



## Making Business Intelligence Relevant for Mid-sized Companies

Improving Business Results through  
Performance Management

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## Executive Summary

Today's economic and market conditions have made it difficult for companies of all sizes to achieve their business goals. This is particularly true for mid-sized companies that have less unused capacity in their people, resources and processes, and limited latitude in the markets they serve. With this as a backdrop it is natural that companies look for ways to improve their business results; to increase efficiencies and reduce costs; and to improve market competitiveness.

Larger companies have invested heavily in Business Intelligence (BI) solutions to gather the data they need to make sound strategic decisions, and to analyze their results. This type of investment can be prohibitively expensive for small and mid-sized companies and may not align well with the fast-paced, execution orientation of these companies.

Given the execution orientation of mid-sized companies, a focus on continuously improving operational performance will help those companies achieve their business objectives. New, innovative software companies have evolved Business Intelligence to provide Operational Performance Management supported by Operational Intelligence (OI) capabilities. This empowers everyone making daily operational decisions to make better decisions, more quickly. When these capabilities are delivered through the on-demand, Software as a Service (SaaS) model, they provide break-through cost-effectiveness and are viable for use by large numbers of people.

Industry analysts point to ease of use; costs associated with hardware, software, implementation and ongoing support; and the ability to interface to multiple data sources as being the most important considerations when selecting a BI solution for a mid-sized company. These are certainly very important; however along with the ease of use, cost and data connections, people making decisions need to be able to:

- Visualize and understand current performance;
- Filter information to see the most relevant data;
- Obtain more detail to determine the root cause of an issue;
- See underlying historical trends, forecasts and variances to learn more about an issue;
- Conduct immediate "what-if" scenarios to dry-run actions and determine the most effective corrective action(s) to take.

myDIALS is leading the industry with a software as a service solution specifically designed to help companies improve their operational performance and hence their business results by ensuring everyone making operational decisions has access to timely, relevant data that they can interact with, understand and analyze.

## Introduction

In today's competitive environment, organizations, regardless of industry – manufacturing, financial services, hospital management, government, metals and mining, energy – are focused on the following key objectives: delivering value to customers; growing customers and revenue; and profitability.

Mid-sized companies have limited resources in terms of people and cash and must continuously strive for increased efficiencies, outmaneuvering their competitors and growing their market share. Every day people within the organization are making decisions that will directly impact these goals and business results.

In larger organizations, business analysts use complex and expensive Business Intelligence (BI) solutions to provide supporting information for strategic decisions, and then use sophisticated analytics and reporting to provide information to executives, business managers and functions.

This paper examines the various aspects of traditional BI, how they are used, who uses them and the value that they deliver. It also outlines new capabilities that are focused on helping companies improve business and operations performance and new models for delivering these capabilities cost-effectively to all relevant people within the organization.

## An Overview of Business Intelligence

Business Intelligence (BI) refers to skills, technologies, applications and practices used to help a business acquire a better understanding of its commercial context. Business Intelligence may also refer to the collected information itself which is held in a Data Warehouse (DW). A data warehouse houses a standardized, consistent, clean and integrated form of data sourced from various computing systems in use in the organization, structured in a way to specifically address periodic and ad-hoc reporting and analytic requirements.

