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Building an Information Management Competency Center

Information Management

Cognos. software

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Abstract

Information Management (IM) has become increasingly strategic in organizations, regardless of their size or market sector. While initial deployments may have focused on targeted uses, the current trend is to deploy IM more broadly across the organization. As part of this trend, IM – encompassing Business Intelligence (BI), Analytics, Performance Management, Data Integration, Data Warehousing and Enterprise Content Management (ECM) – is rapidly migrating from specialists, analysts, and knowledge workers toward executives and everyday business users looking for direct and faster access to the information they need to make better decisions and get their jobs done.

To maximize the value of having information in the hands of this new, wider audience, organizations are challenged with implementing, managing and supporting these tools and capabilities across divisions, regions and functions with a diverse set of user needs and skills. Processes that were already in place for conventional applications and platforms are no longer sufficient because the use of information is so dynamic with constantly changing requirements.

Creating an Information Management Competency Center (IMCC) is critical to realizing the full value from IM investments and drive long-term success. An IMCC accomplishes this by strengthening the partnership between the line-of-business stakeholders and IT, developing and communicating a clear IM strategy aligned with business strategy, standardizing technologies and processes and leveraging reusable knowledge, disciplines and best practices,

This paper will help strengthen your awareness, understanding, planning and communication of the value of an IMCC initiative in your organization.

Business Problems

To understand the need for an IMCC, also known as a center of excellence or a center of knowledge, it is important to first understand the business problems and related information management challenges that many customers face. In survey after survey, our customers tell us the kind of obstacles they see in trying to maximize the full value from their technology investments:

- Disconnected projects causing silos of data to develop in pockets across the enterprise.
- A lack of trust or confidence in the data being used for decision-making with no visible improvement over time.
- Projects that are misaligned with business needs, are competing for priority, or lack executive sponsorship and support.
- Weak or poorly understood IM strategy and roadmap.
- Best practices and standards that are not shared and applied consistently, affecting the efficiency of IT and user communities.
- A lack of training and support to ensure that tools are used effectively, meeting ease of use and response time expectations.

Notice that many of these go beyond the technology itself and encompass the culture, people and process aspects in implementing and deploying IM.

Organization, Knowledge, Projects

What are the root causes of these problems? One of the most essential is the fact that, as more and more functional areas such as sales, marketing, finance and human resources start to rely on inter-related metrics and performance indicators, the need to bring different parts of the organization into alignment and agreement becomes critical. But this is difficult. For many years, these functional silos have driven their information needs in isolation from one another – and often quite successfully. Free from dealing with complex data inter-relationships, and with

the ability to focus on their specific requirements, they have invested in decision support applications, data marts, reporting tools and content management solutions that met their needs but were not necessarily compatible with other parts of the organization. Even with the advent of enterprise-wide, operationally focused ERP solutions, the information delivery and analytical capability in some parts of the organization were overlooked. This led to multiple tools being deployed and many silos of data being developed over time.

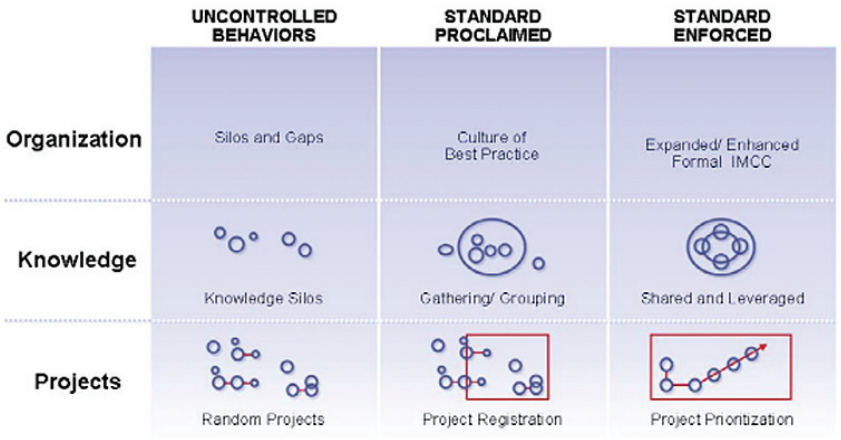
For IT, this poses a particularly difficult dilemma, namely how to bring down costs while supporting these diverse environments, and how to develop a common, enterprise-wide view of performance with so many variations on data definitions, metadata repositories, security models, user interfaces and toolsets. With these islands of expertise and divergent environments to deal with, it is difficult to leverage and share a common set of best practices, deploy a single information-based infrastructure, and provide an effective platform for business optimization.

