

Helping Business Become Best-Run Now

## **Thrive in an Uncertain Economy**

### Confident Decisions

## Why Best Run Now

Introducing “Confident Decisions”

# The Economic Downturn Has Broad Impact on Businesses of All Sizes



## Current Economic Environment

- Lack of access to funds
- Higher cost of capital
- Plunging consumer confidence
- Spreading across industries
- Rising inflation risks
- Higher market volatility
- Wave of consolidations
- Government re-regulation

## Translating into...

**Slowing demand**  
(spending cut-back, customers postponing purchases)

## Measurable Impact on Your Business

**Revenue, income**

**Rising costs**  
(inflation, borrowing costs, healthcare costs)

**COGS, margins**

**Reduced credit**  
(tougher lending standards, declining loan or line of credit)

**Cash flow, liquidity**

### Source:

- NFIB Small Business Economic Trends, October 2008
- The Conference Board Mid-Market CEO Challenge, 2007
- Collateral Damage, The Boston Consulting Group, Oct 2008

# Executives have to rapidly respond to the challenging and volatile economic conditions



## Key Considerations

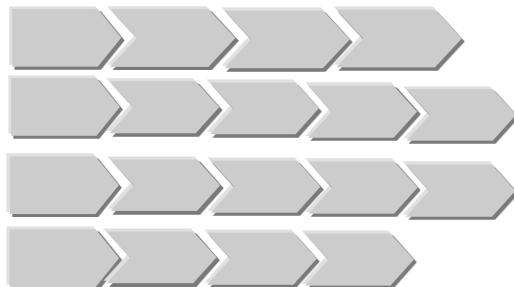
- Simplistic IT cost cutting across the board endangers critical business priorities
- Compared with other alternatives IT cost cutting will have little benefit to the bottom line
- Targeted IT investments can have up to 10 times the impact of traditional cost cutting

Impact on run-rate EBIT\* (illustrative examples), %

Traditional IT cost reduction (15%)	0.5	Typical IT cost levers, including demand management, portfolio rationalization, and outsourcing/offshoring
Merchandising investments	1-2	Improve decision support for merchandising at retailers
Supply chain investments	3-4	Optimize supply chain process with streamlined systems
Better pricing	3-5	Reduce revenue leakage from unnecessary discounting and poor sales force management

\*Earnings before interest and taxes; assumes run rate of 6-18 months (timing to achieve run-rate impact varies across examples).

