

Lawson Business Intelligence: Opening the Door to Enhanced Operational Performance

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Introduction

Operational BI: an Elusive Aspiration

The big irony of the Information Age is “TMI”— too much information. Information is supposed to make the business world go ‘round, yet all too often, businesses find themselves drowning in a sea of information.

Consequently, “operational business intelligence” is frequently an unattainable aspiration. Executives, managers, and employees simply can’t get their arms around the enormous volume of information that resides in multiple, disconnected silos across the enterprise. And, even if they could, these individuals might not be able to make sense of what they uncover.

Other significant questions arise about the integrity of operational performance information generated within the typical business:

- How current and accurate is it?
- Is it available to line-of-business managers and frontline employees?
- Does it tell the true story behind material events?
- Can it be easily manipulated to bring operational performance into clear focus?
- Can it be packaged and presented according to each user’s role?
- Does it “connect the dots” between strategic analysis and everyday transactional activities?
- Is it passive? Must users go out to find what they’re looking for?
- How effectively can sensitive data be safeguarded?

The answers to these questions reveal, in large part, whether information delivery and analysis systems can adequately support strategic and operational decisions.

This white paper examines how Lawson Business Intelligence supports organizations aiming to improve profitability, control costs, and increase their competitive edge. Those already using Lawson business applications will find discussion about why Lawson Business Intelligence is a particularly compelling choice versus other business intelligence (BI) solutions. Finally, this paper presents a visual tour of Lawson Business Intelligence and its key components.

Lawson Business Intelligence

All about 'Turning Data into Answers'

Operational business intelligence — specifically, how to acquire and manage it — is one of the hottest topics of discussion in corporate boardrooms and information technology departments.

This was plainly evident at the most recent Lawson Conference and User Exchange (CUE), where Dean Hager, Senior Vice President of Product Management, introduced Lawson Business Intelligence to an attentive crowd in one of the opening sessions. Joining Hager on the stage were three customers who talked enthusiastically about their organizations' experiences with Lawson Business Intelligence.

The intense interest in business intelligence tools is justifiable, considering what's at stake. Increasingly, businesses and organizations are devoting sizable resources to measuring and analyzing operational performance, all focused on increasing profitability, expanding competitive advantage, controlling costs, and achieving other critical objectives.

Doing this effectively requires accurate, timely, and relevant operational business intelligence — information which unites an organization's strategic and transactional worlds, allowing executives and knowledge workers to analyze operational processes, make decisions, and then feed those decisions back into operational systems. However, due to inherent limitations, many traditional BI solutions (or, more accurately, reporting tools) cannot deliver on these high expectations.

Integration, or lack thereof, is often a barrier. For the BI solution to extract data from multiple applications, a prohibitively time-consuming and expensive integration project may be required. Even if this information can be pulled together and made accessible, there's no guarantee users will be able to understand or apply it within the scope of their daily responsibilities.

Another primary weakness of standalone reporting solutions: They're built for top-level decision makers and strategic analysts. That's fine. But why exclude the line-of-business managers and frontline employees whose decisions and activities impact operational performance in countless ways every day?

As Hager said in his CUE presentation, operational business intelligence is all about "delivering the right data to the right person at the right time...and turning this data into answers that lead to accountability and action."

Six Key Attributes Set Lawson Apart

Several key attributes set Lawson Business Intelligence apart from other reporting solutions available today. The following discussion covers six of the most significant attributes.

#1: Global Views of Organizational Performance

In the vast majority of larger organizations, data exists in multiple applications and databases. Lawson Business Intelligence was developed consistent with the basic premise that it should integrate, with Lawson business applications. This is not an unreasonable expectation. However, Lawson has taken this premise a significant step further, leveraging its acclaimed open, standards-based architecture to enable exceptionally fast and easy integration with non-Lawson applications, databases, and even other business intelligence tools.

The net benefit to users can be significant. Instead of devoting excessive time and energy to tracking down and reconciling pieces of information from numerous sources, they can obtain a singular view of operational performance — whether the pieces of the picture exist in one data repository or in 10 repositories. Lawson Business Intelligence “fits the pieces together,” giving the user more time to focus on core responsibilities.

