

# Get smart

How to capture key data and automate processes to boost profits **Interviewed by Kristen Hampshire**

**B**usiness intelligence is a top technology initiative today for most organizations.

The ability to immediately access data pertaining to finance and cost management, operational performance, and sales and marketing trends can improve a company's efficiency and give it a competitive edge. Ultimately, effective business intelligence can boost a company's bottom line.

"One of the biggest driving factors for business intelligence is the need to access information quickly to make fast decisions based on current market trends," says Dave Winkler, business intelligence practice leader at Brown Smith Wallace LLC. "Organizations need to turn all of the data they're collecting into usable information."

*Smart Business* spoke with Winkler about how companies can use business intelligence to harness their data to improve sales, cut costs and improve efficiency.



**Dave Winkler**  
Business intelligence practice leader  
Brown Smith Wallace LLC

## What is business intelligence?

Business intelligence (BI) includes the skills, processes, technologies, applications and practices that help support decision-making. It's a combination of applications and business processes that put critical information into the hands of business users so they can do their jobs more effectively and make faster, better decisions.

BI goes beyond standard weekly or monthly reporting on activities taking place within an organization to convert data into usable information for faster decision-making. Systems implemented in a BI initiative today typically provide key measurement criteria for managing your business more closely so you can act immediately when you see positive or negative trends.

## How can business intelligence improve a company's efficiency?

In the past, BI was regarded as a tool for top-level executives, but this is no longer the case. More businesses are immersing their entire organizations in BI so that employees at all levels can harness the power of information to perform their jobs more efficiently. This can translate into increasing sales, reducing downtime, improving operational effectiveness, cutting costs and improving the bottom line.

It is also a tool that can help streamline

processes. Now more than ever, businesses are seeking ways to cut the fat out of their organizations so they can compete in this tough economy and BI is a key tool that can help in doing this. Further, BI with scorecards can be implemented within work groups or departments to measure individual/group performance.

## How does a business begin evaluating what processes and/or data are essential to implement BI?

Typically, we examine the internal processing of an order for your product or service. This detailed examination generally reveals certain measurement criteria that equate to the efficiency of your business processes. Harnessing that information and turning it into performance criteria is the objective of a BI initiative. How can an organization make implementation of BI a smooth process?

Ultimately, a cultural change will take place as an organization adopts BI methodologies, so it's important to get buy-in at every level during the design process. For this reason, managers should reach out to employees and include them in the process. That way, everyone takes ownership and implementation becomes much easier and faster. BI is a tremendously useful tool

for all employees, so begin by developing department-oriented objectives for a BI solution as well as a companywide objective. Create key performance indicators (KPIs) for that department or perhaps individuals within the department. Create enterprise-wide KPIs. And, most importantly, design your BI solution to measure your performance against that objective. Following this approach, a BI system can make a profound impact on a business's operational improvements and cost management.

## What mistakes do companies make when implementing business intelligence?

Not allowing enough time to implement a BI system can contribute to failure. A business cannot expect to implement an enterprisewide solution in weeks. Again, the process must be taken step by step. Companies must invest the time to take inventory of existing systems and do some soul searching to uncover the organization's operational and data-collection weak spots before jumping into a solution. It's critical to tailor a solution, since no two companies will require the same BI system. Implementation can take as little as eight weeks or up to a year depending on the complexity of an organization. The best advice is to avoid rushing the process.

## How does a company measure its return on investment on a system that gathers business intelligence?

ROI is a key factor in any strategic decision. Especially in today's business environment, an organization must realize ROI for spending the time, expense and resources required to properly implement BI.

First, assess the cost of current business processes and compare those results with the cost of automating processes through BI. This comparison should be conducted across the organization in every area that will be touched by the BI initiative. Then, set key performance indicators on these targeted savings and measure when targets are reached. Essentially, the ROI a company realizes is dependent on the input/output equation: the more time and energy a company invests into proper implementation, the more benefit that business will discover. <<

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