

F O L I O M A P

How do you break away from uninspiring bar, pie and line charts? Try **Foliomap™**
Foliomap is a software tool that will be a real time saver when you have to make a compelling portfolio chart of your business data.

If you are confronted with large tables of data regular business graphics fall short of communicating your message. With Foliomap that task will be easier and more effective.

Foliomap is used by analysts, controllers, strategists, financial and management accountants, marketers as well as academics.

Foliomap translates your data into a portfolio chart so that you can:

- plot your products strategic market position,
- visualize financial & operational benchmarks,
- show data by their ranking, or
- compute differences and ratios,
- group table items and color them too,
- display time series,
- use 3D or 2D symbols as well as,
- many tools for scaling and gridding.

Foliomap offers new and exciting possibilities to analyze and graph your data. We invite you to read the examples of Foliomap for data analysis and visualization on the following pages of this booklet.

You can also visit our website www.foliomap.com for more information about the possibilities to use Foliomap as your business intelligence tool. Furthermore, on our website you can also place an order for your copy of Foliomap.

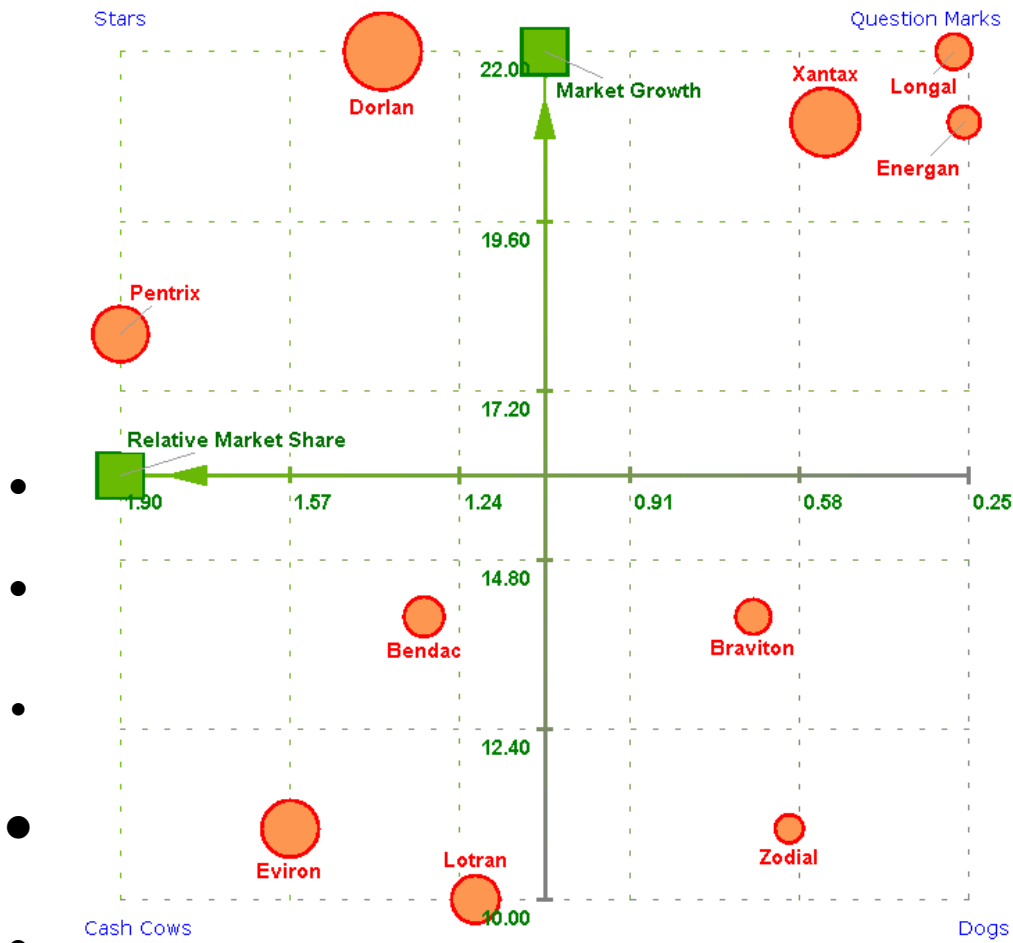
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F O L I O M A P