## Best Run Packages address the immediate needs while setting the foundation for the future



Best Run Now Packages:  
Quick Deployment &  
Immediate Results



Long Term Goal:  
Value Centric End-to-End  
Processes

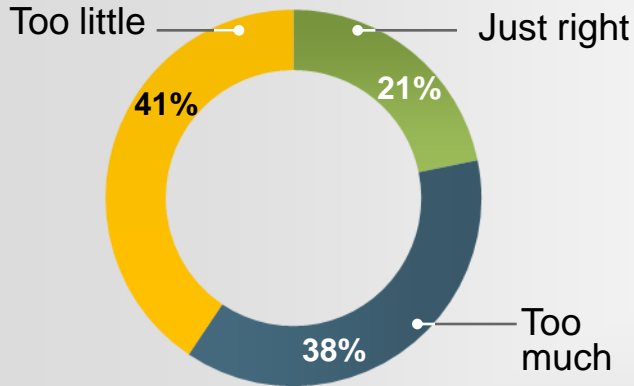
## Why Best Run Now

### Introducing “Confident Decisions”

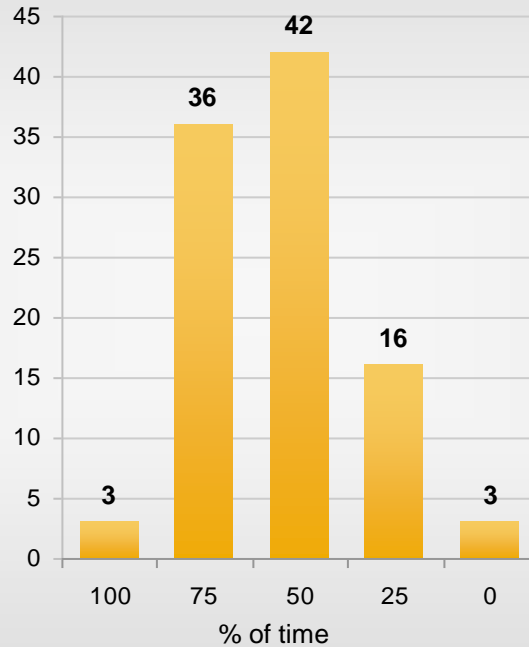
# Paint Point: Insufficient Information Leads to Bad Decisions



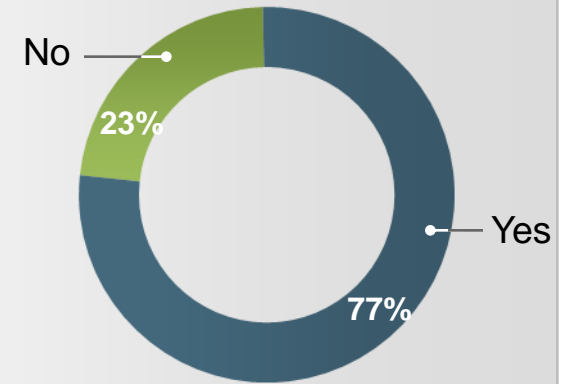
## Amount of information available for important business decisions



## 'Instinct-Feel' decisions



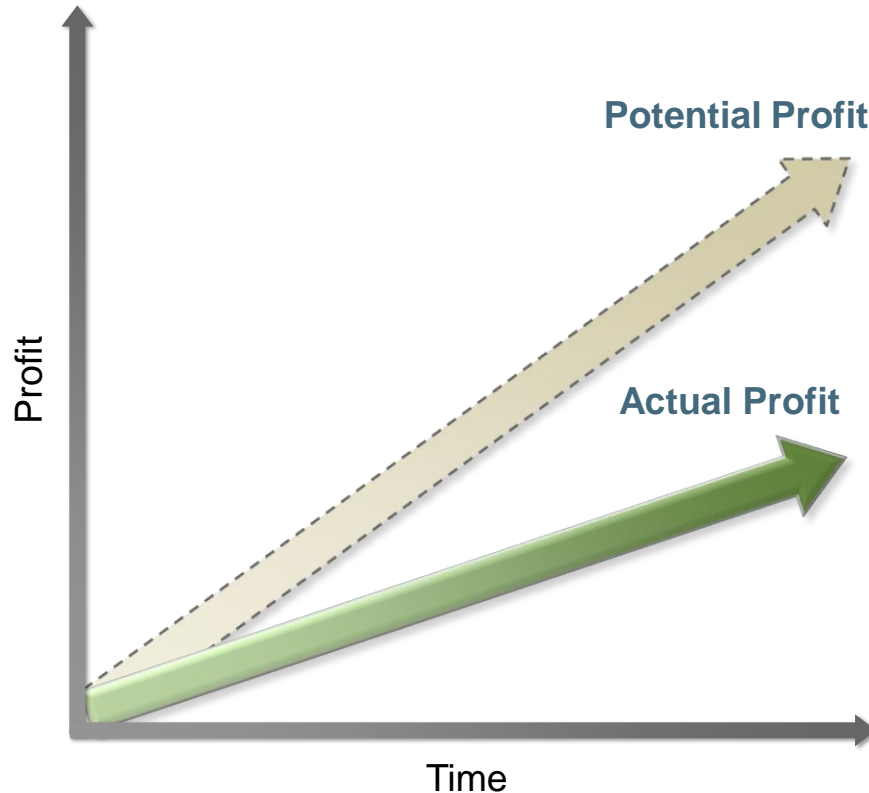
## Aware of bad decisions made due to insufficient information



