
Implementing Business Intelligence Standards and Competency Centers

▶ *A Field Guide*

Author: Timo Elliott (timo.elliott@businessobjects.com)

Contributors: Kelly Byrne, Jaylene Crick, Karen Degner, Matthias Frye, Stuart Rowland, Brad Surak, Stephen Talent, Lance Walter

Audience: This paper is intended for information technology and business-line executives who wish to understand how best to implement an organization-wide business intelligence strategy.

Contents

Executive Summary iii

Why Implement a Business Intelligence Strategy?

- The Problem Today4**
- The Value of Business Intelligence Standardization6**

Implementing a Business Intelligence Strategy

- Decide if You're Ready 7**
- Introduce Standards 9**
- Build a Long-Term BI Strategy With a BICC12**

Conclusion27

About Business Objects.....28



Executive Summary

Business intelligence (BI) technology gives business users the ability to track, understand, and manage information within an organization. BI is taking on an increasingly strategic role as more organizations look for ways to tap into the valuable data stored in their operational systems. A typical BI project has a high return on investment (ROI), but due to the fragmented implementation of these projects, organizations are unable to fully benefit from a global, cross-functional analysis of information.

BI tool standardization provides strong ROI by reducing BI purchase, implementation, and training costs. These benefits are detailed in a companion white paper entitled “Reducing Costs Through Business Intelligence Standardization.”¹

This white paper focuses on the more practical aspects of implementing BI standards. This document uses research data and the experiences of BI pioneers to outline the necessary steps you need to take to introduce an effective BI strategy within your organization. It is organized by the following four recommendations.

► **Decide if You Are Ready for BI Standardization**

Your organization’s ability to implement BI standards successfully will depend on its *BI maturity*. Business users, the IT department, and an executive champion will need to be convinced of the benefits of BI and of BI standardization. Generally, there must be a critical mass of BI projects to make standardization worthwhile and achievable. Standardization may be impractical in heavily decentralized organizations.

► **Introduce Standards**

As new BI projects multiply, there are a number of steps you can take to keep the costs of BI fragmentation from increasing. These include performing audits of existing BI projects in order to build a business case for standardization, and developing unambiguous BI criteria that can be used to promote the use of standard tools

► **Build a Long-Term BI Strategy**

A long-term BI strategy will ensure that you receive the full benefit of BI standardization. A BI center of competency (BICC) is key to this process. The BICC is responsible for developing and sharing BI best practices throughout the organization.

¹ Business Objects. Available at <http://www.businessobjects.com>

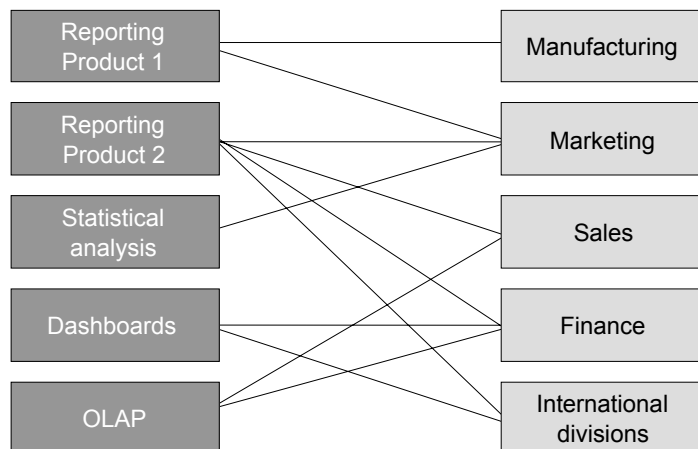
The Problem Today

BI is present in some shape or form in most large organizations today. In most cases, BI implementations are ad hoc and take place at a departmental level, without an overall BI strategy. While each individual project is typically successful, BI has not delivered its full potential in most organizations. For example, 54% of business users find it difficult to access the corporate information they need².

► BI Fragmentation is Increasing

BI is typically implemented on a project-by-project basis in response to specific user needs, with little attention paid to projects in other areas. In many cases, BI is acquired incidentally through business applications such as enterprise resource planning (ERP) and customer relationship management (CRM) systems. This can create a patchwork of applications that are difficult and expensive to maintain and support. These proliferating business intelligence tools, with overlapping functionality, are a common problem in large organizations.

■ *Fig. 1 Most organizations today have fragmented BI implementations, with many departments using multiple, overlapping products.*



The average number of BI users today is expected to jump 50% in the next two years and without a coherent BI strategy, fragmentation is set to increase in the future.

► BI Fragmentation is Expensive and Dangerous

The existence of multiple disconnected BI projects leads to inefficiencies: procurement costs are higher; training costs are higher; projects take longer to implement; and information inconsistency is rampant.

