

The background of the slide features a collection of chess pieces, including a prominent white king and several black pieces, arranged on a highly reflective surface. The pieces are slightly out of focus, creating a sense of depth and strategic thinking.

iWeb Business **2011** SUMMIT & AWARDS Intelligence

Business Intelligence Competency Centers
People + Information = Intelligence

Timo Elliott

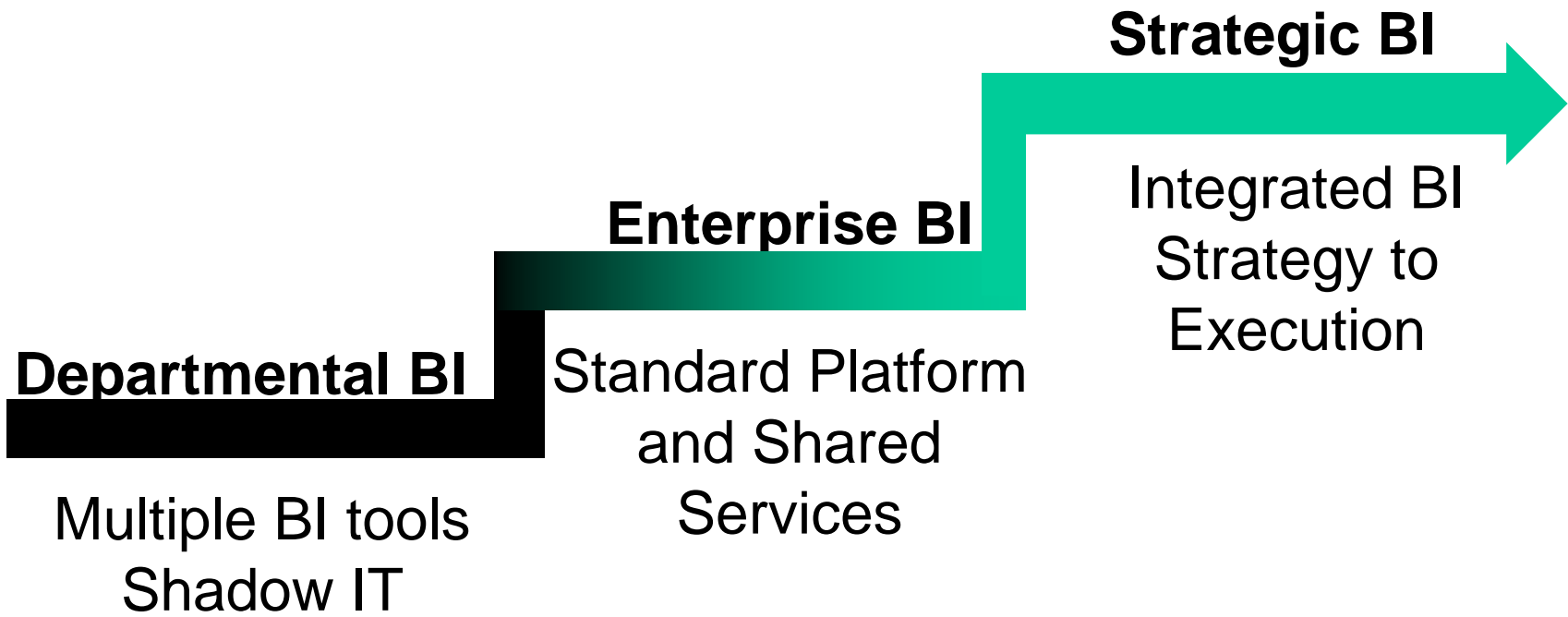
1. Why have a BI Competency Center
2. BICC Organization and Staffing
3. BICC Functional areas and Key Tasks
4. Creating a BICC
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6. BICC Examples
7. Conclusion

The Business Intelligence Competency Center joins the skills, resources and experience of both Business and IT to achieve the common goal of the enterprise: fast, accurate business intelligence.

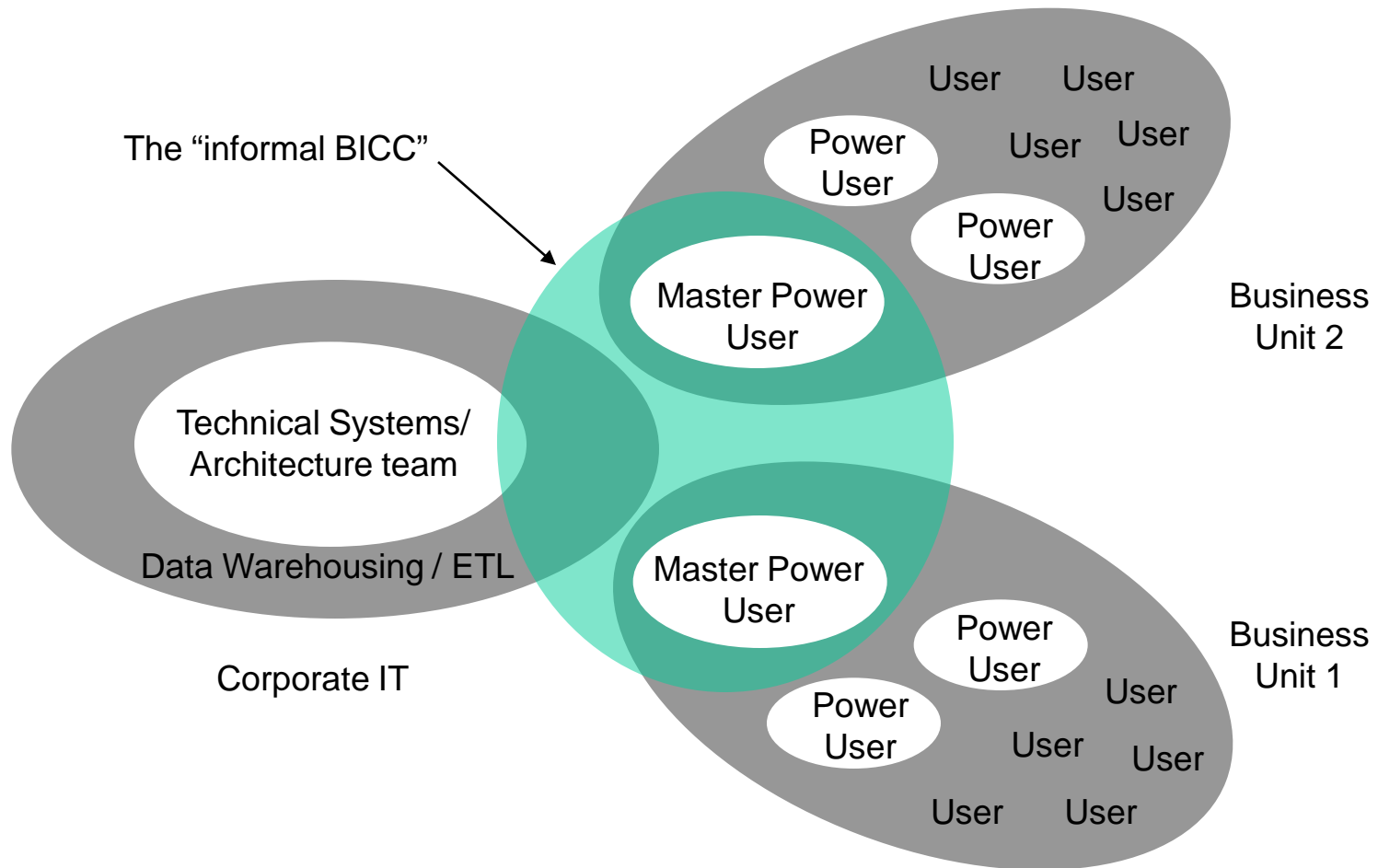
It is a cross-functional team with specific tasks, roles, responsibilities, and processes for supporting and promoting the effective use of Business Intelligence across the organization.

Business Intelligence Maturity Levels

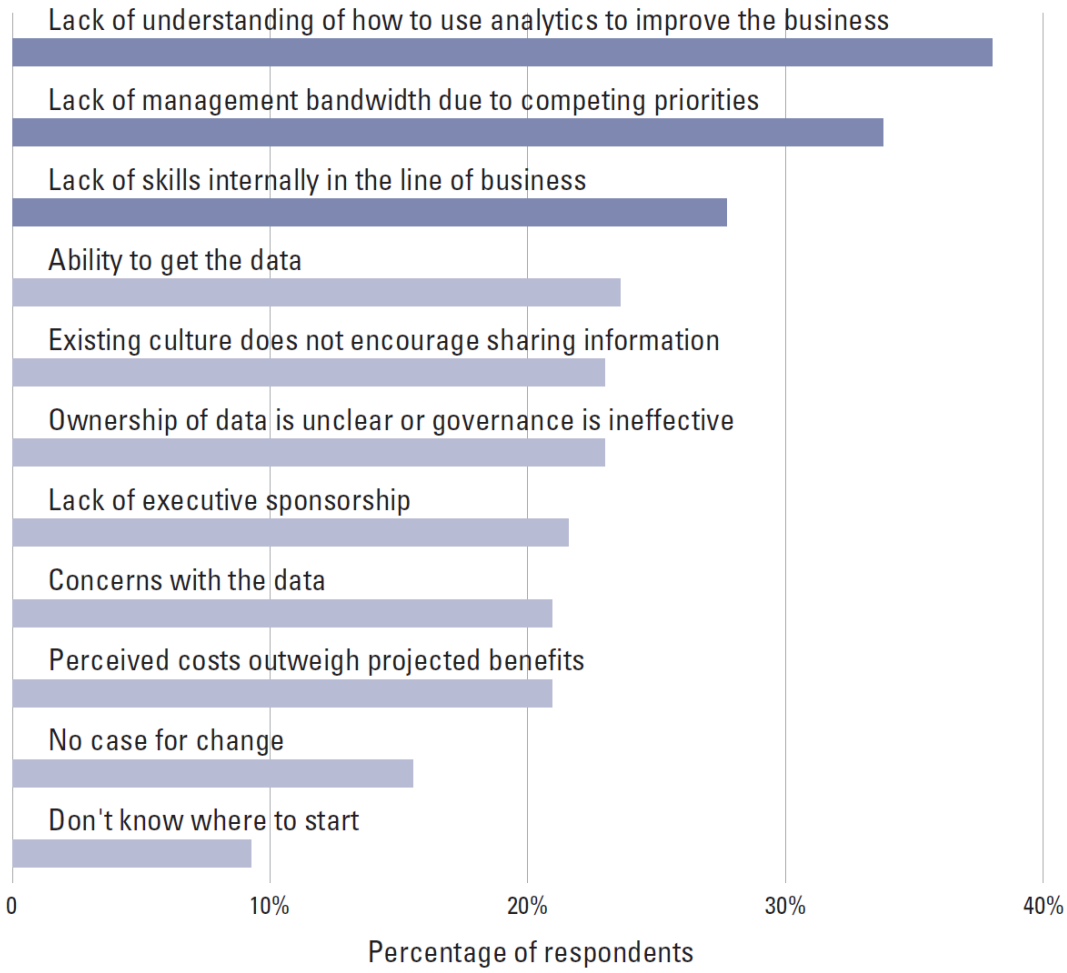
BI competency centers are an essential step towards more strategic use of information throughout in the organization



Today's Typical Reality: Informal, Ad-hoc Cooperation



Barriers to Analytic Adoption



Save money

- Gartner: “companies resisting the need to consolidate BI tools... will incur 50 percent more cost for each redundant tool”.
- META Group: “BI...must be subjected to the same standardization processes used for other technologies widely deployed throughout the organization (e.g., productivity tools, workgroup databases, corporate databases, web servers, browsers).”