In addition, not all such projects go through IT. With the demand for information exceeding the supply of IT resources, departments may find themselves without a means to get adequate support for their IM-related initiatives. This leads to projects in the business that are not always on the IT roadmap, but may instead be funded by the business function themselves, for their own use, and with outside or non-approved vendors.

The result is organizational gaps with disconnected silos of knowledge and random projects that reinforce the problem instead of solving it.

The good news is many organizations already recognize the problem. They know they need to break down these silos, spread knowledge across the enterprise more effectively and coordinate their IM projects to ensure focus on key business initiatives that are in line with the strategy and priorities. The question is how to move from the current state of uncontrolled behaviors to a more aligned and

effective approach that delivers on the promise of turning information into a strategic asset. The following table outlines how organizations should address the steps needed to become more mature in addressing these challenges:



Where are you today? Where do you want to be?

Lacking Confidence in the Data

Better decisions drive the bottom line, and are in turn supported by quality data. In this case, "quality" means not only accurate data, but consistently available, understandable and relevant data as well. When organizations lack faith in their data, their decision-making capabilities are compromised. They may waste time debating the numbers and even stop using the IM solution completely. Moreover, as confidence is jeopardized, the tendency increases for users to extract and manipulate their own data in small databases or spreadsheets. This further exacerbates the silo-based, institutionally disconnected data environment and mires the organization in decision-making deadlock.

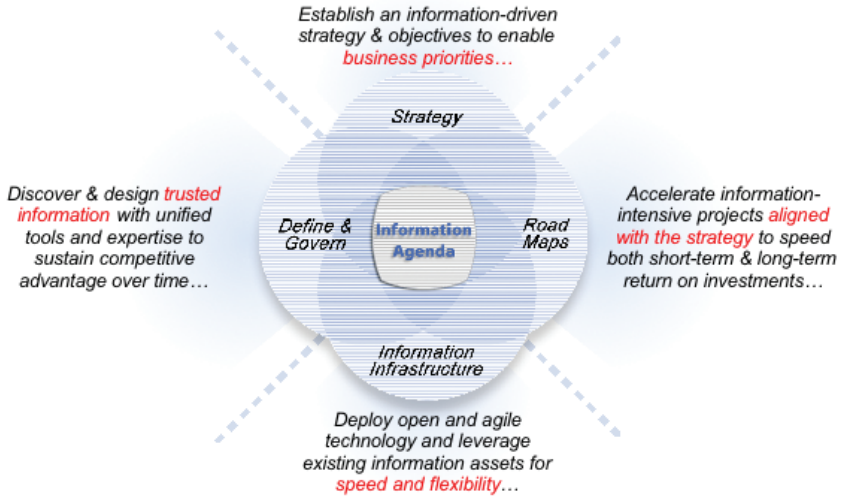
The Need for an Information Agenda

To address these obstacles, organizations need to have the following key elements in place:

- An information-driven strategy to enable business priorities that align to corporate strategy.
- A roadmap that aligns people, process and technology with this strategy.
- A deployment plan that leverages technology best practices.
- A foundation of trusted information that is governed for consistency & accuracy.

An IMCC provides the framework within which an organization can incrementally work through each of these steps to drive the transition from an application-based agenda to an information-based agenda. In doing so, the organization can unleash the latent potential inherent in the pools of data that automated systems have been generating for years.

The Information Agenda



Business Drivers

What is an Information Management Competency Center?

To deliver on the promise of information as a strategic asset, many organizations are looking to foster a stronger partnership between IT teams and the business. These emerging organizational structures, which often combine and align fixed teams in a virtual community, bring together people with interrelated disciplines, domains of knowledge and functional business expertise. Their goal: To achieve greater IT and business efficiencies on a foundation of trusted information, which in turn drives more effective decision-making across the enterprise.

The idea is not new. Business Intelligence Competency Centers (BICC) have become more common, with a focus on reporting, analysis and dashboards. Integration Competency Centers are emerging around the discipline of extracting, cleansing and transforming data to create enterprise-wide coordinated data marts and data warehouses. This, together with master data management (MDM), has become increasingly vital to establish a foundation of trusted information.

