Driving BI Across the Enterprise
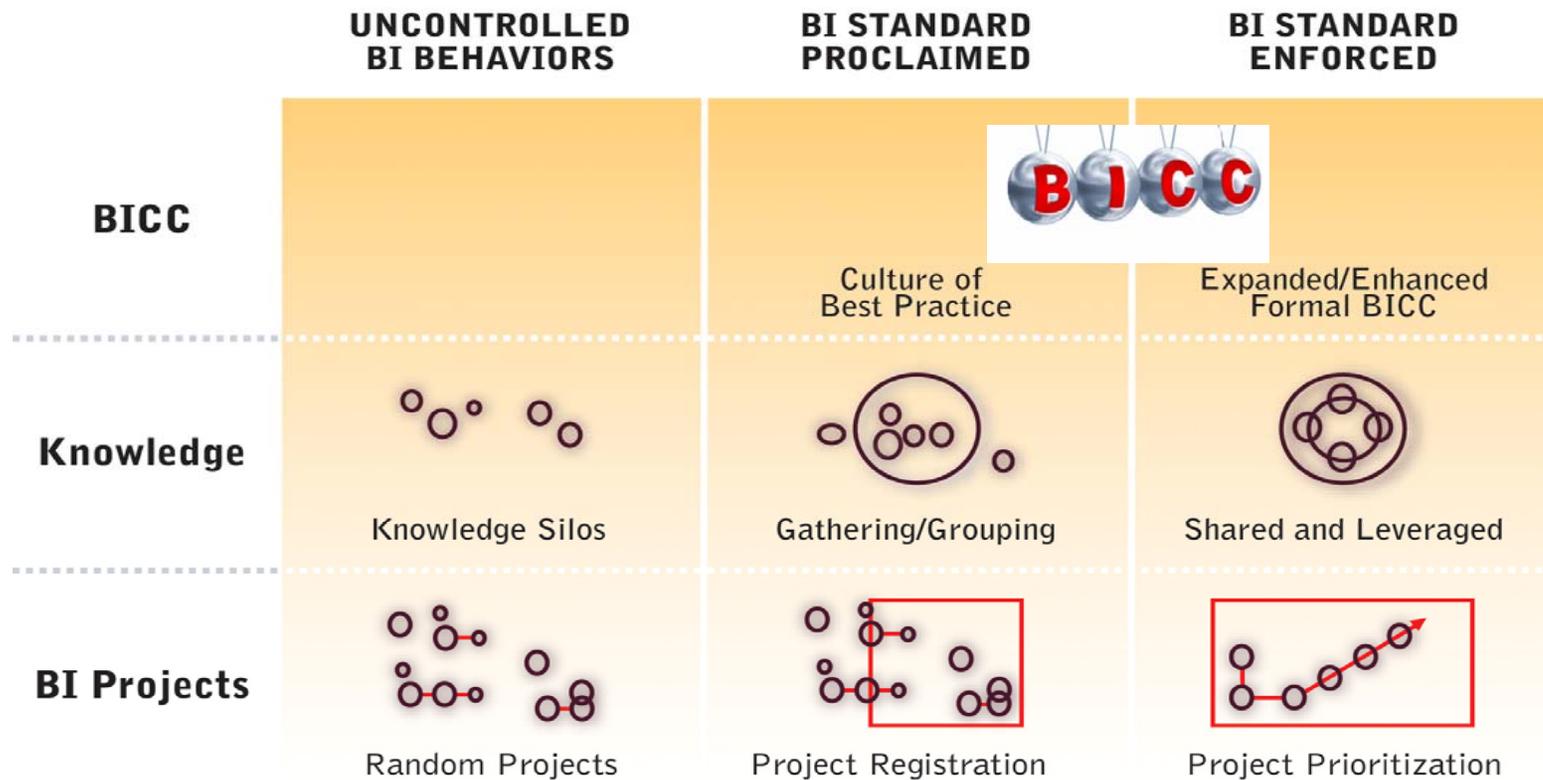
Winning Conditions through Standardization & BICC

October, 2007

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THE NEXT LEVEL OF PERFORMANCE™