Benefits of a BICC

Increase business satisfaction

- Avoid frustration and time wasted accessing information across multiple systems
- Enable better business insight and collaboration
- Supports transversal initiatives such as sustainability
- Gartner: “A *strategic* approach to BI can pay handsome dividends to enterprises that exploit it properly”

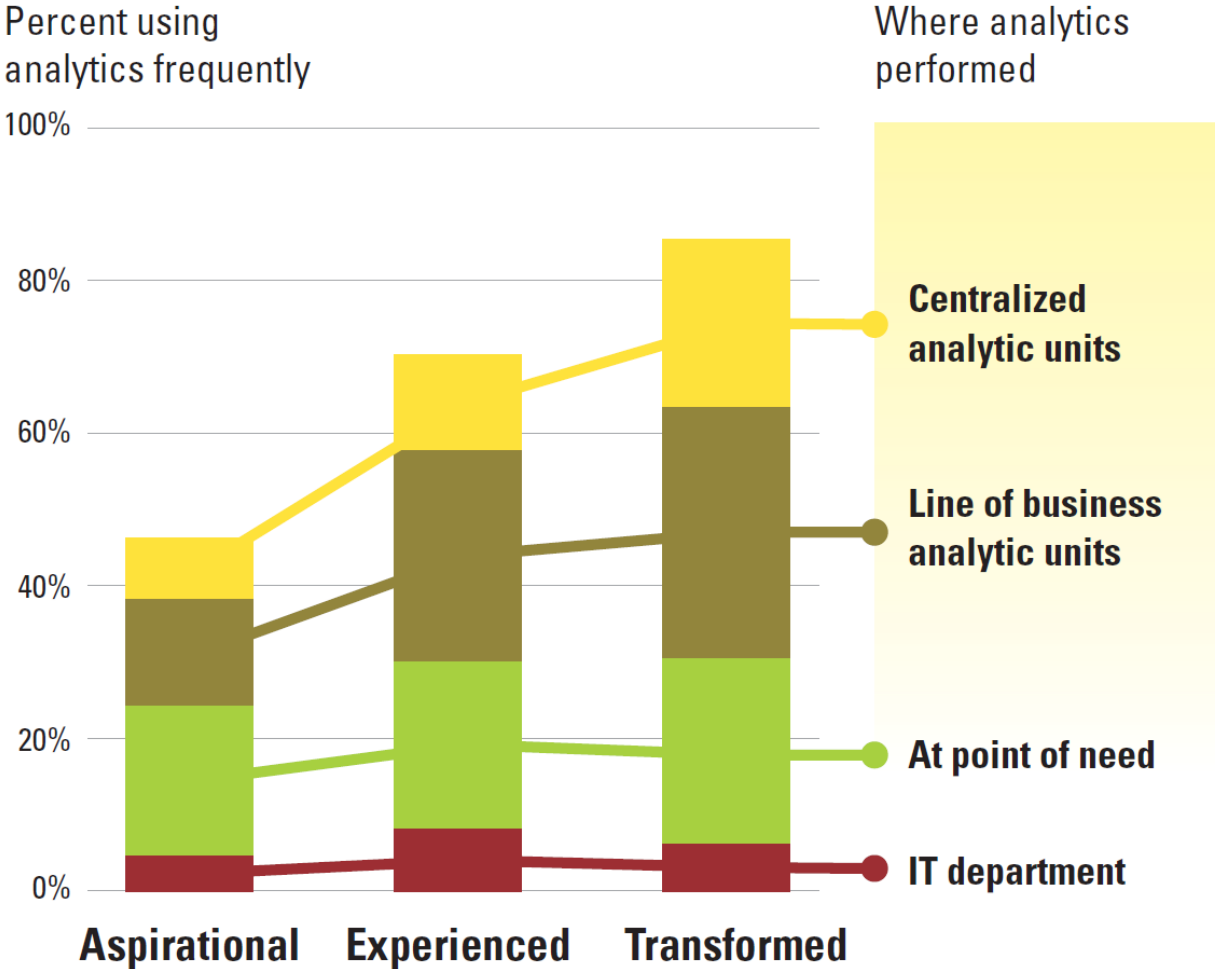


Flexibility and control

- Provide a stable information and reporting interface, even when underlying systems aren't
- Compliance, consistency, quality, administration



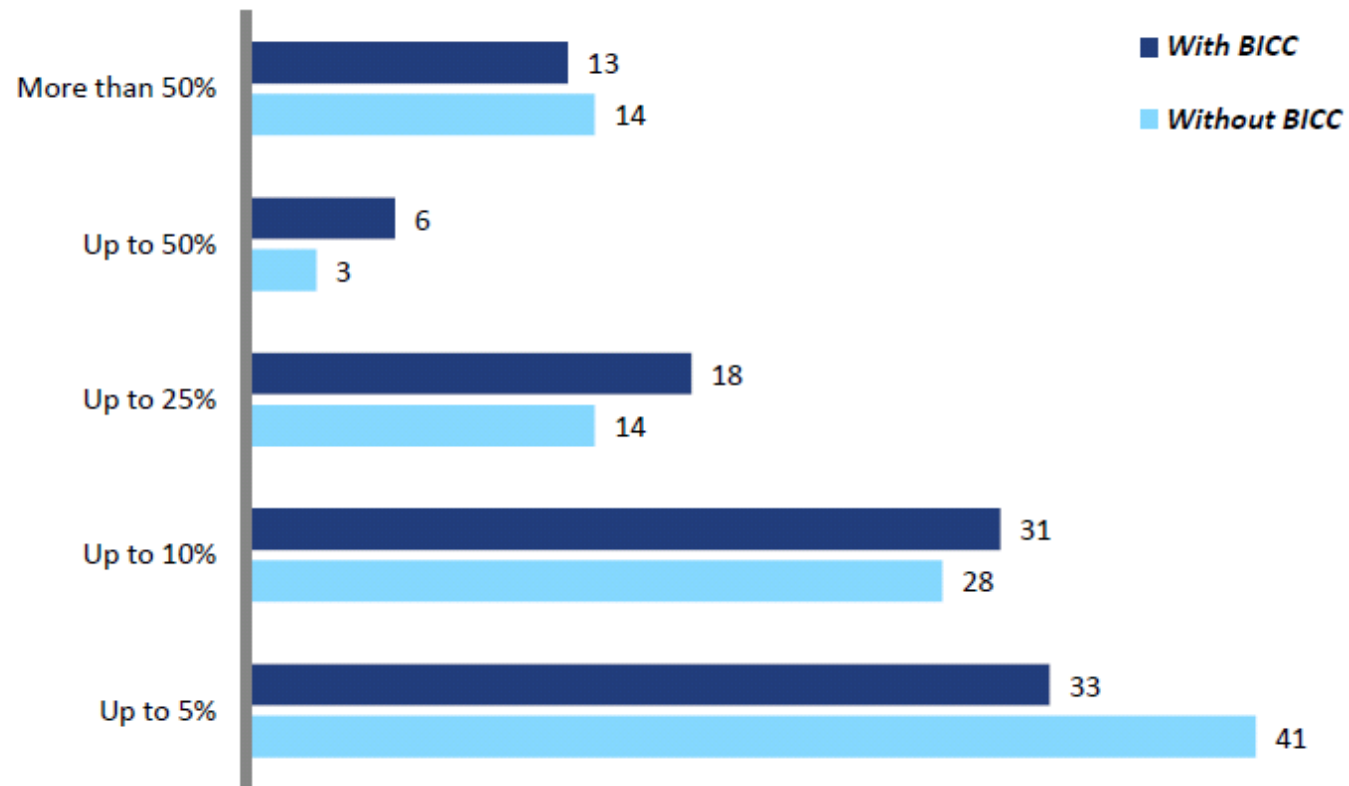
BI Has To Be Spread Across the Organization



BI Software Usage is More Common in Companies with A BICC

How many employees in your company use BI software (in percent)?

Percent, n = 271

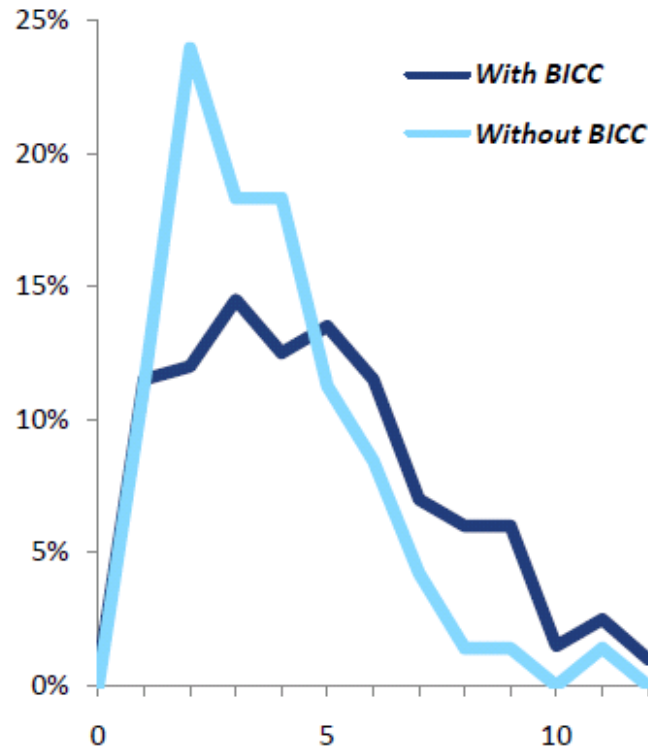


A BICC Results in a Higher Level of BI Usage Across All Departments

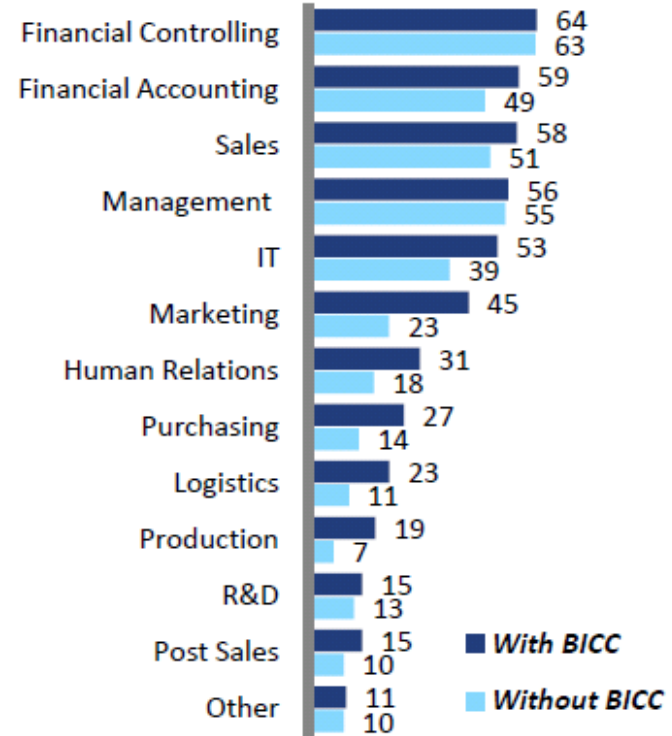
Which departments in your company use BI software?

