Optimize Your Software with IBM Business Analytics

Integrate analytics to drive your clients’ business

Abstract
The era of enterprise automation is mature. Now the real work begins: making sense of all that data and putting it to use in a way that drives business performance. Your clients are under unprecedented pressure to make better decisions and to make decisions faster. In turn, you have an incredible opportunity to deliver solutions that help them accomplish just that.

You and your client base already know that business analytics tools and processes are the key to unlocking your clients’ decision-making potential and the key to optimizing business effectiveness. And increasingly, organizations need integrated analytics within business applications to improve decision-making in a substantive manner and to drive competitive advantage. But given the underlying complexity of building integrated solutions independently, it is not always a linear, simple process to bring packaged solutions to market quickly and cost effectively. Fortunately, you are not alone.

IBM® Cognos® Business Analytics software has emerged as a strong platform for independent software vendors (ISVs) who seek to build packaged business analytics solutions for virtually any market sector. Instead of internally building out core business analytics competencies, ISVs can engage with IBM to take advantage of IBM Cognos Business Analytics software. IBM Cognos Business Analytics delivers market-leading analytical and reporting capabilities along with market-leading an ASL/OEM go-to-market program. This is the technological and organizational “head start” for which you and your clients have been waiting.
Overview
From automation to optimization
As the business automation market matures, independent software vendors are changing their focus toward business optimization as the source of future revenue growth. Midsized businesses and enterprises are now in possession of large data repositories of data, and the leaders of these organizations need to leverage the intelligence that is locked up in that data if they are to achieve business gain. Because these company leaders—and the IT departments that support them—find themselves resource-constrained on a number of fronts, they are looking to their independent software vendors for help.

Unfortunately, IT budgets are under threat. Implementing business analytics solutions “from the ground up” is often challenging. Not only can these projects be expensive and time-consuming, but efforts to implement business analytics can introduce unacceptable levels of risk to the organization. As much as your clients want—and indeed need—to implement business optimization in order to remain competitive, they cannot do it alone. ISV’s have the domain knowledge. When you engage IBM, you gain the ability to deliver optimization solutions that drive your clients’ business success.

Although many ISV’s are certainly able to build these solutions completely on their own, it may not always make sense for them to do so. By taking advantage of the advanced business analytics capabilities already built into the IBM Cognos Business Analytics platform, and by working closely with IBM to integrate these capabilities into packaged solutions for their given markets, you can position your organization for future growth. By expanding the user community to include executives, management and analyst, you can broaden demand for your offerings. You can align your solutions directly to your clients’ evolving business needs.

Why it matters
In today’s economy, companies cannot afford to lead by guessing. Company executives lead by leaning heavily on the information at hand and using the information to optimize the quality and timeliness of business activities. Decisions are only as effective as the volume, integration and consistency of the underlying information. If data is missing, fragmented or otherwise unreachable, your clients do what people have done for generations: take action and hope for the best. But the end result will not be precise. And it is likely that the decisionmaker will have missed something along the way.

This behavior causes problems on a number of levels. Internal and external business environments continue to intensify, and stakeholders—from line-of-business resources to C-level executives—find themselves challenged to make decisions better and faster. These individuals need to optimize the way they plan and operate their business. And because it drives better decision-making, better information management is crucial to success.

Business leaders accomplish improved information management by using business analytics tools. These tools make it possible for leaders to unleash the potential of their information to drive business agility and competitiveness. This is where you arrive to add value for your clients. The IBM Business Analytics platform is particularly well-suited to build the solutions that help your clients succeed. IBM Business Analytics software helps you to differentiate yourself from your competition. ISV’s throughout a wide range of industries are already engaged with IBM to go to market sooner. These vendors can offer solutions that help their customers do more with their data and to act more quickly and with more confidence. This is symbiosis at its best: your competitive advantage in meeting your clients’ business optimization needs subsequently becomes your clients’ competitive advantage in meeting their own needs.
And that advantage could not come soon enough. The world is a smarter place than it has ever been. Companies in all sectors are driving greater degrees of intelligence into every aspect of their business planning and operations. Guessing is no longer required. Instead, corporate leaders mine organizational data to drive the best possible decisions.