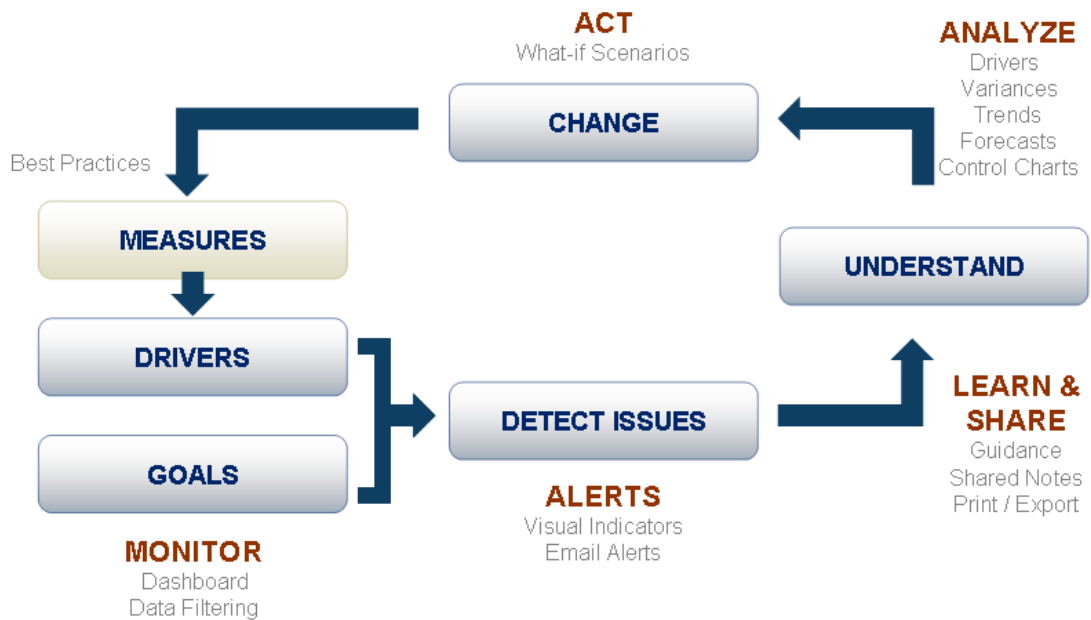
The data warehouse is filled with data from multiple sources, but most often will focus on financial and sales data. As history is held, the data holdings will grow very large over time in order to support any type of inquiry that might be made in the future. Smaller versions of a data warehouse that contain information about a single subject or aspect of the business are typically referred to as data marts.

The BI solution is typically used by specialist Business Analysts to analyze and report on large amounts of data to provide information to support strategic decisions such as what markets to enter, what products to produce or whether an acquisition or merger would make sense. Most of these BI solutions utilize OLAP (Online Analytic Processing) which allows sophisticated, un-planned queries to be made on complex data (called multi-dimensional data models). These are facilitated through the use of OLAP "Cubes" which must be "crunched" in a computing intensive process, typically over night or over a weekend before information is made available.

While BI and the data warehouse provide significant value for helping large companies make better strategic decisions, the time lapse to when data is available - and their focus on business analysts - means that they are not generally suited to helping larger numbers of people in the organization make better, quicker operational decisions in order to improve ongoing business results.

# Improving Business Results by Focusing on Operations Performance

Optimizing operational performance and hence ongoing business results requires a Continuous Improvement approach as outlined in the Model below:



Business Measures and Drivers are continuously compared to goals or targets, and variances caused by issues are identified, characterized, analyzed and corrected.

The limitations of traditional BI approaches with respect to supporting this continuous improving model have lead to a new class of capability called Operational Performance Management (OPM) or Operational Intelligence (OI). The characteristics of these new capabilities are:

- Ease of use such that anyone making daily operational decisions can easily understand the performance of their area of responsibility;
- Continuous update of information and the immediate availability of information when changes occur;
- Immediate and proactive notification of issues that require attention;
- The ability to interact with and filter data to obtain what is truly relevant to better understand the nature of the issue;
- “Every person” analytics that are easy to use and help characterize issues and highlight the true or root cause;
- Interactive, immediate scenario analysis to show the outcome of various changes that could be made in order to identify the most effective action to take;
- The ability to share knowledge and information with others in order to leverage experiences and understanding and reduce the time to make decisions.

## WHITE PAPER

The real benefit is the empowerment of everyone making daily operational decisions with timely, relevant information and the power of interacting with filtered, consistent data to be more informed, more quickly and hence make better decisions. Information is available directly and doesn't require a business analyst to act as an intermediary with the associated time delays, reports that are quickly out of date, and the issue of relying on a single analyst's interpretation of the situation.

Companies have attempted to address this need by disseminating information in the form of spreadsheets containing raw data, calculations, charts and pivot tables. However these are not easily understood and once modified are no longer showing data in a consistent way. This leads to many "versions of the truth", confusion among people looking at different versions of the same information and inefficiencies as decisions are made based on inaccurate and inconsistent data.

A specialized Operational Performance Management platform addresses these issues while delivering the capabilities outlined above against underlying consistent data representing a "single version of the truth".