Percent, n = 271

Number of departments

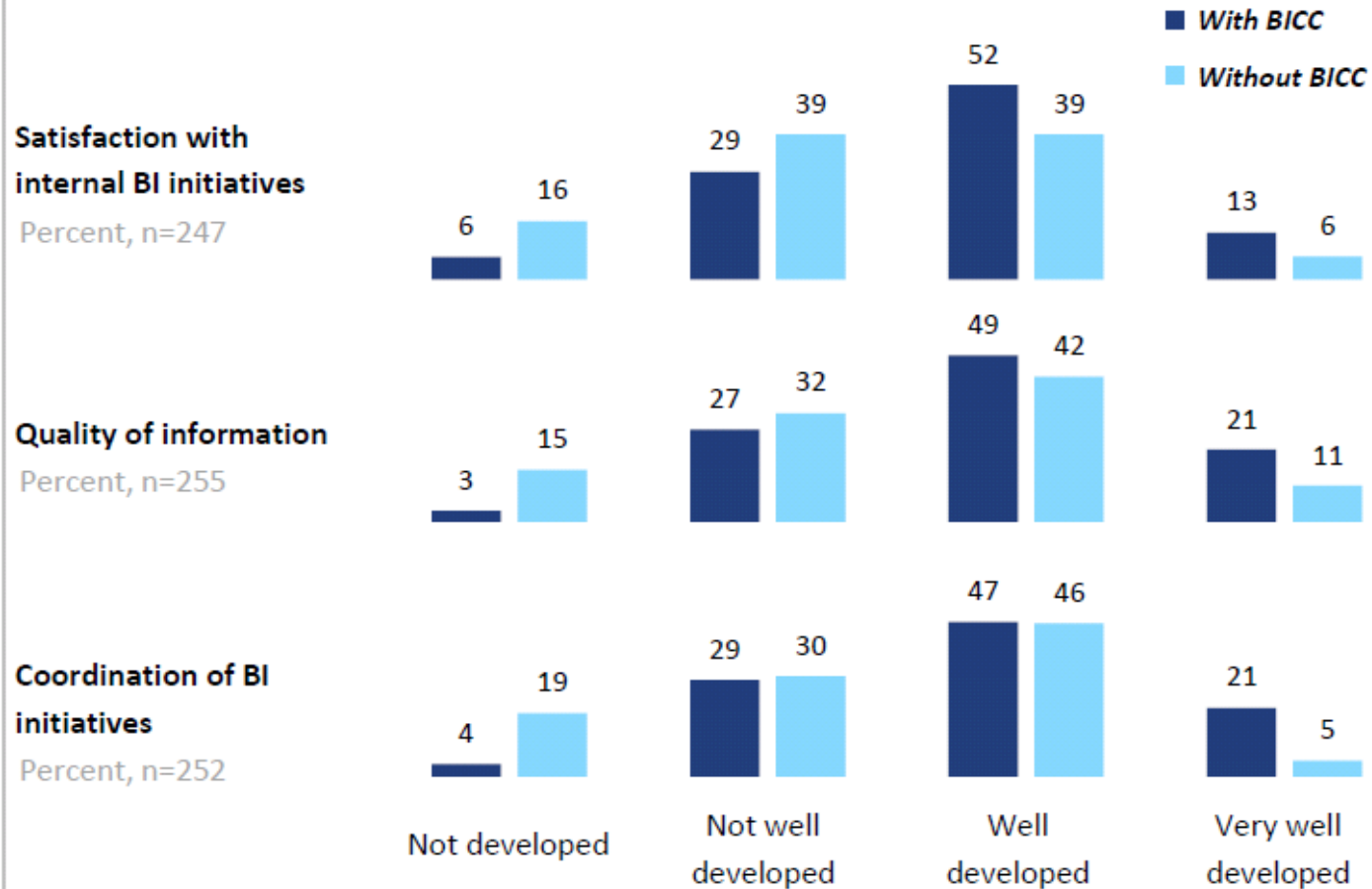


Department types



BICCs Improve the Quality of BI Initiatives

Rank these aspects of BI projects in your company.

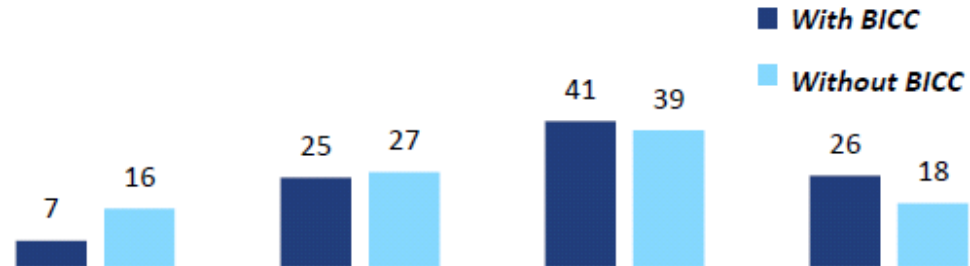


BICCs Improve Cooperation And Support

Rank these aspects of BI projects in your company.

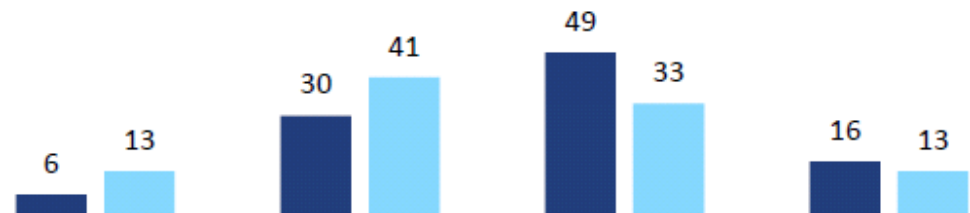
Cooperation between business users and IT

Percent, n=260



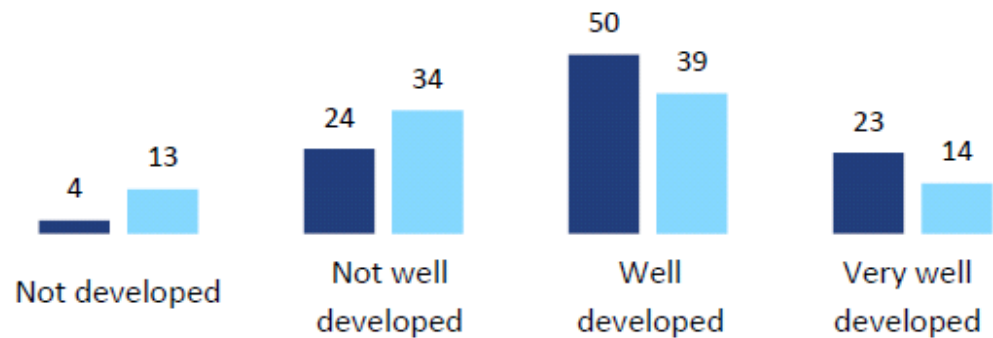
Advice provided to business users

Percent, n=252

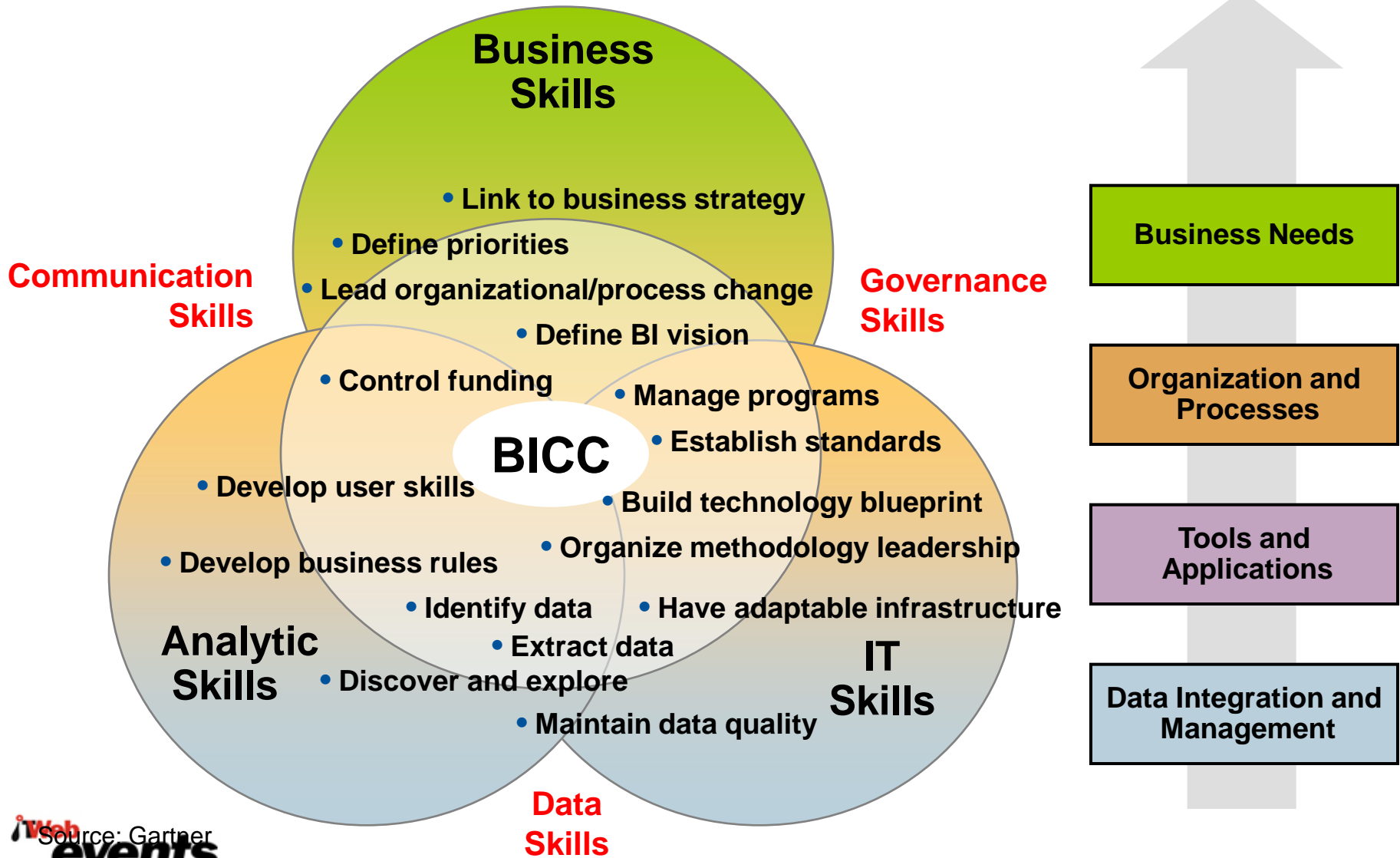


Support on issues concerning existing BI applications

Percent, n=250



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CEO / COO

- Reports to the core business in a collaborative environment
- Or to largest business unit

