From reporting to performance management – A roadmap

How IT can drive better business performance

Cognos.
software

Contents

Better decisions mean better performance

To help drive better performance, organizations look to IT to provide business decision makers with consistent, accurate information that is aligned with business processes and performance goals. It's no longer a question of better or faster reports—it's about getting the right information to the right people at the right time. Only then can managers and others answer the fundamental questions that lead to better performance:

- How are we doing?

- Why?

- What should we be doing?

Using technology and best practices to align operational and financial information, internal processes, and strategic goals, is bringing about a shift in focus from standard business intelligence to the more all-encompassing discipline of performance management. Analysts and practitioners from every industry underline the ability of performance management to deliver competitive advantage, increase return on investment, and drive corporate success. As a result, organizations are looking for ways to implement performance management initiatives, and IT departments face the challenge of deploying a technology infrastructure to support these initiatives.

Reporting as a catalyst for performance management

When it comes to building a performance management solution, there are many starting points and routes to take. But it's generally agreed that, rather than try to "boil the ocean" and put in place a full-blown solution in a single go, it is better to start small, build on success, and gradually construct a solution that is carefully thought out and deployed.

One of the most common—and proven—ways to implement performance management in this way is through reporting. As a core component of business intelligence and performance management, reporting provides the insight and critical data needed to answer fundamental business questions. Reporting is often the first area to be addressed when considering performance management needs, and it is the logical focal point of increasingly more sophisticated performance management initiatives.

But to be viable as a route to achieving performance management goals, reporting-led performance management must follow a logical and carefully planned path. In the recent paper *Building a Foundation for Successful Performance Management: How Enterprise BI and Reporting Support Strategic Business Objectives*,[1] Ventana Research identifies "a four-stage maturation process" for systematically using information to gain business advantage. Ventana Research's four stages on the way to reporting-led performance management are: Tactical, Advanced, Strategic, and Innovative.

Innovative

Strategic

Advanced

Tactical

INCREASING MATURITY
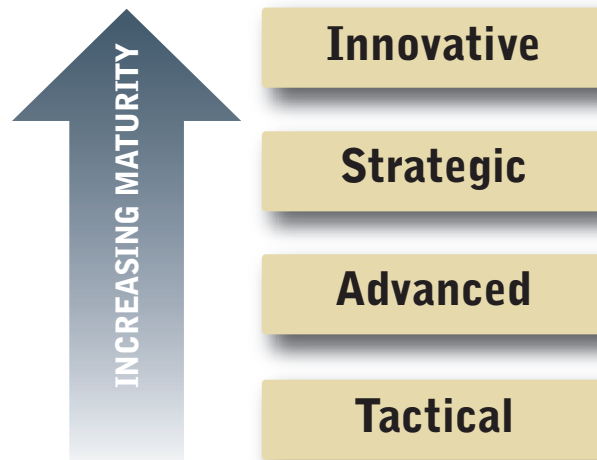
Ventana Research's four stages on the road to reporting-led Performance Management

Tactical reporting: Basic reporting and business intelligence (BI)

Ventana Research's reporting-led journey to performance management begins with a single, basic reporting solution that:

- Focuses on a particular department and group of business users

- Provides that group with "canned" production reports, plus the ability to perform ad hoc queries and drill-down analysis

- Includes data that is limited in scope, relating to a single department or business function

- Does not integrate reporting, analysis, and planning functions

Advanced reporting: Expanding the solution

At Ventana Research's Advanced stage, what started as a point solution is expanded by:

- Extending it to other departments and business functions

- Adding dashboards, scorecards, analytics, and the underlying business modeling needed to support them

The first signs of performance management start to appear, as organizations:

- Extend business intelligence to a wider audience, and it becomes "the essential provider of information-dependent insights to operational users"

- Start to assess whether their technology choice lets them use their corporate resources in the best way

- Address any shortcomings with their infrastructure's ability to provide the data integration and information sharing needed for performance management

