Management Reporting for Decision Making

Paul A. Sharman

Focused Management Information Inc.
Paul Sharman is Founder and President of Focused Management Information Inc., a consulting and education firm. Paul has facilitated change initiatives with major organizations such as Volkswagen, DuPont, Kellogg, AT&T, US Army, Canadian Navy, Bell Canada, Canadian Pacific Railways, Citibank, Hewlett Packard, Citibank, Inco, and others around the world.

Paul has trained thousands of people around the world through seminars in association with such organizations as Institute for International Research, York University, CMA Ontario, CGA Ontario and the Institute of Management Accountants as well as numerous in-house sessions for his clients. He is well known as a conference speaker in many countries.

Paul has been referenced many times in professional and US national press on such topics as the Sarbanes Oxley Act (SOX) and reform of the accountancy profession. 65 of his articles have been published in a variety of magazines and journals including for CMA Magazine, Strategic Finance Magazine, and for other publications in the United States. A number of his articles received awards for Distinguished Contribution to Management Accounting from the Financial and Management Committee of the International Federation of Accountants (IFAC).

Paul was President and CEO of The Institute of Management Accountants (IMA) based in Montvale, New Jersey. He established an entirely new direction for the association, its members and staff. He facilitated a complete restructuring of IMA’s governance and Board of Directors, its staff structure, its products and services. Until he left in 2008, he was an active participant in the CEO committee of the International Federation of Accountants (IFAC) as well as a member of the Extensible Business Reporting Language (XBRL) Advisory Board. He was named as one of the “Top 100 Most Influential People” in the US accounting world in 2005, 2006 and 2007 by “Accounting Today”.

In October 2010 he was elected councillor of the City of Burlington, Ontario and of the Region of Halton. Paul is Editor-in-Chief of the Thomson Reuters journal “Cost Management”.

Paul is an Fellow Chartered Management Accountant (FCMA) of Great Britain and now a Chartered Global Management Accountant (CGMA) sponsored by CIMA and AICPA with over 200,000 members.

Contact Paul Sharman at: psharman@focusedmanagement.com or (1) 289 337 2297
Learning Objectives

1. Why traditional approaches to management accounting and decision support analysis are often inadequate

2. What is the impact of changing technology on business methods and business performance; the role of Corporate Performance Management (CPM)

3. What is the role of strategy formulation in identification of the most critical decisions and how it influences reporting criteria

4. How driver based planning and simulation modelling facilitates strategic decision making and goal setting
Learning Objectives B

5. How Activity-Based Costing can correct product and customer profitability data in order to improve strategic decisions making.

6. How to design organization measures and goals to align with strategy.

7. What is integrated business planning, budgeting, forecasting.

8. What is automated reporting and how does it provide fast and effective communication of results; where do dashboards and scorecards fit in, best practices.
“There is a real opportunity to use a lot of our excess operating capacity by taking on some contract work. I have already got a deal, the price is fair to prospective clients, they will be able to make their margins but we can make a contribution on volume... What do you think?”
How Effective is “Traditional” Management Reporting
Learning Objective
Management Accounting and DSS

By the end of this module you will understand

—Why traditional approaches to management accounting and decision support systems are often inadequate

Do you have a question regarding the objectives? If so, raise your hand!
As accounting practices and methods developed

They are all gone!
Making informed decisions...

Feels impossible due to the accelerated pace of change

Business risk increase with rate of change

<table>
<thead>
<tr>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of mankind</td>
</tr>
</tbody>
</table>

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Change = increased risk that is difficult to predict
Change = *increased* opportunities...
equally difficult to predict
Is complete, accurate, and timely information defined in terms of behaviors that maximize shareholder value... in the long run?

Alfred Rappaport

Saving Capitalism From Short-Termism

Principle:
Make strategic decisions that maximize expected value, even at the expense of lowering near-term earnings.
Key Objective
Increase shareholder value
Increasing Shareholder Value
Making informed decisions with a focus on future performance
Increased volatility leads to increased power of good information
Are you working with complete, accurate, and timely information?

- Do you know what complete, accurate, and timely information **looks like**?
- Is complete, accurate, and timely information defined in terms that allows it to be **collected**?
- Is complete, accurate, and timely information defined in terms that allow it to be **measured**?
- Is complete, accurate, and timely information defined in terms of **desired behaviors**?
Measurement

Operating Expense Ratio:
- Finance & Admin: 28%
- Legal: 35%
- Human Resources: 18%
- Information Technology: 16%
- Research & Development: 16%
- Quality Assurance: 24%
- Marketing: 21%

Net Profit: $794M
EBITDA: $206M
Debt to Equity Ratio: 24%
Market Share %: 21%

Gross Sales by Product:
- Product 1: $154
- Product 2: $145
- Product 3

Top 3 Customers:
- Customer 1
- Customer 2
- Customer 3
- Customer 4

Potential Revenue Upside
- Cash Flow:
  - Cash In
  - Cash Out
  - Ending Cash Balance
  - Operating Line Limit

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Question: What does that mean when...

- Increased competition
- Unforeseen market demand/conditions
- Fluctuation in currencies and investments
Take a moment and evaluate your business circumstances relative to the following questions:

1. How fast do business circumstances change? Is the business stable and mature or is it fast changing and better suited to a focus on absolute numbers rather than comparisons with standards?

2. How effective is your present management reporting in support of decision making requirements?

3. How relevant are non financial measures to the performance of your organization and could performance be planned and monitored more effectively? Why?

4. How effective is your measurement system in influencing key decisions in order to achieve strategic goals?

5. What could be done differently?

**Care to share?**
Strategy Formulation: Deciding What is Important
Learning Objective
Strategy Formulation

By the end of this module you will understand

–What the role of strategy formulation is in identification of the most critical decisions and how it influences reporting criteria

Do you have a question regarding the objectives? If so, raise your hand!
Strategy

Defines your success. Period.