OR



CFO

- Reports to the finance function
- Requires awareness that management information is about more than costs and revenues

OR



CIO

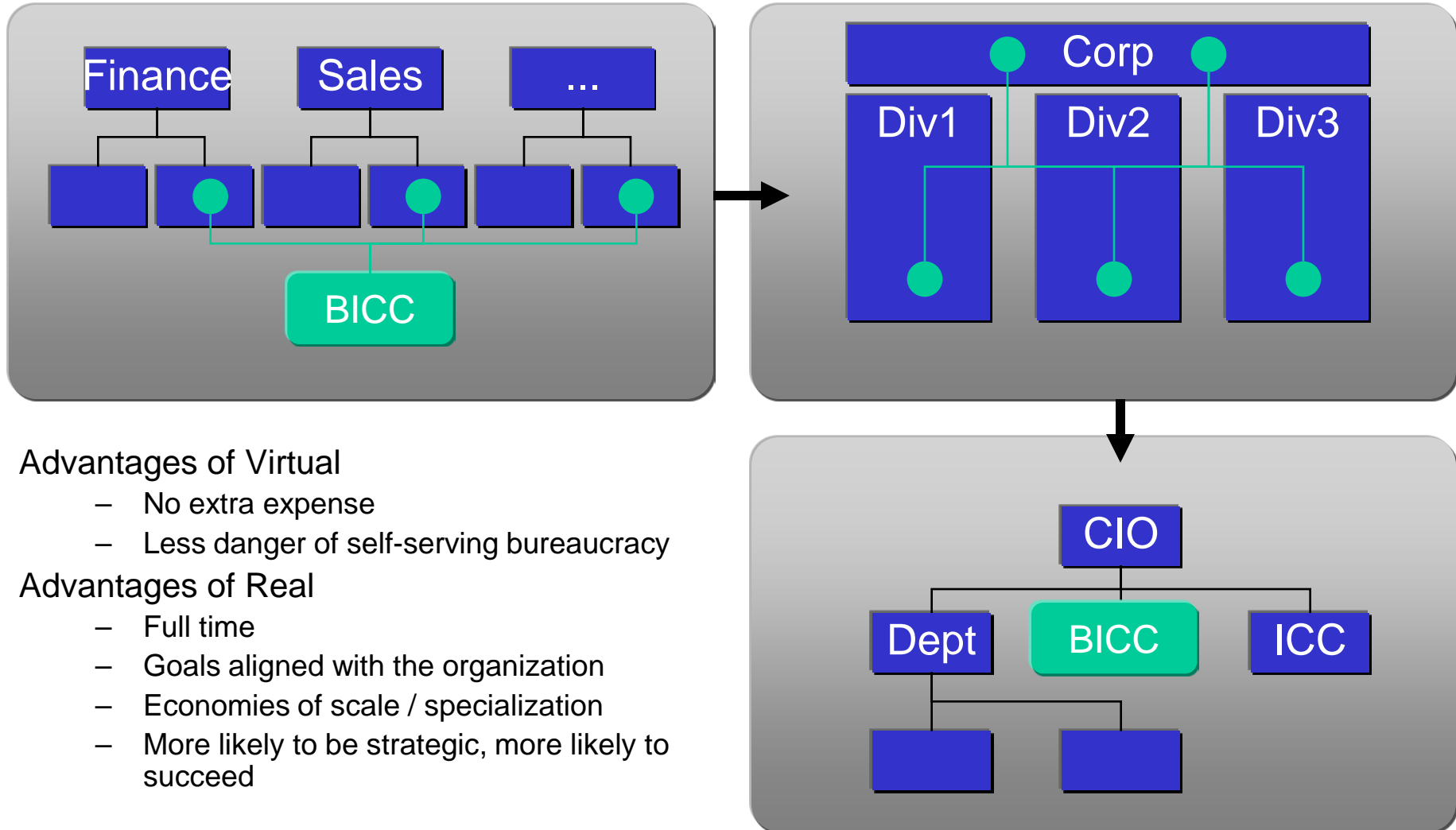
- Report to the CIO
- Or “strategic information officer”
- Requires good links with the business
- Beware of “technical comfort zone”

Funding

- Cross-charging provides a “virtual P&L” but can punish good behavior (only 1 in 5 BICCs charge a functional area)
- It’s about what incentives you want to put in place, not the “real costs” — promote use of standard solutions

