



IBM Software

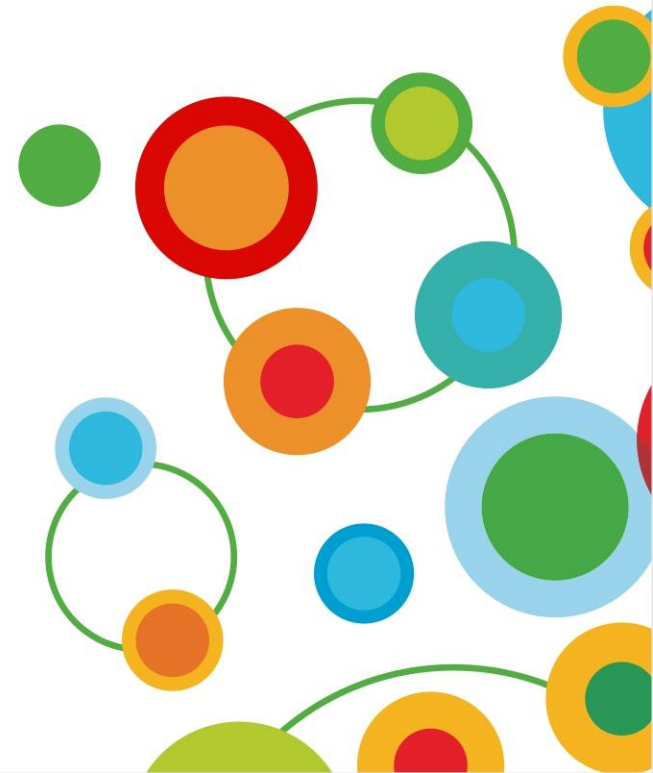
Information Management & Analytics Forum **2013**

Return on Information: The New ROI

Accelerating with FPM

Nishant Vyas

IBM BA



Forecast
Regulation
Risk
Inventory
XBRL
Headcount
Variability
Reporting
Working
Analysis
Sarbanes-Oxley
Demand
Profitability
Capital
Growth
Uncertainty
Expense
Cash
Management
Scorecards
Flow
Value
Shareholder
Governance
Revenue



Across the globe CFOs must confront a crushing set of challenges

30% - 80%

Percentage of their companies' performance potential CFOs say is lost due to subpar enterprise performance management; some say that as much as 80% is lost.¹

~30,000

Number of pages of new regulations expected from the Dodd-Frank act. Similar minded regulation is expected globally.²

>10,000

Number of companies subject to XBRL reporting requirements by regulatory agencies, stock market exchanges, or tax authorities globally.³

37%

CFO time allocated to performance management activities (business unit or enterprise-level)⁴

>70%

Percentage of CFOs stating "enterprise focus" activities of monitoring business performance, inputs into strategy, cost reduction, enterprise risk, and driving integration of information as critical.⁵

65%

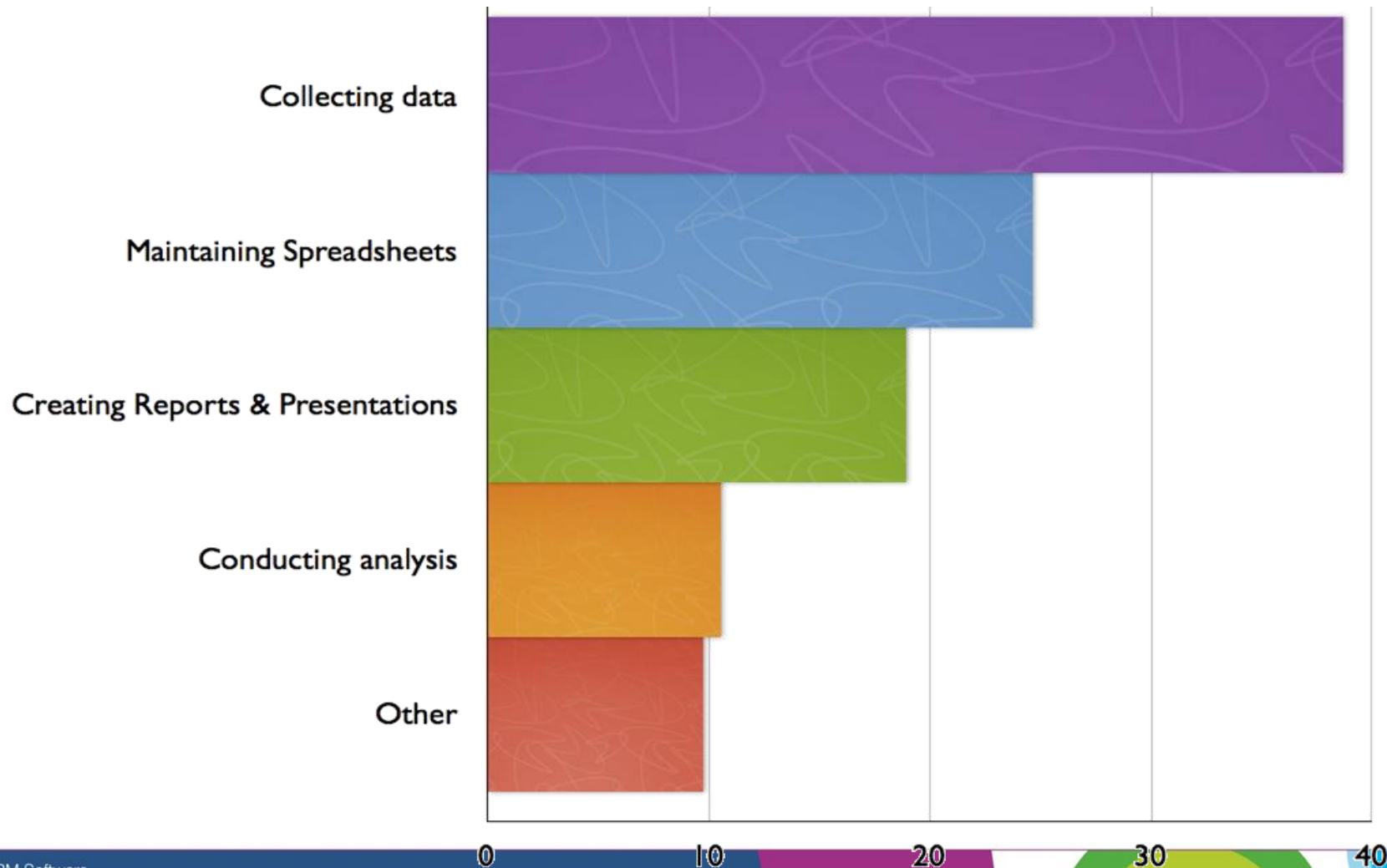
Percentage of CFOs citing business intelligence / analytics / performance management as the top technology initiative for their company in 2011⁶



