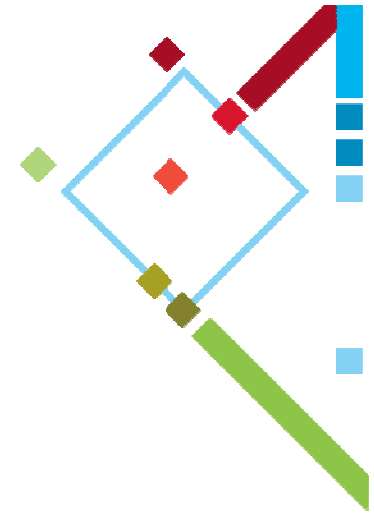


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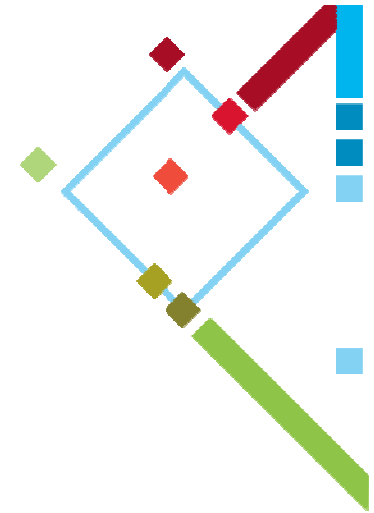
## IBM Case Study

Bogdan Naornita  
Chief Financial Officer  
IBM South East Europe



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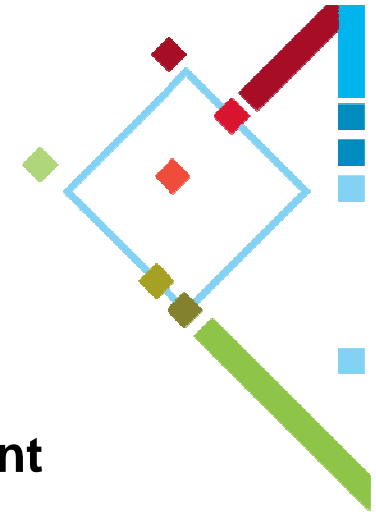


## AGENDA

- The legacy landscape
- The Cognos opportunity
- The IBM implementation
- Case Study: BaRT
- Case Study: WWSpend

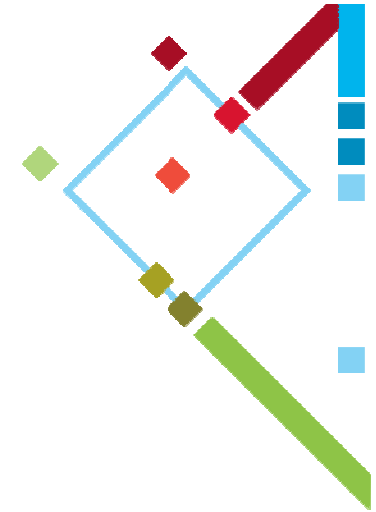
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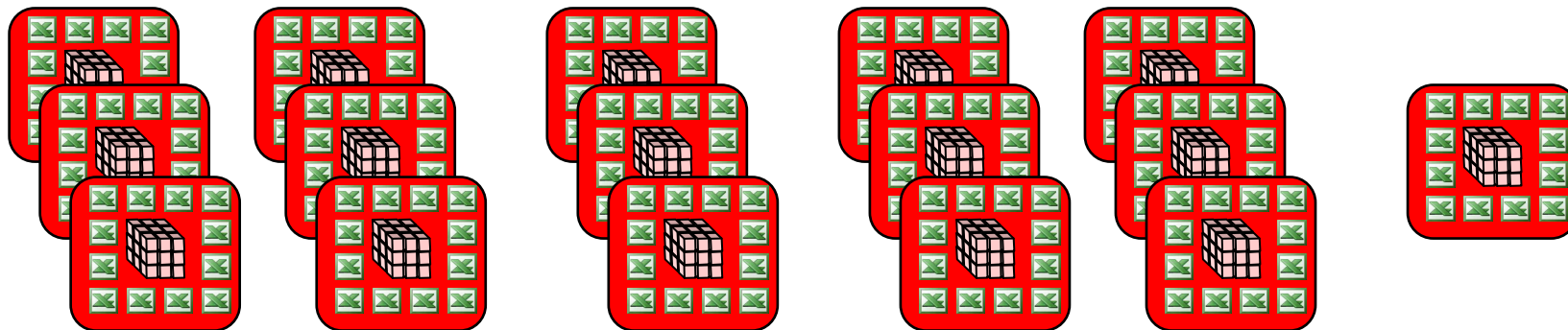
## IBM's BI and FPM Legacy

