

Ad Hoc Reporting and Business Intelligence

Recent advances in technology have led to a new generation of reporting tools known as Business Intelligence. In this newsletter we look at the growth of Business Intelligence software and its impact on risk management technologies.

Historical Approaches to Reporting

Historically users have had to rely on the reporting tools built into risk management software. This approach has had some limitations as risk management software is not necessarily built for data analysis. A lot of software is designed to automate processes rather than simply to aggregate and analyze data. For example, a strong claims management capability is a requirement of many risk managers. Building strong reporting capabilities into claims management systems can lead to extended development cycles and less flexible software. There have been three main approaches to reporting:

- **Standard Reports:** the depth of standard reporting capabilities varies considerably between software. While most address the basic needs of producing loss runs, they may not respond well to industry specific needs.
- **Custom Reports:** additional reporting needs are addressed by the vendor creating custom reports (at a fee) for each client.
- **Ad Hoc Reporting:** this puts the control of reporting back into the hands of the users, who can customize their own reports without the involvement of the vendor. This relatively new development has led to an increased demand among users for ad hoc reporting.

As a result of these limitations, risk management software has broken down between claims management software and risk aggregation & analytics software. It has been difficult to find affordable software with strong functionality in both areas.

Growth of Business Intelligence Software

The term Business Intelligence describes software which uses a business data model to pull data from multiple sources and overlay analytics to provide more in-depth analysis of an organization's information.

With the advances in the technology, Business Intelligence software is increasingly being used as a reporting and analytic tool for single party systems. Rather than build additional reporting capabilities within the system itself, software vendors are increasingly interfacing to a Business Intelligence program which can provide much more robust and deeper analytics. This allows specialist applications to deliver powerful reporting and analytic capabilities cost effectively. Business Intelligence software providers can spread development costs over a broad audience and multiple applications, allowing users to access sophisticated reporting functionality at a much lower cost than if a specialist application provider developed the functionality itself.

Features

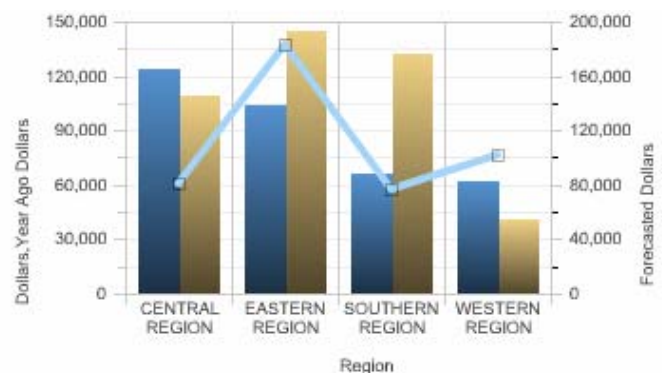
Applications will vary, but most Business Intelligence software will include the following features:

- **Business data model:** this is the essence of the Business Intelligence. The data model is an abstract of the underlying data sources, designed to represent the actual business process. A successful data model allows end users to run queries in the same intuitive fashion as they would ask business questions.
- **Ad hoc reporting:** this allows users to have control of the reports they run. Ad hoc reports are similar to a query run on the database. The query is a simple report which is usually returned as a tabular or matrix style report. Most applications will provide the ability to run calculations in the query and include graphics in the results. Queries should be downloadable into multiple formats (excel, word, powerpoint, csv, etc)

Contact the Editor



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- **Dashboards:** these tools are increasingly used by senior management in organizations to monitor key performance data. They provide a summary of key information, usually in charts and graphs, to the executive's desk-top. The more sophisticated applications will include alerts, red flags and even automate response actions in addition to the information itself.
- **Formatted or published reports:** many organizations need to produce published reports rather than just simple queries – for example, customer statements or check writing reports. They also need to complete and file formatted reports. Business Intelligence tools often provide a solution to be able to populate forms and produce high quality published reports.
- **Delivery options:** most Business Intelligence software is web-based providing the option to easily extend access to outside parties, such as customers and business partners. Many applications also include the ability to schedule reports for delivery to designated parties. There may also be the ability to post reports to a shared dashboard or web portal for multiple parties to view.

The Use of Business Intelligence

Business personnel generally are becoming more comfortable with this technology and more dependent on it. This is raising expectations. Senior managers expect the data to be available and for sophisticated performance reports to be produced on a periodic basis. Any part of the organization which doesn't have easy access to its data will be increasingly challenged.

In the insurance and risk management communities, Business Intelligence has tremendous opportunities because the industry is data intensive and data driven. Yet it hasn't always had easy access to data to be able to run the sort of sophisticated analysis which will identify underlying trends. For risk managers, there is a need for clear and concise communication with information presented to executives in a manner they are used to receiving it. That means key performance indicators and metrics and easy to monitor reports and charts. Business Intelligence software gives the risk manager the tools to deliver that information. With a wealth of underlying data, the risk manager will be able to identify additional cost saving opportunities and demonstrate value to the organization.

CRM's Business Intelligence Initiative

Computer Risk Management is developing its Business Intelligence module for release in September 2008. The module is based on the Oracle Business Intelligence Enterprise Suite. It uses an Open Database Connection to provide real time data updates from the Risk2008™ system. It comprises the following main features:

- **Answers:** an ad hoc querying and reporting tool, with calculation, charting and download capabilities
- **Dashboards:** the dashboard functionality provides a series of key performance reports. It is fully customizable by the user and includes shared dashboard reports.
- **Publisher:** provides the ability to publish high quality formatted reports and populate forms.
- **Delivers:** one-time or recurring reports can be scheduled for delivery by email to specified recipients.

The module will be an optional and standalone component of the Risk2008™ system. It is web-based and will provide for real-time integration to Microsoft office products. Disconnected analytics provide the full dashboard and analytics capabilities while a user is off-line.

Please contact us for more information about our upcoming Business Intelligence module

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CRM supplies software solutions to self-insured entities with a focus in the transportation industry and public sector. Its risk and claims management information system, Risk2006™ uses a unique occurrence based structure to allow users to track the total cost of an occurrence across all claims.

For more information on CRM visit www.riskmanagers.com or contact us at aberry@riskmanagers.com