because of lengthy runtimes. This report highlights the longest runtimes, allowing you to focus your efforts on determining why responsiveness is slow. Perhaps you need more servers, or maybe poor data models or inefficient queries are causing avoidable delays.

Scorecards like this one provide a vivid macro view of key IT sweet spots. You quickly see that response times and number of help desk requests are in trouble and trending poorly.

Sorting by trend direction confirms that the process adjustments you made to improve performance have produced the desired impact on backlog authentication failures and system downtime. Looking closer at system downtime shows you've now reached your target after a three-month period of excessive downtime.

Now you sort your scorecard by weakest trending metrics noting that response time, authorization, role transfers and help desk traffic are problems and getting worse. An impact diagram helps you identify metrics that influence the response time metric and also the metrics that it in turn influences. Fixing response times should also help improve help desk traffic.

This historical trend report shows you've made progress overall in response times, but things slipped again last month. Reviewing and reapplying tactics used in recent months should help resolve the problem. This should also help reduce help desk calls because poor response times correlate to increased complaints.

Reports totaling application and technology utilization are another IT sweet spot, enabling you to make software and infrastructure decisions based on changing needs. Here you see that Blackberry reports have grown from four to 21 users in a month.

It's worth determining if your applications are meeting the increasing needs of mobile users. This report tracks overall reporting system use. Here you see you're already at half the usage as last quarter and you're only one month into the current quarter. Can your system handle the increasing demand?

Compliance reporting requires that you monitor and document controls. This audit shows the total reports that failed due to being run by unauthorized users. You can then pinpoint specific reports that failed. This helps you identify areas to strengthen security and enables you to reduce the controls that require monitoring.

It's important to know what users are doing and where they find value. This report shows a top finance user who spends two-thirds of his activity between budget and forecasting and customer support.

This report is filtered on successful completion status, but a similar report could be run on failures to identify areas that may be frustrating key users. Here you can monitor which users experienced log-in failures and when those failures occurred. Combined with resource utilization monitoring, you can use this information to determine if more licenses should be purchased in order to avoid continued log-in failures and user frustration.

Understanding the business value of IT resources is an important sweet spot. A resource's utilization is generally a good proxy for its relative value. Here you see that executive forecasting is dominated by North America. Not surprising, since most planners and analysts are centralized there.

However, maybe you could extend planning to European counterparts to share the resource hit, as well as distributing capabilities to more users.

Tracking and managing the progress of the company's many projects is a key IT sweet spot. There are a couple of projects high on your priority list: the call center upgrade and the networked upgrade. You see the first is off track, but the second is progressing nicely.

You check on the network upgrade project for several reasons. It's the largest in terms of resources and costs and it also involves the most outside contractors. Fortunately, after a few rough months, it's back on track. Digging deeper into the network upgrade you see that getting back on schedule has cost you. Engaging a high number of external vendors has put you $100,000 over budget for this period.

As a performance manager, you face some tough decisions about time, quality and costs. With the right information at the right time, you can balance those objectives with greater confidence.

These are just a few examples of how IT can maximize their value as a business growth engine. Select an option to learn more, or get additional details about the Cognos Performance Management Solution for IT by visiting us on the Web.

Customer Service
Customer service performance makes good companies great. How you service customers defines your company's reputation. And existing customers aren't just your lowest cost sales prospects, they're your best salespeople, recommending your products or services to others.

Customer service plays a critical balancing role. You're the advocate for the customer within the company, and you're also an advocate for the company with your customers. As a performance manager in customer service, you understand the importance of this role.

You must outperform in areas that your customers value, such as consistently delivering on time, turning negative experiences into positive outcomes, meeting and exceeding service expectations, and cost-effectively making service a key part of the overall value you provide.

Here's how the Cognos Performance Management Framework can help customer service managers achieve those goals. Improving customer service requires immediate access to actionable information. This dashboard highlights on-time shipments, one of several metrics common to both customer service and to operations.

You can see there is a capacity problem in Texas, and also problems with late shipments. Drilling further, you see Contractor 1 is a big concern for several reasons. First, their circle is large, indicating they're responsible for more shipments than others.

Second, when they're late, it's by more than double the number of days of any other contractor. You now have the information you need to collaborate with operations to determine when this will be fixed and understand its impact on customer delivery.