Unfortunately, most organizational leaders find themselves in an environment that requires them to do more with less. Reduced headcounts increase the pressure on those who remain behind to manage the same amount of work. Business automation helps. For example, sales force automation systems reduce the administrative overhead associated with managing day-to-day and longer term planning. This makes it possible for salespeople to spend more time selling and less time travelling to the office and wrestling with paperwork. But with a huge baseline of information at their fingertips, employees at many companies find themselves unable to pull out the insight they need to make better decisions.

How ISVs go about assembling those capabilities into a business analytics solution has also changed. This is because ISVs, too, are affected by tightened resourcing. Whereas in the past you may have chosen to build adapted solutions in-house or to integrate some open source code into a customized solution, you may lack the human capital or budget to build something on your own. Of course, you still need to go to market quickly, so seeking a ready-made platform such as IBM Cognos Business Analytics gives you a significant “head start” in developing go-to-market needs quickly. The performance of IBM Cognos Business Analytics can deliver leading solutions without outstripping your resource base in the process. Using the IBM platform as a basis streamlines future development efforts, which makes it possible for you to stay closer to your customers and to grow your revenue streams over the longer term.

Trends that create challenges for independent software vendors
Like your clients, you are facing unprecedented challenges. Internal and external pressures are forcing you to re-evaluate your business models. You might be required to reallocate marketing and development resources in order to maintain growth. For ISVs, the challenges are multifaceted:

- **Growth in the application market is slowing.** The stale economy may be getting all the headlines, but the long-term trend was in place long before the economic downturn took hold. Clients in all sectors have been rationalizing and streamlining IT infrastructure for a number of years, and this process has reduced their application inventories—and reduced the need for regular implementations of tactical solutions.

- **The audience is expanding.** Executives increasingly demand solutions that give them a more transparent view of business operations. While your development and marketing teams may have focused more closely on your clients’ line of business needs in the past, your teams are now challenged to target senior leadership solutions. These new audiences come with their own set of unique needs.

- **Sales and marketing need greater differentiation.** It is no longer enough to sell within the “sweet spot” of the market. Customers in all sectors seek best-of-breed solutions. These customers are not content to choose between commonly featured solutions. The conversation is shifting away from price and toward fundamentally unique capabilities that will empower your customers’ business capabilities. This places significant pressure on your development teams to integrate new capabilities into your products—and to do so creatively and consistently.
Every company in every sector is facing these challenges. Decision-making has never been more important. Business-critical decisions can “make or break” the future of the organization. Largely due to faster-paced markets and increased competition in all sectors, decision-making is becoming central to day-to-day planning and operations. Though this is a long-term trend, the global economic slowdown adds an additional and more immediate layer of urgency to the decision-making process. Because so much depends on the outcome of these decisions, companies cannot afford to fall short.

Two reasons that your clients are stymied

Movement is crucial in today’s business environment because “business as usual” is no longer sufficient. Companies whose leaders fail to advance the state of their business optimization will be outcompeted by organizations that do advance. Rapidly changing organizational workflows are driving new methods of decision making — and these new methods reveal yesterday’s strategies as woefully inadequate. As your customers try to improve their decision-making capabilities, they are being stymied in two key areas:

1. **Poor access to data**

In many cases, your solution may already possess some baseline reporting capabilities. Unfortunately, these solutions often are hardcoded into your solution and consequently cannot be easily customized or easily adapted. Changes require custom service delivery or product enhancement. This causes problems at a business level, because the reporting systems are decidedly static, yet the external environment — the environment that drives business needs — is constantly evolving.

Your clients need the ability to customize their reporting and analytical solution to ongoing business needs. They need to be able to access and manipulate their data in a rich, robust way if they are to meet dynamic conditions in their market. By producing solutions that help your clients accomplish this in a self-service manner, you empower them. And you stay one step ahead of less-agile independent software vendors.
2. Poor distribution of data
Most businesses have invested in software applications to automate specific functions and to address focused business problems. But often, teams fail to showcase the value of the resulting capabilities to senior leaders. This compromises operations because it tends to limit the willingness of leaders to consider future technology.

By freeing more stakeholders within the organization to efficiently access data regarding key business drivers, the value proposition of your solution is reinforced. Your value proposition can be showcased more effectively. This, too, helps solidify initial appreciation for continued technology investment by those who have budgetary authority.

Over time, these two critical areas of underperformance can cumulatively impact your clients’ organizational effectiveness in the following ways:

- **Constrained insight.** Business automation has created huge, often disconnected repositories of information, but organizations have little opportunity to gain insight from that data.

