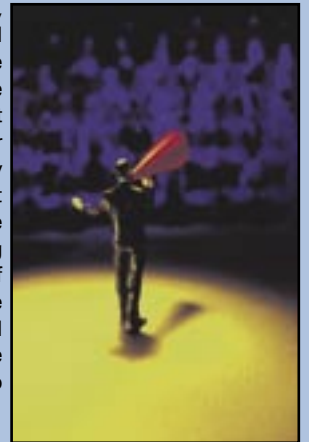


EDITORS LETTER

As we enter 2005 it's very difficult to believe that the Millenium is so far behind us!!! In the last 4 years, businesses have continued to both accelerate and change, largely driven by the changing economy post 9/11 and also the extensive use of the internet and WWW as additional trading arms to traditional businesses. These extensions have only sought to effect new challenges within companies. Specifically, to manage business process change, to ensure we are operationally cost effective and provide "the right product at the right time to the right market". Technology continues to increase the automation of processes and also increase the data assets which we hold within our businesses.

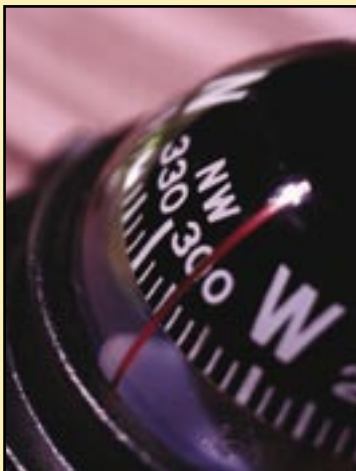
Companies which win in business will look to leverage the assets of the whole business, including investments into BI tools, and data – the term "sweating the assets" is over used, under valued and mis-understood in terms of how to execute on this in corporate terms.

To compete in the 21st century, the embracement of analytical applications and BI tools are fundamental to achieving these business goals, as a speed to effect positive business change, either in terms of operational efficiency or competitive edge. The 21st century is the information age and as we are moving headlong into business at the speed of light, we should look to embrace the challenge of applying BI technology for competitive edge or face the risk of losing out to more savvy competition.



"Industry trends for 2005"

Industry research is forecasting that analytical applications and BI tools will continue to be high profile in 2005. As investors in BI-based solutions, companies need to assess how these technology drivers could be applied for business benefit in their organisations. The 21st century is an information economy which will drive behaviour around data as well as traditional commercial trading behaviours. **visualmetrics** endeavours to assist its clients in making long term investments into information exploitation. The key areas of investment into these technologies, based on current industry jargon are:



- **Information democracy:** The continued adoption of BI tools, where employees at all levels have self-service access to the information which enables them to be more effective in their business roles
- **Unstructured data:** Being able to interact with text and non-text data to provide composite reports through BI and data mining tools
- **Predictive analytics:** Pre-built analytical applications which focus on key business areas such as Fraud Detection, & Sarbannes-Oxley compliance
- **Integration:** Real time access through BI products, using data integration tools (ETL) for timely and effective reporting
- **Standardisation:** Rationalisation of BI tools across the enterprise at the company level, to 1 or 2 BI products, rather than 5 -10+ BI products. Benefits include reduced licencing costs with a single vendor, accelerated roll-out of BI applications, improved cost savings on staffing and training, less effort spent on duplicate tasks such as product evaluation, software infrastructure, and employee product knowledge
- **Enterprise reporting:** Production and summary information driven by exploitation from both operation (ERP) and enterprise data warehouse-based databases
- **Business Intelligence Web Services:** These are software tools which are provided by the BI product vendors, and they allow you to develop customised intranet interfaces, integrating analytical applications and BI tools, through an SDK for leveraged business value
- **Data Asset Management:** An area of business focus where directors & executives recognise that data is of significant value, and this management responsibility is now worthy of an executive role. Data quality and data exploitation can add real £ value to businesses' financial performance if managed effectively.

From these general technology trends, there are key **business application areas** which will be high profile this year, including:

- | | |
|--------------------------------------|---------------------------------|
| • Fraud detection and prevention | • Transportation cost reduction |
| • Price optimisation | • Prospect up-selling |
| • Field service personnel deployment | • Personal performance tracking |
| • Customer issue resolution | • Portfolio risk reduction |

These areas of focus are driven by the opportunity to derive business value from BI technology. Investment in 2005 will be approximately 10% up on last year, compared to overall IT investments which will cap at about 5 – 6%. The total global expenditure on BI in 2004 was \$12.8bn with \$3.8bn in Western Europe. The majority of the investments were into BI tools to complement in-house IT skills, or pre-built analytical applications. Additionally, Dashboards and Scorecards will be areas of business drive and investment in 2005. The forecast is supported by the continued exponential growth in operational data, which is not being effectively analysed and reported on, to leverage business value.