BICC Organization

Highly Dependent on Corporate Culture

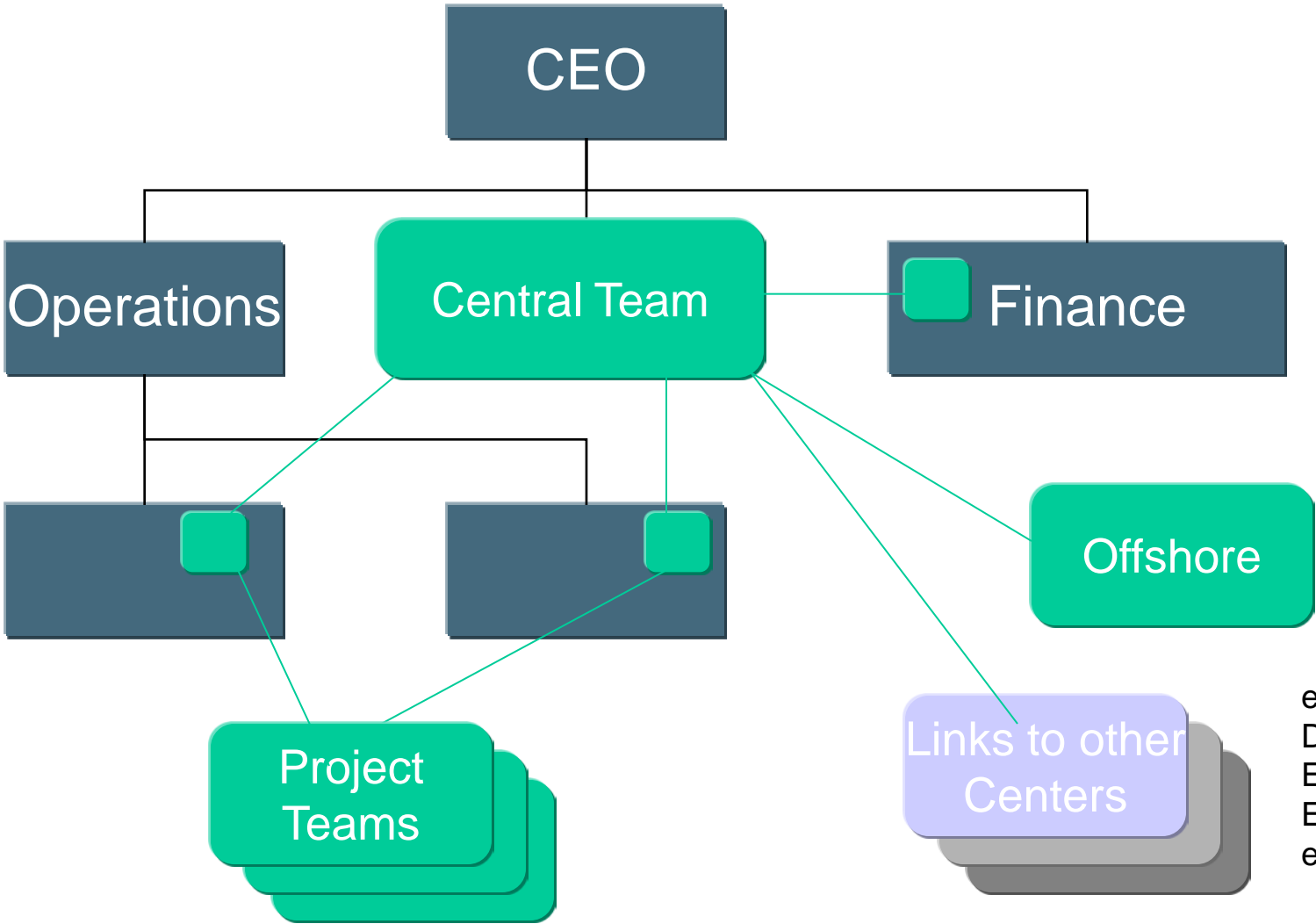


Advantages of Virtual

- No extra expense
- Less danger of self-serving bureaucracy

Advantages of Real

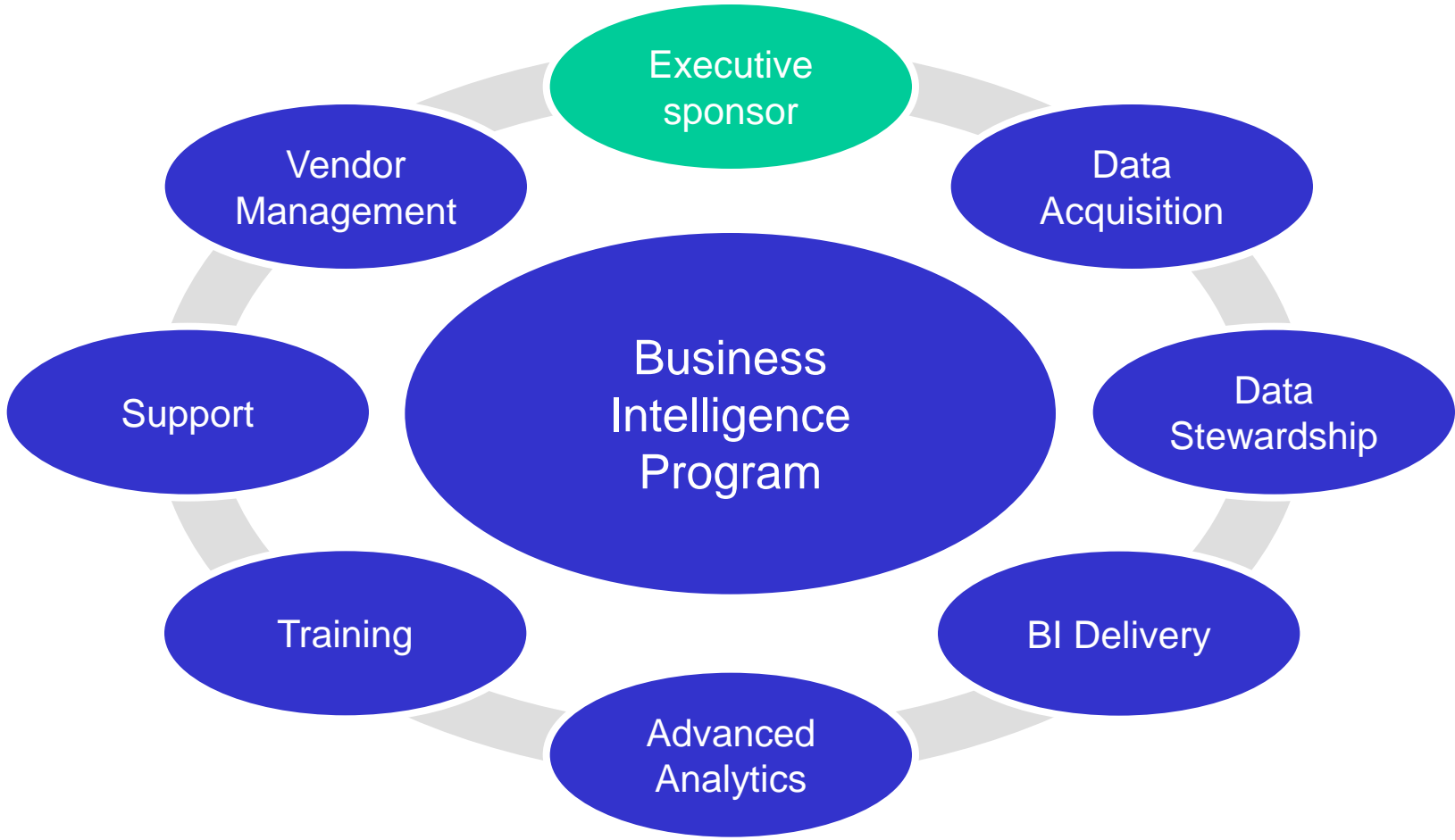
- Full time
- Goals aligned with the organization
- Economies of scale / specialization
- More likely to be strategic, more likely to succeed



e.g.
DW,
ETL,
ERP,
etc.

Often Tricky Overlaps with Other Teams

- Technology competency centers (e.g. SAP...)
- BI vs DW vs ETL...
- Enterprise 2.0 / collaboration teams
- Finance / performance management



Business Intelligence Competency Center

Create and monitor overall BI strategy

- Establish overall vision for leveraging the organization's information assets
- Sets business improvement strategy, set targets and track success
- Manage organizational change
- Determine and standardize information sources
- Enable collection and consolidation

Gather and share knowledge

- Give advice and coaching to business users on how to use BI and interpret results
- Keep track of new trends and technologies and map them to the organizations needs
- Define information audiences and information access rights
- Define best-practice infrastructure, methodologies, and standards
- Establish and maintain a corporate knowledge base

Run BICC

- Business planning for the BICC aligned with organization's strategic and operational goals
- Promote use of the BICC and its services within the organization
- Define and monitor BICC-related KPIs
- Recruit and train staff
- Establish billing processes (if appropriate)

Data Acquisition and Data Stewardship

Data Acquisition: Extract and transform data

- Create interfaces to source systems
- Standardize rules and jobs for data extraction
- Monitor performance and optimization
- Create data integration processes
- Strengthen the role and use of metadata
- Establish common data definitions across the organization: “one version of the truth”

Data Stewardship: Trusted, tracked information

- Accurate, consolidated information
- Agree on data definitions and standards
- Establish definition verification program
- Define reconciliation processes
- Define metadata and business rules
- Conduct data quality improvements
- Enable impact analysis and data tracking
- Ensure communication to and participation of all parties

Execute projects

- Carry out infrastructure maintenance
- Track change requests and new projects
- Gather user requirements and feedback
- Execute project management, including technical change management
- Establish development, testing, and promotion processes
- Collaborate with IT functions

Document and evolve best practice guidelines

- Execute project review and evaluation
- Publish documentation and usage guidelines
- Determine format, channel, and content appropriate for each user profile
- Monitor adherence to access restrictions and other rules
- Monitor and improve performance, clarity, and layout
- Develop and implement organizational reporting standards

Manage business needs

- Monitor opportunities
- Define analysis scope
- Evaluate cost versus business benefit
- Estimate effort for complex tasks

Data preparation and validation

- Collaborate with data acquisition and data stewardship functions

Research and knowledge sharing

- Establish and implement analytical methodologies, models, and standards

Training

- Review training needs in the BICC and for business users
- Examine training needs in relation to specific projects
- Determine training types and media (instructor-based training, e-learning, coaching, appropriate literature...)
- Develop training plan and materials
- Organize logistics
- Interface with external suppliers
- Evaluate training
- Facilitate knowledge transfer

Support

- Establish a call-tracking and classification system
- Establish problem-solving techniques and tools
- Define an answering and escalation routine
- Define service-level agreements
- Technical support: establish interfaces to IT department and vendors
- Business support: establish interfaces to business departments

Vendor relationship management

- Validate vendor portfolio with strategic and operational goals
- Collaborate with strategic vendors

License management

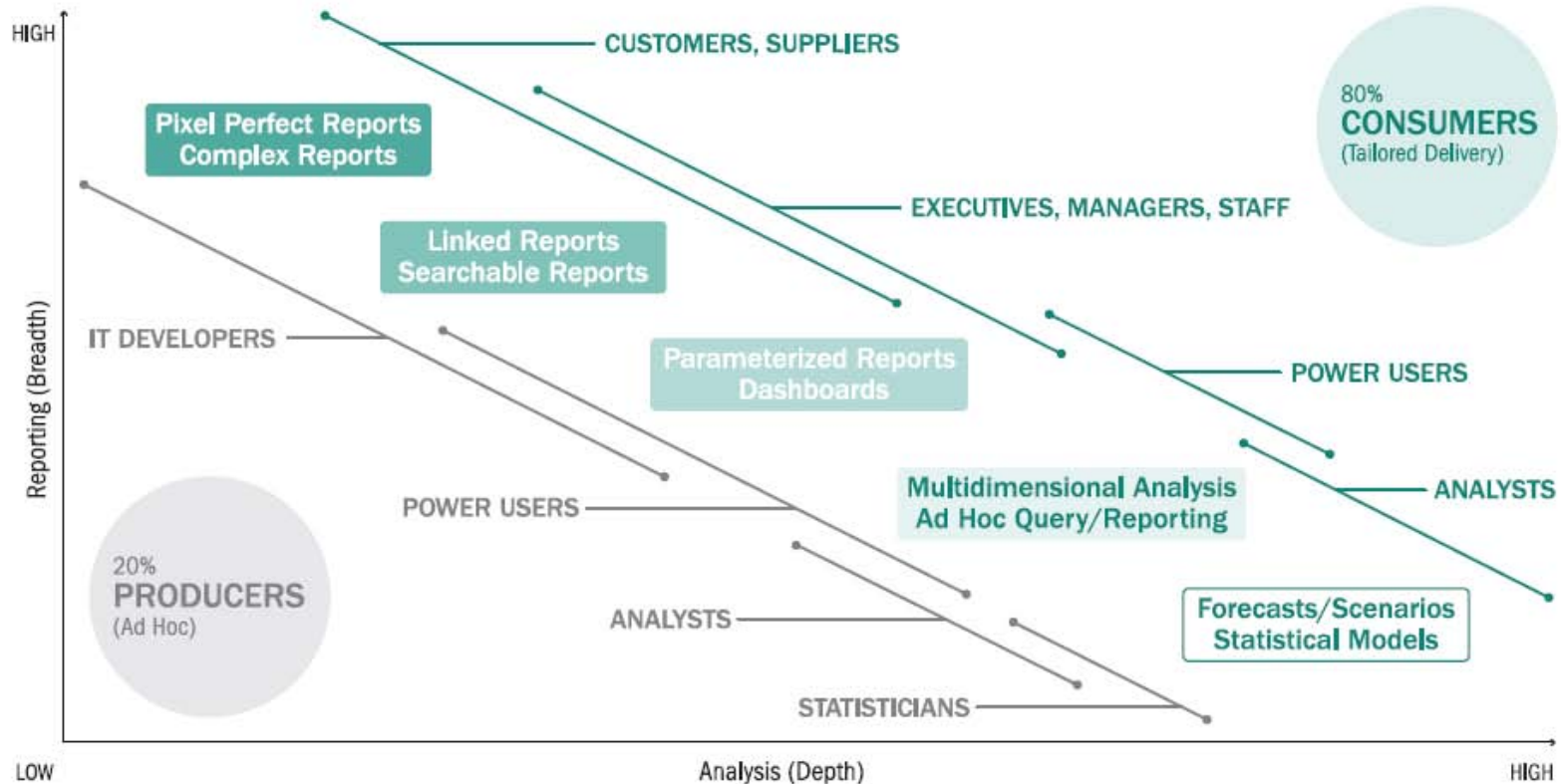
- Monitor adherence to vendor license regulations
- Review and optimize license usage
- Renegotiate contracts

Bidding processes

- Review and create input for proposals, contracts, etc.
- Conduct vendor evaluations and approval

Segment users by business initiative, profile, and task

- See TDWI white paper: “Pervasive Business Intelligence: Techniques and Technologies to Deploy BI on an Enterprise Scale”



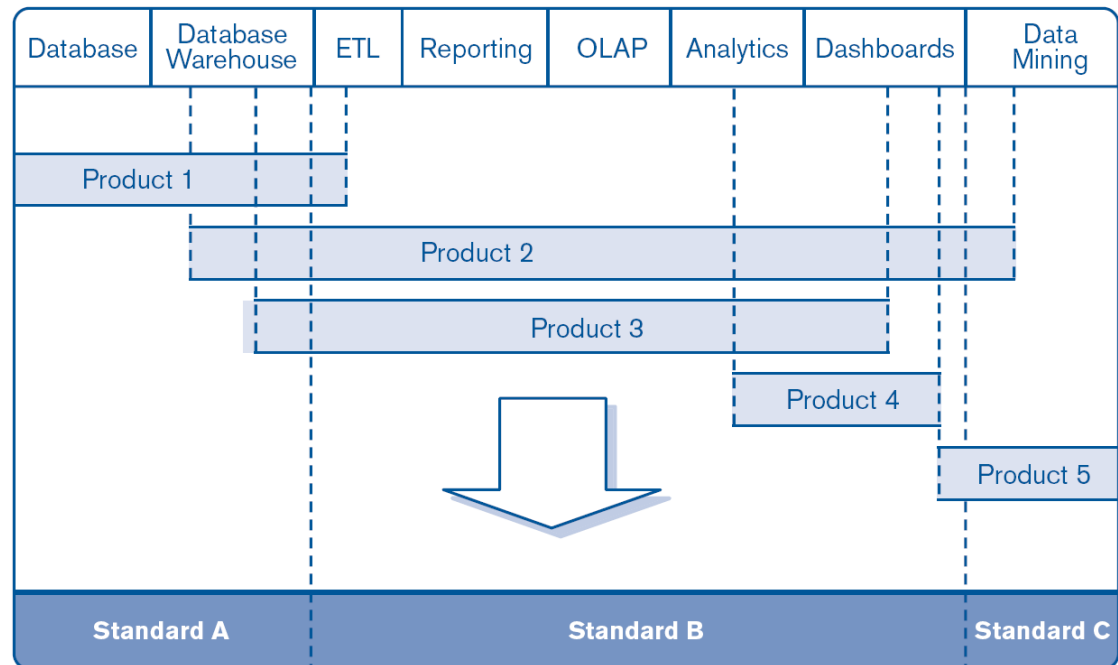
BI Standards

Pragmatically implementing BI standards to reduce overlapping tools, lower costs, and maximize the benefits of BI

Create and defend standards based on:

- Functional capabilities
- Infrastructure requirements
- Vendor criteria
- Total cost of ownership

- Gartner: “Start an active program to standardize on business intelligence tools... Starting now is critical, if you are to achieve strategic deployment and associated cost savings in the next three years.”