- **Technology inefficiency.** Company leaders need to do more with less, and they are looking to their independent software vendors to reveal more value in untapped data and related processes. Leaders seek help to create more-agile organizations.

- **Technology devaluation.** As budgets are reduced throughout all areas of the business, IT is under increasing pressure to market the value proposition of business analytics investments. If the IT team is to have a compelling story to tell, the value equation of the technology must improve—and the resources that deliver the technology must improve, too.

The combination of an evolving business environment with the growing shortfalls of organizational performance and decision-making capability is a reality. Left unchecked, this combination can undermine your customers’ competitive position. As the economy struggles and resources continue to be stretched thin, these issues become even more acute.

**Decision-making, analytics and your business success**
ISVs provide value to their customers by delivering solutions that help customers optimize the value obtained from their company’s information assets. Compared to organizations with less-evolved processes, organizations with greater business optimization maturity are better-equipped to drive improved decision making and bottom line performance. Sub-optimal business processes often follow a “one-size-fits-all” methodology that fails to acknowledge the specific needs of different roles within the organization and fails to deliver information to those roles. This can lead to inefficiencies.

To better understand the diverse needs of the user community, ISVs must first understand precisely who those information users are. ISVs must understand the precise needs of these information users. By combining an understanding of who uses information sourced from your application and in what context, you can help define a roadmap for your solution. You can create a maturity model for your solution and use that model to provide more value to a larger community of users within your client base. This helps you position your solution for a move up on the maturity scale.

“Optimized decisions are transparent and decision makers are accountable; the situation is accurately understood, changes in assumptions and course of action are rapid; decision makers have considered a diversity of opinions, and there’s a way to capture and learn from best/worst decision practices”

Although it is possible to segment the user population into many finely differentiated groups, for the purposes of assessing business optimization maturity, it is preferable to keep things simple. The following two groups, application users and strategy and analyst users, represent the broad-based profiles that independent software vendors must keep in mind:

**Application users**
- These are the frequent users of a given business application, who use the application as part of defined business processes.
- These users leverage the information in the system to make decisions and to further a defined business process.
- The decisions to be made are usually of a low to medium complexity, and the decisions need to be made in a highly constrained timeline.
- Simplicity and speed are critically important because of each user's specific role within the organization and because of the accelerating velocity of business. If these attributes are not met, the information is in jeopardy of not being used.

**Strategy and analyst users**
- Although these users routinely consume and manipulate data sourced from your application, they may or may not necessarily use your core application.
- They use this information within decision processes that may not be as strictly defined as many more-transactional business processes.
- Their decision timelines are often more variable since they are more closely tied to strategic decisions, rather than to simple tactical decisions.
- They tend to collaborate more, so their data must be easily shareable, and their access to data often extends outside of your applications’ domain.
- Although speed is also important to these users, accuracy and completeness of the data is even more crucial.

With a fundamental understanding of role-specific needs in place, you are in a better position to assess how your solutions can help put better solutions into your clients’ hands. Moving to an enhanced performance management or business optimization environment starts by understanding your organization's current level of maturity. The three-level continuum can help organizational leaders better assess their current level of competency:

- **Automated.** At its most basic, organizations whose leaders have already invested in business automation are already benefiting from applications and processes that facilitate various business processes. Although automated systems create relatively large repositories of data, at this stage of maturity stakeholders within the organization are often not leveraging the data effectively to drive tactical and strategic decision making.
- **Strategic.** When information is viewed as a strategic asset, organizational leaders move beyond simply accumulating information within business automation systems such as enterprise resource planning (ERP) and customer relationship management (CRM), and begin to leverage that information in value-added ways. Basic queries conducted by limited numbers of individuals or teams within the organization become more integrated with advanced analytics conducted by a broader subset of stakeholders. Greater decision-making power is available to people who previously lacked such access, and the result can be compelling. As decisions improve, role-specific performance improves. A reduction in costs can result as it becomes easier to place requests for information and analysis and easier to fulfill requests in a timely manner.
- **Optimized.** Driven by an ever-accelerating business environment, today’s changing organizational structures and workflows, are rapidly breaking down traditional organizational charts. This results in unprecedented levels of collaboration and automation of tactical decisions that align with strategic corporate direction.
**Application users**

- **Embedded Analytics**
- **Contextual Analytics**
- **Self Service Authoring**
- **Reporting**