In the office of Finance, teams are now forming focused on performance management for the executive and C-level users. Their goal is to drive an enterprise scorecard-driven perspective of both historical performance and future plans, budgets and targets with common key performance indicators (KPIs).

In the ECM realm, more and more organizations are adopting ECM centers of excellence to better leverage investments in unstructured data, records management and associated business process improvements.

In addition, data governance programs are gaining considerable visibility as evidenced by the formation and success of the IBM Data Governance Council of leading firms whose interest is to advance the adoption of data governance around a clear framework and operational model. Those organizations who are already implementing data governance programs can often find value in instituting or aligning with an IMCC.

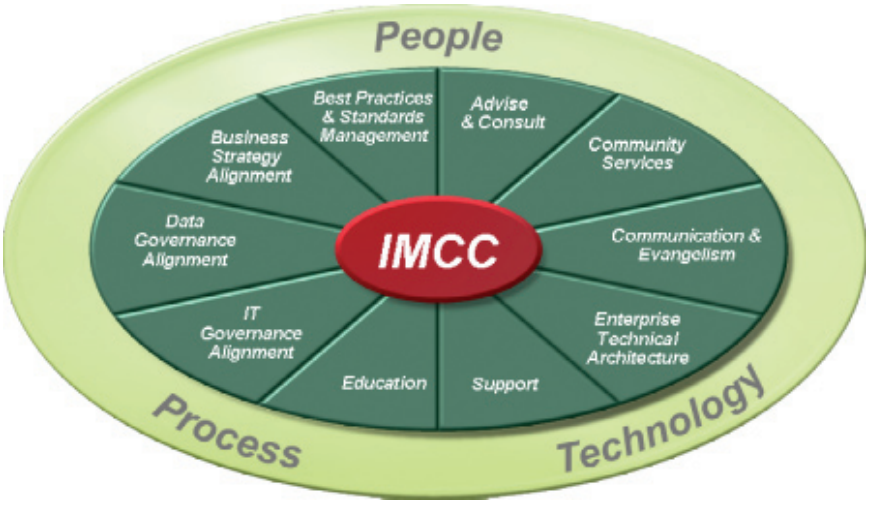
What is now emerging is the integration and alignment of all these various groups into a more coordinated, often virtual, team – an IMCC. More than a just a set of "centers", it is a well-defined and coordinated community of both business and IT stakeholders with authority on the direction and use of information assets.

To achieve this is a journey. Most organizations start with a focus on specific areas and evolve over time towards a coordinated IMCC. For example, one area may focus on BI and data warehousing, building an integrated team that leverages structured data. Elsewhere, a center of excellence team is formed with focus on ECM. Once these are established, the organization is ready to benefit from combining both structured and unstructured data for a more comprehensive view of performance. This warrants both teams aligning with each other to deliver even greater added value and synergies.

Regardless of where the starting points may be, the full set of functions that an IMCC performs are common to all.

The Functions of an IMCC

To fully support the organization, the most effective IMCCs encompass a broad and comprehensive range of functions, as seen in the graphic below.



Each of these functions is detailed in the following table. By implementing these functions, the IMCC can address the full spectrum of requirements to make IM initiatives and projects successful and broaden the user adoption of trusted information. Some of these functions may already be in place in some form. Others may be a high priority to address as part of the roll-out of an IMCC initiative or the expansion of an existing competency center program. Each organization is unique and the priorities and plans for these functions will vary from one company to another. What is critical is to have a strategic view of the scope of the IMCC responsibilities and a plan to implement these over time.

