

Critical Information Reporting

The **Positive Impact** of
Aggregating Your **Business
Data** and Generating
Business Intelligence

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The Value of Business Intelligence & Critical Information Reporting

Increasing
in Data
Usability



\$55,900 in
Additional Sales
per Employee



Increasing data usability and using automated data analytics can produce big financial gains.

Business Intelligence (BI) refers to the tools, technologies, applications, and practices used to collect, integrate, analyze, and present an organization's data in order to create insightful and actionable business information.

Critical Information Reporting is an automated process or processes that are used to present the right business intelligence to the right employees at the right time.

The combination of BI and Critical Information Reporting delivers a large number of benefits to a business, including:

- Accelerating and improving decision making
- Optimizing internal business processes
- Increasing operational efficiency
- Driving new revenues
- Gaining competitive advantages over business rivals
- Spotting business problems that need to be addressed

All of these benefits can be translated into real, quantifiable improvements to the finances of a business that implements BI and automated reporting. A study conducted by the University of Texas found that the average Fortune 1000 company could increase revenue by more than \$2 billion a year (or an increase in ROA of 0.7%) if it increased data usability just 10%.¹

An IBM study found that businesses with a high Finance Efficiency (identified as firms using automated data analytics) had seven times higher earnings and 11% higher revenue growth.²

So why isn't every business taking advantage of these tools? There are a number of challenges in implementing a BI and reporting program that can stall the effort.

The Challenge of Aggregating and Analyzing Business Data

PROBLEMS IMPLEMENTING BI

1. Unclear requirements
2. Lack of resources
3. Training issues

PROBLEMS USING BI

1. Query performance
2. Poor data governance
3. Poor data quality

For most businesses, data resides in the system that was used to capture the information in the first place. These systems usually do not communicate with each other and if the data is exported, the different formats do not usually lend themselves to easy merging with other datasets.

With the widespread use of accounting systems, Customer Relationship Managers (CRMs) and Enterprise Resource Planning systems (ERPs), spreadsheets have become heavily used in the business world as a tool to merge different sets of data. This dependency on spreadsheets is almost never a good thing. Every company Triple Helix has worked with has convoluted, error-filled, opaque, human-dependent Excel processes in place. Talk to any organization about their dependency on spreadsheets, and comments like these will surface:

- “I am totally dependent on 11 spreadsheets to get my job done, which I know is way too many. And the worst part is that I only have a solid understanding of the calculations and logic for three of them.”
- “I spend more time making sure my spreadsheets are accurate than I do analyzing the data in them. As the CFO for this company, that is just ridiculous.”
- “When it comes to making important decisions, I am really uncomfortable relying on figures spit out of a huge spreadsheet that 8 different people have worked on.”

An over dependency on spreadsheets occurs for one main reason: Excel is available on just about every employee’s desktop, and it can be used with little or no training. This is great for ease of use, and for many purposes Excel is a powerful, flexible, accessible tool. However, spreadsheets promote silos of information in a company and create a decentralized data management system – the exact opposite effect a company wants if it desires automated, real-time business intelligence.

Assessing the Opportunity

TAKING INVENTORY

A successful BI project starts with:

- Understanding the data you have and where it is stored
- Knowing what data you are using and in what form
- Recognizing how often the information changes

When Triple Helix works with an organization to move from manual reporting to automated business intelligence and reporting, the goal is to improve data integrity and organizational productivity. All too often, the current manual process is very spreadsheet dependent. While our process is customized to fit the company we work with, in general we:

- 1 Assess spreadsheet use in the organization at an individual, group/collaborative, and business-process level, to gain a clear picture of how spreadsheets are being used company-wide
- 2 Determine where your larger opportunities lie with this inventory of spreadsheet usage in hand:
 - Large/complex spreadsheets
 - Spreadsheets whose originator is no longer at the company
 - Business-critical spreadsheets that impact daily operations
 - Spreadsheets where important financial or other data is stored
 - Spreadsheets tied to manually intensive processes
 - Spreadsheets whose data is pulled from or exported to other business applications
- 3 Quantify these as much as possible from a risk and/or cost perspective.
- 4 Establish a plan for migrating the high-risk and high-cost spreadsheets to a better solution.

Moving from spreadsheets to a real-time reporting process (or a more automated one) is not an overnight change but can be managed in stages to improve adoption and business outcomes. By assessing the opportunities first, you can focus efforts on the areas that will have biggest positive impact on revenue or operational efficiency. By doing so you can gain champions for future efforts.

Delivering Automated Critical Information

“However much we automate, however big our dataset, however clever our calculations, if you cannot communicate findings to others, you can’t make an impact with your analysis.”⁴

“The new view of our jobs data has been a huge help for our job planning and scheduling and provided a big boost to operational efficiency and customer satisfaction.”⁵

One of Tableau Software’s 2019 Business Intelligence Trends is data visualization. Their report on this trend begins, “However much we automate, however big our dataset, however clever our calculations, if you cannot communicate findings to others, you can’t make an impact with your analysis.”⁴

Bringing key business data into view in a clear manner has been the goal behind the creation of dashboards and status boards whether using printouts, whiteboards, or touchscreens. Making data more visual is extremely useful in manufacturing operations but has been used to great effect in sales and business management in general.

Triple Helix has seen many companies benefit from implementing digital touchscreens along with automated data analysis. For example, aggregating ERP data and production data to keep real-time displays updated with accurate information has removed production bottlenecks and greatly increased productivity for companies that have invested the resources needed to move from manual processes to automated business intelligence and critical information reporting.

The ultimate goal in leveraging your data is to predict outcomes more accurately. Investing in automated BI and critical information reporting will enable your data to show you how to reduce risk, increase profitability, and strengthen customer relationships.

Companies looking to implement automated BI and reporting should strive to plan incremental rollouts with business benefits along the way even if full rollout is planned to take a year or more. Having milestones with demonstrable results during the rollout helps with gaining full adoption of new processes and will improve outcomes for future efforts.



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Since 2004, Triple Helix has served the aerospace and manufacturing industries in the Greater New England region for companies of all sizes.

We are technologists who focus on defining specific business challenges first, and then determine what technologies should be applied to fix the issue. Too many IT departments and technology consultants do it the other way around, which results in inaccurately defined problems and projects that go awry.

We hire people who are naturally curious and passionate about contributing to other peoples' success – two incredibly important attributes to have when tackling data challenges. Without them, the right questions will not get asked and the best ideas will not surface. We focus only on projects that can produce quick and measurable ROI for clients.

SOURCES

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