

Strategic Investment Management Blueprint



Introduction

This application brief demonstrates a Web-based planning and reporting process for Strategic Investment Management using IBM Cognos 8 Planning and IBM Cognos 8 Business Intelligence. IBM Global Business Services Financial Management assisted in the development of the IBM Cognos Strategic Investment Management Blueprint to help companies interested in improving their business planning process. The Blueprint combines subject-matter expertise from IBM Global Business Services (GBS) Financial Management and best practices in modeling using the IBM Cognos software suite.

For any size company interested in a sound, auditable process for business planning, the IBM Cognos Strategic Investment Management Blueprint will provide a streamlined, best-practice planning, forecasting, analysis and reporting solution. Additionally, the Blueprint offers a method for tracking results to help you achieve long-term goals.

You can incorporate the Blueprint into any planning process, such as the annual budget. For current users of IBM Cognos software, the Blueprint will serve as an excellent starting point in the overall planning process. Most companies use spreadsheets to create plans and forecasts. The Cognos application has clear advantages, as it enables plans, budgets and forecasts to be consolidated and distributed easily to a wide audience. To ensure verifiable results, you can link actual data into the model easily.

IBM Cognos Blueprints are pre-defined data, process, and policy software models developed in partnership with leading planning expertise. IBM Cognos customers can download and implement these "quick-start" data models at no extra cost.

Using the Blueprint with your Cognos performance management system helps you clearly identify goals and track against them in a consistent, logical manner. It serves as a simple yet powerful way to analyze outcomes at every stage of the planning cycle.

Blueprint objectives

Typically, business planning has been performed in the back office using spreadsheets that may change from year to year. The key objective of this Blueprint is to provide a sound approach to meeting goals over a number of years with a reliable, consistent modeling tool. The Blueprint also

- *Enables you to compare and analyze what-if scenarios of growth*
- *Provides a means of evaluating internal or external growth opportunities*
- *Provides for merger and acquisition planning*
- *Provides an assessment of the current portfolio, so you can analyze the impact of divestitures*
- *Provides an assessment of internal profit and growth programs and associated funding initiatives to achieve desired goals*
- *Includes a full set of consolidated financial statements with distinct views of core operations, programs and acquisitions*

The Blueprint provides a methodology for business planning over a five-year period. The hierarchy includes a corporate strategic planning department or other group tasked with developing and managing company-wide decisions. Other contributors may include legal entities or divisions. The Blueprint assumes continued interaction between these groups to ensure a greater probability of success in achieving company-wide goals.

The Cognos 8 Planning tool provides significant benefits to an organization through its inherent capabilities:

- *Flexible model development to support a wide variety of planning models*
- *Web-based or Excel-based deployment of models for data collection and consolidation*
- *Easy version control*
- *Real-time workflow to drive collaboration*
- *Real-time consolidation*
- *Real-time reporting*
- *Real-time calculations in the browser for immediate results*
- *Attachments from almost any program at the cell, tab and model level*
- *Audit and user textual annotations at the cell, worksheet and model level to drive collaboration*
- *Drop-down validation lists for ensuring data consistency*
- *Scalable architecture with proven deployments to thousands of users*
- *Linking functionality to provide divergent yet interrelated components of planning environment*
- *Off-line capabilities*
- *Custom date capabilities with no limit on the time dimension, for planning by the week, season, period, quarter or year*
- *Unique multi-directional calculation engine that enables input across any dimension at the detail level or the total level*

Real-time workflow visibility

The Blueprint consists of three applications designed to work together, along with a fully integrated Business Intelligence set of reports:

- *Strategic Investment Management*
- *Funding Initiative Planning*
- *Funding Initiative Tracking*

The example in this document includes a corporate strategic planner and divisions. For the purposes of the Blueprint, the corporate planner has internal and external investment responsibility extending to program definition, mergers and acquisitions, and divestitures. Divisions are tasked with reviewing and committing to corporate funding initiatives. So the corporate planner and divisions will have different views. Each division may be tracking multiple initiatives, which can be delegated to lower levels of the organization, including project manager roles. Because companies provide varying levels of responsibility within business units, Blueprint views can and should be modified to accommodate specific needs. Just as workflow status changes, data consolidations and aggregations occur in real time as the information is saved, and the total company outcome is immediately available.

In our example, corporate planning will provide data for the Strategic Investment Management and Funding Initiative Planning applications, while divisions will work on the Funding Initiative Tracking model.

The BI content provides senior management, corporate planners and divisions insight into the current state of the company, programs and initiatives and funding requirements and commitments. The content also helps companies analyze different scenarios using filter capabilities embedded in the reports.

Model design overview

The flowchart in Figure 1 represents a high-level overview of the Strategic Investment Management process. Turquoise represents the Strategic Investment Management module, yellow represents the Funding Initiative Planning module, and beige represents the Funding Initiative Tracking module.

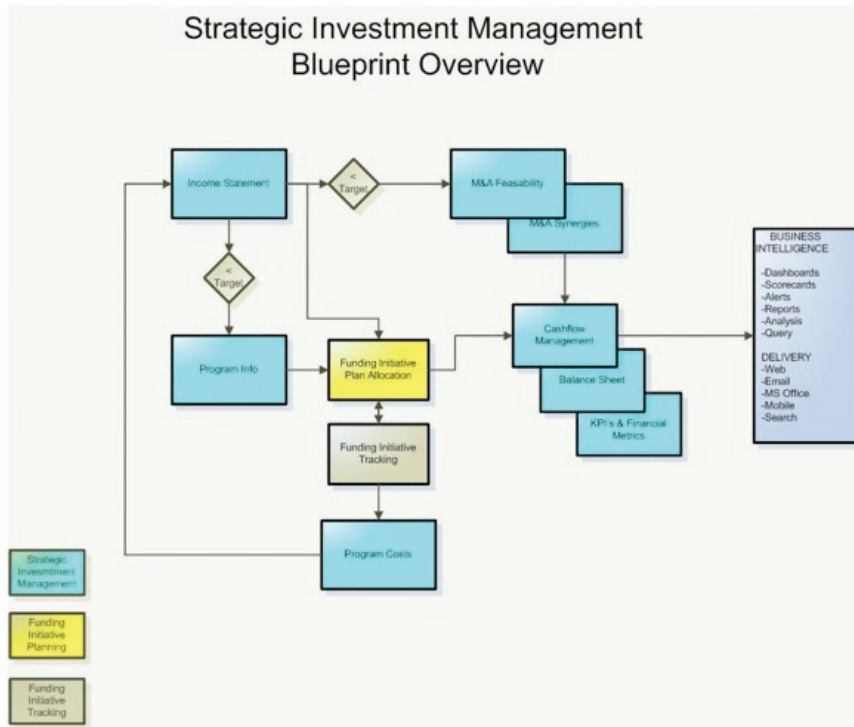


Figure 1

The flowchart shows the income statement as the starting point in the strategic planning process. In this example, the company has set a goal to double revenue in the next five years. The corporate planner sees that revenue and income are below the desired target and enters programs and acquisitions to meet targets. The corporate planner defines programs and funding initiatives to support these programs and presents them to the divisions. Each division head prepares a detailed analysis to determine the levels of revenue, expense or cost reductions they can contribute. Commitments link back to the corporate planner, who revises financial statements to see the impact. Plans are monitored on a monthly basis to determine the Estimate to Complete, or reforecast.

Representative Workflow

The following sections of this guide show the step-by-step process a corporate strategic planner might follow.

Strategic Investment Portal

The Strategic Investment Management Portal (Figure 2) offers the planner an immediate view of key information about the strategic plan over five years.



Figure 2: Strategic Investment Management Portal

The upper left graph displays revenue and operating income trend lines for core operations versus target. In this example, the company is falling short of target revenue and operating income. The drop-down allows the user to view the impact to revenue and income when acquisitions and programs are included.

The upper right graph shows the operating key performance indicators (KPIs) for the current state and best-case scenario in the current year.

The lower right graph shows the impact of funding initiatives in a waterfall view for revenue, cost reduction, expense and capital for the home office division.

In the lower left section of the portal page, the planner can select from various reports for further information. Tabs on the top also give the user access to reports. For example, we may want to see the Income Statement report (Figure 3).

Including: (Core Operations, Acquisitions, Geographic Expansion, Lower Cost Producers, Others)						
Show Filter Prompt(s)						
	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5
Revenue	12,000	18,740	19,385	20,459	21,745	24,075
Cost of Goods Sold	8,400	12,235	12,419	12,641	12,562	13,029
GROSS MARGIN	3,600	6,505	6,966	7,818	9,183	11,045
Selling, General Admin Expense	3,259	4,543	4,938	5,180	5,495	5,875
Interest Expense	6	330	339	339	339	339
Operating Expense	3,264	4,873	5,277	5,519	5,834	6,214
OPERATING INCOME	336	1,632	1,689	2,299	3,349	4,831
Non-Operating Expenses:						
Other Expenses	(4)	1,720	2,093	2,203	2,218	2,343
Other Income						
EARNINGS FROM CONTINUING OPERATIONS	340	(88)	(404)	96	1,132	2,488
Income (loss) from discontinued ops(net of tax)	2					
Net Income %	2.85	-37.92	-42.93	-33.80	-18.23	0.34
Income Tax Expense Current Year	170	(44)	(202)	48	566	1,244
NET EARNINGS AFTER TAX	172	(44)	(202)	48	566	1,244
Revenue Growth	0.00	2.00	14.67	24.29	25.34	49.43
COGS %	70.00	222.24	220.53	214.48	201.36	193.48

Figure 3: Five-year Income Statement Projections

We can also view a Balance Sheet report (Figure 4).