# myDIALS Performance Management Platform

myDIALS provides an on-demand, Software as a Service (SaaS) solution that offers unparalleled usability and delivers timely, actionable metrics, contextual information, alerts, guided diagnosis and "every person analytics" directly to all employees. myDIALS continuously extracts measures from a variety of business and operational systems, databases, spreadsheets and files, and calculates and presents the important performance measures and drivers across all business roles, processes and value streams. Everyone making daily operational decisions can easily use myDIALS to understand current performance, quickly resolve issues and optimize operational performance on an ongoing basis.

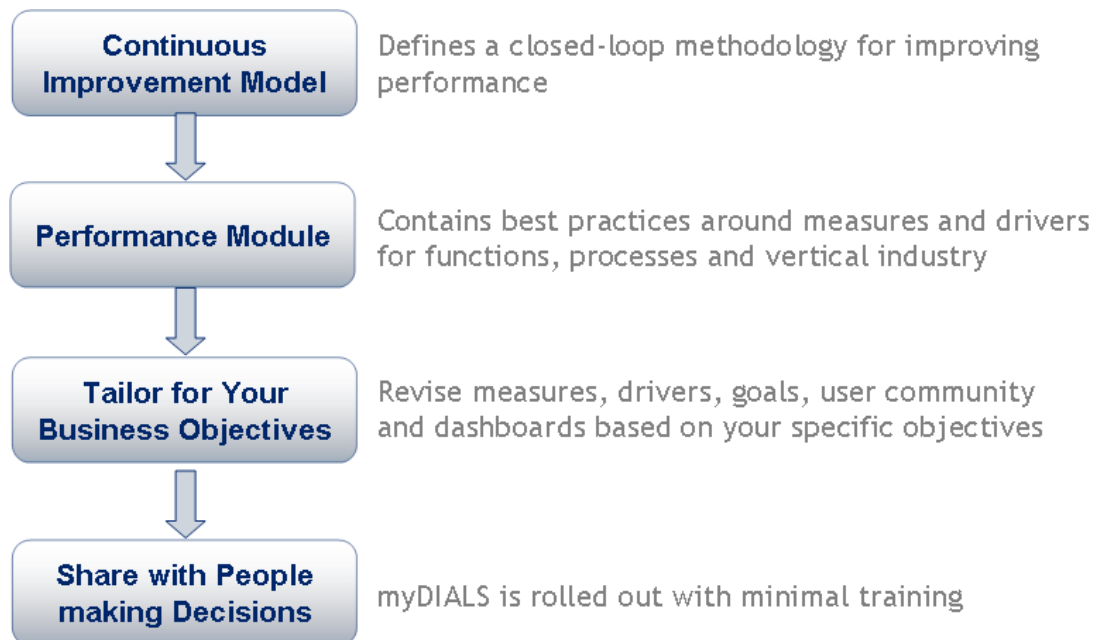
The information is presented in a very intuitive, interactive dashboard that is tailored for each person based on their position, role and scope of authority. Alerts are represented visually and can also be emailed to designated people. The performance measures and drivers can be "drilled into" or filtered to provide more detail about items of interest. When issues arise, powerful, easy to use analytics provides trending to show how the issue may have arisen, forecast projections to show what is likely to happen if no action is taken, and interactive "what-if" scenarios to highlight the most effective action or actions to take to resolve the issue.

People can share their knowledge and analysis by attaching a note to a specific measure or driver for a selected time period. The note can be viewed by others who in turn can add their own understanding, which enables collaboration and reduces the time to make decisions.

myDIALS and its partners have the expertise and experience to help you determine the right measures, drivers, alerts and users for your specific business objectives. Additional best practices are encompassed in Performance Modules for specific industries, functional areas and processes. The project structure is outlined below.

## A Structured Approach to the Project

myDIALS follows a structured approach to implementing a performance improvement solution.



