



visualcontract | metrics management for contract service provision

About visualmetrics

visualmetrics is a Business Intelligence (BI) solutions provider that develops and delivers best of breed Analytical Applications, utilising BI tools, to its focus markets. Based in Chester, with an annual turnover approaching €4 million, **visualmetrics** also offers consultancy services to construct custom applications tailored to a client's specific requirements.

visualmetrics has developed specialist project methodologies for the delivery of its solutions - **DRIVE** for custom Analytical Applications and an accelerated form, **@DRIVE**, for standard applications. These services span the full application life cycle from functional specification to application support and enhancement, ensuring that project risk is managed and ROI is maximised.

visualmetrics maintains partnerships with leading product, application and service partners in the BI market. **visualmetrics** sees its value not only in assisting its customers to exploit data as information on which to base decisions, but as intelligence to promote insight into businesses performance.

Our clients include market leaders such as DHL, Unipart, Balfour Beatty Utilities, Places for People, Travelex and CIPD.

visualmetrics has developed a suite of Analytical Applications, based on their length and breadth of industry and technical experience.

- **visualaffinity** for contact centres
- **visualperformance** for sales
- **visuallogistics** for logistics
- **visualrevenue** for finance
- **visualintellect** for human resources
- **visualavenue** for property portfolio management
- **visualintegrator** the engine to automate the data delivery

Executive Summary

visualcontract is a solution developed for the financial management of contracts in the Utilities, Construction and Engineering sector. It presents graphically and visually the Key Performance Indicators (KPIs) by which multi threaded, geographically spread contracts can be managed effectively and profitably. Such KPIs include Sales, various Direct Costs, Purchases, Sub contract costs, and the costs of Waste, Plant, Fuel and Communications amongst others. These are reported against the business's specific management structure, for example profit group, management group, contract, cost centre and work group. The solution is delivered through a combination of dashboard, exception based highlighting and alerts which give real-time response to business critical situations. **visualmetrics** has also developed a rapid implementation methodology, **@DRIVE**, which de-risks the implementation and provides a fast Return on Investment (ROI). This application can be deployed across relevant management interest groups within the organisation to ensure that '**exceptional answers**' are given to '**critical questions**' of contract service performance.

Business and Operational Scenario

The Utilities, Construction or Engineering sectors have seen major changes in recent years with organisations concentrating their skills and resources on those products and services which they do best, and being increasingly prepared to outsource the delivery of ancillary services to key business partners. These are strategic relationships with long term contractual commitments, rewards as well as penalties. Success for the service provider depends in large part on the ability to measure performance on an on-going basis, identify deviation from plan, take remedial action where necessary, and share information with the client. This requires a Performance Management solution which can deliver KPI information on all service activities and report them to the right people in the right timeframe.

visualcontract has been developed using best of breed BI software. Using business knowledge of the service provision industry **visualcontract** brings a contract Performance Management solution that delivers fact based decision making.

visualcontract is designed to help major contract service providers meet these expectations, and it integrates with existing operational and financial applications, analysing data to provide answers to questions including:

- What are my total costs by contract, area or cost element?
- Where are the cost variances by service type, area or work group?
- Which of my subcontractors are missing performance targets?
- What is the period to date margin performance against plan by contract?
- Are there any predicted service bottlenecks?

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Application Overview

visualcontract offers multiple views of service provision data, allowing analysis of actual vs budget contract performance to be measured and risk identified. It does this by delivering KPIs from a Data Warehouse integrated with the operational applications that the business uses for daily processing including General Ledger, Sales Ledger, Purchase Ledger, WMS, HR and Project Management & Maintenance. The data feeds into the Data Warehouse reflect the organisations operational application configuration.

visualcontract is a set of measures & metrics which allows business performance (KPIs) to be monitored, including:

- Sales
- Purchases
- Plant
- Payroll
- Labour
- Communications
- Waste management
- Damages
- Fuel
- Sub Contract
- Miscellaneous
- Budgets