Strategic Investment - Main		Financial Operating Performance		Balance Sheet		Cashflow Statement		Income Statement	
Best Case		Balance Forward	Current Year	Next Year	Year + 2	Year + 3	Year + 4	Year + 5	
CURRENT ASSETS									
Cash			4,196	4,196	6,425	9,065	12,228	15,986	
Receivables	4,000	1,381	2,150	2,231	2,354	2,502	2,763		
Inventories	1,000	840	1,095	1,169	1,207	1,223	1,246		
Other Current Assets									
TOTAL CURRENT ASSETS	5,000	6,417	7,442	9,824	12,626	15,953	19,995		
NON CURRENT ASSETS									
Property, Plant & Equipment-cost	5,000	5,090	5,690	5,840	5,840	5,840	5,840		
Property, Plant & Equipment-cost	5,000	5,090	5,690	5,840	5,840	5,840	5,840		
Accumulated depreciation	20	16	118	356	595	750	772		
Property, plant and equipment - net	4,980	5,074	5,572	5,484	5,245	5,090	5,068		
Investment other Companies			6,020	6,020	6,020	6,020	6,020		
Goodwill									
Other Non Current Financial Assets									
Other Non Current Assets									
TOTAL NON CURRENT ASSETS	4,980	5,074	11,592	11,504	11,265	11,110	11,088		
TOTAL ASSETS	9,980	11,491	19,034	21,328	23,891	27,063	31,083		
CURRENT LIABILITIES									
Payables	3,800	4,929	6,635	8,346	10,083	11,806	13,589		
Tax Liabilities	200	92	(11)	(51)	12	141	311		
Other Current Liabilities	2,176	2,403	2,982	3,629	4,317	5,042	5,838		
TOTAL CURRENT LIABILITIES	6,176	7,424	9,607	11,924	14,412	16,990	19,738		
NON CURRENT LIABILITIES									
Long Term Debt		90	5,468	5,618	5,618	5,618	5,618		
Other Non Current Liabilities		0	27	55	83	111	139		
Liabilities of discontinued operations									
TOTAL NON CURRENT LIABILITIES	90	5,496	5,673	5,701	5,729	5,729	5,757		
TOTAL LIABILITIES	6,176	7,515	15,102	17,598	20,114	22,719	25,495		
NET ASSETS									
Equity	3,804	3,804	3,804	3,804	3,804	3,804	3,804		
Additional Paid in Capital									
Retained Earnings		172	128	(74)	(26)	540	1,784		
TOTAL EQUITY	3,804	3,976	3,932	3,730	3,778	4,344	5,588		

Figure 4 Five year Balance Sheet projections

The following reports are also available through the portal tabs:

- **Financial Operating Performance:** Provides insight into company performance by comparing actuals versus planned data
- **Balance Sheet:** Provides a typical view of a balance sheet statement
- **Cashflow Statement:** Provides three cashflow views
- **Income Statement:** Provides two views with different options to perform income analysis
- **KPIs and Financial Indicators:** Provides a single point of reference
- **Funding Requirements:** Provides insight into the funding allocation by company divisions and funding requirements for each initiative
- **Funding Commitments:** Provides a single point to evaluate the current status and the commitment values of the initiative implementations

Based on the above analysis, users can then open the Strategic Investment Management Planning application to update the strategic plan. It is important to note the following key functions in the Blueprint.

Key Lists

Scenario - Plan function

You can use the Scenario - Plan function (Figure 5) for what-if comparisons. Users can customize the list to define their own scenarios. In our model, the current state includes core operations and divestitures only, while the best-case scenario includes the impact from acquisitions and programs.

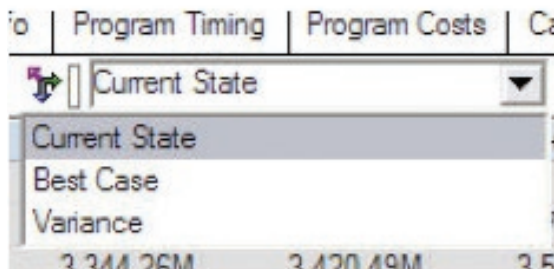


Figure 5: Scenarios for what-if comparisons

Scenario - Income Statement (Inc Stmt) function

The Scenario - Inc Stmt function (Figure 6) appears in the Income Statement tab. Core Operations represents the base organization. Note the following calculations:

$$\text{Total Company} = \text{Core Operations} + \text{Programs} + \text{Acquisitions}$$

$$\text{Variance} = \text{Difference between Total Company and Target}$$

Item name
Core Operations
Acquisitions
Geographic Expansion
Lower Cost Producers
Others
Total Programs
Total Company
Target
Variance

Figure 6: Income Statement Function

Scenario - Synergies function

Data for Core Operations and Synergies (see the Scenario - Synergies function in Figure 7) is input while Post-Acquisition is calculated. The function is used in the Merger and Acquisition (M&A) tabs. Positive synergies appear as a negative for cost savings, such as a reduction in headcount.

$$\text{Post Acquisition} = \text{Core Operations} + \text{Acquisitions}$$



Figure 7: Synergies function

Strategic investment management module

Let's walk through the Blueprint first as a corporate planner. The hierarchy for the Strategic Investment Management module (Figure 8) consists of a single node representing the corporate planning department. You may wish to customize corporate planning based on company requirements. For example, in some companies, each division may be responsible for some or all of the strategic plan, including definition of programs, funding initiatives, mergers and acquisitions, and divestitures.

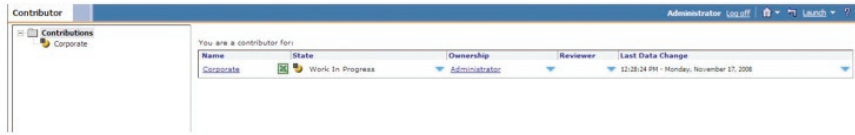


Figure 8: Hierarchy in the Workflow view of the Strategic Investment Management Application

Income Statement tab

When you open the planning application, you see the **Income Statement tab** (Figure 9). No input is required for core operations, programs or acquisitions; however, you should enter the target data. The variance is calculated. The Operating Revenue and Operating Expense tabs are the main feed for Core Operations, the data for Acquisition comes from the M&A tabs, and Divestitures data links to the Income Statement from the Divestitures tab. Program data is linked from the Program tabs.

	Core Operations	Acquisitions	Geographic Expansion	Lower Cost Producers	Others	Total Programs	Total Company	Target	Variance
Revenue	12,242,000M	3,800,000M	2,700,000M			2,700,000M	18,740,000M	17,000,000M	1,740,000M
Cost of Goods Sold	9,072,000M	2,812,000M	2,001,189M	(1,650,519M)		360,669M	12,234,669M	11,100,000M	(1,134,669M)
GROSS MARGIN	3,168,000M	988,000M	698,811M	1,650,519M		2,349,331M	6,505,331M	5,900,000M	(605,331M)
Selling, General & Admin Expense	3,132,159M	720,000M	690,929M			690,929M	4,543,079M	2,800,000M	(1,743,079M)
Interest Expense	43,139M	286,689M					329,819M		(329,819M)
Operating Expenses	3,175,298M	1,006,689M	690,929M			690,929M	4,872,886M	2,800,000M	(2,072,886M)
OPERATING INCOME	(7,269M)	(18,689M)	7,911M	1,650,519M		1,658,421M	1,632,445M	3,100,000M	1,467,554M
Non-Operating Expenses:									
Other Expense	101,679M	15,259M	883,549M	619,709M		1,603,246M	1,720,159M		(1,720,159M)
Other Income									
EARNINGS FROM CONTINUING OPERATIONS	(108,949M)	(33,939M)	(975,639M)	1,030,819M		55,181M	(87,699M)	3,100,000M	3,187,699M
Income (loss) from discontinued ops/net of tax									
Net Income %	(0.89)%	(0.89)%	(36.13)%	0.00%	0.00%	(36.13)%	(37.92)%	18.24%	56.15%
Income Tax Expense Current Year	(54,479M)	(16,979M)	(487,829M)	515,419M		27,599M	(43,859M)	1,550,000M	1,593,859M
NET EARNINGS AFTER TAX	(54,479M)	(16,979M)	(487,829M)	515,419M		27,599M	(43,859M)	1,550,000M	1,593,859M
Revenue Growth	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		36.00%
COGS %	74.12%	74.00%	74.12%	0.00%	0.00%	74.12%	74.09%	65.29%	(8.80)%

Figure 9: Income Statement tab

Balance Sheet and Cash Flow from Operations tabs

The Balance Sheet tab (Figure 10) and the Cash Flow from Operations tab (Figure 11) do not require any input. We'll assume that balance forward data (B/Fwd) for the balance sheet has been entered and is in balance. Typically, this tab is set to Read only. Additional data for the tabs is calculated or linked from other tabs. The Balance Sheet, Cash Flow from Operations, Cash Flow Management and Income Statement tabs are fully integrated.