Maturing Enterprise BI & Operational Design
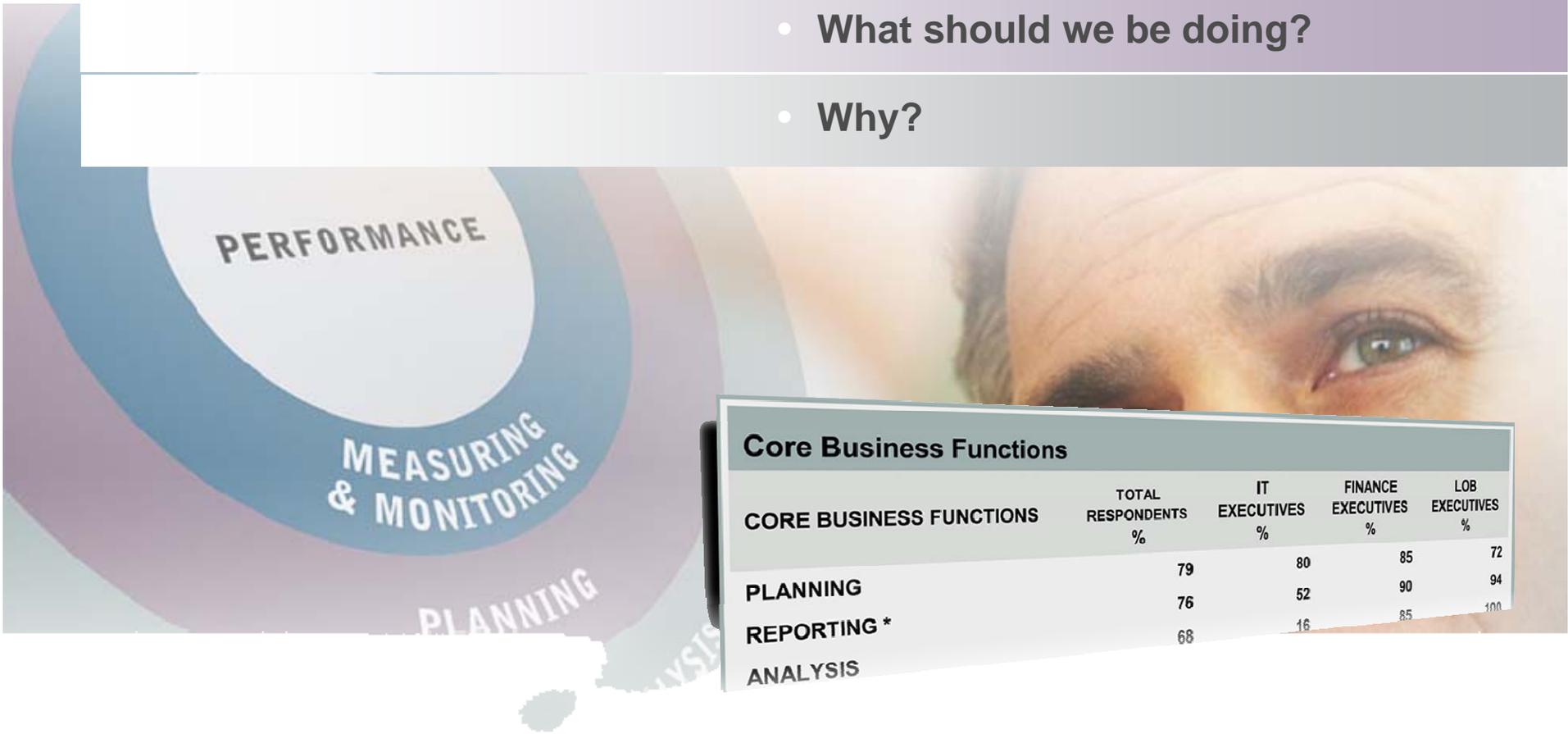
WHAT IS NEEDED?

- **Enterprise-class platform**

  - **Reliable and scalable software that is low cost to deploy, manage and maintain**

- **Complete, consistent view of information, anytime, anywhere**

  - **Capabilities for all user communities to ensure access to the right information for better decision-making**

- **Solutions based on Best Practices**

  - **Analytic Applications, Services, Support that accelerate deployment**

  - **Standardization and Competency Centers to enable winning conditions for success**

Higher Performance Starts with Informed Decision Making

- **How are we doing?**

- **What should we be doing?**

- **Why?**

PERFORMANCE

MEASURING
& MONITORING

PLANNING

Core Business Functions

CORE BUSINESS FUNCTIONS	TOTAL RESPONDENTS %	IT EXECUTIVES %	FINANCE EXECUTIVES %	LOB EXECUTIVES %
	79	80	85	72
PLANNING	76	52	90	94
REPORTING *	68	16	85	100
ANALYSIS				

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Drivers affecting Operational Design

INFLUENCES / BARRIERS

The Outside Environment

- Business Model Evolution
- Accelerating Globalization
- Hyper Competition
- Market Consolidation
- Governance & Regulations

The Inside Environment

- System Complexity
- People & Resource Management
- Fragmented transactional systems and silos of data in business units and applications
- Multiple reporting and analysis tools
- Spreadsheets are too often perceived as the answer to all problems – introducing data integrity, scale, audit concerns

THE
HIGH-PERFORMANCE
ENTERPRISE

MEASURING & MONITORING

PLANNING

REPORTING & ANALYSIS

- Increase User Adoption & Productivity
- Increase ROI
- Increase Shareholder Returns*
- Increase confidence in decision making & compliance
- Improve time to decision making
- Improve human capital management
- Drive accountability

*The Hacket Group Book of Numbers – 2.4 x Shareholder Equity

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Cognos Research
27 Organizations - Why Standardize ?