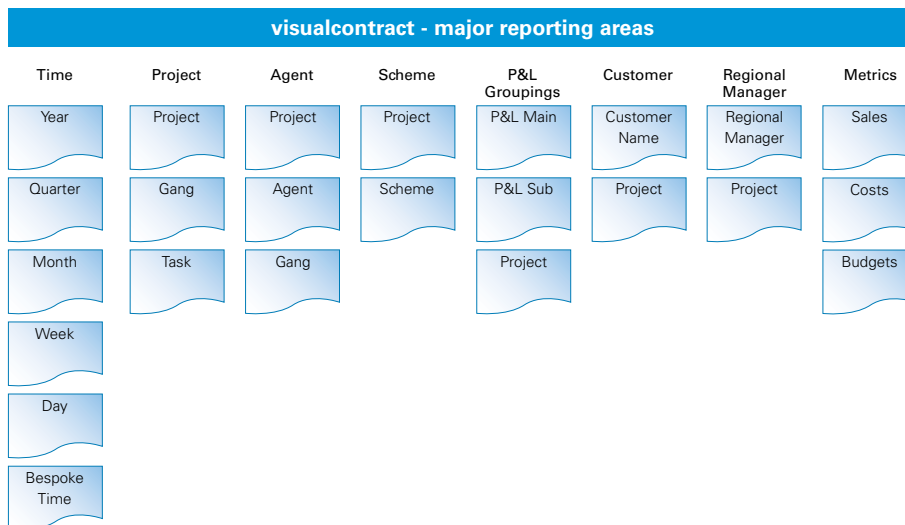
visualcontract can be customised to reflect the businesses KPI structure and could include :-

- P&L Main Group
- P&L Sub Group
- Area
- Agent
- Work Group

Data is extracted using **visualintegrator**, that integrates with the operational applications.

Bespoke reports are created to meet specific needs.

visualcontract delivers a pictorial overview, to detailed analysis of accurate data. Dashboards are used to measure KPIs, and traffic lights provide status of performance against plan. Knowledge-workers can then identify and tackle hurdles to progress and plan remedial or improvement programs. For added security, individual profiles can be built within **visualcontract** to ensure that users can only access information relevant to themselves.



Features and Benefits - Business Effectiveness

visualcontract enables service providers to deliver an improved service to their clients by being much better informed on contract financial performance. Key KPI reports include:-

- **Profit and Loss** - Area costs are aggregated by Profit and Loss Sub Groups and Main Group.
- **Division and Contract** - Area costs are aggregated by Contract, Contract Manager and Division.
- **Contract** - Area costs are aggregated by Contract.
- **Department** - Area costs are aggregated by Department and reported as Budget v. Actual.
- **Contract, Agent and Work Group** - Costs by Area, Agent and Work Group are aggregated.

Information Integrity

The process for loading data into the Data Warehouse enforces controls on the checking and validation of data and removes the need for manual manipulation. The result is accurate and unambiguous information being made available to the business.

Relevance of Information

The detail of information is now focused on the precise needs of the user. Divisional controllers take a high level summary view with the ability to drill down to the underlying detail for exceptions. Contract Managers get reports at Contract level with the capability to perform detailed analysis directly at Agent or Work Group Level.

Independence of Users

The availability of information to all users at the same time means that decision makers can react quickly to any performance issues suggested by the reporting. They are now in a position to respond to queries speedily and clearly.

Ease of Use

Interactive reporting allows users to independently manage their own custom built analysis reporting. The reporting

software also allows them to apply formatting such as background colours, font size, headings etc. Templates that have pre-defined backgrounds and fonts give reports a standard look and feel.