(How do you know what success is if you don’t have a strategy that defines it?)
Strategy Formulation

Answers:

What/who are we?
Why are we here?
Where are we now?
Where are we going?
How are we going to get there?
How are we going to prioritize resource assignment?
Strategy Formulation Process

1. Describe Current Business Landscape
2. Select Strategic Horizon
3. Agree on Organization Role
4. Agree on SWOT
5. Agree on Future Assumptions
6. Develop Guiding Principles/Values
7. Review the Vision
8. Create the Story
9. Products/Services and Markets
10. Identify Critical Success Factors
11. Mission Evaluation
12. Balanced Goals
13. Strategic Directions
14. Strategic Initiatives & Actions
15. Financial Modeling and Resource Allocation

The primary reason for strategy formulation is prioritise resource allocation
Key Strategy Considerations

1. What values are going to guide our Business
2. How far down the road are we going to look
3. What assumptions About the external environment (regulation, economy, resource availability, technology, competition, markets) underpin our strategy
4. What existing and new products/services will we be offering (or not offering)?
5. What criteria will we use to evaluate new product opportunities?
6. What existing and new customer groups will we be serving (and not serving)?
7. What criteria will we use to evaluate a new market opportunity?
8. What factors (price and/or quality aspects) are meaningful to our customers
9. Which of these factors will represent our competitive advantage(s)
10. In which of our current product-market areas will we be placing the greatest emphasis (resources and attention)
11. In what new product or market areas will we be placing the greatest emphasis?
12. What financial and non financial measures will we use to assess the viability of the strategy
13. How does our strategy implementation plan ensure that:
   • Departmental goals, design, and management support the strategy?
   • Process goals, design, and management support the strategy?
   • Position/people goals, design, and management support the strategy?

Any Business

Resources
- Materials
- Capital
- Technology
- Human Resources

Environmental Influences
- Government
- Economy
- Culture

Shareholders

Market

Competition

Financial Returns

Products & Services
City of Burlington Strategic Plan

Values

Working together,
1. We are caring, friendly and inclusive community
2. We value innovation and trusted partnership
3. We demonstrate respect by being fair and ethical
# City of Burlington Strategic Initiative Costing

## 2011-2014 Strategic Plan - Burlington, Our Future

### Appendix A

#### Preliminary Financial Plan

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Priority</th>
<th>Lead/Project Group</th>
<th>Capital Budget</th>
<th>Current Budget</th>
<th>Funding TBC</th>
<th>Total Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.1 Develop a plan to enhance the use of public spaces in neighbourhoods</td>
<td>NAM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2 Implement a tree management plan to protect and enhance the urban forest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### City Implementation Comments

- Neighbourhood Analysis - connected to OP
- Develop an action plan, to include an inventory of public space, a satisfaction survey and a promotion plan
- Implement recommendations from plan
- Waterplay Implementation (2012)
- Lowville Park master plan review implementation
- Waterplay Implementation
- Lowville Park picnic improvements (2012)
- Community garden - Francis Road Bikeway
- Improvements to playgrounds, site furnishings and way finding in neighbourhoods/city parks
- Park Master Plan Implementation - specific uses of funds to be determined based on results of various studies
- Multi-Use Courts
- Memorial Tree Celebration program
- This work is part of the Official Plan (OP) Review beginning in 2012, Funding of SDOH included in $800K identified in 2.1a for an OP and ZBL Review
- Printing and distribution of annual Community Report (4 pp.)
- AP2 training and association membership
- Community involvement support costs including facility rental fees (internal and external), use of neighbourhood hubs or centres, advertising, outreach and promotion
- Continue existing Clerks, Parks and Recreation, Transportation starting with committees, groups, and joint venture partners
- Community Cleanup through Mayor's office (M0) and Burlington Green-baseline in 2012 (2/3) and 2013 (1/3)
- Community calendar through e-Gov (2013-14)
- Achieve Annual Tree Planting Plan - continue the annual tree planting program and a Woodlot Management Plan in 2014.
Self Assessment

1. How well does your organization assess the competitive and other strategic factors?
2. How well does your organization define strategic directions/objectives/measures and goals?
3. How well does your organization’s financial plans reflect its strategy?
4. What could be done differently?

Care to share?
Driver Based Planning/Simulation
By the end of this module you will understand

—How driver based planning and simulation modelling facilitates strategic decision making and goal setting

Do you have a question regarding the objectives? If so, raise your hand!
Manage your analytical models’ life cycles so you get better results that can be used more effectively

- Recent studies show that leading organizations are more likely to use information and augment it with predictive analytics to drive superior results. Therefore, it makes sense that if analytics can be applied more pervasively, results would improve even further. Additionally, other factors can improve the accuracy of results generated by your analytic models:
  - Factoring in more variables.
  - Using larger or complete collections of data (instead of samples).
  - Using multiple models for the same analytical project.
  - While these factors can produce more accurate results, they can also make managing your analytic environment more challenging, which is why analytics management is important. With the increased focus on analytical models as high-value assets comes the realization that predictive models, as well as the underlying data, must be managed for optimal performance throughout their entire life cycles.

