

WHITE PAPER

THE RETURN OF INTELLIGENT BUSINESS

**How the Next Generation of Business Intelligence Programs are
Delivering the Fastest Returns for Economic Recovery**

INTRODUCTION

Now the economy is showing early signs of recovery, company executives are prioritising investments that show a fast and significant return. In fact, a recent study by AT&T showed that the time horizon to achieve a return on investment is now around 50% of what it was before the down-turn [2009 AT&T Road to Growth Study].

The **most** important asset your company can use to recover and prosper in economic recovery is information. Without easy and timely access to accurate information, your key people will be making critical business decisions based on little more than guesswork. If you think this doesn't apply to your organisation, you may be startled to note that recent Business Week research reported that **77 per cent** of managers (surveyed) believe they have made bad decisions because they did not have access to accurate information when they needed it.

The problem isn't that the information doesn't exist – it's that the people who need it are unable to get their hands on it in time to use it effectively. Overly complex traditional business intelligence systems that are expensive to implement, and dependent on the IT department to manage and deliver, cause massive delays (months and sometimes years) in providing usable information to managers and staff.

The next generation of business intelligence systems are changing the information landscape. Helping to cut costs and increase efficiencies and productivity across all business functions, this new wave of flexible and intuitive systems is now out-performing many of the traditional systems in the marketplace. This is in-part thanks to its rapid implementation time – taking months or years of implementation down to days or weeks, and as a consequence significantly reducing the external consulting spend required for its more traditional rivals.

Add to this their simple user-interface, fast query performance and relatively low cost of implementation, it is no surprise that business intelligence systems such as QlikView are achieving such global recognition. In fact, the aforementioned QlikView ranked first in ease-of-use and customer loyalty - outperforming SAP (Business Objects), Oracle (Hyperion) and IBM (Cognos), in the recently published BI Survey 8 – the world’s largest independent survey of business intelligence and performance management users conducted by the Business Application Research Centre.

The next generation of business intelligence solutions is all about giving vital business information directly to the real decision makers at all levels and across all departments, and empowering them to make the important decisions that get organisations moving forward – quickly.

ORGANISATIONAL DECISION-MAKING FOR ECONOMIC RECOVERY

For many organisations, end-of-month reporting (which is generally used as the basis for important future-focused decisions) is a time-consuming burden on key business areas and the IT department.

Many organisations rely on data aggregated through Excel spreadsheets populated by multiple contributors in disparate locations, and not surprisingly, they often experience reporting inaccuracies. Business leaders rely on this data – which is often several weeks old and unreliable – to make business critical decisions. We have seen first-hand the crippling impact this can have on organisations, particularly in the recently volatile economic environment.

Other organisations using more traditional business intelligence systems find them to be time-consuming and unwieldy, generally requiring a dedicated IT team, and only able to deliver answers to a limited and specific set of questions. If decision makers don't get the answers they need, or if they raise a whole new set of questions, the complicated process has to start all over again.

The danger with each of these business intelligence approaches is that while your business is busy gathering data, the competition is already on the move.

“Over the years, organisations have made significant investments in automating their business processes. Today's challenge is to leverage the stored information and optimise process, performance and decision making,” said Andreas Bitterer, Vice President of Research at Gartner. “Business Intelligence enables organisations to improve their business results, and organisations need to find ways to deploy large scale business intelligence platforms at a lower cost, more quickly, and that are easy to use.”

In short, organisations today need the ability to access their business intelligence information HOW they want it, WHEN they want it and at a fraction of the cost of traditional systems.

HOW TO MAKE THE RIGHT DECISIONS AND GET A GREAT RETURN

Business intelligence tools are all about providing vital business information directly to the real decision makers at all levels and across all departments, and empowering them to make the decisions that will get your organisation moving forward, rather than only telling them what has already happened.

Recent advances in business intelligence systems are being driven by the most groundbreaking development yet seen in business intelligence technology – ‘in-memory’ analytical capability. This enables managers to have access to both dynamic (transactional) and static (historical) information in a timely manner.

QlikView is the frontrunner in in-memory business intelligence and the one with which Satsuma Solutions has had the most success. It provides complete and accurate analysis in the key ‘hot spots’ that affect the profitability of your business: cash management, brokerage profitability, predictive analysis and reconciliation, to name just a few. Its in-memory technology gives users the ability to process massive datasets at unprecedented speeds, with sub-second response times on queries and calculations. QlikView supports solutions across all major departmental functions, from sales, marketing and service to supply chain, operations, finances, human resources, R&D and IT.

Thousands of companies around the world, in virtually every industry, already rely on next generation business intelligence to be more proactive, more efficient and better able to respond quickly to emerging issues. Such solutions can be very fast to implement and thoroughly user-friendly in their use of dashboards and alerts. They can perform multidimensional analysis and often have a data slice-and-dice capability, without the limitations, cost or complexity of traditional tools.

They can be deployed within days, users can be trained within minutes, and end users get the answers they need within seconds, which means fast, affordable analysis for everyone in the organisation.

