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Business Intelligence and Dashboards



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Background

Enterprise Resource Planning (ERP) systems help businesses manage their operations. Most ERP solutions are designed to enforce business processes and they also help ensure that records are managed in a uniform way. ERP system users require real-time business critical information that can be communicated efficiently and effectively to appropriate individuals within the organisation.

Business Intelligence (BI) is the term used to describe the activity of analysing and reporting on business data and events. BI includes activities such as gathering data from source systems, the transformation of data to a usable form, and storing data in databases that can be used and reported on. BI is now being used by businesses more and more to explore and analyse data in an attempt to discern trends and patterns.

More recently, there's been an increased focus given to the users of ERP systems, and the related BI. The design of interfaces, visual displays and other methods of interaction that fit seamlessly with the underlying ERP system is now a major focus for technology companies. This focus has led to dashboards being one of the most sought after BI tools that we use today.



What is a dashboard?

There is a wide range of products available under the umbrella term of "dashboard". It's worth noting that dashboards nearly always include graphical display mechanisms such as traffic lights, graphs, gauges and meters that usually provide an overview of what's going on in the business.

The main objectives of implementing a dashboard include:

- Visual Display of Information
The dashboard presents information visually, usually through text and graphics, with an emphasis on the graphics. Graphical information is a more effective communication medium.
- Display of Information Needed to Achieve Specific Objectives
To achieve an objective usually requires access to a collection of information, often from a number of diverse sources as related to specific business functions. The information is often in relation to a KPI (Key Performance Indicator) and may also be needed by an individual or group of individuals for them to undertake their work.
- A Dashboard Fits on a Single Screen
The dashboard is a single screen where the viewers' eye can see everything all at once with just a single glance. The objective is to have the most important information readily and effortlessly available so the individual can quickly absorb what they need to know.

Dashboards are used to support a broad spectrum of information needs, spanning the entire business where there might be a benefit from an immediate view of what's going on.

Dashboards for ERP

Dashboards utilise BI to empower corporate decision makers when it comes to understanding the overall health of their company. Dashboards can be constructed so that they enable interaction and interpretation, using drill to and drill down capabilities so the best decisions can be made.

ERP system implementation typically involves extensive business process analysis, the creation of new work procedures and extensive employee re-training. As part of this exercise, dashboards can be created to display the information required for the running of the business.

To be most effective, a dashboard for ERP should be designed with some specific elements in mind.

-  Visually intuitive graphical representations of KPI metrics
-  Colour-coded bar charts, graphs and other visual depictions of data
-  Data should be easily accessible by users from a single screen
-  A real-time review relevant to their functional area

Bespoke Data

Dashboards should be utilised by ERP users to review metrics in relation to data that is relevant to the aspect of the business they are responsible for. More often than not, this leads to business process improvement. For instance, the dashboard might display downtime monitoring, stock outs, maintenance requirements, and other real-time reporting. Dashboards are also a great way to present actual performance measured against the KPI for that metric.

Dashboards have the potential to help every part of an organisation. They can be configured for individual users or groups of users, displaying the most important information as relevant to the specific role of the user. For example:

-  Production staff could use a visual dashboard to track inventory accuracy, quality achievements, production measures etc.
-  A shipping manager, by contrast, might use a dashboard to track on-time shipping completion percentage and freight costs.

The key is that every role requires the dashboard to be tailored to track those KPI metrics that are critical to the functional area.



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Take Action!

Dashboards are important because they make mission-critical KPI metrics available to the business in real-time, which gives companies a better chance to take action and make informed decisions for a more competitive business process. Dashboards provide a context for business process re-engineering. They are important because they provide a visible, real-time measurement to enable a feedback loop that encourages functional areas to focus on the tasks, goals and targets that the organisation has chosen to focus on.

It goes without saying that most businesses face various industry specific complexities, therefore it's essential that appropriate decisions are made in terms of what information a particular company's dashboard should provide. The dashboard needs to pull data and ERP reports from each of the various separate systems in order to obtain an integrated view of the operation. Dashboards need to be included in the overall BI strategy.

Safe & Secure

As dashboards are usually role specific, they should incorporate various security factors to ensure users only see the charts and graphs that are relevant to their specific areas. In order to keep dashboards relevant and helpful to the decision-making process, they will require occasional updates as they need to be flexible and easy to use.

