Assessing BI Readiness

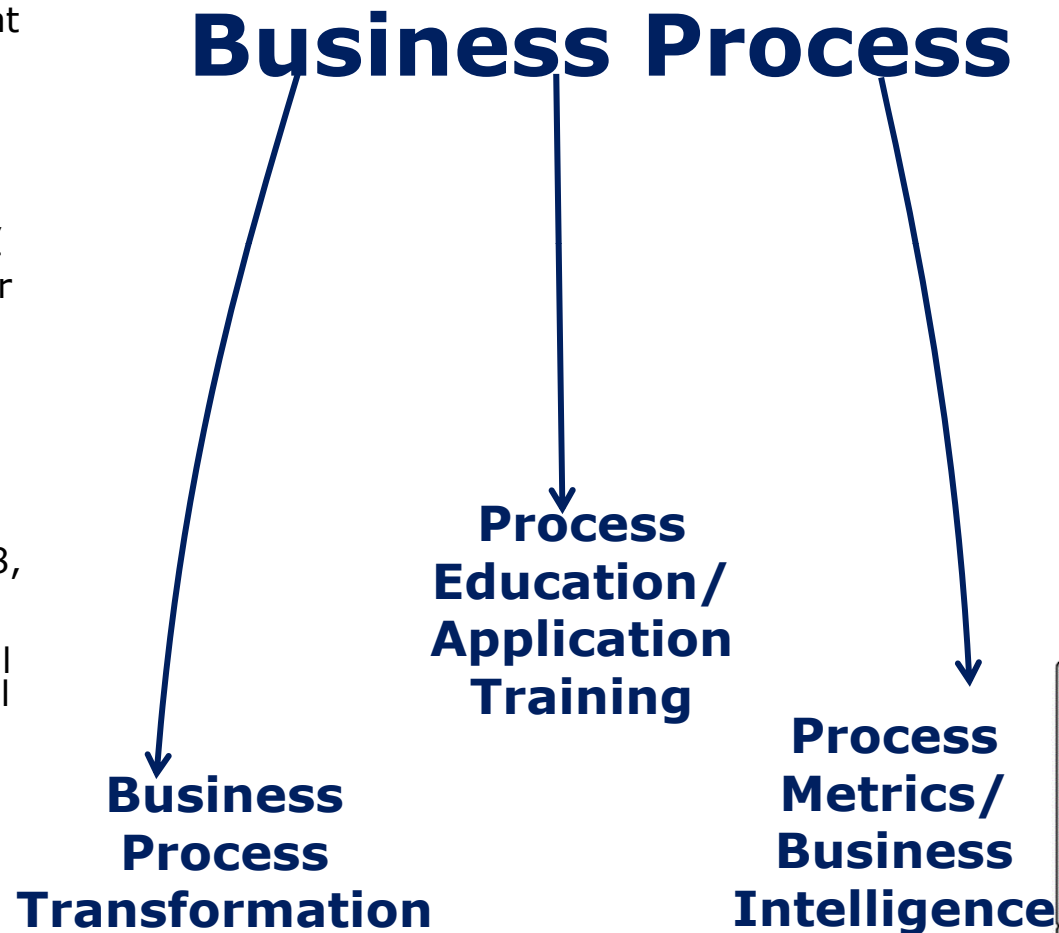Faun deHenry

FMT Systems Inc.
faun.dehenry@fmtsystems.com

Agenda

- ❑ Introduction
- ❑ What is BI
- ❑ Organizational considerations
- ❑ Successful implementations
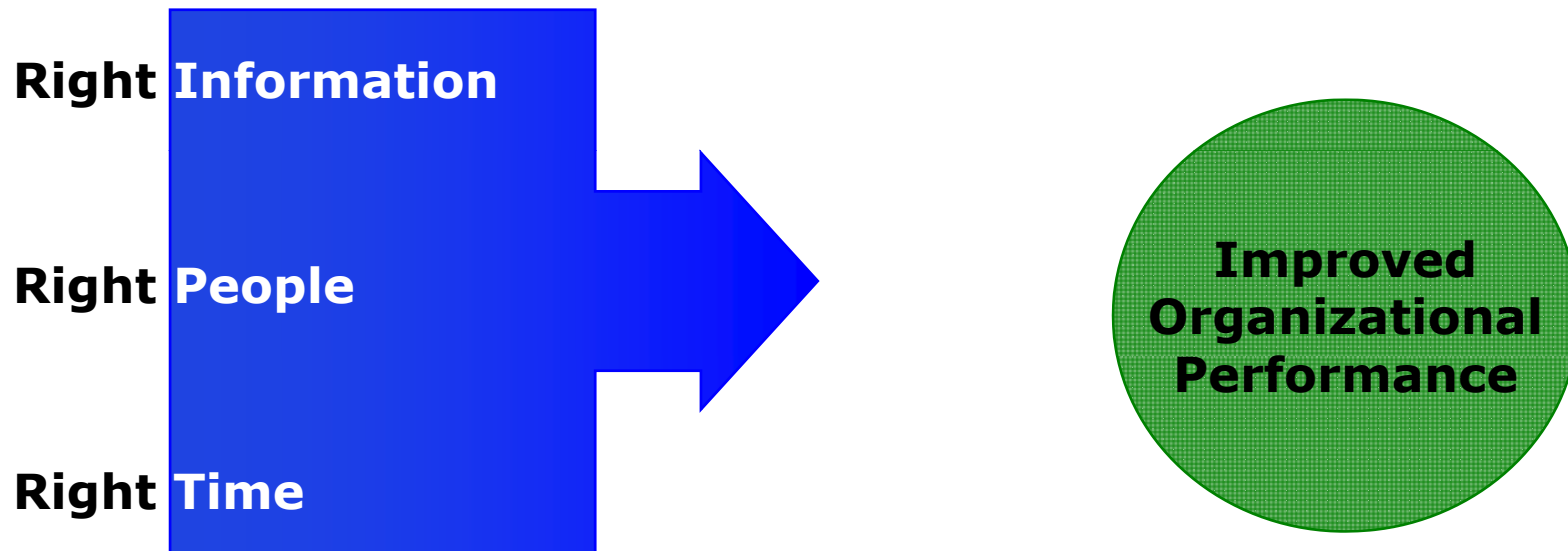- ❑ BI assessment defined and assessment process
- ❑ Q & A

About FMT Systems Inc.

❑ FMT Systems is a business process consulting company that delivers complete business integration and process management solutions — including business process transformation, process education, applications training, and business process metrics — allowing companies to help their employees work more collaboratively with business processes and technology.

❑ Faun deHenry, CEO of FMT Systems Inc., Officer in Oracle Business Intelligence SIG, BI Track Chair – Collaborate 07, 08, 09, Recognized speaker and trainer on topics including Managing and Sustaining Virtual Teams, Best Practices for Virtual Organizations, Oracle's e-Business Suite, and business intelligence

Business Process

Process Education/ Application Training

Business Process Transformation

Process Metrics/ Business Intelligence

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Business Intelligence Definition

Right **Information**

Right **People**

Right **Time**

Improved Organizational Performance

Shift to Business Driving BI

"You need to be **business-driven, not IT-driven.** Otherwise, you get a tool that no one uses." Dan Thorpe, Sr. VP, Statistics and Modeling , Wachovia Bank

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OLTP versus DW/BI—Different Skills

- ❑ OLAP/BI is iterative in modeling, design, and implementation
- ❑ Frequent exposure of unknown data quality problems
- ❑ Multiple source systems (OLTP) converge into one or more target (DW/OLAP/BI) systems
- ❑ Multiple lines of business use different business rules, assumptions, terminology
- ❑ Quantity of data that will reside in DW/OLAP/BI is typically unknown
- ❑ Difficulties in loading and aggregating data
- ❑ Different challenges in performance tuning

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Maintenance

- Business intelligence is a program – not a project
  - It is ongoing
  - Needs of the organization are constantly changing
  - Underlying applications change