² BusinessWeek survey, *The Disconnect Between Data and Decisions*, 2003.

Gartner notes that “Through 2008, companies resisting the need to consolidate BI tools will be unable to strategically deploy BI and will incur 50 percent more cost for each redundant tool (0.8 probability)”³

But perhaps more importantly, BI fragmentation also impedes organizations from realizing many of the benefits of business intelligence.

► **BI Fragmentation and ERP**

One tempting solution to the problem of BI fragmentation is to turn to the ERP vendors who increasingly offer integrated BI as additional options to their applications. There are two problems with this approach.

The first is the question of data dependence. The ERP systems are inevitably linked strongly to a particular data source—and for successful BI, organizations need a solution that can independently access information from any of the different systems.

The second problem is specialization. Although ERP offerings are increasing in functionality, they don’t generally address the complete breadth of BI requirements and likely will not be suitable for wholesale replacement of existing BI and data warehousing infrastructure and applications.

³ Gartner, *Organizations Must Standardize and Consolidate BI Tools*, April 2005

► The Return on Investment for BI Standardization

BI standardization can bring considerable direct and indirect return on investment (ROI). As Gartner notes, “Fundamentally, it is not only extremely costly to support multiple tools, but the promise of strategic deployment — getting BI into the hands of every deserving user — is inhibited.”⁴

Direct cost benefits:

- **Reduced project costs.** With a standard approach, new BI projects can be more easily implemented on time and on budget, with less reworking and fewer cost overruns.
- **Reduced technical infrastructure costs.** With a standard BI architecture, multiple projects share technical components, resulting in less duplication, less need to prototype alternative solutions, and lower training costs.
- **Greater leverage with vendors.** Having standards increases the business leverage with the retained suppliers.

Indirect benefits:

- **Higher end-user acceptance.** Having a consistent look and feel across different applications and clear help desk and training policies helps to increase end user acceptance and use of the solution.
- **Greater IT satisfaction.** IT teams have more time to focus on the customer delivery aspects of projects and on high-level architecture issues.
- **Better use of BI.** A standard approach makes it much easier to get the full value of information in an organization.

⁴ Gartner, *Organizations Must Standardize and Consolidate BI Tools*, April 2005

Decide if You're Ready

► Common BI Maturity Scenarios

A successful BI strategy must be matched with the *BI maturity* of your organization. One of several different situations may exist today in your organization:

General Lack of Interest in BI

In this scenario, companies are narrowly focused on solving problems and don't fully understand (or care) how information access could improve their business. The IT group thinks of BI only as a technical infrastructure, while executives give too little attention to the strategic importance of BI.

Fragmented BI

This is one of the most common situations in today's organizations. BI is installed on a project-by-project basis by business units in order to resolve critical needs, but without the support (or sometimes even the knowledge) of the IT organization. Each project can bring strong benefits, but the business units are not necessarily well equipped to make the best technological choices, and they may end up choosing feature-rich products that conflict with IT architecture guidelines. The lack of coordination between projects often results in different tools being chosen for similar projects, leading to increased BI fragmentation. And with multiple BI silos, business users will find it hard to get strategic BI metrics such as customer profitability that typically require information from multiple systems.

One-Size-Fits-All BI

This scenario typically comes up when IT attempts to standardize software tools and solutions in an effort to cut down the costs of buying and supporting BI technology on top of existing information systems. If IT seeks a single BI product without first seeking to understand the end user needs, this can result in a significant investment in technology that remains largely untouched by the business users.

BI Alignment

In the ideal scenario, both IT and end users are keen to implement and use business intelligence. But even here there are potential problems. In particular, if there is little trust or communication between business and IT teams, an organization may find that there is simultaneously an IT department pursuing a one-size-fits-all strategy, while the business users create new BI silos.

► Moving Forward

BI standardization efforts typically require the coordination of many different people and projects across the organization. What if they need more persuading? Here are some suggested approaches that have worked in organizations.

ROI Studies

ROI is notoriously difficult to calculate for BI projects. But by interviewing users you should be able to get an idea of the value of existing BI applications. Experience shows that BI projects typically pay for themselves in terms of direct cost savings, but the value they bring goes far beyond these savings. To determine that value, ask the business users what the application has enabled them to do differently, or what the consequences would be of taking away the application. Approximate BI value figures, well-chosen anecdotal evidence, and quotes from grateful users can persuade executives and others to look into the value of BI standardization.

BI Benchmarking

Third-party advice can be used to persuade reluctant organizations to take a more serious look at BI standardization. Key technology analyst groups have published articles about the value and importance of implementing BI standards—you will find many of them referenced in this document. If your organization has subscriptions to these reports, you probably have the right to circulate them internally.

