

ADVANCING BUSINESS PERFORMANCE



Accelerating Planning with Cognos Enterprise Planning

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COGNOS®

Agenda

- **Common Pains in the Planning Process**
- **Best Practice in Planning**
- **Component of Cognos EP.**
- **Main Advantages of Cognos Enterprise Planning**
- **DEMO**
- **Summary**

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Common Pains with the planning process

Visibility

- Pockets of data
- Depth/breadth of information

Control/Versioning

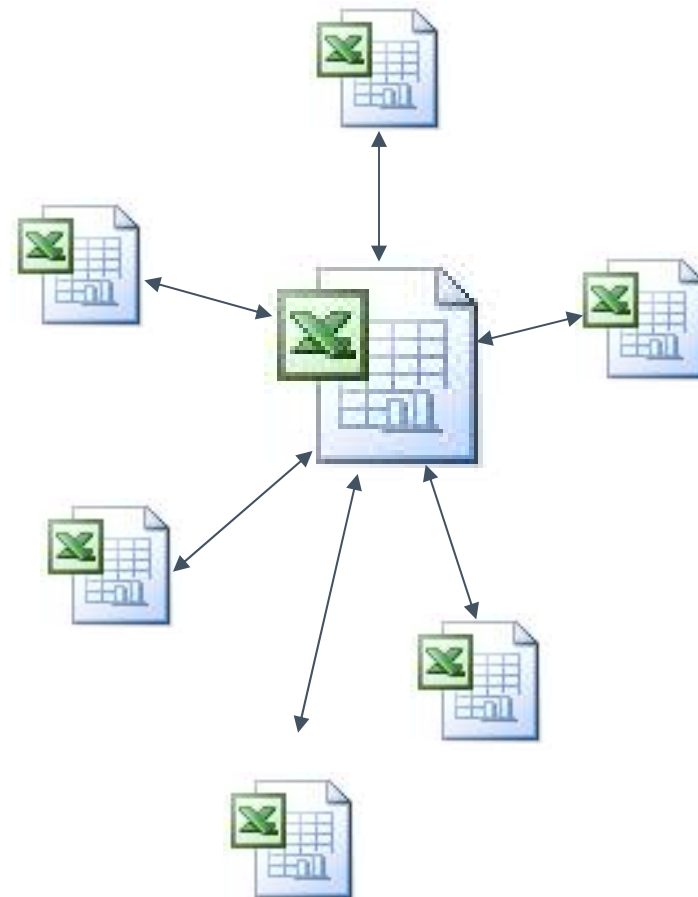
- Template/Spreadsheets
- “Million Spreadsheet March”

Accountability

- Debating the numbers

Documentation

- Who did what and when.