#2: Deployment to a Broader Universe of Users

As the term implies, operational business intelligence depends on bringing information to the people who drive operations. Certainly, Lawson Business Intelligence caters to the executive and business analyst. But, in developing the components of this suite, Lawson also concentrated on delivering operational business intelligence to a much broader universe of users within an organization.

Users of Lawson Business Intelligence range from presidents and CFOs to department managers and customer service representatives. In one organization (a children’s research hospital), Lawson Business Intelligence is accessed by approximately 1,300 individuals out of 3,300 total employees.

The broad deployment of Lawson Business Intelligence can be attributed primarily to customization in two areas:

- **Dashboards** — Each user accesses business intelligence through a dashboard which is customizable (using Lawson Framework Services) to his or her role, responsibilities, and preferences. For example, a CFO dashboard may contain graphical snapshots of key performance indicators, such as a high-level profit-and-loss summary, as well as links to various financial reports and ratios. The dashboard for a compliance control manager, on the other hand, may feature at-a-glance charts depicting the status of testing, exceptions, and remediation, plus links to reports on risk analysis. It’s also likely that these two dashboards will feature a different layout, each designed to optimize information access and analysis for the individual.
- **Content** — Every report, every notification, every snippet of information delivered via Lawson Business Intelligence is tailored to the specific user, based on organization-defined rules. To understand this characteristic, consider the example of a report on office supply spending. Both the CFO and a division manager are able to view this report. Yet, while the CFO’s view is company wide, the division manager sees only the numbers pertaining to her part of the business. Any extraneous information (“noise”) is automatically filtered out.

#3: Easier Access to Root-Cause Information

Seekers of operational business intelligence historically have struggled to find the root causes behind bottom-line metrics. And, if they do, the sought-after information comes only by expending a great deal of time and effort.

An anecdote shared by one Lawson customer, a large footwear manufacturer and distributor, epitomizes the experience of many organizations. Before the company implemented Lawson Business Intelligence, most reports were created with Crystal Reports® and then exported as either PDF or Microsoft Excel documents. These formats offered no drill-down capabilities for users attempting to find the detail behind a transaction. Consequently, reports had to contain all the detail someone might need. The documents could be hundreds of pages long, requiring lengthy, cumbersome searches for sum totals or other metrics.

Following deployment of Lawson Business Intelligence, users in this and other organizations can click on any metric and immediately see additional detail, navigating through several layers right to the original transaction, if necessary. This unimpeded process can occur within a single data source, or it can span several, even non-Lawson, systems — and the boundaries are transparent to end users. The mechanism which permits this multidimensional navigation is the patented Lawson Drill Around® technology.

#4: Flexible Report Creation and Sharing

Ideally, how a report is created, packaged, and delivered should be a highly flexible proposition, hinging on the user's role, specific situation, individual preferences, and other variables. Even better, this flexibility should come without the steep "price tag" of intensive IT involvement.

The report-writing functionality within Lawson Business Intelligence draws upon several technologies, including Crystal Reports®, a leading high-performance reporting solution, coupled with proprietary Lawson components. The suite offers three primary ways to acquire business intelligence:

- **Scorecard views** — A "free-form" reporting tool, the Scorecard module enables the creation of highly graphical ad-hoc reports. Right-clicking on an element, such as a column total or a pie chart slice, takes the user to progressively deeper layers of information. Employing simple commands, such as drag-and-drop functionality, users can easily create and modify scorecard views without IT assistance.
- **Reporting Services with bursting** — Crystal Reports serves as the foundation for this component, designed for more complex and/or formal reporting needs. Once a report is created, it can be distributed via Lawson bursting technology. Recipients are able to view only the content appropriate to their roles, locations, security clearances, and other parameters. This automated rules-based bursting can save huge amounts of time that would otherwise be spent repackaging multiple versions of the same report. As with the scorecard views, users can drill vertically and horizontally through data repositories to obtain complete pictures of operational performance.
- **Smart Notification** — "Management by exception" has long been a mantra of organizational efficiency experts. More often than not, however, reality has fallen short of the objective. Embedded within Lawson Business Intelligence is Lawson Smart Notification®, which is helping to bridge this gap. At its most basic level, Smart Notification permits individuals to receive alerts, via dashboard, e-mail, PDA, pager, fax, or other device, whenever material events reach certain thresholds or milestones.