CIO Priorities

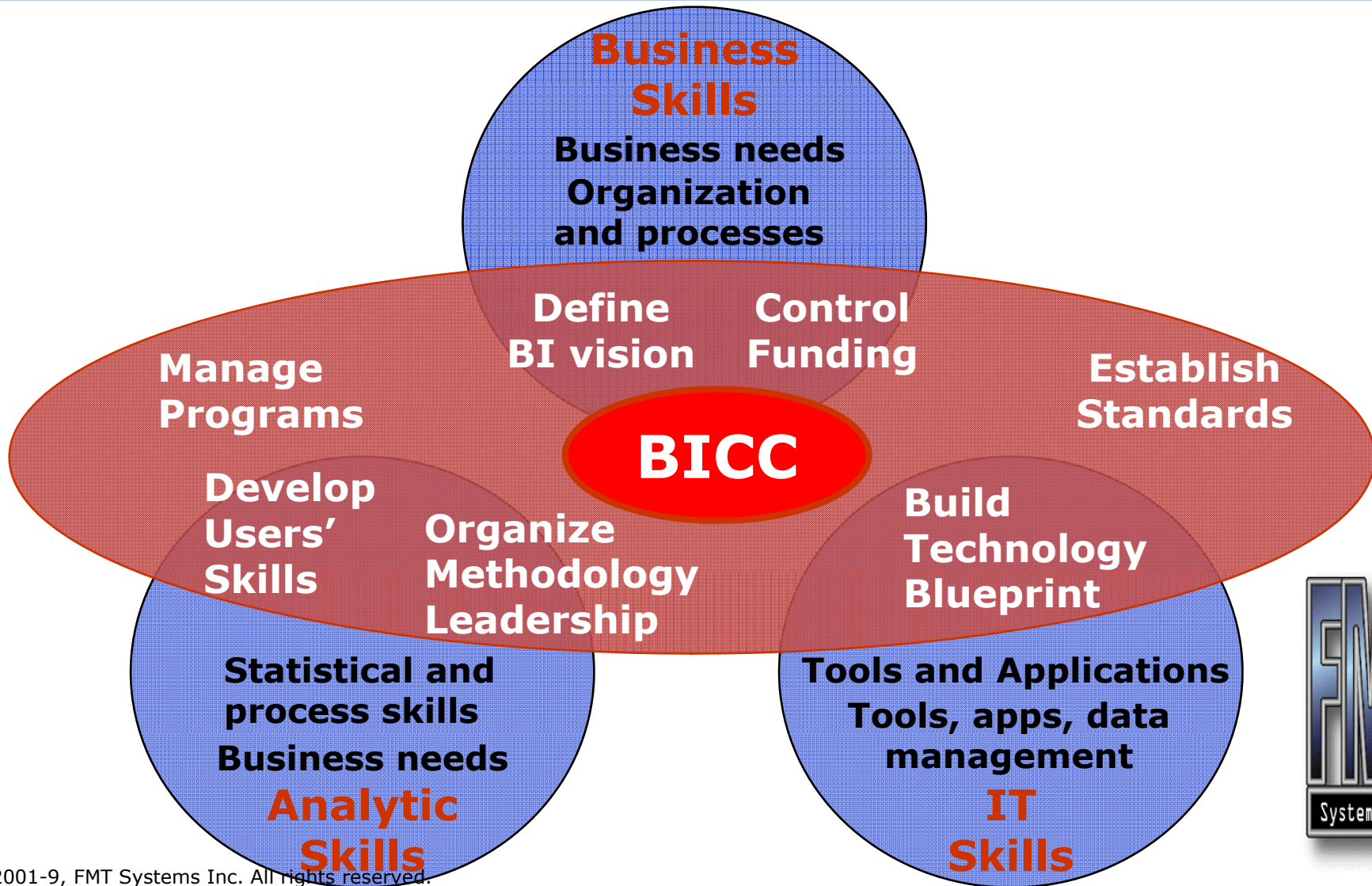| CIO Strategies		Ranking of CIO strategies selected as one of their top five priorities in 2009.				
Ranking — Need for BI and Analytics		2009	2008	2007	2006	2012
Linking business & IT strategies and plans	1 ↑		2	2	2	2
Reducing the cost of IT	2 ↑		10	12	*	6
Delivering projects that enable business growth	3 ⇩		1	1	1	1
Improving IT governance	4 ⇩		7	8	9	14
Implementing IT process improvements	5 ↑		6	12	*	13
Improving the quality of IS services	6 ⇩		4	7	12	12
Improving the business and IT relationship	7 ⇩		5	*	*	11
Attracting, developing and retaining IT personnel	8 ⇩		3	4	5	5
Consolidating IT operations (e.g. shared services)	9 ↑		12	*	*	15
Use of information/intelligence	10 ⇩		9	6	*	4
Developing or managing a flexible infrastructure	11 ↔		11	7	8	8
Building business skills in the IT organization	12 ⇩		9	8	3	9
Leading enterprise change initiatives	13 ↔		13	10	*	3