IMCC Function	IMCC Benefit	IMCC Activities
Best Practices and Standards Management	Sharing experiences and standardizing operations for greater efficiency and lower risk	• Submission, review, approval and publication process • Knowledge management • Naming standards and business rules, methodologies and frameworks • Compliance with industry standards
	Providing the user community with guidance and knowledge transfer for greater effectiveness	• Enabling self-service and mentoring of analytical skills • Advising on new technologies, concepts, capabilities and process improvements
Community Services	Providing the user community with value-added development services of information assets	• Development and modeling services and creation of a reusable component repository • Independent validation and quality assurance services • Project planning and remote delivery
Communication and Evangelism	Gaining broader support and interest in the value of information	• Communicating IM strategy and roadmap • Publishing success stories and progress reports • Supporting user forums, workshops and webinars • Demo sandbox for new technology capabilities and proofs of concept
Enterprise Technical Architecture	Defining a technology architecture that supports the enterprise in a scalable and extensible fashion	• Enterprise Reference Architecture • Capacity planning, security, version control, migration and upgrade • Shared service center, cloud architecture, maintenance and support • Development, test and production • Performance, fault tolerance, high availability and load balancing,
Support	Providing readily available expertise to answer questions and resolve problems	• Help desk operation/alignment • Case management, tracking and knowledge base • Support training (troubleshooting) • SLAs and escalation
Education	Continuously improving the skill set of the community for greater self-sufficiency	• End-user adoption and training roadmaps by role • Self-paced training, instructor-led training and train-the-trainer • New user orientation and IMCC internal training • Management, scheduling and metrics
IT Governance Alignment	Aligning with IT management and operational processes for greater efficiency and lower risk	• Risk management, change management and IT Portfolio management • Project management and resource management • Measures of success and management cadence • Funding requests and approvals, vendor and outsource management and license management • Alignment with overall IT governance
Data Governance Alignment	Aligning with data governance processes to provide trusted information for effective decision making	• Data ownership, data stewardship and data definitions (business glossary) • Security standards, data quality standards, compliance and privacy • Data governance KPIs and metrics,
Business Strategy Alignment	Determining IM strategies based on business priorities for maximum ROI and added value	• Aligning and mapping IM strategy to business and corporate strategy • Enterprise roadmap – priorities and initiatives, value determination and validation • Driving cross-functional alignment and enabling business transformation, facilitating cultural change

Solutions

With an ever-changing and constantly demanding business climate, both IT and line-of-business leaders find themselves challenged as never before to exploit every opportunity to improve efficiency and effectiveness for competitive advantage. If IM unleashes business potential, then an IMCC unleashes the potential of IM.

The Value for IT

Often, the formation of an IMCC helps drive centralization of infrastructure and standardization of IM software. Ideally, this includes centralized data as well. An IMCC provides a pool of talent for educating and supporting the community of business users on the tool capability and best practices. This drives up end user adoption and self-service, which benefits IT by reducing the reporting backlog, reducing the administrative overhead on IT support resources and leveraging economies of scale to drive costs down.

The IMCC typically takes responsibility for common IM-related standards such as naming, design, templates, reporting and BI portal, among others, as well methodologies, frameworks and reference architectures. These common standards make IT more efficient by re-using the standards instead of reinventing them in different silos.

The IMCC is often responsible for adherence to proper IT processes, including common global security and privacy standards, development-to-production protocols and vendor and license management. This reduces audit- and compliance-related risks to IT and the organization. It also makes governance more consistent and efficient compared to a silo-based approach.

The IMCC regularly communicates the results of successful projects and the status of the IM roadmap. In this capacity, it serves a critical role by evangelizing how new IM innovations can address specific business requirements. In this way, the IMCC provides clarity on how IT and IM investments are adding value to the business.

The Value for Business

IM investments are only valuable if they are tied to business strategy. The IMCC provides the critical link by which business needs are supported by actionable information. The IMCC is the focal point for consensus and decisions on sometimes competing priorities. Within this context, it determines the IM roadmap as it evolves over time, ensuring proper alignment with strategy and fostering a common language for collaboration between the business and IT.

Having trusted information requires appropriate stewardship to continually improve the quality of the data. The IMCC should align with an existing data governance program (or sometimes may be the instigator for such a program) by ensuring the right business and IT processes are in place and adhered to for data quality assessment and improvement. In addition, IMCCs are often the source for reporting on quality and process metrics for proper and effective data governance. This mitigates the risks associated with poor, incomplete or inaccurate data.

Because it serves as a centrally available source of knowledge of the data and experience in advanced analytics, the IMCC can advise and consult for the business to drive more self-service out to knowledge workers, content authors, analysts, and general business users. The value to the business is a greater degree of responsiveness and agility to respond to – and in many cases anticipate in advance – rapidly changing business requirements, without having to go through an IT bottleneck. The business can now focus on improving specific management processes by making them more efficient (e.g. reducing reliance on time consuming spreadsheet maintenance and verification) or enabling more effective processes that were previously starved for information (e.g. improving sales effectiveness by adding visibility of marketing activity at the customer level).

