



THE MISSING LINKS IN PERFORMANCE MANAGEMENT:

THE CHALLENGE TO DELIVERING A COMPLETE PICTURE OF THE BUSINESS—AND WHAT CAN BE DONE ABOUT IT

2010 OAUG ResearchLine Survey on Performance Management Solutions and Methodologies

By Joseph McKendrick, Analyst
Produced by Unisphere Research, a division of Information Today, Inc.
July 2010

Sponsored by  

Produced by 

TABLE OF CONTENTS

<i>Executive Summary Key Findings</i>	3
<i>Today's Decision Making Environment</i>	5
<i>Speed of Information Delivery</i>	7
<i>Issues With Sole-Source Solutions</i>	12
<i>Spreadsheet Culture Prevails</i>	16
<i>Performance Management-Driven Culture Needed</i>	18
<i>Promoting Performance Management Across the Enterprise</i>	25
<i>Demographics</i>	27

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

EXECUTIVE SUMMARY

Many organizations now have, in their possession, the sophisticated analysis tools and dashboards that connect to back-end systems and enable them to peer deeply into their businesses to assess progress on all fronts—from revenues to stock outs to employee performance.

However, a recent survey of more than 250 Oracle applications users reveals that when it comes to decision making, simple spreadsheets still remain the tool of choice. And business users still wait days, weeks, and months for their IT departments to deliver reports, despite significant investments in Performance Management systems.

Why? Because, executives and managers state, the analysis tools that are chosen by their IT departments are too hard to use and, despite their vaunted back-end connectivity, still won't give them a complete picture of their business from a myriad of data sources. Spreadsheets are a quick way to circumvent the heavy-duty analysis systems that are under the domain of IT departments.

These are the challenges enterprises face, as found in a new survey of Oracle enterprise applications users on Performance Management systems. Performance Management—also often referred to as “Corporate Performance Management”—leverages business intelligence (BI), enterprise planning and analytic application software and services to help companies plan, understand and manage financial and operational performance. The approach links business strategy to metrics, analytics and reporting options and typically provides validated and weighted information to decision makers through dashboards or portals. End users have the capability to drill down into multidimensional information often supported by data warehouses or data marts.

To track the adoption of Performance Management within today's organizations, Unisphere Research, a division of Information Today, Inc., surveyed members of the Oracle Applications Users Group (OAUG) on trends and best practices. The study, conducted in partnership with IBM Cognos, was conducted in March and April 2010. The survey, announced via an email notification to the OAUG membership list, directed participants to a Web-based survey instrument. A total of 279 responses were collected by the survey deadline.

This is the third study the OAUG has conducted on Performance Management. Where applicable, comparative data from the first two surveys, conducted in early 2007 and early 2009, is highlighted. Overall, the survey finds rising interest in Performance Management approaches since the previous survey was conducted, but many obstacles still impede progress.

Of the respondents to the survey, 25 percent identify themselves as either IT director/managers or CIOs and 18 percent

as non-IT managers or executives. Another 27 percent say they are IT consultants or developers.

Respondents come from a diversity of companies. Seventeen percent come from large organizations with more than 10,000 employees, and half, 50 percent, represent employers with 1,000 to 10,000 employees. In addition, 27 percent are with smaller to medium-size firms with 1,000 or fewer people. By company revenue size, 21 percent come from organizations with more than \$1 billion of annual revenue, and 16 percent represent companies at the smaller end of the revenue scale, with \$100 million or less in annual revenue.

By industry, 21 percent identify themselves as being with public or non-profit agencies or organizations, and another 21 percent are with manufacturing organizations. (For more information on the demographics of this survey, see Figures 24 through 27 at the end of this report.)

Key findings include the following:

- Cautious IT spending has resulted in a mixed picture for Performance Management analytics. Some organizations are ramping up Performance Management efforts to meet increased competitive challenges; others face budget issues. Of course, any economic downturn that organizations may have felt has not provided relief from growing issues with the timeliness of information. Many decision makers also continue to face problems with the completeness of their information.
- There are considerable demands from Oracle enterprise applications users for reports, dashboards, scorecards, or planning models to help decision makers determine the health of their business. However, many respondents say they need to wait up to a month for reports.
- Oracle enterprise applications users tend to rely on single-source BI, analytics or Performance Management solutions from their ERP provider. These sites are less likely to see results for their Performance Management efforts.
- The difficulties and time lags in securing the right information helps perpetuate a spreadsheet analysis culture. Spreadsheets even dominate decision making at companies with relatively robust Performance Management systems within Oracle applications sites.
- Barely a handful of organizations in the survey have attained robust “Performance Management-driven cultures” at this time, defined for purposes of this survey as having tools and solutions widely available across their organizations. Organizations that have taken the lead with self-service and accessibility of Performance Management data have fewer issues with IT report burdens than the overall survey group of Oracle enterprise applications sites.

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG—If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

- There is growing support toward enabling end users to build their own interfaces to Performance Management information. Greater end user self-service is also seen as the best way to proliferate and promote these solutions among Oracle applications users.

Performance Management success requires being open to a range of approaches and solutions to help business users make better decisions, and providing them the unfettered flexibility

to access the data they need, when they need it. To accomplish this, organizations need to look at data and analysis solutions as an enterprise resource to be driven by business requirements, not by IT department expediency. On the following pages are the survey results, examining the challenges with today's decision making, adoption of Performance Management tools and methodologies, speed of information delivery, and efforts to promote Performance Management across the enterprise.

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

TODAY'S DECISION-MAKING ENVIRONMENT

Cautious IT spending has resulted in a mixed picture for Performance Management analytics. Some organizations are ramping up Performance Management efforts to meet increased competitive challenges; others face budget issues. Of course, any economic downturn that organizations may have felt has not provided relief from growing issues with the timeliness of information. Many decision makers in Oracle user organizations also continue to face problems with the completeness of their information.

In today's competitive global economy, companies continue to take a hard look at their overall performance in an effort to tighten up areas that may be lagging in productivity or incurring high costs. Thus, there may be more demands from decision makers for better visibility into aspects of operations, from administration to manufacturing and shipping, to better identify such laggards.

The question is, then: Will companies invest in tools to make this possible, or keep a tight rein on all spending? What has been the impact of the recent economic downturn on efforts to better leverage data for decision makers? The results have been evenly divided between those companies that report a push for greater awareness, versus those that simply chose to cut back on all fronts. In close to one-third of the respondents' companies (32 percent), there has been increased demand for better tracking of business intelligence and performance analytics. About the same percentage report decreased corporate support for such efforts. (See Figure 1.)

The impact of cutting back on efforts to gain more insight ripples through the organization. "We have poor reporting and analytic tools and have paid the price during the existing downturn," observes one respondent, manager of an Oracle

enterprise application site. "Executives are having to make cutbacks without meaningful management reporting."

Still, other organizations recognized the urgency of business intelligence. As another respondent notes, "This effort has become even more critical. All other major new capital projects were postponed or canceled and only the BI implementation was approved. This is a very concentrated effort for this project to be complete in the first half of the year to help management be better informed and able to make better choices going forward."

Along with the ups and downs of the economy, there has been a consistent, if not relentless, surge of data moving through organizations, now soaring into the hundreds of terabytes and even petabytes. Such information flows in from every mission-critical system, as well as devices and peripheral databases.

In fact, while some companies have restricted the adoption of new tools to provide better visibility against this data, there has been little relief for executives and managers seeking to marshal all the information resources from across their enterprises needed to make effective decisions. Twenty-seven percent say their decision-making capabilities are negatively impacted ("almost all" or "most of the time") by delays in the availability of required information. This is up from 18 percent in the original 2007 survey. (See Figure 2.)

Close to three out of 10 Oracle enterprise application users say their decision making is hampered by a lack of complete information, about the same as in the previous surveys.

Paradoxically, while sizable portions of the organizations surveyed are hampered by a lack of complete information, having too much information is also a problem. More than one out of five Oracle users, in fact, say their decision making is impaired by information overload. This is down somewhat from 24 percent in last year's survey, suggesting that there are more steps being taken to better channel incoming data.

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 1: Impact of Economy on Organizational Support for BI/Performance Management (2010 Survey)

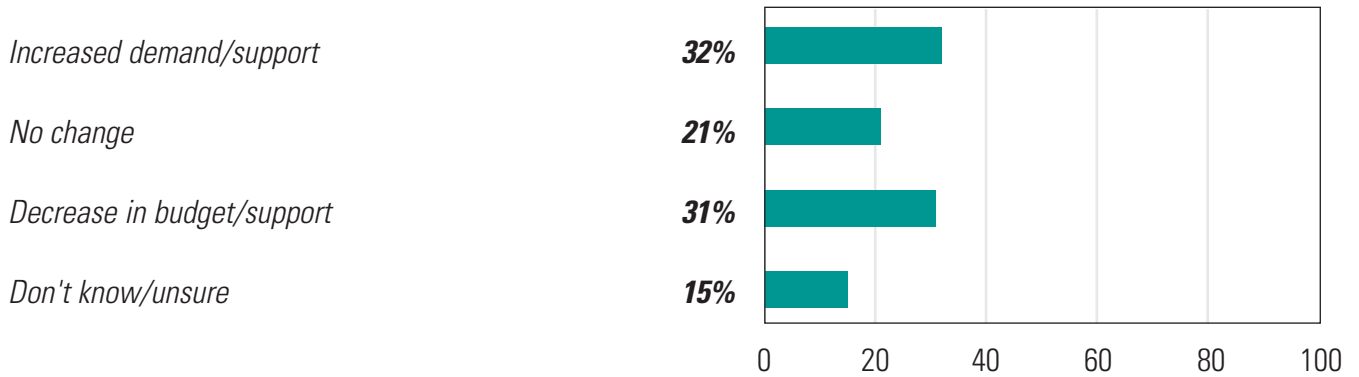
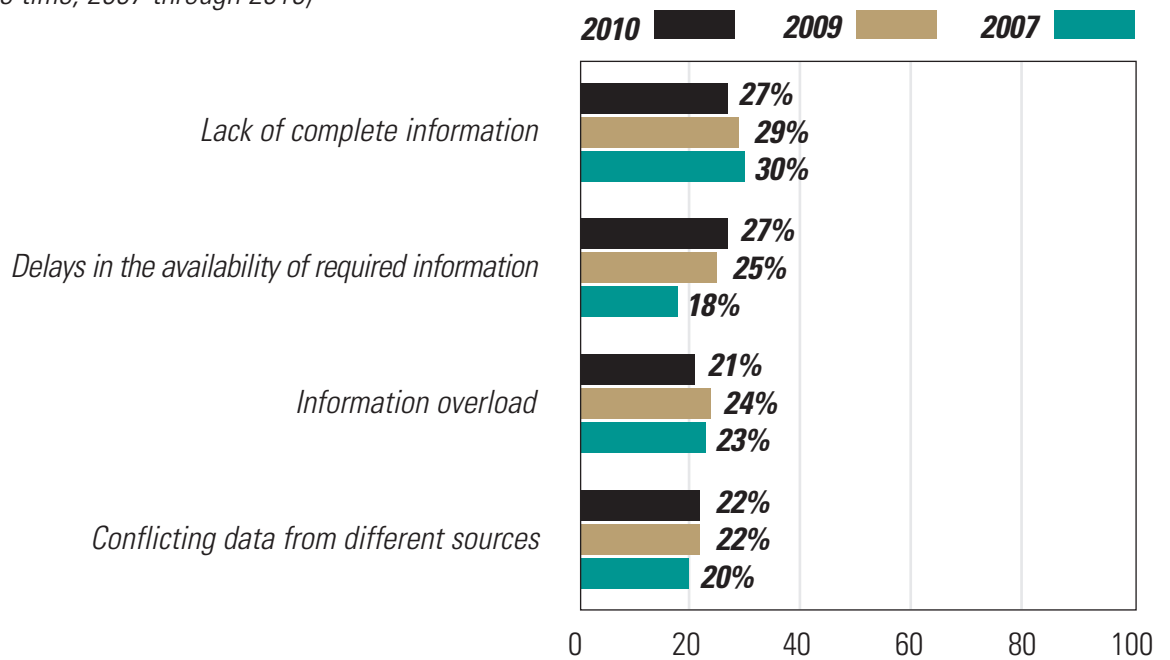


Figure 2: How Information Impacts Decision Making

How frequently is decision making at your business impacted by... (Respondents answering "almost all" or "most" of the time, 2007 through 2010)



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

SPEED OF INFORMATION DELIVERY

There are considerable demands from Oracle enterprise applications users for reports, dashboards, scorecards, or planning models to help decision makers determine the health of their business. However, many respondents say they need to wait up to a month for reports.