Strategic reporting: Standardizing on enterprise BI

At the strategic stage of Ventana Research's reporting-led journey to performance management:

- The organization standardizes on enterprise BI technology, as well as decision-making and planning processes

- BI becomes central to core decision-making processes and to the operation of the organization

- Business users begin to have true BI analysis capabilities that let them explore the details of what is happening in the organization and why

- For greater efficiency, IT is asked to standardize on those tools that best meet users' needs and fit the organization's information infrastructure

For IT administrators, a key ingredient at this stage is to have an independent enterprise reporting platform that sits above ERP, CRM, and other transactional data systems and lets them consolidate multiple data sources. This, in turn, lets IT produce consistent, dependable information for the single version of the truth that effective enterprise-wide business decisions demand.

Innovative reporting: True performance management

Ventana Research maintains that the fourth stage of its model — Innovation — has yet to be realized by most organizations. At this point in the process, organizations:

- Apply information assets to continuously measure and manage performance throughout the organization

- Add planning, budgeting, and forecasting processes that inform key people of changes in business conditions and let them take action

The ultimate payoff of reaching the innovative stage is an organization that is aligned and focused on corporate goals, whose performance is predictable and dependable, and whose information technology foundation provides the superior performance needed to differentiate itself from its competitors.

The IBM Cognos reporting-led performance management roadmap

Based on years of experience with thousands of successful customers IBM has built a roadmap for reporting-led performance management that aligns closely with Ventana Research's process. The IBM Cognos roadmap gives organizations a way to achieve their performance management goals in a proven way, one step at a time, while keeping in mind the ultimate goal of performance management.

1. Addressing your initial needs

The first step in the IBM Cognos roadmap—the equivalent of Ventana Research's Tactical stage—is to address basic reporting needs in one or more selected departments or areas of concern.

Customers have told us they focused this effort in an area of the business with the strongest need, with the greatest payoff potential, or where an information or performance champion drives the initiative.

1 ADDRESS initial reporting needs **2 DRIVE** insight through BI **3 EXTEND** BI enterprise-wide **4 ADVANCE** performance management

Although the effort may focus on a limited set of requirements, there is still a need for many types of reports, each of which might have its own technology requirements. As a result, IT and business users must work together to define and evaluate which technology best satisfies business needs.

IT must balance the value of meeting new business requirements with the downside of adding another technology to an already diverse IT infrastructure. This requires a thorough product evaluation to ensure that any solution implemented not only addresses immediate needs, but will let the organization meet future requirements. During its evaluation, IT asks questions such as:

- Can this solution be extended to solve several types of reporting pains, such as managed reporting, ad-hoc querying, production and operational reporting, and analytic reporting?

- Can it address diverse user needs and let us use information more broadly, while minimizing the impact on IT?

- Will it allow all of our users to access and trust the same view of data across the organization, even though we have diverse and complex data sources?

- Can we leverage existing investments and still have the flexibility to respond to new demands?

- Will it allow us to author once and publish anywhere, so that we are not re-writing reports again and again?

IBM Cognos 8 BI and the basic reporting solution

IBM Cognos customers have addressed the full breadth of their initial reporting needs, and taken the first step toward reporting-led performance management, with IBM Cognos 8 Business Intelligence.

Built on a single, proven, web services-based, service-oriented architecture that features centralized metadata, IBM Cognos 8 BI provides a complete range of reports in a single authoring environment, including reporting, query, and analysis; dashboards and scorecarding; and business event management. It delivers these capabilities through a consistent, 100 percent web-browser interface. And it provides the ability to author reports once, and then publish them anywhere.