PRODUCT PORTFOLIO DIAGRAM

	Relative Market Share	Market Growth	Sales
Dorlan	1.39	22	28708
Xantax	0.53	21	25476
Eviron	1.57	11	21033
Pentrix	1.90	18	20476
Lotran	1.21	10	17600
Bendac	1.31	14	14530
Longal	0.28	22	12945
Braviton	0.67	14	12678
Energan	0.26	21	11590
Zodial	0.60	11	10120



F O L I O M A P

Perhaps you are already familiar with the concept of a product portfolio plot, a concept developed by the Boston Consulting Group.

Simply stated, the portfolio plot shows the position of a product with respect to its competitive position, growth and prospect for profit.

This is shown by means of the four folio, or quadrants, of the plot. These folio are designated as follows:

- **Question Marks**, or sometimes called problem children, for those products that have a small share of a growth market.
- **Stars**, for those products that have a large market share of a growth market.
- **Cash Cows**, for those products that have a large market share of a slowly growing market.
- **Dogs**, for those products that have a small market share of a slow growing market.

Relative Market Share is used to calibrate the horizontal axis of the Folio Plot while **Market Growth** is used to calibrate the vertical axis.

The size of the circles, representing the products, is proportional to a size measure, in this case **Sales**.

When we study the quadrant question marks we find there three products: **Xantax**, **Longal** and **Energan**. These products are clearly in a not so good position and Xantax stands out because it has the largest sales figure of the three.

Braviton and **Zodial** are worst off in this plot. Looking at this chart they are clear candidates to be removed from the product portfolio.

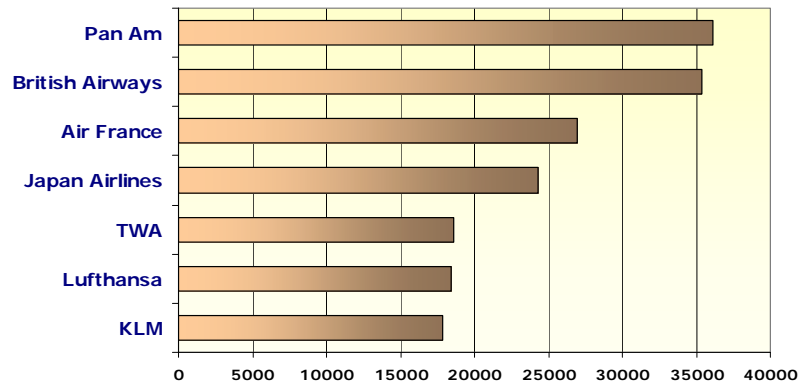
Lotran, perhaps, also is in a weak position. It still has a relative good market share but given the fact that its market is the slowest grower, Lotran runs a risk that it will move to a dog position soon.

Dorlan is a very clear star in this plot. Not only has it the largest sales volume but also it is at the high end of the Market Share scale. However, it could improve its market share position when we compare it to **Pentrix**.



