



From Steering Model to Reporting Excellence

Our proven approach to re-engineering the steering model and designing an information model



Foundation for excellence in management and reporting: design steering and information models

Today, many companies operate in highly competitive and mature market environments characterized by low – or even negative – growth and ever-increasing margin pressure. The inevitable consequence is an insufficient business development and failure to meet the targets. Naturally, these companies strive for an improved corporate controlling to ensure that vital strategic initiatives are implemented. However, this is frequently associated with significant challenges:

- Unclear areas of responsibility render target agreements impossible
- Unknown interrelations between performance measures impede an effective deviation analysis
- Reporting gaps cause incomplete information while irrelevant data is being collected and congruent reports – often not meeting the recipient’s requirements – are prepared
- Time consuming manual proceedings hamper a dynamic and effective decision-making

The problem of vastly complex and expensive controlling systems failing to support the fast responses required in today’s volatile environment does not only stem from idle technological potentials but reflects more profound steering issues. Where steering models do not address today’s challenges and reporting structures have not been adapted, management control tends to stay inefficient and ineffective. Thus, knowing how to overcome the limitations of an existing model decides over the success of a company.

Capgemini Consulting tackles the key challenges

Capgemini Consulting, the global strategy and transformation consulting unit of the Capgemini Group, has broad experience and proven methodologies to support companies in developing and executing improved corporate control mechanisms. The project plan consists of five core components, including analysis and implementation phases.

The core components comprise the:

- Assessment of the current steering model to gain a deeper understanding of the challenges and constraints
- Evaluation of the current situation using our pre-defined criteria to identify strengths and weaknesses
- Identification of value drivers and determination of future requirements to design a company-specific target steering model
- Design of an information model that harmonizes key figures across the corporation and establishes a link between business and technical perspective
- Implementation planning for the re-engineered steering model

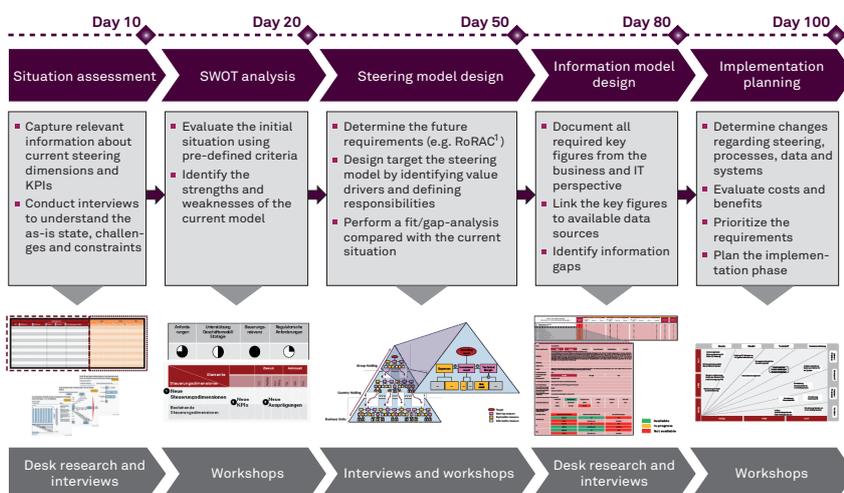
Across the phases Capgemini Consulting creates the necessary transparency and assures controlling relevance in all aspects. We thereby help our clients increase their operational efficiency and effectiveness and regain valuable business insight.

Core objectives of the conversion

When designing a client-specific target steering, information and reporting model, Capgemini Consulting not only pursues higher efficiency but also better management support. Therefore, the existing model has to be streamlined and realigned with the client’s specific business model, people and capabilities. Depending on the level within the organizational hierarchy, targets are defined, steering measures identified and explanation measures as well as information measures determined.

Re-engineering a steering model with a focus on the firm’s top value drivers and optimizing controlling and reporting contents across all corporate and management levels secures high controlling relevance and safeguards a transparent and fact-driven decision-making process.

Figure 1: Design approach



1 Return on Risk Adjusted Capital

Designing the new information model

In order to be successful, the process has to go beyond merely designing the target steering model. By drafting a unique information model geared to the distinct needs of the client, we address the central requirement for an integrated and consistent controlling and reporting. The information model defines the information needs and analysis dimensions per key figure, thus harmonizing structure, scheme and definition of key figures across the entire corporation. With the information model we operationalize the target steering model and establish a link between the business and the technical perspective. The information model further reveals existing information gaps and thereby determines important implementation requirements, constituting an integral part of the implementation process. Thus, we can establish the foundation for excellence in company-wide controlling.