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Importance of Engagement -- Getting the "full value" Savings of £1.25 Million for Food Giant

visualmetrics has a portfolio of business associates who offer complementary consulting skills and software products, which help **visualmetrics** clients optimise their investment into **visualmetrics** applications and associated BI products. Mill Hill Consultants provide a range of business improvement services and have been working with clients developing and implementing balanced scorecards since their foundation. In addition to working on the development of SLA's for IT outsourcing, they have been delivering low absence culture programmes and other improvement programmes such as Modern Manufacturing implementations, Value Engineering and implementing agile NPD processes across a wide range of sectors.

In a recent project with a division of a global food company, Mill Hill Consultants worked with the leadership team to develop top-level objectives for the company. The business driver was to deliver lowest cost manufacturing performance to allow the full business / brand value to be realised. Mill Hill Consultants worked with each product family team to develop quarterly objectives in the form of a balanced scorecard to deliver the annual targets and also supported many of the improvement activities identified through this process. In 2004 the business beat all

'This project was such a huge success because, not only were we able to identify ways of achieving significant cost reduction, but we were also able to work with the teams throughout the change process which resulted in outstanding results and has generated a real buzz in the business' says Simon Faulkner, Managing Director Mill Hill Consultants Ltd.

the "Big Goal" targets delivering the following headline benefits:

- Waste – a saving of £0.8 million
- Absence – reduced to under 3%
- Output – increased by 10%
- Consumer complaints reduced by 50%
- Safety record improved by 50%

This equates to a bottom line improvement of £1.25 million.

The most important component of delivering this major performance improvement has been the rigorous cascading of the objectives and enforced quarterly review of achievement. Using this business information, processes and procedures are tuned to assist

in securing enhanced business performance.

Mill Hill Consultants would welcome the opportunity to assist **visualmetrics** clients in identifying performance improvement initiatives, which can be delivered through scorecards and associated cultural change programmes. For more information please visit www.millhillconsultants.co.uk or email simon@millhillconsultants.co.uk.



There's more to life than BI: Gary Wilson & Heaton Mersey profile

Gary Wilson has been a Senior Consultant with **visualmetrics** for 6 years now. Away from work Gary is happily married to Jane living in Stockport, Cheshire. As a sports-nut his perennial passion is Lacrosse, which he has played from his school days, throughout his university career and continued into his professional life. Gary has played Lacrosse at International level for Great Britain, and has toured extensively. Heaton Mersey has been his club from his teenage years, and they have competed at the highest club level for more than a decade, winning many league and knock-out cups. As his sporting career comes towards its end, he has lost none of his competitive spirit, and because he has gained so much from Lacrosse, both social and sports-wise, he has decided to give a bit back by now becoming involved in the coaching side of Heaton Mersey, helping both the junior section and 1st team. The passion to develop another generation of socially competitive lunatics in the hard man's game of Lacrosse is the next challenge which Gary has set himself. To learn more about Lacrosse and Heaton Mersey, visit www.englishlacrosse.co.uk



jargon jungle

It is well recognised that IT, and specifically the area of Business Intelligence (BI) is full of jargon which can be mis-leading and mis-interpreted. In previous editions of 'visualmetrics news', we have featured 'Jargon Jungle' defining the terms that visualmetrics use, and believe are most business applicable, and of broadest demand within companies today. Here we feature two new additions. For a full 'Jargon Jungle' list, view previous editions of our newsletter on our website www.visualmetrics.co.uk

New Jargon

Enterprise Information Integration (EII) - which is a software development product which allows organisations to integrate data from disparate operational and data warehouse databases, to allow the organisation to deliver reports from these disparate data sources

Federated Query - which is the ability to deliver a single composite business report from disparate operational and data warehouse databases from a BI tool such as ReportNet.

Note: the ability to execute a single report from this mixed database environment is conditional on the appropriate level of indexing specifically on operational databases, to ensure data relationships and query performance is acceptable.

"What's been happening at visualmetrics?"

As **visualmetrics** grows and develops, we continue to focus in being an analytical applications and information integration company, with a core competency in associated BI and database products. We will always invest in being knowledgeable on core database and BI products, to ensure that **visualmetrics** is recognised as being a progressive software company which provides both analytical applications and custom built solutions to reporting problems. Knowledgeable and appropriate advice is key for customer investments.