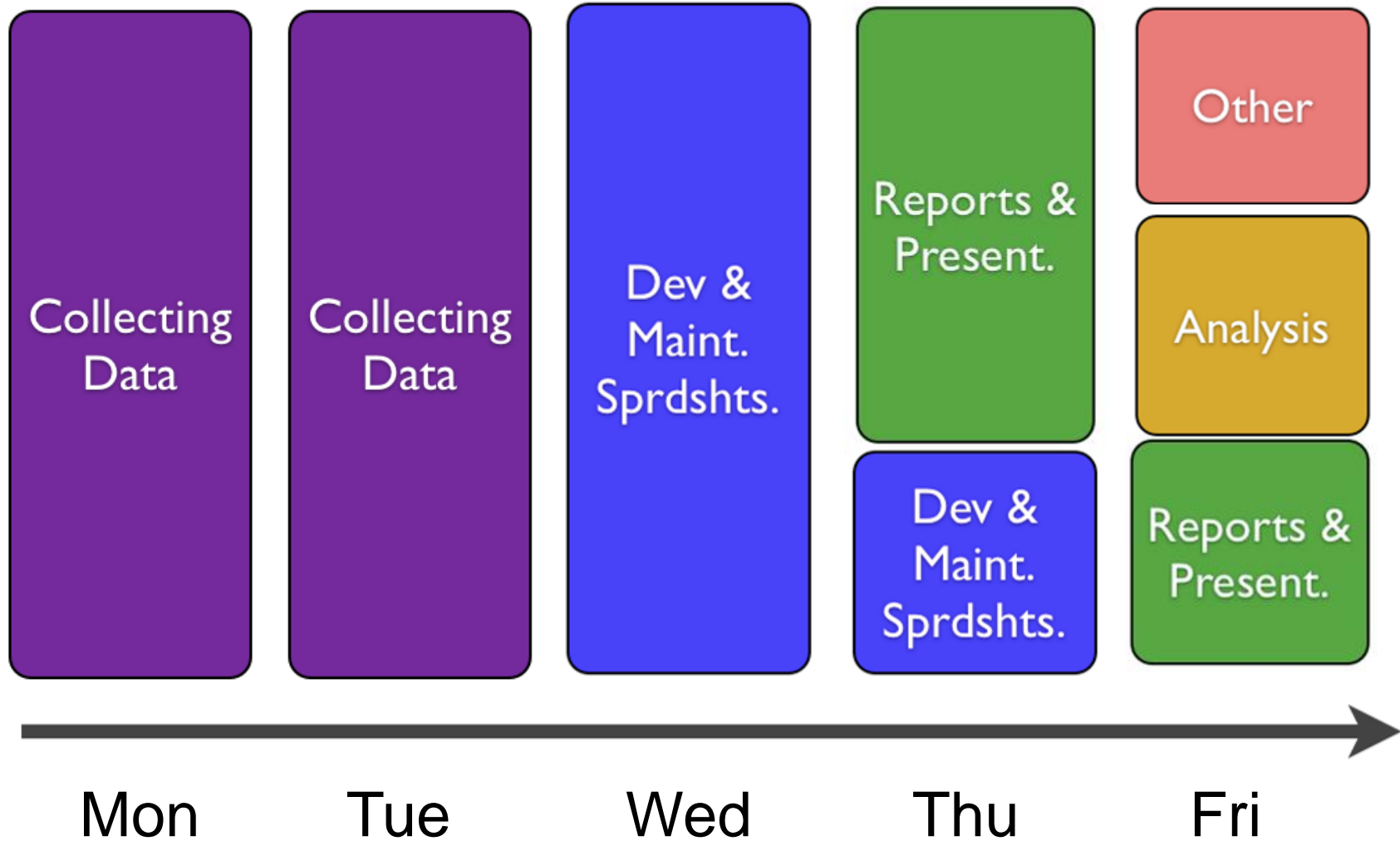
Yet the Corporate World is moving ahead faster than ever...

- It took AOL 9 years to get to 1 million users.
- It took Facebook 9 months.
- It took “Draw Something” 9 *days*.

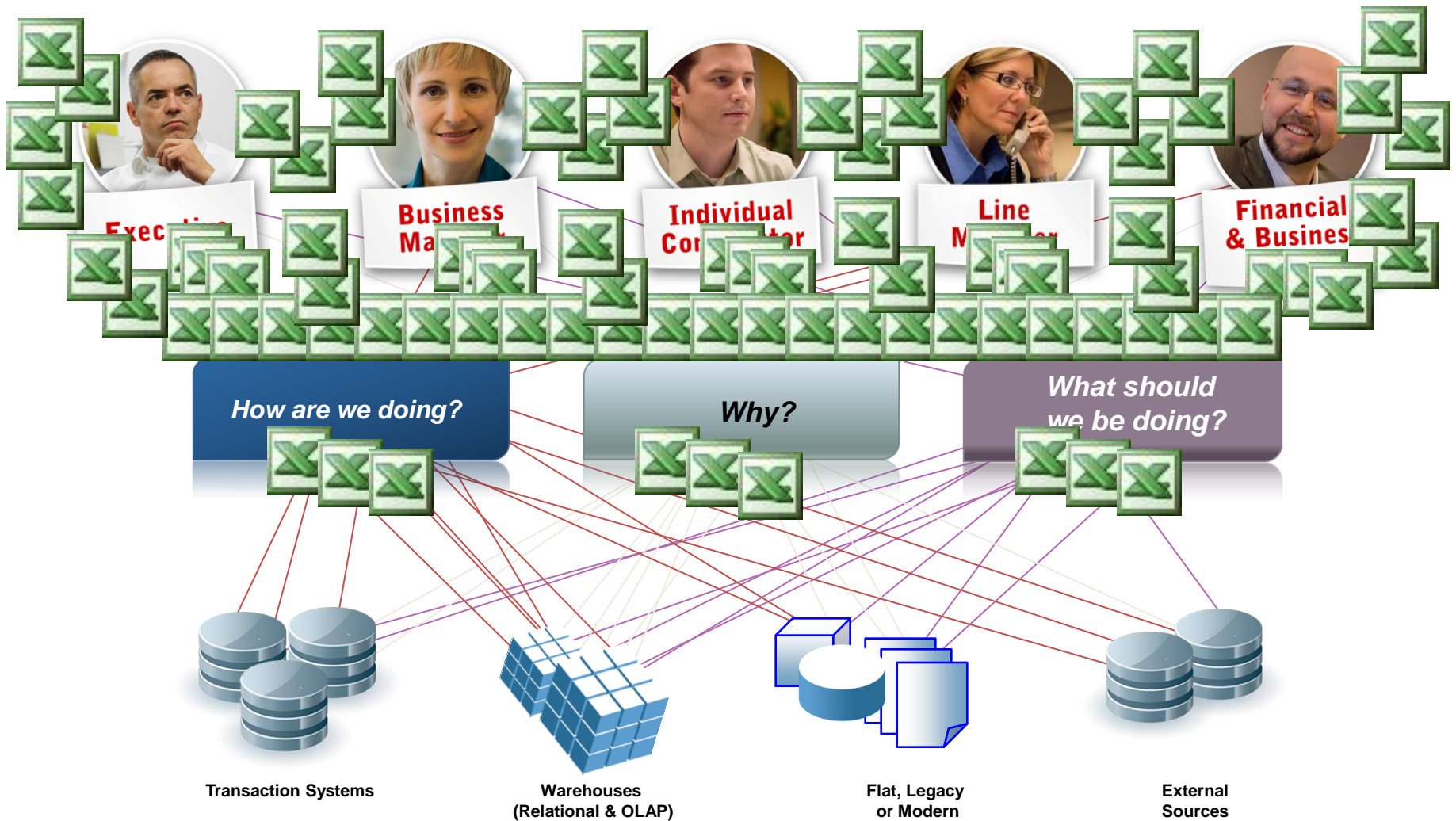
How do we spend our time?