Lawson Smart Notification extends well behind the delivery of alerts, however. It also provides links to background detail (via Drill Around) and even to transactions. One Lawson customer (a not-for-profit builder, owner, and manager of continuing care retirement communities) has deployed Smart Notification in a number of areas, including human resources and accounts payable. In the HR arena, for instance, managers receive a notification when hours worked by a minor-age employee are approaching the maximum allowed by law. And, when an invoice needs approval for payment, Smart Notification alerts the appropriate manager, who clicks on a link within the notification to view the invoice and then on another link to authorize payment.

It's important to note that navigation from one component of Lawson Business Intelligence to another (e.g., from a notification to a report), occurs seamlessly, with complete transparency to the user.

#5: Direct Conduits to Lawson Business Transactions

A good business intelligence solution delivers “the right information to the right person at the right time,” resulting in prompt, informed decisions. But what if users could access mechanisms for taking action without having to leave the business intelligence solution?

This is the “world-class” model established by Lawson Business Intelligence. Any element within a dashboard — scorecard view, report, or notification — may be set up to invoke tasks within Lawson business applications. The last paragraph under the previous “Flexible Report Creation and Sharing” section outlined an example of how this happens in one customer organization: A manager receiving a notification to review an invoice, reviewing an electronic image of the invoice, and authorizing payment, all in a single, continuous process.

Hager talked about the blurring of lines between Lawson Business Intelligence and Lawson business applications. “When you have Lawson Business Intelligence laying over the whole system, it’s not only a better way to run your applications and your business, but it’s also a means for integrating your systems.”

In summary, the Lawson Business Intelligence paradigm lets users move freely among scorecards, reports, notifications, and transactions, from a single dashboard and with one sign-on to the system. At every point, rules pertaining to access privileges and security clearances for each individual are automatically applied.

#6: Pre-built Content for Faster ROI

Well before the launch of Lawson Business Intelligence, Lawson earned accolades for providing customers with tools to build or modify components, such as workflows and corporate portals, and to do it while minimizing the involvement of busy IT departments. This tradition continues with Lawson Business Intelligence. Power users, business analysts, and others, many with little or no IT background, have taken responsibility for developing new dashboards, reports, and notifications.

At the same time, Lawson recognizes that some organizations do not wish to devote resources to extensive customization, or perhaps they want to get a fast start with Lawson Business Intelligence and modify the system as time and resources permit. For these customers, Lawson offers pre-built content, including reports, notifications, workflows and data marts. Besides realizing a potentially faster return on investment (ROI), customers may benefit from the best practices incorporated into these pre-built components.

Additional Benefits to Current Lawson Customers

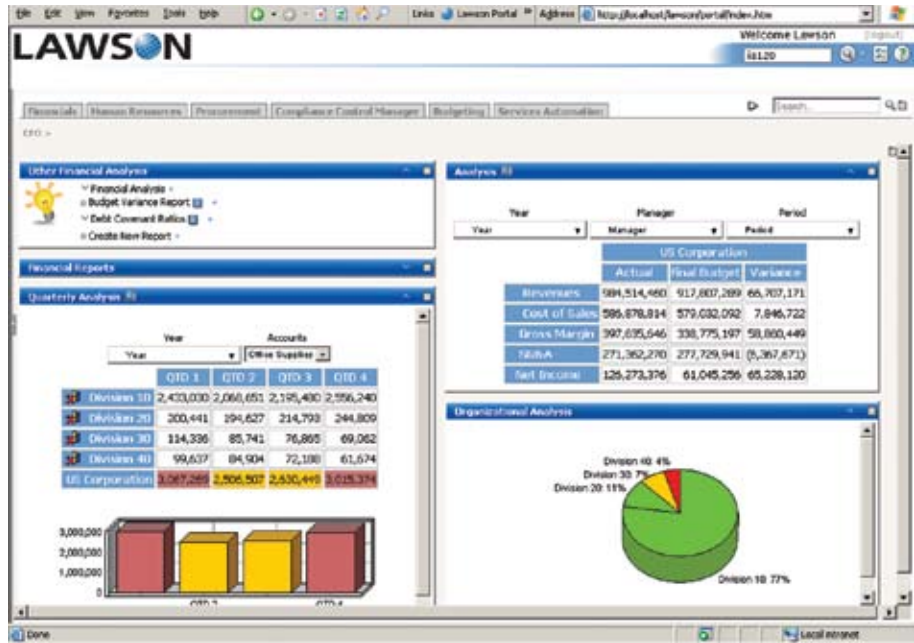
For organizations already using Lawson core business applications, choosing Lawson Business Intelligence over competing BI solutions makes sense from another perspective. Very simply, Lawson Business Intelligence is engineered, from the ground up, to work with other Lawson applications. This "pre-built integration" should result in faster, less resource-intensive installation and deployment processes, which in turn can accelerate ROI and provide a lower total cost of ownership versus third-party BI solutions.