IBM Cognos 8 BI fulfills the promise of business intelligence by allowing users to readily access data in any way they want, so they can understand what is happening and why, and can decide what action to take to help the organization succeed. Its basic reporting capabilities include:

- **Managed Reporting** – Classic, one-to-many reports, such as standard monthly reports generated from a data warehouse and distributed to any number of users

- **Business or Ad-Hoc Reporting** – Dynamic, self-service reports that business people can use to answer non-standard or opportunistic questions

- **Production Reporting** – High-volume reports generated from transactional sources, typically requiring high fidelity formatting. Developers design these to be consumed by customers and suppliers – for example, invoices for purchases

- **Operational or Transactional Reporting** – Real-time reporting from transactional or financial systems that provides immediate and continuous visibility into data, such as product sales in a supply-chain environment

- **Analytical Reporting** – Analyses that let users see trends at the macro-level and look at information from a variety of perspectives and dimensions. For example, an analytical report lets sales managers see revenue by geography, date, and sales person, and drill into that data to see trends by sales rep and region

For all these report types, IBM Cognos 8 BI provides self-service capabilities that free business users from a dependence on IT, and free IT for other tasks. And it provides a variety of information search and access modes that include:

- **IBM Cognos 8 Go! Mobile** – for accessing reports on BlackBerry wireless devices

- **IBM Cognos 8 Go! Office** – for viewing and consuming reports in Microsoft® Office applications

A common business model underlying IBM Cognos 8 BI reports provides a consistent view of the data to business users in terms they understand. A single platform leverages existing IT infrastructures and heterogeneous data sources, and operates from a single metadata layer for a variety of benefits, including multilingual reporting.

With IBM Cognos 8 BI, organizations can deploy a reporting solution that fits their existing infrastructure and addresses the immediate reporting pains of a wide range of users. At the same time, the organization has taken a large stride down the road to performance management, with a platform designed to facilitate extending their solution from the basic reporting stage to the advanced.

Where am I after step 1 on the roadmap?

By addressing your initial reporting needs with IBM Cognos 8 BI, you gain:

- Improved operations and performance in the areas of your organization of most concern, or with the greatest payback potential

- A full range of report types — managed, ad hoc, production, operational, and analytic — to meet all users' needs in the selected business areas

- Self-service reporting, so that users can quickly find answers to key business questions without depending on IT, and IT is freed for other tasks

- The ability to author reports once and then publish them anywhere, so that IT saves time and doesn't have to "reinvent the wheel"

- A common business model and a single, proven, Web-services based service-oriented architecture that facilitates the expansion of your reporting solution to the next stage of reporting-led performance management

2. Driving insight through BI

In the second step of the IBM Cognos Reporting-led Performance Management Roadmap — the equivalent of Ventana Research's Advanced reporting stage — organizations deliver their reporting solution to more users, and add sophisticated business intelligence capabilities.

Delivering the solution to other departments

Experience with our customers has shown us that the drive to share the insight resulting from the basic reporting solution with others in the organization typically happens in one of two ways. First, it might be spearheaded by a business unit that sees the success of the original reporting project and asks IT to expand it to meet their particular needs. For example, a marketing executive might see the success of a project for the sales department and approach IT to produce information targeted to the marketing team.

Alternatively, IT might identify another key department, or 'sweet spot of information,' and partner with business to deliver the solution to them. For example, IT might notice that information they delivered to sales or marketing could be of use to the operations team to help make inventory available based on changing demand. By expanding the solution in this way, IT begins to create a web of information across the organization.

In either case, delivering a successful solution to a business problem is most often achieved through a partnership between IT and the business unit. While IT understands the technology, infrastructure, and data sources, the business partner understands what data is needed to deliver actionable information. Together, business and IT provide strategic value far better than either could alone, by jointly helping to drive increased insight and improve overall business performance.

Adding capabilities to measure and monitor performance

At this second stage of the roadmap, our customers typically increase the capabilities of their reporting solutions, too. They add measuring and monitoring to help answer the question "How are we doing?" And they add deep analysis capabilities to help them understand "Why?"

How are we doing?

After they have solved initial reporting needs, and there is better insight into the mounds of data locked deep within the IT infrastructure, many organizations expand their reporting capabilities to display information via business and executive-level scorecards and dashboards. This helps managers measure and monitor business targets and goals, so that they can understand 'how' they are doing.