**Strategy and analyst users**

- **Collaborative Decision-making**
- **Advanced Analytics**
- **Monitoring and Trending**
- **Data Access**

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<th>Level</th>
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| Reporting             | Provides end users a standardized base level of capability with some parameterization | • Provides standard reports for anticipated use cases  
                       |                                                                             | • Custom requirements usually require custom services or enhancement requests  
| Self Service Authoring| Provides end users a simplified mechanism to independently ask questions in business terms without requiring IT involvement, vendor services or product enhancements | • Improved access to information to drive better decisions by LOB workers and improve overall customer satisfaction  
| Contextual Analytics  | Analytics in-line with application workflow and process to provide real-time, prescriptive and ad hoc analytics to end users | • Informed decisions  
                       |                                                                             | • Reduced guess work  
                       |                                                                             | • More efficient process for end worker  
                       |                                                                             | • Increased confidence by management  
| Embedded Analytics    | This is the next step in delegating operational decisions that are structured, procedural, and routine to the underlying systems Application business process works in concert with the BI system to inquire against KPIs to determine business rules in order to adjust business process and streamline process | • Streamline process  
                       |                                                                             | • Removes bottlenecks  
                       |                                                                             | • reduces oversight requirements  
                       |                                                                             | • Increases accuracy and consistency  
| Data Access           | Providing extracts of data for company to analyze in other systems          | • Provides access to collected data  
                       |                                                                             | • If the strategy stops here, organizations miss an opportunity to create value for this user community – often composed of sales cycle influencers or economic buyers  
| Monitoring and Trending| Providing dashboarding and scorecarding capability packaged with best practice KPIs | • Capabilities targeted at broadening the user community  
                       |                                                                             | • Thought leadership opportunity for defining best practice KPIs  
                       |                                                                             | • demonstrable executive capabilities to elevate sales conversation  
| Advanced Analytics    | What-If analysis, scenario modeling, and predictive analytics               | • Capabilities that allow users helping set future corporate direction to analyze the effect of changes in strategy and predict implications  
| Collaborative decision-making | Integrating Enterprise 2.0 capabilities—including collaboration, blogs and other social media—with BI | • Developing a collaborative environment for more complex decisions  
                       |                                                                             | • Thought leadership on providing a collaborative work environment with Web 2.0 technologies  

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**Data to Automate Business**

**Information as a Strategic Asset**

**Business Optimization**

**Collaborative Decision-making**

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**IBM Software**

**Cognos Software**
Executives use dashboards that reveal direct-value capabilities for monitoring and trending.
Using contextual analytics, individuals throughout the organization can improve their decision-making.

IBM Cognos Business Analytics provides a market leading platform upon which to drive business optimization to greater levels of maturity. Unlike competing point solutions, IBM Cognos Business Analytics software is designed to integrate cleanly with application workflow and business processes and to optimize return on investment (ROI) at all stages of its evolution. Wherever your clients fall on the maturity continuum, IBM provides the framework to help you help them reach new levels of success.

With IBM Cognos Business Analytics, partnership models help ISV’s make it possible for their customers to derive more immediately the value from their investments in business analytics. Revenue streams are expanded and extended due to improved customer loyalty. Independent software vendors can then accomplish these actions:

- **Gain an edge** through products, messages and branding that are strongly differentiated from your competition.
- **Elevate the conversation** by measuring KPIs against strategy to illustrate the value of business analytics to senior leaders.
- **Increase the deal size.** Move from application sales to module sales to suite sales when you expand the community of users to respond to broader needs.
- **Strengthen your relationship with customers.** When data visibility and insight are a seamless part of the everyday workflow, customers are more satisfied and loyalty is deepened.

The ASL/OEM program from IBM Cognos gets ISVs to market faster and helps them build greater value. Expect to work smarter in a resource-constrained environment. The IBM Cognos program offers a flexible business relationship that adapts to your specific development needs. By strategically engaging IBM, developers are able to drive revenue and bring valuable new intelligence to their customers.