Source: SAS Institute Inc.
Driver Based Planning Analytics

- Focus on strategic directions
- Use model to drive/develop strategies e.g. perform “what-if” analysis
- Use component business modeling output to support the development of strategic objectives
- Calculate cost of strategic initiatives and include in long term strategic financial plan
- Formulate budget goals
## Municipality 'What if' Tax Analysis

<table>
<thead>
<tr>
<th></th>
<th>2011 Proposed Current Budget</th>
<th>To Meet 2.5% Target</th>
<th>To Meet 2.0% Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Impact</td>
<td>Cumulative</td>
<td>Impact</td>
</tr>
<tr>
<td>2010 Tax Levy</td>
<td>$113,986</td>
<td>-1.64%</td>
<td>$113,986</td>
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<tr>
<td>Assessment Growth Revenue</td>
<td>$112,118</td>
<td>-1.64%</td>
<td>$112,118</td>
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<tr>
<td>Increase from Operations</td>
<td>$112,113</td>
<td>-1.64%</td>
<td>$112,113</td>
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<tr>
<td>Human Resource Costs</td>
<td>$113,576</td>
<td>-0.36%</td>
<td>$113,576</td>
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<tr>
<td>Fringe Benefits (incl. OMERS increase of $627k)</td>
<td>$114,382</td>
<td>0.35%</td>
<td>$114,382</td>
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<tr>
<td>Recommended Program Changes (new facilities &amp; costs to maintain service levels)</td>
<td>$115,215</td>
<td>1.08%</td>
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<tr>
<td>Group 1</td>
<td>$115,346</td>
<td>1.19%</td>
<td>$115,346</td>
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<tr>
<td>Group 2</td>
<td>$115,215</td>
<td>1.08%</td>
<td>$115,215</td>
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<tr>
<td>Capital Budget Impact on Operating</td>
<td>$116,296</td>
<td>2.03%</td>
<td>$116,296</td>
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<tr>
<td>Regional Tax Room (recommended increase to fund capital budget)</td>
<td>$116,865</td>
<td>2.53%</td>
<td>$116,865</td>
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<tr>
<td>Dedicated Infrastructure Renewal Levy</td>
<td>$116,655</td>
<td>2.34%</td>
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<td>Service Reductions</td>
<td>$116,268</td>
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<tr>
<td>2011 Tax Levy</td>
<td>$1,879</td>
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## 2011 City of Burlington Budget Scenarios

<table>
<thead>
<tr>
<th>Appendix C</th>
<th>Operating Scenarios</th>
<th>A Cost Control</th>
<th>B Strategic Focus (Recommended)</th>
<th>C Service Focus</th>
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<tr>
<td>1-15</td>
<td>Operating Challenges</td>
<td></td>
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<tr>
<td></td>
<td>Tax Impact</td>
<td>$4.0</td>
<td>$4.0</td>
<td>$4.0</td>
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<tr>
<td></td>
<td></td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.4%</td>
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<tr>
<td>16</td>
<td>Assessment Growth</td>
<td></td>
<td>($1.3)</td>
<td>($1.3)</td>
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<tr>
<td>17</td>
<td>Investment Income</td>
<td></td>
<td>($0.2)</td>
<td>($0.1)</td>
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<tr>
<td>18</td>
<td>Funding OMERS temporary increase</td>
<td></td>
<td>($0.6)</td>
<td>($0.6)</td>
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<tr>
<td>19</td>
<td>Cost Containment</td>
<td></td>
<td>($1.0)</td>
<td>($1.2)</td>
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<tr>
<td>20</td>
<td>New and Increased User Fees</td>
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<td>($0.6)</td>
<td>($0.5)</td>
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<td>21</td>
<td>Service Reductions</td>
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<td>($4.9)</td>
<td>($4.0)</td>
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<tr>
<td></td>
<td>Subtotal Solutions</td>
<td></td>
<td>($4.9)</td>
<td>($4.0)</td>
</tr>
<tr>
<td></td>
<td>Subtotal Operating Challenges &amp; Solutions</td>
<td></td>
<td>($0.9)</td>
<td>($0.0)</td>
</tr>
<tr>
<td></td>
<td>Tax Impact</td>
<td></td>
<td>-0.8%</td>
<td>0.0%</td>
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<tr>
<td>22</td>
<td>GTA Tax Room to Capital (0.8%)</td>
<td></td>
<td>$0.0</td>
<td>$0.9</td>
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<tr>
<td>23</td>
<td>Dedicated Infrastructure Renewal Capital Levy (0.5%)</td>
<td></td>
<td>$0.0</td>
<td>$0.6</td>
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<tr>
<td>24</td>
<td>Capital Project's Impact on Operating</td>
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<td>$0.5</td>
<td>$0.7</td>
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<tr>
<td>25</td>
<td>Service Enhancements / New Initiatives</td>
<td></td>
<td>$0.0</td>
<td>$0.2</td>
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<tr>
<td>26</td>
<td>Phase out Debt</td>
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<td>$0.0</td>
<td>$0.5</td>
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<td>27</td>
<td>Strategic Planning Implementation</td>
<td></td>
<td>$0.0</td>
<td>$0.4</td>
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<tr>
<td>28</td>
<td>Hospital Levy Increase</td>
<td></td>
<td>$0.0</td>
<td>$0.4</td>
</tr>
<tr>
<td>29</td>
<td>Strategic Land Increase</td>
<td></td>
<td>$0.0</td>
<td>$0.4</td>
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<tr>
<td></td>
<td>Subtotal Use of Funds</td>
<td></td>
<td>$0.5</td>
<td>$4.1</td>
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<tr>
<td></td>
<td>Total</td>
<td></td>
<td>($0.4)</td>
<td>$4.1</td>
</tr>
<tr>
<td></td>
<td>Gross City Tax Impact (Incl. Tax Room &amp; Hospital Levy)</td>
<td></td>
<td>-0.3%</td>
<td>3.5%</td>
</tr>
<tr>
<td></td>
<td>GTA Tax Room</td>
<td></td>
<td>0.0%</td>
<td>0.8%</td>
</tr>
<tr>
<td></td>
<td>Hospital Levy</td>
<td></td>
<td>0.0%</td>
<td>0.3%</td>
</tr>
<tr>
<td></td>
<td>City Tax Impact (Excl. Tax Room &amp; Hospital Levy)</td>
<td></td>
<td>-0.3%</td>
<td>2.4%</td>
</tr>
<tr>
<td></td>
<td>Province of Ontario (Education)</td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>Region of Halton</td>
<td></td>
<td>2.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td></td>
<td>Total Tax Bill Impact (Incl. Tax Room &amp; Hospital Levy)</td>
<td></td>
<td>0.9%</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

© Focused
1. Does your organization have a good understanding of its key financial “drivers”?