Source: BusinessWeek Research Services Base: 675 US and European business executives and managers

# The Cumulative Effect: Reduced Profitability

Limited ability to react to changes in the business and the market



- Incorrect decisions are made, based on faulty data
- Questionable data reduces productivity and challenges consensus
- Delayed decisions result in missed opportunities, lost revenues, and cost escalation
- Reduced confidence across the organization limits momentum

# Best Run Now Package: Confident Decisions

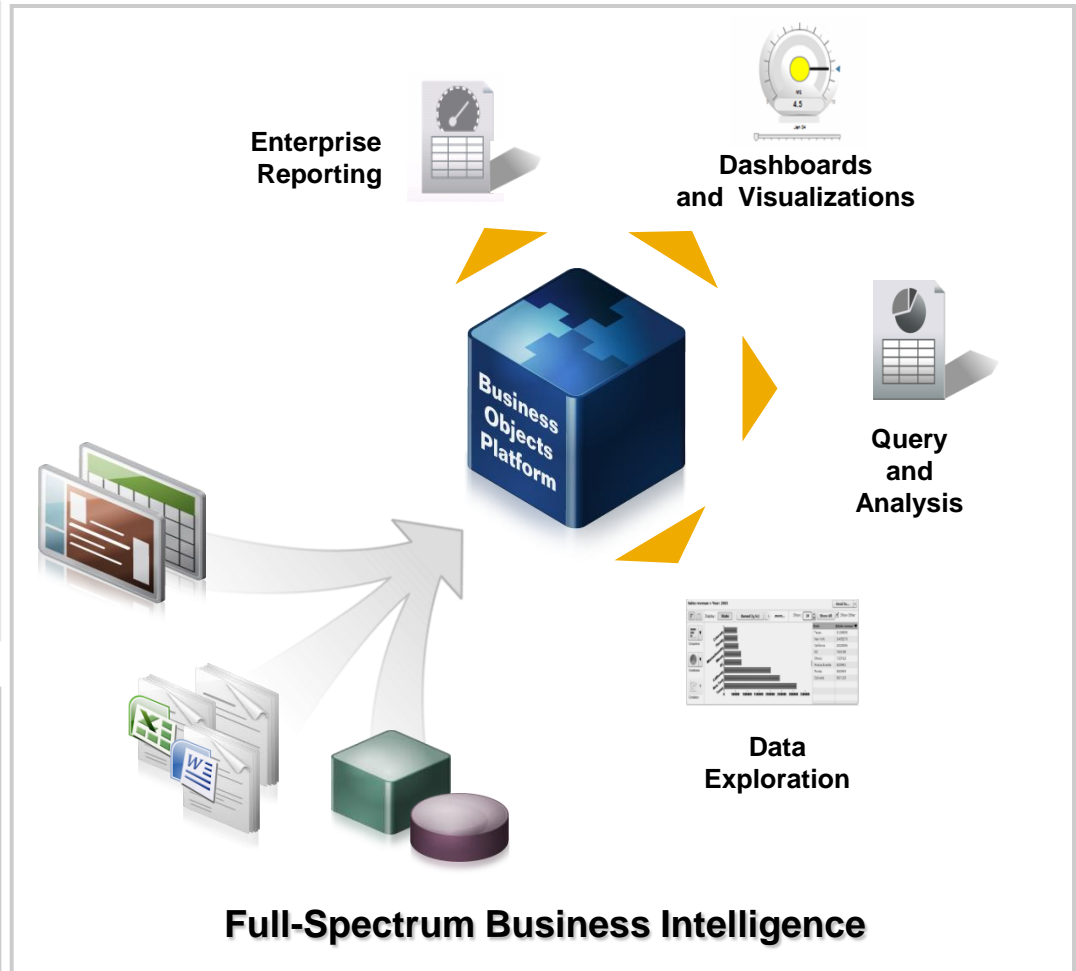


A complete business intelligence solution that includes:

- Enterprise reporting trusted by millions of users
- Self-service access to information and intuitive analysis
- Point-and-click interactive data visualizations and dashboards
- Intuitive data exploration for everyone
- Flexible, scalable BI platform

## Solution

- SAP BusinessObjects BI package

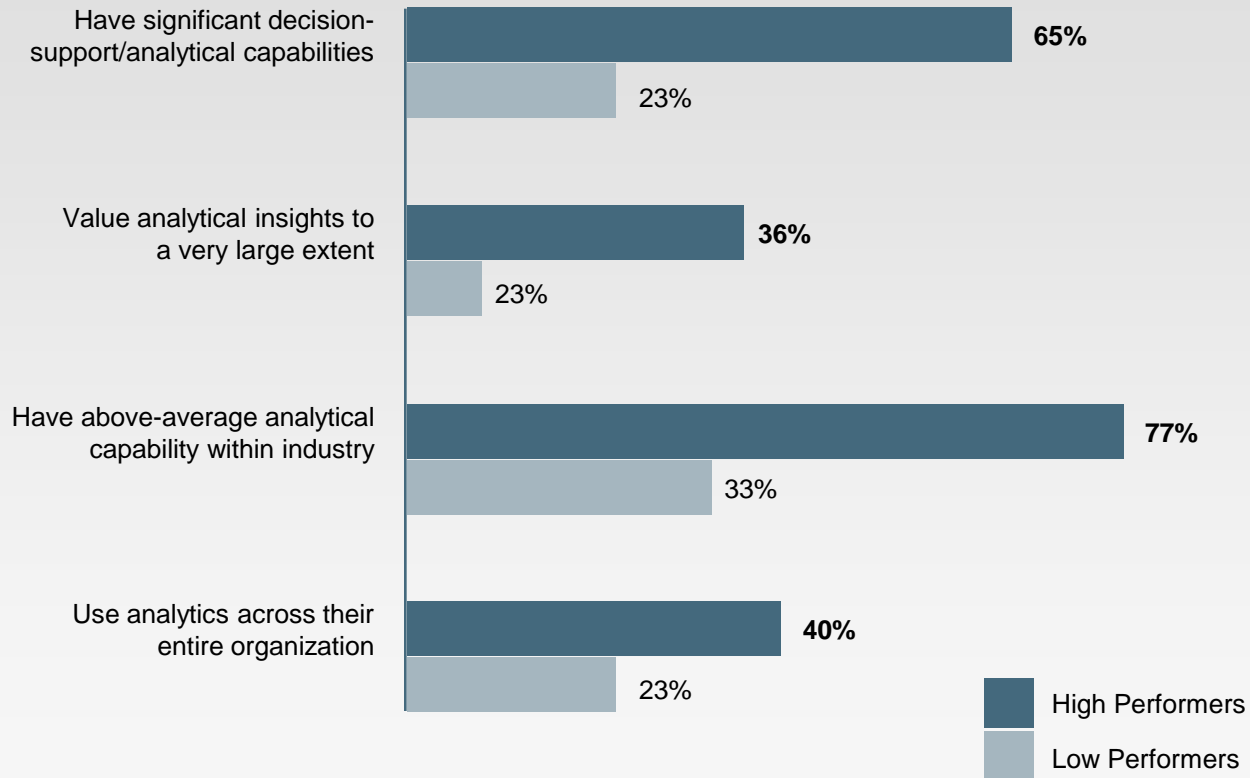




# Transform Data Into Something That Users Can Take Action On



**High performing companies are 50% more likely to use analytic information strategically**



Source: Competing on Analytics, Thomas Davenport

# Confident Decisions Based on Trusted Data

Leveraging the wealth of data you already have