Same data – different perspective



How we are **actually** making decisions...



Spreadsheets have been keeping us in the 1980s!

A Valuable Personal Productivity Tool but **NOT** an Enterprise Platform

Typical Spreadsheet Pain

Poor Security

Governance
and Control

Errors

Data
Reconciliation



Silos

Poor
Dimensionality

Versioning

Cumbersome
Processes

Re-keying

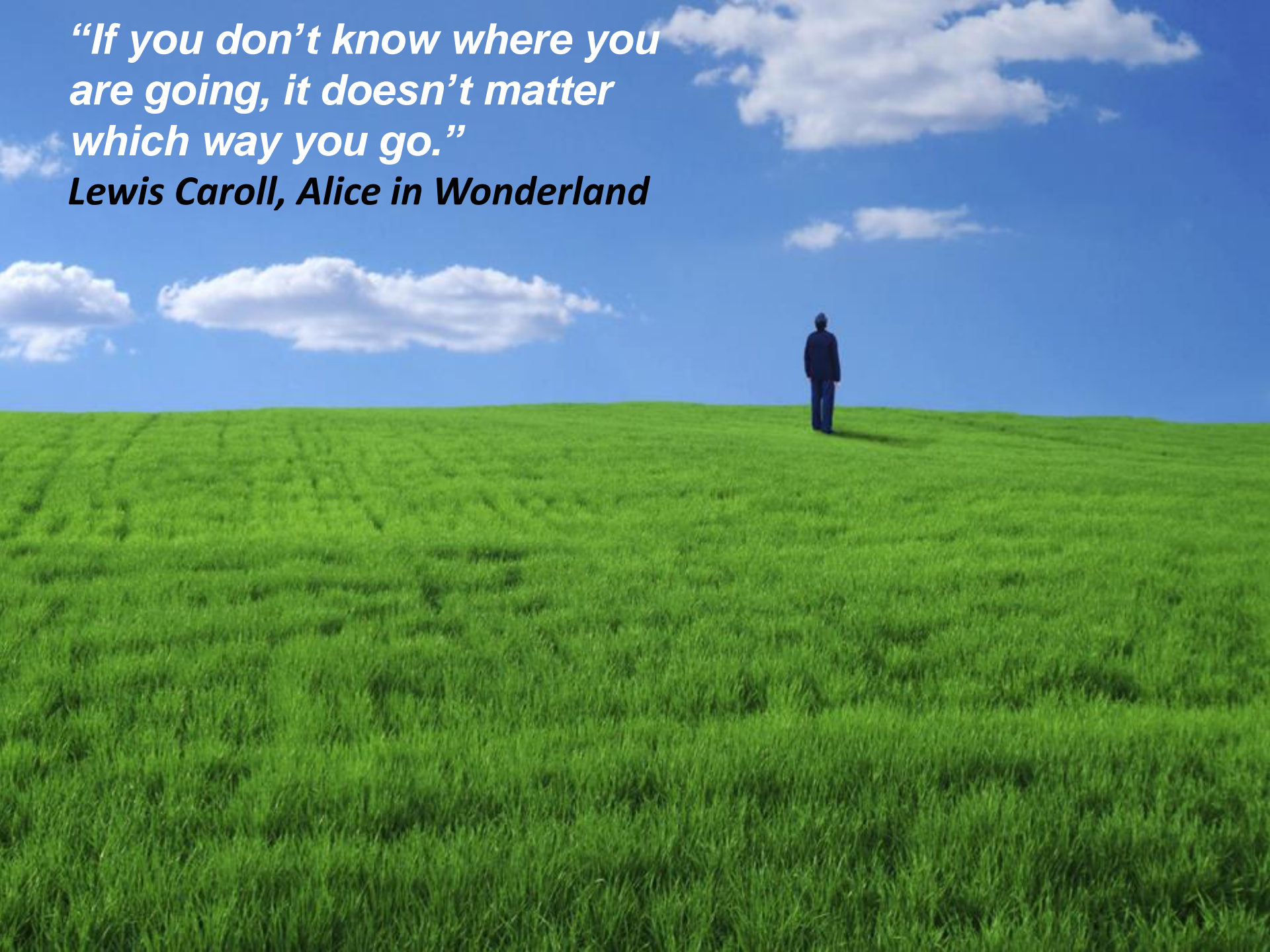
Creeping
Complexity

Limitations

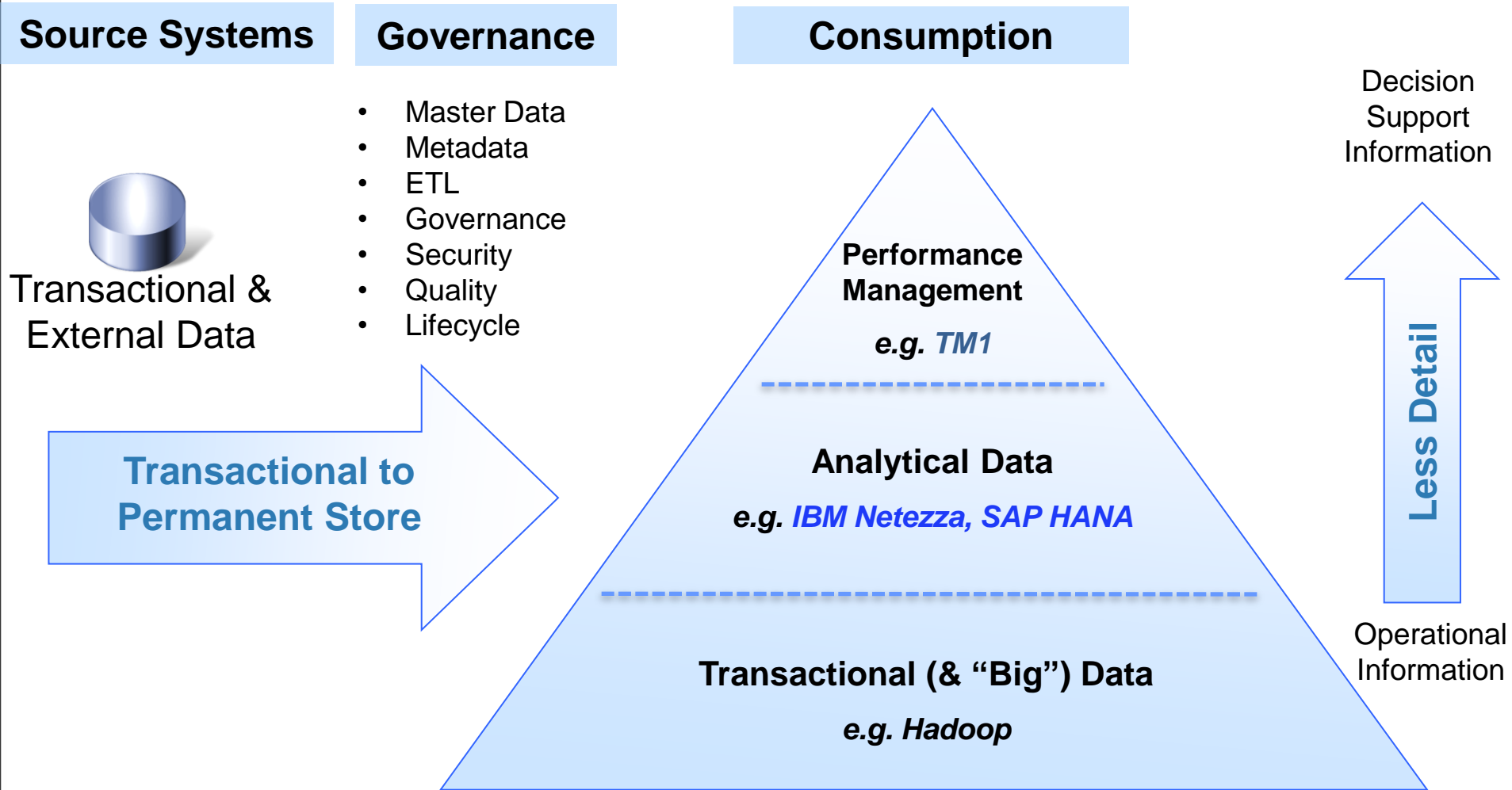
- Dimensionality
- Data volume
- Versions “File Save As”
- Fragility – Errors
- Change/Maintenance
- Multi-user support
- Views welded to structure

*“If you don’t know where you
are going, it doesn’t matter
which way you go.”*

Lewis Carroll, Alice in Wonderland

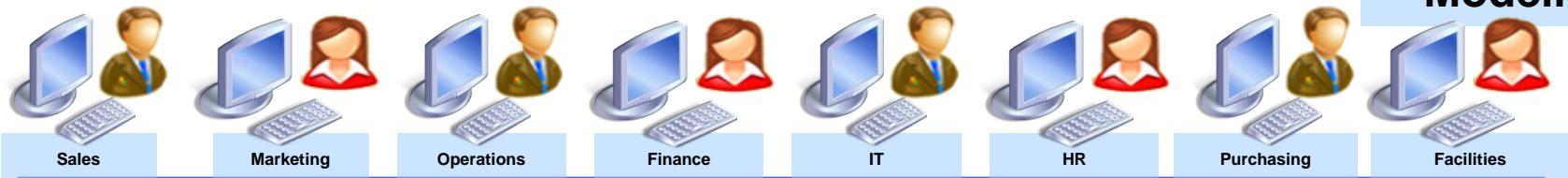