Income Statement Balance Sheet Cashflow from Operations Program Info Program Timing Program Costs Cashflow Management KPIs Predictive Analytics Operating Revenue								
Corporate Balance Best Case								
	B/Fwd	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5Yr Total
CURRENT ASSETS								
Cash		4,195.71M	4,195.71M	6,424.91M	9,065.25M	12,227.96M	15,986.48M	15,986.48M
Receivables	4,000.00M	1,380.52M	2,150.49M	2,230.58M	2,354.23M	2,502.18M	2,762.70M	2,762.70M
Inventories	1,000.00M	840.00M	1,095.64M	1,168.77M	1,206.92M	1,223.34M	1,245.09M	1,246.09M
Other Current Assets								
TOTAL CURRENT ASSETS	5,000.00M	6,416.53M	7,441.85M	9,824.26M	12,626.40M	15,953.48M	19,995.27M	19,995.27M
NON CURRENT ASSETS								
Property, Plant & Equipment-cost	5,000.00M	5,090.00M	5,690.00M	5,840.00M	5,840.00M	5,840.00M	5,840.00M	5,840.00M
Accumulated depreciation	20.00M	16.00M	117.67M	356.33M	595.00M	750.33M	772.33M	772.33M
Property, plant and equipment - net	4,980.00M	5,074.00M	5,572.33M	5,483.67M	5,245.00M	5,089.67M	5,067.67M	5,067.67M
Investment other Companies			6,020.00M	6,020.00M	6,020.00M	6,020.00M	6,020.00M	6,020.00M
Goodwill								
Other Non Current Financial Assets								
Other Non Current Assets								
TOTAL NON CURRENT ASSETS	4,980.00M	5,074.00M	11,592.33M	11,503.67M	11,265.00M	11,109.67M	11,087.67M	11,087.67M
TOTAL ASSETS	9,980.00M	11,490.53M	19,034.18M	21,327.92M	23,891.40M	27,063.15M	31,082.94M	31,082.94M
CURRENT LIABILITIES								
Payables	3,800.00M	4,928.77M	6,635.09M	8,346.33M	10,083.26M	11,806.32M	13,539.42M	13,589.42M
Tax Liabilities	200.00M	92.47M	(10.96M)	(50.51M)	11.87M	141.47M	310.99M	310.99M
Other Current Liabilities	2,176.00M	2,402.94M	2,982.47M	3,628.67M	4,316.99M	5,042.43M	5,837.82M	5,837.82M
TOTAL CURRENT LIABILITIES	6,176.00M	7,424.18M	9,606.60M	11,924.49M	14,412.22M	16,990.22M	19,738.23M	19,738.23M
NON CURRENT LIABILITIES								
Long Term Debt		90.00M	5,468.04M	5,618.04M	5,618.04M	5,618.04M	5,618.04M	5,618.04M
Other Non Current Liabilities		0.46M	27.50M	55.37M	83.25M	111.13M	138.93M	138.93M
Liabilities of discontinued operations								
TOTAL NON CURRENT LIABILITIES		90.46M	5,495.54M	5,673.41M	5,701.29M	5,729.17M	5,756.97M	5,756.97M
TOTAL LIABILITIES	6,176.00M	7,514.65M	15,102.14M	17,597.91M	20,113.51M	22,719.39M	25,495.20M	25,495.20M
NET ASSETS	3,804.00M	3,975.89M	3,932.04M	3,730.02M	3,777.89M	4,343.76M	5,587.73M	5,587.73M
Equity	3,804.00M	3,804.00M	3,804.00M	3,804.00M	3,804.00M	3,804.00M	3,804.00M	3,804.00M
Additional Paid in Capital								
Retained Earnings		171.89M	128.04M	(73.98M)	(26.11M)	539.76M	1,783.73M	1,783.73M
TOTAL EQUITY	3,804.00M	3,975.89M	3,932.04M	3,730.02M	3,777.89M	4,343.76M	5,587.73M	5,587.73M
TOTAL EQUITY AND LIABILITIES	9,980.00M	11,490.53M	19,034.18M	21,327.92M	23,891.40M	27,063.15M	31,082.94M	31,082.94M
BALANCE SHEET CHECKS								
Bal_check								

Figure 10: Balance Sheet tab

Income Statement Balance Sheet Cashflow from Operations Program Info Program Timing Program Costs Cashflow Management KPIs Predictive Analytics								
Corporate Best Case								
	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total	
CASH FLOWS FROM OPERATING ACTIVITIES								
Cash Receipts from Sales	14,619.18M	17,970.33M	19,304.71M	20,335.70M	21,597.17M	23,814.41M	117,641.50M	
Other Revenue	2.00M						2.00M	
Payments to Employees	2,039.34M	2,083.11M	2,230.47M	2,245.67M	2,405.03M	2,484.58M	13,489.19M	
Payments Inventory	7,111.23M	10,783.98M	10,780.80M	10,942.66M	10,855.31M	11,269.13M	61,743.11M	
Payments other Expense	992.31M	3,498.92M	3,915.42M	4,210.33M	4,425.46M	4,916.34M	21,958.79M	
Income Tax Paid	277.42M	59.59M	(162.48M)	(14.60M)	436.37M	1,074.45M	1,670.74M	
Interest Expense Paid	5.16M	302.77M	311.30M	311.30M	311.30M	311.38M	1,553.23M	
NET CASH FROM OPERATING ACTIVITIES	4,195.71M	1,241.96M	2,229.20M	2,640.34M	3,162.71M	3,758.52M	17,228.44M	
Net Income	171.89M	(43.85M)	(202.02M)	47.87M	565.86M	1,243.98M	1,783.73M	
Adjustments to net income:								
Depreciation and amortization	(4.00M)	101.67M	238.67M	238.67M	155.33M	22.00M	752.33M	
Change in assets and liabilities:								
(Increase)/decrease in receivables	2,619.18M	(769.67M)	(80.09M)	(123.65M)	(147.95M)	(260.52M)	1,237.30M	
(Increase)/decrease in inventory	160.00M	(255.64M)	(73.12M)	(38.15M)	(16.43M)	(22.74M)	(246.09M)	
(Increase)/decrease in Other Assets								
Increase/(decrease) in payables	1,128.77M	1,706.33M	1,711.24M	1,736.93M	1,723.06M	1,783.09M	9,789.42M	
Increase/(decrease) in accrued expenses	226.94M	579.52M	646.20M	688.32M	725.45M	795.39M	3,661.82M	
Increase/(decrease) in interest payable	0.46M	27.03M	27.88M	27.88M	27.88M	27.80M	138.93M	
Increase/(decrease) in income taxes payable	(107.53M)	(103.43M)	(39.54M)	62.47M	129.50M	169.53M	110.99M	
Total adjustments	4,027.82M	1,184.14M	2,192.56M	2,353.81M	2,441.51M	2,492.54M	14,692.38M	
NET CASH OPERATIONS Indirect	4,195.71M	1,241.96M	2,229.20M	2,640.34M	3,162.71M	3,758.52M	17,228.44M	

Figure 11: Cash Flow from Operations tab

Program Information (Info) tab

The Program Info tab (Figure 12) displays program information. Programs in our example include Geographic Expansion, Lower Cost Producers and Others. Program Metrics represent high-level definitions of anticipated program benefits and costs. Select from the drop-down to include programs in the best-case scenario. Note: rows contain data for Original and Committed dollars, both of which link from the Funding Initiative Planning and Funding Initiative Tracking modules.

		Geographic Expansion	Expected Impact		Total Programs
			Lower Cost Producers	Others	
Original	PROGRAM METRICS	Yes	Yes		-
	Total Cost Reduction	Yes	10,000.00M		10,000.00M
	Total Headcount Reduction	-	348.00M		348.00M
	Total Revenue Improvement		17,500.00M		17,500.00M
	Total Program Expense		6,000.00M	4,000.00M	10,000.00M
	Total Program Capital Expenditure		400.00M	500.00M	900.00M
Committed	PROGRAM METRICS	Yes	Yes		-
	Total Cost Reduction		10,020.97M		10,020.97M
	Total Headcount Reduction		275.00M		275.00M
	Total Revenue Improvement		17,000.00M		17,000.00M
	Total Program Expense		5,971.48M	3,787.06M	9,758.54M
	Total Program Capital Expenditure		350.00M	400.00M	750.00M

Figure 12: Program Information tab

Program Timing tab

The Program Timing tab enables you to enter the anticipated timing of program impacts. Data can be displayed as dollars (Figure 13) or percent per time period (Figure 14). If the data does not equal 100 percent, the tab will display an error message.

		Total Impact	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total
Geographic Expansion	Total Cost Reduction								
	Total Headcount Reduction								
	Total Revenue Improvement	17,000.00M	2,700.00M	2,900.00M	3,300.00M	3,500.00M	4,600.00M		17,000.00M
	Total Program Expense	5,971.48M	955.44M	1,134.58M	1,194.30M	1,254.01M	1,433.15M		5,971.48M
	Total Program Capital Expenditure	350.00M	350.00M						350.00M
Lower Cost Producers	Total Cost Reduction	10,020.97M	1,650.51M	1,886.30M	2,004.19M	2,063.14M	2,416.82M		10,020.97M
	Total Headcount Reduction	275.00M	45.00M	52.00M	55.00M	57.00M	66.00M		275.00M
	Total Revenue Improvement								
Others	Total Program Expense	3,787.06M	605.93M	719.54M	757.41M	795.28M	908.89M		3,787.06M
	Total Program Capital Expenditure	400.00M	250.00M	150.00M					400.00M
	Total Cost Reduction								
	Total Headcount Reduction								

Figure 13: Program Timing tab displayed as absolute values

		Income Statement	Balance Sheet	Cashflow from Operations	Program Info	Program Timing	Program Costs	Cashflow Management	KPIs	Predictive Analytics
Corporate				%	Committed					
			Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total	Warning
Geographic Expansion	Total Cost Reduction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total Headcount Reduction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total Revenue Improvement	0.00%	15.88%	17.06%	19.41%	20.59%	27.06%	100.00%		
	Total Program Expense	0.00%	16.00%	19.00%	20.00%	21.00%	24.00%	100.00%		
	Total Program Capital Expenditure	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%		
Lower Cost Producers	Total Cost Reduction	0.00%	16.47%	18.82%	20.00%	20.59%	24.12%	100.00%		
	Total Headcount Reduction	0.00%	16.36%	18.91%	20.00%	20.73%	24.00%	100.00%		
	Total Revenue Improvement	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total Program Expense	0.00%	16.00%	19.00%	20.00%	21.00%	24.00%	100.00%		
	Total Program Capital Expenditure	0.00%	62.50%	37.50%	0.00%	0.00%	0.00%	100.00%		
Others	Total Cost Reduction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total Headcount Reduction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total Revenue Improvement	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total Program Expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Total Program Capital Expenditure	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

Figure 14: Program Timing tab displayed as percentages

Program Costs tab

The Program Costs tab (Figure 15) shows the resulting dollars per year based on the input of the previous two tabs.