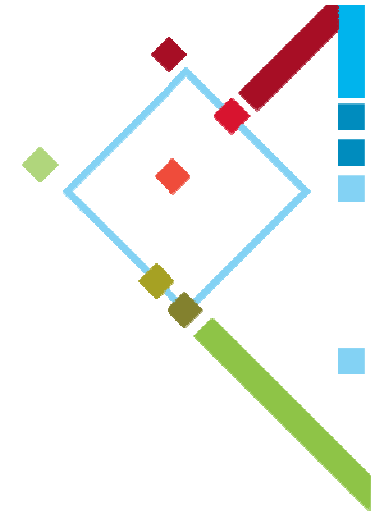
- **IBM has invested heavily in BI and Performance Management**
  - +200,000 users
  - Dependencies on hundreds of OLAP cubes
- **Brands and Geographies having developed independent solution**
  - Many different tools being used across organization
  - Large Desktop Deployment (silos of BI & custom views of data not shared)
  - Inconsistent data usage and processes
- **Significant costs pressures due to**
  - High maintenance costs
  - Supporting infrastructure dependent on desktop installs at a world wide level
  - 3rd party tools needed to front end OLAP



## Example Legacy Financial Application

- 16 Essbase Cubes = Maintenance costs
- Spreadmarts = manual errors
- Many servers around the globe = infrastructure costs
- Different processes to meet divisional variances = added complexity
- Inconsistent across different cubes = variability risk across geographies
- Significant load and recalculation times = Delayed access to timely data





## Cognos gave the opportunity for change

- **Information-led transformation**

- Need for consistent view across organization
- Open technology solution to support wide variety of data sources
- Optimize business based on analysis

- **Strategic initiative to reduce costs associated with IM**

- Leverage Cognos acquisition
- Reduction of 3<sup>rd</sup> Party maintenance fees
- Optimize spending by “centralize and standardize” approach

- **Licensing was only part of the equation**

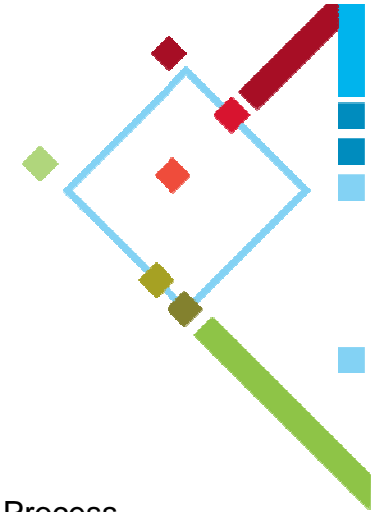
- Cloud friendly architecture & CIO reorganization allowed for BICC

