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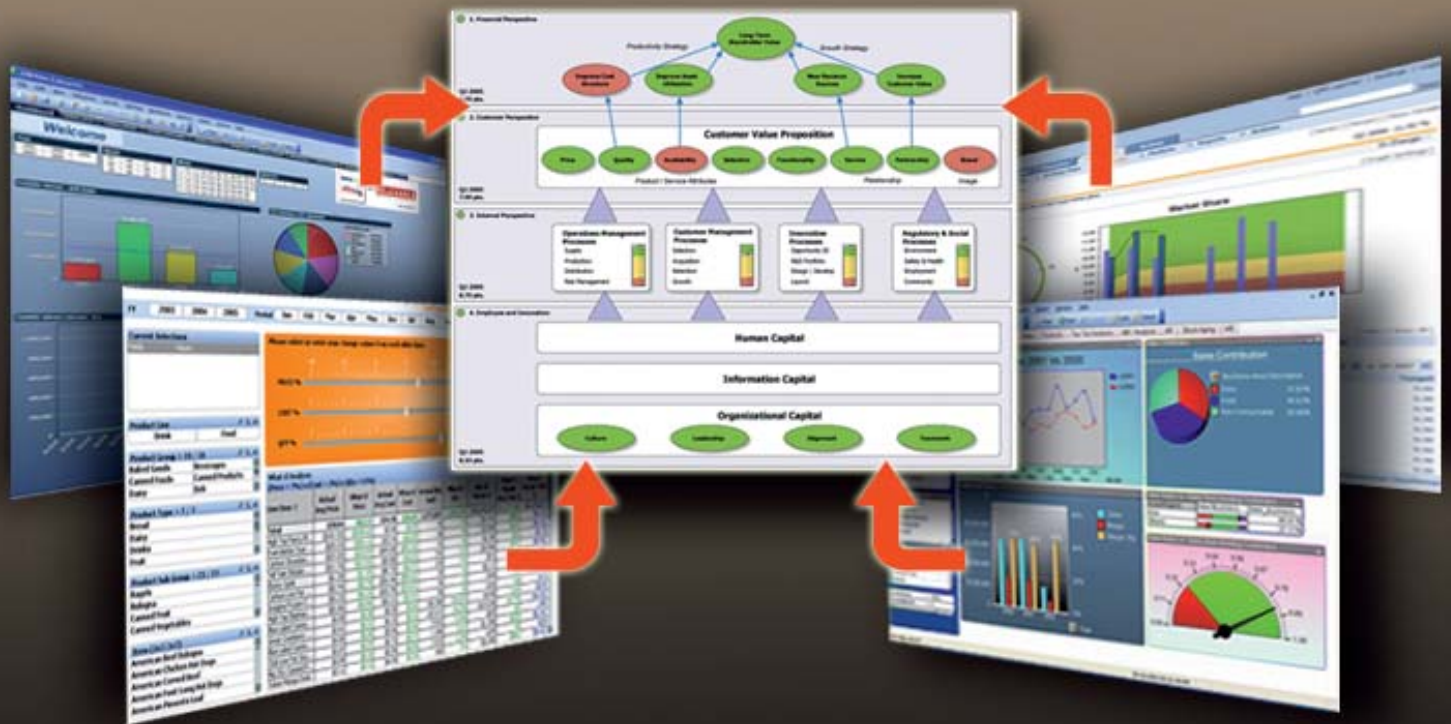QPR's Web Magazine   May 2007

QPR Software is **extending its product portfolio**

QPR

Quality. Processes. Results.

3 Read all about QPR FactView, the BI analysis tool that will allow you to create your truly ad-hoc analysis.

5 Discover how Skanska's management and reporting systems are supported by QPR tools.

7 Business process management is becoming more and more important for QPR and its customers.

8 Read how students at University of Bordeaux learn management methodologies through QPR products.

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QPR's Web Magazine   May 2007

Editorial

QPR Software decided to launch a bi-annual web magazine to keep you informed about the latest news, hottest features, and opinions in the QPR Community. We are proud of this small but weighty magazine and we hope that you will be as excited as we are about it.

