

Performance Management Framework for Chemicals

Being Responsive in Today's Turbulent Market



The current global chemical industry landscape is one of volatility and risk due to continued instability in employment, financial markets, natural disasters and energy. As an industry, we are also faced with slow growth in mature markets, demand shifts in emerging markets, industry consolidation, increased regulatory compliance (REACH) and asset utilization decisions. All of these elements contribute to the complexity and challenges associated with Performance Management in the chemical industry.

To help organizations meet and overcome the turbulent industry challenges, be more confident in the accuracy and timeliness of their reporting metrics, and gain better visibility into the organization, Hitachi Consulting has developed Performance Management Framework for Chemicals.

A FRAMEWORK FOR SUCCESS

The Hitachi Consulting framework provides organizations in the chemical industry with the strategy, process, technology, tools, and methods needed to capture, manage, and deliver performance management capabilities across the enterprise.

Performance Management Framework relates specifically to driving behavior in alignment with the strategic objectives of the organization. Performance Management Framework is a comprehensive, cross-organizational set of operating metrics which focus on:

- Aligning the organization both vertically and horizontally with strategic objectives
- Measuring performance and reward associated with achievement of strategic objectives
- Changing behavior quickly and effectively to match changes in strategic direction

Performance Management Framework encompasses metrics across:

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|--------------------------|------------------|
| ■ Financial Performance | ■ Innovation |
| ■ Asset Performance | ■ People |
| ■ Operations Performance | ■ Safety |
| ■ Customers | ■ Sustainability |

Take the Performance Management Challenge

- Has your organization aligned with a performance metric: RONA, ROIC, ROCE or RAROC?
- Do you have confidence in the accuracy and timeliness of the reporting metrics?
- Are your executives aligned with your strategy and measurement system?
- Does your organization have visibility and transparency into the measurement system?

If you answered "No" to any of these questions, you should investigate Hitachi Consulting's Performance Management Framework for Chemicals to help you create a plan to drive strategic alignment and performance throughout the organization.

For more information visit our website at www.hitachiconsulting.com

THE PERFORMANCE MANAGEMENT SOLUTION

Hitachi Consulting's Performance Management Framework for Chemicals solution was developed and is supported by seasoned Hitachi Consulting professionals who bring a wealth of experience and understanding of the chemical industry. Performance Management Framework includes:

- **quickStart - Executive Interviews & Maturity Model**
 - ✓ Interviews with line of business executives to gain insight and visibility into Performance Management Culture, Metric Validation, Corporate Alignment and Future Business Needs. A current state Performance Management Maturity Model is developed
- **Operational Definition Documentation**
 - ✓ Refine metrics in the areas of: Definitions, Ownership, Business Use, Dimensionality
- **Gap Analysis**
 - ✓ Survey seven critical components that determine the strategic readiness of a program
- **Performance Management System**
 - ✓ Develop & Implement a Performance Management System to include Infrastructure, Dashboards, Alerts, Multi-Dimensional Reports, Ad Hoc Queries

BENEFITS OF PERFORMANCE MANAGEMENT

Hitachi Consulting's performance management solution can greatly assist in driving growth and profitability in today's turbulent chemical market. It can help your organization be more responsive by:

- Value creation through improved performance, execution, and productivity
- Accelerating growth (e.g. RONA, ROIC, ROCE)
- Improving corporate controls and compliance
- Gaining visibility and transparency into the measurement system
- Pursuing accountability through a measurement system
- Instilling a measurement system to motivate change

THE HITACHI CONSULTING DIFFERENCE

For more than a decade, Hitachi Consulting has helped global clients maximize business benefits. With more than 5,000 professionals worldwide, Hitachi Consulting provides a full spectrum of business and IT consulting services. Our experience goes beyond pure system implementation and upgrades to include assessments, design, project management, change management, training and support, RFP development and readiness, best practices, business case development, systems management/hosting, and more.

By combining our deep industry skills, solutions knowledge, and balanced view of strategy, people, process and technology, we are able to provide high-value services and solution delivery. We lead with strategy and develop an integrated business environment using tools and technology, helping our clients realize the desired return on their investment.

Our differentiators include:

- Having an appropriate mix of solution breadth and industry depth
- Being a full-service provider with Tier-1 resources and the flexibility and cost-effectiveness of a boutique firm
- Having global reach with local connections
- Being part of Hitachi Ltd. – a global company with a history of innovation that spans more than 100 years
- Having a proprietary consulting methodology proven to drive client value and ROI quickly
- Knowledge and experience with the multiple source systems and transactional dependencies common to the chemical industry

Contact your local Hitachi Consulting team leader to discuss how our Performance Management Framework can improve your operations

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About Hitachi Consulting

As the global business and IT consulting company of Hitachi, Ltd., Hitachi Consulting is committed to helping clients bring their business visions to life through industry-led services and solutions. The company is uniquely positioned with the agility and client-focused approach of a boutique firm combined with the stability and innovation that comes from the Hitachi heritage.

Hitachi Consulting's client base includes 35 percent of the Fortune 100 and 25 percent of the Global 100, along with many mid-market leaders.

With offices in North America, Europe, the Middle East and Asia, the company employs more than 5,000 professionals in 12 countries with delivery centers in India (Bangalore, Hyderabad and Pune) and China (Guangzhou) to offer global delivery scale.

Hitachi, Ltd. (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with more than 100 years of innovation. As a world leader, the company is committed to creating richer lives and a better society by providing products and services with a new level of value and potential based on the latest advances in technology, especially knowledge and information technology.