Where Performance Management meets the Information Lifecycle



Performance Management Systems

End User
Modelling



Data Volumes

TM1 Differences

- Calculation Engine works at any level
- Calculations done on demand
- Modelling requires data that is not in any warehouse
- Can write results back to warehouse & source systems if required

TM1
Modelling
Engine

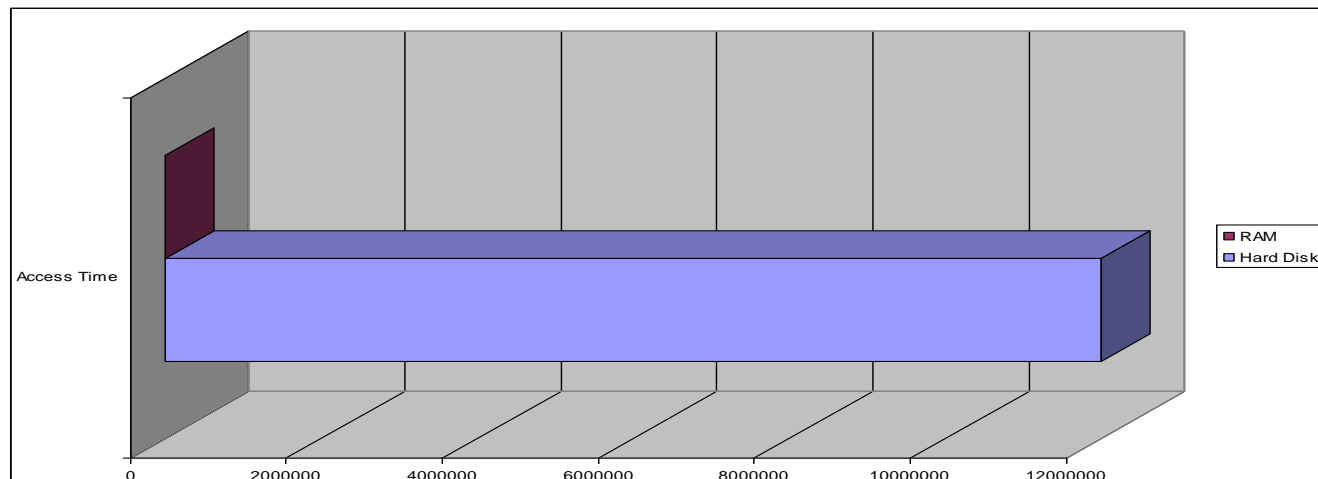
Transactional
Data

Source Systems

Memory vs. Disk

Accessing RAM is significantly faster

- In an average computer, it takes the CPU approximately 200ns to access RAM compared to 12,000,000ns to access the hard drive. To put this into perspective, this is equivalent to what's normally a 3 1/2 minute task taking 4 1/2 months to complete!



How fast is fast?