2. Does your organization perform simulation modelling to assess alternative choices?

3. How well does your organization’s financial plans reflect it’s strategy?

4. Can your organization evaluate alternative decision options quickly (hours, days)?

5. What could be done differently?

Care to share?
Relevance of Activity-Based Costing
Learning Objective

Activity-Based Costing

By the end of this module you will understand

—How Activity-Based Costing can correct product and customer profitability in order to improve strategic decisions making

Do you have a question regarding the objectives? If so, raise your hand!
Definition of Activity Based Costing

Activity Based Costing is a Methodology that:

- Measures the cost and performance of activities, resources and cost objects
- Assigns resources to activities, and activities to cost objects based on their use
- Recognizes the causal relationships of drivers to activities
ABC: Links Costs to Activities, and Restates Costs According to the Way Resources Are Consumed by Activities

### CHART OF ACCOUNTS VIEW

<table>
<thead>
<tr>
<th>Customer Service Department</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$600,000</td>
</tr>
<tr>
<td>Travel Expenses</td>
<td>60,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>40,000</td>
</tr>
<tr>
<td>Systems</td>
<td>150,000</td>
</tr>
<tr>
<td>Occupancy</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$880,000</strong></td>
</tr>
</tbody>
</table>

### ACTIVITY VIEW

<table>
<thead>
<tr>
<th>Customer Service Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter Orders</td>
</tr>
<tr>
<td>Enter Credit Notes</td>
</tr>
<tr>
<td>Update Price Lists</td>
</tr>
<tr>
<td>Schedule Deliveries</td>
</tr>
<tr>
<td>Process Special Orders</td>
</tr>
<tr>
<td>Invoice Shipments</td>
</tr>
<tr>
<td>Answer Customer Queries</td>
</tr>
<tr>
<td>Train Employees</td>
</tr>
<tr>
<td>Administer Department</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

What is Spent

How Resources Are Utilized

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## ABC Costed Bill of Activities - Product

### Cold Medicine Example

<table>
<thead>
<tr>
<th>Activity</th>
<th>Driver Q.</th>
<th>Driver Rate</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Make solid batches</td>
<td>7</td>
<td>$5,696</td>
<td>$39,871</td>
</tr>
<tr>
<td>Mfg. solid dose change over</td>
<td>3</td>
<td>$3,169</td>
<td>$9,507</td>
</tr>
<tr>
<td>Assay batches made</td>
<td>28</td>
<td>$649</td>
<td>$18,159</td>
</tr>
<tr>
<td>Schedule Production</td>
<td>4</td>
<td>$1,055</td>
<td>$4,221</td>
</tr>
<tr>
<td>Test chemical receipts</td>
<td>18</td>
<td>$1,624</td>
<td>$29,227</td>
</tr>
<tr>
<td>Test packaging receipts</td>
<td>47</td>
<td>$800</td>
<td>$37,587</td>
</tr>
<tr>
<td>Package solid products</td>
<td>25,000</td>
<td>$3</td>
<td>$79,221</td>
</tr>
<tr>
<td>Packaging line changeover</td>
<td>4</td>
<td>$3,011</td>
<td>$12,043</td>
</tr>
<tr>
<td>Make eng. change notices</td>
<td>4</td>
<td>$1,281</td>
<td>$5,124</td>
</tr>
<tr>
<td>Material Costs</td>
<td>25,000</td>
<td>$12</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

Total Cost: $534,959  
Revenue: $2,700,000  
Product Margin: $2,165,041  
%: 80%
### Product Profitability

<table>
<thead>
<tr>
<th>Country</th>
<th>Trimester</th>
<th>Period</th>
<th>Category</th>
<th>Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td></td>
<td></td>
<td>Oils and Vinegars</td>
<td>Nester</td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
<td>Sodas</td>
<td>Alcuora</td>
</tr>
<tr>
<td></td>
<td>1st Trim</td>
<td>08. August</td>
<td>Breads</td>
<td>Alimentic</td>
</tr>
<tr>
<td></td>
<td>2nd Trim</td>
<td>09. September</td>
<td>Rice</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3rd Trim</td>
<td>01. January</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4th Trim</td>
<td>02. February</td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Etiqutas de fila</th>
<th>Venta</th>
<th>Costo Directo</th>
<th>Margen Directo</th>
<th>%Rent MD</th>
<th>Act. Prod.</th>
<th>Margen Producto</th>
<th>%Rent MP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals</td>
<td>5,209,524</td>
<td>2,669,528</td>
<td>2,539,997</td>
<td>49%</td>
<td>20,198</td>
<td>2,519,799</td>
<td>48%</td>
</tr>
<tr>
<td>Milk</td>
<td>5,742,772</td>
<td>3,692,593</td>
<td>2,050,179</td>
<td>36%</td>
<td>59,453</td>
<td>1,990,726</td>
<td>35%</td>
</tr>
<tr>
<td>Candy</td>
<td>4,169,377</td>
<td>2,641,862</td>
<td>1,527,515</td>
<td>37%</td>
<td>61,424</td>
<td>1,466,091</td>
<td>35%</td>
</tr>
<tr>
<td>Sauce</td>
<td>3,207,264</td>
<td>1,896,466</td>
<td>1,310,798</td>
<td>41%</td>
<td>32,631</td>
<td>1,278,167</td>
<td>40%</td>
</tr>
<tr>
<td>Ice-cream</td>
<td>2,471,375</td>
<td>1,830,415</td>
<td>640,961</td>
<td>26%</td>
<td>38,062</td>
<td>602,899</td>
<td>24%</td>
</tr>
<tr>
<td>Vegetables</td>
<td>1,526,909</td>
<td>971,004</td>
<td>555,904</td>
<td>36%</td>
<td>26,969</td>
<td>528,936</td>
<td>35%</td>
</tr>
<tr>
<td>Coffee</td>
<td>1,486,712</td>
<td>1,004,639</td>
<td>482,673</td>
<td>32%</td>
<td>17,414</td>
<td>464,659</td>
<td>31%</td>
</tr>
</tbody>
</table>