*Item not included this year

Source: 2009 Gartner Executive Programs CIO Survey, January 2009

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Gartner View of BICC (Business Intelligence Competency Center)

Business Skills
Business needs
Organization and processes

Define BI vision

Control Funding

Manage Programs

Establish Standards

Develop Users' Skills

Organize Methodology Leadership

Build Technology Blueprint

BICC

Statistical and process skills
Business needs
Analytic Skills

Tools and Applications
Tools, apps, data management
IT Skills

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Looking Forward (Gartner Predictions)

- More than 35% of the largest 5,000 companies will fail to use BI well
- Business users will control at least 40% of the total budget for BI
- Approximately 20% of companies will begin using an SaaS analytic application
- Social software will meld with BI platforms for more collaborative decision making
- Approximately 30% of analytic applications applied to business processes will be through coarse-grained mashups.

Fatal Flaws of BI Implementations

- ❑ "Give me a dashboard"
- ❑ "Darwin was wrong: BI doesn't evolve."
- ❑ "Our enterprise application vendor will do it all."
- ❑ "If you build it, they will come."
- ❑ "We can outsource this whole darn BI thing!"
- ❑ "Managers need to 'dance with the numbers'!"
- ❑ "Data quality problem? We don't have one."

**Bill Hostmann**
Research Vice-President, Gartner Research
19 July 2006/**ComputerWorld IT Management Summit:**
Unlocking the Value of Business Intelligence

Success Factors

- ❑ Strong Business Management Sponsor
  - ▪ "Our CEO is a real data dog!" Sara Lee executive
- ❑ Strong Business Motivation
  - ▪ Boston Red Sox determine that money+analytics is better than just money.
- ❑ Feasibility
- ❑ IT/Business Partnership
- ❑ Current Analytic Culture
  - ▪ "Do we think or do we know?" Gary Loveman, Harrah's
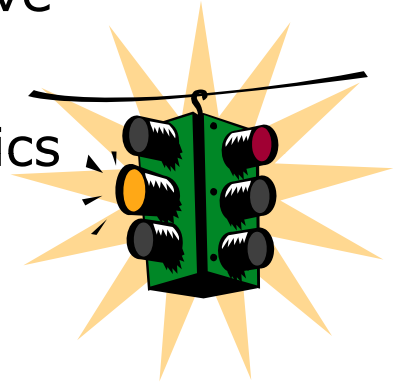
Ralph Kimball, The Data Warehouse Toolkit, 2nd Edition, 2002

BI — Result of Corporate Strategy

BI Strategic Maturity: Where Are You? (2003)

	Opportunistic	Tactical	Strategic
Business	Focused: Increase operational efficiency Scope: Department	Operational: Improve business effectiveness Scope: Multi-department	Strategic: Integrated business execution and management
Organization	Single user type – Limited skills required Managed and funded by IT	2 or 3 user types - Higher skills level BICC Managed and funded by IT or business unit 2 or more sources	All user types BICC Funded at executive level Multiple sources
Infrastructure Functionality	1 or 2 sources Reporting-centric Limited data quality	2 or 3 tool types Data quality is important Data mart, data warehouse, OLAP	Multiple data warehouses Standards Multiple tool types
	Scalability Accuracy and quality	Skills Politics, funding	Cultural Complexity, integration
	Consistency Inflexibility Expectations	Data access Timeliness Ability to evolve	Sponsorship and priority Politics Mission critical

Failure Modes

BI Maturity Model — TDWI (2005)

Stage/ Focus	Prenatal	Infant	Child	Teens	Adult	Sage
Architecture and Scope	Management Reporting/ System	Spreadsheets/ Individual	Data Marts/ Department	Data Warehouse/ Division	Enterprise Data Warehouse/ Enterprise	Analytical Services/ Inter-enterprise
Type of System and Analytics	Financial/ Paper Reports	Executive/ Briefing Book	Analytical/ Interactive Report	Monitoring/ Dashboard	Strategic/ Cascading Scorecards	Business Service/ Embedded BI
User and BI Focus	All/ What happened?	Analyst/ What will happen?	Knowledge Worker/ Why did it happen?	Manager/ What is happening?	Executive/ What should we do?	Customer/ What can we offer?
Executive Perception about the role of BI	Cost Center	Inform Executives	Empower Workers	Monitor Processes	Drive the Business	Drive the Market
Business Value and ROI	Costs high/Value low	Costs and value approaching breakeven	Costs decreasing/ Value increasing	Costs continue to decrease/ Value continues to increase	The Cost/ Value gap widens	Achieve ROI