		Income Statement	Balance Sheet	Cashflow from Operations	Program Info	Program Timing	Program Costs	Cashflow Management	KPIs	Predictive Analytics
Corporate				Geographic Expansion	Committed					
		Total Impact	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total	
Total Revenue Improvement		17,000.00M		2,700.00M	2,900.00M	3,300.00M	3,600.00M	4,600.00M	17,000.00M	
Cost of Goods Sold				2,001.18M	2,153.63M	2,367.40M	2,364.62M	2,913.55M	11,800.37M	
Selling, General & Admin Expense				690.92M	780.00M	873.97M	952.55M	1,245.52M	4,542.95M	

Figure 15: Program Costs tab

Cash Flow Management tab

The Cash Flow Management tab (Figure 16) is critical, as it displays operating cash and selections for funding. We can see both the current state and the best case, which includes the impact of any acquisition and programs. Note the user inputs:

- *Short Term Investment*
- *New Debt_Amt_1*
- *Debt Category*
- *Debt Rate_1*
- *New Debt_Amt_1*
- *Debt Category*
- *Debt Rate_1*

	Current State	Best Case
OPERATING ACTIVITIES		
Operating Cash	1,284.54M	1,405.00M
Cash from Divestitures		
Cash Available	1,284.54M	1,405.00M
INVESTMENT ACTIVITIES		
Investment PP&E	600.00M	600.00M
Disposal PP&E		
Total Investment Activities	600.00M	600.00M
STRATEGIC ACTIVITIES		
Acquisitions		6,020.00M
Dividends Paid		
Short Term Investment		
Total Strategic Activities		6,020.00M
FUNDING ACTIVITIES		
Existing Debt Core Ops		
New_Debt_Amt_1		419.30M
Debt Category?		Acquisitions
Debt_Rate_1		6% 30 Year Note
New_Debt_Amt_2		
Debt Category?.		
Debt_Rate_2		
Cap Expense_Liability	600.00M	600.00M
Existing Debt Retired		
Stock Issuance		
Total Funding Activities	600.00M	1,019.30M
NET CASH	1,284.54M	(4,195.70)M
Net Cash_Cum	3,362.94M	0.01M

Figure 16: Cash Flow Management tab

In Figure 16, the user has selected additional debt of \$419M to help finance the Acquisition. The planner has selected a six percent 30-year note from available credit lines.

Operating Revenue tab

The **Operating Revenue tab** (Figure 17) shows Revenue and Cost of Goods for the Base year, which must be entered in another IBM Cognos Planning application, such as the IBM Cognos Expense Planning and Control Blueprint. Numbers are hidden in the Strategic Investment Management model under the assumption that they will be provided by Corporate. When numbers are available, yearly changes in both Revenue and Cost of Goods Sold are driven by data from the Assumptions tab. Data links to the Core Operations Income Statement.

Income Statement		Balance Sheet	Cashflow from Operations	Program Info	Program Timing	Program Costs	Cashflow Management	Operating Revenue
Corporate		ALL PRODUCTS						
	Current Yr	Home Storage		CY+3	CY+4	CY+5		5 yr Total
Revenue	12,000,000	Office Products		12,859,344M	13,245,124M	13,774,929M		76,604,198M
Cost of Goods Sold	8,400,000	Hand Tools		9,225,226M	8,948,469M	8,724,758M		53,642,037M
Margin \$	3,600,000	Family Care		3,634,118M	4,296,655M	5,050,172M		22,962,161M
Margin %	30.0%	ALL PRODUCTS		28.26%	32.44%	36.66%		30.48%
Revenue Growth %			8.0%	12.0%	12.0%	16.0%		56.0%

Figure 17: Operating Revenue tab

Operating Expense tab

Data in the **Operating Expense tab** can link from an existing application, such as the IBM Cognos Expense Planning and Control Blueprint, or it can be input manually. The tab contains typical expense items and can be modified easily to user needs. Data can be displayed as dollars (Figure 18) or as a percent of revenue (Figure 19). The data also links to the Income Statement.

Income Statement		Balance Sheet	Cashflow from Operations	Program Info	Program Timing	Program Costs	Cashflow Management	Operating Revenue	Operating Expenses
Corporate		\$							
	Current Yr	Next Yr	CY-2	CY-3	CY-4	CY-5		5 yr Total	
Salaries & Wages	1,050,79M	1,059,62M	1,144,88M	1,217,75M	1,191,78M	1,250,00M		6,914,81M	
Benefits	518,93M	526,67M	567,56M	594,87M	592,92M	620,55M		3,421,49M	
Misc. Employee Expense	557,04M	585,84M	613,62M	529,29M	724,45M	720,21M		3,730,44M	
EMPLOYEE EXPENSE	2,126,74M	2,172,13M	2,326,06M	2,341,91M	2,509,15M	2,590,76M		14,066,74M	
G&A EXPENSE	695,51M	606,53M	651,95M	672,07M	692,19M	719,62M		4,037,86M	
MARKETING EXPENSE	436,60M	352,66M	379,06M	390,76M	402,46M	418,41M		2,378,95M	
CORPORATE OVERHEADS	0,75M	0,83M	0,90M	0,33M	0,95M	0,99M		5,35M	
Selling, General & Admin Expense	3,258,60M	3,132,15M	3,357,96M	3,405,66M	3,604,74M	3,729,78M		20,488,90M	
Depreciation & Amortization	(4,00)M	101,67M	238,67M	238,67M	155,33M	22,00M		752,33M	
Total Operating Expense	3,254,60M	3,233,82M	3,596,63M	3,644,33M	3,760,08M	3,751,78M		21,241,23M	

Figure 18: Operating expenses displayed as absolute values

Program Costs		Cashflow Management		Operating Revenue		Operating Expenses		KPIs	
Corporate		Next Yr							
	\$	Revenue	% of Revenue						
Salaries & Wages	1,059.62M	12,240.00M	8.66%						
Benefits	526.67M	12,240.00M	4.30%						
Misc. Employee Expense	585.84M	12,240.00M	4.79%						
EMPLOYEYEE EXPENSE	2,172.13M	36,720.00M	17.75%						
G&A EXPENSE	606.53M	12,240.00M	4.96%						
MARKETING EXPENSE	352.66M	12,240.00M	2.88%						
CORPORATE OVERHEADS	0.83M	12,240.00M	0.01%						
Selling, General & Admin Expense	3,132.15M	73,440.00M	25.59%						
Depreciation & Amortization	101.67M	12,240.00M	0.83%						
Total Operating Expense	3,233.82M	85,680.00M	26.42%						

Figure 19: Operating expenses displayed as percent of revenue

KPIs tab

The KPIs tab (Figure 20) shows the current state and best-case KPIs. Values are calculated from existing data assumptions in the Balance Sheet Assumption (BalSheet Assumps), Balance Sheet and Income Statement tabs.

Cashflow Management		Operating Revenue		Operating Expenses		KPIs	
Corporate		Next Yr					
	Current State	Best Case	Variance				
Average Return on Assets	(0.01)%	0.01%	(0.02)%				
Average Days Sales Outstanding	100	42	58				
Rate of annual Inventory Turns	7.75	10.00	(2.25)				

Figure 20: Key Performance Indicators (KPIs) tab

Predictive Analytics tab

Values in the Predictive Analytics tab (Figure 21) are used as drivers for Revenue and Cost of Sales. Data in Figure 21 shows Gross National Product, Average Labor Cost and Petroleum Cost estimates for the next five years.

Operating Revenue		Operating Expenses		KPIs		Predictive Analytics	
%		Next Yr					
	Next Yr	CY+2	CY+3	CY+4	CY+5		
GNP	2.00%	2.00%	3.00%	3.00%	4.00%		
Avg Labor Cost	3.00%	2.00%	1.00%	0.00%	1.00%		
Petroleum Cost	2.00%	(1.00)%	(2.00)%	(3.00)%	(4.00)%		

Figure 21: Predictive Analytics tab

Balance Sheet Assumptions (BalSheet Assumps) tab

The all-important **BalSheet Assumps** tab (Figure 22) requires user input. Most items in the tab drive balance sheet calculations and key metrics. As shown below, input is required for Days Outstanding for Receivables, Days Payables, Inventory Turns and so on.

The tab enables you to enter dividend payments, share issuances and repurchases. Also enter price-to-earnings (P/E) on this tab. P/E Growth is calculated. Data in the tab is used to calculate balance sheet balances for accounts receivable, accounts payable, inventories and so forth. Dividend and share information in the tab links to the Cash Flow Management tab. Figure 22 shows the best-case scenario.