While monitoring dashboards is a great way to oversee what's happening, creating business alerts can deliver instant information about exceptions that impact customer service as they occur.

You can set alerts on any metric or data point so you are notified of changes and can react quickly. Your portal acts as a launching pad for reviewing customer service sweet spot data and related data from other departments. You can access data cubes and analyze shipping performance, comparing destinations, products and contractors to identify trends.

Cross-department access to information helps improve performance company-wide. A true performance management system clearly demonstrates these cross-department interdependencies.

Here you see that your order fill rate metric influences inventory and ultimately revenue and units sold. Missing service level agreements or SLAs can directly or indirectly cost you revenue.

This chart shows you're improving the rate of missed SLAs while at the same time handling four times the volume of transactions versus when you began. You're obviously trending the right way here.

This metric's view tracks three important customer service sweet spots showing you that units returned, return costs and days to service are all within targeted ranges, but what is troubling is that each of these are trending down.

Looking closer at units returned, you see the dramatic turnaround since you switched suppliers in February due to quality issues. You also see you're comfortably ahead of where you want to be and that recent fluctuations are likely cyclical noise and not worth fixing.

Sometimes good performance management is knowing what is safe to leave alone. Here you see that overall sales revenue is below target. The good news is that while your units returned metric influences sales revenue, your recent discovery shows that you're not causing the problem.

Sometimes good performance management means knowing what you're not responsible for. You then drill into return costs, seeing that the picture isn't as quite as rosy as with units returned.

While you're currently within tolerances, there's not nearly the buffer, and it's been choppier. It's worth finding out why this is happening. You suspect it might be product related, knowing that some products inherently cost more to restock and manage than others.

Looking at another information sweet spot, complaints, you see customer feedback is poor and trending downward in virtually every region. You know that delivery and customer service are generally good, except for product returns.

Part of your role as customer advocate is to investigate product quality to see if it's causing an increase in returns and complaints. Here are your return quantities versus order quantities by product.

You decide to compute the percentage of each product returned. Adding conditional formatting to highlight high return percentages makes it easy to call out and communicate the problem product lines. You know from past history that these lines tend to cost more to restock than others.

This historical chart for days to service tells a similar story to your unit's returned report. You're well within your tolerances and the slight upswing is nothing to be worried about now, but you will want to check it next reporting period.

Delivering full orders based on customer demand is another sweet spot for service. Under delivering to your customers can mean broken SLAs and SLA penalties. You can see the improvement processes put in place six months ago continue to work out. You're delivering fill rates at the desired 92 percent.

Another information sweet spot to monitor is on time customer shipments. SLAs are also at stake here, and this chart shows you're in the target zone.

You've quickly been able to monitor and analyze the key metrics that drive customer service performance and can feel good knowing your department is doing its part to help others reach their objectives.

Select an option to learn more or get additional details about the Cognos Performance Management Solution for Customer Service by visiting us on the Web.

Marketing
Marketing's traditional role has been communicating the value of your brand and drumming up sales. And while those are considerable challenges, high-performance marketing managers are in a position to evolve their role to become their company's investment advisors: experts who determine where invested marketing capital can

generate the most significant returns and how best to make those investments generate the best results.

To maximize returns, marketing managers must answer many complex questions, including: what are our marketing opportunities? How do we best position ourselves against the competition? How do we evolve our product line? How should we price our products? And, how can we increase demand?

The Cognos Performance Management Framework provides marketers the insights you need to find these answers. Let's start by analyzing a report on marketing campaign effectiveness, a tactical marketing sweet spot.

It's immediately clear that e-mail is your most effective medium and that you're getting the best marketing return on the consumer electronics product line. You may also want to reconsider trade show and direct mail investments for entertainment media, diverting those dollars instead into increased e-mail.

Knowing how audience segments respond to campaigns provides valuable insight into past successes and future direction. Here you can see your Digital2Go, the Only Place to Go campaign, was easily your most effective, especially for professionals and students.

While reviewing, you also notice that retirees responded favorably to your big screen and mobile campaigns. Realizing this is a rapidly growing demographic, it may be worth targeting new mobile and big screen TV campaigns directly toward that segment. This may be an investment opportunity.