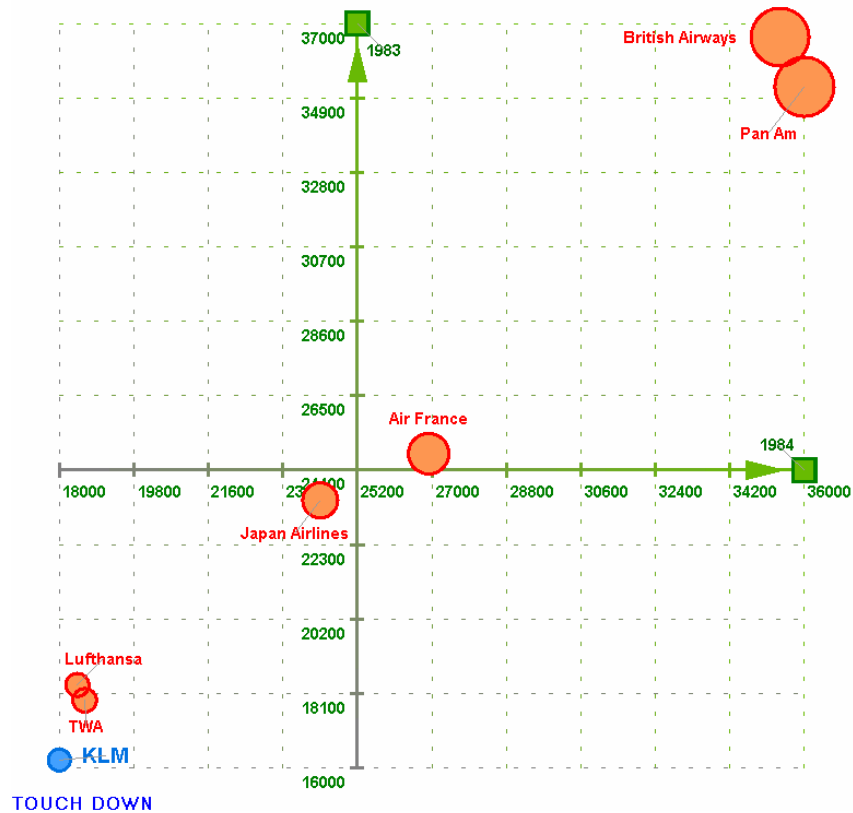
IATA, Passengers transported by km

	1982	1983	1984
British Airways	37413	36614	35411
Pan Am	34328	35213	36081
Japan Airlines	24328	23549	24302
Air France	22191	24864	26922
Lufthansa	19556	18343	18433
TWA	15974	17909	18612
KLM	15168	16224	17861



RANK ORDER of Scheduled Passenger-km. IATA

TAKE OFF



Foliomap offers you three smart options to graph your data:

- **Ranking**, the axis data of 1 table column or row shows the order of the variables. An example of this is shown at page 4.
- **Difference**, the axis data that is present in a table column or a table row is subtracted by the data of another table column or row (A-B). For an example of this option see the Foliomap at the bottom on page 6.
- **Ratio**, the axis data that is present in a table column or a table row is divided by the data of another table column or row (A/B). For an example of this option see the Foliomap at the top on page 6.

When you compare these three views of the data you will increase your understanding of the data, even with the simplest table.

Have a look at the table on page 4. This table shows the number of passengers transported by aviation companies in the years 1982, 1983 and 1984 (source: IATA).

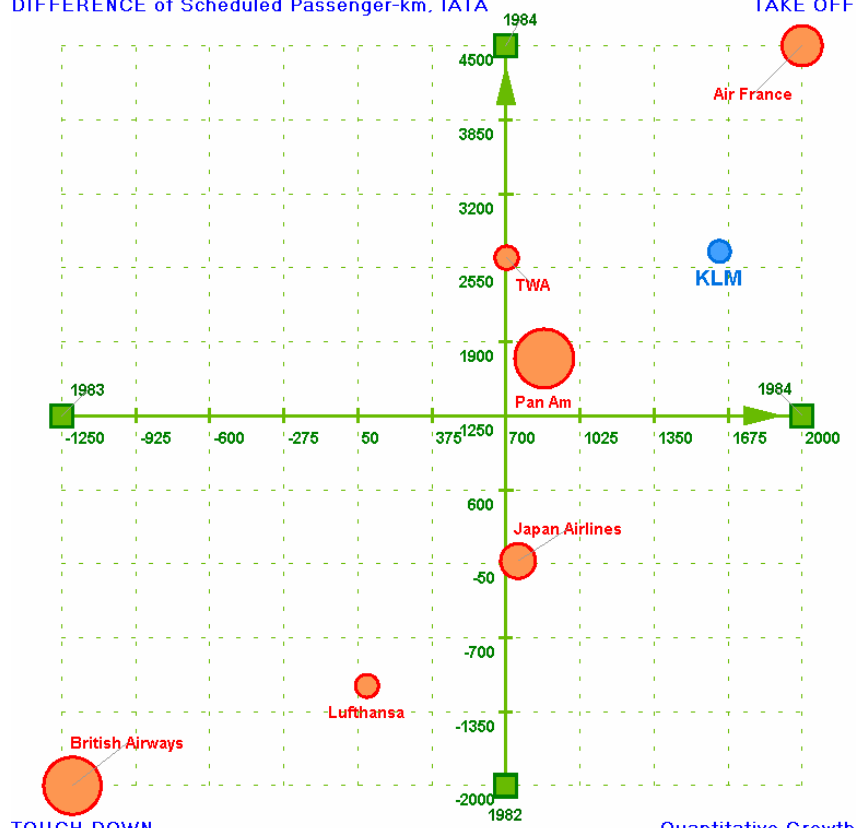
Below the table you see a 'classic' horizontal bar chart that visualizes the table data of the column 1984 by rank. It is clear which aviation company transported most passengers by km: **Pan Am**. The company that flew the smallest number of passengers by km is **KLM**.