Handling “Legacy” Products

Don't rip out products that work today

- Instead, concentrate on new projects
- Wait for the next corporate re-org, etc.

Don't lock out other choices completely

- Sends wrong message to the business — and can be counter-productive (there's always Excel)
- But act to avoid negative reinforcement behavior: “look, my product is better than what central IT provides you!”

Use shared service / purchasing incentives as a carrot

- If it's the corporate choice, it's cheaper, and you get more support

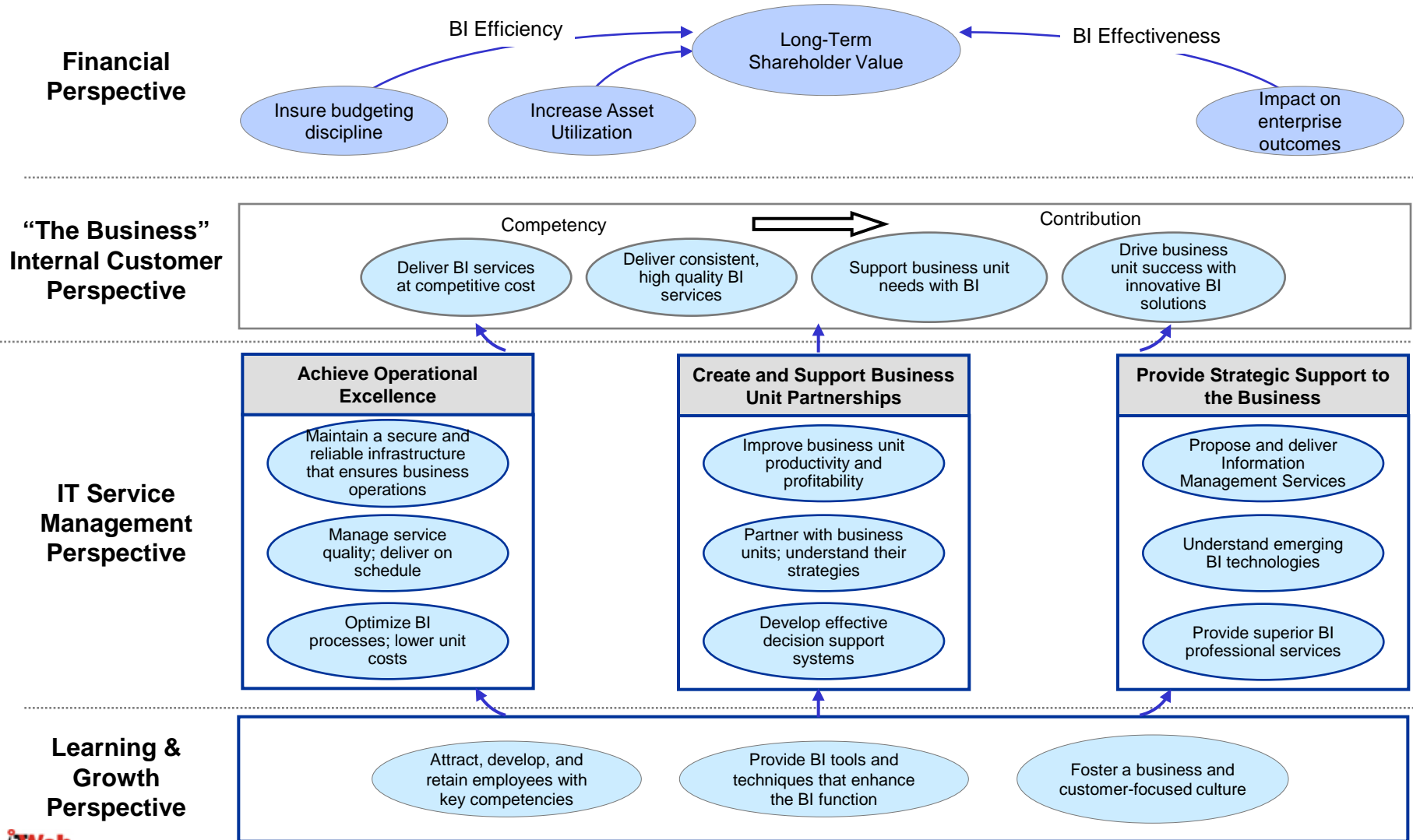
Standards have to be enforceable

- If they have no teeth, don't expect the standard to remain one
- Need a “right of review” for projects, including ROI tracking

Have a formal review of BICC performance on a regular basis

- Business user satisfaction
- Review of key performance indicators
- Review of support policies and issues
- ROI of BI investments
- Communications policies
- Repartition of roles
- Future business needs
- Future technical possibilities

BICC Strategy Map Example



The Strategy Map and Balanced Scorecard Should Represent a Complete Program of Action

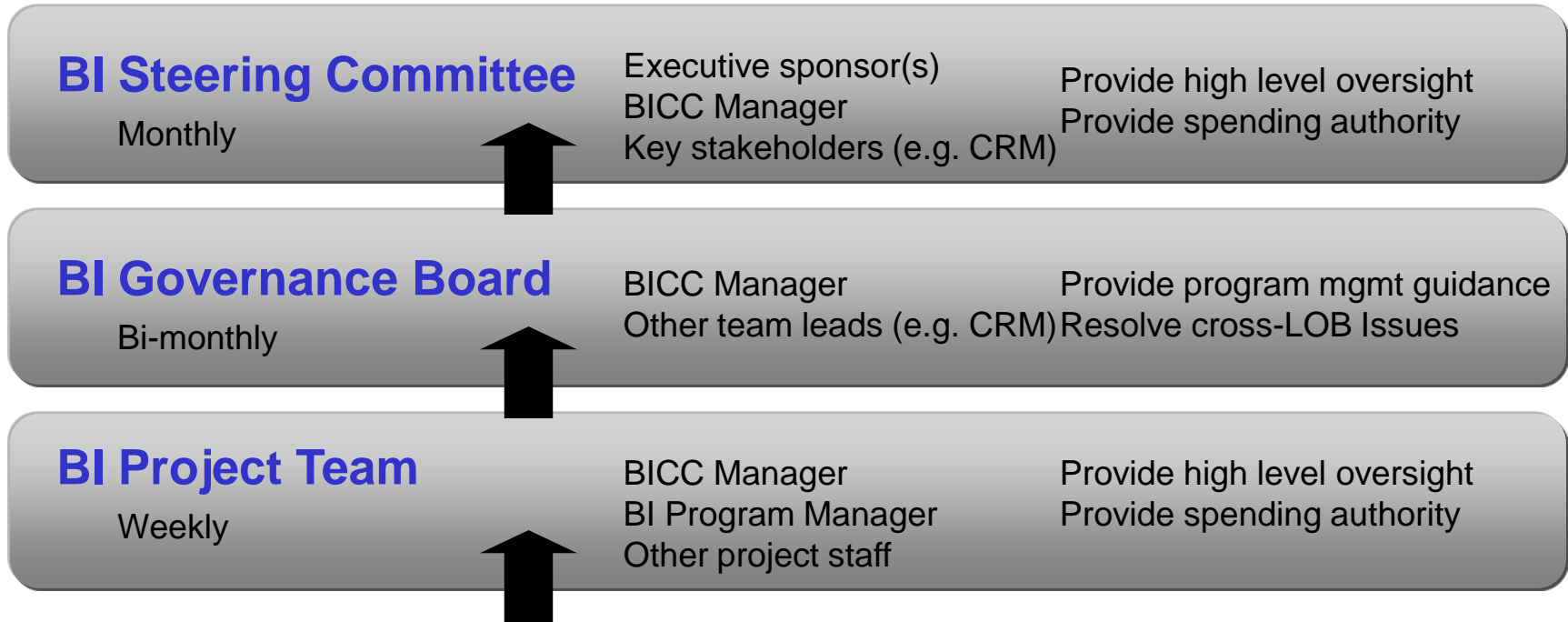
Strategy Map		Balanced Scorecard		Action Plan	
Theme: Improve Decision Making	Objective	Measurement	Target	Initiative	Budget
<p><i>Financial</i></p>	<ul style="list-style-type: none"> Reduce BI Infrastructure Costs Reduce Labor Costs of BI resources 	<ul style="list-style-type: none"> # of BI environments Annual BI Tool maintenance & support fees 	<ul style="list-style-type: none"> One < \$75k 	<ul style="list-style-type: none"> BI Tool Consolidation Project Coterminous SW License negotiations 	<ul style="list-style-type: none"> \$150k 1 FTE Supply Mgt (80 hrs.)
<p><i>Internal Customers</i></p>	<ul style="list-style-type: none"> Provide efficient & easier access to information Provide latest BI SW functionality - capabilities 	<ul style="list-style-type: none"> End-User Satisfaction Survey # of Self-Service Knowledge Workers # of BI Services available 	<ul style="list-style-type: none"> 85% Favorable 250 15 Services 	<ul style="list-style-type: none"> Online User Survey Project BOE Xlr2 Upgrade 	<ul style="list-style-type: none"> \$5k \$350k
<p><i>IT Service Management</i></p>	<ul style="list-style-type: none"> Improve 1st time incident resolution Develop Online Training Programs Improve tracking of BI support incidents Reduce number of Help Desk intake channels 	<ul style="list-style-type: none"> % of 1st time incident resolutions Time to resolve BI incidents # of online BI training courses # of Help Desk intake channels 	<ul style="list-style-type: none"> 60% 4 hours 10 intro, 5 adv. (2) – 800#, Online entry 	<ul style="list-style-type: none"> BI specific Education Program BI Incident Management improvement Program Service Desk Reengineering Program 	<ul style="list-style-type: none"> \$150k \$150k \$200k
<p><i>Learning</i></p>	<ul style="list-style-type: none"> Develop the necessary BI skills Develop lab environment for innovation 	<ul style="list-style-type: none"> # of repository entries Avg. Rating of entry Availability of BI lab configuration 	<ul style="list-style-type: none"> 50 per month 4 out of 5 95.999% 	<ul style="list-style-type: none"> Repository incentive program Configure BOE Lab environment 	<ul style="list-style-type: none"> \$50k \$100k