With silos of information, it is common to have the same data defined in different ways or for different data to be mistaken by a similar definition. This is often visible to the business at the KPI/metrics level where data is exposed on scorecards, dashboards and reports. To resolve issues of definition requires clear ownership and accountability. For example, who owns "revenue/headcount"? How should that be defined? Is there alignment on the definition across the organization? The IMCC can be the catalyst and facilitator, preferably in concert with a data governance program, to help resolve questions of ownership, definition, and consistency in the data. This can then be reflected in the deployed IM environment with features such as business glossaries and data lineage displays so that everyone in the organization is more effective, efficient, and working from the same "playbook" of data definitions and meaning.

Today, IMCCs are helping organizations fundamentally transform the way they manage information and make decisions. In one case, a major provider of healthcare benefits implemented a competency center program to rein in data management systems and processes that were costing too much to maintain and, worse, limiting planned improvements to customer service. In any other industry, this would have been problematic. In healthcare, it was potentially devastating. By implementing the program, this provider was able to maximize their technology investments and capture greater value from its structured and unstructured data environments to drive competitiveness.

Guiding Principles for Implementation

Identifying the value is one thing. Making it happen is quite another. Keep the following considerations in mind as you work toward making an IMCC a reality within your organization:

1. Acknowledge the need for change

Companies often form competency centers because they are driven by urgency for change in order to meet a specific business need for better decisions. Who is feeling the pain? Who is raising the need? How is this being expressed? Is there a willingness to institute change, at least in some parts of the organization?

To make change happen and to make it persistent requires sponsorship at the highest levels. It is vital to have a C-level or VP-level sponsor of the IMCC initiative because the primary goal – optimizing business performance – is the outcome they expect. However, because an IMCC evolves over time, so, too, must its sponsorship. Sponsors may change depending on maturity, scope and priorities. It may begin with the CIO given the need to get a proper IM foundation in place. As time progresses, and with the essential IM elements now available, the sponsorship focus might shift to, for example, the CFO or COO.

2. Interlock business and IT

An IMCC becomes most critical when there is a recognized need to partner across functional boundaries. To succeed, this cannot be a strictly IT-driven initiative – the business needs to be actively involved in the creation and operation of the IMCC. One way to accomplish this is to establish a defined membership in an IM competency community, which brings the right business stakeholders together with the appropriate IT teams. Who belongs in the community can be determined buy asking these questions:

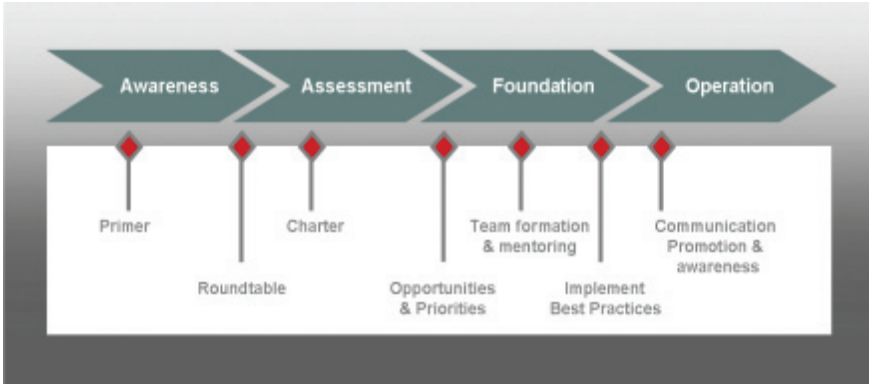
- Who are the business users who work with data on a regular basis?
- Who are the knowledge workers, analysts and content authors in the business who are responsible for providing reports, dashboards or scorecards to others or doing deep analytics in support of management?
- Who are the IT teams involved in supporting the delivery of the packaged data, reporting foundations, master data management or unstructured content?

The need will not be the same in every area of the business at any point in time. Those who are feeling the pain now and see the urgency for change are typically prime candidates to be early participants in the formation of the IMCC. They will help form the initial IMCC community and become the guiding team to drive the first steps to success.

3. Develop a strategic plan through organizational readiness

Once you have established the need, have a committed set of executive-lever sponsors and have identified the initial set of business stakeholders, you have the core elements in place to build an IMCC plan and prepare the organization accordingly. An important first step is to review your organization's perception for creating an IMCC and your current maturity level. Keep in mind that some of the core teams may already be in place, even if they aren't formally identified as being part of an IMCC.

As outlined in the illustration below, this involves a number of steps:



Awareness. Ensure all appropriate groups – including IT and business organizations with a vested interest – are aware of the purpose and value of an IMCC and the intention to build one within the organization. One or more IMCC primer-type sessions might be needed to help evangelize the idea and build agreement on the need.

