Chapter 1

Understanding PerformancePoint 2007

In This Chapter

▶ Finding out what PerformancePoint Server 2007 has to offer

▶ Understanding the differences between PerformancePoint Planning and PerformancePoint Monitoring and Analytics

With the advent of new database technologies, the prospect of consolidating and managing enormous amounts of data is becoming easier. The concept of data warehousing puts relevant, accurate, and well-organized data in the hands of eager users. Furthermore, the means to access that data in an efficient and easy-to-use way is also growing by leaps and bounds.

As data storage and management mature, so does a user's desire to leverage that information to provide insight to the organization. PerformancePoint Server 2007 is designed for just that purpose. In today's fast-paced corporate environment, access to company performance metrics is becoming more than a want — it has become a critical need to stay abreast of developments within the marketplace and within the company itself.

Integrating Microsoft's Business Intelligence Stack

The PPS stack is composed of two primary domains that enable users and organizations to more easily attain a higher level of business intelligence:

✔ **PerformancePoint Planning:** The Planning component provides a centralized framework for consolidating budgeting and planning activity within an organization by funneling information from multiple users to a central data store and by providing the tools to manage the information-gathering process through workflow. No more calling and soliciting budget figures by phone and harassing executive planners to get numbers in. No more figuring out how to combine budget numbers from different spreadsheets and cutting and pasting items from one worksheet to another to produce a consolidated report. PPS Planning can take care of this for you.

✔ **PerformancePoint Monitoring and Analytics (M&A):** The Monitoring and Analytics engine enables the quick implementation of a business performance management solution, providing insight to your business performance data.

In the first release of PPS Monitoring and Analytics, Microsoft provides a report development and dashboard deployment solution. Even better, incorporated into this release is an integration of Business Scorecard Manager. So, in addition to various charts and grids, users can incorporate powerful scorecards into a dashboard interface, and connect scorecards to other dashboard reports.

Shipped with PPS Monitoring and Analytics is ProClarity version 6.3, which is the version of ProClarity Microsoft released after its purchase of this application.

Upon the next release of PPS M&A (version 2, due sometime in 2009), it is expected that ProClarity functionality will be integrated much more fully into the reporting and dashboard functionality. So for now, integrating ProClarity with PPS means importing ProClarity Analytics reports as components of your PPS dashboard. Reports created in Excel Web Services and Reporting Services are integrated in the same way.

Also, Microsoft hasn't completely integrated the Planning and the Monitoring and Analytics functions. That's not to say that you can't run analytics against the planning cubes. However, that ability to peer into the underlying planning data from dashboards and scorecards isn't as streamlined as one would think, given that both functions are contained in one package.

Although several points of integration have yet to occur, PerformancePoint Server can now provide an effective and easy solution for managing and disseminating powerful business planning and timely business performance management analytics.

What PerformancePoint Can Do for You

Your company probably has a lot of data — budget data, data from administrative systems, and data from external systems. You probably have a lot of reports and pages that took a whole bunch of people a lot of time to put together. This requires even more time for your users to sort through to find the information they need.

But what many organizations don't have is a way to efficiently and clearly deliver, monitor, and analyze a clear plan and corporate strategy tied to that data. This is where PerformancePoint triumphs — by allowing you to deploy and maintain the cycle of business performance planning, monitoring, and analysis.

Setting company goals with planning

PerformancePoint is designed to capture your company's planning data from across the organization, consolidate it into a meaningful structure, and provide an easy-to-understand means of viewing that information.

Rather than relying on the solicitation of budget figures by the usual means, leverage PPS's built-in workflow to distribute assignments to budget contributors, and then after the numbers are submitted, pass the budget figures to reviewers and approvers automatically. Reduce the time spent gathering and asking for budget figures, and spend more time analyzing and sharing results.

Wowing your users with reports

With PerformancePoint, you can deliver powerful, actionable, dynamic, and integrated business performance management reports, including charts and grids, to your users quickly and efficiently. And your users can view, analyze, format, and publish their reports when they need them, enabling them to make business decisions and take appropriate actions to reduce risks and increase profitability.

Helping your users make decisions

Business users need to know quickly which areas of the business are doing well and, more importantly, which are not. PerformancePoint gives them this power with key performance indicators, scorecards, and dashboards.