Dashboards should go beyond normal reporting requirements, allowing users to:

- Analyse data extensively and easily
- Allow decision makers to access all of their data anytime and anywhere
- Access data from additional disparate systems, e.g. a stand-alone CRM solution

Main Uses of ERP Dashboards

Dashboards are mainly used in relation to the business activity that they support and the role of the individuals in relation to that business activity. With this in mind, there are three different categories of dashboard:

- **Dashboards for Strategic Purposes**

An "executive" dashboard supports managers at all levels of the organisation and by definition, these are strategic in nature. They focus on high-level measures and simple mechanisms are typically used. Strategic performance is measured over the longer term to prevent knee-jerk reactions and as such, these don't usually need to be interactive.

- **Dashboards for Analytical Purposes**

This type of dashboard focuses on data analysis, so there is more likely to be a higher demand for details such as comparative information, more extensive history, and performance evaluation. There is likely to be some static data, but more sophisticated display media is also useful where more complex data and relationships need to be viewed. Interactions with the data should be available, such as drill downs so that the causes can be examined. For instance, a sales function may want to review high-level sales data but might also want to get a more detailed analysis of sales by region, sales by salespersons, etc. The dashboard itself should be a monitoring device that helps the analyst make decisions on what to investigate.

- **Dashboards for Operational Purposes**

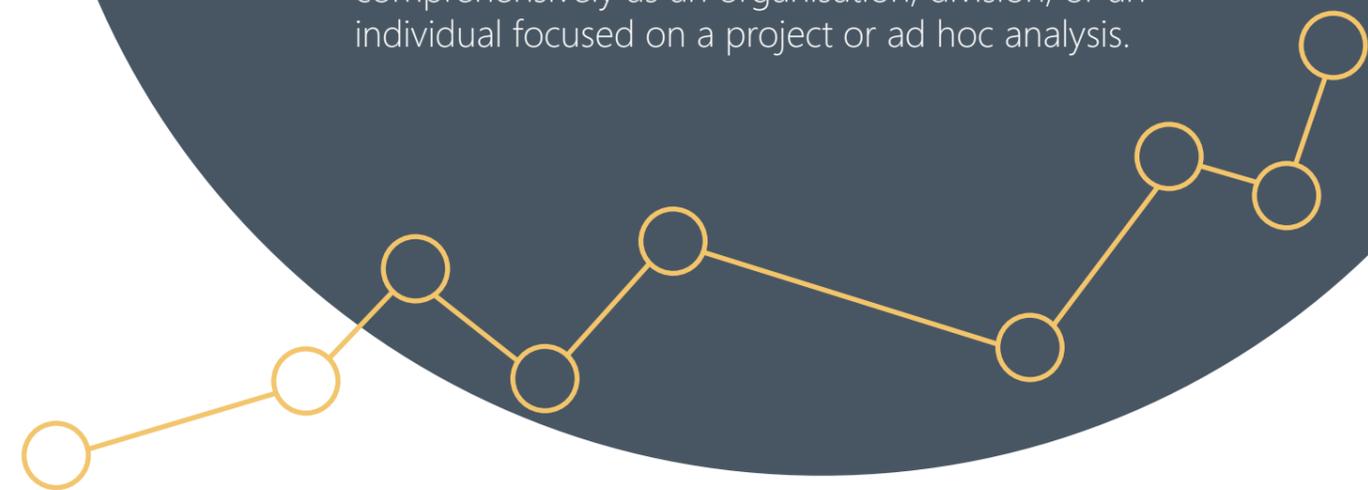
Dashboards can be used to monitor operations e.g. a data centre may monitor websites that it is hosting and any websites that are down and need immediate attention. When you monitor operations, you need to maintain awareness of any activities and events that are constantly changing and may require attention. The information that appears on operational dashboards is often more specific, providing a far deeper level of detail. For example, if a critical shipment of goods were in danger of missing a deadline, you would want to act immediately; a high-level statistic is not what is required in that context.



Summary

The business world of today is faster paced than ever before, and corporate decision-making has to be user-friendly and mobile for the on-the-go realities of the modern marketplace. In summary, dashboards act as a very valuable tool for ERP users. Their charts and graphical scorecards help expedite decision-making by visualising data trends and trajectories. It's important for ERP users to access dashboard metrics that help track and measure key data, which will ultimately lead to business process improvement.

A dashboard can provide personnel at all levels of the company with quick access to KPI information that illustrates the company's performance - whether comprehensively as an organisation, division, or an individual focused on a project or ad hoc analysis.



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