In this issue we dedicate an article to QPR FactView, the latest addition to QPR's product portfolio and a new BI approach to complement our Corporate Performance Management Suite. You will get an overview of how Skanska, the construction company, has achieved a very successful implementation of QPR tools and we give you some tips on how to start working on your Business Process Management implementation in the story called "Where do I get started?". In the Academic Vision we bring you closer to a French University, and you will be able to read a white paper about Balanced Scorecard Assessments by an American QPR Partner in the section called Partner's Vision.

Welcome to the first issue of Vision, QPR's web magazine!

Natalia Gómez

Editor in Chief, natalia.gomez@qpr.com

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Introducing:

QPR FactView

By Martijn Iseger

> Providing your knowledge-workers with relevant and timely analytical information improves their ability for making quality decisions and improve corporate performance. Considering the traditional Business Intelligence (BI) model as too cumbersome to provide much needed data analysis flexibility, QPR opted for a new BI approach to complement its Corporate Performance Management Suite: Self-Service BI that empowers end users to be more independent.

Aiming to give users of QPR ScoreCard and QPR ProcessGuide better insight into operations and transactional data, QPR is strengthening its Corporate Performance Management solution with QPR FactView. Powerful analysis capabilities will improve the quality of your scorecard implementation, help in determining what you want to measure and provide you with a richer choice of measurement choices. Essentially, it facilitates the opportunity to evolve your scorecard better, a core requirement for ensuring it remains healthy. QPR FactView offers everything you would expect from a complete analysis solution – dashboards and alerts, multi-dimensional analyses, slice & dice of data – without the limitations, cost or complexity normally associated with traditional Business Intelligence solutions. A cornerstone of the QPR development roadmap is to produce rapid development solutions that customers can implement quickly and conveniently, and provide them with immediate benefits. QPR FactView is no different in this respect.

The BI Challenge

BI solutions have been around for decades and although many organizations have implemented them, most are regarded, well, rather unsuccessful. Most of the pain is caused by the complexity of changing business operations, data structures as well as the enormous effort and exceptional skills that implementing, managing and maintaining a BI system requires. A recent study, published in DM Review, a leading business intelligence publication, cited the average total implementation time for BI initiatives at a whopping 17 months, with 5 months to deploy the first usable analytic application. With an average of $12.8 million per implementation, the

> **Business users will love the speed and flexibility of QPR FactView as they are no longer dependent on the IT department providing them with new analytical possibilities.**

current BI solution approach is characterized by the mere 13% of implementations that are rated as "successful" by their owners.

The BI challenge, however, does not end with a successful implementation. Empowering your knowledge-workers with relevant and timely analytical information is likely to result in a demand for constant changes in the available data. Chances are therefore, that in case your BI implementation currently isn't part of the 87%, which are not rated a straightforward success, it soon might be.

Inherent to the problem with traditional BI is a concept that BI solution providers call the OLAP Cube. In short, an OLAP Cube is a set of pre-calculated results from queries that the IT department - generally responsible for the complex and time-consuming task of building the cubes – anticipated for users to submit. The rationale behind the OLAP Cube was to spare expensive memory and accommodate slow computer processing. Although a reasonable solution for the early days of BI, today, memory has become inexpensive and computers drastically more powerful. OLAP Cubes do not capture unanticipated queries, which in most organizations have a tendency of popping up continuously. In such an event it's all hands on deck in the IT department, who will scramble to construct new cubes, only to discover shortly after that, yes, even newer cubes are needed by the demanding end users.

For most organizations who wish accurate, on-time and relevant intelligence to support their performance management effort, traditional BI is causing a maintenance nightmare.

QPR FactView:
Ad-hoc Analysis in the Hands of the Business User

By taking a radically different approach to BI, QPR FactView allows business users to "self-service" themselves with truly ad-hoc analysis. It provides users with a data universe by connecting directly with a wide range of data sources like data warehouses, CRM and ERP systems, SQL databases and office applications via standard interfaces that include ODBC (Open Database Connectivity) and Web Services. This direct connection essentially gives the power of multidimensional analysis to every user, not just the highly trained few, and relieves IT departments from the complex and constant task of building pre-defined OLAP Cubes.