- **Applications not forced to shift to Cognos**

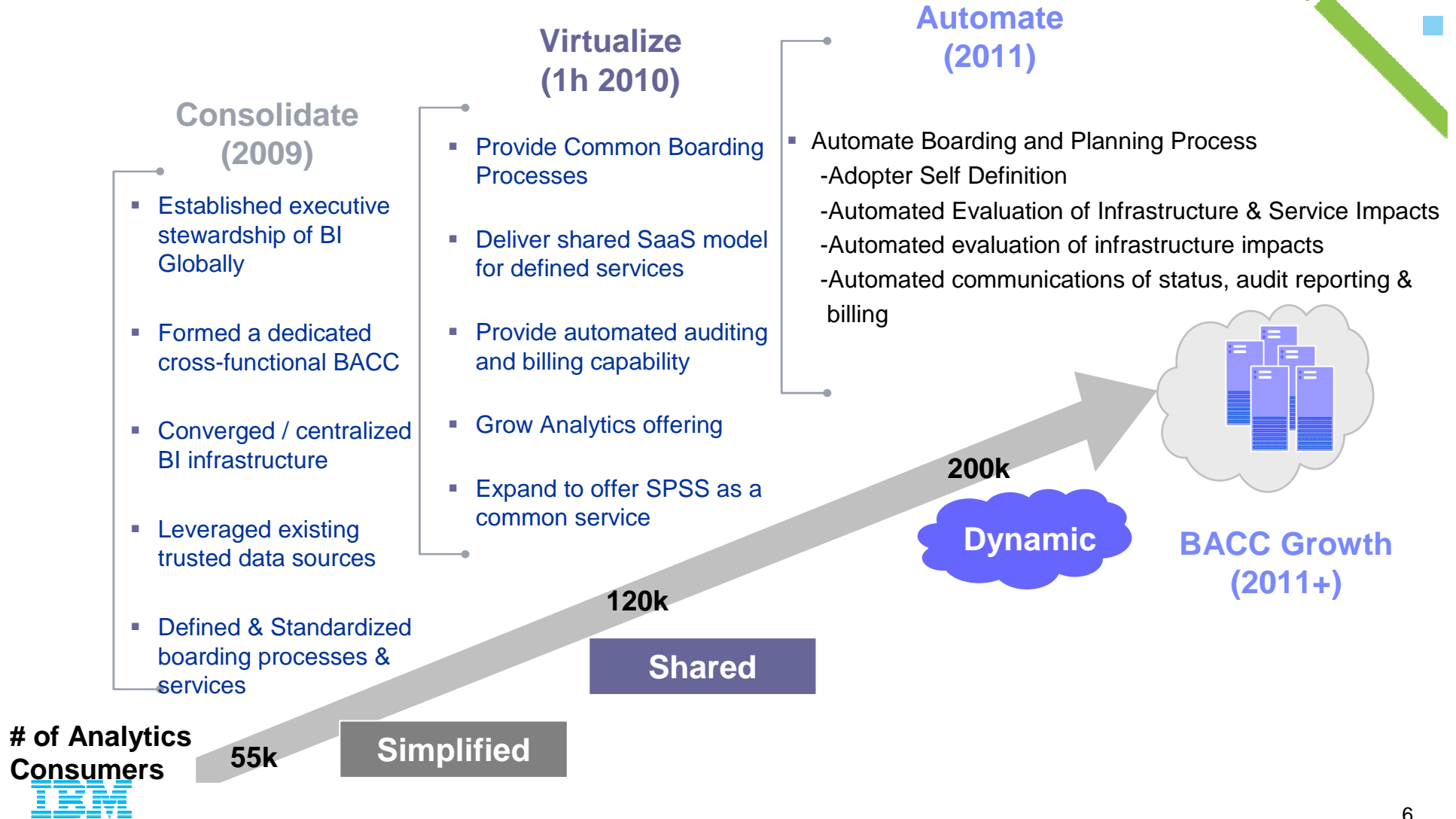
- Decisions made based on cost savings, business optimization, and increased value

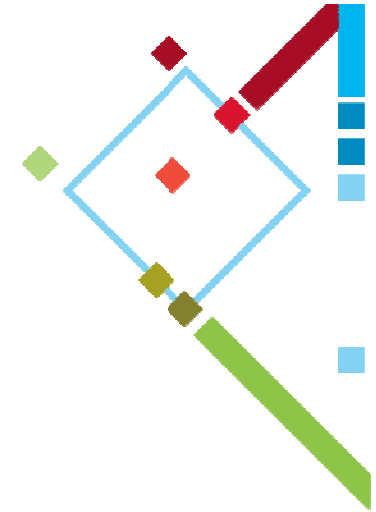
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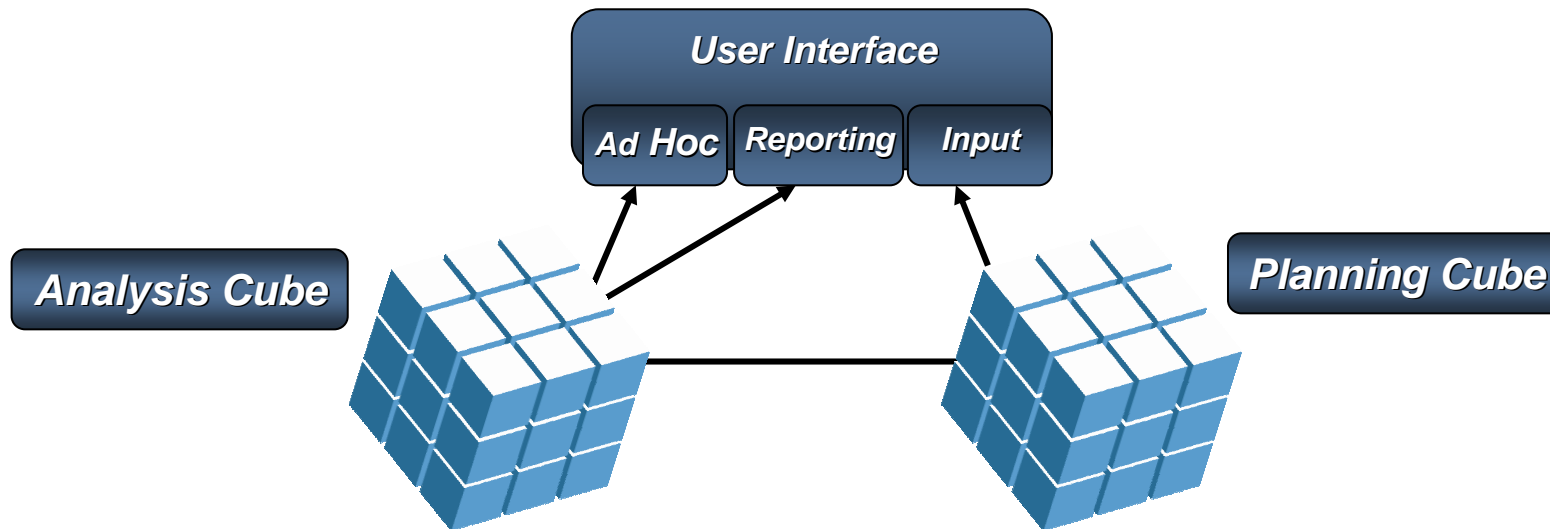