IT and data management departments are inundated with workloads. At least 27 percent of the Oracle applications users surveyed say the amount of requests they receive for new reports, dashboards, scorecards, planning models, and other Performance Management interfaces is so large that it is either “difficult to manage” or even “more than we can keep up with.” One out of five report similar issues with changes to existing interfaces and models. (See Figure 3.)

There is a significant amount of integration work that also needs to be done. Oracle users, just like other companies, do not just have one data source. They have multiple data sources. Since this survey was conducted among members of the Oracle Applications Users Group, it is no surprise that 88 percent run Oracle E-Business Suite applications. However, the challenge with effective Performance Reporting is that it relies on a mix of Oracle and non-Oracle enterprise data. Along with EBS, 40 percent of respondents rely on custom-developed enterprise applications, about eight percent are SAP users.

About 16 percent say that they now tap into 10 or more sources, compared with 11 percent in the last survey and 13 percent in 2007. (See Figure 4.) In addition, a majority of respondents, 53 percent, say that they do not use a data warehouse with their BI system. They source directly from the database.

How are organizations meeting their needs to process and communicate Performance Management metrics for viewing by decision makers? The picture is mixed. More than one-third of respondents say a majority of these needs are not being met. About the same amount of respondents say that all or most are being addressed. Interestingly, there is far greater uncertainty on this question than a year ago. (See Figure 5.)

How long does it take now for decision makers within Oracle applications environments to receive the information they need? Typically, business users must submit requests to their IT or data management departments for reports, dashboards, scorecards, or planning models. The time it takes until these requests are acted on varies, but few (eight percent) will see results within 24 hours. For 44 percent of respondents, the waiting time is one week or longer. (See Figure 6.)

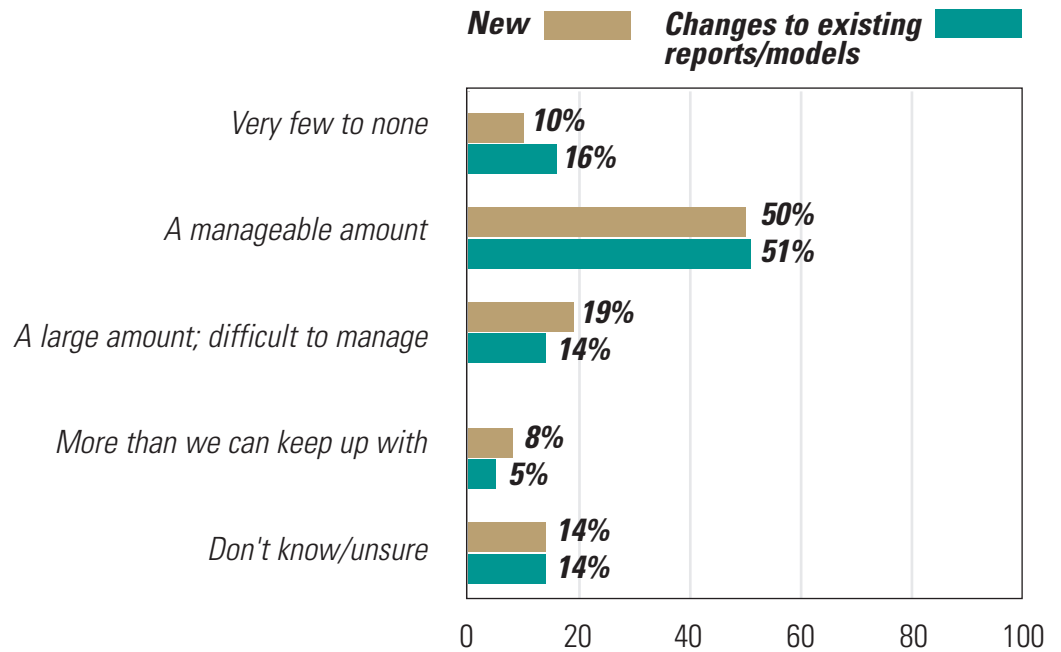
Of course, once the technical team at an Oracle application site gets to a user request, it's still going to take time until the final results are in the user's hands. The survey finds, for example, that most new reports or planning models take several days to build. (See Figure 7.)

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 3: Number of Monthly Requests for Reports/Planning Models

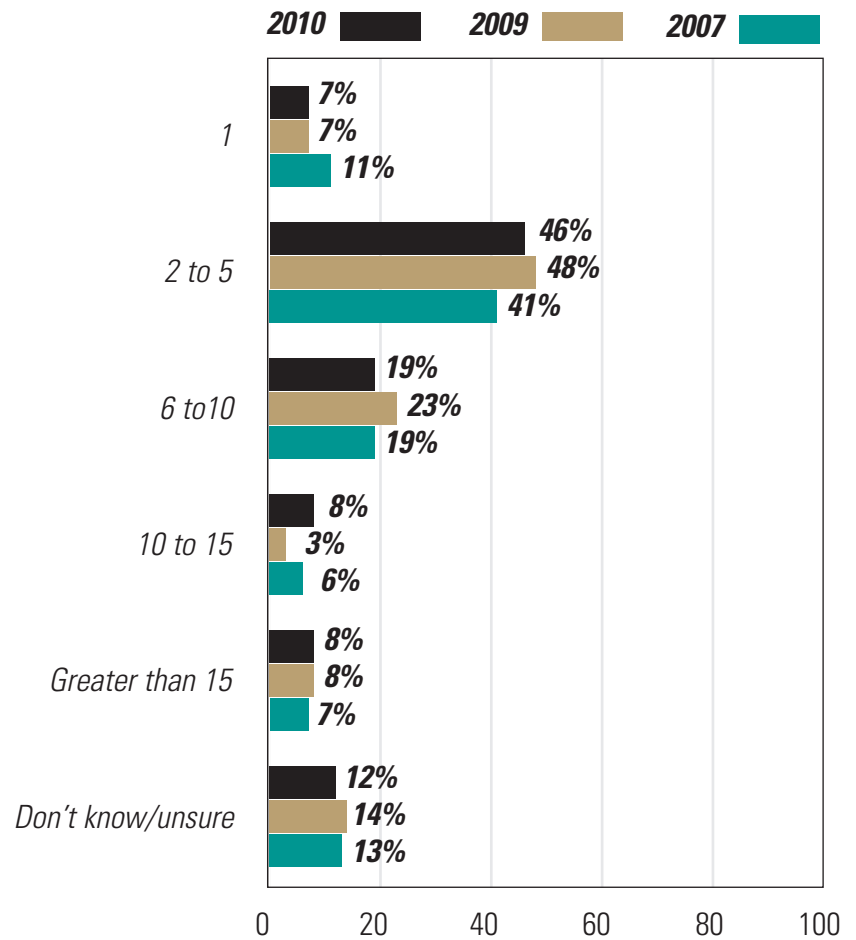


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 4: Number of Data Sources Contributing to Performance Management Information



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 5: What Percentage of Performance Management Needs Are Effectively Met?

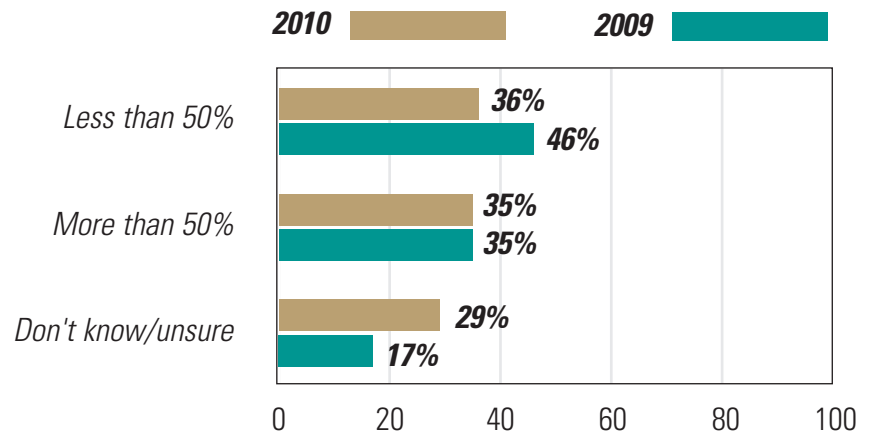
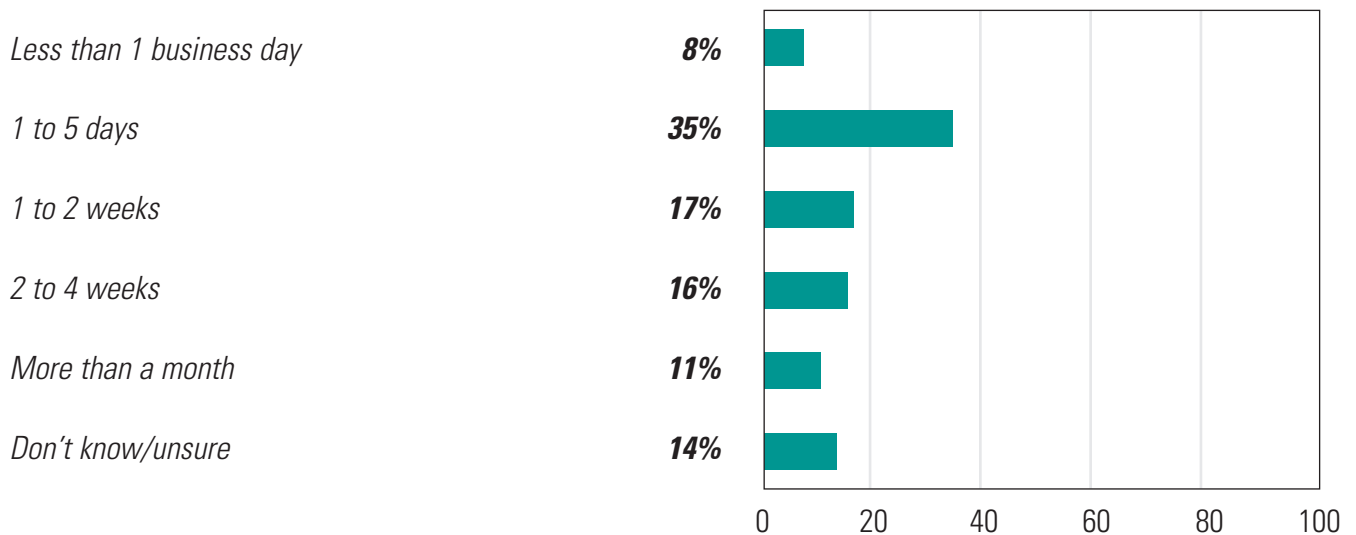