The purpose of this white paper is to demonstrate how organisations can get a significant and fast return on their business intelligence investments to emerge stronger and faster into the economic recovery of 2010. Satsuma Solutions has worked with numerous business intelligence solutions across various sectors and departments. As QlikView is the world's fastest growing business intelligence tool with the next generation functionality already mentioned, it is exemplified below.

EXAMPLES OF QLIKVIEW FUNCTIONS

Multidimensional Sales Analysis Improves Bottom-Line Results

The economic down-turn changed consumer behaviour drastically – a change that is expected to endure even through recovery. Organisations and consumers are learning to survive and thrive with less – to run leaner and more efficient organisations and lives. As a result, businesses must make informed decisions about where to invest their sales resources.

Using a business intelligence tool such as QlikView, companies can analyse performance across unlimited dimensions – by sales rep, customer, region, product, group – for greater profitability, and additionally can:

- Determine the true cost of sales
- Track commissions and incentive programs
- Pinpoint underperforming products
- Perform customer-specific sales analysis
- Conduct predictive analysis on pricing, bundled products and territories.

Yamaha Motor Australia searched for a business intelligence system that would deliver its end-of-month reporting on time, enabling managers to accurately analyse and action the data while it was still relevant. Yamaha Motor Australia chose QlikView, which delivered this and so much more.

“Not only does the team have the standard reports, but also the ability to do ad-hoc queries in an instant, with all of the data up to date as per the last reload (overnight). As well as the benefits of having this information available to the team, it also eliminates the drain on the IT department’s resources,” says Daniel Camilleri, Yamaha Systems Administrator.

“The ultimate win for Yamaha was that the solution was designed, delivered, built and ready to use within weeks.”

Better Supply Chain Performance

Economic uncertainties, coupled with declining consumer confidence, have reduced the discretionary spending power of most organisations across the globe. As AT&T's *2009 Road to Growth* study demonstrates, cost cutting and improving productivity are now top priorities of many US executives. This means businesses must find every opportunity for cost-reduction and efficiency gain possible without degrading service quality.

Easy-to-perform and dynamic analysis keeps supply chains flowing smoothly, pinpointing potential delays before they become problems. As a result, companies using next generation business intelligence systems have been known to significantly cut costs from raw material suppliers, have lowered excess inventory and improved on-time delivery, among other bottom line benefits, including the ability to:

- Identify and solve supply chain problems proactively – from supplier deliveries and production schedules, to warehousing – to keep operations flowing smoothly
- Determine true product costs with analysis of every aspect, enabling companies to improve margins or offer discounts to key customers
- Identify the best pricing and highest service levels with comparative performance analysis of suppliers.

A case in point - The Campbell Soup Company is a global manufacturer of high quality simple meals, including soup, baked snacks, vegetable-based beverages, and premium chocolate products. Headquartered in Camden, New Jersey the

organisation achieved \$5.2 billion in revenue with 17,000 employees in North America.

The challenge for this organisation was to review the model for demand forecasting and supply chain planning and thus to improve inventory management of an increased number of new products.

The organisation's specific requirements included:

- Monitoring of sales operations for brand meetings
- Supply chain analysis monitoring of daily demand signals, month-to-month comparisons of inventory forecasts and the assessment of supply chain decisions to better align logistics and manage transport capacity
- Operational analysis to track manufacturing's ability to meet production commitments, by modelling hypothetical scenarios of long-range production.

In order to meet these requirements, The Campbell Soup Company deployed QlikView for 50 users across three functions. Documented results include:

- A 50% improvement of inventory forecasting and accuracy
- The capability to quickly adapt day-to-day changes in demand and order flows in a demand-driven supply network
- Improved inventory and cost control in ensuring the right product mix is available to customers at the right time
- Reduced transportation and workforce costs
- The ability (with a QlikView server) to analyse massive data sets

"We didn't anticipate the scope of efficiency gains possible with QlikView. It revolutionized our ability to manage data throughout our supply chain. We

continue to find new ways to integrate, view and use data that are much better than what we were doing before.”

*Michael Mastroianni, Vice President, North American
Planning, Reliability and Operations
Campbell Soup Company*

Transparent Visual Reporting on Financial Performance – In an instant

Early stages of economic recovery require realism in decision-making. It is imperative that managers maintain financial equilibrium, ensuring lean and efficient operations are supported by fast return on any investment, and that tracking is performed consistently and accurately. This is where the KPI dashboards create immense value.

QlikView in particular can provide:

- Financial analysis across unlimited dimensions – by customer, product, product line, industry segment, geography, business unit
- Automated, consolidated financial reporting from ERP or customer applications, Excel spreadsheets or other sources in an instant
- Budget summaries by geography, department or overall, including actuals and accruals in both local and corporate reporting currencies
- Detailed profitability analysis
- ‘What-if’ scenarios and predictive analysis for proactive planning
- Streamlined SOX and Basel II compliance reporting with a clear audit trail across multiple data sources.

A case in point - Aon Asia is a regional division of the multinational organisation, Aon Corporation, and is the leading Asian provider of risk management services, insurance and reinsurance brokerage, human capital, and management

consulting. Headquartered in Hong Kong, China, Aon Asia achieved \$1.6 billion in revenue with 8000 employees.