There is a continuous financial investment into people, processes, and products ensuring **visualmetrics** keep abreast of both client and

employee demands alike. Both are important to the ongoing success of **visualmetrics**. The most important element of **visualmetrics** is the investment in, and relationship with clients across their broad range of reporting needs, and, as such, regular business reviews ensure that clients are maximising the investment they have made into **visualmetrics** and associated BI tools. Examples of this have been our recent training investment into both BO XI from Business Objects and ReportNet from Cognos, to ensure we are at the leading edge of these market leading BI tools.

As business momentum continues to increase at a pace, our clients will see an extension of capability of **visualmetrics** due to our skills and

knowledge in pre-built analytical applications. These will be both detailed on our new web site in the spring of 2005 and via our **visualmetrics** collateral which is downloadable now from the current web site in both WORD and PDF format. **visualmetrics** continues to invest and focus on core analytical applications which are relevant and specialised to our clients needs. These analytical applications include Financial, Sales, Logistics, HR, Call Centre & Property-based reporting. This, in conjunction with our DRIVE project delivery methodology will allow **visualmetrics** and its clients to deliver complete projects in reduced time, minimising business disruption.

CASE STUDY

Ashworth Mairs: Business Intelligence in action

Ashworth Mairs is one of the most successful firms of International Loss Adjusters, Surveyors and Engineers to emerge in the UK in the last 50 years, delivering competitive advantage, innovation and breakthrough performance with strategic partners across the globe. Having enjoyed rapid expansion since its foundation in 1992, Ashworth Mairs Group (AMG) identified that future growth would be dependent upon delivering additional value to clients. The company defined several key business objectives encompassing the delivery of flexible client solutions, exploiting e-commerce, eliminating waste and reducing claims spend. AMG believed that the delivery of high quality, fast management information was key to achieving these goals, with specific focus on three areas: General Claims Management, Project Management and Predictive Modeling. In addition to providing clients with timely customer driven, summary and detailed views of claims management activity, AMG also wanted to leverage its management information to analyse the risk inherent in subsidence claims to attain further competitive advantage.

AMG commissioned **visualmetrics** to design and implement a business intelligence solution. The company proposed the development of a datamart in Microsoft SQL Server that would capture data from AMG's head office operational claims management systems, and case information from regional offices. The solution was also designed to support real-time population of data for situations that required immediate access to claims status. AMG staff and clients across 40 offices have secure access to information within the datamart via Business Objects InfoView web portal which provides a consolidated view of reports created using WebIntelligence from Business Objects. Employees can access and analyse information through the company intranet and AMG clients log-on to a secure extranet which provides personalised reports that are also integrated with MS Word based Summary Claim Information.

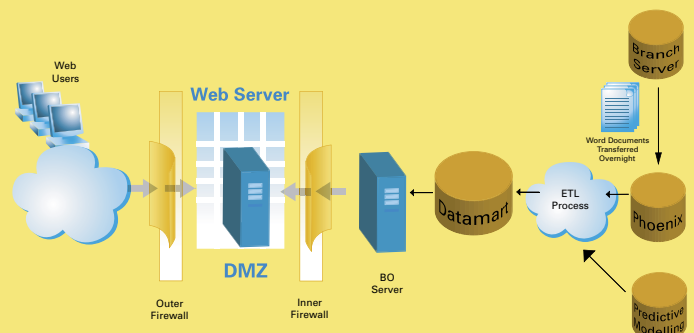
AMG plans to extend its use of business intelligence to cover other internal reporting requirements including finance and key operational performance indicators, increasing the user base to several hundred. Clients can now easily track the progress of claims and produce their own analysis of claims management without assistance from AMG resources. Clients who use AMG for the majority of their cases are now also benefiting from a reduced demand for supplementary internal analysis.

The ability of internal AMG users to define and produce their own reports has speeded up decision making and reduced operational costs. Further cost savings have been achieved by

removing the collating, screening and interpreting of reports for the business and through the use of electronic report distribution, reducing the need for multiple hard copy storage. This has also improved the retrieval time for old reports.

Operationally, client managers gain immediate insight on General Claims performance indicators and the status of individual claims. The overall health of the business can now be assessed and, where necessary, policy or strategy reviewed and remedial action on specific issues initiated. Immediate and accurate claim progress information is enabling Project Managers to maximise their contribution. Operational issues can be quickly identified and timely and correct action taken, so reducing cost.