Figure 6: IT Reporting Backlog

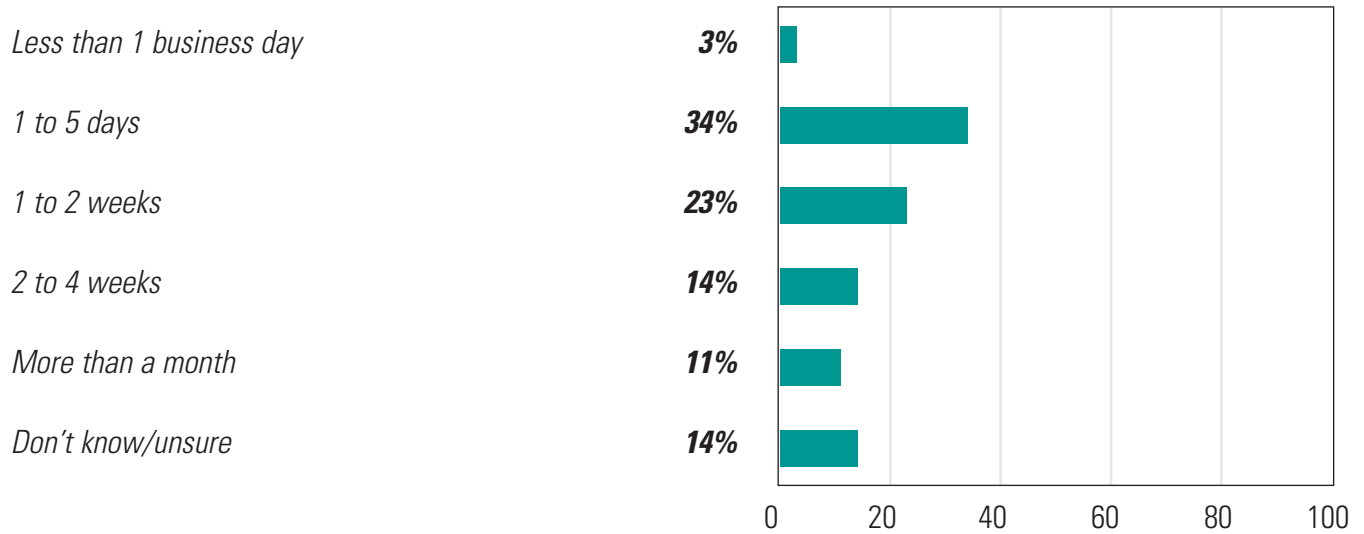


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 7: Length of Time to Build New Report or Planning Model



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

SOLE-SOURCE SOLUTIONS

Oracle enterprise application users tend to rely on single BI, analytics or Performance Management solutions from their ERP provider. These sites are less likely to see results for their Performance Management efforts.

While spreadsheets are considered the most popular tool for accessing back-end data, the Oracle family of BI solutions rank as the top choices for linked front-end tools. (See Figure 8.)

In aggregate, 47 percent of respondents report that they use one of the Oracle tools as their primary toolset in addition to their Oracle ERP investment—either Oracle Analytics, Oracle Business Intelligence Enterprise Edition, Oracle Hyperion, or Oracle Enterprise BI Server. Thirty percent report they rely exclusively on these tools from their ERP vendor, and do not have other tools in their environments aside from spreadsheets. It's likely that this reliance on a single source of analytic tooling is due to procurement convenience and perceived integration with existing ERP environments.

Respondents relying on a single-purpose toolset sole-sourcing from their ERP vendor report having a greater propensity to be faced with challenges in moving Performance Management forward within their enterprises. For example, for a majority of the enterprises relying on single-purpose, sole-sourced toolsets, end-user training and support is more an issue than for the overall survey group. In addition, enterprises relying on a single set of tools are more inclined to have difficulties providing real-time data access and insights. (See Figure 9.)

Heterogeneity rules at the enterprise application part of the stack as well. Only 31 percent of respondents don't use any other type of ERP system beyond Oracle E-Business Suite. About 40 percent of this group report that they run their own custom-developed applications alongside their Oracle enterprise applications, suggesting there are likely numerous integration issues for data on the back end. One out of four users also run PeopleSoft, and nine percent run Siebel applications. While these applications now fall under the Oracle "Fusion" umbrella, they nonetheless are distinct application environments (See Figure 10).

A Performance Management-driven culture is constantly evolving, incorporating numerous solutions, as described by a respondent: "We use a number of performance management tools which have been developed over several years. These are used to manage short, medium and long term tactical, operational and strategic decisions. The performance management aspects of the company are therefore well established. Where we have new requirements (say web analytics), we have adopted new suppliers and relevant toolsets. Many of these are loosely coupled to other data warehouse systems to provide comprehensive reporting albeit in a very manual fashion (i.e., substantial data movements). Some of this will be automated in the near future but there will always be an ad hoc element to this process."

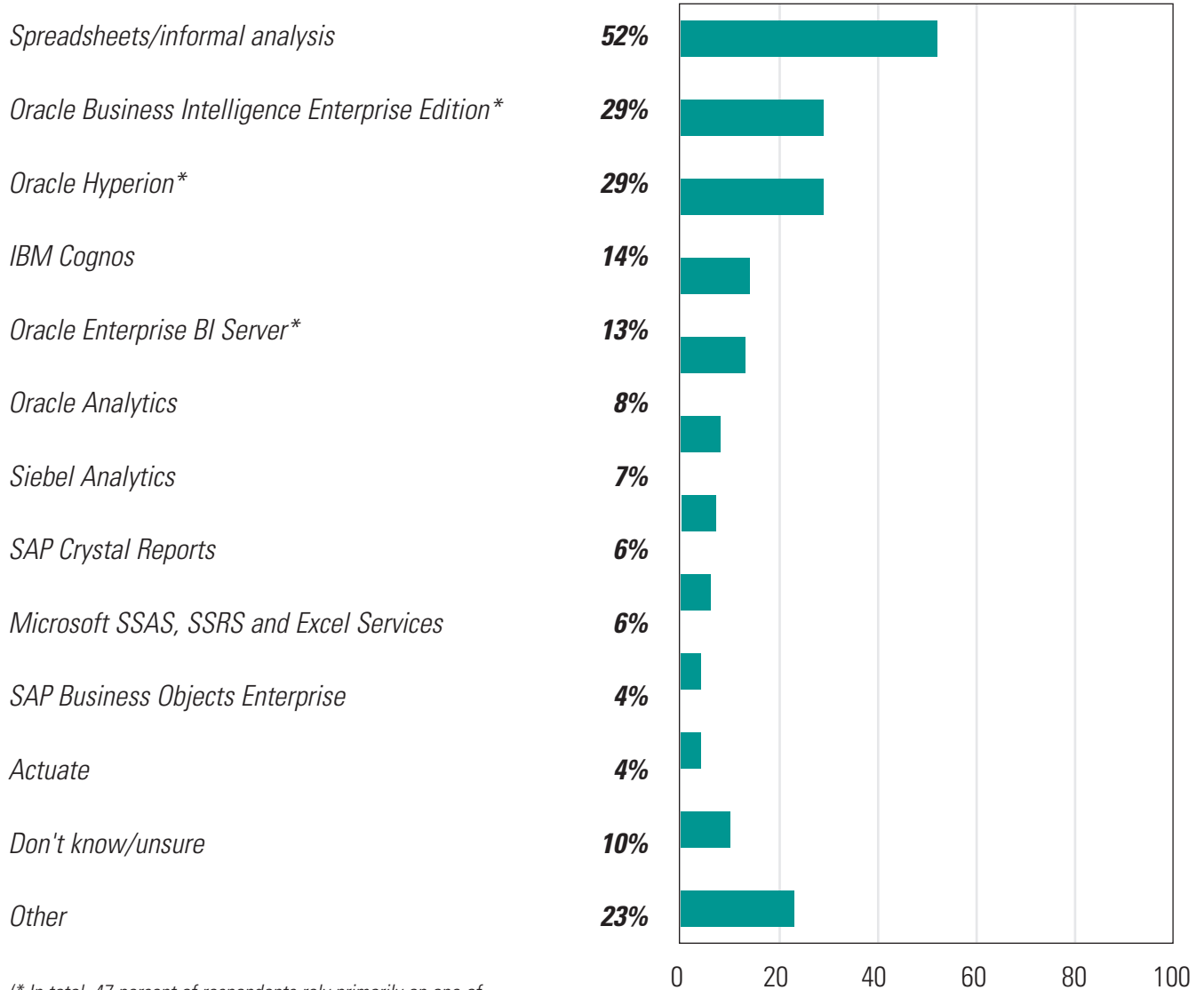
Adoption of Performance Management approaches has "started to change the protective mentality of our business units over 'their' data and more sharing is happening," states another respondent. "This will help our company be competitive as a whole and not just the separate business units."

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 8: Leading BI Tools for Accessing Data



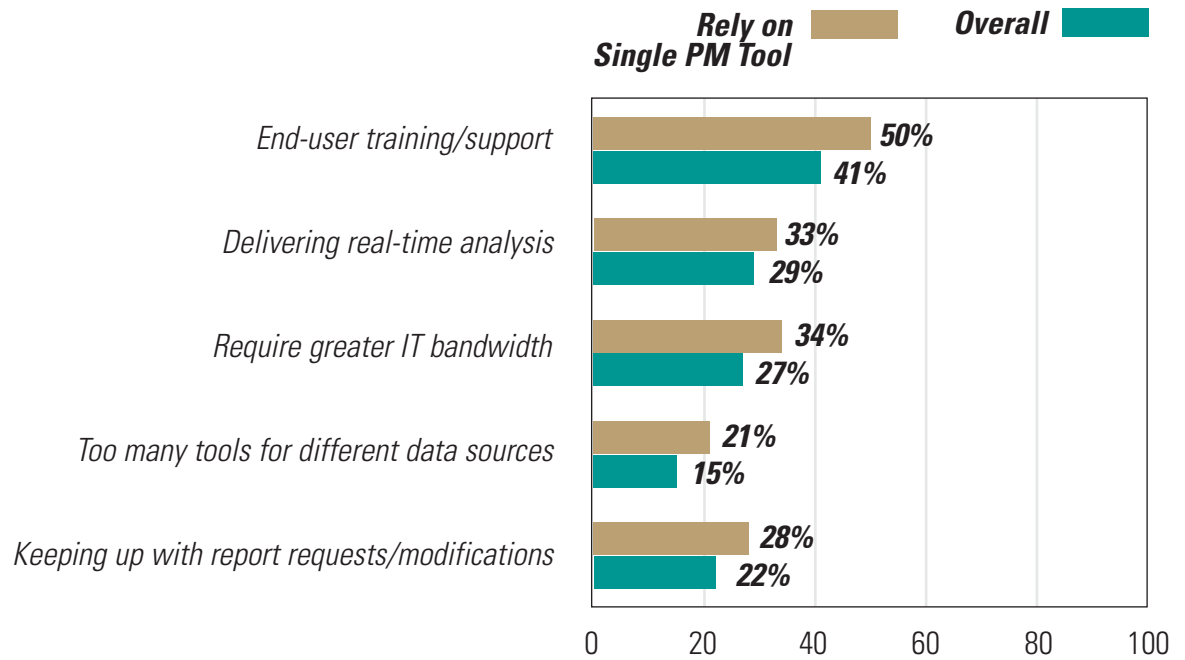
(* In total, 47 percent of respondents rely primarily on one of these Oracle-branded tools, or a combination thereof.)