In addition, some analyst and consulting organizations offer services designed to benchmark your BI maturity against other organizations in your industry.⁵ Results indicating that your organization is using information less effectively than any of your competitors would almost certainly get a reaction.

⁵ For an example, see <http://www.biindex.com>

Introduce Standards

There are a number of steps that you should take to ensure that the costs of BI fragmentation are not increasing as new BI projects start to proliferate.

► **Perform a BI Audit**

The key to getting executive support for implementing BI standards is to show that BI costs in the coming years will be lower if standards are in place, and it's possible to maintain the same level of BI business value. To do this, you need to audit both the existing costs and benefits of BI across the organization and how BI is being used by each project. This information can then be used to establish standards for different BI technology categories to reduce management and training costs.

An ideal BI task force includes IT managers with experience in setting company-wide standards, members from existing BI and data warehouse projects, and key business users. The extent and complexity of the audit will vary greatly according to the maturity of the various BI implementations in your organization and how strategically you use information.

Once you collect key information—number of users, versions of tools in use, planned upgrade schedules, and supported platforms—the task force would then match the cost of each project with its resulting benefits. You should also analyze the project by function or category (such as reporting, analysis, dashboards, or statistics) in order to provide the foundation for a set of non-overlapping functional criteria for standard tools.

► **Build a Strong Case for Standardization**

When you've completed the BI audit, your task force should be able to use the resulting data to build a strong case for BI standardization. A reasonable estimate of projected cost savings from reduced overlapping projects can get you the executive attention and support you need to ensure that the project is completed. Once the executive support is engaged, then the task force can attempt the politically more difficult next steps of defining and implementing new standards.

► **Reduce Functional Overlap, Specify Clear Criteria**

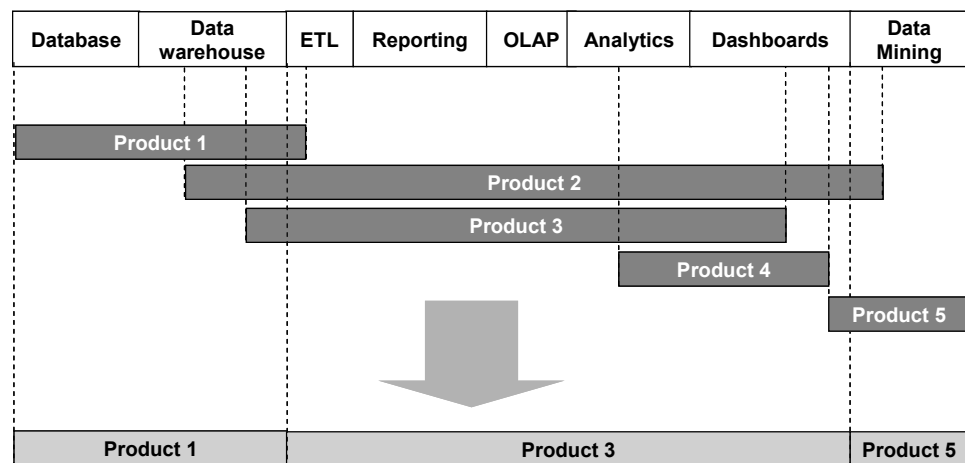
Your next step is to create a set of BI standards for the organization. The goal is to reduce functional overlap as much as possible without creating an unattainable one-size-fits-all strategy. As a rough target, any standard should meet around 80% of your total BI needs.

Before implementing new standards, your task force needs to perform a thorough review of BI tool requirements, which may or may not be aligned with the existing tools.

The architecture and user needs of customers, partners, suppliers, and other members of the extended organization should also be taken into account, since these groups are increasingly becoming key users of BI information.

End user and IT requirements should be used to create a clear set of criteria that you will use to make (and, in the future, defend) standardization decisions.

■ *Figure 2:*
A clear set of criteria
should be used to
reduce BI functional
overlap.



In general, these criteria should cover three main areas:

Functional capabilities. The ability of a product to cover one or more of the identified BI user needs. Ease of use is an important criteria and preference should go to product families that enable smooth transition from basic to more sophisticated tools. Additional key criteria include the availability of associated management tools and the future product vision. A full consideration of all the tools that make up a BI solution should include capabilities in the following areas:

- Data management
- Information delivery
- Data mining and analytics
- Business specialization (i.e., functionality for a particular horizontal or vertical business domain, if relevant)
- Support for collaboration and goal-setting

Infrastructure. The extent that the short-listed tools meet the infrastructure needs of the organization:

- Architecture (scalability, security, extensibility)
- Integration
- Consistency
- Globalization

Vendor criteria. Give preference to first-tier products that are already widely installed within the organization. In particular, standards groups should vigorously oppose political pressure to include obsolete or second-tier products. In turbulent times, the ability of a vendor to weather the storm can be an important factor in choosing a strategic vendor. You should also look for a vendor that has previous experience in the type of BI standardization projects that you are undertaking.