The Process: Essential to BI Success

❑ Everyone needs to be part of process – End-users, IS/IT, and executive management

❑ Identify the business processes that enable questions

❑ Establish separate evaluation and review teams

  ▪ Two Primary Teams - Decision Team and Management Review Committee

❑ Remove politics

❑ Identify a selection methodology

❑ Design the solution

Data Modelling

- ❑ Create a common language between BI users and BI developers
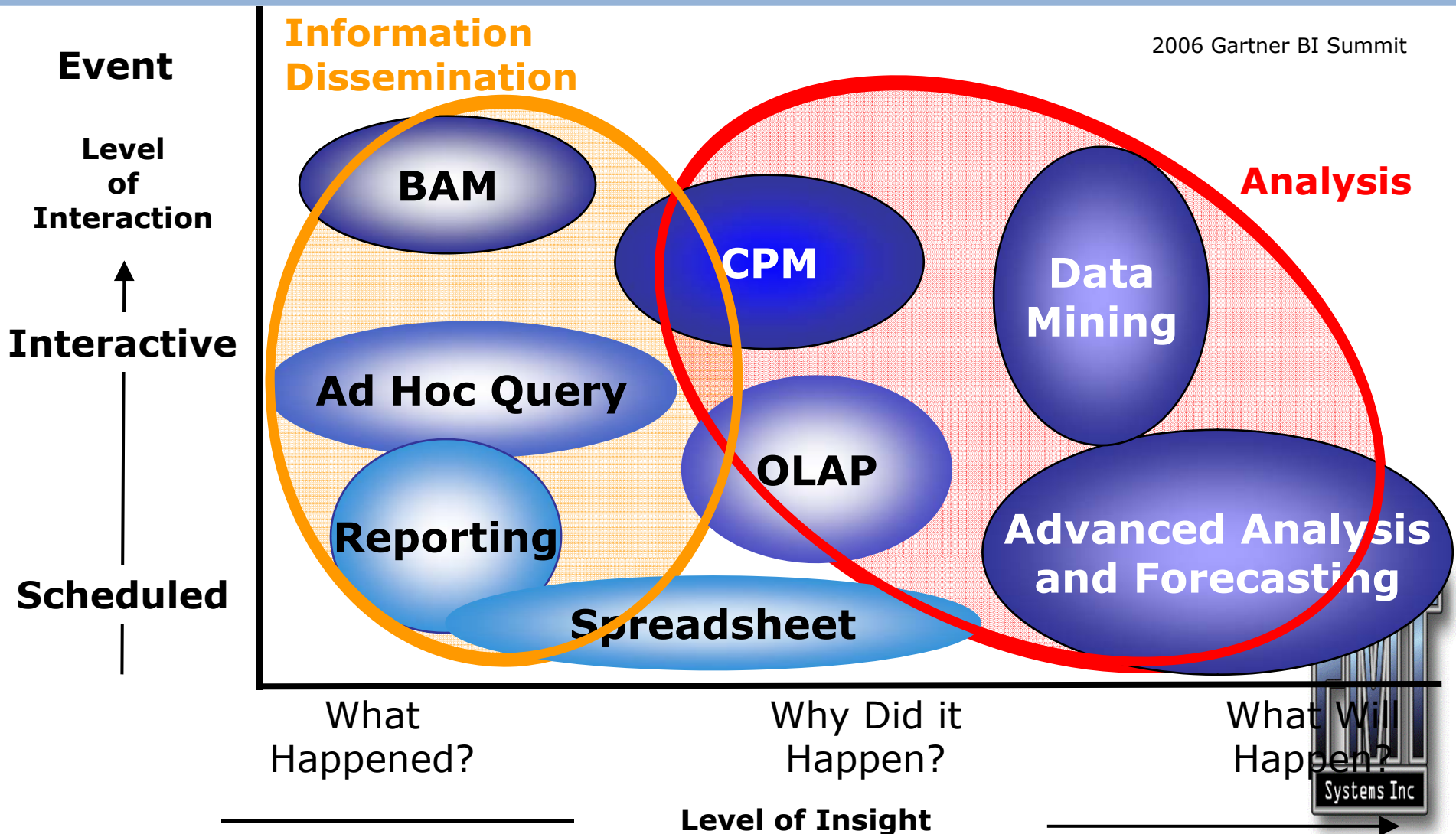- ❑ Identify needs
- ❑ Creates a development artefact