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 9: Selected PM Issues/Challenges

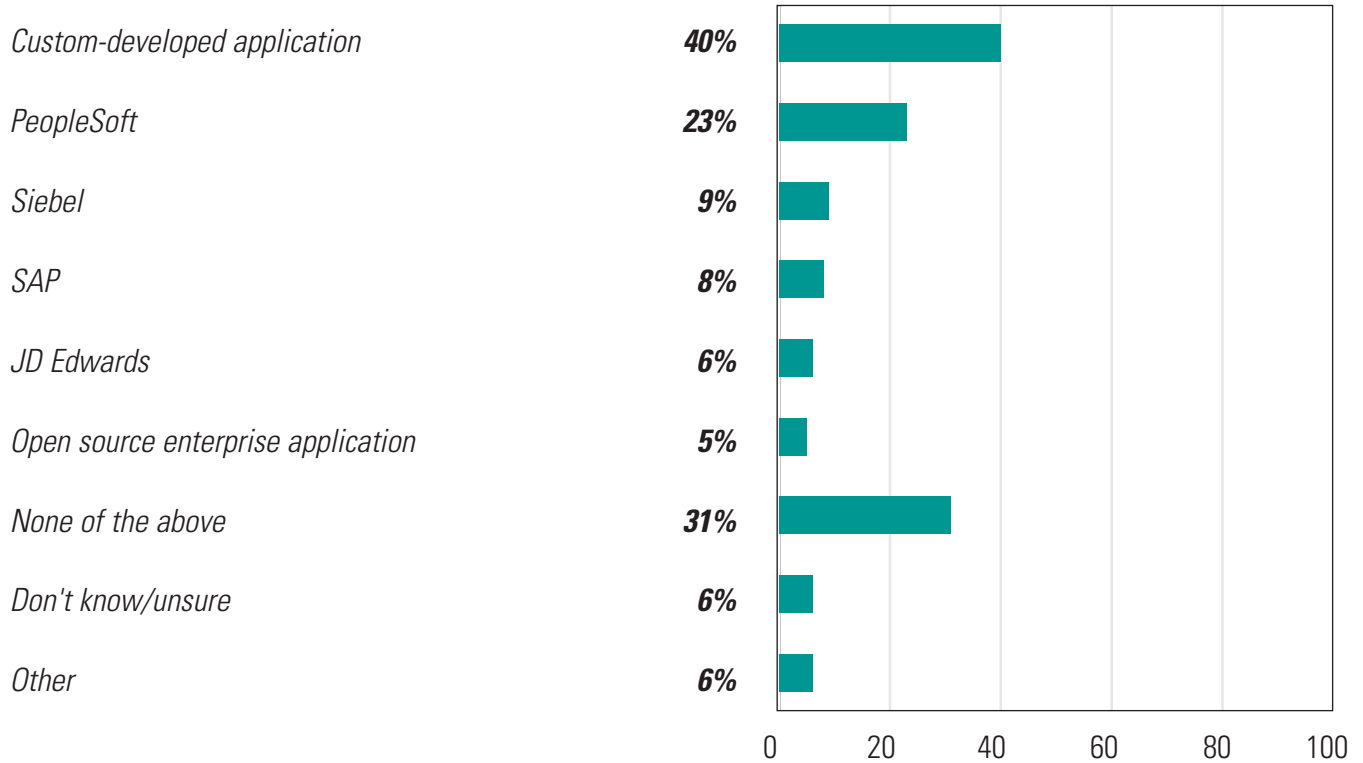


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 10: Additional Enterprise Systems Identified by Respondents



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

SPREADSHEET CULTURE PREVAILS

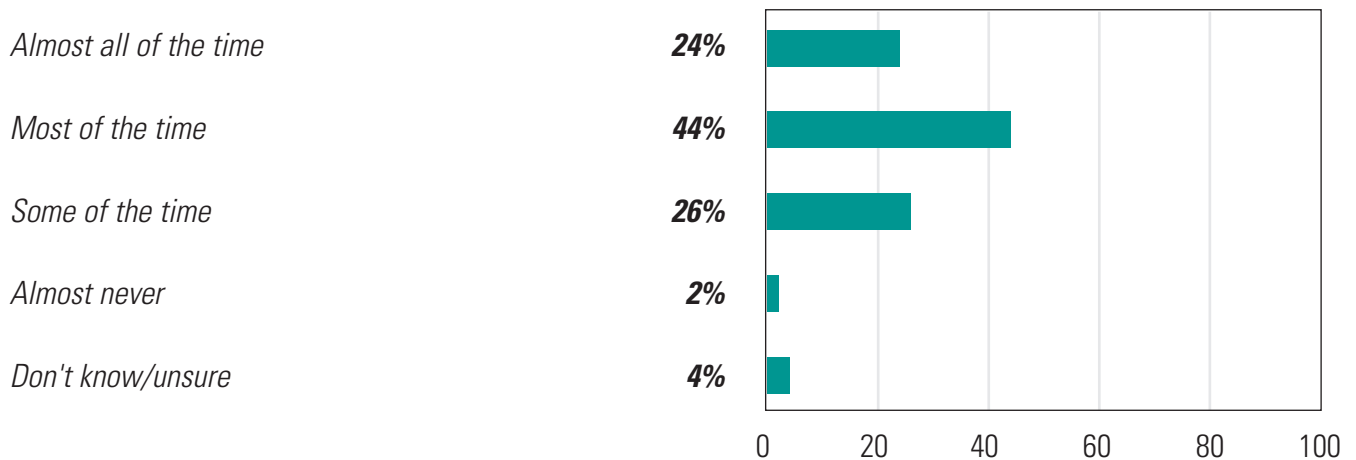
The difficulties and time lags in securing the right information helps perpetuate a spreadsheet culture. Spreadsheets even dominate decision making at companies with relatively robust Performance Management systems within Oracle enterprise applications sites.

While decision makers are being inundated with information, and having a difficult time sifting through data to find the right nuggets of information relevant to the state of their business, their business intelligence and analytics systems sit on the sidelines. At this time, in fact, a spreadsheet culture still dominates, the survey finds. Currently, among more than two out of three of the Oracle applications users surveyed, employees rely on spreadsheets “almost all of the time” or “most of the time” to conduct analyses on their businesses. (See Figure 11.)

In many cases, spreadsheets are still regarded as an important tool for enabling end users to slice and dice and dissect corporate data. At least 42 percent of the respondents say spreadsheets provide a great deal of functionality that is required for developing data for decision making. Plus, pointed out by more than one-third of respondents, spreadsheets don't require as much training as more robust enterprise BI or Performance Management tools. About a quarter of respondents say that spreadsheets help end users quickly get at specific data sources that may or may not be accessible via an enterprise tool. (See Figure 12.)

Even for the more than nine out of 10 companies that have robust enterprise Performance Management or BI interfaces, spreadsheets still play a supporting role. In fact, in two out of three cases, users access the performance management system for the right data, and then dump the data into spreadsheets to conduct further analysis. (See Figure 13.)

Figure 11: How Frequently Users Employ Spreadsheets as Primary Analytical Tool



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 12: Advantages of Employing Spreadsheets as Primary Analytical Tools

(Among respondents with frequent spreadsheet users)

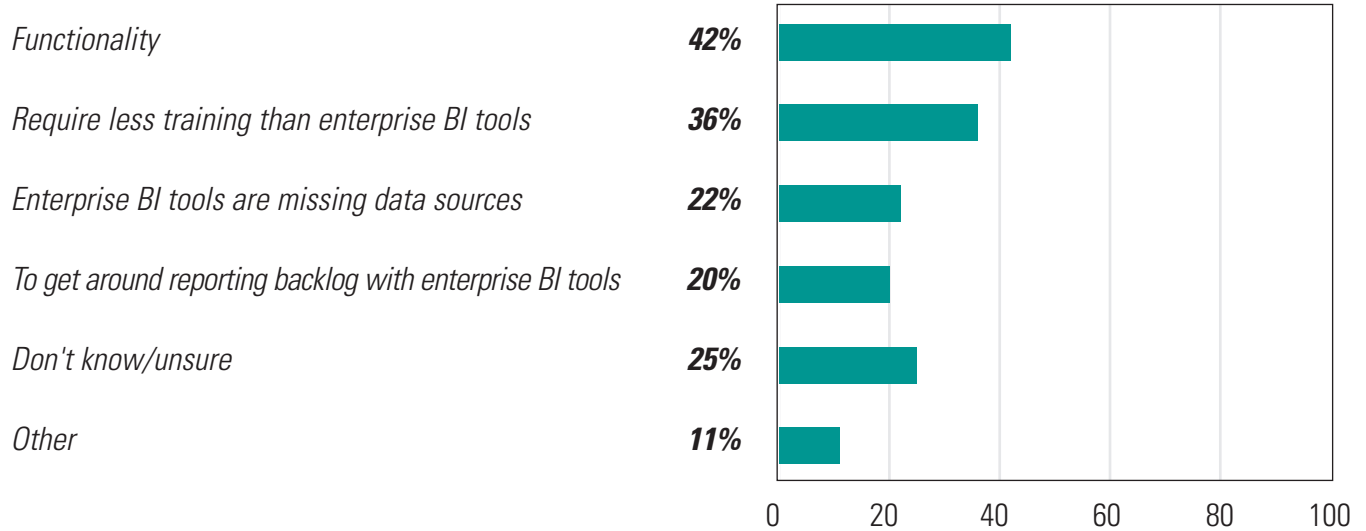
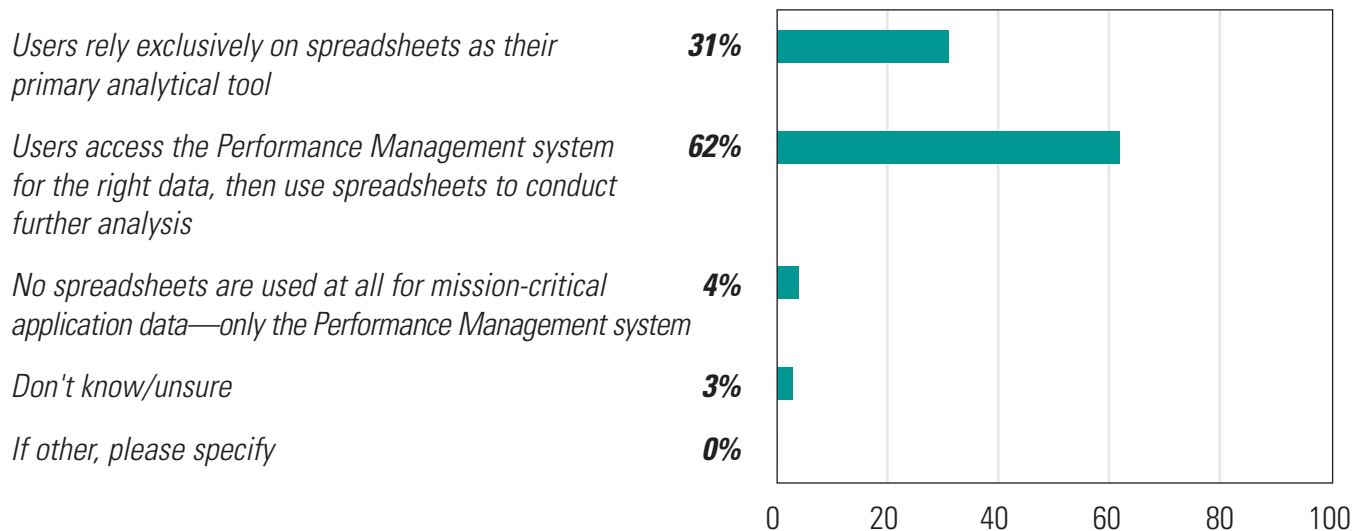


Figure 13: How Spreadsheets are Used in Conjunction with Performance Management Systems



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

PERFORMANCE MANAGEMENT-DRIVEN CULTURE NEEDED

Barely a handful of organizations in the survey have attained robust “Performance Management-driven cultures” at this time, defined for purposes of this survey as having tools and solutions widely available across their organizations. Organizations that have taken the lead with self-service and accessibility of Performance Management data have fewer issues with IT report burdens than the overall survey group of Oracle enterprise applications sites.

Spreadsheets rule the decision-making process, but it may be out of necessity—few decision makers even have access to output from more sophisticated analysis systems that link directly to their back-end applications.

Four out of 10 respondents, in fact, view the inability to provide access and make it easy to use these environments as the greatest obstacles to adoption at this time. Related to this is the level of user satisfaction with these environments—at least 36 percent say more needs to be done to raise satisfaction levels to make PM solutions more successful. (See Figure 14.)

Respondents were asked how much of their workforce has access to Performance Management tools. In close to half of the Oracle applications sites in this survey, respondents report that employees have no access to such tools and technologies. Only four percent could say that a majority of their workforces had access to Performance Management and BI dashboards. There has been little progress in this area from the previous surveys conducted since 2007. It is also notable that within the next five years, a third of respondents overall would like to see PM as a more pervasive force across their enterprises. (See Figure 15.)

