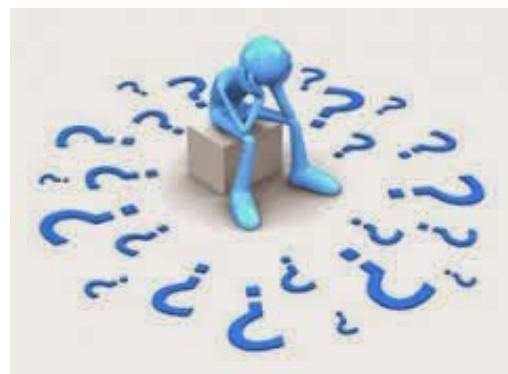


“Big Data – So what I want to make more Money!”

Most of us are aware of the term big data being used these days, mostly in relation to companies like Google or Amazon. The most common definition is simply ways of analysing massive amounts of information to gain some useful insight into what is currently happening and offer foresight of what might happen in the future.

A recent Gartner Survey(1) showed that over 75% of companies are investing or planning to invest in big data over the next 2 years.



What you may not realise is that your company probably holds years of order, quote and product information. Although this probably doesn't fall under the realms of 'Big Data' you may well encounter the same issues that need to be considered before these companies invest in big data-

-How do I make use of this data?

-How much will it cost?

-What return on investment & benefits will it provide?

If I start with the last and perhaps most important question because if there is no benefit to be had then it's best to know from the outset before you start investing time & money!

-How do I make use of this data?

-How much will it cost?

-What return on investment & benefits will it provide?

Most of you will probably agree on many of these goals such as cost reduction, better targeting of customers & increased efficiency of existing processes. How much time is currently spent by your employees populating and collating data into spreadsheets and

creating graphs?

MIT Sloan Management Review carried out a survey in 2012(2) which showed that 67% of participants reported that their companies are gaining a competitive edge through the use of analytics, as we look a little deeper into how we can use the data you'll see why.

If we take a simple example by looking at order information, your manufacturing software will most likely have detailed information of every order each of your customers have placed. Logically, if we know what every customer has ordered just over the last year then we also know what products the customer hasn't ordered; Even better if you also store quote details because then we can easily see not only what they haven't ordered but also what they have shown interest in buying from you but ultimately not ordered. Obviously the difficulty is in accessing this information, you don't want employees spending hours typing all that information into a spreadsheet-not only would that be slow but most likely inaccurate as even the most studious of us make mistakes. This is where analytics come in, by implementing the

right tools this kind of report can be setup and within a few minutes report back on years worth of information as spreadsheets, graphs and various other formats.

If your manufacturing software also provides a bill of materials then you also have huge amounts of information on what products you use, how often and in what quantities. Again this would be difficult to make sense of purely entering this information into giant spreadsheets but by using computers to do the bulk of the work you can look at trends in requirements, slow moving products & potential lead times on low stock or fast moving items.

Hopefully that gives you some insight into benefits and cost savings to be gained from these tools as well as some ideas on how to make use of the information, you might already be thinking about what information you keep and how that might be levered into helping your business.

This leaves one important question...How much will it cost? This is a bit harder to answer as every company is set up different. If your manufacturing systems already use a database to store information then it can be as simple as setting up some reporting tools, deciding what information you want and then setting up the reports you want-they can even be set up on a schedule and emailed to the relevant people. If you don't already have a database then don't worry just yet, these days most software has an option to add a database to provide this kind of facility, you might need to tell it to go through all your old jobs so they can be added but this is the kind of process that can be done in stages during evenings & weekends.

So what is the next step?

Now we have access to all this historical information, we've got our reports set up so what can you do next you ask. Once you have this database of information have you thought that every time you add a quote or an order it gets added? Or that if someone changes a job it also changes in the database?

This information can also be levered into working for you, why not use this to see live information of quotes & orders placed each day, value of jobs invoiced, due to be invoiced each month so you can track your revenue, remakes & FOC jobs, provide sales staff with live quote & order figures as well as comparison to historical periods and current targets. These are just a few examples of systems I've set up for customers in the past but I'm sure there are others you may have thought of, the key is that if the software holds that information then there's a good chance you can use it.

Stage 3-Reducing redundant data and manual data entry

Once you realise how much data is at your fingertips you might begin to notice what other systems you have that replicate that data, this duplication might also be entered into other systems manually leading to incorrect/out of date information. Be it entering invoices into your accounting package, job planning or CRM system then what if we can remove that manual entry of information and have it pulled in from the same source-

When a production date is moved or the order changed your planning system automatically updates your daily production count

Each day you get an export of invoices emailed that are simply imported into your accounts system

Customers having access to a status list of all their current jobs or emailed if a delivery date is changed

As you can see, once you take the first step to making use of this untapped resource then the benefits can provide a great return on investment and you can be confident that you can rely on the information as it all comes from your business.

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