Users and Reports

❑ Executive ⟶ Strategic reporting

❑ Middle Management ⟶ Tactical/some strategic reporting

❑ Power User ⟶ Tactical/Some Operational reporting

❑ Internal Users ⟶ Operational reporting

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BI Capabilities Portfolio

Putting it All Together – Keys to Success

- ❑ Executive sponsorship
- ❑ Realistic expectations
- ❑ * methodology
- ❑ * team
- ❑ * Proper technical architecture and tools
- ❑ * Quality data
- ❑ Limited scope changes
- ❑ Fast payback projects
- ❑   *Note: Key areas where DW/ETL tools and BI consultants can add value.

Assessment Process
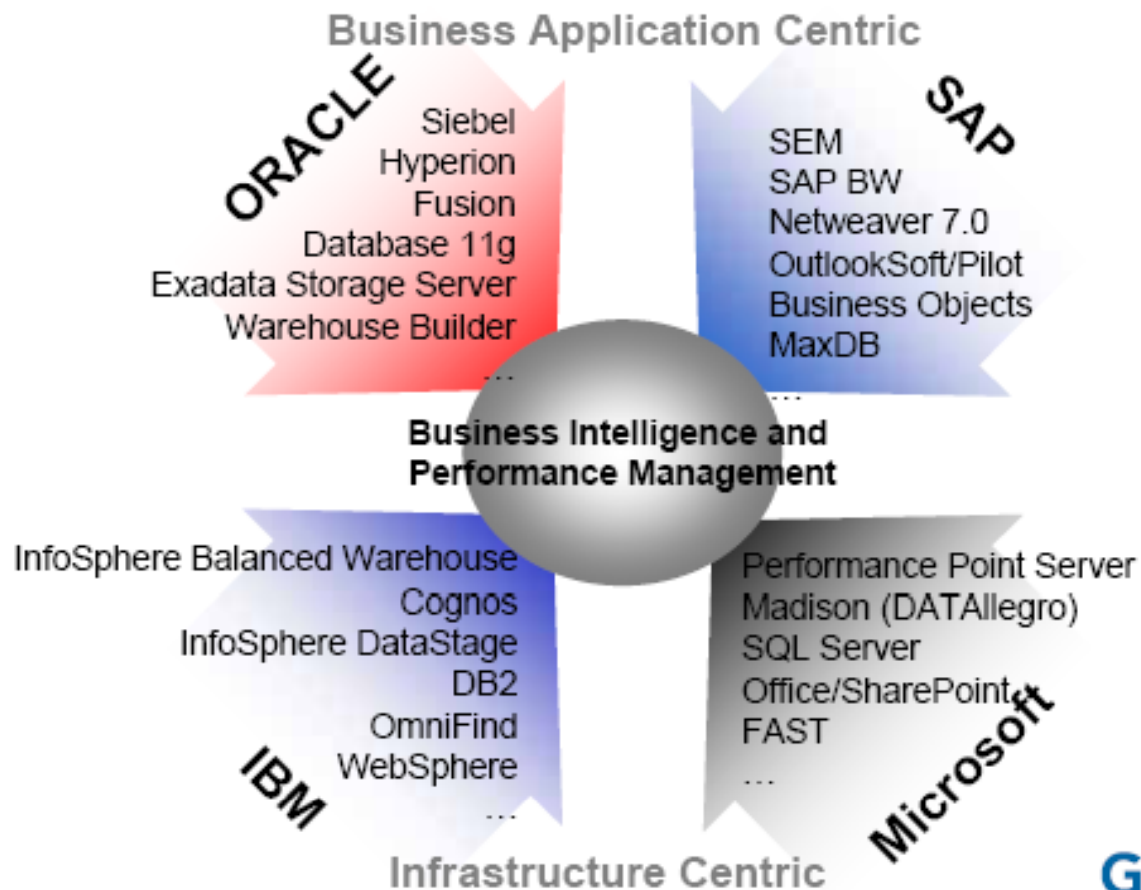
Assessment Process

	IBM	MSFT	ORCL	SAP
BI/PM and IM Capabilities:				
• BI Platforms,	Positive	Positive	Positive	Positive
• CPM Suites,	Positive	Promising	Positive	Promising
• Packaged Analytic Apps.	Promising	NA	Positive	Positive
• Data Integration	Strong Positive	Promising	Promising	Promising
• Database	Positive	Positive	Strong Positive	NA
• Content Management	Positive	Positive	Positive	Promising
• Modeling /Meta Data/MDM	Positive	Positive	Promising	Promising
• BAM	Positive	Promising	Promising	Caution
• Content Analytics	Promising	Positive	Promising	Caution
Related Capabilities/Products				
• Application Server	Strong Positive	Positive	Positive	Promising
• Portal	Strong Positive	Strong Positive	Promising	Strong Positive
• Search	Positive	Promising*	Promising	Caution
• Business Applications	N/A	Promising	Positive	Strong Positive