Scorecards give an organization the ability to display key metrics to the business audience. This helps align teams and tactics with strategy, communicate goals consistently, and monitor performance against targets. Executive-level and business dashboards, which help communicate complex information quickly and intuitively, are another component of this next step.

With a strong reporting infrastructure in place, providing new capabilities to the appropriate audiences in this way helps translate information from various corporate systems into visually rich presentations. Users can view multiple results, and drill through to other data sources and reports for more detail. IBM Cognos customers say that providing scorecarding and dashboarding capabilities to executive and business members of an organization demonstrates value, engages team members, and gains support for BI and performance management initiatives.

Why are we performing as we are?

In tandem with discovering 'how' they are doing, organizations need to understand the factors behind the performance – good or bad – that explain why they see the results they do. This involves adding:

- Capabilities for carrying out comparative analysis of performance from different points of view

- Sources of data from other departments to help users understand the information behind performance measurements. For example, additional data from other sources might help show that above average sales in particular regions are based on early adoption of the latest "hot" colors in certain product lines

By adding deeper analysis capabilities, business users gain the ability to drill down or through, slice or dice, rank, sort, forecast, and nest information to see trends, causes, or effects. By extending the reporting infrastructure to other data sources, including the full range of ERP data, data warehouses, and other sources of data collected from various departments, organizations gain the ability to determine additional insight into the 'why' behind business performance at the appropriate level of detail.

IBM Cognos 8 BI and the advanced reporting solution
IBM Cognos 8 BI, along with resources associated with the IBM Cognos Reporting-Led Performance Management Roadmap, provides a proven path that organizations can follow to deliver their basic reporting solution to more users, and to expand its capabilities.

Expanding the solution: The Performance Manager and "Information sweet spots"
Because it is built on a single, proven architecture, IBM Cognos 8 BI delivers a simplified BI environment that makes it easy to extend basic reporting capabilities to a larger audience. It is highly scalable, and easy to integrate, deploy, and use in new parts of the enterprise.

Of course, with any solution, and in any organization, it is challenging to determine where to extend the solution, and what metrics and data to focus on to ensure a solid, repeatable solution for performance management. To help, IBM has collected insights from performance management customers over the past decade, identified information "sweet spots" that improve business performance, and published this information in *The Performance Manager: Proven Strategies for Turning Information into Higher Business Performance*.[2] This publication distills expert research, and lessons learned from our experience with thousands of customers, into concrete advice for leveraging information to support performance management goals. It provides advice on how to enable better decision making in all departments — from Finance to Marketing, Sales to IT, Operations to HR — across the enterprise.

A complete range of BI Capabilities

As the only business intelligence product on a single architecture to deliver the complete range of BI capabilities, IBM Cognos 8 BI fully addresses the expanded needs associated with Ventana Research's Advanced stage of reporting, and with the second step on the road to reporting-led performance management, with capabilities that include:

- **Analysis** – Explore, analyze, and report against all dimensions of your business, regardless of where the data is stored

- **Scorecarding** – At-a-glance performance analysis and metrics ownership that ensures accountability for performance and helps align tactics with strategy

- **Dashboards** – For a dynamic, real-world view of business that provides one simple version of business issues for faster understanding and action

- **Business Event Management** – Real-time alerts that use event conditions and agents to notify business users when issues arise that need their attention, and then help them resolve those issues faster

Because data integration is a key component of IBM Cognos 8 Business Intelligence, the underlying web services-based, service-oriented architecture, along with metadata modeling, ensure that these added capabilities tap into data formerly in departmental and functional silos, and convert it to meaningful information available throughout the organization to provide all users with the ability to make better decisions.

Where am I after step 2 on the roadmap?