20005987 - Coffee for French Press
20005986 - Whole Bean Coffee Premium
200059122 - Whole Bean Coffee
200059266 - Ground Coffee for percolators
200059276 - Coffee with sugar
200059338 - Grounded Coffee
200059366 - Espresso Coffee Italian Type
200059370 - Fine Grounded Coffee
200059381 - Bialetti Grounded Coffee
200060872 - Turkish Ground Coffee
200060888 - Espresso Coffee Premium
200060926 - Decaf Coffee
200060948 - Coffee for Paper Percolators
200060950 - Col Espresso Coffee
200060954 - Premium Roasted Coffee
200061063 - Peruvian Premium Coffee Beans
## ABC Costed Bill of Activities

### Customer: A10

<table>
<thead>
<tr>
<th>Driver Based Product</th>
<th>Unit Revenue</th>
<th>Unit Cost</th>
<th>Unit Contribution</th>
<th>Quantity</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allergy 10's</td>
<td>136.50</td>
<td>19.39</td>
<td>117.11</td>
<td>1,200</td>
<td>140,537</td>
</tr>
<tr>
<td>Allergy 25's</td>
<td>254.80</td>
<td>33.70</td>
<td>221.10</td>
<td>480</td>
<td>106,127</td>
</tr>
<tr>
<td>Children's 25's</td>
<td>91.00</td>
<td>18.89</td>
<td>72.11</td>
<td>4,680</td>
<td>337,461</td>
</tr>
<tr>
<td>Children's Liquid</td>
<td>91.00</td>
<td>32.88</td>
<td>58.12</td>
<td>1,680</td>
<td>97,640</td>
</tr>
<tr>
<td>Cold Medicine 10's</td>
<td>109.20</td>
<td>21.42</td>
<td>87.78</td>
<td>840</td>
<td>73,738</td>
</tr>
<tr>
<td>Cold Medicine 25's</td>
<td>182.00</td>
<td>35.67</td>
<td>146.33</td>
<td>720</td>
<td>105,357</td>
</tr>
<tr>
<td>Cold Liquid</td>
<td>182.00</td>
<td>48.37</td>
<td>133.63</td>
<td>240</td>
<td>32,072</td>
</tr>
<tr>
<td>Cough 25's</td>
<td>182.00</td>
<td>37.17</td>
<td>144.83</td>
<td>240</td>
<td>34,759</td>
</tr>
<tr>
<td>Cough Liquid</td>
<td>182.00</td>
<td>46.12</td>
<td>135.88</td>
<td>320</td>
<td>43,482</td>
</tr>
<tr>
<td>Extra Str.Pain 100's</td>
<td>209.30</td>
<td>46.22</td>
<td>163.08</td>
<td>3,280</td>
<td>534,912</td>
</tr>
<tr>
<td>Extra Str.Pain 50's</td>
<td>100.10</td>
<td>20.77</td>
<td>79.33</td>
<td>3,960</td>
<td>314,157</td>
</tr>
<tr>
<td>Extra Str.Pain 25's</td>
<td>177.45</td>
<td>33.59</td>
<td>143.86</td>
<td>480</td>
<td>69,054</td>
</tr>
<tr>
<td>Reg Str.Pain 100's</td>
<td>141.05</td>
<td>32.13</td>
<td>108.92</td>
<td>2,800</td>
<td>304,970</td>
</tr>
<tr>
<td>Reg Str.Pain 50's</td>
<td>68.25</td>
<td>16.49</td>
<td>51.76</td>
<td>3,600</td>
<td>186,334</td>
</tr>
<tr>
<td>Reg Str.Pain 25's</td>
<td>118.30</td>
<td>25.72</td>
<td>92.58</td>
<td>360</td>
<td>33,329</td>
</tr>
</tbody>
</table>

**Subtotal: A10 Product Contribution**

| Margin 78% | 2,413,929 |

### Service Costs Bill of Activities:

<table>
<thead>
<tr>
<th>Service Activity</th>
<th>Unit Revenue</th>
<th>Unit Cost</th>
<th>Unit Contribution</th>
<th>Quantity</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approve Credit</td>
<td>-</td>
<td>119</td>
<td>-</td>
<td>10</td>
<td>(1,188)</td>
</tr>
<tr>
<td>National Account Calls</td>
<td>-</td>
<td>1,674</td>
<td>-</td>
<td>12</td>
<td>(20,093)</td>
</tr>
<tr>
<td>Collect Account</td>
<td>-</td>
<td>268</td>
<td>-</td>
<td>45</td>
<td>(12,040)</td>
</tr>
<tr>
<td>Delivery Charges</td>
<td>-</td>
<td>93</td>
<td>-</td>
<td>45</td>
<td>(4,206)</td>
</tr>
<tr>
<td>Enter Credit Notes</td>
<td>-</td>
<td>103</td>
<td>-</td>
<td>10</td>
<td>(1,030)</td>
</tr>
<tr>
<td>Enter Orders</td>
<td>-</td>
<td>446</td>
<td>-</td>
<td>45</td>
<td>(20,058)</td>
</tr>
<tr>
<td>Mileage Charges</td>
<td>-</td>
<td>0.14</td>
<td>-</td>
<td>188,123</td>
<td>(26,337)</td>
</tr>
<tr>
<td>Pick Pallets</td>
<td>-</td>
<td>49</td>
<td>-</td>
<td>237</td>
<td>(11,727)</td>
</tr>
<tr>
<td>Promotional Payments</td>
<td>-</td>
<td>193</td>
<td>-</td>
<td>18</td>
<td>(3,479)</td>
</tr>
<tr>
<td>Ship Order</td>
<td>-</td>
<td>99</td>
<td>-</td>
<td>45</td>
<td>(4,468)</td>
</tr>
</tbody>
</table>

