



Introducing Opportunity Analyzer

Lawson has developed the first strategic enterprise performance management tool that enables CEOs, CFOs and senior business managers to set practical business performance targets. It also allows them to identify, in advance, quantified financial and non-financial gains before committing capital expenditure to new business process improvement projects.

Called Opportunity Analyzer, the tool is part of the Lawson Enterprise Performance Management (EPM) business improvement methodology. A comprehensive business review can be finalized within four to six weeks and the tool can be used in conjunction with any enterprise system.

Opportunity Analyzer has been developed for specific industries such as food and beverage, fashion, wholesale distribution, discrete manufacturing, equipment service management and asset intensive industries.

It addresses head-on the most important issues faced by senior business managers. These include quantifying how the company can become more profitable, selecting the most profitable strategic initiatives to pursue, aligning improvement initiatives with strategic objectives as well as how the business processes can be benchmarked to ensure they are based on best practice to achieve financial and non-financial improvement targets.

Opportunity Analyzer addresses these issues because it optimizes the business processes of the enterprise by turning strategic business objectives into detailed operational targets—linking in to the strategic map created by balanced scorecard and similar high level methodologies.

Opportunity Analyzer also suggests both best practices and industry-focused key performance indicators (KPIs) for the benchmarked business processes that a company should implement in order to achieve the desired outcomes, including payback and return on investment (ROI).



For example, if a company wants to increase from 15 to 20 cents return on each dollar (or euro) invested, the Opportunity Analyzer will suggest opportunities to achieve this, say by increasing customer self-serve, or reducing inventory or process activity costs to a predetermined level. It also prioritizes opportunities according to business value by giving each one a process driven profitability (PDP) rating. PDP is net margin multiplied by the capital turnover rate, and the higher the PDP rating, the higher the financial return over a given timescale.

Opportunity Analyzer has already been described by ARC analysts Steve Banker and Simon Bragg (Source: ARCwire, week ending May 21, 2004) as “exciting, and the best-executed software application in any product category we have seen this year”.

The analysts go on to say, “While CFOs and Controllers would certainly find this tool useful, in our view this tool brings together process owners, CEOs, P/L [profit and loss] holding business unit managers, COOs and sales managers.”

And they conclude, “Lawson has done a great job incorporating best practices into the application, and showing the associated financial impact of operating with best practices ... having these best practices included in the EPM is a true innovation and this feature/function set will probably grow in subsequent releases as Lawson incorporates feedback from users.”

Ulf Casten Carlberg, global director of Opportunity Analyzer at Lawson says that Opportunity Analyzer is an expert system with built-in practical knowledge and experience that grows organically. He explains that the tool has a top-down approach and encompasses a high level of detail as well as allocates costs to individual activities. As a result, Opportunity Analyzer demonstrates how each improved process activity contributes to the overall strategic objectives.

Carlberg goes on to say, “Opportunity Analyzer demonstrates that we understand a customer’s business, and that we add intellectual value in helping our customers execute their strategic objectives.

“Opportunity Analyzer connects operational metrics with the financial effects by aligning strategic business objectives with detailed strategic initiatives such as growing market share and achieving improvements in working capital, margins and cost efficiency. The business process templates are synchronized with the Supply Chain Council’s SCOR model which has become the international standard, and we have linked these with KPIs and best practices that have been benchmarked for key industries.”



Carlberg concludes, “Opportunity Analyzer visualizes business opportunities. It enables process owners and managers to relate to each strategic objective and quantify how each individual process and activity contributes to the whole. This process breaks down departmental barriers, helps to facilitate a more collaborative working environment, and sets the scene for continuous business process improvement.”

Editor’s Note

The Supply Chain Operations Reference model (SCOR) is the product of the Supply-Chain Council (SCC), an independent, nonprofit, global corporation with membership open to all companies and organizations interested in applying and advancing the state-of-the-art in supply chain management systems and practices. The SCOR model captures the Council’s consensus view of supply chain management. While much of the underlying content of the model has been used by practitioners for many years, the SCOR model itself provides a unique framework that links business processes, metrics, best practices and technology features into a unified structure to support communication among supply chain partners and to improve the effectiveness of supply chain management and related supply chain improvement activities.

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About Lawson

In 2006, Lawson Software and Intentia merged to form the new Lawson. We deliver software and implementation services to 4,000 customers in the manufacturing, distribution and services industries across 40 countries.

Our Financials, Human Capital Management, Supply Chain Management, Business Intelligence, Asset Management and industry-specific solutions help customers streamline processes and enhance their business performance. And by radically simplifying the process of deploying and using our applications, we help customers reduce costs while increasing their flexibility.

Why Lawson? Because simpler is better.

Disclaimer

Some documents published before the merger will continue to use the names "Intentia," "Intentia Application Suite" and "Movex."