You've expanded the use of IBM Cognos 8 BI to other parts of your organization and added new capabilities and data sources:

• Other parts of your organization start to reap the benefits of the basic reporting solution implemented in selected departments in Step 1 of the Roadmap

• Scorecards and dashboards provide intuitive, visual information about key metrics that helps business users align teams and tactics with strategy, communicate goals consistently, and monitor performance against targets

• New analysis capabilities and data sources mean users can compare performance metrics from different perspectives, drill down or through, slice or dice, rank, sort, forecast, and nest information to see trends, causes, and the effects of their decisions

• More business people across the enterprise are better able to answer the questions "How are we doing?" and "Why?"

• You are poised to extend your reporting solution even further—across your enterprise

3. Extending BI enterprise-wide

Many IBM Cognos customers have successfully taken the third step in the IBM Cognos Reporting-Led Performance Management Roadmap—the equivalent of Ventana Research's Strategic Reporting stage—by leveraging their initial IBM Cognos 8 BI reporting solution to put in place a foundation for enterprise performance management.

They have done this by standardizing processes and technologies, and by making business intelligence available to users in a variety of new ways.
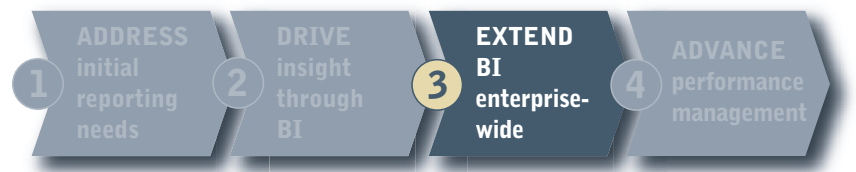
Standardizing on best-of-breed BI technologies

As your reporting solution evolves, you can gain significant advantages by implementing standard technologies and processes for business intelligence and performance management. At this stage, organizations replace multiple systems, which typically have limited focus and generate silos of application-specific data, with a smaller number of best-of-breed solutions. This means fewer tools for IT to implement and maintain. It also means less time spent evaluating software and more time using it. You reduce total cost of ownership because of lower maintenance, support, and training costs. And you deliver the single version of the truth that forms the foundation for performance management.

When choosing a reporting and BI standard, you need to take into account many factors. Does the vendor have a proven track record? Are they eager to partner with customers to help them meet performance management goals? Are they leaders and innovators in business intelligence and performance management? Do they have a vision for the future of BI and performance management?

Choosing the right solution is also critical. Does it provide the capabilities needed by all of your business users? Can it accommodate multiple, heterogeneous data sources? Is it built on a modern, web-services based, service-oriented architecture that will deliver the performance you need now and scale to meet tomorrow's needs as your solution grows?

Meeting the information challenge

As organizations standardize on processes and technologies that help improve business performance, they soon realize that business intelligence exposes data inconsistencies in their ERP and CRM systems, their databases, and in other data silos. All of this data must be brought together to create consistent, meaningful information.

To do this, organizations can formulate a strategy to address the need for a consistent and complete view of information in terms that the business community understands. With this in place, IT can address reconciliation and data quality issues as a separate initiative that has a broad impact across the organization, not just on BI. In this way, the business can leverage BI information across multiple information silos, and IT has a strategy to address the broader issue of data quality without slowing the BI initiative. The single IBM Cognos metadata model means that you can access heterogeneous data sources via a common business view.

However, recognizing the importance of data quality to performance management, IBM offers its own services and resells selected products and services from Informatica to tackle these challenges. IBM helps organizations put a BI platform in place to address the business need for information, and an information management infrastructure that can serve BI and the many other initiatives across IT that require high quality information. As a result, organizations can deliver information immediately to the business, and can tackle the other information challenges they face.

IT-business partnership and executive sponsorship

When extending BI throughout an enterprise, IBM has found it is critical to have a strong execution plan that aligns business and IT. The IT department needs to demonstrate value beyond providing a service to the business; IT must be seen as a true partner with business, and as a contributor of business benefits. This involves building trust among members of business/IT working groups, and creating an environment where people can engage one another and generate positive cultural change.