The selection process will usually yield a small number of acceptable product choices. The final choice is often based on financial terms and a subjective assessment of the business relationship with the vendor.

► **Enforce the Standard**

When you've made your final choice, it is critical that you deal with user populations who are dependent on the products that did not make the standards list. Proactively let these orphaned users know of any plans for future support.

Rather than trying to convert existing projects, organizations often apply BI standardization to new projects. While a proliferation of existing products does impose extra ongoing costs in terms of training and maintenance, these costs rarely outweigh the costs of retraining existing users (unless they are unhappy with the solution provided today). Over time, there are inevitably changes in technology or in the organization that provide an opportunity to swap over to one of the new standard tools. In the meantime, large populations of orphaned users should be supported but with little or no growth allowed.

If the standard proves hard to enforce, it is usually because one or more of the previous steps has been omitted or rushed. If there is a strong case for standardization, executive support, a cross-functional task force, and a clear set of criteria, your standardization efforts should be successful.

Build a Long-Term BI Strategy With a BICC

The steps listed in the previous chapter will cut the costs associated with BI fragmentation, but will not result in optimal use of BI. Over time, your standardization effort will slowly unravel unless the task force evolves and implements a true long-term BI strategy. The tactical standardization steps that we've covered so far serve as a foundation for this strategy, which requires more fundamental changes to the way the organization works with BI.

► Overview

Optimal use of BI requires organizational changes to ensure the proper coordination of different roles. The long-term goal is to implement a BI competency center (BICC) that embodies the business and technical best practices of the organization. Experience has shown that BI standardization without implementing a BICC is destined to be a short-term solution that ends with higher costs, frustration for end users, and decreased trust—making it harder than ever to implement a successful strategy.

A BICC should champion and reaffirm the value of standards, keep abreast of technology changes, and ensure that projects are synchronized. Without a BICC, standardization efforts quickly grind to a halt. As technology and the organization change, your first set of standards will soon appear dated and slowly degrade into centralized procurement contracts and technical support. Enterprising business units, wooed by non-standard tools, will argue successfully for exceptions. The deployment of these exceptions will increase, causing the ugly head of BI fragmentation to rear again.

The successful implementation of a BICC is clearly a challenge. The rest of this chapter examines its role, staffing, and position within the organization.

► The Benefits of a BICC

A well-run BICC will save money on BI investment, while increasing the value received for that investment.

BI standardization reduces the costs associated with each new project, but a BICC is required to ensure that benefits are gained across multiple projects. An organization with a BICC can expect to:

- Improve the problem of fragmented data—typical of large organizations with multiple department-specific data warehouses or data marts (and with stovepiped islands of data)
- Better control costs by reducing redundancy in staff, effort, data, and processing, and by leveraging experience across projects

-
- Improve data quality and conformity by aligning different projects that use similar data, and improve overall efficiency of data analysis
 - Improve project delivery times and quality by establishing an enterprise-wide framework that can be leveraged for future development initiatives, and increase the timeliness of information
 - Create a more customer-centric approach to information delivery for customers inside and outside the organization, and improve confidence in the IT organization

► **The Primary Functions of a BICC**

Portfolio Management

The BICC ensures that all new BI projects are in line with the organization's overall BI framework. Notably, this will include links to any enterprise performance management (EPM) projects within the organization, for example based on Six Sigma or Balanced Scorecard business methodologies. The BICC works with users and IT to prioritize projects according to business value.

Standardization

The BICC ensures a consistent analytical approach across the enterprise, including metadata management, BI methodology and tools, and provides business input into data warehousing projects and the overall enterprise data architecture.

Training and Education

The BICC helps users access information by ensuring that there is adequate end user training associated with all projects, both in using the chosen tools and understanding the data.

Helping Power Users

The BICC helps develop complex analyses—by using the center's advanced analytic skills—in situations where end users are unable to do it themselves. As their skills improve, end users should take over more and more complex analytics themselves.

Knowledge Management

The BICC helps implement BI best practice. It is charged with communicating lessons learned and ensuring continuous BI process improvement.

Vendor Relations and Support

The BICC centralizes the relationship between the organization and key BI suppliers. It helps negotiate purchases and tracks license use. It acts as an internal support organization, covering such issues as technical bug escalation, technical information sharing, and the rollout of new software versions.