Next on this page you see a Foliomap with 2 axes. The horizontal axis shows the data by rank of 1984 and the vertical axis shows the data by rank of 1983. Naturally, the ranking order of the aviation companies is horizontally identical to the ranking order of the bar chart. But, the vertical ranking order (1983) of the companies is different from that of 1984. We can now see that in 1983 **British Airways** flew more passengers by km than **Pan Am**. In other words, these 2 companies changed rank. The same is the case with **TWA** and **Lufthansa**. **Lufthansa** flew in 1983 more than **TWA**.

This Foliomap reveals more information than the bar chart does. The 2-year ranking order of the companies in Foliomap shows a competitive trend whereas the bar chart does not do this.

But, we can gather more **Business Intelligence** from this data table.

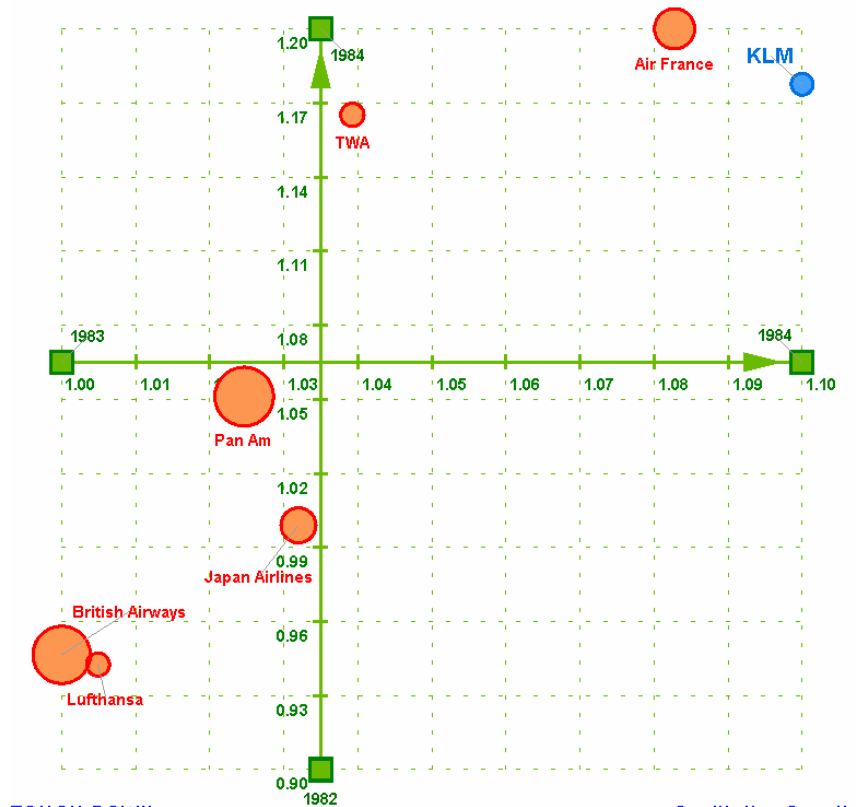
DIFFERENCE of Scheduled Passenger-km, IATA



TOUCH DOWN

Quantitative Growth

RATIOS of Scheduled Passenger-km, IATA



TOUCH DOWN

Qualitative Growth

The Foliomap at the bottom of page 6 visualizes the difference of the columns 1984-1983 on the horizontal axis and of the columns 1984-1982 on the vertical axis of the table on page 4. The horizontal and vertical axes intersect at the median value of the set of difference values.