Many IBM Cognos customers have found it useful to start small, with a key business partner and executive sponsor, and then expand their partnering. In this way, success breeds success, and new business partners emerge. Following this scenario, executive sponsorship – often involving a CIO and CFO – is crucial to gaining momentum.

To speed the process of business and IT partnering, IBM recognized early on that IT and business needed a common language and focus. To that end, IBM recently published Performance Manager book includes information to help organizations locate the information sweetspots where IT and business can collaborate to identify high value areas for BI projects across their organization.

Building a Business Intelligence Competency Center (BICC)
It is also important to follow best practices when selecting, implementing, and using your reporting solution, and to cultivate a culture that understands the value of BI.

Many organizations have found it useful to create a BI Competency Center (BICC) that brings representatives of the business and IT communities together to promote BI expertise and best practices throughout the enterprise. A BICC provides tangible benefits, including a lower cost of ownership, faster and easier understanding and adoption of effective BI and performance management practices, and the ability to enforce proven standards across the enterprise.

IBM, through the IBM Cognos Innovation Center for Performance Management[3], provides information about building, developing, and operating BI Competency Centers. The Innovation Center also brings together technology experts, finance professionals, and industry thought leaders to share their knowledge of best practices in performance management. The Center has generated a wealth of information, and a wide range of useful tools to help organizations meet their performance management goals. Among them are the IBM Cognos Performance Blueprints, which help speed the deployment of business intelligence throughout an organization, and which will be discussed later.

Reaching more users with business intelligence

If a reporting solution is to be effective in addressing performance management goals, it must also deliver BI to a larger, more varied audience with a wide spectrum of requirements. Business users want BI to fit into their working lives—to integrate with company portals and search capabilities, to be accessible using mobile devices, to work within process flows and other applications.

At IBM, we have addressed this need with a range of existing and soon-to-be-available IBM Cognos 8 Go! Consumer Modes, including

- **IBM Cognos Go! Mobile** for securely receiving and interacting with reports and analysis through BlackBerry handheld devices

- **IBM Cognos Go! Search** for finding IBM Cognos 8 BI reports and integrating BI content with search applications such as Autonomy, Fast, Google, and IBM

- **IBM Cognos 8 Go! Office**, which lets users view, interact with, and refresh BI content within Microsoft Office applications

- **IBM Cognos 8 BI Analysis for Microsoft Excel** which provides a way to explore and analyze trusted, secure, multidimensional information from IBM Cognos 8 BI and other data sources in a familiar Microsoft Excel workspace

- **IBM Cognos Now!** Operational Business Intelligence, offering self-service dashboards, integrated data, analysis, and reports as a prepackaged BI appliance or as a hosted service

Less training, more options

Of course, to increase user adoption you must ensure that users have adequate knowledge about the tools and processes at their disposal. Proper training results in faster acceptance of BI technology and processes, shorter learning curves, reduced support costs, and a faster payback when implementing the solutions.

IBM addresses the full range of business intelligence and performance management needs with a single product on one architecture with an intuitive user interface. As a result, users need less training to become comfortable with, and get the most from, their software.

To ensure that necessary education is done well, IBM Cognos customers have chosen a variety of ways to implement training practices. Many provide an overview of the initiative on internal employee sites, or distribute internal newsletter updates describing the business intelligence initiative and offering training options. Options can include webcasts, Computer-Based Training (CBT), and in-class or on-site training. IBM provides a wide range of flexible options to choose from.[4]

Reporting-driven enterprise BI

By standardizing on best-of-breed BI technologies for your reporting needs, developing a culture of BI excellence with a BICC and other knowledge-sharing initiatives, ensuring that adequate training programs are in place, and addressing the needs of ever greater numbers of business users in your organization, you can leverage the basic IBM Cognos 8 BI reporting system deployed in steps 1 and 2 of the Reporting-Led Performance Management Roadmap to extend BI across the enterprise.

In doing this, you ensure that decision makers throughout the enterprise know how the organization is doing and why. And you put yourself in a strong position to address the final step on the Roadmap and advance all of your business processes through performance management.