	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5
Short Term Rate of Return	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Days	365	366	365	365	365	366
DSO_Receivables	42	42	42	42	42	42
Inventory Turns	10.00	10.00	10.00	10.00	10.00	10.00
Days accrual outstanding	45	45	45	45	45	45
Days Accts Payable Outstanding	50	50	50	50	50	50
Days Payroll expense outstanding	15	15	15	15	15	15
Days Interest Paid	30	30	30	30	30	30
Dividends Paid?						
Dividend per Share	0.400	0.500	0.600	0.700	0.800	1.000
Dividends \$						
P/E	4.000	4.020	4.040	4.060	4.085	4.120
P/E Growth		0.500	0.498	0.495	0.616	0.857
Ordinary Shares						
Common Shares B/Fwd	634					
Book Value per Share	6.00	6.00	6.00	6.00	6.00	6.00
Market Value per Share	10.00	12.20	13.00	14.50	15.80	17.00
Common Stock Value B/Fwd	3,804					
Common Stock Value	3,804	3,804	3,804	3,804	3,804	3,804
New Shares Issues:						
Share Issue						
Total New Share Issues						
Cash from Shares Issued						
Shares Repurchased						
Cash from Repurchase						
Additional Paid in Capital						
Ending Shares	634	634	634	634	634	634
Closing Share Value	3,804	3,804	3,804	3,804	3,804	3,804
Weighted Avg Shares	634	634	634	634	634	634
Shares Prior Period_(Hidden)	634	634	634	634	634	634
Earnings per Share_(Hidden)	2.067	3.355	4.133	4.915	5.020	5.378

Figure 22: Balance Sheet Assumptions tab

Debt tab

The **Debt tab** (Figure 23) is for debt planning. Data links from the Cash Flow Management tab.

	Current Yr	5 % Series		7 1/2% Series		CY+4	CY+5	CY+6	CY+7	CY+8	CY+9	10yr Total
Debt B/Fwd	48,000											48,000
Opening Debt Balance	48,000					18,000	48,000	48,000				336,000
New Debt												
Retired Debt								48,000				48,000
Ending Debt Balance	48,000					18,000	48,000					288,000
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Interest Expense	2,400	2,400	2,400	2,400	2,400	2,400	2,400					14,400

Figure 23: Debt tab

M&A Planning

M&A planning is an important part of the IBM Cognos Strategic Investment Management Blueprint. Most companies plan for growth and profitability, so acquisition planning is a critical component of the strategic planning process.

M&A Feasibility tab

The **M&A Feasibility tab** (Figure 24) allows the user to begin the initial M&A process. The user must enter some basic information regarding the purchase price, shares currently owned and percentage of ownership desired. The valuation method used is a multiplier of annual sales. Our example uses a multiplier of 1.5. By indicating the price you are willing to pay to make the acquisition, you can see immediately the resulting premium offer percentage and acquisition total cost.

The Include? drop-down determines whether the effect of the acquisition appears in the financials and metrics. The tab enables you to plan for up to three acquisition evaluations per year. You can expand or modify the list to accommodate specific needs. You must enter the fair market value of existing assets and liabilities to calculate goodwill.

Operating Expenses		KPIs	Predictive Analytics	BalSheet Assumps	Debt	M&A Feasibility
Corporate		Next Yr				
	1					
No of Shares Issued	100.00M					
Program Provision						
Calculated Value	5,700.00M					
Valuation Method	Multiplier Annual Sales					
Multiplier	1.50					
Annual Sales	3,800.00M					
Market Valuation	6,000.00M					
Offer Share Price	\$60.20					
Current Share Price	\$57.00					
Premium Offer %	5.3%					
Acquisition Price	6,020.00M					
ASSETS	5,500.00M					
Accounts Receivable	1,000.00M					
Land and Buildings	4,000.00M					
Other Assets	500.00M					
LIABILITIES	4,350.00M					
Accounts Payable	500.00M					
Debt	3,500.00M					
Other Liabilities	350.00M					
Net Assets	1,150.00M					
Goodwill	4,870.00M					
Include?	Yes					
Cash Required	6,020.00M					

Figure 24: M&A Feasibility tab

M&A Synergies tab

The M&A Synergies tab (Figure 25) enables you to enter projected synergies for the acquisition. Items in the tab represent key factors that determine revenue and cost synergies. Pre-acquisition data links from the Income Statement tab.

Operating Expenses		KPIs	Predictive Analytics	BalSheet Assumps	Debt	M&A Feasibility	M&A Synergies
Corporate		1		Next Yr			
	Pre-Acquisition	Synergies	Post-Acquisition				
OPERATIONS							
Sales Revenue	12,240.000M	3,800.000M	16,040.000M				
Cost of Sales	9,072.000M	2,812.000M	11,884.000M				
GROSS PROFIT	3,168.000M	988.000M	4,156.000M				
Selling, General & Admin Expense	3,132.152M	720.000M	3,852.152M				
Other Expense	101.667M	15.248M	116.915M				
TOTAL EXPENSES	3,233.819M	735.248M	3,969.067M				
Other Income							
NET INCOME	(65.819M)	252.752M	186.933M				

Figure 25: M&A Synergies tab

Divestitures tab

The **Divestitures tab** (Figure 26) requires input. The Divestiture Type drop-down includes fixed assets, product lines and entire divisions. You will also want to add data detailing the revenue and cost impact of the divestiture. Include the sales period to capture the divestiture in the correct period. If you are divesting of a capital asset, indicate the disposition price and any associated selling expense. Data in this tab links to the Income Statement and Cash Flow Management tabs.

Operating Expenses KPIs Predictive Analytics BalSheet Assumps Debt M&A Feasibility M&A Synergies Divestitures						
Corporate						
	Div 1	Div 2	Div 3	Div 4	Div 5	Total Divisions
Divestiture type	Product Line 1					
Warning		Fixed Assets - Property				
Revenue Impact	100.00M					100.00M
Cost Impact	50.00M					50.00M
Net Income Impact	50.00M					50.00M
Sales Period	Current Yr					
Book Value	10.00M					10.00M
Accumulated Depreciation	8.00M					8.00M
Net Value	2.00M					2.00M
Asset Type						
Disposition Price	10.00M					10.00M
Selling Expenses						
Gain/(Loss) on Sale	8.00M					8.00M
Taxable Amount	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Capital Gain/(Loss) Taxes						
Corporate Tax Rate	50.0%					50.0%
Capital Gains Tax						
Net Gain/(Loss)	2.00M					2.00M

Figure 26: Divestitures tab

Capital Expenditures (CapEx) tab

The CapEx tab (Figure 27) is for capital requirements. In addition to completing the Description, Month Capitalized, Capital Amount and Cash Outlay sections, select Yes from the Capitalize drop-down to see the result in all related financials. The Blueprint includes 10 available numbered items per year. Data can also be linked from the Funding Initiative Tracking tab for capital expenses associated with funding initiatives.

Operating Expense KPIs Predictive Analytics BalSheet Assumps Debt M&A Feasibility M&A Synergies Divestitures CapEx Balance Flow Assumptions							
Corporate							
Asset Description	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total
Bldg Improvements	Jan	Mar					
Month							
Capital Amount	100.00M	350.00M					450.00M
Cash Outlay	10.00M						10.00M
Liability	90.00M	350.00M					440.00M
TOTAL CAPITAL EXP	100.00M	350.00M					450.00M
Capitalize?	Yes	Yes					-
Asset Type	Buildings	Buildings					Machinery & Equipment
Asset Life	25	25					50
Proceeds from Asset Sale							
Book Value Disposition							
Accum Depreciation Disposition							
Net Book Value							
(Completed C/Fwd)	1.00M	2.00M	2.00M	2.00M	2.00M	2.00M	11.00M
(Completed This Mth)	1.00M	1.00M					2.00M
(Cum Capital Amount)	100.00M	450.00M	450.00M	450.00M	450.00M	450.00M	2,350.00M
(Life Used)	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M	0.50M
(Remaining Life)	24.92M	49.83M	49.75M	49.67M	49.58M	49.50M	49.50M
(Days to Depreciate)	365	304	365	365	365	365	2,129
Capex Liability Movement		260.00M	(350.00M)				(90.00M)
Property, Plant & Equipment		431.67M	(22.00M)	(22.00M)	(22.00M)	(22.00M)	343.67M
Opening Book Value		96.00M	527.67M	505.67M	483.67M	461.67M	
Capitalization Amount	100.00M	450.00M					550.00M
Closing Book Value	96.00M	527.67M	505.67M	483.67M	461.67M	439.67M	439.67M
PPE - depreciation and amortization B/Fwd	20.00M						20.00M
Existing Depreciation							
New Depreciation	4.00M	18.33M	22.00M	22.00M	22.00M	22.00M	110.33M
Total Current Depreciation	4.00M	18.33M	22.00M	22.00M	22.00M	22.00M	110.33M

Figure 27: Capital Expenditures tab

Balance Flow tab

The **Balance Flow** tab (Figure 28) represents a trial balance. Enter balance forward information for the first period only. Balance forward accounts must be the same for both the current state and best-case scenarios, as these represent prior year actual data. To verify they are the same, make sure the Bal_check column in the Balance Sheet is zero. Balances for many accounts are calculated based on data in the BalSheet Assumps tab.