Assessment. Use a series of in-depth roundtable workshops and functional maturity assessments to determine the current as-is state and the desired future state for the IMCC within an appropriate timeframe. Create an IMCC charter that defines the IMCC authority, governance structure, scope, roles, responsibilities and roadmap to achieve the desired state. This step may require a business case to justify and fund the development of the IMCC.

Foundation. Start the process to build up and launch the IMCC including the execution of the initial IMCC functions, such as best practices, standards management, education, etc. This build-out phase often coincides with a set of high-value and high-profile IM-related projects that provide the leverage and opportunity to simultaneously invest in an IMCC. Start communicating to a wider audience within the organization about the IMCC strategy and roadmap, and that the IMCC is now "open for business".

Operation. Once the IMCC is off and running, it is time to consider expansion (more functions, more geographies), improvements or refinements, and opportunities for greater efficiencies, such as outsourcing some functions.

Critical Success Factors

Effective IMCC governance requires both business and IT at the table. The business should be driving the investment decisions and priorities. To be successful, the business must partner with IT to ensure solutions, processes, and infrastructure align with the organization's strategic investment decisions. With the establishment of good governance processes and with the right representation from the business, the elements are in place to ensure effective communication between the various functional areas and IT. The key outcome is a greater sense of ownership by the business for IM-related initiatives.

Think strategically but act tactically. Look for opportunities to bring quick but valuable wins to the organization. Projects with long development cycles and extensive scope can negatively impact a sense of momentum and lower commitment to the IM vision. Once wins are established, those successes should be regularly communicated to the broader community of users, executive management and the business in general. Success will generate interest for new initiatives, further expanding the benefits of IM.

Measure your success. With some early successes accomplished, it is important to then continually and quantitatively measure the benefits that the IMCC has brought to the organization, both directly in terms of efficiencies and productivity – for example increased user adoption, improved data quality and lower total cost of ownership – and business benefits, including business process improvements and more cross-functional views of performance.

Build trust in your data. Trust is earned over time and requires a continuous process of improvement in data quality as data becomes more integrated and the scope becomes wider. If a data governance program already exists, then the IMCC should be an active participant in the program, as it will be a key beneficiary of data quality and a key stakeholder in data stewardship processes and data ownership policies. If a data governance program does not exist, then the IMCC initiative can be used as a catalyst to create one.

Training, mentoring, coaching. Regularly scheduled, ongoing training programs are essential – not just in the use of the technology but also in the effective use and analysis of the data. The IMCC should have a comprehensive set of training roadmaps and mentoring programs for various skill levels – including "on-demand" self-paced training modules (e.g. CBT), virtual training sessions, instructor-led training, and informal offerings such as lunch-and-learns and user-group meetings. Deep product training is critical for the in-house help desk and related support functions.

Reduce redundant toolsets and drive towards standardization.
Having multiple tools that do the same thing (e.g. tools for reporting, analysis, data integration, data quality and content management) can drive up IT costs around training, security, maintenance, and vendor support. It can also impede end-user adoption as various user interfaces must be learned. However, standardizing on tools takes time as users begin to understand the benefits of changing from a tool they are familiar with to one they must learn. Previous successes with the same standard tools elsewhere in the organization can help demonstrate the value of using the standard in the new area of the business.

Look for new IM technology horizons to add value to the business.
The IMCC has a responsibility to keep ahead of the technology curve while the business remains focused on strategy and execution. By researching where IM and other related technologies are headed, the IMCC can bring new value and innovation to the business that supports the overall strategy and can improve efficiency and effectiveness in previously unforeseen ways.

Conclusions

By helping promote an information-centric culture – an "Information Agenda" – throughout the organization and by facilitating adoption in areas of the organization that can benefit the most, IMCCs can help organizations unlock capabilities in their data and their people, and become more agile and competitive in the process. By breaking down the silos, by driving an IM roadmap that supports strategy to execution, and by delivering better quality data, the IMCC is providing the business a cross-functional view of enterprise performance.

Establishing a successful IMCC depends on the right planning. Organizations that take a measured, well-managed approach – synergizing people, process and technology – are more likely to succeed. Those that do will gain wider support, contribute significant cost savings to the corporate balance sheet, and help turn information into a truly valuable and strategic asset.

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