Facilitating self service to the business user requires ease of use, scalability and flexibility. QPR FactView provides business users with just one tool that combines analysis, reporting and ETL (Extract Transform Load) and is completely point-and-click driven, making it easy and enjoyable to use. Because QPR FactView operates in memory, it provides near instantaneous results, regardless whether the underlying data sources are lacking performance. Business users will love the speed and flexibility of QPR FactView as they are no longer dependent on the IT department providing them with new analytical possibilities. Introducing or enhancing a BI initiative in your organization has just become a "no brainer". QPR FactView empowers your knowledge workers toward better decisions faster and cheaper than any other BI solution.

For more information please contact Martijn Iseger at
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Skanska boosts its **operating system efficiency** through QPR

By Pirjo Salminen

> *Skanska is one of the world's leading construction groups with expertise in construction and development of commercial and residential projects. Currently, Skanska employs 56,000 personnel in Europe, USA and Latin America. The Skanska Group's parent company is listed on the Stockholm Stock Exchange and had a turnover of 13.6 billion euros in 2006. Skanska is currently using QPR tools to support their integrated management system, which includes quality, health and safety and evironmental system. In addition to that the QPR tools are used also for process and performance management as well as operational risk management.*

"QPR-based reporting has reduced our work volumes by a significant degree, especially in data acquisition and summary reporting. We are now using a single reporting tool and have ceased sending e-mails and faxes about reports. Instead, we receive all central indicator results from a single system that is used at the construction site level," says Quality Manager Riku Kolhonen from Skanska Residential Construction Finland.

Adopting a process-based system and construction process measurements

Skanska Finland decided to change its operating system into a process-based solution in 2002. The intention was to provide Skanska with a well-functioning system that enables quick and easy retrieval of the most recent real-time documents, spreadsheets and diagrams. The system was to be illustrative, allowing easy access between the various process levels.

A pilot phase was launched in April 2002 using QPR ProcessGuide. Special attention was paid to retaining the communication links' functionality at the construction sites.

In spring 2003, Skanska decided to implement QPR ScoreCard for construction process measurement purposes. At present, all of Skanska's core process measurements are based on the use of QPR ScoreCard.

A challenging strategic theme: zero workplace accidents

Skanska has risen to the challenge of the following strategic themes on a group-wide basis: zero construction site accidents, zero errors in project hand-over, zero ethical breaches, zero loss-making projects, zero environmental incidents, and zero delays in project hand-over.

"With the aid of the QPR ProcessGuide, we can easily access any required documents. QPR ProcessGuide makes process development and customer feedback exploitation extremely easy. Minor changes can be made quickly, and everything is extensively displayed in the QPR Portal on the Intranet. Our most recent application was to use the QPR ProcessGuide to describe developer contracts and risk management. In addition, our IT processes and financial management processes have been described by the QPR ProcessGuide," says Quality Manager Riku Kolhonen.

"The QPR ScoreCard system's advantages include its comprehensive scope, real-time functions and in-depth

> **QPR-based reporting has reduced our work volumes by a significant degree, especially in data acquisition and summary reporting.**
>
> **Riku Kolhonen, Quality Manager**

dimensions, that is access to various levels," adds Kolhonen. "QPR-based reporting has reduced our work volumes by a significant degree, especially in data acquisition and summary reporting. We are now using a single reporting tool and have ceased sending e-mails and faxes. Instead, we receive all central indicator results from a single system that is used at the construction site level. The system works continually on a real-time basis, which provides us with real-time information communication with all of our construction sites through ADSL connections on the Intranet. Workplace-specific result cards indicate each site's overall situation at a single glance."

Systematic occupational safety observations are an excellent extension to Skanska's operating system

The entire occupational safety reporting system from Skanska Oy is based on the QPR solution. Skanska Infra Oy, Skanska EMV Estonia, and Skanska Construction Machines Finland are also included in the occupational safety reporting system.