	Operating Expenses	KPIs	Predictive Analytics	BalSheet Assumps	Debt	M&A Feasibility	M&A Synergies	Divestitures	CapEx	Balance Flow	Assumptions
Corporate											
Best Case											
	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total				
Days	365.00	366.00	365.00	365.00	365.00	366.00	2,192.00				
FLOW_OPERATING ITEMS											
Receivables B/Fwd	4,000.00M						4,000.00M				
Receivables - beg period	4,000.00M	1,380.82M	2,150.49M	2,230.58M	2,354.23M	2,502.18M	4,000.00M				
Revenue	12,000.00M	18,740.00M	19,384.80M	20,469.34M	21,745.12M	24,074.93M	116,404.20M				
Cash Receipts	14,619.18M	17,970.33M	19,304.71M	20,335.70M	21,597.17M	23,814.41M	117,641.50M				
Receivables - end period	1,380.82M	2,150.49M	2,230.58M	2,354.23M	2,502.18M	2,762.70M	2,762.70M				
Other Revenue B/Fwd							23.01M				
Other Rev - beg period							23.01M				
Other Revenue			200.00M				200.00M				
Total Other Revenue			200.00M				200.00M				
Cash Receipts Other Revenue			176.99M		23.01M		200.00M				
Other Revenue - end period			23.01M				23.01M				
Days sales outstanding	42.00	42.00	42.00	42.00	42.00	42.00	42.00				
Oth Current Assets B/Fwd							1,000.00M				
Oth Current Assets-beg period							1,000.00M				
Short Term Investment							5.0%				
Interest ST Investment							30.0%				
ST Investment Rate %	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	30.0%				
Total Oth Current Assets							1,000.00M				
Cash Receipts Oth Curr Assets							1,000.00M				
Oth Current Assets-end period							1,000.00M				
Inventory B/Fwd	1,000.00M						1,000.00M				
Inventory - beg period	1,000.00M	840.00M	1,095.64M	1,168.77M	1,206.92M	1,223.34M	1,000.00M				
Cost of Goods Sold	8,400.00M	12,234.66M	12,418.91M	12,641.43M	12,561.95M	13,029.48M	71,286.43M				
Inventory Purchases	8,240.00M	12,490.31M	12,492.03M	12,679.59M	12,578.37M	13,052.23M	71,532.52M				
Inventory - end period	840.00M	1,095.64M	1,168.77M	1,206.92M	1,223.34M	1,246.09M	1,246.09M				
Avg COGs	8,400.00M	10,956.44M	11,687.68M	12,069.18M	12,233.43M	12,460.88M	67,807.61M				
COGS Next Period_(Hidden)	8,400.00M	8,400.00M	12,234.66M	12,418.91M	12,641.43M	12,561.95M	66,656.95M				
COGS Period_plus_2_(Hidden)	12,418.91M	12,641.43M	12,561.95M	13,029.48M	12,641.43M	12,561.95M	75,855.15M				
Inventory Turns	10.00	10.00	10.00	10.00	10.00	10.00	60.00				
Accounts Payable B/Fwd	3,800.00M						3,800.00M				
Accounts payable - beg period	3,800.00M	4,928.77M	6,635.09M	8,346.33M	10,083.26M	11,806.32M	3,800.00M				
Purchases for Inventory	8,240.00M	12,490.31M	12,492.03M	12,679.59M	12,578.37M	13,052.23M	71,532.52M				
Payments for Inventory	7,111.23M	10,783.98M	10,780.80M	10,942.66M	10,855.31M	11,269.13M	61,743.11M				
Accounts payable - end period	4,928.77M	6,635.09M	8,346.33M	10,083.26M	11,806.32M	13,589.42M	13,589.42M				
Days Accts Payable Outstanding	50.00	50.00	50.00	50.00	50.00	50.00	300.00				
Emp Expense B/Fwd							87.40M				
Emp Exp - beg period		87.40M	176.42M	272.01M	368.26M	471.37M	1,375.46M				
Employee Expense	2,126.74M	2,172.13M	2,326.06M	2,341.91M	2,509.15M	2,590.76M	14,066.74M				
Employee Expense paid	2,039.34M	2,083.11M	2,230.47M	2,245.67M	2,406.03M	2,484.58M	13,489.19M				
Emp Exp - end period	87.40M	176.42M	272.01M	368.26M	471.37M	577.55M	1,953.01M				
Days Payroll exp outstanding	15.00	15.00	15.00	15.00	15.00	15.00	90.00				
Accrued Expense B/Fwd	2,176.00M						2,176.00M				
Accrued expenses - beg period	2,176.00M	2,315.54M	2,800.90M	3,353.23M	3,945.31M	4,567.61M	2,176.00M				
Accrued expense	1,131.86M	3,947.55M	4,480.01M	4,802.41M	5,047.58M	5,633.65M	25,043.06M				
Accrued expenses paid	992.31M	3,462.20M	3,927.68M	4,210.33M	4,425.27M	4,940.99M	21,958.78M				
Accrued expenses - end period	2,315.54M	2,800.90M	3,353.23M	3,945.31M	4,567.61M	5,260.27M	5,260.27M				
Days accrual outstanding	45.00	45.00	45.00	45.00	45.00	45.00	270.00				
Cash paid to suppliers and employees	8,103.55M	14,246.18M	14,708.48M	15,152.99M	15,280.58M	16,210.12M	83,701.89M				

Figure 28: Balance Flow tab

Assumptions tab

The **Assumptions tab** (Figure 29) includes corporate-provided data on interest and tax rates used in most of the financials. Data from the Predictive Analytics tab links to this tab for Gross National Product (GNP), Average Labor (Avg Labor) Cost and Petroleum Cost.

The sales percent from GNP represents the assumed growth factor for revenue. Our example assumes one percent growth in organic revenue for every one percent growth in GNP. Cost of goods sold (COGS) is a combination of Avg Labor Cost and Petroleum Cost. In our example, each percent increase (or decrease) in these costs results in a corresponding factor change in COGS. For example, in CY+2, Avg Labor cost is expected to increase by two percent, while petroleum is expected to decrease by one percent. The company weighs labor cost as having a 1.6 percent effect on COGS and Petroleum costs as having a one percent effect on COGS. The result is a 2.2 percent increase in COGS for CY+2. The impact will be seen in the Income Statement for Core Operations.

	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total
Corporate tax rate	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Cost of capital	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
ST Investment Rate %	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	30.0%
Premium %	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Required Rate of Return %	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
No of Employees	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Revenue Impact		2.0%	2.0%	3.0%	3.0%	4.0%	14.0%
Product Cost Impact		8.0%	2.2%	(0.5%)	(3.0%)	(2.5%)	4.2%
Sales% from GNP	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	6.0%
Prod Cost% from Avg Labor	2.0%	2.0%	1.6%	1.5%	1.5%	1.5%	10.1%
Prod Cost% from Petroleum	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	6.0%
GNP	0.00%	2.00%	2.00%	3.00%	3.00%	4.00%	14.00%
Avg Labor Cost	0.00%	3.00%	2.00%	1.00%	0.00%	1.00%	7.00%
Petroleum Cost	0.00%	2.00%	(1.00)%	(2.00)%	(3.00)%	(4.00)%	(8.00)%

Figure 29: Assumptions tab

Working Capital tab

Data in the optional **Working Capital tab** (Figure 30) links from the Balance Sheet tab.

	Current Yr	Next Yr	CY+2	CY+3	CY+4	CY+5	5 yr Total
CURRENT ASSETS							
Cash	4,196		2,428	5,178	8,450	12,303	12,303
Receivables	1,381	2,150	2,231	2,354	2,502	2,763	2,763
Inventories	340	1,096	1,169	1,207	1,223	1,246	1,246
TOTAL CURRENT ASSETS	6,417	3,246	5,828	8,739	12,175	16,312	16,312
CURRENT LIABILITIES							
Payables	4,929	6,635	8,346	10,083	11,806	13,589	13,589
Tax Liabilities	92	27	5	45	174	340	340
Other Current Liabilities	2,403	2,977	3,625	4,314	5,039	5,838	5,838
TOTAL CURRENT LIABILITIES	7,424	9,639	11,977	14,441	17,019	19,767	19,767
WORKING CAPITAL	(1,008)	(6,393)	(6,149)	(5,703)	(4,844)	(3,455)	(3,455)

Figure 30: Working Capital tab

Funding initiative planning module

The corporate planner uses the Funding Initiative Planning module. In our example, programs are a means to achieve company revenue and income growth goals. Programs are supported by funding initiatives. The corporate planner defines initiatives and allocates them to supporting divisions. The timeframe for this module and the Funding Initiative Tracking module is two years in quarters (Figure 31).

Q1_NY
Q2_NY
Q3_NY
Q4_NY
Next Yr
Q1_Y2
Q2_Y2
Q3_Y2
Q4_Y2
Yr 2
Total Project

Figure 31: Funding Initiative Tracking time frame

Funding Initiative Plan tab

The Funding Initiative Plan tab (Figure 32) enables you to enter initiatives and select which programs they support. The tab includes ten initiatives, and the list can be expanded. The planner enters a description, selects which program the initiative will support, and enters a start and end date.

Funding Initiative Plan		Funding Initiative Plan Alloc	Net Impact Calculation								
Corporate Planning		Initiative 1	Initiative 2	Initiative 3	Initiative 4	Initiative 5	Initiative 6	Initiative 7	Initiative 8	Initiative 9	Initiative 10
OVERVIEW											
Description	Asia & S. America	Off shore producers									
Program	Geographic Expansion	Lower Cost Producers									
Start Period	Q1_NY	Geographic expansion									
End Period	Q4_Y2	Lower Cost Producers									
Duration	8 qtrs	Others									

Figure 32: Funding Initiative Plan tab

Funding Initiative Plan Allocation (Funding Initiative Plan_Alloc) tab

Use the Funding Initiative Plan_Alloc tab (Figure 33) to allocate each initiative's dollar amount to the divisions. Data links to the Funding Initiative Overview tab in the Funding Initiative Tracking module.