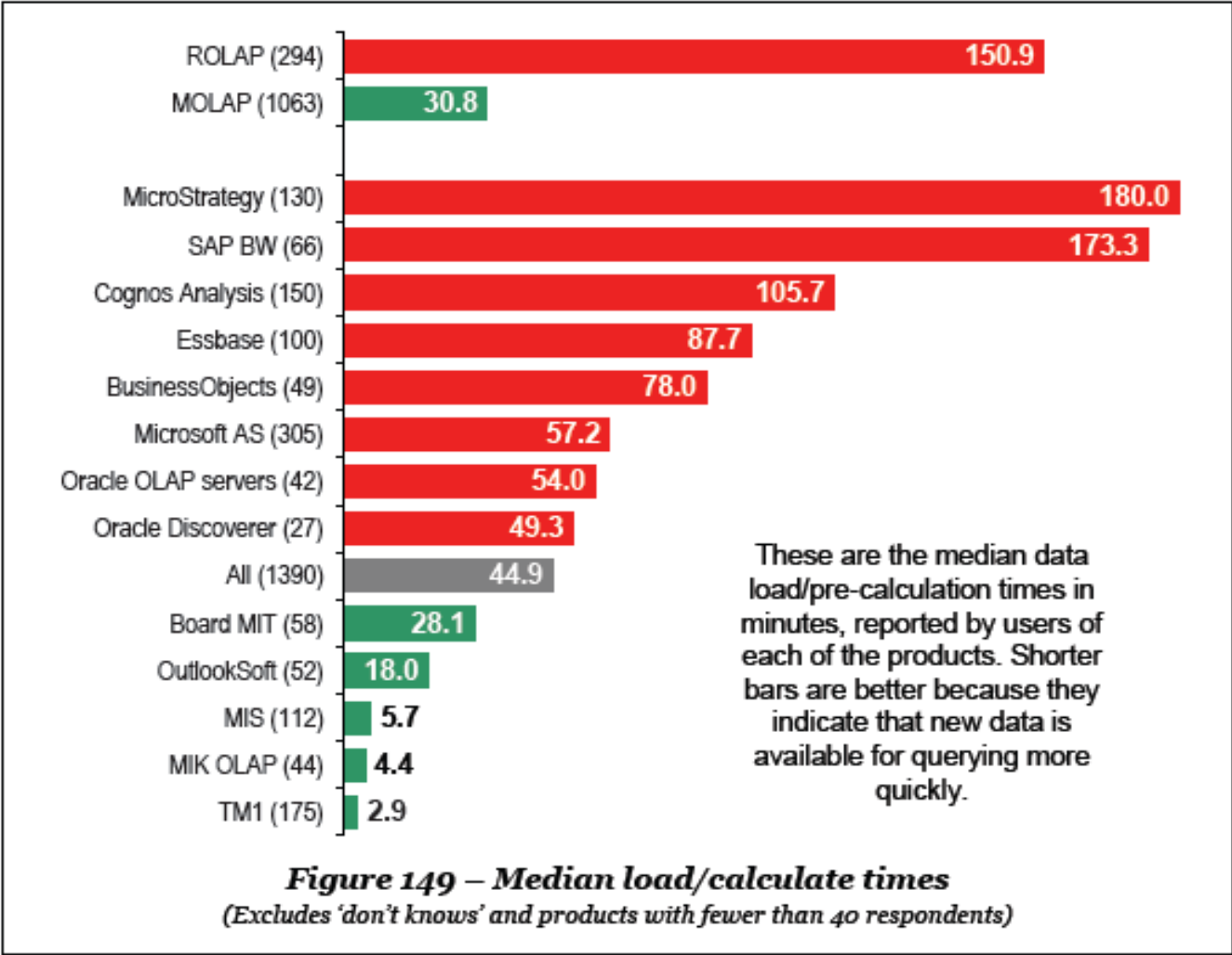


Chart courtesy of The OLAP Survey

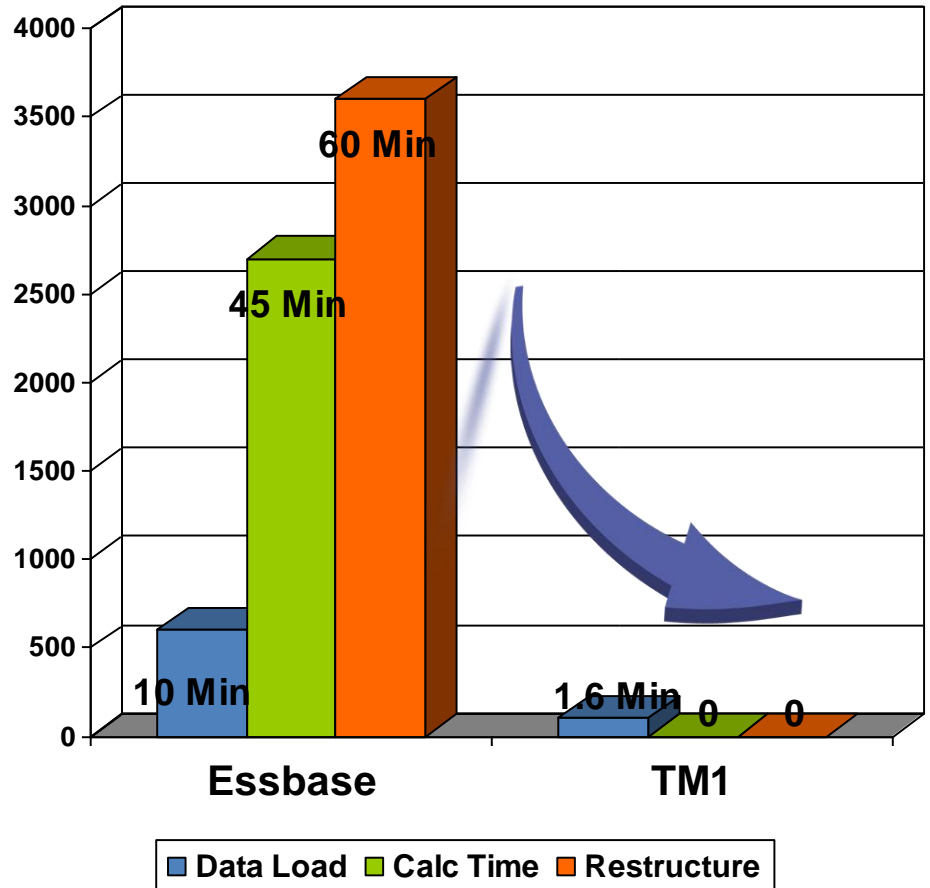
IBM Finance

Demonstrating Value with Cognos FPM



“With TM1, we were able to accelerate our pursuit of globally integrated processes and systems thru data/model scalability not previously available to us“