In addition, there is still little of a self-service aspect to Performance Management at this time. The percentage of users across companies that can build their own reports, dashboards, scorecards, analysis, ad hoc queries, and/or planning models has not changed. In the current survey, 13 percent of respondents say that a majority of their end users now have these self-service capabilities, unchanged from a year ago and up only slightly from the 12% reported in the 2007 survey. (See Figure 16.)

The “leaders” in Performance Management adoption in this survey can be defined as those organizations that either make PM analytics available on a widespread basis, or enable greater self-service to business decision makers. About 13 percent of respondents represent leaders in this area, meaning that either more than 50 percent of their users can currently build their own PM environments, or more than 50 percent of their workforces have access to analytical tools. This group, as defined for purposes of this survey, are more likely to have a “Performance Management-driven culture.” It can be presumed that these organizations are able to base key operational and strategic decisions around data presented from critical systems around

their enterprises. In data points that follow in this report, we will compare the results for this Performance Management-driven group to other respondents to assess how the more widespread adoption of Performance Management solutions has provided greater benefits.

Some distinct differences emerge between leaders and the overall survey group.

Companies that foster PM cultures are more likely to be seeing results for their Performance Management efforts. More than half of leaders report that a majority of their PM needs are being effectively met, versus 37 percent of the overall group. (See Figure 17.)

Leaders are able to support more solutions at their sites, thus extending the capabilities of their decision makers. The leading PM companies are more likely to support planning, budgeting, and forecasting capabilities than others (65 percent versus 54 percent), and far more likely to support profitability analysis (27 percent versus 19 percent). Interestingly, leading PM companies are far further along with predictive analytics than the survey group as a whole (22 percent versus nine percent). (See Figure 18.)

In addition, user groups within leading PM companies are less likely to be reliant on spreadsheets as a primary analysis tool. While spreadsheets are still relied on “Almost All of the Time” or “Most of the Time” within a majority of leading companies (52 percent), this is less than the overall survey group (68 percent). (See Figure 19.)

In those companies that have Performance Management cultures, IT departments are freer to concentrate on infrastructure and systems innovations, versus being buried under user requests for reports. Seventy-three percent of leader companies report few issues with the amount of requests their IT departments receive for new reports, versus 58 percent of all organizations in the survey. Only 16 percent report being inundated, versus 27 percent overall. (See Figure 20.) Ironically, however, IT departments at leading PM companies are just as likely as everyone else to have their hands full when it comes to requested changes in existing reports. This may be a carryover from their pre-PM cultural days. (See Figure 21.)

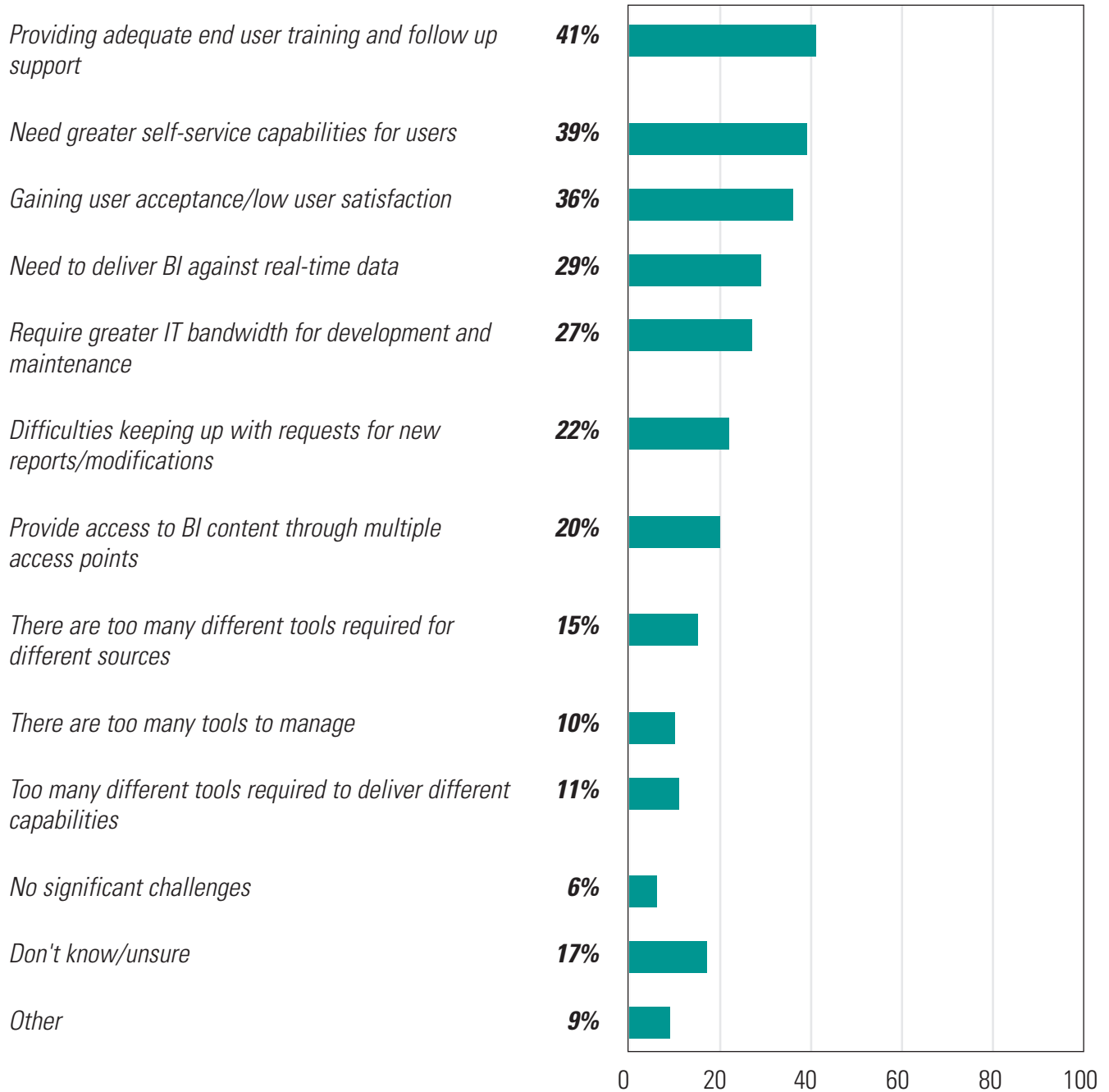
Companies with PM-driven cultures are less likely to face the challenges associated with analytics and business intelligence implementations than the group as a whole. For example, while 14 percent of respondents with leading companies are concerned about the bandwidth of their IT departments, this percentage rises to 27 percent for the group as a whole. Even more stark are requirements for end-user training and support—the main showstopper for many efforts, and the reason for the high rate of spreadsheet usage. Twenty-three percent of leading PM cultures are concerned with these issues, compared to 41 percent overall. The only thing PM-driven companies are more concerned about is being able to get data out to a multitude of client types, such as mobile devices. (See Figure 22.)

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 14: Top Challenges to Performance Management Solutions

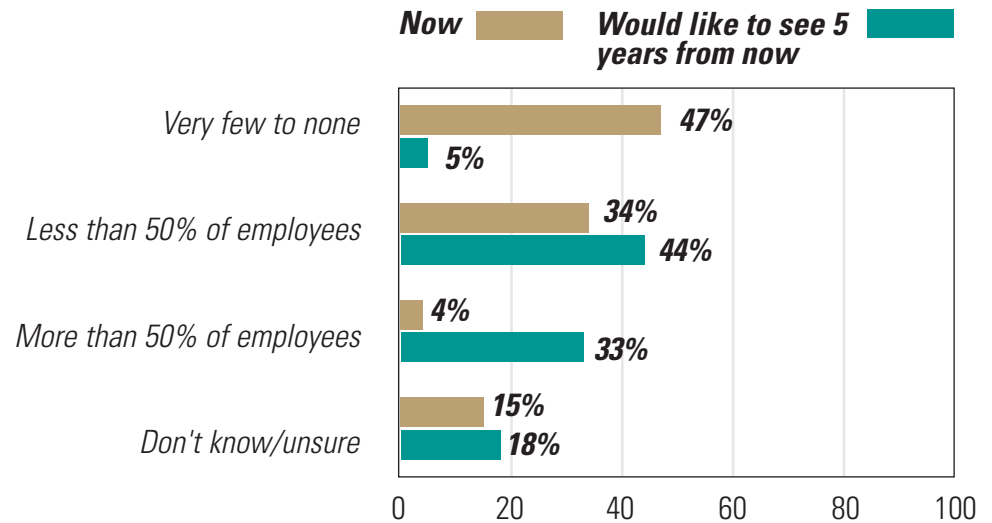


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 15: Percentage of Employees With Access to Performance Management Software

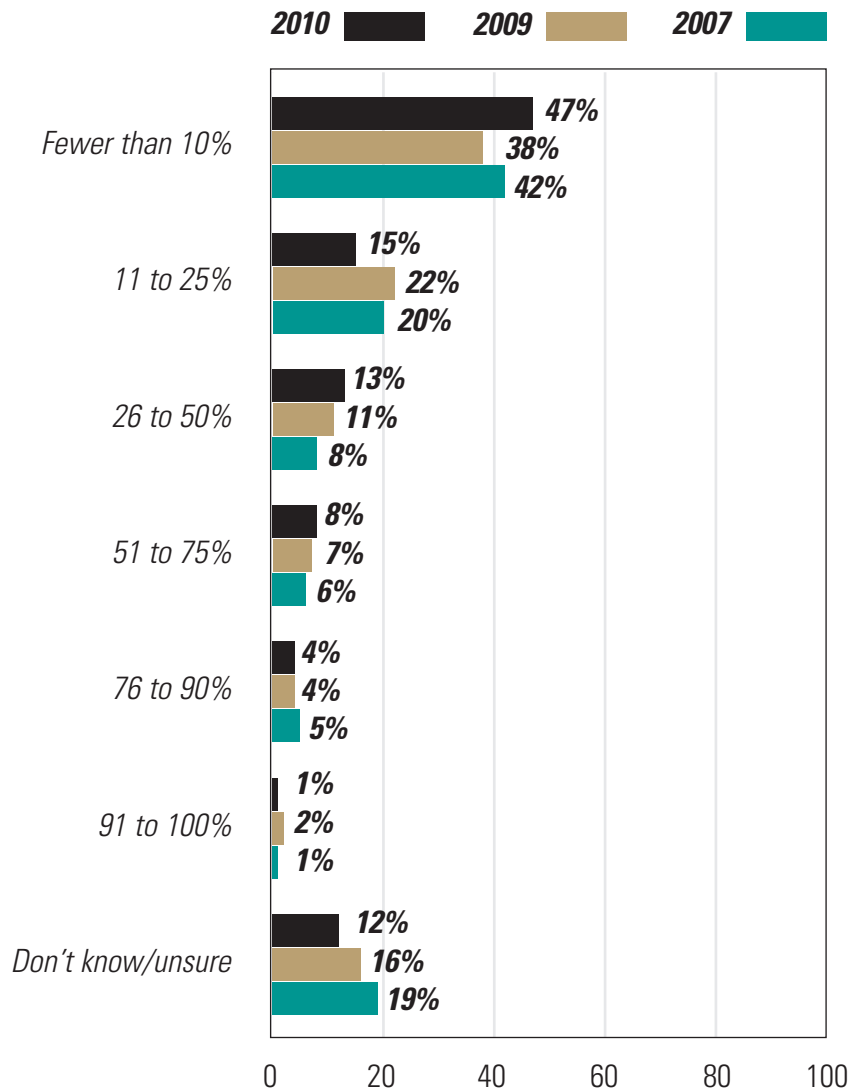


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 16: Percentage of Users That Can Build Their Own Reports/Models



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 17: Percentage of Performance Management Needs Being Effectively Met

