



**Guide strategic direction more
effectively with business dashboards.**

Contents

2 Executive summary

2 Introduction to business dashboards

4 Dashboard evolution

6 Business dashboards: a stronger value proposition

6 The path to a successful business dashboard implementation

9 Combining business dashboards and an SOA to drive innovation

11 Why IBM?

11 Conclusion

Executive summary

Chances are your company has a clear strategic direction. What may not be so clear, however, is how to best leverage business information to make sure you're actually headed in the direction you've defined. The power of a business dashboard is that it gives you visibility into the strategic course you've chosen. And where you are along the path to accomplishing objectives.

This white paper presents an overview of IBM's latest vision for business dashboards. It explains the steps that are necessary to implement and maintain business dashboards that can help you better determine whether your business is performing optimally. And it explores how you can use business dashboards in conjunction with a flexible service-oriented architecture (SOA) to react faster to market drivers and help speed innovation.

Introduction to business dashboards

Mergers and acquisitions. A level global economic playing field. Unpredictable markets. Rampant commoditization. Evolving business factors beyond your immediate control. In a world of relentless change and rising global competition, innovation is becoming one of the few ways left to create a sustainable competitive advantage. Business innovation has always depended on having a keen understanding of the challenges you face and an ability to creatively leverage your resources to address them. Today, one of the most important challenges businesses face is developing the flexibility to adapt to rapidly changing external market drivers and evolving internal goals. But quick responses aren't possible without timely access to your company's key process, performance and business data—and the tools to correlate that data with business goals. The business dashboard enables this capability, providing the information you need to quickly adjust your business model.

Highlights

Business dashboards can help foster innovation by enabling you to measure progress on KPIs and quantifiable business metrics.

A proper business dashboard implementation approach is key to access the KPIs and metrics you need to support innovation.

The business dashboard can help foster innovation within your organization by enabling you to measure progress on a self-defined set of key performance indicators (KPIs) and quantifiable business metrics. For example, a business dashboard will help you simplify monitoring and measuring of key corporate metrics that raise shareholder value. Or it can help you monitor how process improvements help to increase customer satisfaction or your company's financial health. Business dashboards are not a new idea, but new approaches to technology and business make them an almost indispensable tool for companies looking to drive sustained innovation.

The key to accessing the KPIs and other metrics you need to support innovation and achieve long-term success with business dashboards is in the approach you take to implementation. It is important to follow a set of steps, such as the following, that support overall best practices:

- ***Assess and model.*** Determine business goals and objectives
- ***Design and build.*** Create the business dashboard
- ***Deploy.*** Install the physical environment and perform the integration of information sources
- ***Manage.*** Ensure that the business dashboard continues to deliver the information you need and expand it into other areas

Before examining each of these steps in more detail, let's take a closer look at how business dashboards are changing and at the associated benefits to your business.

Highlights

A state-of-the-art business dashboard provides process visibility and capabilities for nontechnical users to manage, monitor and measure comprehensive business performance.

When used with an SOA, a business dashboard can provide near real-time visibility into your chosen KPIs and metrics.

Dashboard evolution

Although dashboard solutions and approaches have been around for a while, what you can monitor with dashboards is growing rapidly. In essence, a business dashboard is a solution for measuring the effectiveness of business components. A state-of-the-art business dashboard solution will provide process visibility and the capabilities necessary for nontechnical users to manage, monitor and measure comprehensive business performance across all business components and to take corrective action to exception conditions.

Older style dashboards were inflexible and often not integrated with other systems, so they could not support the same level of performance insight, for a variety of reasons. For example, alerts about an issue were not sent directly to key stakeholders. Instead, they were often first sent to an executive, who then had to pass along the information to subordinates. Another shortcoming was infrequent data updates, which meant that employees often had to make decisions without timely information. Moreover, dashboards were not designed to integrate with different employee roles, limiting the dashboards' value.

Today's business dashboards can provide near real-time visibility into your chosen KPIs and metrics—financial or otherwise—when used with an SOA. (An SOA, which is described in greater detail later in this paper, is a breakthrough strategy that helps eliminate the distinction between your business processes and the technologies that enable them.) Business dashboards also provide greater flexibility, including the ability to direct information to individuals based on their job responsibilities. By providing this visibility and

Highlights

Business dashboards can help you and your employees manage key business metrics from a common source.

flexibility, business dashboards can help you and your employees manage key business metrics and goals from a common source. And with these capabilities, you can quickly recognize and visualize performance and process execution attributes, proactively work to correct adverse business events and potentially lessen their overall impact on your business.