✔ **Make key business decisions from key performance indicators (KPIs).** KPIs provide a clear graphical representation of how a value is performing against its target.

✔ **Highlight the good, the bad, and the ugly with scorecards.** Scorecards bring together KPIs in a consolidated view and enable rollup to overall objectives with standardized scoring.

✔ **Manage your business at a glance with dashboards.** Dashboards provide users with a consolidated and integrated view of reports and scorecards that tell them how their business is performing. Dashboards also allow users to view and analyze trends over time and across organizational hierarchies. Users can leverage many business analysis techniques to dig deeper into the data to get the more detailed information they might need.

Imagining Your Workday with PerformancePoint

So how does PPS fit into your work life? How is this application going to make your job easier, better, and more efficient? Read on to find out.

Planners

Corporate planners tend to exist throughout all departments of a corporation. The critical process of planning and budgeting, then, spans the entire organization. Most analysts involved in the collection of planning figures spend an inordinate amount of time gathering the data rather than analyzing it.

With PerformancePoint Planning, you can do the following:

✔ You can forget about time spent on the phone tracking down budget figures across the organization. The planning components automatically notify contributors when it's time to enter their numbers.

✔ Budgeting contributors can enter their figures into standardized and custom-tailored Excel worksheets.

✔ After the numbers are submitted, the PPS workflow manages any review and approval processes automatically. You have no more lost e-mail, you don't wonder who has the next task, and you don't have to sort through conflicting versions of spreadsheets.

✔ All the data is held within a central data store so that the reporting and history of a plan or budget come from a single source.

Streamline, track, manage, and consolidate — all with one application.

Developers

If you are a typical IT developer, you are asked to create report after report for a large group of business users. They need to see the data in numerous ways. No problem. But on the umpteenth iteration of essentially the same report, you ask yourself the following questions:

- ✔ Is there a better, more efficient way to deliver business information to my users?
- ✔ How can I get my users to self-service — to create their own specified reports — even if they don't know a thing about SQL?

The following points provide solutions to these problems:

- ✔ Create a series of PerformancePoint dashboards that deliver 80 percent of what your users will use on a daily basis. You can start by taking that pile of report requests that are on your desk or that cumbersome financial report that you have to manually assemble every quarter.
- ✔ Expand the repertoire of reports beyond the tabular, and start showing users how PPS can provide better, more communicative, and more actionable data than they have seen. Interactive grids, charts, and scorecards highlight potential issues for analysts and decision makers while there is still time to take corrective action.

Executive management and decision makers

Selling executive management on an automated Business Performance Management (BPM) solution can be difficult. As so many executives can tell you, they already have a BPM solution. His name is Bob and he works down the hall. But as talented as Bob is, he cannot always deliver powerful and actionable reports in a timely fashion on the KPIs that impact your business. He can't always tell you what's good, what's bad, and what to keep your eye on. And if Bob can't tell you, you probably don't know.

PerformancePoint dashboards enable you view your KPI monitoring solution on at least a daily basis, tracking actuals to targets and identifying warnings before they become full-blown issues that put your profitability and success at risk.

Bob is a nice guy, but his time could be put to better use.

When you come into the office, grab your coffee and open your Executive Management Dashboard page. Here you can see an overview of how your business is performing. A couple of simple drop-down filters let you look at that information one division or one region at time, right online. Yellow and red graphics in your scorecard tell you that something is wrong. Don't want to find out how to navigate a PerformancePoint report to get more information? That's okay; that's what your analysts are for. But when you do come to understand the data that drives those warnings, you will be empowered like never before to make the most appropriate business decisions and take corrective action when it has the biggest impact — now.

Analysts

You are the heart and soul (and brains) of PerformancePoint. Here's why:

✔ You determine what dashboards to create and what reports and scorecards they contain.

✔ You establish the business rules that tell you and your decision makers when an issue needs to be addressed.

✔ You review your PerformancePoint dashboards, using their analytical capabilities to drill into the key drivers of business performance issues (and successes).

✔ You export your reports to presentations that your boss will get all the credit for (for now).

But that's okay. You are on the front lines of the business performance management revolution. Soldier on.