This Foliomap shows the **Quantitative Growth**.

New information is revealed with this Foliomap. For example, **Air France** turns out to be the top growth performer quantitatively compared by the 1-year and the 2-year difference. Also **KLM** is a very good growth performer quantitatively. The 1-year difference reveals **KLM** as the second best growing company. The 2-year difference reveals both **KLM** and **TWA** as the second best growing companies. Observe also the position of **British Airways** that loses passengers in both the 1-year and the 2-year difference.

The Foliomap at the top of page 6 visualizes the ratios of the columns 1984/1983 on the horizontal axis and of the table columns 1984/1982 on the vertical axis of the table on page 4. The horizontal and vertical axes intersect at the median value of the set of ratios.

This Foliomap shows the **Qualitative Growth**.

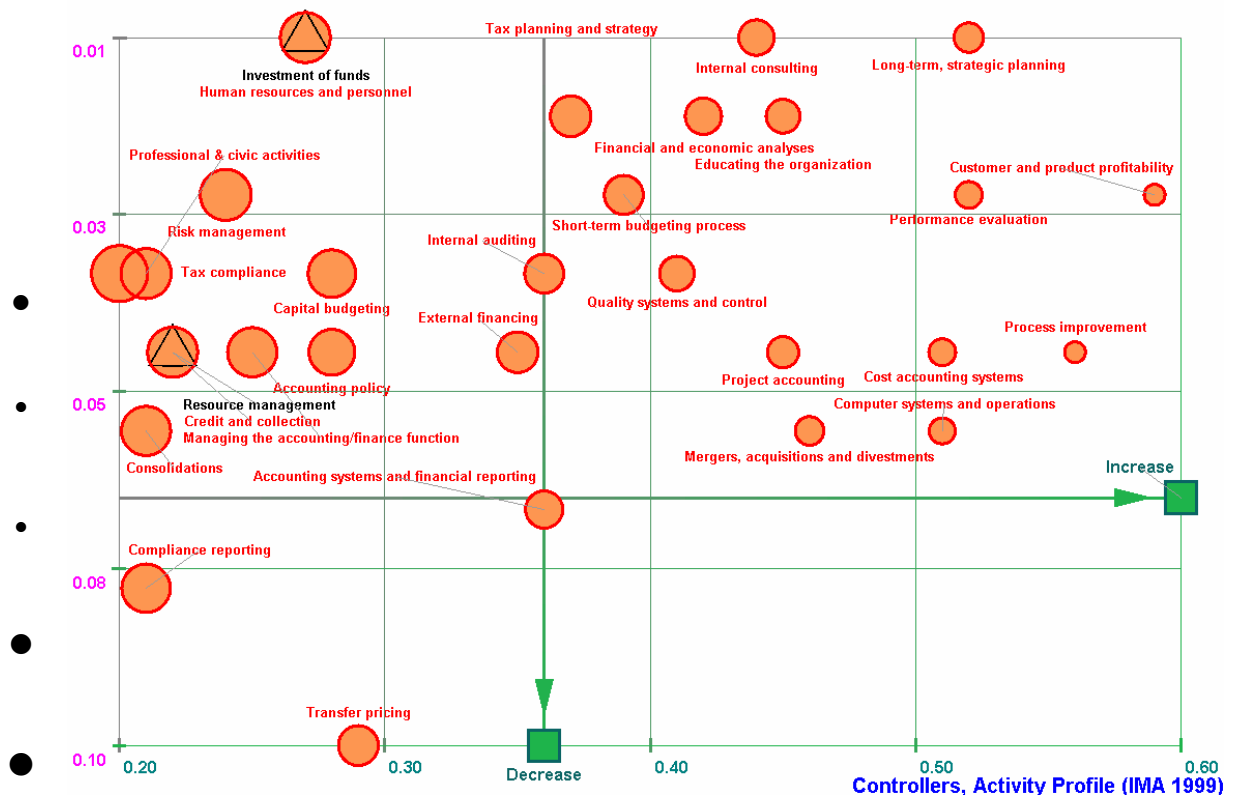
Even more stunning information is revealed with this Foliomap. **KLM** now turns out to be the top growth performer qualitatively performing even better than **Air France**. The number 7 in rank has the highest growth rate. **Pan Am** has not a good position in this Foliomap.