Funding Initiative Plan Funding Initiative Plan_Alloc Net Impact Calculation			
Corporate Planning		Initiative 1	
OVERVIEW	Company Total	Home Products	Office Products
Description		Asia & S. America	Asia & S. America
Program		Geographic Expansion	Geographic Expansion
Start Period		Q1_NY	Q1_NY
End Period		Q4_Y2	Q4_Y2
Duration	9	9	9
Division Revenue Improvement	17,500.000	8,400.000	9,100.000
Division Cost Reduction			
Division Initiative Expense	6,000.000	2,520.000	3,480.000
Division Headcount Reduction			
Headcount Date Complete			
Capital Expenditure	400.000	250.000	150.000
Capital Expenditure Period		Q1_NY	

Figure 33: Funding Initiative Plan Allocation tab

Net Impact Calculation tab

Data in the Net Impact Calculation tab (Figures 34 and 35) is allocated along time periods for the original amounts. Committed, Actual and Estimate to Complete data links from the Funding Initiative Tracking module after divisions have entered their supporting information.

Funding Initiative Plan Funding Initiative Plan_Alloc Net Impact Calculation											
Original		Corporate Planning		Initiative 1		Company Total					
	Q1_CY	Q2_CY	Q3_CY	Q4_CY	Current Yr	Q1_NY	Q2_NY	Q3_NY	Q4_NY	Next Yr	Tr
Revenue Impact					13,000.000						
Cost Reduction Impact		13,000.000			13,000.000						
Headcount Reduction Impact		350			350						
Expense Impact	577,000	1,227,475	1,073,461	213,599	3,091,535						
Total Benefit realized		13,000.000			13,000.000						
Capital Expenditure			2,000.000		2,000.000						
Net Cash Flow	(577,000)	11,772,525	(3,073,461)	(213,599)	7,908,465	7,908,465	7,908,465	7,908,465	7,908,465	7,908,465	
Cumulative Net Cash Flow	(577,000)	11,195,525	8,122,064	7,908,465	7,908,465	7,908,465	7,908,465	7,908,465	7,908,465	7,908,465	

Figure 34: Net Impact Calculation tab

Funding Initiative Plan Funding Initiative Plan_Alloc Net Impact Calculation						
Total Project		Corporate Planning		Initiative 1		Company Total
	Original	Committed	Actual	Estimate to Complete	Var to Commitment	
Revenue Impact	17,500.000	17,000.000	2,754.510	18,855.000	(4,609.510)	
Cost Reduction Impact						
Headcount Reduction Impact						
Expense Impact	12,000.000	6,050.000	728.000	5,320.000	2,000	
Total Benefit realized	17,500.000	17,000.000	2,754.510	18,855.000	(4,609.510)	
Capital Expenditure	250.000	350.000	380.000		(30.000)	
Net Cash Flow	5,250.000	10,600.000	1,646.510	13,535.000	(4,581.510)	
Cumulative Net Cash Flow	5,250.000	10,600.000	1,646.510	13,535.000	(4,581.510)	

Figure 35: Net Impact Calculation Actual and Estimate-to-Complete

Funding initiative tracking module

Divisions use the Funding Initiative Tracking module. In our example, funding initiative allocation amounts are proposed by corporate and link to this module. Divisions analyze and commit to revenue, expense, capital and headcount/cost reductions. Committed amounts link back to the Funding Initiative Planning module. The typical planning process includes multiple iterations between corporate and divisions. As actual data is captured, divisions will update their forecast with an Estimate to Complete.

The example in Figure 36 shows a simple hierarchy with two divisions, which can be modified easily. The corporate planner will likely have review or view rights to this module.

Workflow



Figure 36: Hierarchy for Funding Initiative Tracking

The following example shows data from a manager of the Home Products Division.

Funding Initiative Overview tab

Data in the **Funding Initiative Overview tab** (Figure 37) links from the Funding Initiative Planning module for the original proposed amounts. Committed Cost Reductions and Capital amounts link from other tabs in the model. Revenue Improvement is based on the division's best estimate.

Funding Initiative Overview		
	Funding Initiative_Hdct	Funding Initiative_Hdct (
	Home Products	Initiative 1
	Original	Committed
OVERVIEW		
Description	Asia & S. America	Asia&S.America
Program	Geographic Expansion	Geographic Expansion
Start Period	Q1_NY	Q1_NY
End Period	Q4_Y2	Q4_Y2
(Advance)/Delay		
New Start Period-Year	Q1_NY	Q1_NY
New End Period-Year	Q4_Y2	Q4_Y2
Warning		
Duration	8	8
METRICS		
Revenue Improvement	8,400.000	8,100.000
Cost Reduction		
Initiative Expense	2,520.000	2,420.767
Capital Expenditure	250.000	200.000
Headcount Reduction Impact	0	0
Headcount Date Complete		

Figure 37: Funding Initiative Overview tab

Funding Initiative Headcount (Funding Initiative_Hdct) tab

Use the Funding Initiative_Hdct tab (Figure 38) to enter the headcount by type to support the initiative. The Resource Type drop-down includes internal and external high, medium and low. The Status drop-down includes full-time, part-time, contractors and more. The planner inputs the anticipated roles, status and headcount for each initiative, along with start and end periods. The cost will appear in the Funding Initiative_Hdct Cost tab.

Funding Initiative Overview											
Funding Initiative_Hdct		Funding Initiative_Hdct Cost		Capital Expenditure		Expense Summary		Headcount Reduction		Net Impact Calculation	Resource Cost
Committed											
Home Products											
Initiative 1											
Resource Type	Status	FTE	Start Period-Yr	End Period-Yr	New Start Period-Yr	New End Period-Yr	Q1_NY	Q2_NY	Q3_NY		
Accounting Manager	Bdgt Med Internal	Permanent - Full Time	0.50	Q1_NY	Q4_Y2	Q1_NY	Q4_Y2	0.50	0.50	0.50	
Administrative Assistant				Q1_NY	Q4_Y2	Q1_NY	Q4_Y2				
Business Analyst											
Computer Technician	Bdgt Low Internal	Permanent - Full Time	0.25	Q1_NY	Q4_Y2	Q1_NY	Q4_Y2	0.25	0.25	0.25	
Database Administrator	Bdgt Low External	Consultant	0.25	Q1_NY	Q4_Y2	Q1_NY	Q4_Y2	0.25	0.25	0.25	
IT Architect											
IT Project Manager											
Office Clerk											
Project Manager	Bdgt Med Internal	Permanent - Full Time	0.50	Q1_NY	Q4_Y2	Q1_NY	Q4_Y2	0.50	0.50	0.50	
Software Designer											
Systems Specialist											
Technical Admin											
Technical Support											
Trainer											

Figure 38: Funding Initiative Headcount tab

Funding Initiative_Hdct Cost (Funding Initiative_Hdct Cost) tab

Data in the Funding Initiative_Hdct Cost tab (Figures 39 and 40) is calculated based on data from the Funding Initiative_Hdct tab and average cost from the Resource tab.

Funding Initiative Overview												
Funding Initiative_Hdct		Funding Initiative_Hdct Cost		Capital Expenditure		Expense Summary		Headcount Reduction		Net Impact Calculation		
Committed												
Home Products												
Initiative 1												
Cost												
Resource Type	Status	Q1_NY	Q2_NY	Q3_NY	Q4_NY	Current Yr	Q1_Y2	Q2_Y2	Q3_Y2	Q4_Y2	Next Yr	
Accounting Manager	Bdgt Med Internal	Permanent - Full Time	33.950	33.950	33.950	33.950	135.800	35.769	35.769	35.769	35.769	143.075
Administrative Assistant												
Business Analyst												
Computer Technician	Bdgt Low Internal	Permanent - Full Time	9.094	9.094	9.094	9.094	36.375	9.579	9.579	9.579	9.579	38.315
Database Administrator	Bdgt Low External	Consultant	14.732	14.732	14.732	14.732	58.927	15.520	15.520	15.520	15.520	62.080
IT Architect												
IT Project Manager												
Office Clerk												
Project Manager	Bdgt Med Internal	Permanent - Full Time	28.373	28.373	28.373	28.373	113.490	29.000	29.000	29.000	29.000	116.000
Software Designer												
Systems Specialist												
Technical Admin												
Technical Support												
Trainer												

Figure 39: Funding Initiative Headcount cost tab

Funding Initiative Overview											
Funding Initiative_Hdct		Funding Initiative_Hdct Cost		Capital Expenditure		Expense Summary		Headcount Reduction		Net Impact Calculation	Resource Cost
Fully Loaded Cost											
Current Yr											
Resource Type	Permanent - Full Time	Permanent - Part Time	Graduate	Offshore	Consultant	Contractor	Temporary				
Accounting Manager	325.52	279.36	232.80	186.24			261.90				
Administrative Assistant	186.24	162.96	139.68	116.40			154.23				
Business Analyst	279.36	240.56	201.76	162.96			226.01				
Computer Technician	209.52	182.36	155.20	128.04			171.69				
Database Administrator	279.36	240.56	201.76	162.96			226.01				
IT Architect	256.08	221.16	186.24	151.32			207.58				
IT Project Manager	279.36	240.56	201.76	162.96			226.01				
Office Clerk	186.24	162.96	139.68	116.40			154.23				
Project Manager	272.57	259.96	217.28	174.60			243.47				
Software Designer	256.08	221.16	186.24	151.32			207.58				
Systems Specialist	279.36	240.56	201.76	162.96			226.01				
Technical Admin	256.08	221.16	186.24	151.32			207.58				
Technical Support	232.80	201.76	170.72	139.68			190.12				

Figure 40: Funding Initiative Resource tab

Capital Expenditure tab

Enter capital expenditures that support the initiative in the **Capital Expenditure** tab (Figure 41). The planner must determine the amount and period in which the expenditure is made.