Business dashboards, such as the one illustrated in Figure 1, enable you to specify the representation of informational views, which you can modify to adapt to changing targets and challenges. This specificity and control enables users to measure the performance of anything from a process to the overall business, depending on how the dashboard is configured.



Figure 1. A business dashboard user interface

Highlights

Business dashboard solutions can enable you to track relevant business activity, monitor inputs and trigger actions that address strategic and tactical requirements, and identify and address problems early to help save time and money.

Provide general users with visibility into information that is more relevant to their jobs, helping to improve decision making and overall organization performance.

Business dashboards: a stronger value proposition

State-of-the-art business dashboard solutions can provide a host of key process and performance management benefits. They enable you to keep track of relevant business activity, including operational performance and business process execution attributes. You can also monitor inputs to trigger actions that address both strategic and tactical requirements. And with access to current information, you can identify problems and take corrective actions, helping to save time and money.

Business dashboards provide an efficient and intuitive tool to communicate and refine overall organizational strategy among your company's key stakeholders. For example, by increasing stakeholders' visibility into operational performance and the business process execution environment, you can improve coordination and motivation among key players. At the same time, you can provide general users with visibility into information that is more relevant to their jobs, helping to improve decision making and overall organization performance, helping ultimately to reduce costs. Consistent, time-sensitive views of performance data make this possible.

The path to a successful business dashboard implementation

As discussed earlier in the paper, it is important to use a multiphase approach to optimize results from business dashboard implementations. The "assess and model," "design and build," "deploy" and "manage" phases are each explored in more detail in the following subsections, along with the reasons they are important.

Highlights

Aligning business and IT resources in the “assess and model” phase is critical to preventing costly and time-consuming miscues.

It is important to map information collection to your business metrics in the “design and build” phase, so you can make sure you have access to the data that tells you whether or not you are meeting business goals.

Assess and model

The most important first steps to the successful implementation of a business dashboard are to identify the KPIs and business metrics that should be monitored to meet business goals. And to determine whether what you are measuring and monitoring truly impacts the business. The completion of the “assess and model” phase fosters the alignment of business and IT resources, and helps prevent costly and time-consuming miscues.

Design and build

Once planning is complete, the next step is to create a specific, detailed business dashboard that is customized for your chosen KPIs and to integrate it with applications and data sources. Figure 2 illustrates a possible architecture approach. During this phase, you need to determine the software products and tools that are appropriate for your needs, identify which information sources you will use to collect KPIs, and design a user interface based on specific user roles and responsibilities. One of the biggest challenges in creating a business dashboard is finding the data that tells you whether or not you are meeting your business goals. As a result, a critical step is to map information collection to the business metrics. Careful preplanning will enable you to better define and then measure and enforce your policy while preparing your enterprise for the implementation of an SOA.

Highlights

The use of a layered approach to building business dashboards is important to create flexibility and to facilitate access to the various types of data required to measure KPIs and other business metrics.

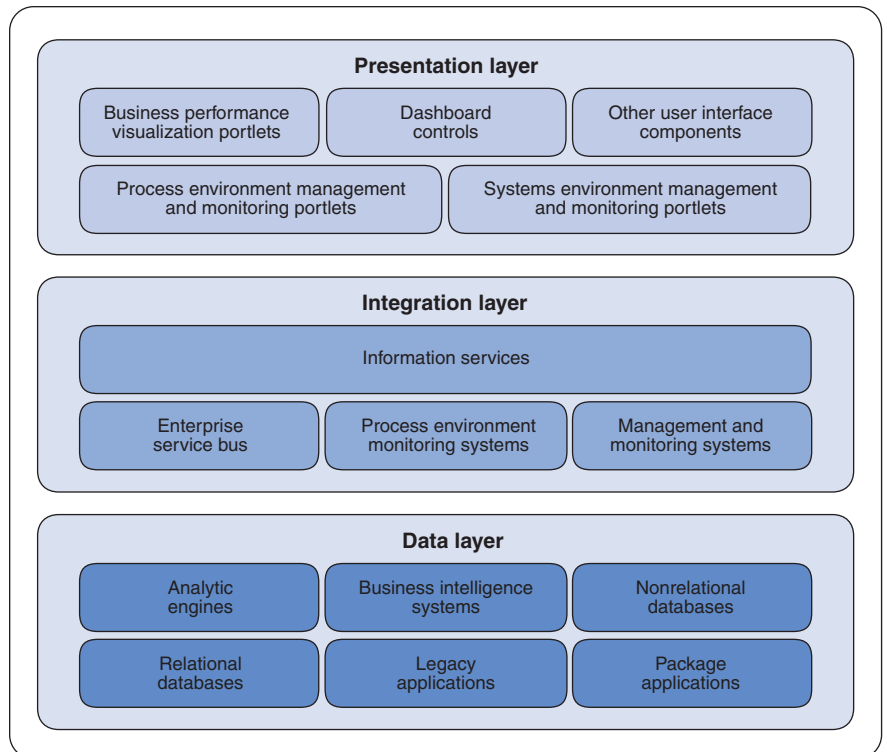


Figure 2. Business dashboard architectural vision

Deploy

In the deployment phase, you construct the physical environment and complete integration of information collections.