However, we should approach this analysis with some caution. Ratio analysis offers the advantages of a qualitative analysis of the data, but the absolute figures still count! It is more easy for **KLM** to accomplish a larger growth ratio than it is for **Pan Am**, simply because **KLM** has smaller volume than **Pan Am**. Therefore, taking the size of the circles, which is scaled by the volume of 1984, representing the companies into account is important.

This example shows that even with a very small set of data many surprising insights are revealed when we study the table both quantitatively and qualitatively. Foliomap is the perfect business intelligence tool to do this with.

Controllers, perceived task importance, source: IMA 1999

	Increase	Stays the same	Decrease
Accounting systems and financial reporting	0.36	0.55	0.07
Accounting policy	0.28	0.65	0.05
Consolidations	0.21	0.69	0.06
Compliance reporting	0.21	0.68	0.08
Cost accounting systems	0.51	0.43	0.05
Project accounting	0.45	0.48	0.05
Customer and product profitability	0.59	0.36	0.03
Performance evaluation	0.52	0.43	0.03
Short-term budgeting process	0.39	0.57	0.03
Capital budgeting	0.28	0.67	0.04
Long-term, strategic planning	0.52	0.46	0.01
Internal consulting	0.44	0.53	0.01
Financial and economic analyses	0.42	0.54	0.02
Transfer pricing	0.29	0.58	0.10
Mergers, acquisitions and divestments	0.46	0.45	0.06
Computer systems and operations	0.51	0.42	0.06
Internal auditing	0.36	0.57	0.04
Quality systems and control	0.41	0.52	0.04
Resource management	0.22	0.71	0.05
External financing	0.35	0.59	0.05
Risk management	0.24	0.71	0.03
Investment of funds	0.27	0.70	0.01
Credit and collection	0.22	0.70	0.05
Tax compliance	0.19	0.77	0.04
Tax planning and strategy	0.37	0.59	0.02
Process improvement	0.56	0.36	0.05
Educating the organization	0.45	0.51	0.02
Managing the accounting/finance function	0.25	0.69	0.05
Human resources and personnel	0.27	0.70	0.01
Professional & civic activities	0.21	0.70	0.04



F O L I O M A P

This Foliomap example is based on data published by the Institute for Management Accountants in their 1996 Practice Analysis.^[1]

The purpose of this research, sponsored by the Institute of Management Accountants (IMA) and conducted by the Gary Siegel Organization (GSO), was to document the work of corporate accountants and financial managers.

Specifically, this research was designed to:

- Identify the work activities currently performed by corporate accountants and the knowledge skills and abilities (KSAs) necessary for competent performance.
- Anticipate changes in the nature of work over the next 2-to-5 years.

Management accountants engage in a wide variety of work activities. Not surprisingly, the work they do differs depending on a number of factors such as position in the firm, years of experience, and size of company. In some companies, management accountants engage in traditional accounting work (cost accounting systems, financial reporting, resource management, etc.) while in others they engage in activities that are relatively new to the profession (internal consulting, process improvement, customer and product profitability, etc.).

The numbers in the table (left) refer to the percentage of respondents who expect that a work activity will increase (horizontal axis), or that it will decrease (vertical axis) on a daily basis or that it will stay about the same (circle size). Each of these was performed on a daily basis by at least 10% of the respondents.

The Foliomap shows clearly that this survey is consistent in the sense that the expectation of the increase and the decrease of activities is related inversely. Also the activities that have the largest size (no change) are positioned in the upper left quadrant of the Foliomap which is consistent with their relative position at the lower end of both the increase and the decrease axis.

Foliomap offers an easy to grasp overview of the information present in the data table. This example proves the consistency of the survey.

[1] <http://www.imanet.org/>