The benefits also extend to end users. Because they're already proficient in the Lawson environment, they'll likely need minimal training prior to their first session with Lawson Business Intelligence. In addition, linking Lawson Business Intelligence with other Lawson applications eliminates the need for multiple logons when switching from transactional to BI systems (or vice versa). The dashboards within Lawson Business Intelligence can be set up to serve as a single, efficient portal — requiring users to remember one username and password — for navigation anywhere within the Lawson system.

Tying It All Together

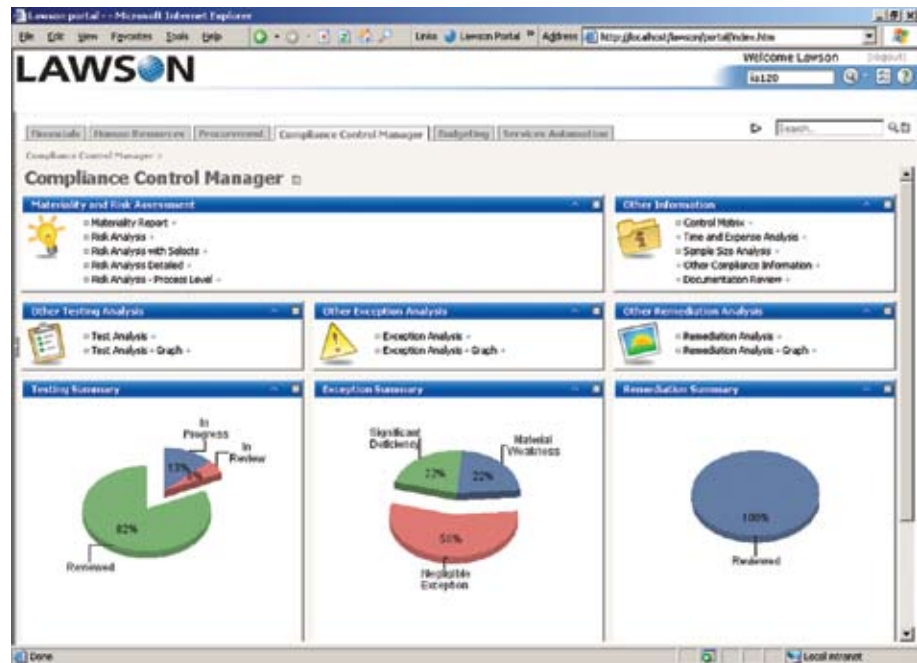
A Visual Tour of Suite Components

How do the components of Lawson Business Intelligence work together in the real world? This section provides a visual tour of key components in the suite.