► Implementing a BICC Within in the Organization

There's no one right answer for how a BICC should be organized. Since every organization is different, the ideal BICC will vary and a centralized BI system might not be the right choice for every organization. For example, organizations could choose between:

- One centralized installation
- Several distributed, standardized installations
- Several distributed, non-standardized installations

There will be far-ranging implications for the support and organization of these different approaches. The key is that decisions must be made according to the overall BI framework that takes into account the technical and strategic factors necessary for BI success.

Establishing Trust

Before a successful BICC can be attempted, there must be a high level of trust between the business users and IT. BI stands at the historically troubled intersection of the business unit and the IT organization. Many organizations have a history of mistrust between IT and the business units that can prevent the successful implementation of any new BI strategy.

This situation can arise because of a traditional separation of roles—IT is responsible for managing data assets and security, while the business unit assumes ownership for purchasing, managing, and developing applications for its own use. In the worst cases, the business units deploy technology that doesn't follow IT architecture guidelines, while IT isn't responsive to the business unit needs.

Trust may already have been rebuilt through the process of auditing existing BI projects. If not, you may need to hire new personnel with the ability to communicate effectively between the business world and the IT world before making further progress.

BICC Reporting Relationship

The position of the BICC within an organization is a key success factor, and this is the most frequently-asked question when organizations are considering BICC implementation.

There is no single best location for a BICC within an organization—it varies based on the type of organization and the scope of the BI strategy. For example, in a large multinational, a single business unit may be comprised of several hundred different business units, each with multiple departments, and each of those departments could benefit from a BI strategy.

Placed too high, the BICC runs the risk of becoming an ivory tower that is disconnected from the business. Placed too low, the center will not be able to get a big picture overview of the BI implementations spread throughout the organization.

BI strategies rarely fail because of technology—more often than not, they fail for business and management reasons. Even if the BICC is almost inevitably viewed as an IT organization, it should ideally report to the largest business unit or to the discipline that has the greatest role in driving the company business.

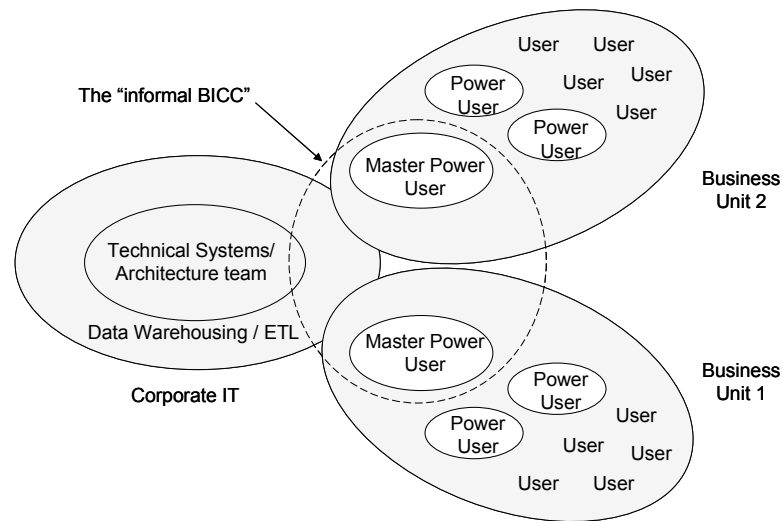
If the BICC cannot report to the business units, it should report to the IT department at a level that is considered strategic within the enterprise—for example, reporting directly to the CIO. If the IT department is not considered strategic within your organization, the finance department may also be an option if its function is more than that of simple financial control.

Some organizations may already have related cross-functional teams—a data warehouse project team or a Six Sigma competency center. These may point the way to organizational solutions. And they need to be evaluated for possible overlapping charters. For example, a BICC is usually created only after a data warehouse project has been started. In order to avoid confusion, there should be a transition from the data warehouse project(s) to the BICC.

“Real” or “Virtual” BICCs

Many organizations wrestle with this question: should the BICC be a permanent, physical team, or is it better to have a virtual team that spans employees in the different business and IT organizations? As always, there is no one right answer. There are advantages and disadvantages in each case, although a “real” BICC is generally preferred.

■ **Figure 3:**
*Today's typical
reality — an
informal BICC.*



In your organization today, you probably have some type of informal BI competency center. Each business unit has a person or team that works with the central IT organization to link the BI applications to the central data architecture. Each team works with their users and power users to ensure the success of business unit applications while following the central IT guidelines. Depending on the culture of the organization, these teams share information with their colleagues in other business units.