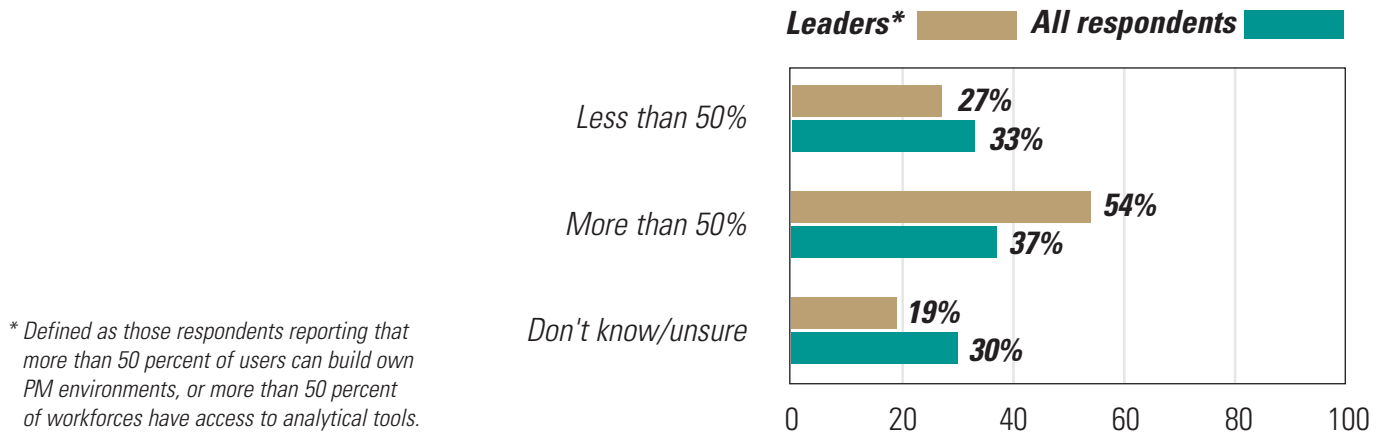
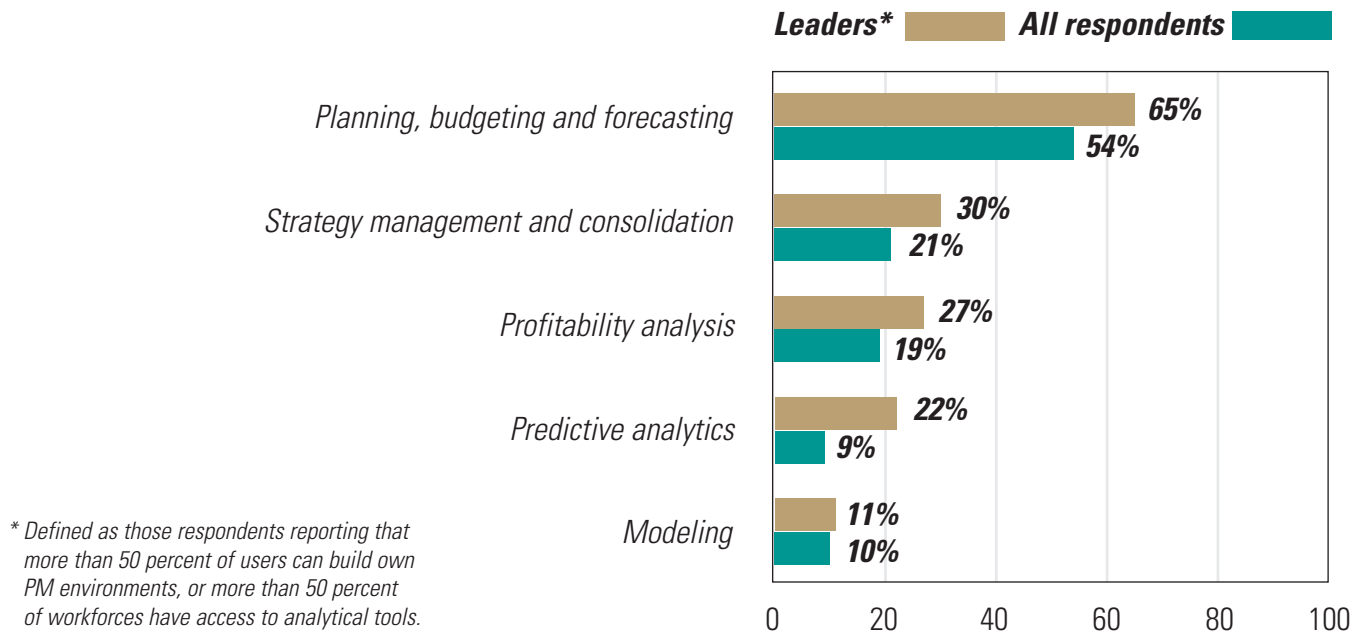


Figure 18: Capabilities or Solutions Supported with Existing Performance Management Systems

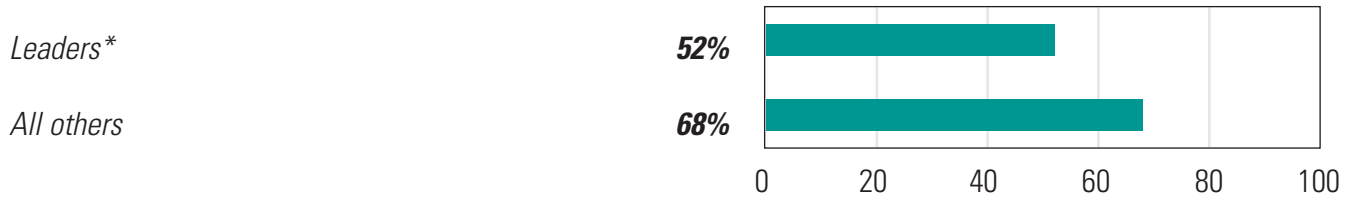


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

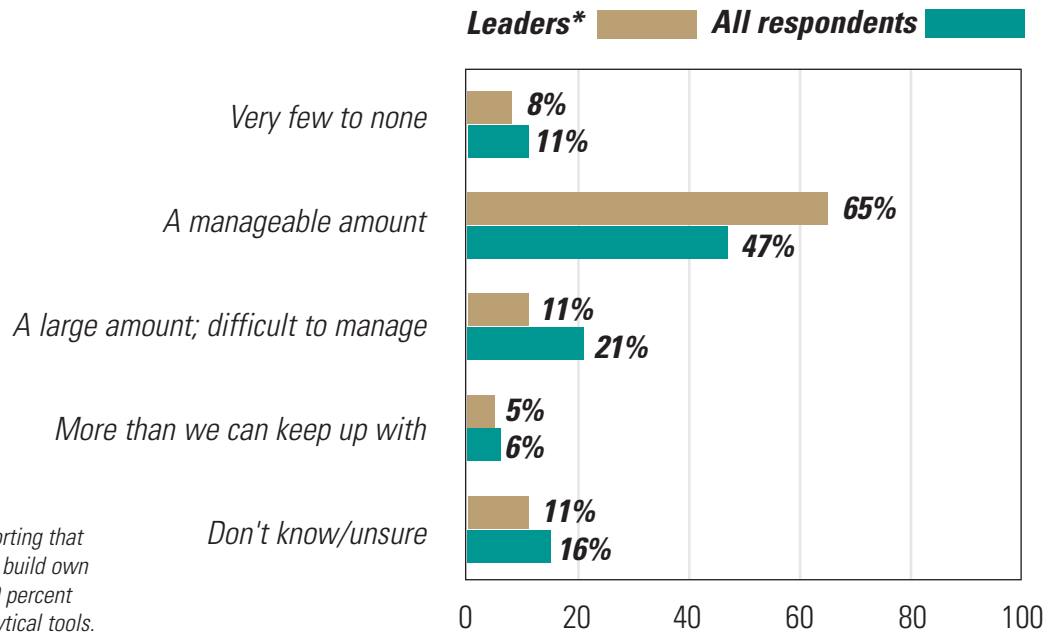
Data collection and analysis performed with SurveyMethods

Figure 19: Reliance on Spreadsheets Almost All of the Time or Most of the Time



* Defined as those respondents reporting that more than 50 percent of users can build own PM environments, or more than 50 percent of workforces have access to analytical tools.

Figure 20: Amount of Requests IT/Data Management Teams Receive for New Reports/Models



* Defined as those respondents reporting that more than 50 percent of users can build own PM environments, or more than 50 percent of workforces have access to analytical tools.

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 21: Amount of Requests IT/Data Management Teams Receive for Changes in Reports/Models

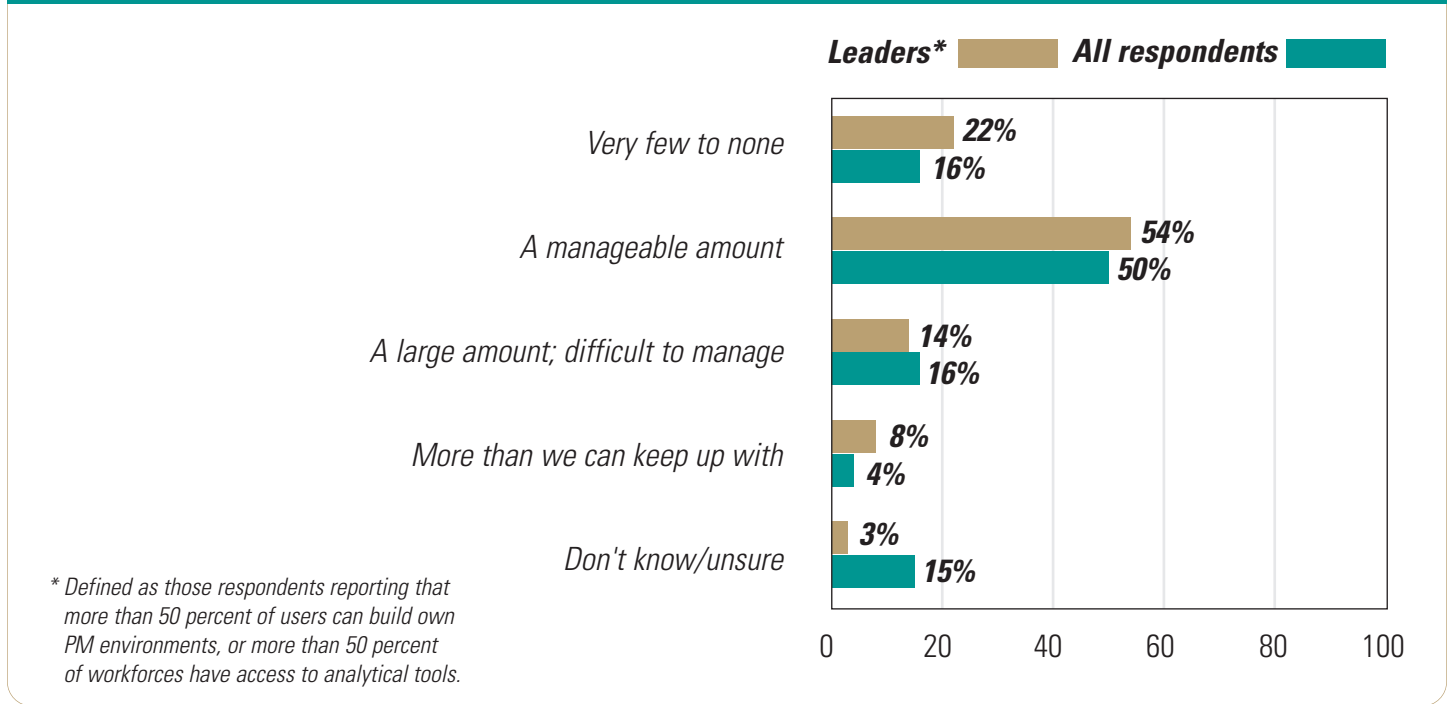
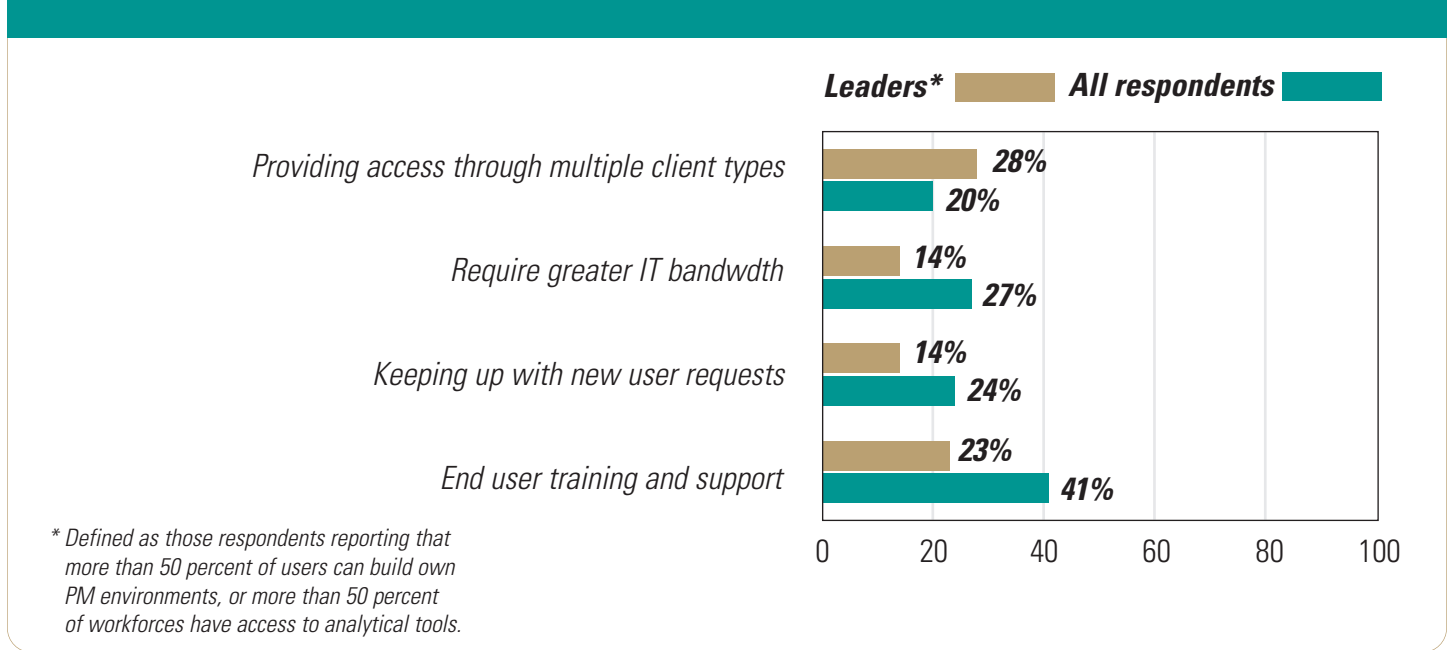