Now let's take a dashboard view of your marketing performance. You can see disturbing pipeline versus actual shortfalls in France, the Netherlands and Denmark. Though this is a sales report, you can use it as a marketer to know where you might concentrate new marketing efforts to boost sales in those regions.

Success in your business starts with lead generation, lead qualification and pipeline creation. This table for the Chicago region shows that the Digital2Go, the Only Place to Go campaign, was a monster success in generating Qualified Sales Opportunities, or QSOs.

Digging deeper, you also discover that campaign experienced the highest drop between inquiries and QSOs. Maybe you weren't as successful as you thought. But perhaps there are ways to tighten the marketing funnel and improve the program.

Here's an example of an extremely valuable scorecard that crosses all departments. It highlights the best and worst performing metrics company wide as well as metrics that are rising and falling the fastest.

You can see that you definitely need to fix things sales-wise in the eastern region, but individually Miami is doing extremely well. As an advisor, it would be good to identify what Miami is doing well and see how to extend those practices throughout the entire eastern region.

Managing budgets is critical for all departments, including marketing. Using shared planning software, you can automatically communicate budget adjustments to the finance department helping to smooth collaboration between the people doing the spending and the people monitoring it.

You can manage budgets by major category or fine tune individual items. For example, after spending a flat $10,000 per month in your third quarter on pay-per-click Web advertising costs, you could choose to increase spending in Q4, front ending the spending in October because you expect additional funding in December.

Budget sales can be annotated so you can let finance know you anticipate an additional $15,000 of funding in December. This just scratches the surface of how a Performance Management System from Cognos can impact marketing and cross-department performance.

Select an option to learn more or get additional details about the Cognos Performance Management Solution for Marketing by visiting us on the Web.

Sales
While the sales adage, volume cures all ills, is an oversimplification, sales performance clearly plays a significant role in a company's overall health. Improving sales performance means providing your sales force with the information they need when they need it.

It means understanding what is driving sales performance and which products and customers are most important. It means improving the tactical side of selling, and it means understanding what is driving your sales pipeline and sales plan.

The Cognos Performance Management Framework helps you unlock the full sales potential for your organization. Here's how. A quick glance gives you information about your forecast versus actual sales by geography. The Netherlands is well under target, but France, which isn't as far below by percentage, is a concern because of its greater revenue potential.

Digging beneath the surface you see a problem in the Netherlands pipeline: too little sales from stage two opportunities. Your sales model calculates the number of leads you need to meet targets, providing you with a firm data point to share with marketing so they can help you generate more leads.

This sales pipeline report provides the current and forecasted results you need to address problems early. You see you closed $12,000 today while creating $23,000 in

new opportunities. You can also track the sales cycle throughout the quarter and be confident that you're doing everything necessary to hit sales goals.

Another valuable way to view sales is by product line across geographies. You can get further detail by filtering the data to break down sales by channel. In this case, you're determining how much of your overall sales resulted from direct sales visits versus other channels.

Graphing the results gives you an even clearer picture of product line breakdown by geo. For example, did you expect home theater sales to be so dominant within your direct sales product line? Is this in line with your plan and your pipeline?

Here you see that despite the relative dominance of home theater sales, you're still tracking dramatically lower in that revenue line versus last year. This underscores the key advantage of a performance management system, delivering deeper context and insight that might not be apparent otherwise. You can quickly identify and respond to exceptions and opportunities.

This scorecard gives you yet another informative view of sales performance, showing actual revenue is trending down versus planned and that slow service continues to be a problem.

Impact diagrams not only highlight how you're doing but provide cause and effect context. In this example, the sales pipeline fall-off seems to be caused by a failure to convert inquiries. Identifying trends early is essential to maximized performance. This chronological chart shows a dramatic drop in actual versus targeted results in the most recent month.

The plan you created within the performance management system takes into account the importance of growing new customer sales. This graph compares your results to that plan, showing the most recent programs you collaborated on with marketing are paying off.

While fast identification of problems and opportunities is important, rapid response is equally important. Here you can automatically e-mail alerts based upon predetermined conditions -- in this case, your falling sales pipeline -- helping front-line personnel quickly understand the problem and take corrective action.

Select an option to learn more, or get additional details about Cognos Performance Management Solution for sales manages by visiting us on the Web.
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