Highlights

Proper management is critical to ensure that the dashboard provides the right level of ongoing operational monitoring and verifies that applications meet specified business requirements.

The greater depth of insight gained from a business dashboard in an SOA environment can help you better determine if business strategies are paying off.

Manage

When your business dashboard is in place, management is critical to ensure the dashboard provides the right level of ongoing operational monitoring and verifies that applications meet specified business requirements. As part of ongoing management, you will need to modify dashboard settings based on users' changing roles and responsibilities. Proper oversight helps ensure that the business dashboard is proactively managed for optimal business value.

Combining business dashboards and an SOA to drive innovation

When used in conjunction with a service-oriented architecture, business dashboards can offer a deeper level of insight into your company. An SOA enables your IT department to become more flexible and responsive to strategic needs, which can subsequently increase overall business flexibility. Moreover, the depth of insight gained from a business dashboard in an SOA environment can help you better determine if business strategies are paying off and driving advantageous change.

A business-centric SOA breaks down the distinction between your business processes and the technologies that enable them, so you can implement individual business functions and processes called services, while leveraging your existing assets. The services are independent of the applications and computing platforms on which they run, so the services can be quickly adapted to business needs and combined in new ways. And new services can be added as business needs change. As a result, you can unleash innovation in your products and services, and throughout your entire business. And you can do it incrementally.

Highlights

An SOA can help you improve the functionality and flexibility of business dashboards.

A business dashboard used with an SOA can enable more effective governance of operations, to improve visibility into operations with near real-time views of business processes and IT.

Key SOA benefits

An SOA approach and business dashboards can combine to create powerful business capabilities. The SOA can help improve the functionality and flexibility of business dashboards, for example, by bringing targeted, near real-time information to the appropriate business professionals. Overall, a business-centric SOA approach delivers a host of benefits, including the following:

- ***Increased ability to meet market needs.*** Help the IT department more quickly and easily respond to business drivers. Shift the department from a function-oriented model that creates siloed applications for solving isolated problems to a flexible, process-oriented model that uses services that can be repurposed.
- ***Improved business alignment for growth.*** Tightly align business and IT processes across the enterprise to facilitate more efficient mergers and acquisitions.
- ***Reduced costs.*** Eliminate duplicate systems that tend to arise from mergers, acquisitions and siloed development models, to help drive down maintenance and support costs.
- ***Reduced business risk.*** Eliminate redundancies, to simplify and improve the quality of your business environment. At the same time, you can enable more effective governance of operations, to improve visibility into operations with near real-time views of business processes and IT.
- ***Lowered IT risk.*** Better understand the interdependencies between systems and data when considering change.

Highlights

IBM has the business knowledge and technical skills required for a successful start with and ongoing management of business dashboards.

Why IBM?

When you decide to deploy business dashboards, the first phase – assess and model – is the most important to understand and get right. IBM has the business knowledge and technical skills required for a successful start and for ongoing management. Our global team of business consultants has the core skills required to communicate with your business associates and gain insight into your critical requirements and business objectives. This deep business experience is matched with broad technical skills. The advantage of working with IBM to implement and manage your business dashboard is that you gain access to all the right skills when you need them. Moreover, we can provide industry-leading technology and an integrated global delivery process that promote the highest degree of quality. And with our global resources and technical capabilities, IBM can implement your business dashboard in a timely fashion for a competitive price.

Conclusion

As your company increases its focus on innovation, you will need to determine whether your efforts are paying off. With business dashboards, you can assess if your business strategies are improving your business. Because without clear direction and benchmarks – and an understanding of what is working and what is not – it’s difficult to realize innovation and the associated business benefits. So don’t wait to start charting and measuring your course toward innovation. Contact IBM today.



For more information

To learn more about business dashboards and IBM Global Services offerings, contact your IBM representative. For more information about IBM's approach to SOAs, visit:

ibm.com/soa

© IBM Corporation 2006

IBM Global Services
Route 100
Somers, NY 10589

Produced in the United States of America
06-06
All Rights Reserved

IBM and the IBM logo are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries or both.

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.