## The progress





## Migrated Financial Solution

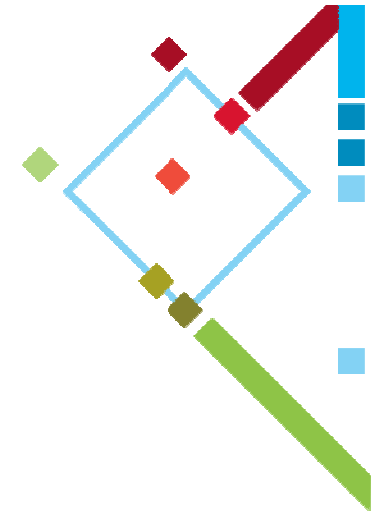


## TM1 Based Solution

- 2 centralized TM1 Cubes = Improved visibility across all areas
- One Server = Reduction in maintenance costs
- Harmonized process = lower training costs and consistent results
- Trusted data and consistent dimensions = lower risk on forecasts and analysis

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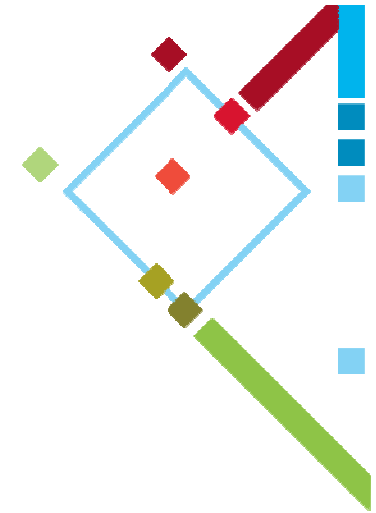
## Summary of Progress

- 20+ Global Financial Applications in Production
- Single shared Cognos architecture for all IBM Brands/Geo's
- Integrated with IBM's BI Competency Center
- Aligned team becomes a global CoC for Performance Management
- Using the same software and versions commercially available