- Provide trusted information to decision makers



- Access, explore and analyze all information without the help of IT



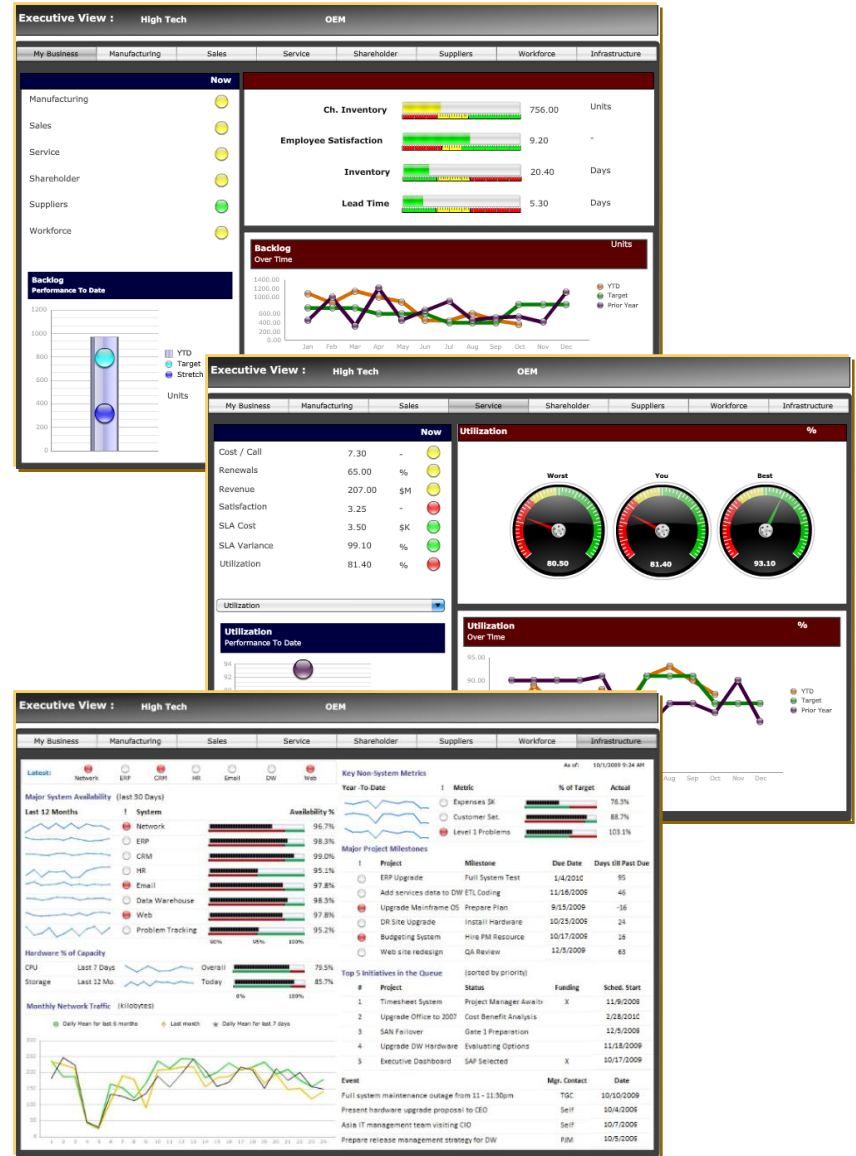
- Improve confidence as decisions are increasingly data-driven

# Example of Confident Decisions



## Executive Industry Dashboards

- Key Performance Indicators (KPI)
- Industry Specific Content
- Over 70 Industries Supported
- Reference Framework for Visualization
  - Leverages Many Aspects of Confident Decisions
  - Data Can Come From Any Source
  - Business Objects Best Practices Deployed
- Designed for the Audience (Executives)



**Thank you!**