The advantages of this approach are clear—no new organizational infrastructure, incremental headcount, or extra budget is required. Given these advantages, it's understandable that organizations are sometimes reluctant to move to a fully-staffed BICC. Such a move would require delicate negotiations and tricky budget considerations, and may create a new bureaucratic organization that becomes devoted principally to its own survival.

The downsides of a virtual BICC are equally clear. Many of the benefits of a true BICC may not be achieved. Members of the different teams can be asked to "leverage more" and "share best practices," but experience shows that such volunteerism does not typically achieve the desired goals.

Virtual BICCs typically fall short in two key areas. The first is the alignment of goals. For the BICC concept to be successful, the various functions must be measured and rewarded based on the overall goals of the organization. A virtual BICC, with rewards skewed toward the different business units rather than cooperation, is unlikely to act in the best interests of the organization as a whole.

The second issue is economies of scale and specialization. Almost by definition, the master power users or teams have to cover a wide spectrum of different duties. They are unlikely to be able to cover each aspect well, in terms of skills or time available. By combining these resources into a single organization, employees can be more specialized and more effective. Instead of being a new administrative burden, the BICC can typically pay for itself in direct cost savings.

Funding the BICC

The effectiveness of the BICC will also be influenced by budget and funding concerns. If the costs of the center are seen as pure overhead, then BI users can take full advantage of the service. However in this case, it will be difficult to show the economic value of the center and the BICC is likely to be under-funded and under-appreciated. At worst, it will become little more than a second-tier help desk for technical questions.

To launch the center, you can use an internal billing system and charge users for help given on projects or analyses. This helps you impose value-added behavior, through the virtual profit-and-loss sheet, but can also limit the growth and use of the center by end users. While early adopters who leverage the investment in the center pay more, the late adopters—who may need more time and persuasion to make best use of BI—may use the charges as an excuse to not get involved.

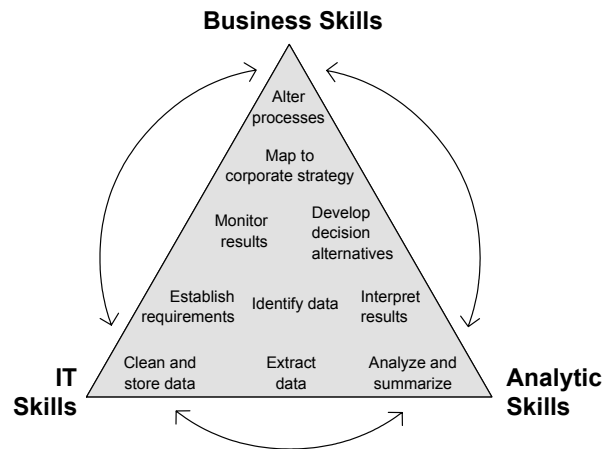
In the longer term, we recommend a subscription-based model that assigns costs across all potential users, based on usage levels. This will maintain your virtual profit-and-loss sheet while providing an incentive for all potential users to work with the center.

► Ensure the BI Competency Center Has the Right Skills

To ensure that information is being used strategically, the BICC needs to know how information is used, how to perform analyses, and how that analysis is used to facilitate decisions and actions.

The center should contain dedicated analytic, business, and IT experts. Business managers are not typically part of the BICC since their responsibilities go beyond BI, but the center must be staffed with individuals who understand the needs of the business users and have their trust. While organizations often staff the BICC with business-savvy IT people, a better fit would be technically-savvy business users who already look after their own BI projects.

■ *Figure 4:*
BICC employees
need three types of
overlapping skills.



The center will need analytic skills, including the ability to:

- Research business problems and create models that help analyze these problems
- Explore data to discover patterns, meaningful relationships, anomalies, and trends
- Work with the IT department to identify data for a specific analysis or application
- Use a range of techniques, from simple data aggregation to statistical analysis and complex data mining
- Develop and maintain fluency in the use of analytic tools
- Summarize relevant information and make recommendations based on the correct set of metrics
- Train users how to use the data

The BICC requires a variety of business skills including:

- An understanding of what business units need, as well as an understanding of cross-business unit issues—such as customer and channel profitability
- The ability to communicate at an executive level and link BI with the strategic goals of the enterprise
- The ability to help business managers set priorities by analyzing the consequences of decisions, create business cases, and ROI.