1. Increased Transparency of information / Single Version Truth

2. Increased level consistent / repeatable delivery of Cognos and best practices

3. Increased Business User Satisfaction

4. Increased and better utilization of skilled individuals in your organization

5. Improvement of IT efficiency to respond to the business quicker (remove backlog requests)

6. Understanding and knowledge of what other Customers are doing to progress and develop their BICC

7. Decreased Staffing costs through reuse of best practices and projects

8. Increased IT and Developer Satisfaction to manage Cognos technologies

9. Increased usage of Cognos (BI) footprint and adoption

10. Higher Performance throughout IT and the Business

11. Increased Decision Making Speed

12. Increased understanding of the value of BI

13. Strength of Vendor Relations

14. Customer Self Service

15. Reduction in direct software costs

16. Reduction in related costs (hardware, training)

17. Reduced TCO

18. Recognition of new approaches and new ways to use BI
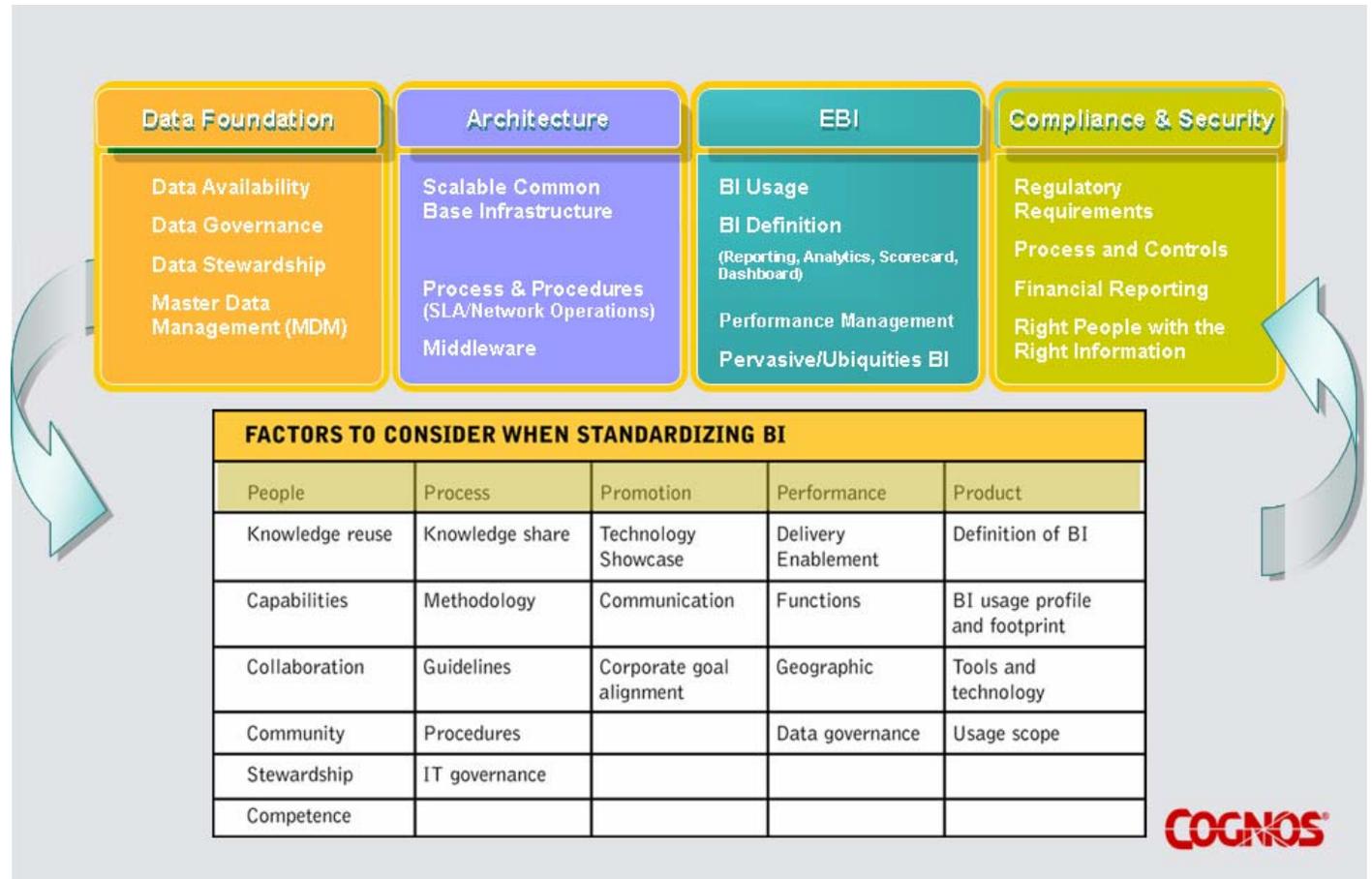

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Standardization – more than Choice of tools ….

Highly performing organizations standardize….