Where am I after step 3 on the roadmap?

You have expanded your reporting solution across the enterprise:

• You've replaced multiple, disparate systems with a smaller number of integrated, best-of-breed technologies that require less effort to implement, train on, and maintain, lowering your total cost of ownership

• You have a strategy in place to take full advantage of your single architecture and IBM Cognos metadata model, ensuring that a consistent and complete view of information is available throughout your business community

• IT and Business have built a strong working team that understands the value of business intelligence and performance management, and that works smoothly to expand its use in your organization

• You follow acknowledged best practices when selecting, implementing, and using your reporting solution, and you have a Business Intelligence Competency Center in place to lower your cost of ownership, facilitate faster and easier adoption of effective BI and performance management practices, and enforce proven standards

• Business users can access critical BI in new ways — via their BlackBerry, through search capabilities, in the familiar Microsoft Office environment, and more

• You are leveraging the basic IBM Cognos 8 BI reporting solution that you implemented in step 1 and expanded in step 2 of the Roadmap, to extend BI across your enterprise. Decision makers throughout your organization know how you are doing and why. You are poised to take the last step in the transformation process and advance all aspects of your business through performance management

4. Advancing your business through performance management

In the final step of the IBM Cognos Reporting-Led Performance Management Roadmap — the equivalent of Ventana Research's Innovation stage — organizations address the last piece of the Performance Management puzzle, so they can answer the question "What should we be doing to maximize performance?"

Integrating resources, processes, and initiatives for strategy execution
Completing the process of reporting-led performance management means building strong and continuous links between all aspects of corporate performance — including resources, processes, and initiatives — and aligning them with corporate strategy.

IBM Cognos customers have done this in a number of ways, including:

• Using scorecards that link strategic objectives, initiatives, and key performance indicators to communicate the right information quickly to the right people

• Gathering information from front-line personnel to identify opportunities and align resources with objectives

• Identifying key performance gaps in time to put alternative strategies in place and act on them

But these and other integration processes are only possible when your enterprise reporting and business intelligence solution is anchored by strong planning, budgeting, and forecasting.

Planning, budgeting, and forecasting

To understand and drive performance, IBM Cognos customers have found that initiatives must be linked to the planning, budgeting, and forecasting process. Effective planning, budgeting, and forecasting software ensures that everyone in the organization shares the understanding needed to drive stronger performance and build competitive advantage. It enables personnel throughout the enterprise to answer the fundamental business question "What should we be doing?"

Building a reliable view of the future based on effective planning makes it possible to generate sound, clear, and flexible strategies based on solid business intelligence. This, in turn, means you can allocate resources to match corporate objectives, seize opportunities as they are identified, and ensure that operational execution in every part of the enterprise is consistent with overall corporate strategy.

IBM Cognos 8 Planning and IBM Cognos 8 Controller

The planning, budgeting, and forecasting components of the IBM Cognos solution include IBM Cognos 8 Planning and IBM Cognos 8 Controller.

IBM Cognos 8 Planning provides immediate visibility into resource requirements and future business results to enable higher performance across the enterprise. It includes business modeling capabilities that can be tailored to your organization's exact needs and shared enterprise-wide, so that all personnel, no matter what their roles, stay on track and contribute to big-picture corporate objectives. Sophisticated features and personalization capabilities mean that little training is needed for users to become effective partners in the planning process. This ensures ready adoption and high participation across the enterprise. And it means you spend less time on process and more on performance-enhancing analysis.

IBM Cognos 8 Controller further supports planning and forecasting by ensuring that consolidated management data is reliable and based on a clear link between statutory and management consolidation. This provides the strong foundation needed for effective operational and strategic decisions. Built on an open-standards data platform, and with built-in financial intelligence and advanced analytics that

include over 200 out-of-the-box reports for operational analysis, IBM Cognos 8 Controller rounds out the IBM Cognos performance management solution by making it possible to monitor and manage critical financial reporting, consolidate multiple enterprise views, and perform inter-company elimination. With IBM Cognos 8 Controller, you can leverage financial data and metrics using IBM Cognos 8 Planning and IBM Cognos 8 BI, so that you can translate goals and objectives into concrete financial and tactical plans.