Figure 22: Selected PM Issues/Challenges



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

PROMOTING PERFORMANCE MANAGEMENT ACROSS THE ENTERPRISE

This survey of 279 Oracle application managers and professionals unveiled a wealth of insights about the challenges of getting essential information to decision makers across today's enterprises. Respondents are aware of many of the steps that need to be taken, their wish list is expressed in Figure 23.

Above and beyond the across-the-board approaches shown in the wish list, there are substantive actions that need to be taken to promote and enable integrated enterprise Performance Management technologies and capabilities across the enterprise. The following are key recommendations for accomplishing these goals:

- **Increase self-service:** There is growing support toward enabling end users to build their own interfaces to Performance Management information. Greater end user self-service is also seen as the best way to proliferate and promote these solutions among Oracle enterprise applications users. Business end users typically have to wait days, weeks, and months for reports and planning models. The way to proliferate Performance Management awareness and adoption throughout the enterprise is by enabling end users to build and access their own reports when needed. However, there has been little movement since the 2007 survey in making Performance Management tools available to most users on a self-service basis, the survey finds. Enterprises need to more aggressively promote self-service access to Performance Management tools by decision-makers at all levels.
- **Increase access to Performance Management tools:** The survey finds that Performance Management tools—which can provide the essential information needed by decision

makers—are still only available to less than 10 percent of the workforce. Managers are aware of this problem, and would like to make these tools more pervasive. However, in the three years this survey has been conducted, there has been no movement in this direction. As a result of this lack of access, frustrated decision makers—the remaining 90 percent of the organization—are forced turn to less reliable tools such as spreadsheets.

- **Increase end-user training:** Lack of end user training and support is one of the main reasons many enterprises still defer to spreadsheets as their primary mode of performance analysis. One of the prime advantages of spreadsheets is that they can be quickly used and adapted by end users with no formal training.

The results of a comprehensive Performance Management approach can be seen quickly as decision makers gain visibility and insights into their company's operations. However, the emphasis of such efforts needs to shift from the IT department—which tends to still rely on single-source solutions—to the end user, who may prefer a variety of tools and approaches to gain insight into and address business problems. Ultimately, the success and adoption of Performance Management tools is based on what's best for—and desired by—the business.

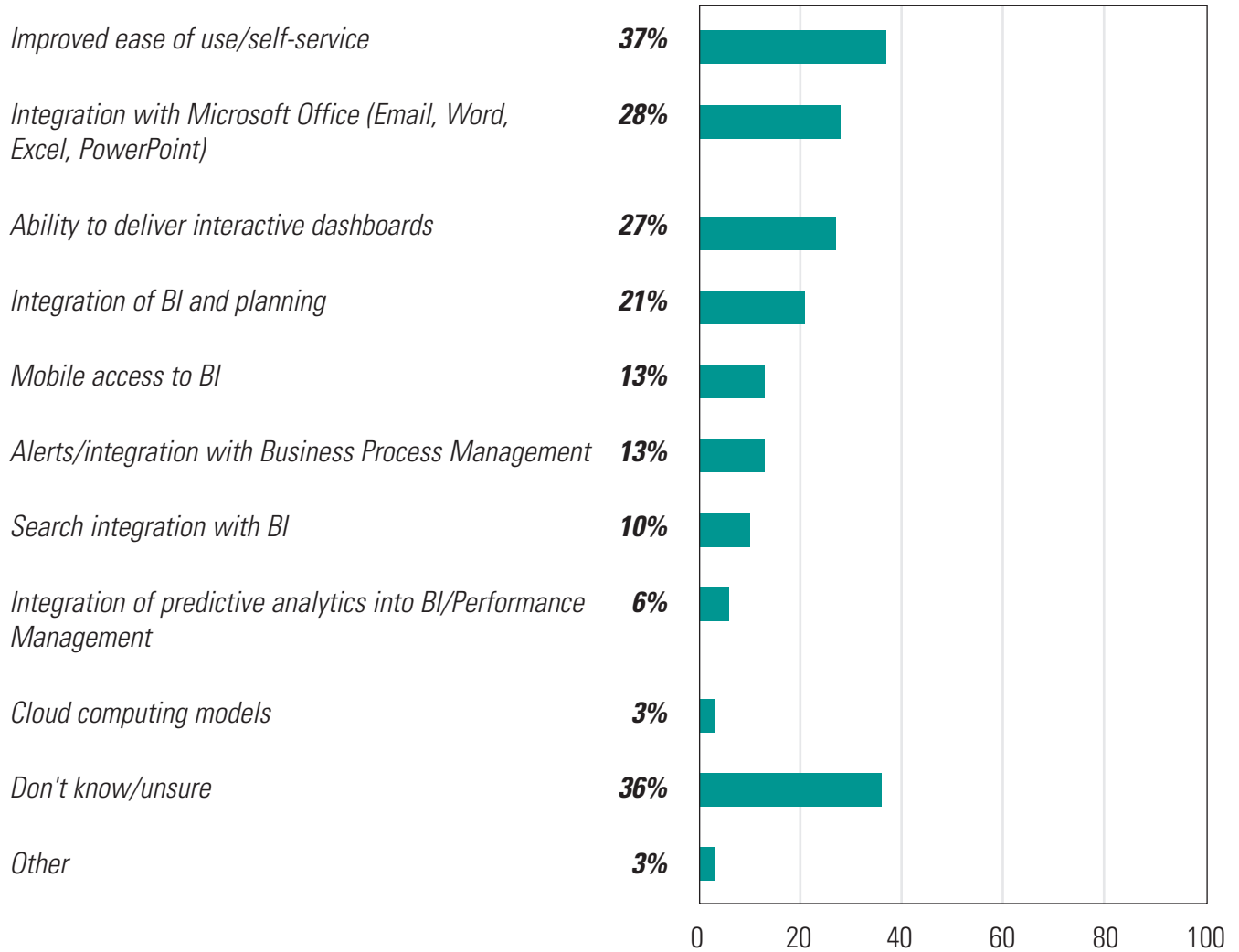
The results of moving to a true Performance Management culture can quickly become evident. As one respondent notes, "Adoption has been slow but can definitely see an impact in how executives run their operational meetings. Instead of arguing about the data, at least they now have a single source of truth and can focus on the real issues. Next steps are better dashboards that provide 'insight' rather than just 'data.'"

The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 23: Strategies for Boosting Performance Management Adoption



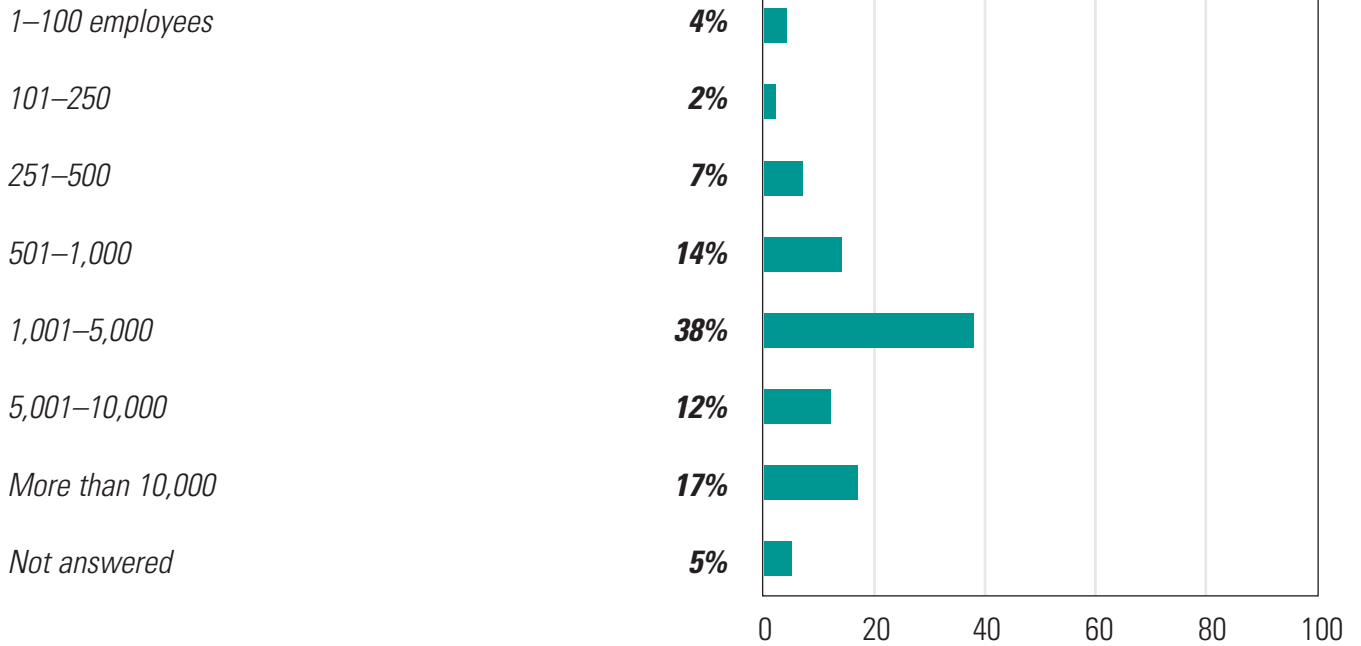
The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