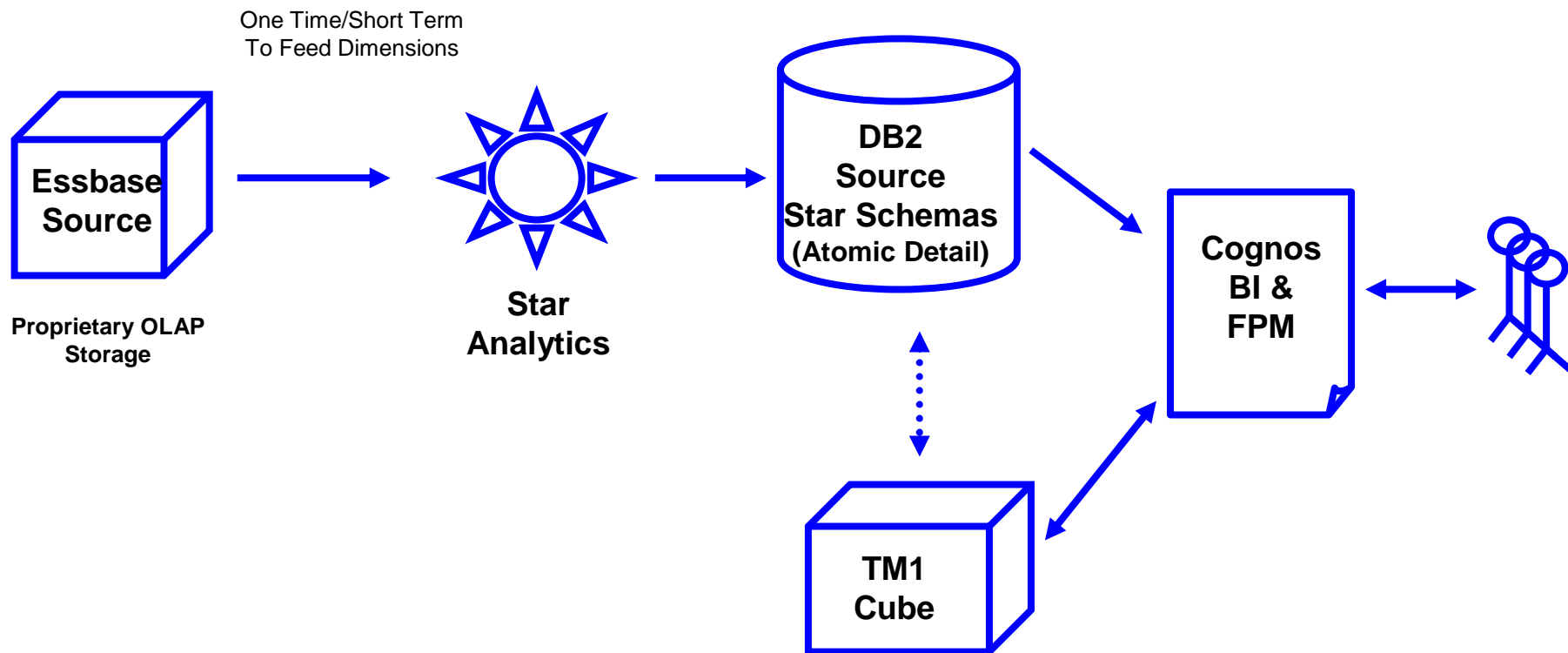


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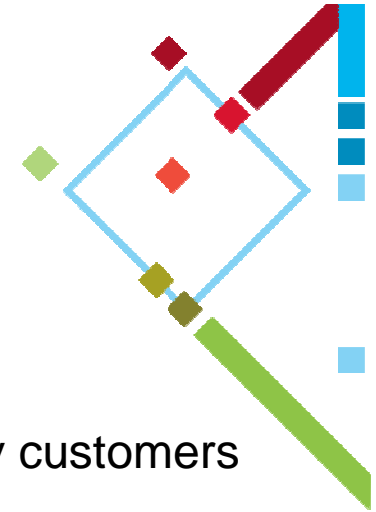


## IBM's Essbase->TM1 "Factory" Process



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## Application: BaRT – Backlog Runout Tracking billions of dollars in revenue commitments

- Used to track all future revenue that has already been committed by customers through services contracts from across the IBM brands
- Providing IBM the ability to more accurately forecast and report services revenue

### Business Challenge

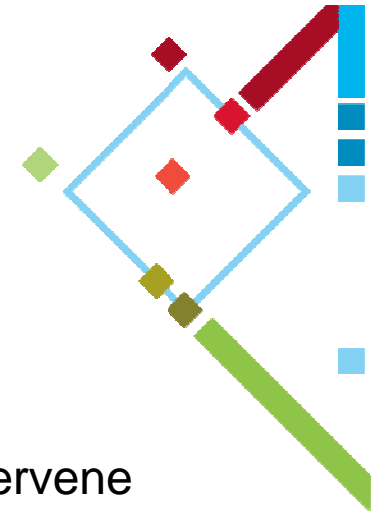
- Limits in Essbase: manual spreadsheets compiled at several levels of consolidation
- Poor visibility into revenue recognition forecasts
- Inability to look at past backlog and drill to details such as contract, country or division

### After Cognos

- Insight gained with a discrete view of revenue for each deal under contract as well as a portfolio of contracts.
- Automatic generation of runout for the entire portfolio of services contracts
- Consistent view across all analysts of backlog runout

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## Application: BaRT – Backlog Runout Tracking billions of dollars in revenue commitments