Director, Performance Management, IBM

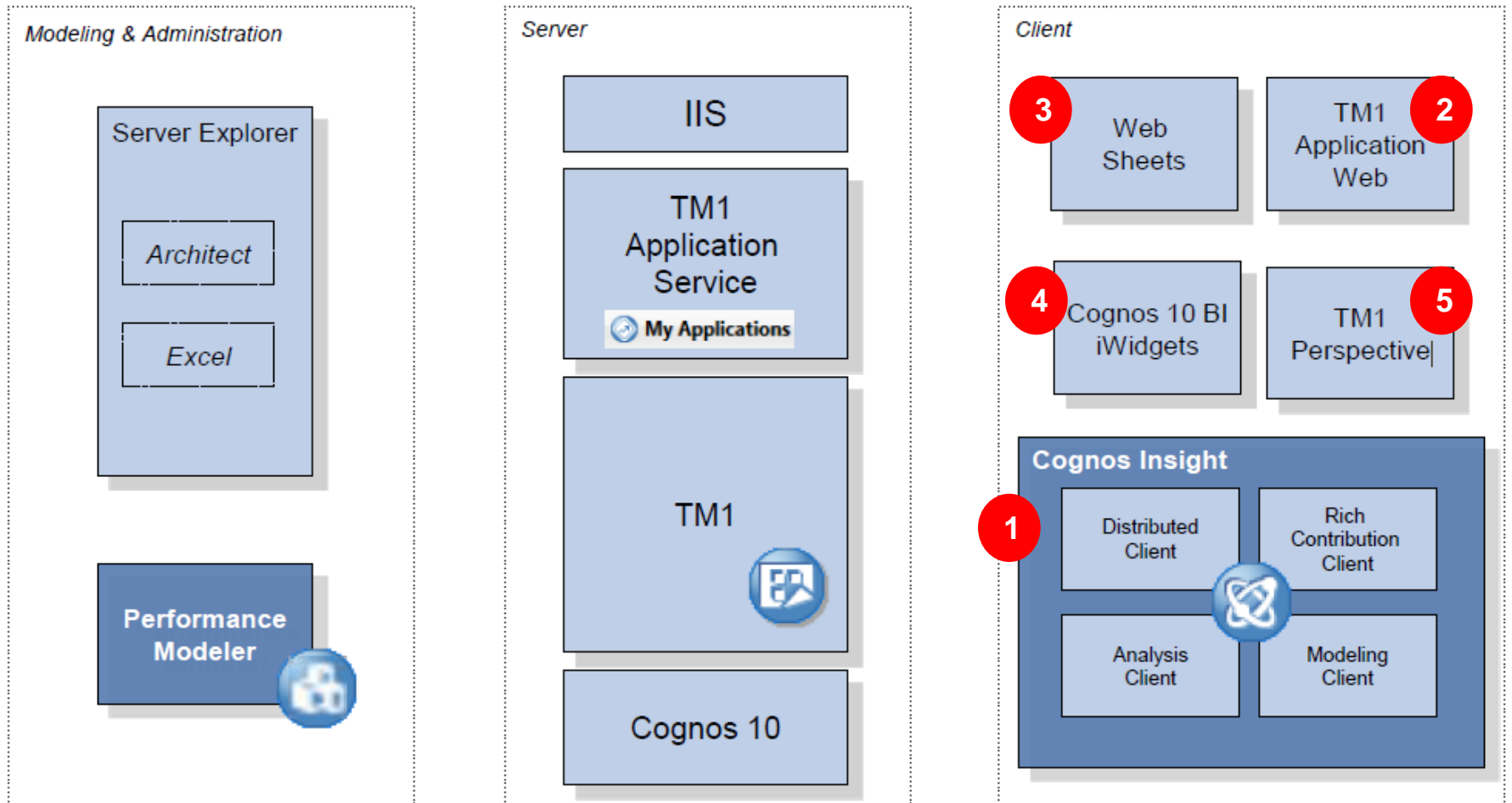


Performance Benchmark: 1 Months Data Load, Calc Time Average, Monthly Restructure Average

TM1 Strategic Advantages

- Real time updates and aggregation (no overnight delays)
 - Highly Optimised **Calculation Engine**
 - Calculates on demand
 - Only calculates what is needed at time of request
 - No need for complex batch programming
 - Multi-threaded read-write simultaneously
- Business user self service
 - **Write Back**, undo/redo, scenario modelling
 - Real time visualisation & charting
 - Ease of use, accuracy and speed
 - Flexible front end interfaces
- Enterprise Business Modelling Platform
 - Mature, stable, functionally rich
 - Proven with thousands of enterprise customers
 - Tier One SAP & Oracle integration
 - Large ongoing IBM R&D investment
 - Low Risk
- Unlimited business hierarchies

Overview of TM1 10.1 Architecture



Finance.cdd - IBM Cognos Insight

Style Insert Get Data Explore

FINANCE General Ledger GL by RC AP/AR AR by Country AR by Org

Responsibility...
 Internet Sales
 Sales EMEA
 Sales Europe
 Sales NA
 Service NA
 Branded Store
 Service EMEA
 Service Europe

Internet Sales Sales EMEA Sales Europe Sales NA

250,000,000
200,000,000
150,000,000
100,000,000
50,000,000
0
-50,000,000
-100,000,000

- Total Revenue
- Cost of Goods Sold
- Gross Profit
- Operating Expense
- Net Income
- Budget
- Variance
- Current Assets

Total Revenue
 Cost of Goods Sold
 Gross Profit
 Operating Expense
 Net Income
 Budget
 Variance
 Current Assets
 Investment
 Opening Investment