Common Pains with the planning process

Lack of linkage

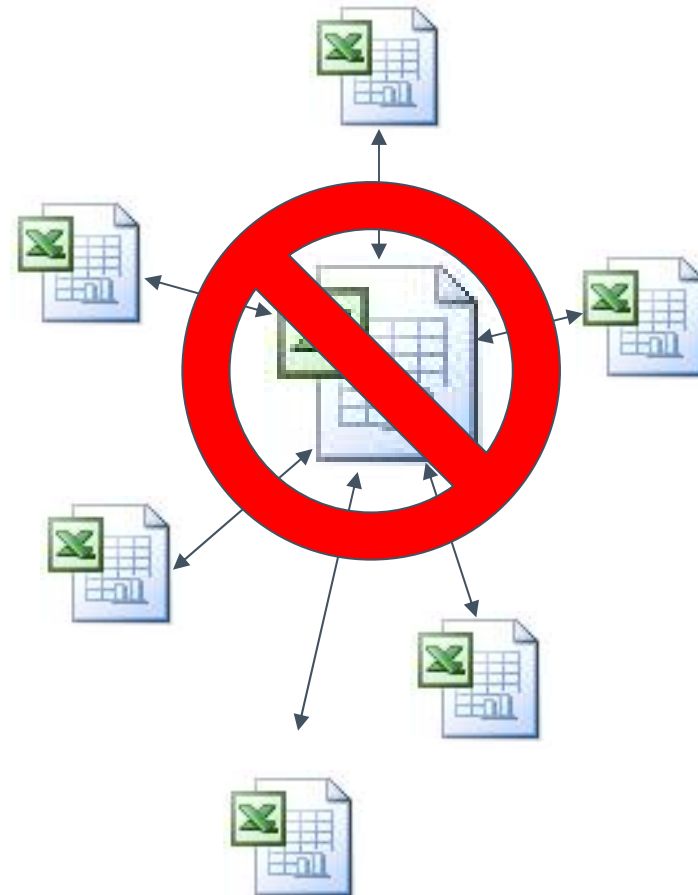
- No cause and effect scenarios

Slow response time to changing conditions

- Don't change the market conditions...the budget application can't adjust

Cycle Time

- Plan cycles exceed business cycles

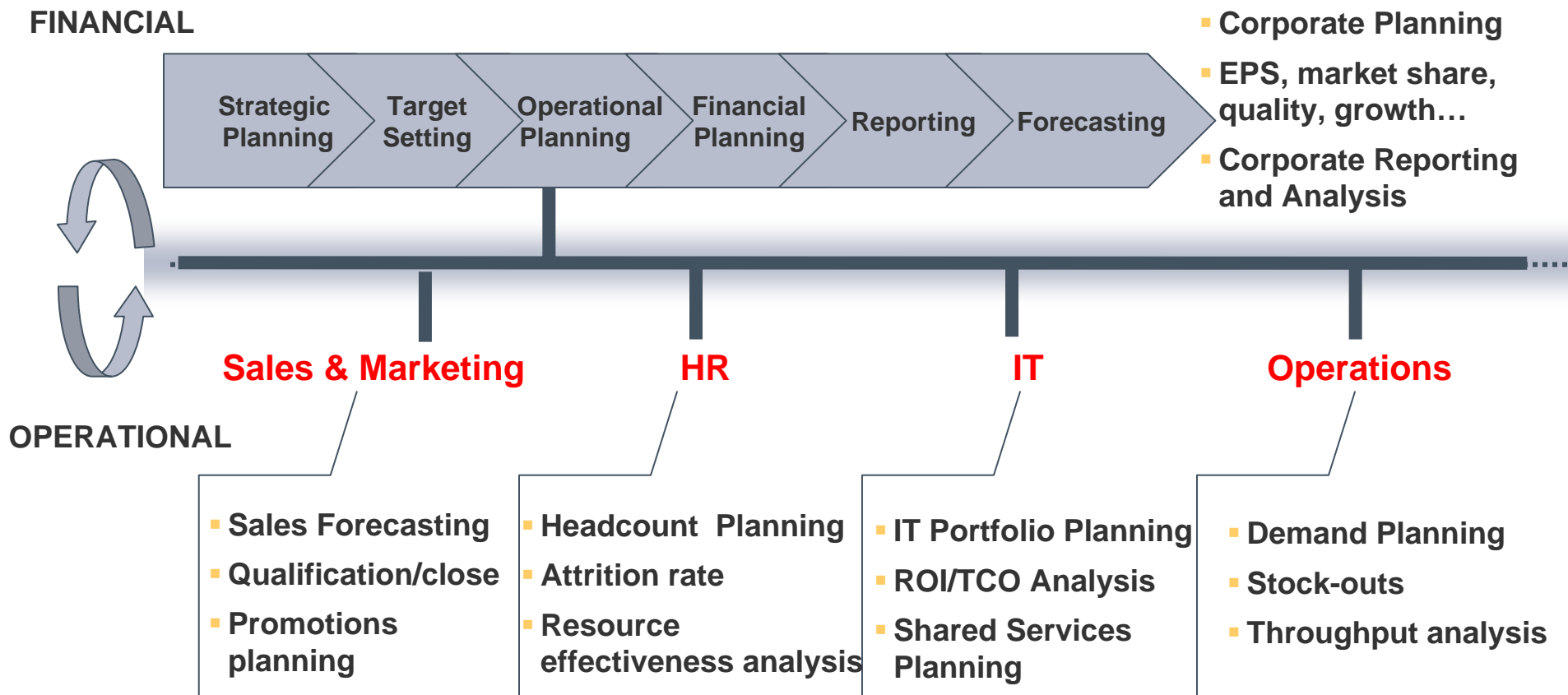


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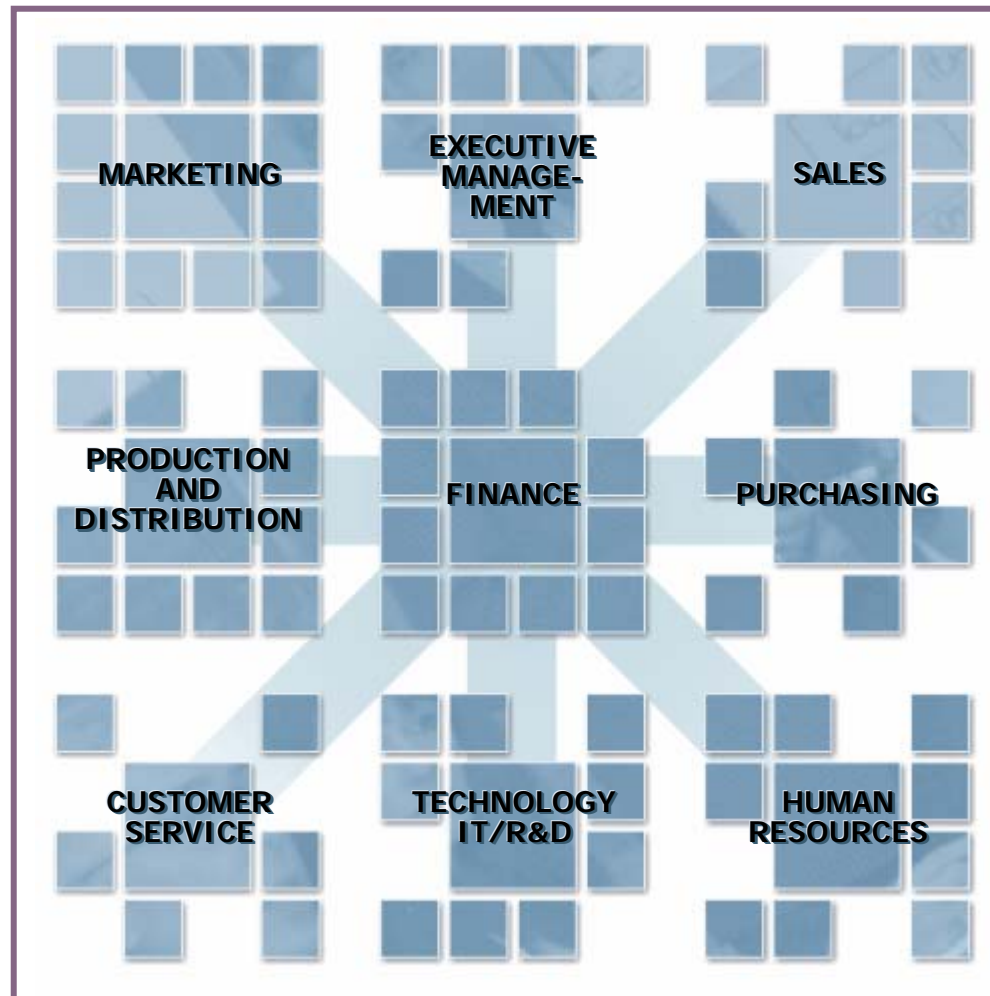
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Planning Best Practice

Synchronize Financial and Operational Plans



Planning Best Practice: Align Corporate Objectives with Operating Plans, Linked to Market Events and Operational Drivers



Planning Best Practice: planning applications that span the breadth of an organization's planning processes -