Communicate

Measure

Execute

Governance Example



BI Competency Center

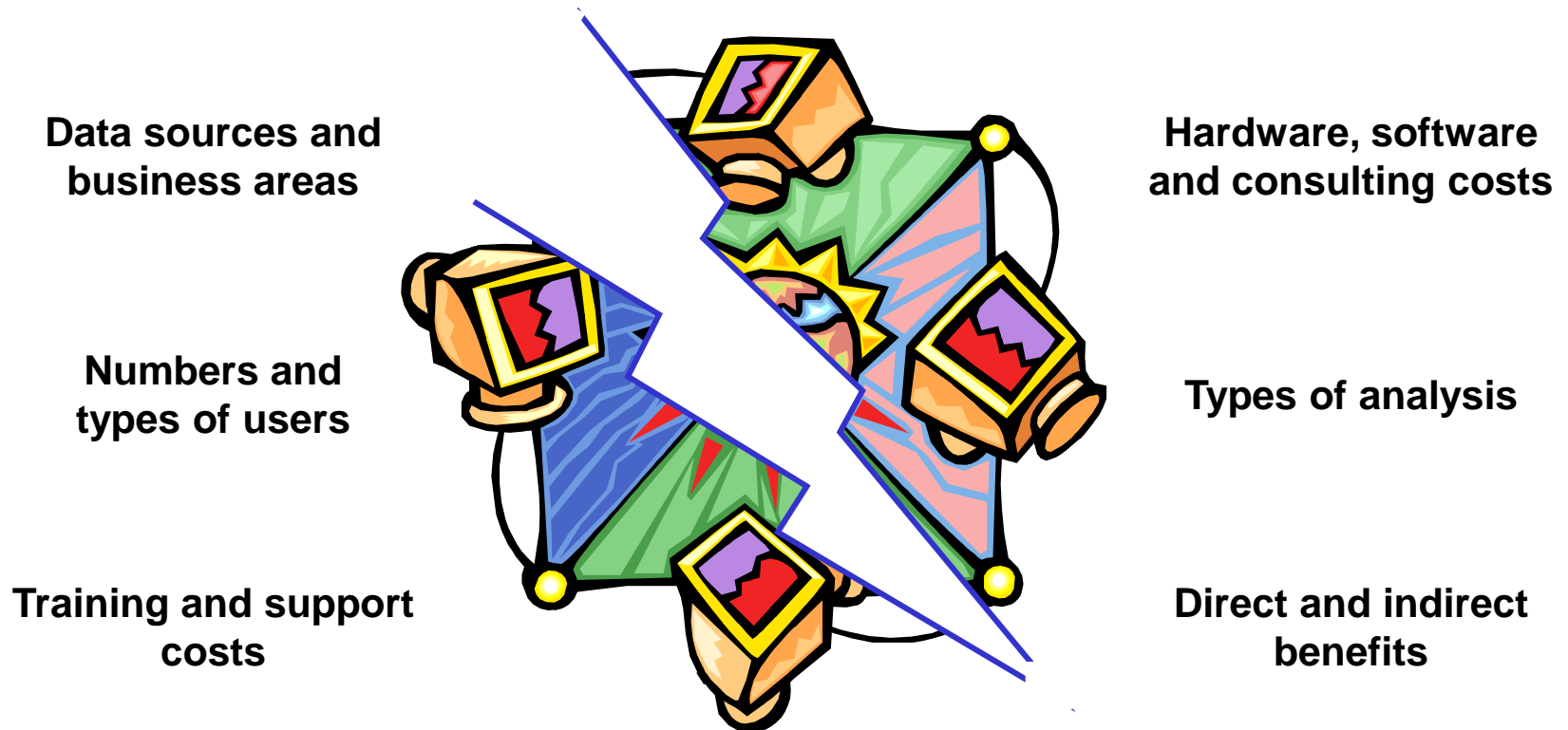


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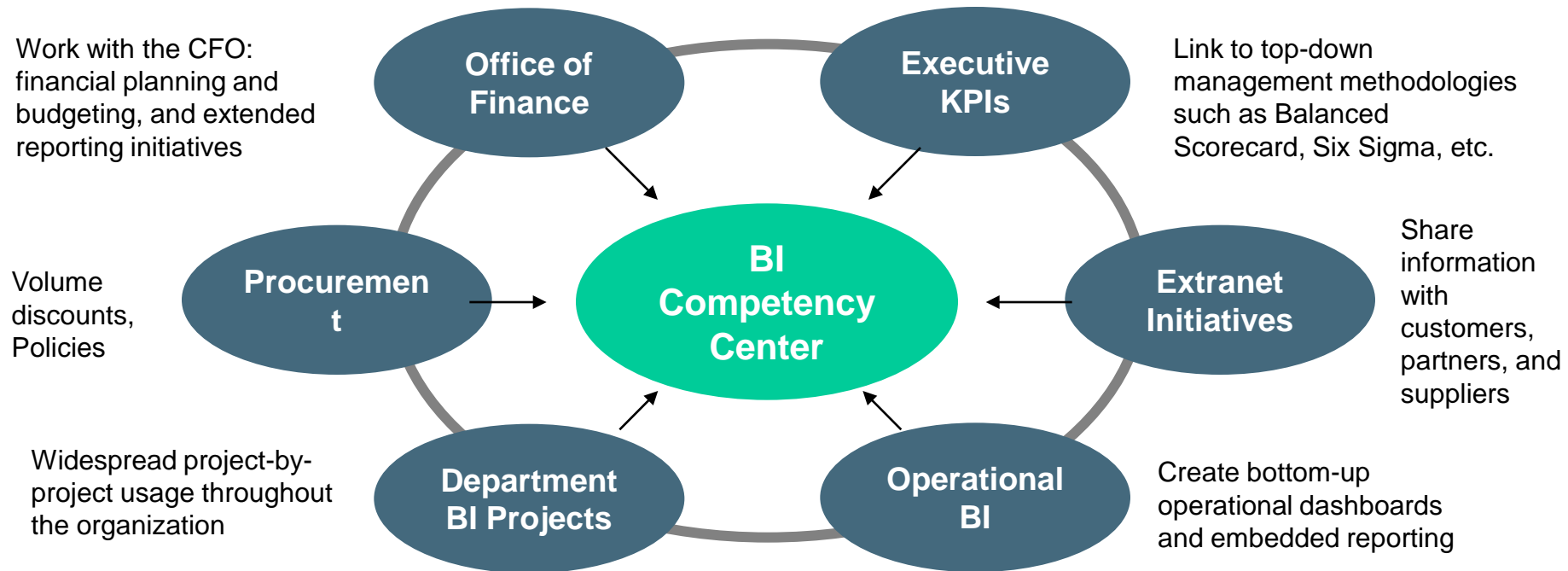
Do A BI “Audit”

With a cross-functional team, calculate the costs and benefits of existing BI deployments

- Information is power
- Don’t underestimate the power of anecdotes and stories



Build on BI successes to drive standards and shared services



1

Promote BI project success and investigate business frustrations

2

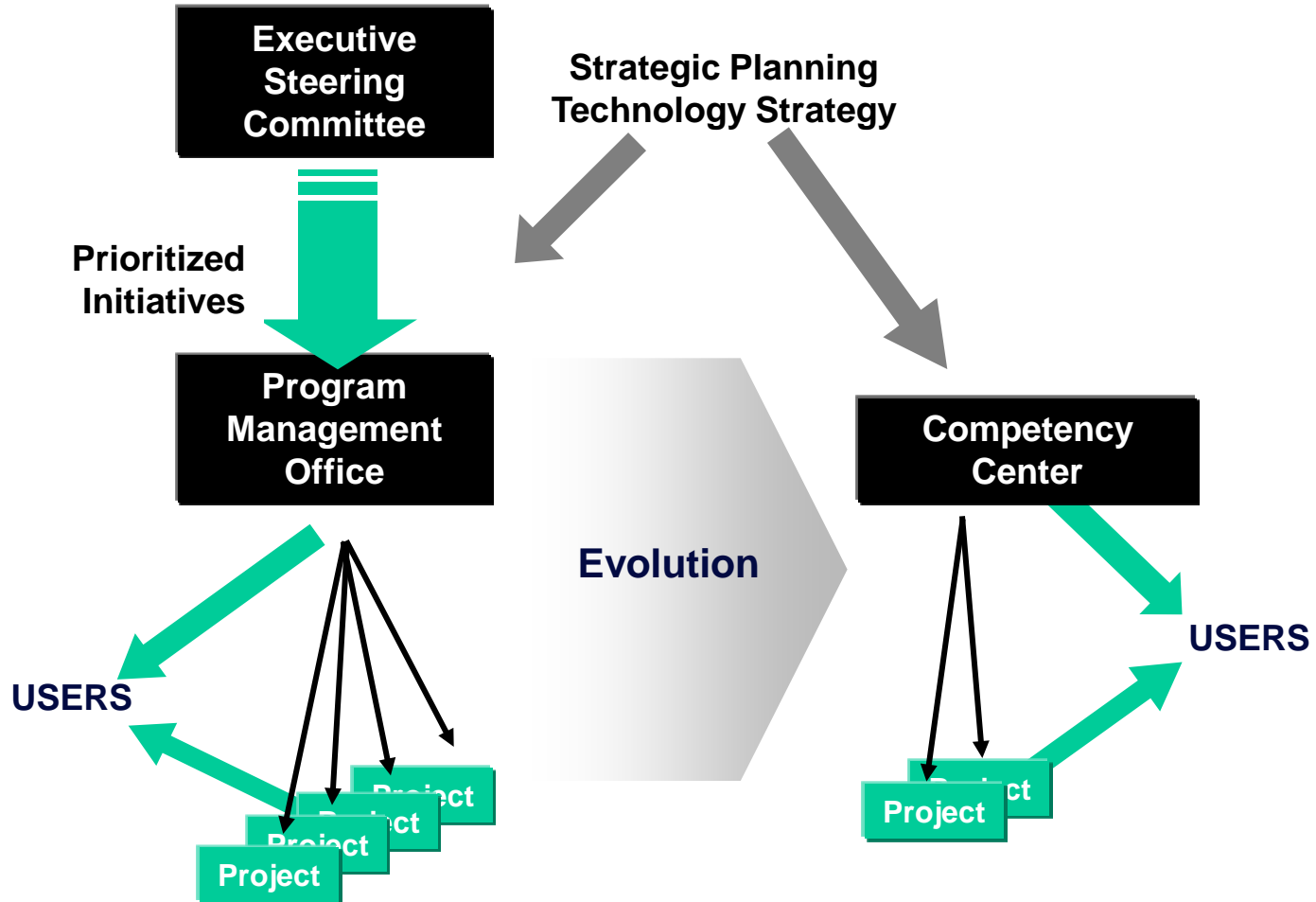
Build working group of BI IT and users across the organization