IT skills required in the center include a deep understanding of:

- The implications a BI infrastructure will have for business and analytical requirements
- How to access and manage the data required to support business and analysis requirements
- BI tools and technologies, the data warehouse, and data administration

It may be challenging to find employees with skills matching those listed above. Here are some possible areas of research:

- **Existing power users.** Most of us know of people such as the marketing manager who knows the systems well and who generates reports for the rest of the team. These people make excellent choices for BICC staff positions, although it may be hard to pry them away from the business units.
- **IT staff trying to get into the business.** You may have IT staff that are interested in developing their career with more business knowledge. For example, IT staff members that have studied for an MBA and are now looking to apply their new skills may be an excellent choice.
- **Information evangelists.** Today's business graduates are often very comfortable with the implications of information use within the organization and keen to evangelize the new possibilities available.
- **Customer-facing analysts.** In a business-to-business environment, you may find that there are power users that spend their time developing reports and sharing information with your largest customers. Employing the expertise of these users can ensure that the BICC starts out focused on areas that will provide real value to the organizations' customers, an easy way to prove the value of the BICC.

► Consider User Needs Carefully

Careful consideration of user needs is the key to any BI project. Analyze each user segment using a number of different criteria, including:

- **Functional complexity.** The need for advanced BI functionality, such as segmentation, statistical analysis, forecasting, visualization, and mapping.
- **Data depth.** The need to have access to detailed information. The definition of detailed will vary greatly from one organization to another—in a smaller

organization it could mean focusing on the lines of command on an order or, in a large multinational company, focusing on the sales of a single store.

- **Data breadth.** The need to have access and compare information from several different systems. For example, to find the effect that human resources information—such as tenure and salary—has on customer satisfaction.
- **User control.** Some users need to access information directly and autonomously, while others will need a lot of support and handholding.
- **Ease of use.** As with most IT products, there is often a trade off between ease of use and functional complexity.
- **Customization.** The need for a highly-customized interface. For example, this may be the case for executive dashboards.

Organizations often find that their BI users segment along the following lines:

- **Analysts.** BI has traditionally focused on these people—individuals whose primary role is to track, understand, and manage information in order to pass it on to others in the organization. These users typically use the available products and features to their fullest extent, need to be highly autonomous, and have a need for both data breadth and depth.
- **General knowledge workers.** The role of these individuals is to make decisions and run the business. They make up the bulk of BI users. These users require information to make decisions, but compared to analysts, they usually need an interface that is easier to use, less powerful, and more narrowly focused on a particular data area.
- **Executives and managers.** Because these users have a wide span of control and ever-changing information requirements, they have a unique set of needs. They want breadth of data combined with ease of use and customization. They typically want to see information based on key performance indicators, exceptions, and trends rather than detailed analysis. This is a relatively small segment of BI users today, but should increase rapidly in the next two years with the growth of dashboards.
- **Customers and partners.** More and more organizations today need to treat customers, partners, and suppliers as users of their BI systems. Information delivery beyond the firewall is a rapidly growing segment of BI. These users typically need access to status and service level agreement information that allows them to work more closely in partnership with your organization. Deployment is typically in a web-based environment, and the interface is

usually customized to show a limited set of information in an easy, practical way.

► **Education and Knowledge Transfer**

Education is a vital part of BICC success. For each defined user segment, an education strategy must be created, that includes:

- **Tool training.** Training on how best to use the chosen BI standards. BI software is typically very flexible, with several methods of getting to the same results. Novice users tend to stick to the features they know or simply transfer the data to a tool they know better (such as Excel), and so do not get the full benefit of the functionality available.
- **Data training.** This is probably more important than the tool training. Each user should get extensive training in what data is available and how it relates to their business.
- **Knowledge sharing.** Plans should be made to create a community of self-learning users that can share best practice.

► **Create an Acquisition and Follow-Up Process**

In order to ensure that best-practice BI methodologies are followed, a BI acquisition process can be an efficient control mechanism within your organization. It should ensure that business units make an ROI case for the BI project by tracking metrics that will enforce its achievement.

You should use some form of financial incentive to ensure the long-term success of your BI strategy and to motivate business units to continue working with the BICC. The incentive could take the form of license purchases that are negotiated centrally and then made available to the different business units. Note there will always be other vendors that try to approach the business units directly to persuade them to use their technology. To ensure that all projects continue to fit the BI framework and to avoid BI fragmentation, the BICC must be able to have the last word in deployment choices.

► **Outside Vendors and the BICC**

There are two main types of vendor services that may interact with the BICC. The first are technical services for implementing and maintaining the BI infrastructure. There are several reasons why organizations turn to outside vendors for technical assistance on their projects:

-
- **Technical expertise.** Vendors naturally tend to know the most about the technical capabilities and implementation of their products.
 - **Experience.** Vendor consultants are knowledgeable about a wide variety of BI deployments and best practices, and they can use that experience to help you deploy effectively.
 - **Focus.** Vendor consultants are usually heavily specialized. Even when the BICC is fully operational, you are unlikely to cover all the specialized technical skills needed for your BI strategy.
 - **Availability.** Vendor resources are more flexible than internal resources, making it much easier to cover a period that requires an exceptionally heavy workload.
 - **Training.** Vendors usually offer training courses on their products, which may be more flexible and cost effective than using internal resources and may include computer-based training. Note that vendor training can only cover technical skills and must be supplemented by data-related training that can only be done by your organization.