**Subtotal: Customer A10 Contribution**

| Margin -3.4% | (104,625) |

**Net Customer Contribution Margin**

| Margin 75% | $2,309,304 |
ABC Profitability vs. Traditional

Cumulative Contribution

80%

100%

Product / Customer Profitability

Typical Data

Driver Based Costing

Earnings Opportunity

Traditional Costing

Cumulative Profit

20%

60%

??? %
Cumulative ABC Contribution

PharmaCo

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## Product/Customer Strategic Choices

### Product / Service Evaluation

<table>
<thead>
<tr>
<th>Strategic</th>
<th>Significant</th>
<th>Profitable</th>
<th>Recommended Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>This is the heart of the business. Put your best thoughts into how to improve it. Direct key management to make it grow and insulate it against competitive challenge.</td>
</tr>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>This is a candidate for re-engineering. Consider outsourcing, pricing changes, and engineering changes. Retain the product/service only if it is a key to something else. If the product/service cannot be brought to profitability or if it is not key to existing or potential strategic customers, get rid of it.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>This is a probable candidate from dropping from your product/service line. Unless there is some other compelling reason, get rid of it.</td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>This is a tough situation. If the product/service does not fit strategically, it should be culled. Doing something that is not within your core competencies is a waste of resources.</td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>This is a resource eater. Try to get rid of it by selling or licensing to someone else.</td>
</tr>
<tr>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>If this is truly not significant, then it is only causing clutter. Cut it from the product/service line.</td>
</tr>
<tr>
<td>No</td>
<td>No</td>
<td>No</td>
<td>This is an easy decision</td>
</tr>
</tbody>
</table>

### Customer Evaluation

<table>
<thead>
<tr>
<th>Strategic</th>
<th>Significant</th>
<th>Profitable</th>
<th>Recommended Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>These are your key customers. Focus on reviewing your pricing and service. Consider careful review by a team independent of the personnel already involved in serving the customer. Have them focus on where you can do better.</td>
</tr>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>This is a real challenge. Here you have a key customer not generating bottom line results. Consideration should be given to changes in pricing, product mix, or service restructuring.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Customers in this category can be maintained. If the customer continues to be profitable it can be used as a training account or as a “lab” to test new products and ideas.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>This customer needs to be re-examined to determine if it can be made profitable. If this cannot be accomplished, this customer needs to be served by someone else.</td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>This is the most difficult situation. If the customer is truly not strategic and will not become such in the future, then a plan should be implemented to divest of the customer. This may be a drain on vital resources.</td>
</tr>
<tr>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Volume associated with poor profitability means the consumption of valuable resources. Consider whether or not changes to how the customer is served, product mix or pricing can drive profitability. If not, get rid of it.</td>
</tr>
<tr>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Getting rid of a profitable client is always a management dilemma. Perhaps the customer is saleable. Give real consideration to the continued support of not strategic, small customers.</td>
</tr>
<tr>
<td>No</td>
<td>No</td>
<td>No</td>
<td>This is an easy decision</td>
</tr>
</tbody>
</table>
1. Does your organization have complex products and services?
2. Are there numerous products / services / customers?
3. Do revenues and costs fit the 80 / 20 profile?
4. Does your organization use volume variable denominators to allocate cost?
5. Are processes and activities complex?
6. Would senior management care if cost information were wrong?
7. Does your organization know adequately which products/customers it makes money on and on which ones it loses?
8. Does your organization apply a disciplined product/customer abandonment analysis
9. What could be done differently?

Care to share?
Measurement:
What to report on!
By the end of this module you will understand

– How to design organization measures and goals to align with strategy

Do you have a question regarding the objectives? If so, raise your hand!
• Define measures to satisfy strategic goals
• Balanced perspective
• Focus on outcomes at strategy level
• Focus on outputs at process level
• Blend leading and lagging measures
• Use standards where possible
• Linkage and hierarchy is critical
• Balanced Scorecard is an effective model
The balanced scorecard is a key enabler to measure performance.

- The balanced scorecard is a tool that translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system.
- Based on cause and effect relationships.
- Defines the drivers (lead indicators) which will create desired outcomes (lag indicators).

### Financial

To succeed financially, how should we appear to our shareholders?

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>Targets</th>
</tr>
</thead>
</table>

### Customer

To achieve our vision, how should we appear to our customers?

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>Targets</th>
</tr>
</thead>
</table>

### Process

To satisfy our shareholders and customers, what business processes must we excel?

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>Targets</th>
</tr>
</thead>
</table>

### Learning & growth

To achieve our vision, how must my organization learn and improve?

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>Targets</th>
</tr>
</thead>
</table>

Source: Dr. Robert Kaplan and David Norton
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Balanced Goals Discussion

The following exercise is intended to help you develop a portfolio of strategic outcomes and goals that will be evaluated throughout the course of strategy formulation and execution. A strategic outcome clearly articulates the future.

The purpose of strategic outcome/goal generation is:

1. To identify opportunities for targeted investment of limited resources and energy
2. Not to focus on identifying specific solutions or answers
3. Provide opportunity to present ideas that will facilitate meaningful dialogue with stakeholders (to focus and lead the conversation)

Develop strategic outcomes that might fit the needs of Pharmaco
Operations Processes Deliver Performance

Process measures connect people to strategy. Managing what you do and what you can control is the key.