3

Build plan and ROI case for BI Competency Center

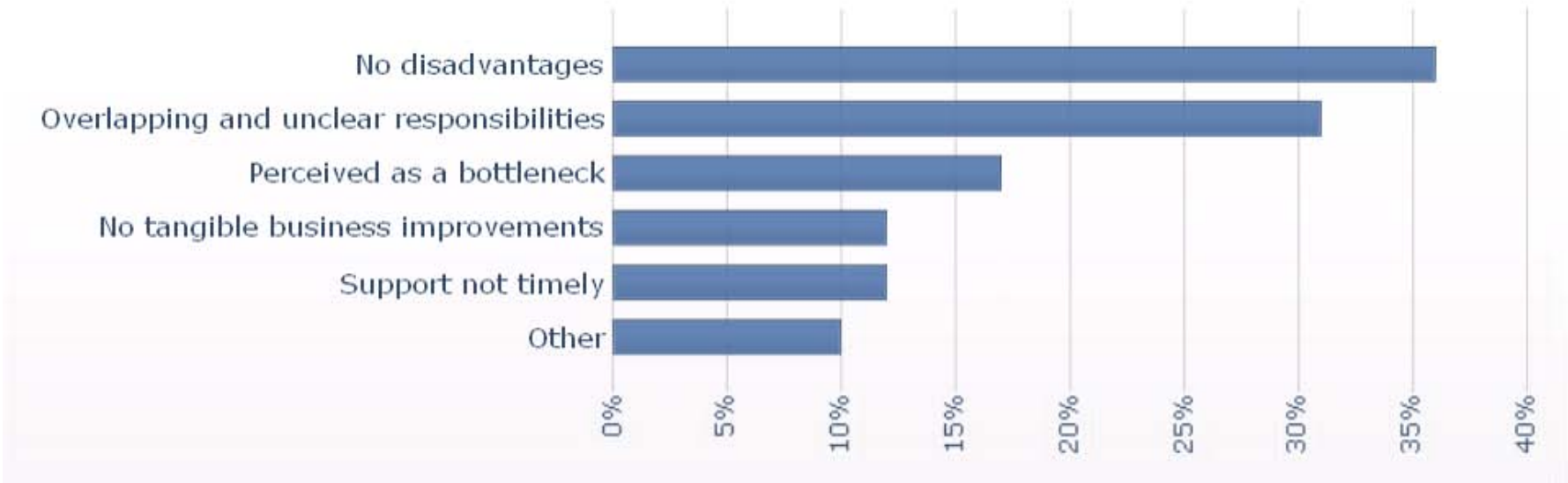
Creation Via A Program Management Office

A progressive hand-off to a permanent organization



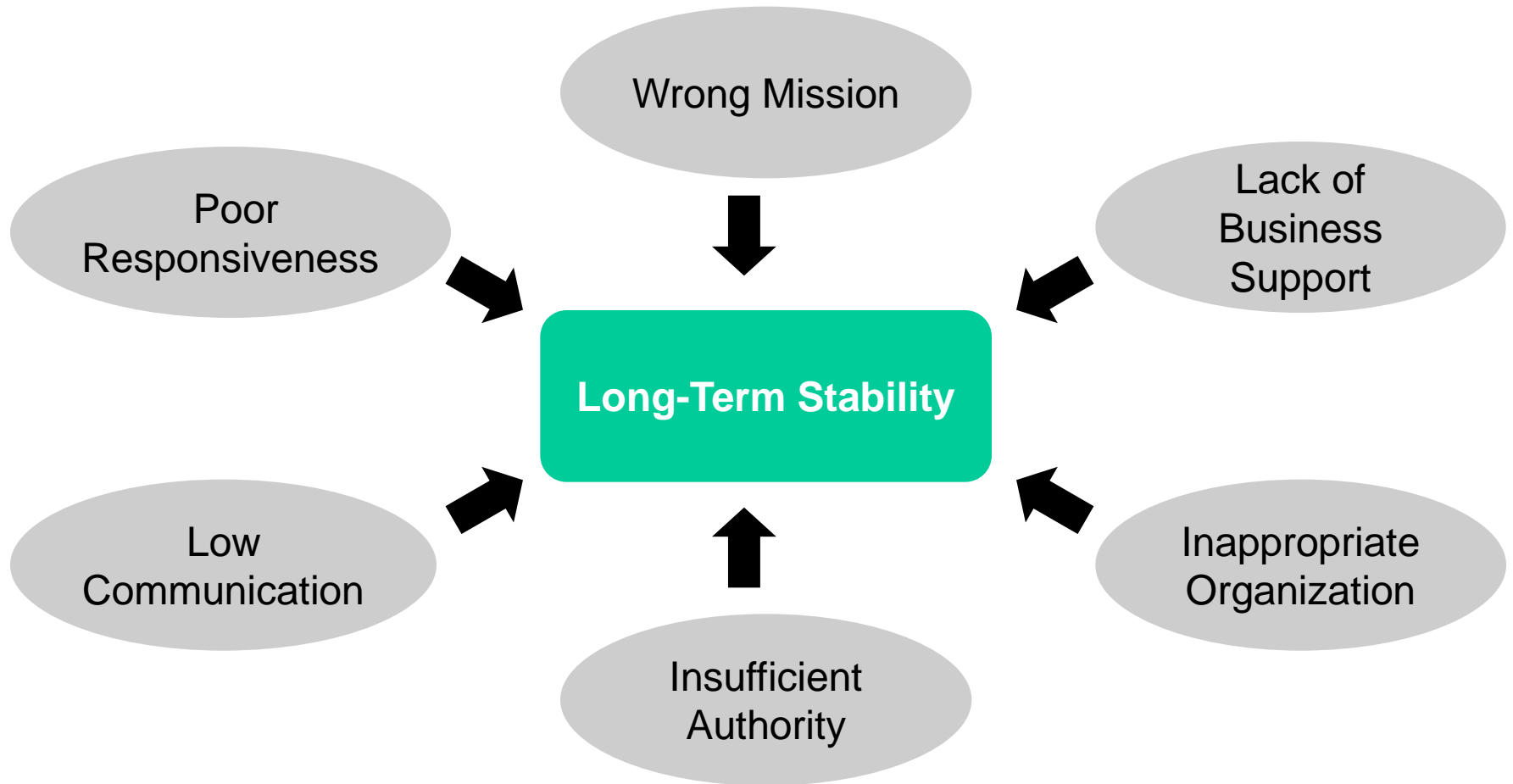
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BI Competency Center Survey



In general, very positive feedback once BICCs have been created
But overlaps, usefulness, responsiveness can be an issue

Common Issues





Lack of Business Support



EVENTS

Inappropriate Organization or Funding





Low Communication

Friday...

DSS Driving Decisions...

If you want to see more details, click the
button to drill down.

Still getting
your figures
the old way?

Great job
on that
WOW
story!

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Try *DSS*; it's fast,
clear, and easy.

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Example of a Success Story Slide

A concrete example from one of the departments on the previous page (ideally the largest and most important), told in “story” format, using a named person in the business

The business person’s need was to...

- E.g. increase customer satisfaction, lower product defects, etc.
— the more specific the better

Before BI, she had to...

- E.g. send out paper reports, download information to Excel, wait two months for end-of-month close data, etc.

Now, she’s able to...

- E.g. get more information, get information faster, do more analysis — the more specific the better

And the benefit to the business is (numbers)

- E.g. percentage increase in quality, decreased number of defects, etc. — equivalent to X dollars of savings/new revenue, with an ROI of equal to X% or X% change in budget or profits, .0X cents per share



*Respected person’s
name and title*





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Some Examples...

US Insurance Company

- Best-case scenario: BICC creation by executive order

European Bank

- IT-organized, bottom-up BICC prompted by user frustration

European Telecom

- Very small central team, but very strategic

European Oil and Gas Company

- Boom and bust: the problem of decentralized organizations

European Pharmaceuticals Company

- Finance leads the way, in conjunction with data warehouse

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Other Recommended Resources

intelligent enterprise

August 2009

<http://www.intelligententerprise.com/showArticle.jhtml?articleID=210200396>

Seven Steps to Successful BI Competency Centers

From setting a strategic vision and gaining C-level support to promoting successes and responding to emergencies, follow these seven suggestions for developing BICCs that boost business performance.

By Doug Henschen

Maturity and success often go hand in hand. That's as true for business intelligence (BI) deployments as it is for people.

BI Competency Centers: From 'Should We?' to 'How Should We?'



Gartner
Business Intelligence Summit

Bill Hostmann

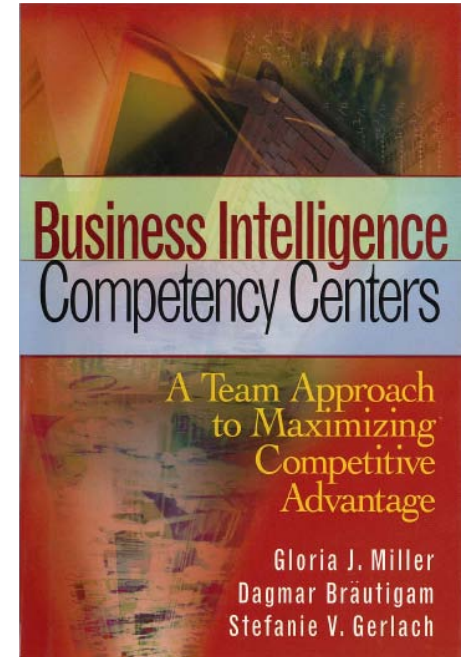
Notes accompany this presentation. These materials can be reproduced with such approvals may be requested.

The Business Intelligence Competency Center: An Essential Business Strategy

Good business intelligence (BI) doesn't just alert an enterprise to looming problems; it also highlights opportunities and cost savings. But good BI needs a good team — the BI competency center.

Management Summary

The dominant theme in BI is communication. IS organizations and users (and often executives) speak different languages, so who can act as the interpreter? Who understands the needs of the IS organization and users, and can make sense of them in terms of an enterprise's BI strategy? The answer is simple — the BI competency center. What the center can do is:



There's never been a better time to implement a Business Intelligence Competency Center

There are big benefits for both IT and the Business

BI is about People, not Technology

The background of the slide features a collection of chess pieces, including a king, queen, and various pawns, arranged on a highly reflective white surface. The pieces are rendered in a soft, slightly blurred style, creating a sense of depth and movement. The lighting is bright, causing the pieces to cast clear, elongated reflections on the surface below them. The overall aesthetic is clean and professional, with a focus on strategic thinking and business competition.

iWeb Business **2011** Intelligence

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Questions?

Thank You