Finance

- Treasury Management
- Activity-based Management
- Receivables Modeling
- Tax Planning
- Working Capital Modeling
- Expense Planning
- Allocations
- Mergers & Acquisitions Modeling
- Capital Expenditure Planning
- Revenue Forecasting
- Integrated Financials

Marketing

- Campaign Planning
- Market Research
- Customer Profitability Analysis
- Product Profitability Analysis
- Promotional Planning
- Price Modeling
- Sales/Margin Mix Analysis

Sales

- Sales Forecasting
- Sales Effectiveness
- Incentive Planning
- Channel Profitability Planning

Executive Management

- Executive Scorecarding
- Risk Management Planning

Production and Distribution

- Capacity Planning
- Bill of Materials Modeling
- Inventory Planning
- Logistics Planning

Human Resources

- Headcount & Salary Planning
- Development Planning

Planning Best Practice. Roadmap

Planning Before

- No linkage between corporate goals and the Planning process
- Calendar oriented budget model
- Fragmented and disconnected
- Limited Participation
- Versions - Lack of reliability
- Time used to Control and reconciliation
- Finance is the Inspector

Planning After

- Ability to set goals, make plans, and measure progress
- Reporting across all time horizons
- Linked Planning Process
- High participation
- Accountable Information
- Time used to Analyse and evaluate planned figures.
- Position Finance as business partner

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Components of Cognos Planning

- **Analyst:** Builds Model / Power User
- **Contributor:** Accesses Models / End User

Analyst: Model and analyze the business



PLANNING FOR FINANCIAL ANALYSTS

- Powerful model building with ease and speed
- What-if, impact analysis
- Create models to deploy enterprise-wide
- Planning functionality built-in
- No coding/programming
- Owned by Finance

Contributor: Ease of use

GS Contributor Template

Performance | Staff Assumptions | Staff Changes | Travel Input | Travel

New York | Perpetual Plan

	TOTAL YEAR	Jan
Total Revenue	38,052,257	2,856,107
Headcount	185	165
Revenue Per Head	205,827	17,333
Billable Headcount	170	152
Utilization	92.2%	92.2%
Payroll Costs	23,173,276	1,759,433
Travel & Ent	1,668,841	0
Other Expenses	2,826,370	214,324
Total Expenses	27,668,487	1,973,757
Operating Income	10,383,770	882,350
Margin %	27.29%	30.89%

Submit | Work Offline

SIMPLICITY ON THE SURFACE, SOPHISTICATION BENEATH

- Superior collection of data
- Real time workflow
- Control process
- Multi-tab information flow
- Non-accounting oriented
- Spreadsheet and Cognos 8
- Pioneered “breakback”
- Collaborative environment

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The main advantages of Cognos Enterprise Planning

- **Model- and Cube based** to express the “whole business”
 - Take the guesswork out of planning, more dimensions, faster & in the end-user terminology. Sophisticated and still flexible.
- Enables **high participation**
 - Ease of use allows you to engage team closest to the business, shorten cycle, spread workload instead of “central” input at eg. controller level
- Supports **high frequency**
 - Real-time planning and rolling forecasts for better visibility
- Superior **collection, control & collaboration**
 - Automated web based and real-time workflow allows you to reduce cycle time, with process controls in a compliance world

The main advantages of Cognos Enterprise Planning

- **Driver-based** Planning, easy to do, easy to understand
 - Planning is about estimating activities, market shares, efficiency, ratios, price increases, etc., and linking operational causes to financial effects; not aggregating abstract numbers from accounts
- Enables **what-if-then-what analysis**
 - Allows users to work with scenarios, to do the initially judgment on effect of planning decisions them self
- **Dynamic and continually** align plans with market conditions
 - Planning Model can be adjusted quickly to new conditions and with no down-time for planning User.
- **Linked Planning Model** across the whole enterprise
 - One Version only, always updated, always ready.

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Summary/Planning With Cognos EP

- **Planning is:**
 - **Driving against better performance by aligning day-to-day operations with the strategic Goals**
 - **All Operations involved**
 - **Putting numbers on Value- and costdrivers across the enterprise**
 - **Understanding the past and present by doing something about it in the future**