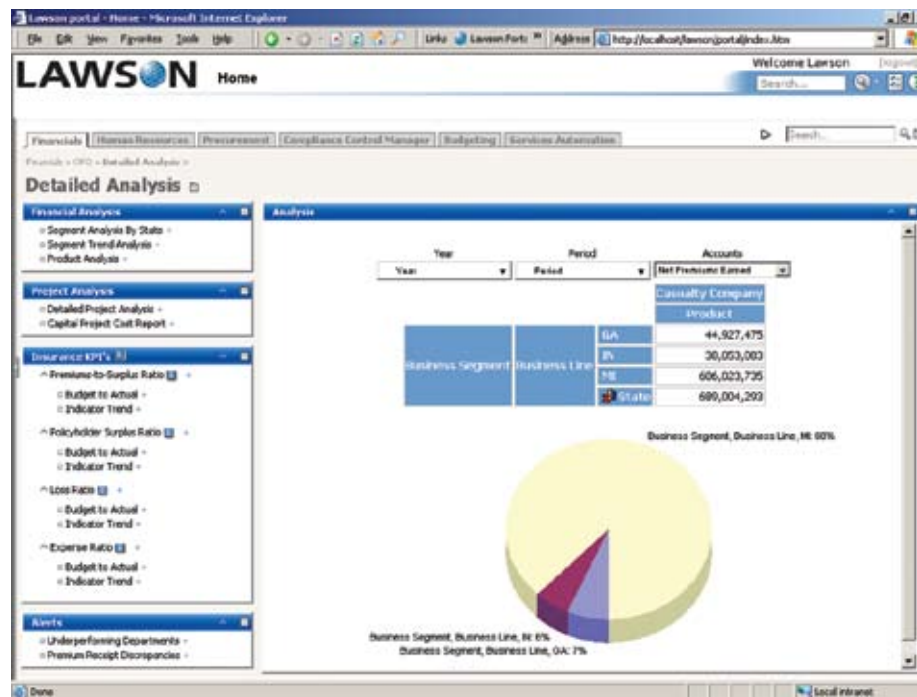


This example of a CFO dashboard contains three main elements: trend and analysis report by division, a high-level income statement — actuals versus budget, and a revenue comparison report by division. Whenever the CFO logs on, these are the items that are displayed. Any item may be opened in a new window and expanded for a more detailed look. In addition, by clicking on “other” links, the CFO can display a list of additional reports and ratios beyond what is shown at initial logon.

Dashboards



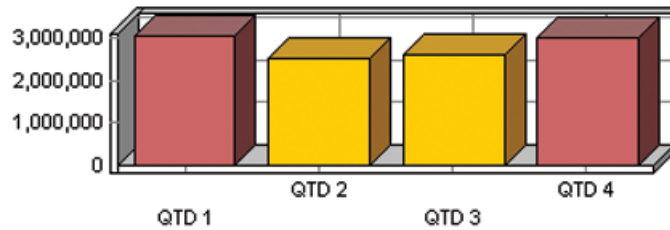
Like the CFO version, this compliance control manager dashboard is set up to provide fast access to metrics that are monitored by the individual on a daily basis. In this example, the dashboard contains links to materiality, risk analysis, test analysis, and other reports, as well as at-a-glance scorecard summaries of testing, exceptions, and remediation



Dashboards are customizable not only to roles within an organization, but to specific sectors of commerce. This dashboard for an insurance company brings industry-specific information and links to the forefront for the CFO.

Scorecard Views

Year		Accounts			
Year		Office Supplies			
		QTD 1	QTD 2	QTD 3	QTD 4
	Division 10	2,433,030	2,068,651	2,195,480	2,556,240
	Division 20	200,441	194,627	214,793	244,809
	Division 30	114,336	85,741	76,865	69,062
	Division 40	99,637	84,904	72,188	61,674
US Corporation		3,067,269	2,506,507	2,630,449	3,015,374



A CFO may want to keep a close eye on spending for office supplies — perhaps a problem area in the past. This example of a scorecard view provides a quick snapshot of office supply spending by division and quarter. Views may be easily modified, using drag-and-drop commands, to create different perspectives on the same information.

Lawson Drill Around



Lawson Drill Around brings material events into sharper focus. In reviewing a scorecard, for example, the CFO notices excessive spending on office supplies for one of the company’s divisions. A few clicks later, the CFO is in the Lawson core application (i.e., Accounts Payable), where granular invoice and payment information behind a scorecard metric may be found.

Reporting Services with Bursting

Current Period (3)		Actual (2005)		Year-to-Date	
Actual (2005)	Budget Variance	Actual (2005)	Actual (2005)	Budget Variance	Actual (2005)
18,472,838	129.55%	15,114,136	4,361,258	65,114,195	183.77%
2,322,085	-29.58%	6,881,776	4,567,723	6,888,725	-80.77%
(19,794,923)		8,232,360	27,238	8,232,360	
Operating Revenue					
Revenue		46,542,838		134.23%	64,894,599
Cost of Sales		8,861,985		-24.23%	25,762,051
Total Operating Revenue		26,680,853			26,912,548
Expenses					
Cost of Sales		19,859,499		66.04%	19,362,723
Payroll Expenses		3,154,537		11.17%	3,262,271
Selling Expenses		3,414,889		12.04%	2,726,667
General Expenses		548,596		3.32%	862,582
Administrative Expenses		1,899,886		6.63%	3,294,752
Other Expenses		0		0.00%	0
Total Expenses		26,314,767			25,388,395
Interest, Taxes, Depr. and Amort.		626,653		42.02%	586,249
Other Expenses		755,380		57.80%	777,065
Total Interest, Taxes, Depr. and Amort.		1,382,033			1,363,314
Net Income (Loss)		6,374,913			7,678,363