Funding Initiative Overview		Funding Initiative_Hdct	Funding Initiative_Hdct Cost	Capital Expenditure
Home Products		Initiative 1		
Expenditure Description	Original	Committed	Actual	Estimate to Complete
Asset Class	Infrastructure	Infrastructure	Infrastructure	
Amount	250,000	200,000	220,000	
Purchase Period	Q2_NY	Q1_NY	Q1_NY	Q2_NY
In Service Period	Q2_NY	Q1_NY	Q1_NY	Q2_NY

Figure 41: Capital Expenditure tab

Expense Summary tab

The **Expense Summary** tab (Figure 42) includes labor and capital data from other tabs. Enter other anticipated expenses by period to prepare a more detailed estimate for corporate. The list of expenses can be customized to suit a company's specific needs.

Funding Initiative Overview		Funding Initiative_Hdct	Funding Initiative_Hdct Cost	Capital Expenditure	Expense Summary
Home Products		Initiative 1			Q1_NY
	Original	Committed	Actual	Estimate to Complete	Var to Commitment
Labor Expense	86,633	86,148	74,848		11,300
Equipment Rental	32,778	30,390	30,000		0,390
Travel & Entertainment	30,677	25,154	38,000		(12,846)
Professional Fees	72,908	79,420	77,455		1,965
Telephone	7,161	6,082	8,500		(2,418)
Supplies	20,864	21,263	20,000		1,263
Other					
TOTAL EXPENSE	251,021	248,456	248,804		(0,347)
Land					
Buildings		200,000	220,000		(20,000)
Machinery & Equipment					
Computer Equipment					
Computer Software					
Furniture & Fixtures					
Autos and Trucks					
TOTAL CAPITAL EXPENDITURE		200,000	220,000		(20,000)

Figure 42: Expense Summary tab

Headcount Reduction tab

The **Headcount Reduction tab** requires input for initiatives supporting Headcount/ Cost Reductions. Planners enter the number of headcount reductions by type and time period. The user may expand headcount roles. Data from the Headcount Role Cost (Hidden) tab (not shown), will update cost data by role. Figure 43 shows the full-time equivalent headcount (FTE), and Figure 44 shows calculated Cost Reduction dollars.

Funding Initiative Overview												
Funding Initiative_Hdct					Funding Initiative_Hdct Cost				Capital Expenditure		Expense Summary	Headcount Reduction
Home Products												
FTE												
Initiative 2												
Committed												
	Q1_NY	Q2_NY	Q3_NY	Q4_NY	Next Yr	Q1_Y2	Q2_Y2	Q3_Y2	Q4_Y2	Yr 2	Total Project	
Executive	0	1	0	1	1	0	0	1	0	1	2	
Management	0	3	0	3	6	3	0	5	0	8	14	
Administrative	0	18	0	18	35	20	0	10	0	30	65	
Direct Labor	0	14	0	13	27	13	0	18	0	31	57	
Total Headcount Roles	0	35	0	34	69	36	0	34	0	69	138	

Figure 43: Headcount Reduction tab displayed as full-time equivalents (FTEs)

Funding Initiative Overview												
Funding Initiative_Hdct					Funding Initiative_Hdct Cost				Capital Expenditure		Expense Summary	Headcount Reduction
Home Products												
Cost Reduction												
Initiative 2												
Committed												
	Q1_NY	Q2_NY	Q3_NY	Q4_NY	Next Yr	Q1_Y2	Q2_Y2	Q3_Y2	Q4_Y2	Yr 2	Total Project	
Executive	0	44	0	44	88	0	0	48	0	48	136	
Management	0	165	0	165	331	182	0	303	0	485	815	
Administrative	0	657	0	657	1,315	827	0	413	0	1,240	2,555	
Direct Labor	0	351	0	313	664	344	0	496	0	840	1,504	
Total Headcount Roles	0	1,217	0	1,180	2,397	1,353	0	1,260	0	2,613	5,010	

Figure 44: Headcount Reduction tab displayed as absolute costs

Net Impact Calculation tab

The **Net Impact Calculation tab** (Figure 45) in this module is the same as the Net Impact tab in the Funding Initiative Planning module. Data for the Commitments, Actual and Estimate to Complete links back to the Funding Initiative Planning module.

Funding Initiative Overview														
Funding Initiative_Hdct					Funding Initiative_Hdct Cost				Capital Expenditure		Expense Summary	Headcount Reduction	Net Impact Calculation	Resource Cost
Committed														
Home Products														
Initiative 2														
	Q1_NY	Q2_NY	Q3_NY	Q4_NY	Next Yr	Q1_Y2	Q2_Y2	Q3_Y2	Q4_Y2	Yr 2	Total Project			
Revenue Impact														
Cost Reduction Impact		1,217,213		1,179,645	2,396,858	1,352,709		1,260,417		2,613,126	5,009,984			
Headcount Reduction Impact		36		35	71	36		34		70	141			
Expense Impact	232,314	259,800	232,314	234,603	959,030	204,896	196,691	196,691	207,438	805,715	1,764,745			
Total Benefit realized		1,217,213		1,179,645	2,396,858	1,352,709		1,260,417		2,613,126	5,009,984			
Capital Expenditure	200,000				200,000						200,000			
Net Cash Flow	(432,314)	957,413	(232,314)	945,042	1,237,828	1,147,814	(196,691)	1,063,726	(207,438)	1,807,411	3,045,239			
Cumulative Net Cash Flow	(432,314)	525,100	292,786	1,237,828	1,237,828	2,385,642	2,188,951	3,252,677	3,045,239	3,045,239	3,045,239			
Impact Start Period	Q1_NY	Q1_NY	Q1_NY	Q1_NY		Q1_NY	Q1_NY	Q1_NY	Q1_NY					
Impact End Period	Q4_Y2	Q4_Y2	Q4_Y2	Q4_Y2		Q4_Y2	Q4_Y2	Q4_Y2	Q4_Y2					

Figure 45: Net Impact Calculation tab

Summary

The IBM Cognos Strategic Investment Management Blueprint, powered by IBM Cognos 8 Planning and Cognos 8 Business Intelligence, helps your company:

- *automate and structure the business planning and strategic investment-management processes*
- *maximize the integration of financial statements*
- *enhance data accuracy*
- *facilitate business modeling*
- *streamline planning cycles*
- *strengthen links between strategic investments and operational plans*

By using the Blueprint, a Finance organization can improve its ability to fund and manage profit and growth programs aligned with strategic objectives. The Blueprint also

- *easily defines and models strategic objectives, so you can quickly pass financial targets to operations and organizations assigned to execute funding initiatives*
- *gives operations more time to create plans and tactics to achieve corporate objectives*
- *saves time and effort by offering complete workflow features that facilitate automatic rollup of submitted and approved plans*
- *greatly compresses the planning cycle, so iterations and resource reallocation can occur quickly while maintaining the integrity of operational plans.*

Value to You

CFO Challenges

- *Assessing current results versus five-year forecast*
 - *Where to start?*
- *Executive sponsorship/leadership*
 - *What changes are needed and who will lead?*
- *Defining vision and strategic programs*
 - *What is right for business and why?*
- *Understanding and acceptance of all organizations*
 - *Counter resistance at all levels*

Continues

The result is enhanced accountability and more timely, reliable forecasts to drive better business outcomes.

IBM Cognos Performance Blueprints are preconfigured solution building blocks that help companies jump-start implementations. These pre-defined data, process and policy models encapsulate collective best-practice knowledge from the IBM Global Business Services (GBS) Financial Management and IBM Cognos Innovation Center for Performance Management. In the hands of GBS Financial Management consultants (see sidebar) and IBM Cognos certified implementation technical resources, Blueprints reduce project implementation schedules and improve project success rates.

About the IBM Cognos Innovation Center for performance management

The IBM Cognos Innovation Center was established in North America and Europe to advance the understanding of proven planning and performance management techniques, technologies, and practices. The Innovation Center is dedicated to transforming routine performance management practices into “next practices” that help companies

- *cut costs*
- *streamline processes*
- *boost productivity*
- *enable rapid response to opportunity*
- *increase management visibility*

Staffed globally by experts in planning, technology, and performance and strategy management, the Innovation Center partners with more than 600 IBM Cognos customers, academicians, industry leaders, and others seeking to accelerate adoption, reduce risk, and maximize the impact of technology-enabled performance management practices.

Value to You

IBM Global Business Services Financial Management Assistance / IBM Cognos

- *Benchmark comparisons, component business models and industry experience, and prepare five-year forecast of current strategic programs*
- *Market place awareness, best practices, executive relationship and coaching*
- *Business case development, implementation experience, capabilities assessment and communication skills*
- *Process Blueprint to follow, definition of roles and responsibilities, organizational change management, participation and commitment*
- *Multiple scenarios can be pre-run to analyze potential management decisions based on anticipated changes/risks. Trigger points can be defined to pre-determine/authorize management actions.*

About IBM Cognos BI and Performance Management

IBM Cognos business intelligence (BI) and performance management solutions deliver world-leading enterprise planning, consolidation and BI software, support and services to help companies plan, understand and manage financial and operational performance. IBM Cognos solutions bring together technology, analytical applications, best practices, and a broad network of partners to give customers an open, adaptive and complete performance solution. Over 23,000 customers in more than 135 countries around the world choose IBM Cognos solutions.

For further information or to reach a representative: www.ibm.com/cognos

Request a call

To request a call or to ask a question, go to www.ibm.com/cognos/contactus. An IBM Cognos representative will respond to your enquiry within two business days.



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