Technologies, people, process and organizational framework

With an enterprise strategy

Data Foundation	Architecture	EBI	Compliance & Security
Data Availability	Scalable Common Base Infrastructure	BI Usage	Regulatory Requirements
Data Governance		BI Definition	Process and Controls
Data Stewardship	Process & Procedures (SLA/Network Operations)	(Reporting, Analytics, Scorecard, Dashboard)	Financial Reporting
Master Data Management (MDM)	Middleware	Performance Management	Right People with the Right Information
		Pervasive/Ubiquities BI	

FACTORS TO CONSIDER WHEN STANDARDIZING BI

People	Process	Promotion	Performance	Product
Knowledge reuse	Knowledge share	Technology Showcase	Delivery Enablement	Definition of BI
Capabilities	Methodology	Communication	Functions	BI usage profile and footprint
Collaboration	Guidelines	Corporate goal alignment	Geographic	Tools and technology
Community	Procedures		Data governance	Usage scope
Stewardship	IT governance			
Competence				

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Standardization = Achieving the CIO / CFO Goals

- Business productivity gains
  - **Spend time developing action plans instead of disputing the figures**
  - **Spend less time learning disparate tools**

- Streamlined spending and reduced overall cost of ownership
  - **Command a more strategic relationship (business / IT)**
  - **Reduce duplication of effort (human and technical capital)**
  - **Reduce the number of servers deployed, reduce maintenance efforts, training costs, and implement solid best practices to accelerate deployment**

- Increased access to timely, relevant, & more consistent data

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Highly Performing organizations share common goals across the enterprise ….

- **Corporate Strategy**

- **Performance Management**

- **Information Enablement & Measure**
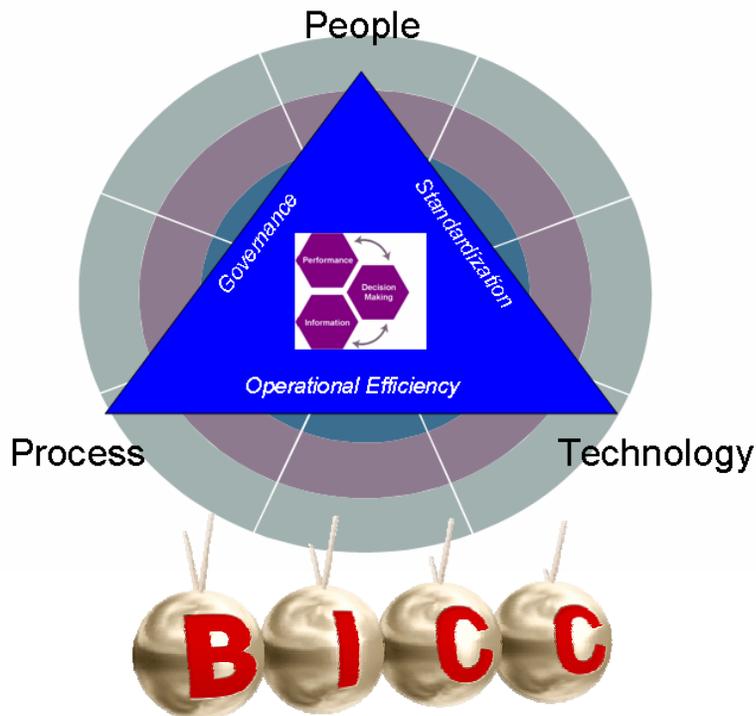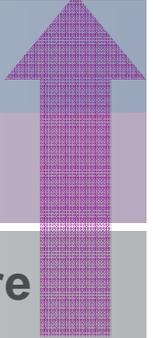
BICC / PMCC :

Promotes and provides **delivery enablement** through a **consistent set of BI skills, standards and proven practices**

Enables **repeatable successful Cognos deployments** through the development and focus of people, technology and process – **in ways that make sense to an entire organization or division**, rather than just a 'single project'

Why do Customers need a BICC?

A BICC is essential to the strategic deployment of BI because it:

1. Eliminates the gap between Business and IT (<u>Communication & Time to market</u>)

2. <u>Maximizes the efficiency</u>, use and quality of your BI across all lines of business

3. Leads to BI deployments that have higher success and <u>deliver more value, at less cost, in less time</u>

4. Drives <u>end user adoption</u> to ensure its success

5. Enables a balance of agility and management of technology is needed to drive business efficiency through a <u>formal base organizational structure</u>
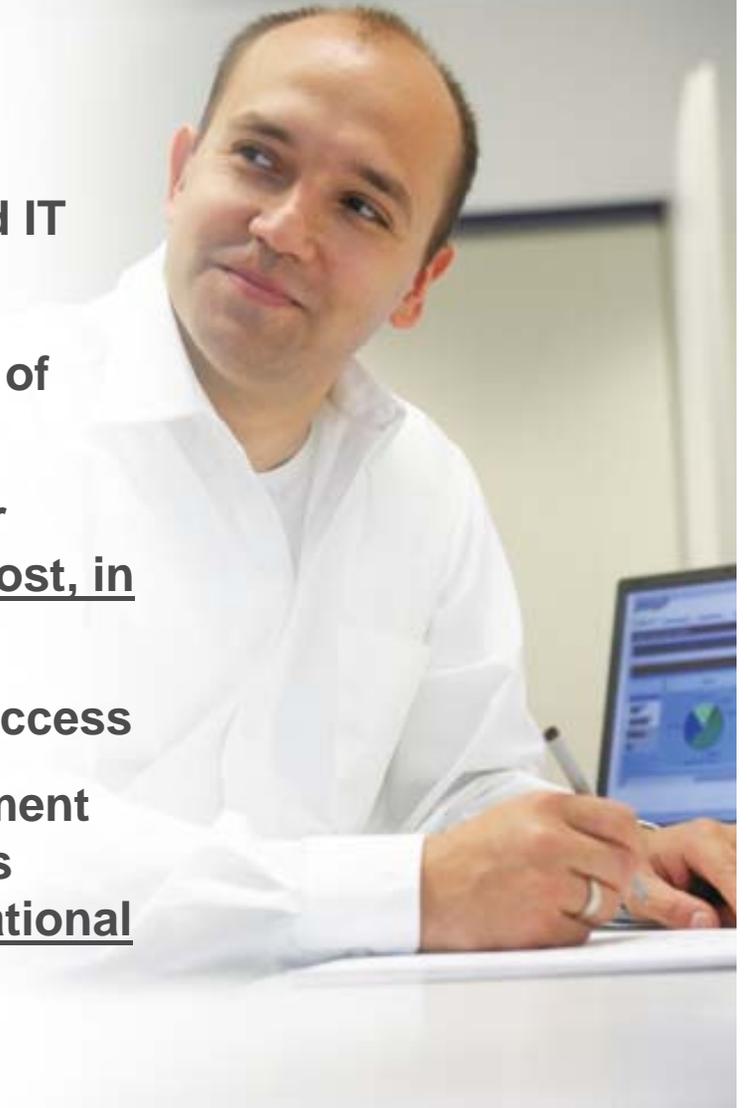
Common Barriers inhibiting success