System automation

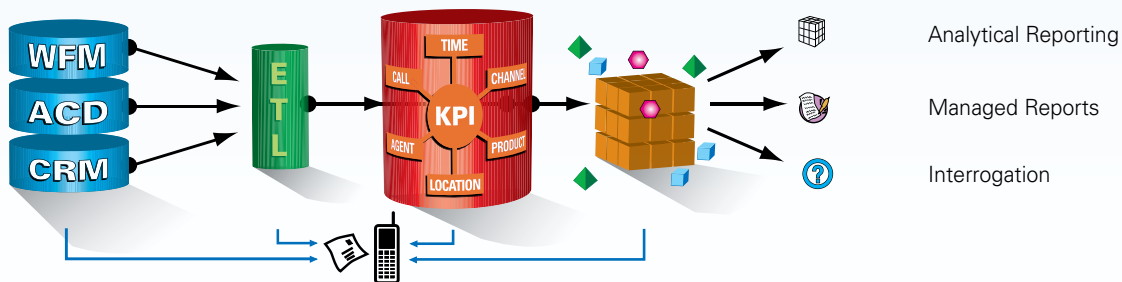
Through automating the supply chain of information from operational applications to final business reporting visualcontract delivers a fast, reliable and robust means of managing the business. The process of KPI reporting is robust and electronic report distribution via a web browser means faster delivery of information to the desktop. By defining groups of users, information availability can be restricted to the relevant level of authority within the organisation.

System scalability

The flexible design for the Data Warehouse and ETL feeds delivers a solution that can easily be switched from legacy to new applications, and allows for extension of reporting requirements.

Technical Architecture visualcontract is built from a number of technical components.

visualintegrator, extracts, transforms and loads data from the underlying operational applications into a Data Warehouse. **visualintegrator** has been developed by **visualmetrics** to automate these processes and provide a robust and flexible method of refreshing the Data Warehouse without disruption to the operational applications. This enables a de-risked implementation with a faster time to benefit. Dependent upon the database technology chosen, visualintegrator will deploy either SSIS for Microsoft SQL/Server for loading into Microsoft SQL/Server database environment, or alternatively PL/SQL and SQL+ into an Oracle environment. The frequency of these data refreshes is determined by business demand, and can operate in a real time environment, if required. The ETL mechanism that refreshes the Data Warehouse is designed to integrate with the operational applications.

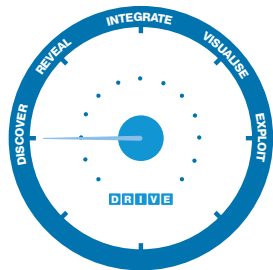


Overnight batch processes consume large amounts of processing time, so **visualintegrator** uses a "smash and grab" feature to reduce the impact on the batch schedule by minimising the data extraction time by performing an optimised extraction to a work in progress database. Once complete the operational applications are released, and **visualintegrator** continues by aggregating and populating the Data Warehouse from the work in progress database. **visualcontract** has been developed using BI software and is maintained to be compliant with the latest version of BI

software. Security features cover report distribution and user class based access. Alerts indicating exceptional conditions can be pro-actively triggered within the application, sending an electronic communication to relevant parties via appropriate devices such as SMS, Pager, Email, etc. The most efficient report distribution strategy is determined as part of the @DRIVE implementation process, utilizing the functionality of the BI toolset.

DRIVE Implementation Methodology

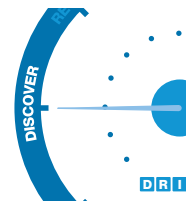
A customer chooses a standard application because it brings the benefit of a tried and tested solution, reduced project risk, and a lower product and implementation cost. This results in faster exploitation of value and stronger ROI to the business.



While a standard Analytical Application removes the traditional need for highly detailed functional analysis, it does not take away the key need of ensuring that the solution is implemented in such a way that it properly supports the business process. As the standard Analytical Application may not exactly fit the detailed needs of the customer, there may be a need to modify functionality to meet individual businesses' operational needs.