Improve Shareholder Value

Revenue Growth Strategy
- Develop New Markets
  - Increase Sales from $5b to $10b

Increase Share of Wallet
- Improve customer satisfaction
  - On time delivery
  - Simplified Ordering

Productivity Strategy
- Improve Cost Structure
  - New delivery options
  - Reduce Cycle Time
- Improve Asset Utilization
  - Existing assets
  - Incremental investments
## Activity Measures Worksheet

### Material Acquisition Process

#### Individual Activity Measures

<table>
<thead>
<tr>
<th>Activity Output</th>
<th>Dimension</th>
<th>Measure</th>
<th>Current Perf’</th>
<th>Short Term Goal</th>
<th>Long Term Goal</th>
<th>Actions to be taken</th>
<th>Review Period</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify</td>
<td>Time</td>
<td>1. # of Hrs. from order to requirements established</td>
<td>3 days</td>
<td>1 days</td>
<td>1 hr.</td>
<td>Est. cross functional training</td>
<td>Monthly</td>
<td>Manual</td>
</tr>
<tr>
<td>Materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Required</td>
<td>Quality</td>
<td>1. # of ECN's that need to be processed</td>
<td>40</td>
<td>40</td>
<td>5</td>
<td>Develop fixed product range</td>
<td>Monthly</td>
<td>ECN Book</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>70%</td>
<td>30%</td>
<td>10%</td>
<td></td>
<td>Quarterly</td>
<td>ENG requests</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. % of times eng. Input needed</td>
<td>70%</td>
<td>30%</td>
<td>10%</td>
<td></td>
<td>Quarterly</td>
<td>EDI system</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15%</td>
<td>12%</td>
<td>2%</td>
<td></td>
<td>Daily</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. % req's not in computer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Quarterly</td>
<td>ABC</td>
</tr>
<tr>
<td></td>
<td>Cost</td>
<td>1. Total activity cost</td>
<td>$80,000</td>
<td>$110,000</td>
<td>$100,000</td>
<td>Automation &amp; integration</td>
<td>Quarterly</td>
<td>ABC</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$45</td>
<td>$50</td>
<td>$20</td>
<td>Improve work flow</td>
<td>Quarterly</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Cost per order</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Quarterly</td>
<td>ABC</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Reduce time &amp; effort to perform activity</td>
<td>Quarterly</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Support costs required</td>
<td>$40,000</td>
<td>$60,000</td>
<td>$10,000</td>
<td></td>
<td>Quarterly</td>
<td>ABC</td>
</tr>
<tr>
<td></td>
<td>Quantity</td>
<td>1. # of orders processed</td>
<td>1,750</td>
<td>2,200</td>
<td>5,000</td>
<td></td>
<td>Daily</td>
<td>MRP</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>100</td>
<td>800</td>
<td>2,500</td>
<td></td>
<td>Monthly</td>
<td>MRP/EDI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. # of automatic matches</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Activity Owner:** Logistics Manager

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1. How well is measurement aligned with strategy in your company?
2. How well aligned are financial and non-financial measurement with each other?
3. How could measurement be improved?
4. What could be done differently?

Care to share?
Budgeting, Forecasting and Integration
Learning Objective
Integrated Financial Planning

By the end of this module you will understand
– What integrated financial planning is

Do you have a question regarding the objectives? If so, raise your hand!
Budgeting

Budgeting is typically an annual process that often starts with the prior year’s data, and includes the creation of detailed budgets showing expected future performance at a top-line and detailed level across the entire organization.

Source: Financial Planning, Budgeting and Forecasting; Aberdeen Group 2009
Advantages to Budgeting and Budgetary Control

- Compels management to think about the future; forces management to look ahead, to set out detailed plans for achieving the targets for each department, operation and (ideally) each manager, to anticipate and give the organisation purpose and direction.

- Promotes coordination and communication, facilitates the review, prioritization, co-ordination & authorization of spending plans

- Clearly defines areas of responsibility. Requires managers of budget centres to be made responsible for the achievement of budget targets for the operations under their personal control.

- To quantify management objectives. Provides a basis for performance appraisal (variance analysis).

- A budget is basically a yardstick against which actual performance is measured and assessed. Control is provided by comparisons of actual results against budget plan. Departures from budget can then be investigated and the reasons for the differences can be divided into controllable and non-controllable factors.

- Enables remedial action to be taken as variances emerge.

- Motivates employees by participating in the setting of budgets.

- Improves the allocation of scarce resources and identify cash requirements for business plans

- To facilitate dialog with capital providers
Group Discussion

• How effective is budgeting?
• How well aligned is the budget with strategy
• How could budgeting be improved?
Problems with Traditional Budgets

- History no longer a good predictor of future conditions
- Uncertainty
- Lack flexibility
- Difficult to prioritize incremental funding requests
  - Or, new requests vs. entrenched programs
- Subject to internal politics
- Dysfunctional – spend it or lose it
- “Sandbagging” – manipulating the measurement system
- Institutionalizes mediocrity by failing to encourage continuous improvement
- Fixes incentive goals and people behave accordingly
- Difficult to adapt to changing circumstances
- Take too long to prepare
Best-in-Class Budgeting

• Best-in-Class have reduced budget process cycle time by 24%, 3.6 times more improvement that all others
• 68% of Best-in-Class always complete budget before the end of the fiscal year
• Best-in-Class have produced 317% more improvement in profitability through better planning, budgeting and forecasting
• Top performers are unlikely to leave budgets as fixed throughout the year
• Best-in-Class are 45% less likely to simply prepare budgets based on historical data and are 157% more likely to use results-oriented planning and budgeting methods