"Skanska's accident frequency, that is the number of accidents per one million working hours, has decreased over the past few years we are delighted to state. In 2004 we had 71 accidents and only 28 in 2006. Since things are now being measured, people pay more attention to them. All Skanska employees have undergone occupational safety card training," says Kolhonen. "The identification of any near accident situations enables us to rectify our operations and prevent forthcoming accidents from happening."

Reporting from construction sites has clearly become easier

With regards to construction site reports, Kolhonen states: "Reporting from the construction site level has clearly become easier. Currently, we have continuous access to the real-time situation. Previously, summaries were produced with long intervals between. This means that our current capacity to make decisions based on the information acquired is considerably better. Among other things, we are quickly informed of the situation concerning error-free project hand-overs."

Kolhonen continues: "Safety-related indicators are a central issue for us. Our statistics from this year include accidents and accident-related absences which last under and over 8 hours. These reports are produced every month and submitted to Skanska AB in Sweden. Our Safety Manager Antti Leino presented our reporting system at a Nordic meeting, and Skanska Oy's reporting system was considered as the best."

Future goals and objectives

Riku Kolhonen says that the QPR software packages play a central role in Skanska's monthly reporting. The economic indicators are undergoing further development. Skanska is going to conduct a new strategic review, and if new focal points are uncovered, the indicators will be changed accordingly. Skanska is currently testing QPR FactView, the new QPR analysis software package that analyzes data items that are based on indicator results.

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Business Process Management:
Where do I get started?

By Martijn Iseger
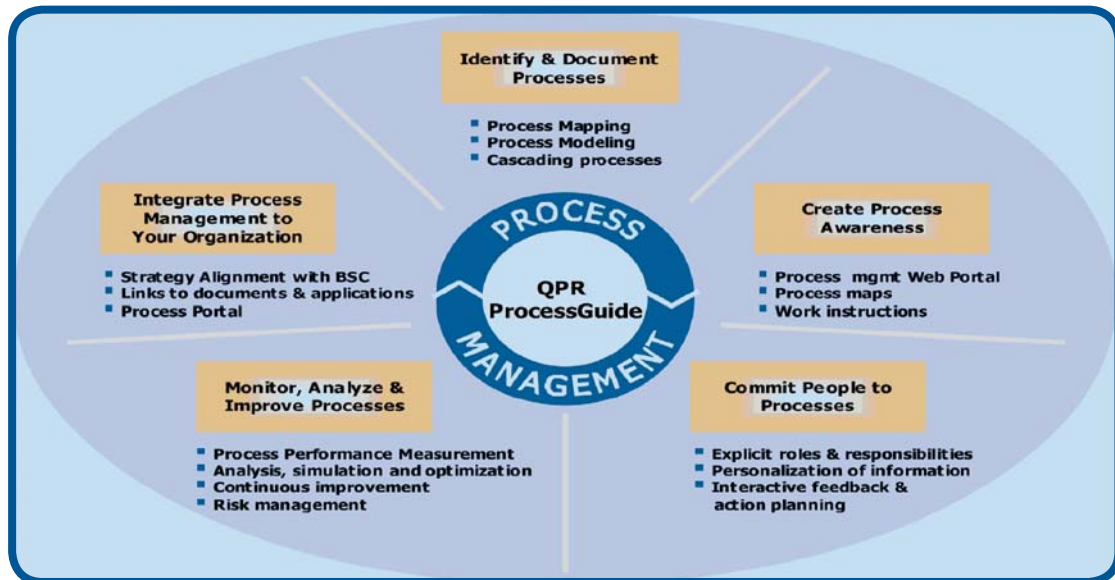
Organizations that seek to provide customers what they want and when they want it, in a most cost effective manner will attach a lot of value to Business Process Management (BPM). BPM, a management methodology that focuses on the management and development of value-creating processes, improves the effectiveness and visibility of business processes and adds focus, purpose and direction to the organization. Appropriately implemented, BPM provides a source for strategic competitive advantage as it reduces time-to-market and operating costs while improving quality.