- **Organizational change / Behavior change**
- **Established Operating framework / foundation to support BI as a strategic asset (enterprise)**
- **Balance of Centralize vs Decentralize / Real vs Virtual**
- **Balance of resources with competency, stewardship and governance**
- **Understanding the successful path to take on the BICC journey**
- **No one size BICC fits all (How many BICC's should you have in your organization ?)**
- **Gaining support of peers and execs across the enterprise organization**
- **Lack of having a well defined/orchestrated BI reference framework**
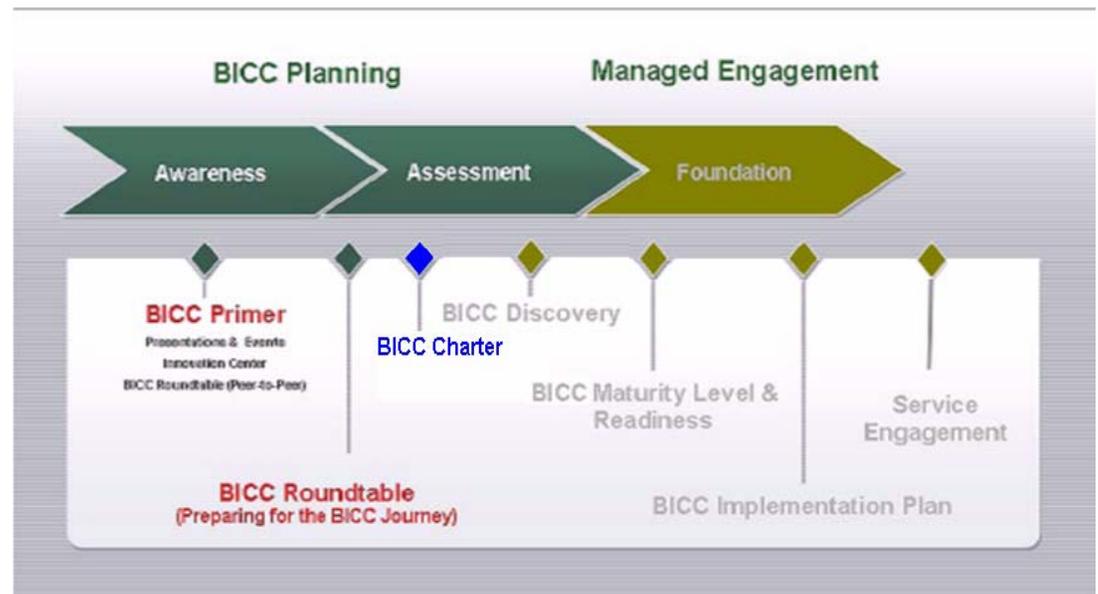
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Cognos Service Solutions to help you succeed

- Cognos has defined a strategy and professional service program to work closely with customers - helping them transform their Cognos investments across the enterprise with a BICC.
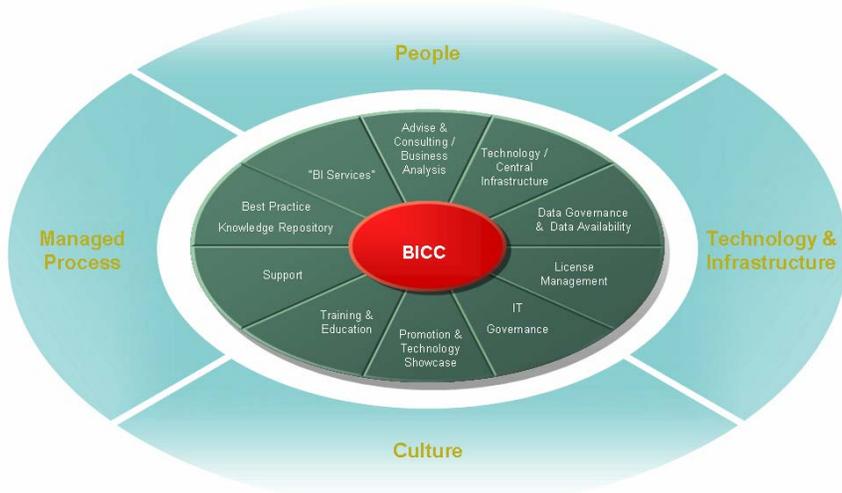
Balance design of 4 fundamentals