THE PERFORMANCE MANAGER

MEASURING & MONITORING
 PLANNING & ANALYSIS

Sales, Marketing, Finance, HR, Ops, IT, Exec Mgmt, and more

ANALYTICSZONE.com

IBM Cognos Controller – Support during the Consolidation Process

PREPARATIONS

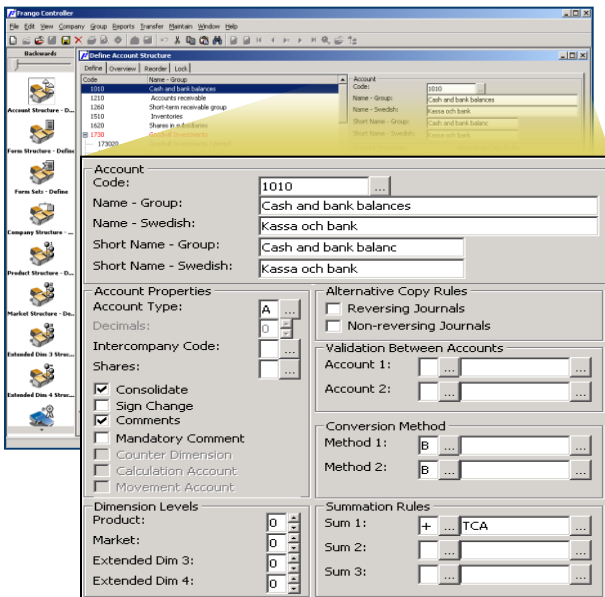
DATA COLLECTION

CONSOLIDATION

VERIFICATION

REPORTING

Built-in Intelligence



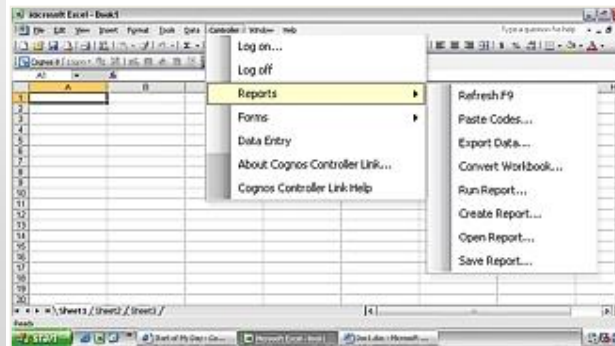
Familiar Environments

Web, Excel

100% Web

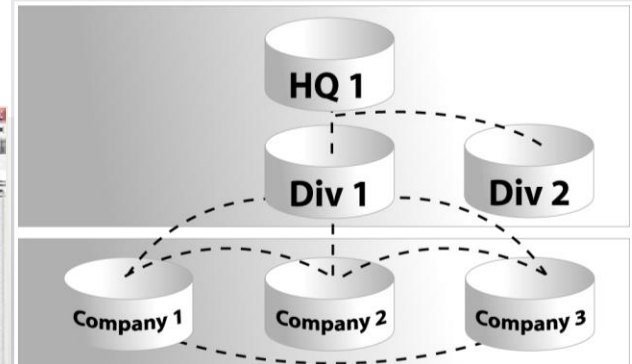
Integration with Cognos PM platform

Integrated EXCEL capabilities



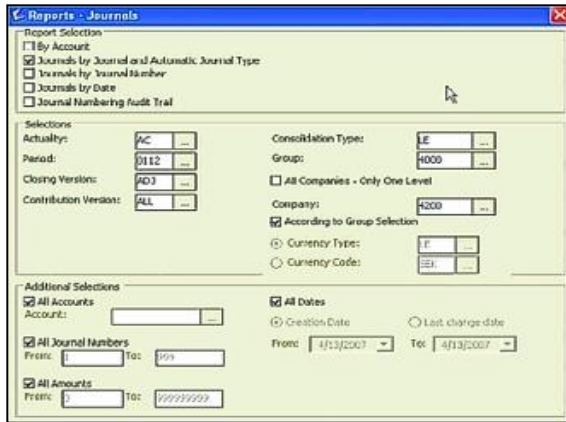
Centralized Control and Management

Central application management
– process, deployment, security



IBM Cognos Controller – Owned by Finance

200+ Pre-built Reports



Account structure
Reconciliation reports
Journal reports
Conversion reports
Trial balance

Multi Jurisdictional
GAAP Reporting

One System
Unadjusted views
Adjustments
Comparative views
Financial statements
Custom reports

	Reported	US Gaap Adjustments	Total
180090 Cash & Bank	2,445,793	-750	2,445,043
160290 Total stocks	92,435,159	550	92,435,709
160990 Total debtors	30,827,360		30,827,360
CA Current assets	133,703,212	-200	133,703,112
132000 Tangible assets	15,603,490		15,603,490
122000 Intangible Assets	279,633		279,633
FA Fixed assets	15,883,123		15,883,123
100000 Net assets	149,598,436	-200	149,598,236
190000 Creditors due < 1 year - Total	-22,348,741	200	-22,348,541
190100 Creditors due > 1 year - Total	70,878,880		70,878,880
210300 Provisions	2,345,915		2,345,915

Deep Domain Financial
Consolidation

Foreign Exchange
Minority Interest
Internal Controls
Automatic Journals

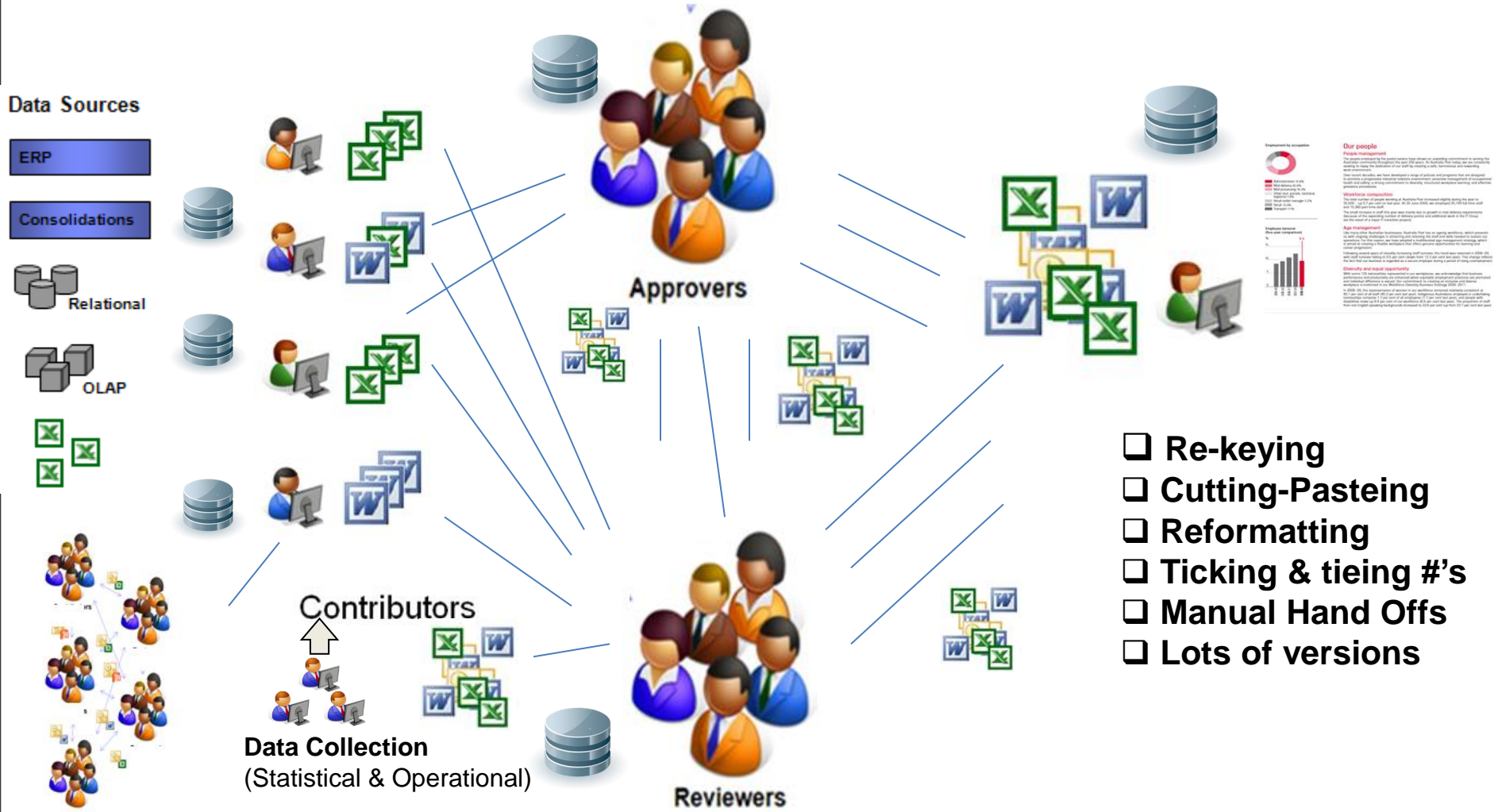
Group	From Period	To Period	Parent	Consolidation status	Ma nus	Owned %	Ma nus	Votes %	Ma nus	Indirect Minority %	Ma nus	Indirect Equity %	Ma nus
20000	200512	999999		P		75.000000		75.000000		0.000000		0.000000	
30000	200512	999999		E		25.000000		25.000000		0.000000		0.000000	

Cognos Disclosure Management *Narrative Report Management for TM1*



Typical “Status Quo” Disclosure Process Before CDM

Onerous Manual Processes Relying on MS Office / Email



- Re-keying
- Cutting-Pasteing
- Reformatting
- Ticking & tying #'s
- Manual Hand Offs
- Lots of versions