Source: Financial Planning, Budgeting and Forecasting; Aberdeen Group 2009
Automate Corporate Performance Management (CPM)

1. CPM Systems are “high-level” applications used to manage a business.
2. They are collaborative applications (i.e. they are not personal productivity tools like spreadsheets and word processors).
3. They are non transactional (unlike an accounting system or an ERP).
4. They are used to automate processes that are usually managed by the Finance department e.g. Consolidation; automated financial and non financial reporting.
5. They not only record or analyze what has happened in the past but also attempt to look forward into the future.
6. There is often a need for them to interact with each other—for example: general ledger, budgets, plans and forecasts are used when reporting financial figures.
Technology Facilitates Methodology

Enterprise Performance Management
- Strategy Management
- Planning, Budgeting, and Forecasting
- Profitability and Cost Management
- Consolidation
- Spend and Supply Chain

Governance, Risk and Compliance
- Risk Management
- Access Control
- Process Control
- Global Trade Services
- Environment, Health, Safety Management
- Sustainability Performance Management

Business Intelligence
- Reporting
- Interactive Analysis
- Dashboards and Visualization
- Data Exploration
- Advanced Analytics

Enterprise Information Management
- Data Integration
- Data Quality Management
- Master Data Management
- Metadata Management

Source: SAP
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Multi-dimensional data can be collected, reviewed, analyzed, interpreted, and harnessed.
A real case scenarios...

COMPANY DASHBOARD AND MANAGEMENT REPORTING

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Integrated/Automated Environment via CPM

**Plan**
- Strategic Planning = Long term:
  - Operational, Budgeting
  - Planning = Mid/Short

**Do**
- Actual Monitoring
  - Various and disparate sources of data

**Act**
- Rolling Forecasts
- Revised Projections
- Revised Goals

**Check**
- Performance Analysis
- Management Reviews
- Single source/version of the truth

Tools
- Workflow
- Simulation modeling
- What-if analysis

Corporate Performance Management Software (CPM) puts it all together.
Collecting Budget Data

PROPHIX Recipients

Workflow task assigned to User

Submission for review

• OpEx
• CapEx

What-if scenarios and multiple versions

Collecting Budget Data

Prophix

Approve, Post and Analyze

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CPM: A tool to orchestrate the data

PLAN

STRATEGIC PLANNING = LONG TERM

OPERATIONAL PLANNING = MID/SHORT

ANNUAL/MULTI YEAR BUDGETS

PROCESSING VOLUMES

INCENTIVE SCHEMES

KPI

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CPM: A tool to orchestrate the data

DO

- Market % and Customer Service
- Revenue
- Cost/Profitability
- Driver Based Costing
- Balance Sheets
- Cash Flow
- Financial Results
- Monitoring Actuals
- Orders and Sales Achieved
- Operations Performance Data
- Actual KPI
CPM: A tool to orchestrate the data

CHECK

PERFORMANCE ANALYSIS
MANAGEMENT REVIEWS

ACT

ROLLING FORECASTS
REVISED PROJECTIONS
REVISED GOALS

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Bringing together Strategy, Finance, Sales and Operations

- Driver based simulation
- Balanced scorecard
- What-if and ad hoc analysis
- Customer and product profitability (driver based)
- Communication: BI and one version of the truth

- Budgeting
- Forecasting
- Reporting
- Disclosure Mgmt.
- Consolidations
- Cash Planning

- Sales planning
- Workforce planning
- Project planning
- Marketing/promo planning
- Long term strategic planning
- Supply/Demand planning
- CapEx planning
How can all of the relevant information be displayed in a way that is compelling?
### CPM Dashboard

#### KPI

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<td>Year</td>
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#### Forecast

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<th>Sales Forecast Growth and Total Market Value</th>
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Unified Reporting, Budgeting, Planning & Business Intelligence

Many capabilities from a single Report
Problem – Time consuming, error-prone management reporting which led to inability to make timely business decisions.

Action – Financial cube followed by Sales and Operations cubes
Benefits

- Reporting reduced from 8 hours to less than 2 hours, 95% computer processing time
- Effort required to configure reports from 8 hours to 10 minutes

Financial cube

Key change:
‘Why don’t accounting’s numbers agree with operations’ numbers?’
‘What can we learn from the new information to do things better?’
Business results...
Driven by the data

- EVP Operations improved plant efficiency and reduced costs by changing processes.
- Sales policy changed to eliminate unprofitable ‘rush’ orders – based on understanding of freight costs.
- Increased customer satisfaction, reduction of errors related to sales return processes.
- Renegotiated customer payment terms and improved inventory management – because of ‘8 KPI executive dashboard’.
Achieving **true shareholder value** hinges on creating a new, better, yet achievable reality.

But that new reality calls upon us to harness information in ways that provide it with greater meaning... and, in ways that can be acted upon.

That in turn allows us to re-imagine business and the future.
1. To what degree are current systems providing timely, relevant information relative to changing conditions and achievement of critical goals re organization strategy, processes and department?

2. To what degree are ALL management information systems integrated and automated?

3. Is more time spent on managing transaction processing than analysing and supporting decision making?

4. What could be done differently?

Care to share?
Self Assessment

1. How effective is your management reporting system at delivering critical performance information regarding strategic goals?
2. To what extent is your management reporting automated?
3. To what degree is your management reporting customizable to suit the explicit needs of decision makers?
4. How timely is your management reporting of strategic data in order to have relevant influence on critical decisions?
5. What could be done differently?

Care to share?
• Management reporting for decision making is a critical strategic and data architecture process
• Automation is central to all aspects of making better informed decisions based on properly aligned information
• Generally applicable concepts may be appropriate for external financial reporting whereas management reporting and dashboards need to be precisely designed, implemented and maintained for the enterprise
Did we satisfy your opening questions??