Function-specific performance management
IBM also provides resources that focus specifically on superior performance in functional areas within an organization — Purchasing and Procurement, Production and Capacity, Inventory Management, Distribution and Logistics, Cost and Quality Management, and more.

In the area of Human Resources (HR), for example, IBM Cognos 8 Workforce Performance is a configurable analytical application whose revolutionary approach to delivering critical HR analysis speeds deployment and increases ROI for HR departments, while lessening IT's workload.

Best practices at your fingertips: The IBM Cognos Performance Blueprints
To help ensure effective integration of planning and other business processes, and speed deployment of your performance management initiatives, the IBM Cognos Innovation Center has developed IBM Cognos Performance Blueprints.

IBM Cognos Performance Blueprints[5] translate some of the best practices that have been used at customer sites into easily implemented solutions that include pre-defined data, process, and policy models. Developed in collaboration with top-performing IBM Cognos customers and performance management experts, the IBM Cognos Performance Blueprints address functional and industry-specific processes to help coordinate financial and operational planning, improve forecasting reliability, allocate resources effectively, streamline project implementation schedules, and reduce risk and the cost of ownership.

By linking IBM Cognos Performance Blueprints, you can promote corporate-wide integration and align strategic objectives, operational plans, people, and activities. The IBM Cognos Performance Blueprints ensure that BI from all operational areas is tied into the planning process and contributes to the management of performance.

Where am I after step 4 on the roadmap?

By the end of your IBM Cognos 8 BI reporting-led performance management journey:

- IBM Cognos 8 Planning and IBM Cognos 8 Controller have brought planning, forecasting, and budgeting capabilities to your reporting solution, so that business users understand what they should be doing to drive better performance

- Your organization's resources, processes, and initiatives for strategy execution are aligned to drive better performance

- Armed with IBM Cognos Performance Blueprints and Industry Blueprints, the IBM publication *The Performance Manager*, and other IBM Cognos Innovation Center resources, you have aligned strategic objectives, operational plans, people, and activities throughout your organization to drive better performance

- You turn masses of data from disparate sources into actionable information that lets you continually measure and manage your performance in ways that differentiate you from the competition and that drive your success

- Partnering with IBM has enabled you to leverage over thirty years of industry-leading experience in BI and performance management to transform your business through reporting-led performance management, making your organization efficient, competitive, and prepared for the future

Partnering with IBM to proceed with confidence

The IBM Cognos Reporting-Led Performance Management roadmap provides a proven method for implementing a performance management solution using reporting as the catalyst — a method consistent with the four stages of reporting-led performance management outlined by Ventana Research.

Following the roadmap helps you put in place an effective reporting solution, and then build it in a well-thought-out way to transform your business processes and drive higher performance. Industry-leading, purpose-built IBM Cognos technology and processes are available to help on the journey. By working with IBM, the performance management experts, you get a partner whose one focus is performance management, who provides one solution with integrated capabilities, and whose one goal is your success.

Whether you are working with our global customer services or one of our thousands of partners worldwide, we build the solution that's exactly right for you, so that you can proceed with confidence to higher performance.

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.

Endnotes

1 Building a Foundation for Successful Performance Management: How Enterprise BI and Reporting Support Strategic Business Objectives, Ventana Research, 2007

2 To order a free copy of *The Performance Manager*, visit http://www.ibm.com/software/data/cognos/solutions/department/

3 You can visit the IBM Cognos Innovation Center for Performance Management at http://www.ibm.com/cognos/innovation-center/

4 For information about IBM Cognos training options, visit http://www.ibm.com/cognos/support

5 For more information about IBM Cognos Performance Blueprints, visit http://www.ibm.com/cognos/innovation-center

IMW14212-CAEN-00