

# INSIGHTS

August 2003

## Portals: An Executive Overview

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### Introduction: What is a Portal?

Many websites are portals. In fact, several Internet sites like Yahoo® are actually portals. Other familiar examples are business websites used for collaboration between a company and its distributors or a digital dashboard used by an executive to assist in making key strategic decisions. Each one of these examples shares a number of similar characteristics that make them portals. These characteristics are:

#### A Standard Browser

A user can use a standard browser such as Microsoft Internet Explorer® or Netscape Navigator® to access the portal. Usually, no additional software is needed, which helps reduce ongoing maintenance costs.

#### Log-in Capabilities

A user logs into the portal with a user ID and password. This is a security feature and prohibits unauthorized users from accessing data. It also allows the portal to be personalized. (Personalization will be discussed later in this section.)

#### Blocks of Information

A portal consists of information that comes from multiple sources. These sources could be back-office systems like enterprise resource planning or supply chain manage-

ment applications, or front-office systems like customer relationship management applications. Data warehouses or information feeds from a number of other websites such as Yahoo® or MSNBC® are sources of information too. Static content from a content management system is another option for sourcing information.

#### Personalization

Users are able to “personalize” the portal based on their interests and preferences. These preferences are stored by the portal system and are applied each time a user logs into the system. For example, a user may wish to check the weather forecast. They can login, select an option to view the weather, enter the ZIP code of the town they live in, and see the weather forecast for that area each time they use the portal.

Personalization also allows users to decide what information they do not wish to see. For example, a user may want to track only the most recent orders entered into a procurement system, but may not be interested in the inventory level of the products. They could select the option of only viewing the orders, not the inventory levels.

#### Customization

Users can often customize the layout and color scheme of a portal. Similar to personalization, users can specify what items they wish to view and the layout on the screen.

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### **Subscriptions**

Many portals allow users to subscribe to information services. This information can then be sent to them directly in an email or in an alert when new information is posted on the portal.

### **Collaboration**

Portals also encourage collaboration. This collaboration could be within the company or with suppliers or vendors. For example, a portal could be used within a company to help design a complex new product by facilitating collaboration between team members who are spread across different time zones and geographies. Similarly, a portal could also be used with suppliers to share and collaborate on activities such as demand planning.

### **Business Intelligence**

Increasingly, portals are being used to provide business intelligence. Users can view and analyze data from their data warehouse system with a portal.

## **Types of Portals**

There are several reasons why companies decide to implement a portal. Whether the portal is for a company's internal or external use, executives have a lot of options to choose from. The following are some of the most common types of portals, their benefits and examples.

### **Intranet Portals**

An *intranet portal* is one that employees use to connect to the company network and can generate a number of benefits. The productivity of knowledge can increase if employees are given easier access to the information they need to do their jobs. Employee productivity can increase by combining all information into one portal rather than logging into multiple systems or searching through several websites. There can also be cost savings associated with this type of portal as multiple websites are consolidated.

An *Employee Self Service (ESS) portal* is a variation of an intranet portal. The benefit of an ESS portal is that it can reduce costs by allowing employees to maintain their own personnel data rather than someone in the human resources (HR) department. For example, companies like Getronics® and Hewlett-Packard® have developed large corporate HR Portals. The portals have multiple "tabs" for life events, information sources, work applications and other categories.

Another variation is a *collaborative intranet portal* that can be used within a company to share best practices as part of an effort to reduce costs or increase

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sales. Using the personalization features in portals, users can subscribe to the information that is relevant to their business area. A collaborative intranet portal can be used as a communications and documentation tool for large-scale projects or new product launches. Project teams working at different sites can share documents and collaborate using the portal.

A *digital dashboard* is also a type of intranet portal used to improve executive decision-making capabilities. The digital dashboard displays specific key performance metrics for a company, allowing management to see how the company is performing against key performance indicators. The company's performance is presented in the form of charts and graphs in the browser.

## Extranet Portals

*Extranet portals* can be built to improve supply chain performance by encouraging collaboration with suppliers and customers. They can produce many benefits as suppliers and customers start to see the firm more as a partner in the value chain. Ultimately, the additional benefits that suppliers and customers derive from this blend of goods and information should help everyone work together to increase sales volume and possibly command market leadership. Overhead costs may also be reduced if suppliers and customers take advantage of self-service options for information rather than talking directly to employees.

Examples of extranet portals are those created by Celanese Chemicals® and Halliburton®. These portals provide customers with access to technical tools, best practices and data from their ERP and other systems. Both companies claim their portals have improved customer service, acquisition and retention. Halliburton also claims that by allowing customers to access account data via the portal, it has also reduced days of sales outstanding.

## Recommendations for First Steps

Before thinking about technology, there are several considerations that executives need to take into account when contemplating a portal. Here are a few suggestions on how to get started.

- Consider who will use the portal
- Define what the primary purpose or function of the portal will be
- Determine what specific information the portal will provide
- Identify information sources and applications that can be integrated into the portal
- Outline the benefits that the portal will have on the company

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