Scope of BICC services

People and Culture

BUSINESS USERS
- Prioritize Deliverables
- Obtain Funding
- Review against business strategy
- Review against processes
- Test usability / effectiveness

ANALYSTS / POWER USERS
- Identify Data
- Obtain Funding
- Develop Business Rules
- Validate exploration / Discovery

IT
- Build / leverage infrastructure
- Validate methodology
- Validate technology & tools
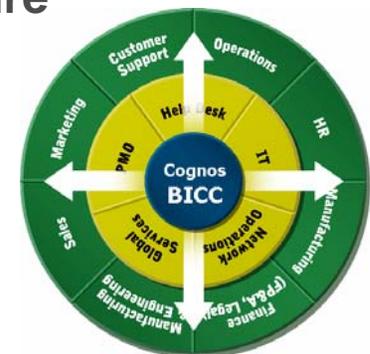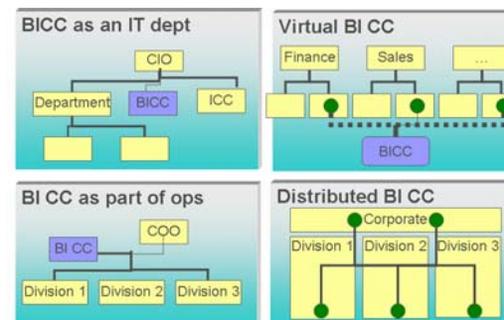- Set & maintain Standards
- Evaluate training requirements

BI COMPETENCY CENTER
- Combined expertise of ALL stakeholders

Foundation Design

Placement and Structure

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Establish a Foundation
(Approach & Sponsorship)

	PROS	**CONS**
Top-Down	Political support makes change happen "Instant" internal customer buy-in; their options for data are curtailed Implementation is on a schedule driven by the top	You will be the agent of "Knocking down" existing systems – making waves with future customers Executive Sponsors, Customers may have different opinions of what should be the priority Lost flexibility to listen & act on good ideas that happen in a process
Bottom Up	Fosters the internal champions useful to see an idea & maintain momentum once sold Opportunity to make mistakes, learn from them & listen to users Owning the schedule gives you greater flexibility	Even with internal support, tricky to secure executive buy-in Resources scarce & hard to secure You compete with the rest of the organization for priority.

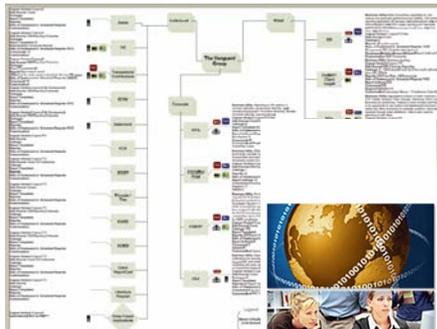*# 1 Requirement from Studies = Executive Sponsorship*

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Access your current state
(Organizational readiness / Understanding of needs)

Product , Project, Usage Inventory & Profile

Understanding of Business and IT needs (Drivers)

Departmental Business Intelligence	BI Standardization Proclaimed	BI Standardization Enforced
Business Driven IT Steward Supporting	Business Driven IT Trying to Streamline	Business Driven Registers with IT Business & IT relationship To enforce
Typically Decentralized Knowledge Experts	BI Competency Center (BICC) Considered or present	Matured BICC Central or Shared BI skills
Departmental Metrics Typically Funding per project	Possibly a Performance Management Culture BI may be a Line Item on Budget	Possibly a Performance Management Culture BI a Line Item on Budget
Good Enough Product for this project LOB - Familiar Product Lowest Licence Cost	Best Product for Multiple Projects Now Considering Lowest Overall TCO Vendor Relationship	Best Product for Multiple Projects Exception Process Clear Vendor Relationship Vital

Core Business Processes

CORE BUSINESS PROCESSES	TOTAL RESPONDENTS %	IT EXECUTIVES %	FINANCE EXECUTIVES %	LOB EXECUTIVES %
REVENUE OPTIMIZATION	94	68	95	100
PROFITABILITY	89	84	95	78
RISK MANAGEMENT	76	84	70	50
ASSET OPTIMIZATION	65	72	45	44
GOVERNANCE	52	64	20	62
INITIATIVE MANAGEMENT	40	36		