Many businesses find it challenging to continuously reshape operations and improve performance in order to adapt to quickly arising opportunities. With many BPM-related management methodologies and frameworks such as Total Quality Management (TQM), Business Process Improvement (BPI) and Six Sigma relatively well known, the first question often is: Where do I get started?

Getting started with BPM involves gathering BPM knowledge and building up process-centric competence. BPM drives a fundamental change in organizations, shifting them from function-centric toward process-centric thinking and this is where the culprit lies: Managing and communicating the thousands of cross-functional processes of an organization is no easy feat. Using specifically designed software solutions (Business Process Management Systems, BPMS) can make implementing BPM much easier. Process design and development activities are eased by modeling software that helps to manage the complex, multi-leveled process models using graphical representations and to capture the detail associated with processes. BPMS include support for process monitoring and when used to set up process measures, collect data from multiple sources and produce reports, the software solution makes process monitoring very efficient and automatic.

BPM & QPR

QPR ProcessGuide is an interactive tool for planning, implementing, communicating and committing people to business process management. On top of being able to monitor, analyze and improve processes, with QPR ProcessGuide you can identify and document process, create process awareness, commit people to processes, integrate process management in your organization, and get results fast. The next issue of Vision magazine will demystify BPM and QPR's new focus in this area. Don't miss it!

For more information please contact Martijn Iseger at martijn.iseger@qpr.com

Academic's Vision QPR at the University of Bordeaux

By Stéphane Trébucq
Associate Professor, Accounting Department

Teaching how to improve organizational performance has become all the more a challenging task for our universities and institutes of research in management since courses need to follow the latest advances and innovations in tools and technologies. During the last twenty years, the University of Bordeaux has developed a competency in management control and internal audit and masters in this field for post graduated students and executives.

First experiences have been developed with activity-based costing tools. From an accounting education perspective, results have been impressive. Users of such solutions have been able to better understand how an information system could be designed and enhanced, and

how a management control method was really working from a practical point of view. Our alumni have also been hired by big listed companies and public administration in search of such profiles.

QPR ScoreCard and QPR ProcessGuide have been introduced in our academic program during this year, in January 2007. Our students have hence been able to better visualize how management tools could be not only interconnected but also improved.

The usage of QPR ScoreCard has also given a clear view of the opportunities in order to better present and distribute strategic and operational information.

First of all, QPR helps people to understand that a balanced scorecard is not a separate

tool. It is in fact connected to costing information systems and budgets. Perform-ance data coming from QPR ProcessGuide can also be introduced in the key indicators of the scorecard.

Secondly, QPR tools help management accounting learners or more experimented executives to realize how a modern information system can be designed and implemented. The possibility to send and answer to your colleagues within the QPR collaborative environment, provide the opportunity to feel how such tools can be powerful, and can change the way people share information and communicate in order to manage value creation.

Thirdly, the latest innovations of the scorecard research program developed by our

colleagues of the Harvard University can be demonstrated in QPR tools. The new tendencies, for example to achieve statistics and calculate correlations between indicators with time series, or to cascade the scorecard from the top management to all employees, can be easily shown with QPR.

Using QPR tools has been a challenging experience for our students and executives, with new opportunities for them to change the way companies manage their global perform-ance, processes, and wealth creation through modern information systems.

For more information please email Stéphane Trébucq at trebucq@u-bordeaux4.fr

Partner's Vision Balanced Scorecard Assessments, a White Paper by QPR Partner Visum Solutions, Inc.

Many Balanced Scorecard initiatives are failing to produce their promised value. Organizations that follow best practices, however, report dramatic performance improvement. In this White Paper, Robert G. Stephen

Sumner J. Schmiesing
Principal, Visum solutions, Inc.

and Sumner J. Schmiesing discuss a number of focus areas that can help you get your QPR ScoreCard initiative on track. A key area for improving the results of the Balanced Scorecard method is the strategy map. Creating concise strategy map involves management buy-in and will drive the construction of

relevant scorecards, which in-turn help transform QPR ScoreCard from a mere measurement to a management tool that will propel your organization forward.

Access the White Paper here:
http://www.visumsolutions.com/presentations/bsc_assessments.pdf

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