Users can access pre-formatted reports through their dashboards. For example, the CFO clicks on “Financial Reports” (refer to CFO dashboard, shown previously) for a listing of reports that are reviewed frequently. Once in the submenu, the CFO clicks on “Operating Statement” to view an industry-standard, pre-formatted financial report. As with scorecard views, the full story behind any metric is readily available through Lawson Drill Around.

Rights Maintenance - Invision

Description: [dropdown]

Owner: [dropdown]

Start Date: [date picker]

End Date: [date picker]

Status: [Active]

Users/Users: [dropdown]

Details

Report Structure

Vendor: [New Structure Group]

Group 1: [Delete] Vendor: [dropdown] [Add to] [P]

Group 2: [Delete] Vendor: [dropdown] [Add to] [P]

PROCESS LEVEL: [New Structure Group]

Group 1: [Delete] Process Level: [dropdown] [Add to] [P]

EQ All: [New Structure Group]

Group 1: [Delete] COMPANY: [dropdown] [Add to] [P]

ACCOUNTING UNIT: [dropdown] [Add to] [P]

All: [New Structure Group]

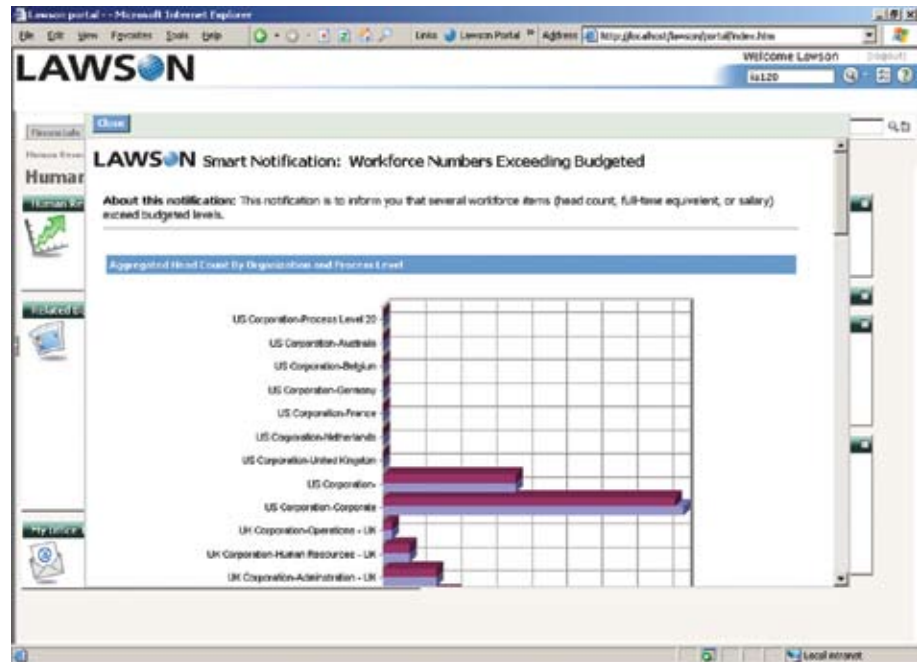
Group 1: [Delete] ACCOUNTING UNIT: [dropdown] [Add to] [P]

SUPERVISOR: [New Structure Group]