• Collaboration	Positive	Strong Positive	Strong Negative	Caution
• BPM	Positive	Promising	Promising	Positive
BI/PM Interoperability (e.g., UI's, API's, security, admin, architecture)	Positive	Positive	Promising	Promising
Strategy	Positive	Positive	Positive	Positive
Partners/Channel	Positive	Positive	Positive	Positive

2009 Gartner Business Intelligence Summit
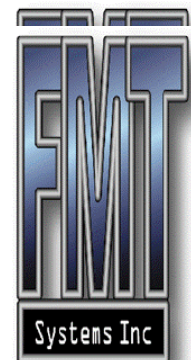
Deliverables of an Assessment

❑ High level implementation plan

❑ Draft RFP that creates a level playing field for vendors

❑ High level roadmap for transitioning the initial BI implementation to an ongoing BI program

❑ Skills gap analysis

❑ Learning and hiring plan

Summary

- BI = information, people, timeliness
- Different skills are needed for BI.
- It is a program.
- Must have a sponsor and a sense of urgency.
- Deal with your data quality issues now!
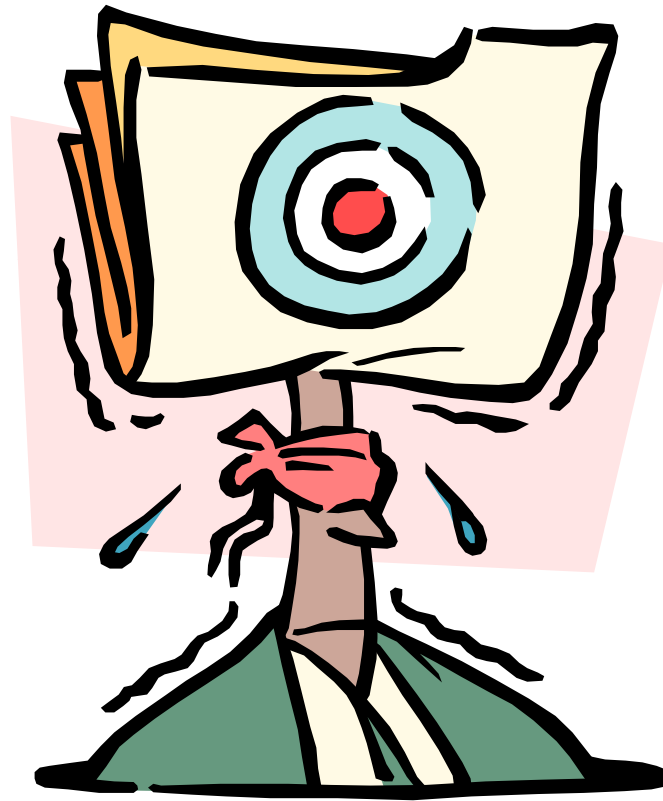- Remember your assessment deliverables and make certain that you get all of them.

Resources

❑ Business Intelligence Network — Events Calendar
http://www.b-eye-network.com/events/index.php

❑ TDWI World Conference: San Diego, CA, August 2–7
& Orlando, FL, November 1–6
http://www.tdwi.org/display.aspx?id=9283

❑ Desktop Conference for BI — Late fall 2009
http://www.desktopconference.org

❑ Oracle BI product roadmap
http://www.oraclebisig.org

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Questions and Answers

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Thank you!

Faun deHenry

FMT Systems Inc.
faun.dehenry@fmtsystems.com