The performance improvement project starts with the Continuous Improvement Model which is encapsulated in Performance Modules that contain best practices around the definition of performance measures and drivers, alert conditions, guided analysis and the user community. These Performance Modules relate to specific industries, functional areas and processes and have been built using the knowledge of myDIALS and its partners and experience gained in working with many companies across a number of industries.

myDIALS then facilitates a working session to tailor these parameters to meet your specific business objectives. The session captures and maps the various business processes (sometimes called value streams) that are core to delivering the goods or services to internal and external customers. Then the business measures that relate to business objectives are identified as well as the associated leading indicators and the drivers that impact those outcome measures. Agreement is reached on the data source of record for each measure and driver and how measures should be calculated. Alert conditions are determined as well as who should be able to view and analyze measures and receive alerts. myDIALS will then tailor the dashboard layouts and the visualizations used for each measure based on how they will be used to make decisions.

Then myDIALS can be rolled to the user community, and because of the ease-of-use, training is minimized and focuses on how to interact with the business measures and drivers to understand and improve operations performance and achieve business goals.

## Solution Considerations

The Aberdeen Insights October 2008 white paper, “Business Intelligence for the Small to Medium Sized Business”, outlines the following as being the most important criteria for mid-sized businesses when selecting a BI solution:

1. Ease of use for end users.
2. Software license costs.
3. Implementation consulting costs.
4. Integration capabilities with other applications.
5. Ongoing support costs.

These are important but if people making daily operational decisions are to make better, quicker decisions, the following are also very important:

6. Proactive notification of issues requiring attention.
7. “Every person” analytics to ensure better decisions.
8. Ability for users to collaborate and share knowledge.

The on-demand Software as a Service model inherently addresses items 2, 3 and 5 as outlined below. myDIALS addresses 4 by connecting to practically any data source with more than 35 standard connectors and the ability to easily add to these. myDIALS also provides the capabilities outlined in 1, 6,7 and 8 in a very intuitive, easy-to-use manner.

## The Advantages of Software as a Service

Innovative software companies such as myDIALS are now delivering software in a hosted, on-demand, Software as a Service (SaaS) model. This means that rather than you having to buy, install, configure and maintain servers, storage device, operating systems, databases and the application software, myDIALS provides all this for you and you simply access myDIALS across the internet using your PC's browser. There are significant advantages to this model:

- Reduced capital expenditure (you don't purchase any hardware or software licenses);
- Minimal impact to your IT resources and staff (you don't have to support and maintain any software) and ongoing support costs are covered by the subscription fee;
- Access myDIALS from anywhere there is an internet connection and a browser; additionally an iPhone application allows you to see myDIALS while you are mobile;
- Scales linearly as you need additional users;
- Very quick to configure and receive value – all in a matter of a few weeks resulting in very low implementation costs;
- Ideal for sharing information with external suppliers or sales partners since they don't have to go inside your environment to securely access authorized information.



## Conclusion

Mid-sized companies must focus on operational performance in order to survive and thrive. Utilizing a focused, performance improvement platform that encompasses Operational Intelligence can be a significant competitive advantage. While large companies have had the luxury of investing large sums of money and a lot of resources to acquire, implement, customize and deploy traditional, complex BI solutions, these can be cost prohibitive for mid-sized companies and are not well suited to deliver the required speed, nimbleness and operational focus.

myDIALS is delivering an innovative performance management platform that is quick to deliver value, focuses on helping companies improve the effectiveness and efficiency of their operations, and hence their profitability and market position. Powerful, yet easy-to-use capabilities enables anyone making daily operational decisions to see the information that is important to them, to be alerted to issues requiring attention and to easily analyze the situation, learn more about the issue and determine the best way to correct the situation. myDIALS is provided as Software as a Service which means it is low-cost, low-risk, quick to deliver value and scales as you need to add users.

myDIALS provides an enterprise-class performance management platform at an affordable price.

## About myDIALS

myDIALS is pioneering a new industry standard in operational performance management and has successfully implemented projects with large and mid-sized companies in the USA and Australia, within manufacturing, mining, energy, government, non-profit and healthcare industries. With myDIALS, these companies can quickly resolve operational issues and capitalize on opportunities, while maximizing the value of their existing environment.

myDIALS is headquartered in Lafayette Colorado, with offices in Houston Texas; Oak Brook Illinois; Brisbane Australia and Perth Australia.

Visit [www.mydials.com](http://www.mydials.com) for more information.