Single global interface for tracking services revenue

Automates generating answers while allowing business users to intervene and perform analysis

Enables constant view through trusted data source

### Business Challenge

- Warehouse usage = data dumps to spreadsheets for manual complex analysis
- Inability to drill down into details - required to perform meaningful analysis

### After Cognos

- Reduced need for independent spreadsheets and reducing the risk of data loss
- Consistent versioning of data
- Lower maintenance costs with increased reliability

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## Application: WW Spend

### Adding consistency while reducing costs

Transform E2E expense management and reporting for over 400,000 departments across IBM

Better control of spending with consistent worldwide standards

Common source of standards and practices - more enriching career paths for our global finance professionals

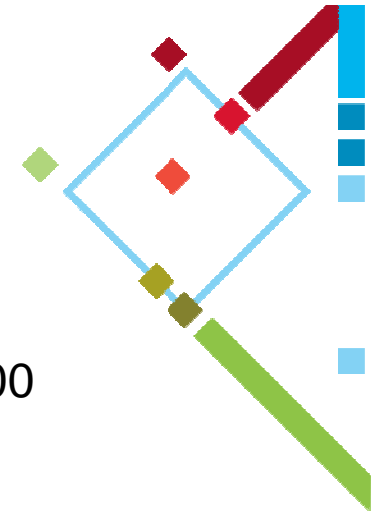
Over 1000 users

### Business Challenge

- Different geographies and brands used their own data sources and processes
- No standards: systems were not tied to key management systems.
- Users were not easily moved from one system to another

### After Cognos

- Single worldwide application for Spend Analysis and tracking on two TM1 Cubes (Eliminating 16 Essbase Cubes)
- Increased visibility across geographies and brands allowed for cost control optimizations
- Common processes increase career options of financial analysts across IBM



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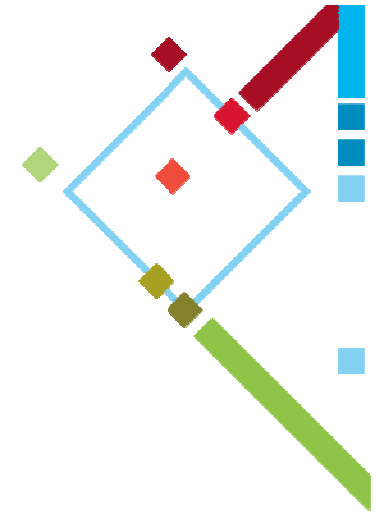
## Application: WW Spend

### Adding consistency while reducing costs

Consistent data and meta data standards

Data and metadata owned by line of business users freeing IT resources

Flexible modern SOA architecture allowing for easy expansion across geographies



### Business Challenge

- 16 separate Essbase Cubes supporting expense management at the geography and brand levels.
- Lack consistent standards, and in some cases do not tie to our key management system
- Delays in access to information due to long load times of Cubes

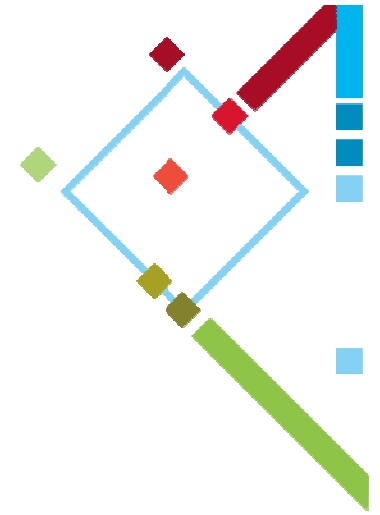
### After Cognos

- Single application to support common set of skills required to use and maintain
- Reduced cube load times by 80%
- Reduced calculation times from 45 minutes to near real time
- Lower third party licensing costs



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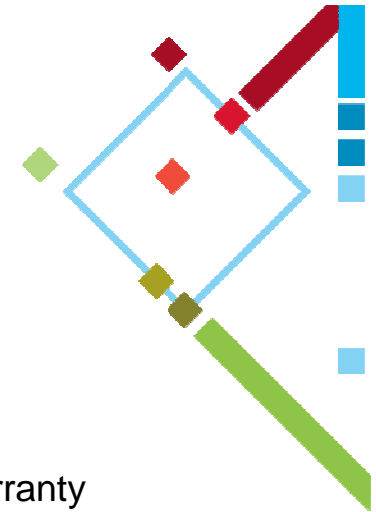
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# Thank you

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