**Integrated**
Integration is crucial to success, and IBM Cognos Business Analytics establishes a leading-edge baseline upon which you can build rich analytical applications right into front-line business applications. The IBM Cognos platform provides the ideal environment for software as a service (SaaS) and independent software vendors to extend their solutions.
This IBM platform provides all business analytic components—including reporting, analysis, dashboarding, scorecarding, planning and budgeting on a single, zero-footprint architecture. Deployment and integration are simpler with a flexible foundation that possesses these characteristics:

- **Complete.** All business intelligence and planning components on a single, robust foundation. This means you can start with one component and access more capabilities as you require them.
- **Open.** An open application programming interface (API) creates full access to broad functions. You gain the ability to make rapid changes and connect to a multitude of data sources.
- **Scalable.** Whether your application is an on-premise departmental application or the largest enterprise or SaaS solution, the platform scales to meet your needs.
- **Secure.** The IBM Cognos open security model lets you leverage your security infrastructure. You can address a wide range of multi-tenant models to support customers who wish to achieve safer access to their data.

**Flexible**

This flexibility helps independent software vendors build a competitively differentiated ability to deliver business analytics solutions to customers who face very real challenges. This is a solution that extends beyond technology and encompasses a level of engagement that helps independent software vendors deliver more. The ASL/OEM program from IBM Cognos supports independent software vendors through training, advisors, mentoring, proven practices, guides and other resources. Optimize your investment, manage risk, build value quickly and get to market faster.

With IBM, dedicated advisors with years of product management experience and development experience are focused on supporting you through every stage of your project. They accomplish this in specific ways:

- **Define and enable.** In the early project definition stage, you benefit from a dedicated technical account manager, classroom and computer-based training, capacity planning and consulting services. The ISV Solution Guide helps you integrate business analytics into your application.
- **Develop and deploy.** With a strategic project advisor as your guide, you make use of integration tools, SaaS and IBM Cognos proven practices, technical forums, code-level support, and open branding and documentation. The IBM team can help to bring you from initial design through development and go-to-market planning.
- **Market and sell.** The ASL/OEM program from IBM Cognos and the resources of IBM PartnerWorld® optimize your sales and marketing efforts. Expect help for your teams as they develop demonstrations and messaging. Expect coaching for your sales and pre-sales teams in workshops, assistance at kickoff and launch events, and engagement with your marketing team to drive lead-generation activities.

**Get started quickly with IBM**

A fast-changing business world demands new ways of delivering integrated analytics to market. As an ISV, your increasingly data-rich applications are helping your customers meet this analytical need. As the business analytics market continues to strengthen and grow, your customers will seek out new ways to take advantage of their data and to gain insight. Your clients are deploying these solutions more broadly, and customizing the solutions on a role-by-role basis. Your customers expect their business analytics tools to integrate into line-of-business applications and they expect these tools to adapt flexibly based upon who is using them and what the individual is trying to accomplish.
From the perspective of client companies, vendor choice has never been more important. Corporate leaders either will choose vendors that provide immediate-use capability, or leaders will seek out third parties or internal resources to address that need.

At the same time, reduced staffing at recession-hit companies is spawning new ways of collaborating and is changing workflows radically. Traditional obstacles to data access are (or should be) evaporating as business analytics competencies continue to improve and become part of a mature information-management culture. To better meet these expanding requirements, independent software vendors must expand their reach to new user communities. You must get closer to your customers and drive customer satisfaction to levels at which you can sustain and grow your business.

You want to do more than just develop integrated solutions that meet this need. You need to go to market with solutions that flexibly meet the unique analytical requirements of your customers. You must do so using a development methodology that “holds the line” on project scale and timeline, because this makes it possible for you to lead your market, and for your customers to lead their markets. By engaging IBM and leveraging the integrated capabilities of the IBM Business Analytics platform, you build that competitive advantage into your development process.

**About IBM Cognos Business Analytics**

IBM Cognos Business Analytics solutions deliver world-leading enterprise planning, consolidation and analytics software, support and services to help companies plan, understand and manage financial and operational performance. IBM Cognos solutions bring together technology, analytical applications, tested methods and a broad network of colleagues to give you an open, adaptive and thorough performance solution. Over 23,000 customers in more than 135 countries around the world choose IBM Cognos solutions.

**For more information**

To learn more about the IBM Cognos software platform, contact your IBM sales representative or visit the following website: [ibm.com/software/data/cognos/partners/oem](http://ibm.com/software/data/cognos/partners/oem).

**Request a call**

To request a call or to ask a question, go to [ibm.com/business-analytics/contactus](http://ibm.com/business-analytics/contactus). An IBM representative will respond to your inquiry within two business days.