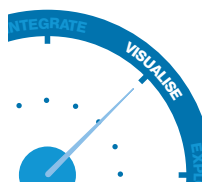
With this in mind **visualmetrics** developed an accelerated form of its **DRIVE** project methodology to implement standard Analytical Applications. We call this **@DRIVE** (Discover Reveal Integrate Visualise Exploit).

The objective of the **Discover** phase is to uncover the changes needed to achieve a full alignment of the Analytical Application with the customers' Methods. This includes any organisational and process changes the customer needs to consider as well as functional and technical modifications needed to the standard Analytical Application. The analysis will include functions across the business which contribute to, or benefit from the solution. This is a customer dependant process, driven by **visualmetrics** with assistance from the client.



In the **Reveal** phase, documented functional and technical modifications are fed back to the customer. Through this, an optimum solution is identified, and a list of organisational, functional and technical application changes are defined and agreed. Responsibilities, sponsorship and commitments are understood, and the project is launched from feasibility into execution. This activity is jointly carried out by the customer and **visualmetrics**.

Having understood fully how the organisation can make best use of the technology investment, the next task is to **Integrate** the Analytical Application with the existing operational applications and configure it for best use. This work, which includes engineering any programming modifications, is delivered almost exclusively by **visualmetrics**. Through this we automate the delivery of information into the Analytical Application from the operational applications, a process we call the Information Supply Chain.



Training and roll-out of the Analytical Application to the users takes place during the **Visualise** phase. It is now that the information delivered by the solution becomes visible to the broad base of users for the first time. **visualmetrics** assists the customer's internal project team during this phase to ensure maximum knowledge transfer.

Exploit is the post implementation phase where benefit and value is driven out of the solution. It is a process primarily run by the customer's project team as it seeks to ensure that the targets set, which have been set, are achieved, and ROI realised. **visualmetrics** acts in a secondary reference and support role as the Analytical Application beds in, and familiarity with it grows.



To derive benefit from the investment, the focus of the implementation must be on ensuring full alignment of the application to the improved business process. **DRIVE** is first and foremost about business process improvement. It is more than solely a technical implementation. While the scope of **DRIVE** is focused on fast and cost effective support from project initiation to implementation, at **visualmetrics** we recognise that Methods inevitably change over time as market conditions and internal procedures change. As new methods diverge from the initial configuration of the application, degradation of benefits takes place. We therefore complement the **DRIVE** service with the **visualsupport** service which maintains the maximum business benefit over the lifetime of the application.

visualmetrics Glossary

Analytical Application: a pre-built application using a BI toolset and based upon a domain of data, which allows an organisation to track, monitor and effect business performance through analysis of its Metrics.

Business Intelligence (BI): software tools from companies such as Cognos and Business Objects which are employed in the overall delivery of CPM based solutions and Analytical Applications.

Corporate Performance Management (CPM): the process of understanding and effecting the quality of an organisation's performance, based upon the interplay of BI, Metrics and Methods (also otherwise known as BPM: Business Performance Management or EPM: Enterprise Performance Management).

Data Warehouse: an off line database, which retains all the aggregated and restructured data that delivers the CPM solution through an Analytical Application.

Information Supply Chain: a suite of software programmes which automates the time based and selective extraction, transformation and loading of relevant data for reporting purposes, into the Data Warehouse.

Methods: the process that an organisation employs to fulfil its operational activity. When qualified by Metrics and reported via a BI tool set the results are used to meet CPM objectives.

Metrics: business measures which are quantifiable, including their associated business rules, (also otherwise known as KPIs: Key Performance Indicators).

Reporting: a broadly generic term which includes Business Intelligence, Analytical Applications, Business Performance Management and Key Performance Indicators.

Balanced Scorecard: a management system that enables organisations to clarify their vision and strategy and translate them into action. It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. It retains traditional financial measures to assist in creating future value through investment in customers, suppliers, employees, processes, technology, and innovation.