Disclosure Management Process with IBM CDM

Data Sources

ERP

Consolidations

Relational

OLAP



Disclosure / Report Template

- Title Page
- Table of Contents
- Letter to Shareholders
- Business Overview
- Balance Sheet
- Income Statement
- Cash Flow Statement
- Notes – Cash
- Notes – Long Term Assets
- Notes – Revenue
- Auditors Report
- Compliance Processes



Collaboration



Flexible Output Options



+ Free Form Entry



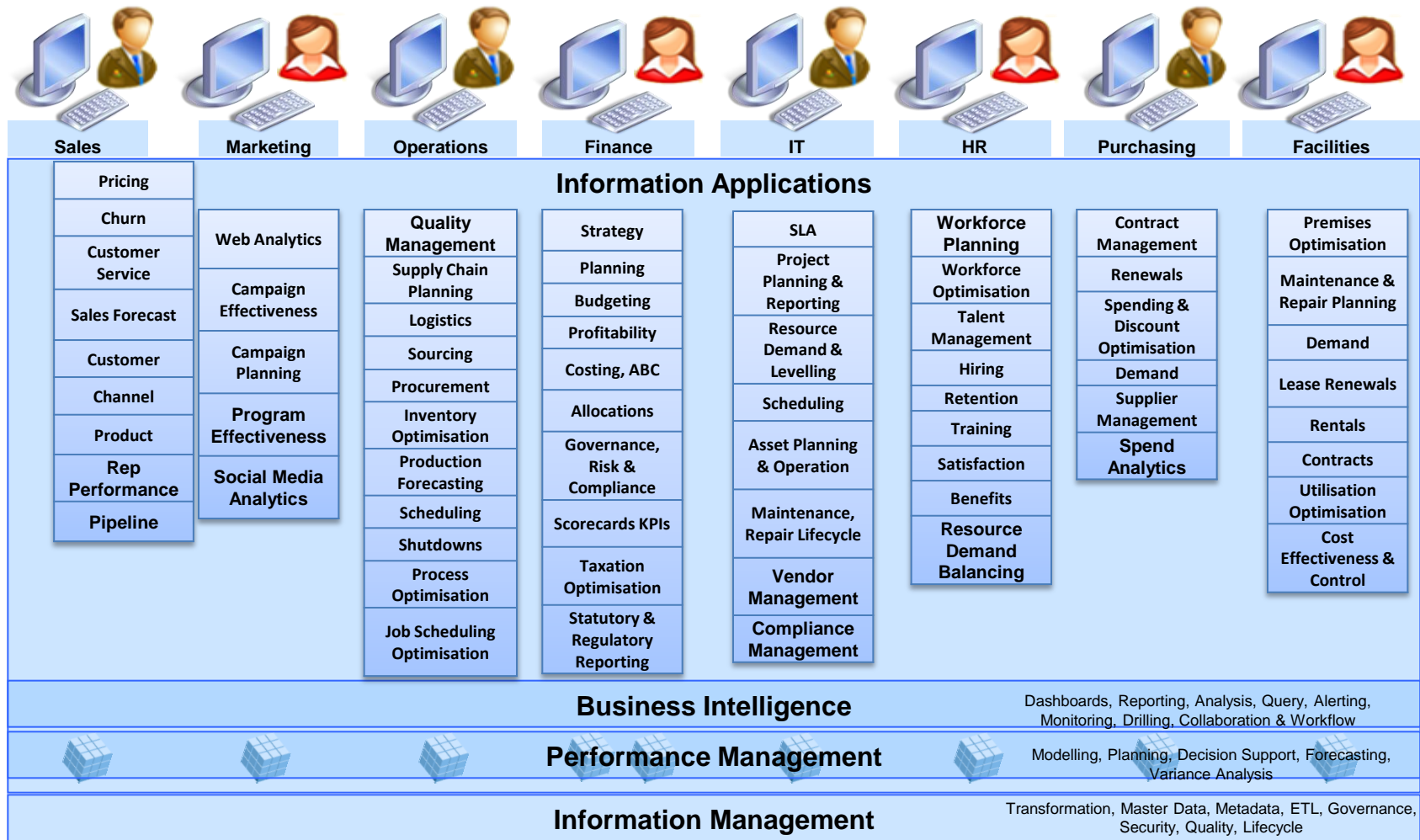
Data Collection
(Statistical & Operational)



Central CDM Repository for All

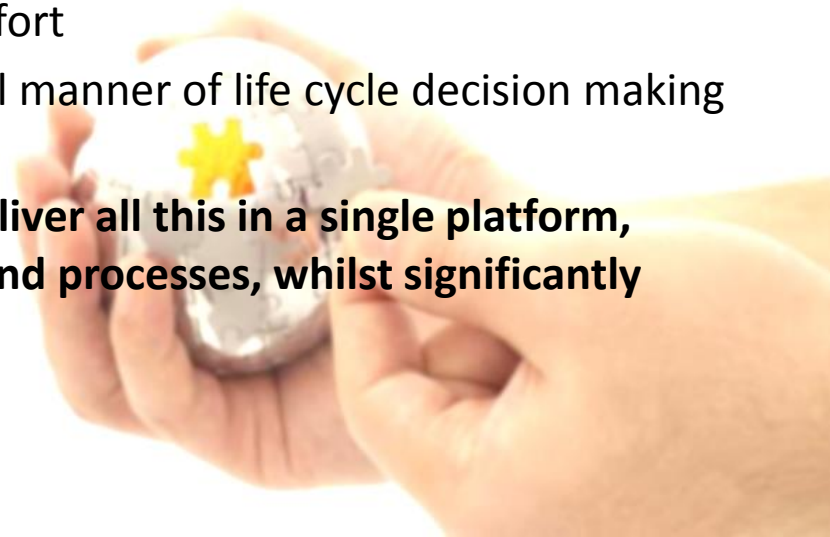
- Content
- Versions
- Supporting, supplementary info
- Controls, checklists

IBM Information Applications – 1000s of Solutions



Summary of Benefits

- The IBM TM1 platform is purpose built to deliver an enterprise wide solution for Performance Management:
 - Reduced Report maintenance time, effort and cost
 - Multiple Delivery options: Web, Offline, MS-Office, email Bursting & iPad
 - Better integration & process management within MS-Office Environment, embracing the environment for Power Users
 - Reduced Network Latency, faster access to data
 - Better robustness and reliability
 - Standardisation of reports, process and Look & Feel
 - Removal of manual processes, duplication of effort
 - Accelerating the business across the board in all manner of life cycle decision making operations/processes → Eliminating time lags!
- In conclusion, the extended TM1 suite can now deliver all this in a single platform, integrated into your IT environment, procedures and processes, whilst significantly reducing latency, risk and error.



*“Simplicity is the
ultimate
sophistication.”*

Leonardo da Vinci



Voice of the Customer

- L&T HED



Performance Management: Removing the Silos