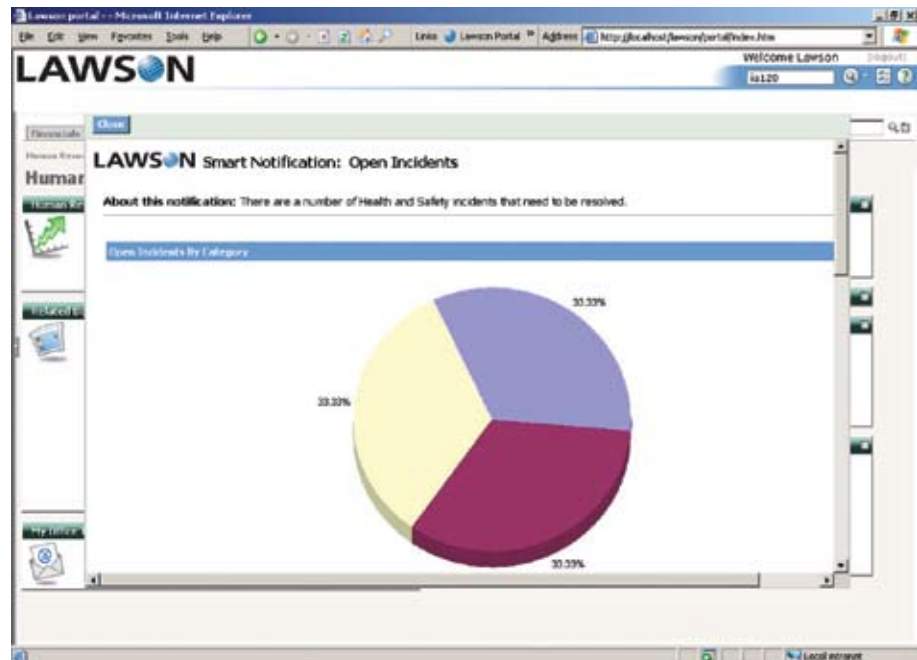
Group 1: [Delete] supervisor: [dropdown] [Add to] [P]

The report bursting capability within Lawson Business Intelligence means that, with a single command, multiple individuals can receive a report, and each person sees only the content pertaining to his or her responsibilities. For example, managers in several locations receive period reports (weekly, monthly, and/or annually) with employee payroll, benefits and tax expense information — but only for each recipient’s facility. In addition, this information may be packaged to show contextual relationships, such as trends in payroll spending (e.g., percentage of last year) within the manager’s location or from other segments of the business.

Lawson Smart Notification



Lawson Smart Notification can monitor Lawson and non-Lawson data sources and then alert the appropriate individual when events exceed certain thresholds. This example of a notification informs the HR director that some workforce items (e.g., FTEs and headcounts) have exceeded budgeted levels. By scrolling down, the HR director sees additional detail pertaining to planned versus actual headcounts. In addition, clicking on an individual metric takes the user to specific information pertaining to any division.



Lawson Smart Notification can monitor Lawson and non-Lawson data sources and then alert the appropriate individual when events exceed certain thresholds. This is an example of a notification to an HR director about open incidents; details may include type of incidents, number, and how many remain open. The HR director can use Lawson Drill Around to reveal additional detail about any incident.

Summary

In a relatively short time since its introduction, Lawson Business Intelligence has contributed substantially to the operational business intelligence efforts of several organizations in various sectors of commerce. To review, Lawson Business Intelligence possesses several noteworthy advantages which give it a decided edge over other BI products on the market today:

- The ability to extract data from Lawson and non-Lawson data sources and consolidate this information into global views of organizational performance
- Customized presentation and content that cater to individuals at all levels of the organization — anyone whose decisions and tasks impact operational performance
- Support for swift, informed decisions and action, thanks to easily accessible root-cause data, from any source, via Lawson Drill Around
- Flexible reporting options, including “on-the-fly” scorecard views and, for more complex or formal needs, Crystal Reports
- The ability to burst reports or portions of reports to multiple individuals, with content automatically tailored to each recipient
- Proactive notifications which alert individuals to material events and give them links to additional detail and the means to take action
- The ability to invoke tasks in Lawson core applications, permitting faster, more efficient resolution of issues
- Pre-built content, leveraging industry best practices, for organizations seeking a faster return on their investment
- For current Lawson customers, “pre-built integration” to Lawson core business applications, resulting in a faster ROI, lower total cost of ownership, and a streamlined user experience

About the Author

Barry Wilderman, an industry authority on total cost of ownership (TCO), has worked for more than 20 years in executive positions at various companies and has a wide range of analytical, management, marketing, and product management experience. Currently, he serves as Vice President of Business Strategy for Lawson, where he leads initiatives that link overall Lawson business strategies and value stories with the company's sales objectives. Previously, Wilderman was Vice President of NPD Group, where he managed the activities of an industry analyst group specializing in consumer electronics and IT hardware and software. He also served as Senior Vice President at META Group, where he was a service director, leading a group of analysts in the enterprise business application sector.

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