DEMOGRAPHICS

Figure 24: Respondents—By Company Number of Employees

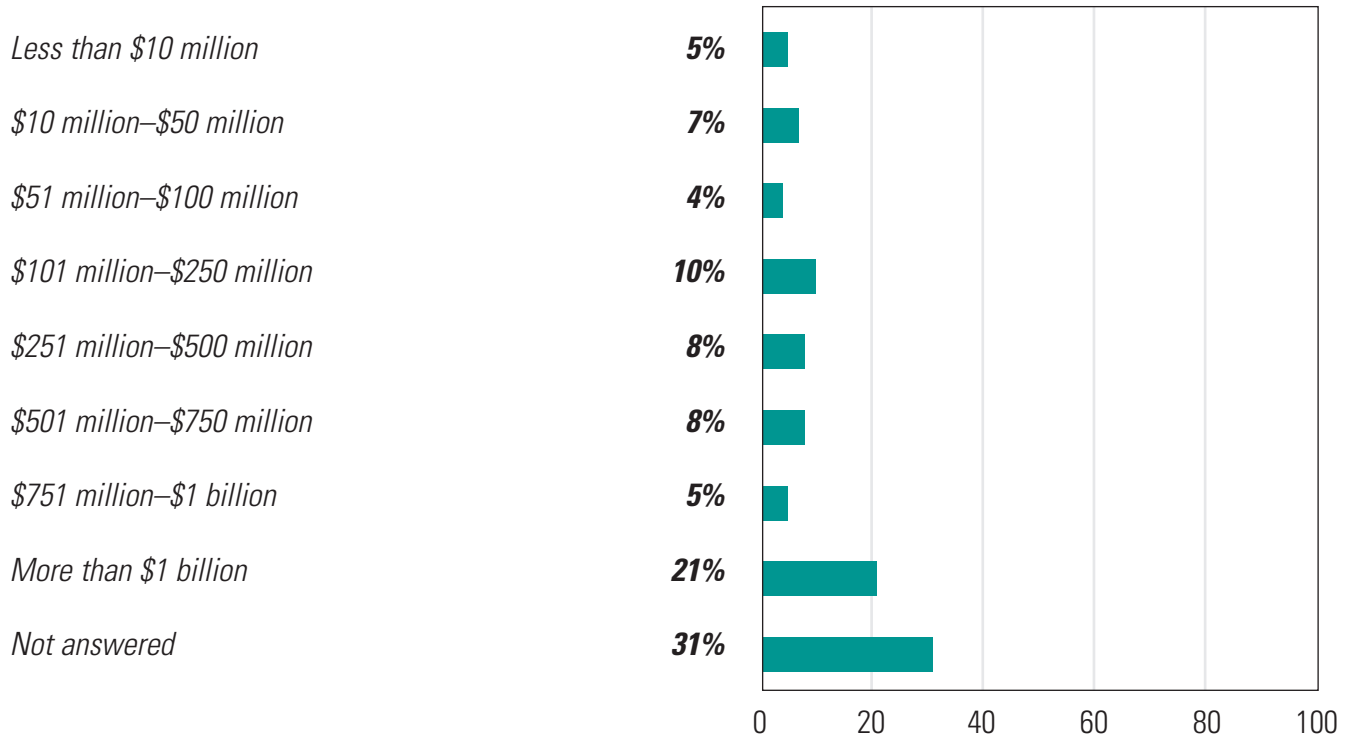


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 25: Respondents—By Company Annual Revenues

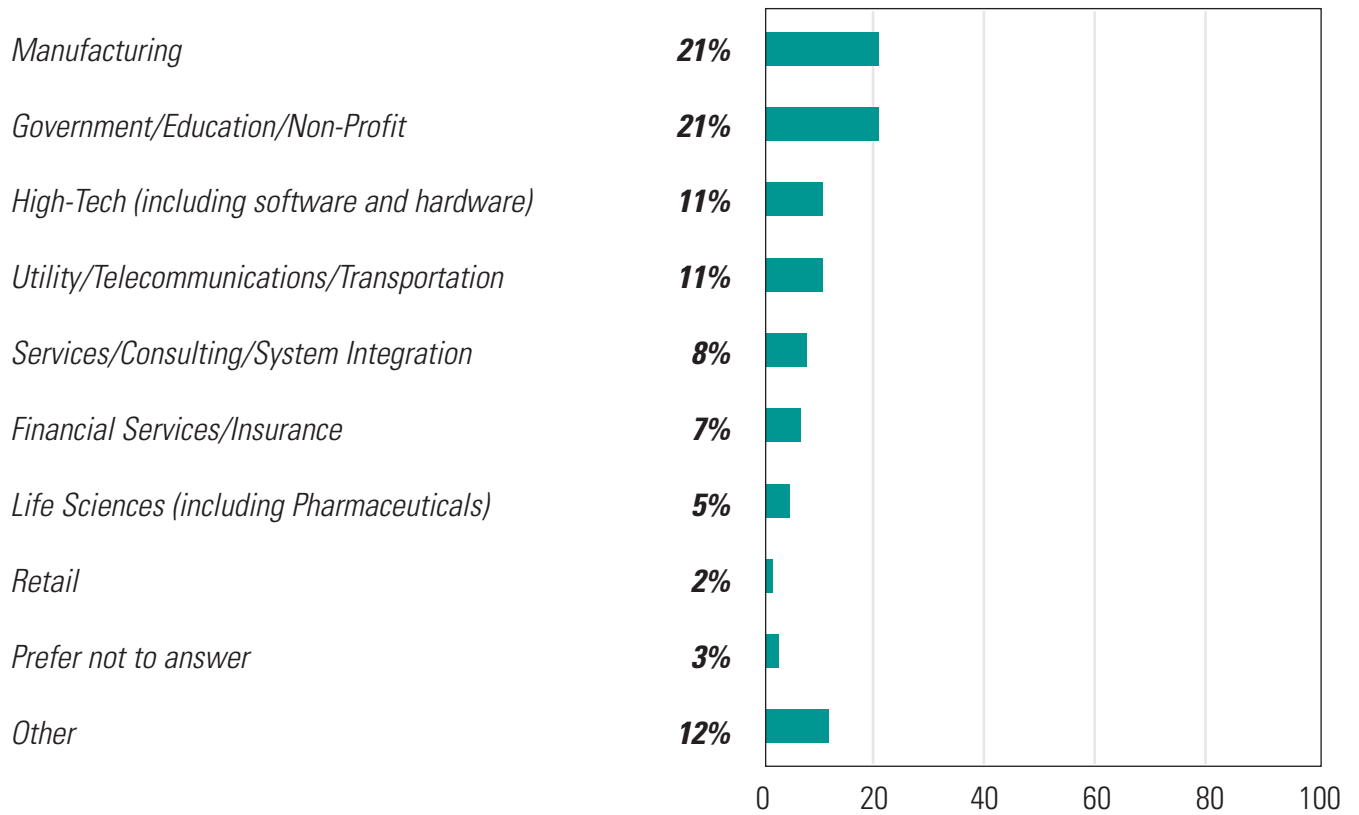


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 26: Respondents—By Industry Group

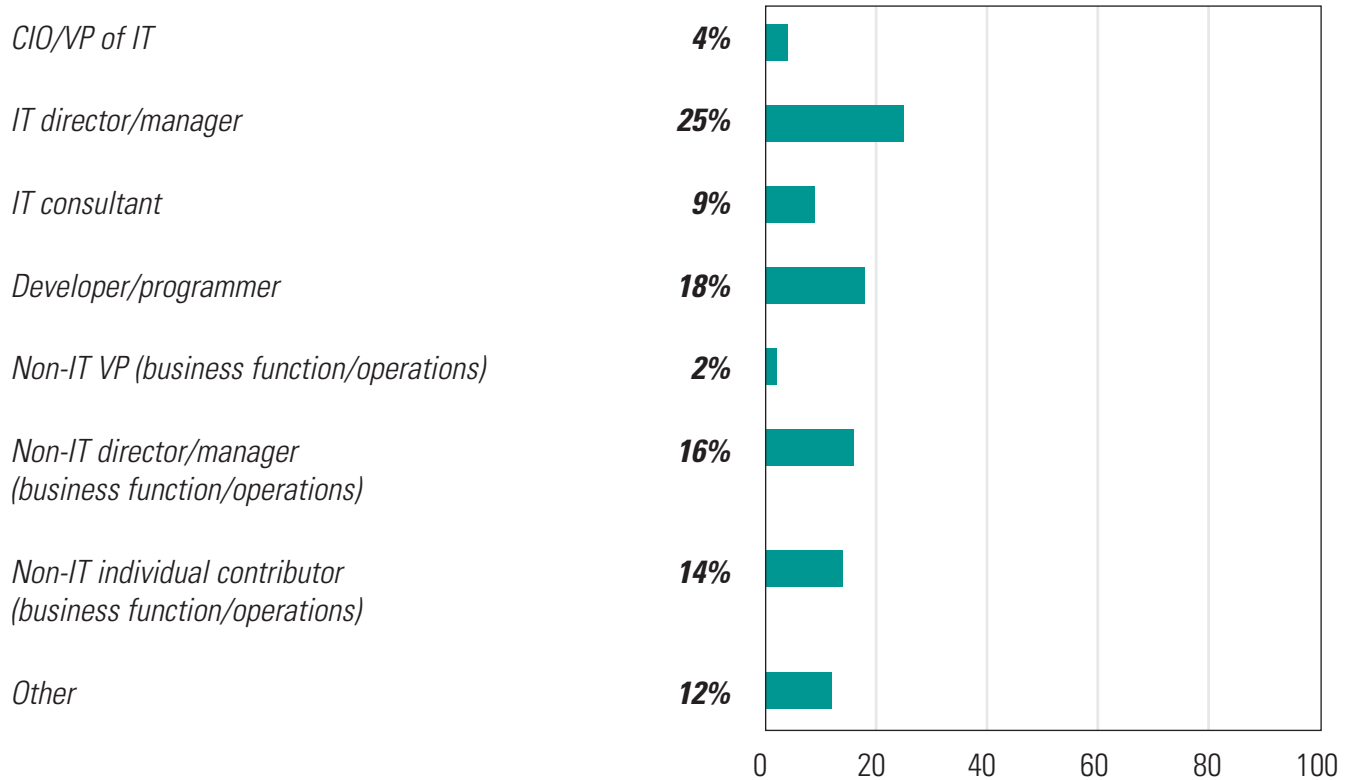


The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG —If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

Figure 27: Respondents—By Job Role



The Missing Links in Performance Management: 2010 OAUG ResearchLine Survey, was produced by Unisphere Research and sponsored by IBM Cognos. Unisphere Research is the market research unit of Unisphere Media, a Division of Information Today, Inc., publishers of Database Trends and Applications magazine and the 5 Minute Briefing newsletters. To review abstracts of our past reports, visit www.dbta.com/research. Unisphere Media, 229 Main Street, Chatham, NJ 07928. Tel: 973-665-1120, Fax: 973-665-1124, Email: Tom@dbta.com, Web: www.dbta.com.

Join the OAUG—If you're not already an OAUG member and would like to continue receiving key information like this, visit the OAUG at www.oaug.org today for information on how to join this dynamic user community for Oracle applications and database professionals.

Data collection and analysis performed with SurveyMethods

The information in this report has been gathered through Web-based surveys of member and prospective member lists provided by the OAUG, through interviews with knowledgeable participants in the computer industry and through secondary research of generally available documents, reports and other published media, as well as from earlier studies conducted by Unisphere Research. Unisphere Research has relied on the accuracy and validity of all information so obtained. Unisphere Research assumes no liability for inaccurate or omitted information.