Implementing the new steering and information model

Applying the core objectives of the project plan will result in a defined set of key changes regarding steering, processes, data and systems.

This high-level plan then has to be detailed in action plans for each integration area, specifying activities that are important both on a strategic as well as an operational level. By prioritizing requirements and steadily evaluating costs and benefits we ensure profitability throughout the entire project. In addition, critical paths across all activities are defined to ascertain that the implementation proceeds rapidly and remains on track at all times. Since we know that keeping the stress on the client's

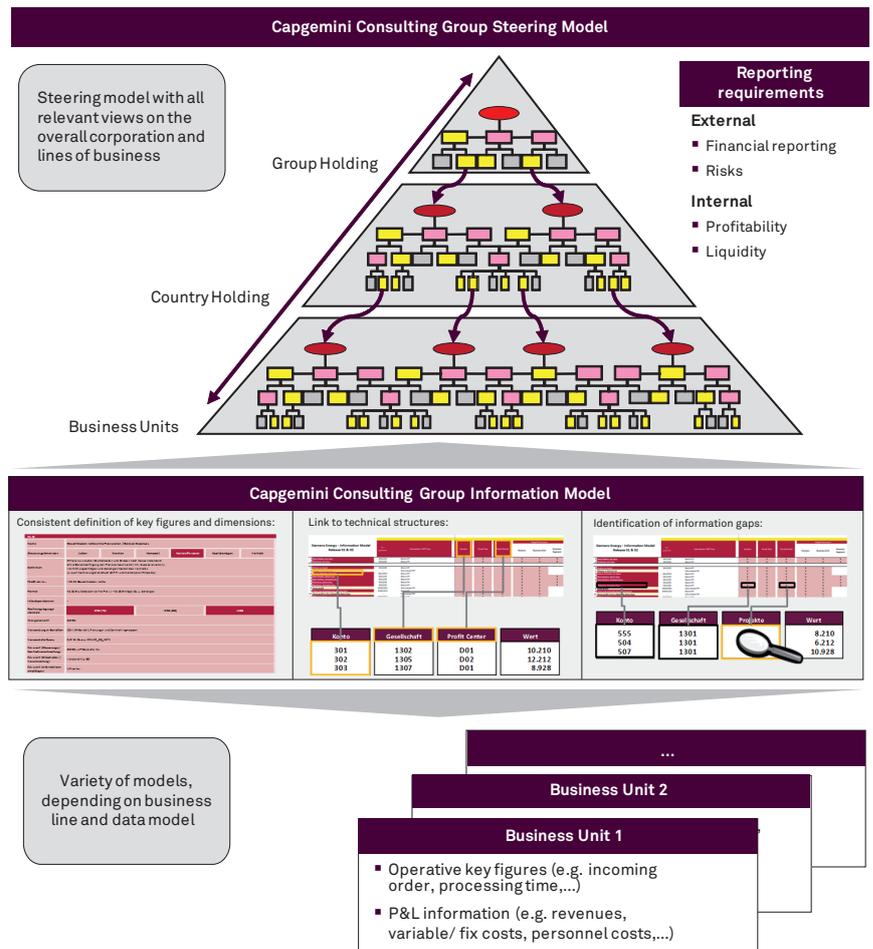
operational work at a minimum is essential, we can conduct most phases using the "Accelerated Solutions Environment" – our unique workshop approach.

Our service offering

Throughout numerous projects Capgemini Consulting has gained valuable insights into the re-engineering of corporate steering systems. To help our clients overcome the challenges of today's competitive environment,

we fully orchestrated all elements of the plan presented above to meet the overall objectives of the implementation process. Relying on our broad experience and following our unique approach, we support our clients in improving their corporate controlling and overall competitiveness within the anticipated timeline. Leveraging our broad network of international experts and our handy tools and checklists, we will ensure an efficient and effective support throughout the entire project.

Figure 2: Steering model and Information model link



About Capgemini Consulting

Capgemini Consulting is the global strategy and transformation consulting organization of the Capgemini Group, specializing in advising and supporting enterprises in significant transformation, from innovative strategy to execution and with an unstinting focus on results. With the new digital economy creating significant disruptions and opportunities, our global team of over 3,600 talented individuals work with leading companies and governments to master Digital Transformation, drawing on our understanding of the digital economy and our leadership in business transformation and organizational change.

Find out more at: www.capgemini-consulting.com

About Capgemini

With around 120,000 people in 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2011 global revenues of EUR 9.7 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Find out more at: www.capgemini.com

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