The challenge for Aon Asia was two-fold:

1. To gain a clear overview of company revenue streams, fees and commissions by segment, industry, country and practice group, and
2. To automate reporting systems to compile and back-check data to eradicate time-wasting multi-country manual reconciliation.

QlikView was deployed to 379 users within the Finance function encompassing 12 countries throughout Asia.

Resulting capabilities include:

- Budget Analysis: Immediate budget summaries providing local and overall revenues by actual, budget, variance and accruals
- Client Budget Analysis: Assessment of revenue performance in detail by client group or individual client, income classes and type
- Earnings Analysis: Margin analysis of the premium and cost breakdown of brokerage fees, discounts and commissions
- Top Client Analysis: Client rankings by revenues, region, industry, product class, including year-over-year comparisons
- Revenue Analysis: Measurement of country revenue performance calculating renewable business as percent of total new revenue
- Top Product Analysis: Revenue performance analysis of products, product segments and industry-specific offerings.

The entire solution was implemented in just eight weeks, and was adopted as an integral component of balanced scorecard evaluations several times a month by the company chairman.

The solution saved \$221,000 and reduced time in manual budgeting alone, plus noted improvement in productivity and reduced numbers of reviews. Strategic benefits include improved decision-making and the new-found ability to identify trends and unleash market potential.

“The beauty of QlikView is that we can now see exactly where things are performing well and where things have gone wrong. Before, we had multiple sources and never knew if a reporting problem was just bad data or a real issue. Now we can look at reports to see how the business is actually doing.” Tom Gill, Regional CIO, Aon Asia.

Proactive HR Management

Accurate and timely reporting of HR functions such as training schedules, tracking of individual and group performance against KPIs and more helps the HR department to meet organisational objectives. Yet a key challenge for many organisations is getting standardised reporting that contains up-to-date and accurate information on which to base decision-making.

Especially in organisations that grow through acquisition, standardised reporting across business units is a critical challenge. Now the economy is showing signs of recovery, it is more important than ever to have access to timely and accurate information on which to base decision-making, especially decisions involving the organisation’s most precious resources - its people.

Next generation business intelligence has been known to significantly increase report flexibility in HR areas such as:

- Balancing of shift schedules

- Measurement of recruiting performance
- Mapping of skill requirements to positions
- Analysis of retention incentives and effectiveness
- Conducting 'what-if' analysis on staffing and scenarios
- Assessing training programs, from attendance to evaluations
- Analysing compensation and payroll rates.

United Group Rail's HR department was one such organisation that required assistance to standardise reports. As an organisation that has grown through acquisition, standardising reports over several different businesses was a key challenge and priority for the HR department at United Group Rail.

Specific problems with the incumbent system were:

- Lack of report flexibility
- Error-prone and time-consuming process of emailing excel reports
- Unreliability of report calculations.

QlikView immediately allowed HR to consolidate information from four different HR and payroll systems into the one single report, giving a single source of truth. This meant their information was timely and accurate, leading to much greater control over HR costs and training schedules.

Further, the ease of use of the QlikView solution has put the power of reporting back into the hands of HR, now able to make standard and ad-hoc reporting queries to make strategic decisions, without the intervention of IT personnel, on a daily basis.

Finally, and most importantly, as the business has grown and changed, acquired new businesses and re-structured, the solution has been flexible enough to change with it, remaining the central source of truth for strategic decision-making.

CONCLUSION

In a volatile economic climate, it is crucial that organisations have the ability to obtain and use information quickly, in order to make the best possible business decisions. The organisations that do this will find themselves best placed to weather the storm and to emerge in a position of strength.

The next generation of business intelligence systems offer clear benefits. They are easy to use, fast to implement, scalable and flexible enough to adjust to an organisation's needs – particularly when well-informed decision-making is critical to survival and success.

If you would like to know more about the next generation of business intelligence, go to www.satsumas.com.

SATSUMA SOLUTIONS

When it comes to achieving outstanding business success, the team at Satsuma understands that you need more than a quick IT 'fix' – you need a total business solution. And that's exactly what Satsuma provides.

Facilitating effective communication between departments is one of today's biggest organisational challenges. With Satsuma as your unifying force, it's easy to bridge the gap between business and IT, uniting people and processes and giving you the event-driven information you need to create better business results. Traditional IT solutions can take many months to implement, sacrificing time, money and opportunities. Satsuma's flexible technologies turn complex business problems into simple solutions in a fraction of that time, allowing your business to achieve its full potential – fast.

Total business efficiency is only achieved by seeing the whole picture – Satsuma puts each piece of the puzzle in place with services tailored to your business needs, including Lotus Notes/Domino development, web development, QlikView business intelligence, systems integration and mobility solutions. Satsuma's expert team is passionate about delivering quality, business-focused solutions that will give you the information you need to get to the top of your industry and stay there.

Satsuma Solutions has extensive experience in delivering business intelligence solutions to organisations such as Yamaha Motor Australia, Toyota Motor Corporation Australia, Aon Asia Pacific, United Group Rail, Coca-Cola Amatil, Lexus Australia and Hino Motor Sales Australia.