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Establish a Foundation

(Placement, Scope of Operation, Structure)
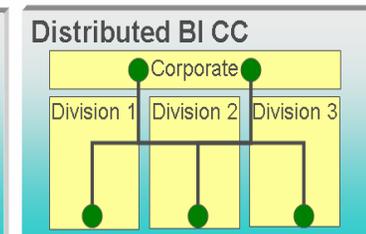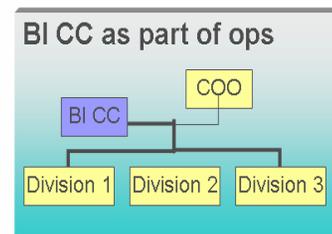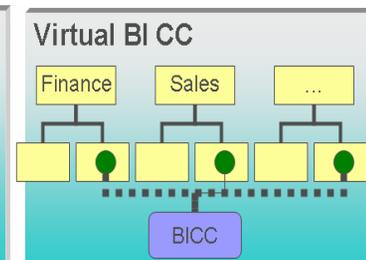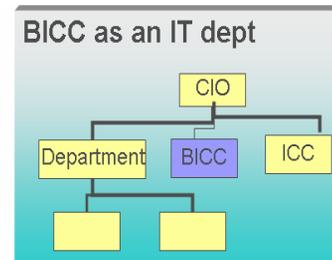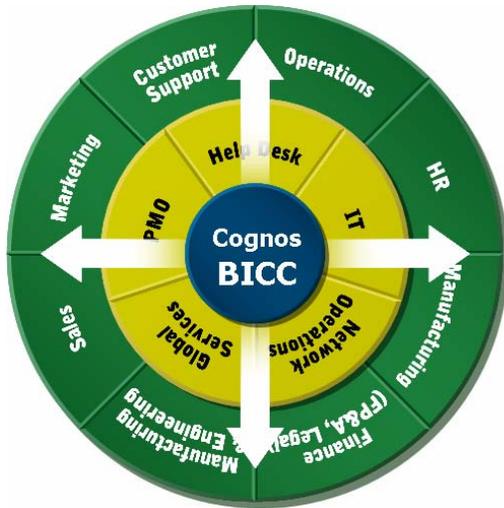
*# 2 Requirement from Studies = Involve both
Business and IT*

CIO = 67 %   CFO = 29 %   Partnership or CSO = 4 %

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Plan BICC services to enable the organization

**What it is /
What it is Not**
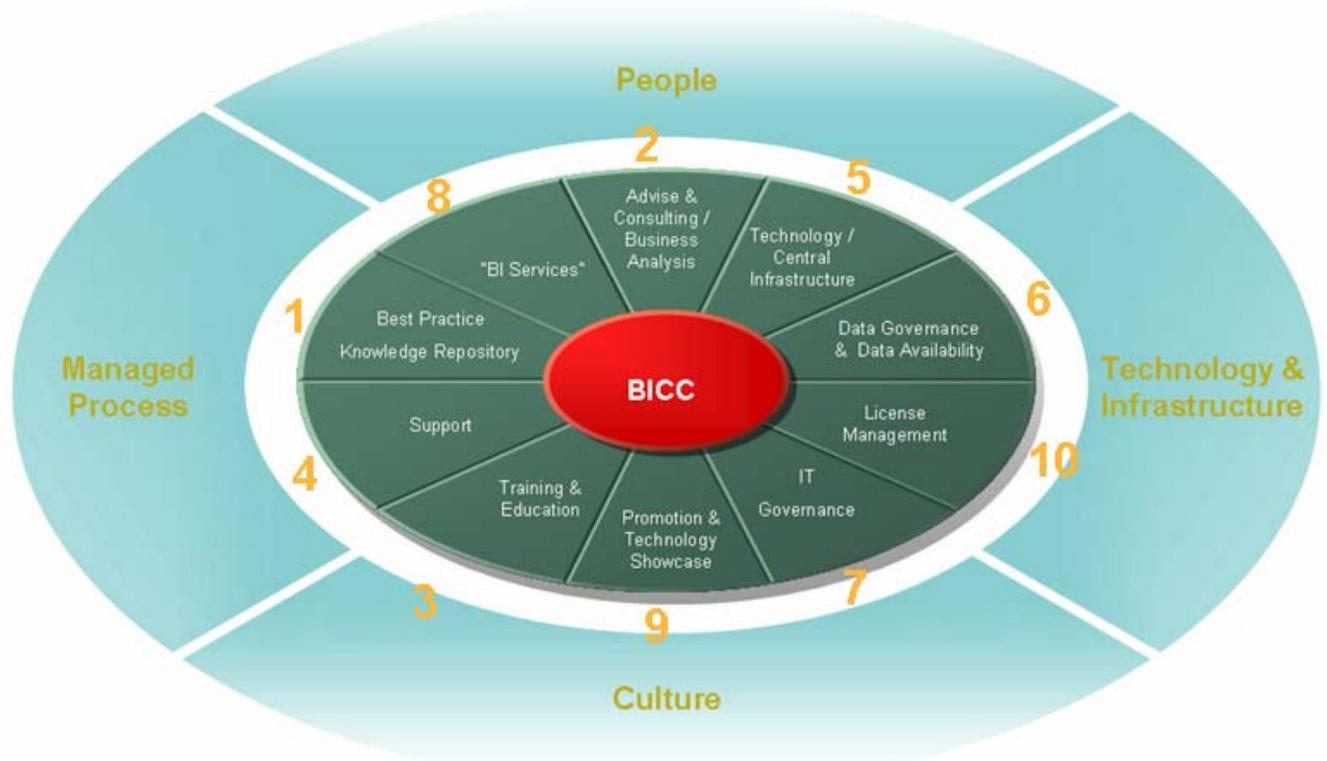
**What do you already have ?
What do you need (business/IT) ?**

