

## Hosted Business Intelligence for Small-Medium Businesses

*Hosted Business Intelligence is an exciting new option that allows small-to-medium businesses to obtain high-value dashboard, reporting, and analytics capabilities.*

Hosted Business Intelligence delivers robust capabilities to small and medium sized business (SMBs) that lack the I.T. infrastructure and budget for traditional reporting tools, but still have the need to put critical business information in the hands of decision makers. Historically, these companies have faced a difficult decision between expensive and risky business intelligence projects or complicated homegrown solutions. With the advent of new hosted reporting offerings, small-to-medium enterprises now have an option that may meet the majority of their requirements at a fraction of the cost.

### Challenge

SMB's encounter many of the same challenges as larger companies in 'unlocking' information from the data they collect, yet lack cost-effective solutions. Some challenges they encounter include:

- Data is collected and stored in multiple systems, requiring users to access different systems to get the information they need. Worse, often it is difficult to see relationships between activities that may be occurring in one department that effect another.
- Users that can most benefit from information often lack timely access and are unable to take action as a result.
- Management cannot quickly identify opportunities or challenges, as they receive reports on a monthly or quarterly basis. They must often also rely on an analyst to slice and dice data to uncover relationships or identify problem areas.

Information Technology management, when presented with these problems, quickly discover that traditional business intelligence tools require significant development resources, high capital costs, and risk. Often, even packages tailored to SMB's cost tens-of-thousands of dollars in licenses alone. As a result, SMB's end up relying on multi-purpose tools such as Microsoft Excel and custom developed applications to meet their needs.

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## Solution: Hosted Business Intelligence

Hosted Business Intelligence addresses these problems by providing a pre-built solution that addresses management needs quickly and easily.

Data is collected from the different sources where it resides, such as customer relationship management (CRM) software, Accounting software, and distribution/fulfillment partners. Once the data is identified, it is mapped into the hosted system and a refresh rate is set to make sure the information is current. Users are then created and assigned rights that dictate what portion of the data they can see so that each user sees only what is relevant to them.

While the term 'Hosted Business Intelligence' may convey many types of functionality, typical high-impact capabilities include Dashboards, Reporting, and Analytics.

**Dashboards:** Dashboards provide decision makers with a graphical view of performance to help quickly identify opportunity and challenges. They provide a pro-active way of communicating information and trends that might be difficult to see with standard tabular reports. They also help keep all users aligned with key objects by emphasizing the importance of key metrics that reflect strategic goals.

**Reporting:** Standard tabular reports are necessary for looking at large volumes of data and tracking performance. Most hosted business intelligence applications will come pre-built with hundreds to start and provide the ability to modify and create custom reports that reflect your business.

**Analytics:** Most solutions will provide some capabilities that allow a user to manipulate the data to obtain the answers to specific questions. This can range from drill-down options in dashboards and reports, to more sophisticated forecasting and calculations. Once initially configured, your users will be able to login through a secure web-site, from any Internet connection, and gain immediate access to important business information.

## How Companies use Hosted Business Intelligence

### *Example: Sales Organization*

**Challenge:** A sales organization needed the ability to quickly and easily communicate sales and activity information to the field, but not overload them with hundreds of reports from multiple sources. Furthermore, while sales people only wanted basic account and sales information, sales management wanted to the ability to slice-and-dice the information to uncover trends and better direct their team.

**Solution:** A Hosted Business Intelligence solution brought together sales and activity data from multiple sources and made it accessible to the entire team. Managers had their own role which presented them with a customized Dashboard reflecting metrics that they cared about and more advanced analytics tools, while sales people had their own dashboard and basic reports. Information was updated daily, so sales people could check which orders were placed in the prior day and help guide their call plan.

### *Example: Subscription Service*

**Challenge:** Communicate sales information to external stakeholders and track progress to goals.

**Solution:** Logins were provided to external users so they could track sales performance 'on-demand' without having to request custom reports. Stakeholders always understood how the company was tracking to goals without having to query management. Frequently emailed and quickly out-of-date excel spreadsheets were eliminated and administrative time was saved.

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## Questions to Ask When Considering Hosted Business Intelligence

### *Primary Audience: Analysts/Managers/Executives?*

In considering a hosted business intelligence solution, it is important to understand the primary audience and needs of the application.

Some systems are designed more for analysts or narrow functional areas and contain sophisticated tools for analyzing large data sets or tracking a specific issue, but may also require significant training requirements. Depending on the actual number of users expected to perform this level of complex analysis, traditional tools may meet more of the requirements.

For SMB's looking for a simpler solution that is more business friendly, Hosted Business Intelligence often provides out-of-the-box reporting and dashboards that communicate sales, and activity information cleanly and easily.

### *Build or Buy?*

Depending on the level of customization required, a Hosted Business Intelligence solution may meet the majority of the requirements. Be sure to understand what unique requirements and how these will be accommodated.

### *Level of Complexity?*

Hosted Business Intelligence projects vary from a hundreds of dollars a year to many hundreds of thousands of dollars a year. Understanding the needs up front (types of information, number of users, and degree of customization) will help the evaluation process. In the early stages of a project, it may make sense to work with a vendor that offers flexible per-user pricing to allow for incremental growth and enhancements.

## Summary

For SMB's, hosted business intelligence represent a new option to satisfy the need for real-time access to important business information. With limited I.T. requirements, competitive pricing, and the high value features demanded by management - hosted offerings are likely to be the only real choice for many SMB's.

## About the Author

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