"Business Objects business intelligence solutions provide both AMG users and each of our clients with self-service, analytical and an on-demand view of the status of all claims business. This is providing us with the competitive advantage that will significantly support our expansion," says David Mairs.



"**visualmetrics** has developed a consolidated management information system that not only enables AMG to meet its corporate objectives of enhanced client services but will also support improved internal management and control" says Chris Coan, Sales Director, **visualmetrics**. "**visualmetrics** recommended a flexible design methodology for the data warehouse and deployment of Business Objects software, ensuring the scope of the solution can be extended in the future to meet the diverse reporting needs of both clients and AMG group companies," says Donna Griffiths.

Business Partner Developments

visualmetrics are delighted to announce the formalisation of their most recent application vendor partnership. Cincom Systems (UK) Ltd and **visualmetrics** have signed a Co-Operative Marketing Agreement, which will enhance and extend both companies' solution portfolio. Cincom is an independent organisation and has been providing business solutions for over 35 years, and has built its reputation on delivering best of breed solutions to meet business challenges in both the manufacturing and financial services industries. By partnering with **visualmetrics**, Cincom will be able to deliver additional benefits of pre-built analytical applications that specifically address business issues in the Financial and Contact Centre reporting area. **visualmetrics'** broad knowledge of BI tools will also assist both organisations in satisfying the wide range of clients technical and business requirements.

As the BI market continues to develop, there are both new technologies which are emerging such as EII (see Jargon Jungle), as well as new product developments from the mainstream BI vendors.

Cognos has recently invested into an EII vendor called Composite software. The extent of the investment is defined at two levels. They have financially invested \$2.4m into a minority share of the business, and have undertaken a technology investment, which means they have OEM'd the product within ReportNet. The product enhancement will be a standard component of ReportNet at no additional cost. For more information look at www.cognos.com or contact **visualmetrics** on info@visualmetrics.co.uk

Cognos also acquired a Scandinavian application company called Frango in the late summer of 2004, to add additional functional weight to the previous acquisition of Adaytum. The Frango acquisition adds a financial planning module to the financial budgeting module which



Adaytum brought. As with Adaytum, Cognos have both re-branded the product as Cognos Controller, and enhanced the functionality by integrating their core BI products into the module. For more information look at www.cognos.com

Business Objects have recognised that, with the acquisition of Crystal Decisions, they have a best in class enterprise reporting engine. This has been traditionally applied against both ERP and Enterprise Data Warehouses. One of the functional deficiencies was perceived to be the ability to integrate data from multiple sources into a single report. With the use of an associated product from BO called Data Intergrator, BO have enhanced the functionality for enterprise reporting in Crystal V10 and BO XI. For more information look at www.businessobjects.com or contact **visualmetrics** on info@visualmetrics.co.uk

Business Objects have continued with their well publicised integration of the traditional BO product with Crystal Decisions with BO version XI. This enhancement and integration of the most functional components of both product lines, brings together the BO Universe and Webi technology with the highly scalable Crystal Decisions enterprise reporting server. There is a well defined technical and licencing migration to BO version XI. For more information look at www.businessobjects.com or contact **visualmetrics** on info@visualmetrics.co.uk

visualmetrics attended their first ever Business Objects User Group (BOUG) as a vendor, in London recently, and have committed to the next series of BOUG meetings. **visualmetrics** see these events as both a commitment to our vendor partnership with BO, along with continued contacts with our clients, plus the opportunity to expand on some of the business and technical areas of excellence we have, from which other BO customers can gain knowledge.

“our business partners”

To achieve its business objectives of being a premier organisation in the delivery of Analytical Applications, which derive business value for its clients, **visualmetrics** recognises the need to have a range of business partners who fall into three distinct categories:

○ **Product vendors** who develop industry leading BI tools & BI suites. These are core components of the applications which **visualmetrics** already has, or will develop for custom specific reasons.



○ **Application vendors** who have market leading operational applications, in chosen business sectors & operational areas. Their clients have requirements for information analysis, which is satisfied by the applications and consulting services of **visualmetrics**.



○ **Consulting partners** who are recognised industry experts in management consulting, and technical consulting areas.



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NEWSLETTER

Featured in the next edition will be an article on 'Activity Based Costing'.

If you do not wish to receive future issues of the Newsletter, or you know of someone who would also benefit from receiving it, please email your request to: newsletter@visualmetrics.co.uk.

If you have any other comments relating to the Newsletter, please address them to the Editor at newsletter@visualmetrics.co.uk.