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Best Practices in formalizing a BICC

Develop People Competency

(Skills, Alignment, Accountability)

BUSINESS USERS
- Prioritize Deliverables
- Obtain Funding
- Review against business strategy
- Review against processes
- Test usability / effectiveness

ANALYSTS / POWER USERS
- Identify Data
- Obtain Funding
- Develop Business Rules
- Validate exploration / Discovery

IT
- Build / leverage infrastructure
- Validate methodology
- Validate technology & tools
- Set & maintain Standards
- Evaluate training requirements

BI COMPETENCY CENTER
- Combined expertise of ALL stakeholders

BI Steering Committee
Executive Sponsor (CIO or CFO) / BICC Director / Senior Management/Influential representatives of both Business and IT
Strategic Vision - Enforce the BI Standard – Project Prioritization - Funding Decisions or Requests

Virtual or Fixed Team

Centralized / Decentralized

Business
LOB Mgmt & Project Lead
Project Sponsorship, Project Funding
Business Requirements

BICC Core
BICC Director
Design, Manage, Measure, Evangelize, Promote
BICC Program Team
Project Startup Assistance & Guidance
Project Oversight/Health Check
Resource Enablement

BICC Specialists
Business & IT as One

Development
Development (Application, Reports, Models)
Report Factory, Shared Utility

User Adoption Specialists
Support Services, Training,

System Admin & Operations
Network Operations & Security Admin
(Hardware, Capacity Planning & Security)

Data Mgmt
ERP and EDW DBAs
DW Governance and Stewardship

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Plan your Funding Model and Design

- **Central Budget**
  - Part of IT budget /Popular in early stages

- **Subscription Based**
  - "Fair share" of costs / Popular in mature BICCs

- **Billing Queries**
  - Fee charged for each activity / Helps to promote BICC value, but often a barrier

- **Services Based**
  - Similar to external service provider model / Requires intimate understanding of organizations usage

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Measure and Promote Success

Intangible → Tangible

BICC Entity

BICC Functions

- Resource efficiency
- Reduce the gap between Business and IT
- Customer Satisfaction (CSAT)
- IT ability to respond to business quicker / more accurately
- IT to add value+ to solution
- Quality of Delivery
- Accuracy of Delivery
- Decision making confidence
- Strengths of relationship between IT and Business (IT seen as a value add)

- Operational Efficiency
- Allignement of Business Processes
- Reduction in time to market
- Business benefit
- Business Confidence in the BICC / Solution or technology
- Accuracy of Decision Making
- Timeliness of Decision Making
- Project development on track (proactive)
- Decision making speed

Reduction in hardware / software costs

Increase in % of users education (Business, Developers and Administrators)

Reduction in overall Support Calls

Reduction in the time to close calls

# of projects completed with less time/less resource

Reduction in development costs and cycle times

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Cognos Research of 27 Mature Enterprise WW Organizations

	1	2	3	4	5	6	7	8

	BICC Impact	Organization's Importance
1. Increased Transparency of information / Single Version Truth	4.6	7.4
2. Increased level consistent / repeatable delivery of Cognos and best practices	6.3	7.2
3. Increased Business User Satisfaction	6	7.1
4. Increased and better utilization of skilled individuals in your organization	5.4	7.1
5. Improvement of IT efficiency to respond to the business quicker (remove backlog requests)	6.1	6.9
6. Understanding and knowledge of what other Customers are doing to progress and develop their BICC	5.8	6.9
7. Decreased Staffing costs through reuse of best practices and projects	4.8	6.8
8. Increased IT and Developer Satisfaction to manage Cognos technologies	5.8	6.7
9. Increased usage of Cognos (BI) footprint and adoption	5.7	6.5
10. Higher Performance throughout IT and the Business	4.7	6.5
11. Increased Decision Making Speed	5	6.4
12. Increased understanding of the value of BI	5.5	6.3
13. Strength of Vendor Relations	5.8	6.3
14. Customer Self Service	5	6.2
15. Reduction in direct software costs	4	6.3
16. Reduction in related costs (hardware, training)	4.6	6.2
17. Reduced TCO	4.5	6
18. Recognition of new approaches and new ways to use BI	4.6	5.8

COGNOS®

Innovation Center to keep you up to date

- BICC Content Focus

- Provide a meeting place for BI thought leaders

- Increase BI understanding, adoption and implementation

- Deliver a forum and resource center around BI Competency Centers

  http://www.cognos.com/innovationcenter

COGNOS | INNOVATION CENTER *for Performance Management*™

ADVANCING PLANNING AND PERFORMANCE MANAGEMENT PRACTICE

COGNOS®

Our Commitment:

- Innovation that drives performance

- Solutions for your success

- Partnership for the journey

Thank you for the opportunity to serve you.

For questions and further assistance…..

YOUR CONACT INFO

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