The second type of outside service is strategy consulting for help in implementing the BICC itself. All the traditional large strategic integrators—such as Accenture, IBM, and EDS—offer such services.

Case Study: France Telecom

France Telecom is one of the world's leading telecom operators. This company serves over 91 million customers, in 220 countries, on five continents. It has 190,000 employees and offers a full range of telecommunication services—local, international, and mobile telephony, internet and multimedia, data transport, and cable TV broadcasting.

Over the last few years, international competition, mergers, and acquisitions have led the company to streamline operating costs and adopt a global approach to management. In order to become more competitive and collaborate closely with customers and suppliers, the company placed its architecture and information systems at the heart of its strategy.

Standardization runs deep at the company. In 1998, the architecture moved to a web-based model and in 2001, all BI projects were standardized with a three-year plan to deploy 70,000 licenses to nearly half of the company's total PC population.

"To win new customers and develop loyalty, we now base our action on a business intelligence process in which BI plays the key role of retrieving and analyzing data in our corporate resources. Today, the company has 130,000 PCs, nearly half of which will soon be running BI software."

Director of Operations, Customer Relations Information Systems

► The Costs of Complexity

France Telecom was originally organized on a regional basis—each branch and business unit had its own tools and IT budget. The coexistence of so many dissimilar technologies, solutions, and versions made PC and network administration a headache and application implementation extremely complicated. Users took longer to learn and develop their skills, leading to lower overall productivity, while development, operating, training, and support costs remained high. Eighty percent of the time, the data used by the different departments and business units was identical, but the access methods and interfaces were different. Each of these issues made it impossible for the company to get maximum value from its mass of customer, product, and market data. The company had a fragmented view of its business and no way of introducing tools to enable global management.

► Turning Information into a Competitive Advantage

Information systems have become a major strategic weapon in the battle among telecommunications operators. The organization decided to standardize information system first at the corporate level and then throughout the company and its subsidiaries.

The first step was to roll out standard and secure access to the information system via web browsers. This was followed by a project aimed at leveraging shared skills and know-how across different business areas. This required the adoption of common definitions for concepts such as “customer” and “product” throughout the company.

The company also implemented corporate standards for software. Selected software had to comply with technical architecture standards and globally address users’ functional needs. The software also had to prove that it could successfully penetrate and gain widespread use throughout the organization. Included among the selected software were BusinessObjects™, for retrieving and analyzing data; Oracle Applications for finance; PeopleSoft CRM and Genesys for CRM; PeopleSoft HR for human resources; WebMethods for enterprise application integration; and Documentum for document management.

► **The BI Choice**

The two most important factors that influenced the decision to go with Business Objects products were the high level of penetration within the company and end-user satisfaction. More than 140 BusinessObjects-based projects were already up and running and most users in the company were already familiar with the software. The company selected Business Objects as their corporate BI standard and signed a corporate contract for 70,000 licenses, to be deployed across all business areas: human resources, finance management, marketing, sales, and networks.

“We aren’t going to enforce a solution if there’s a very good reason for not choosing it. Our BI choice matched a very genuine business need. The software penetration rate within our company was already very high, and so was the level of user satisfaction, so the choice was easy.”

Director of Decision Support Information Systems, France Telecom

► **The BICC**

The more information is understood, the greater its value. Once the decision has been made to standardize around a software package, the key to making that standardization successful lies in the quality of support that is given to both project managers and end users. The four-person BICC is responsible for overseeing the business intelligence implementation. It also ensures and maintains the consistency of BI-related projects and ensures that each of the different teams share best practices.

The BICC heads up several important tasks:

- **Consulting and development.** The BICC offers advice to project managers on deployment strategies (design, audit, installation, implementation, etc.) and guides them towards best practices in terms of reporting and BI metadata design.
- **Support.** The BICC provides support for project managers (architects, designers/developers, and operators) via a hotline and has installed an intranet web site providing access to BI news, tips, methodology advice, and installation documentation.
- **Negotiations.** Communication between the company and the BI vendors is conducted via the BICC, which centralizes the opening of support case files, requests product upgrades, and certifies new versions.
- **License management.** Large BI deployments require careful license management. All license requests must be sent to the BICC, which has developed a tool to track the number of licenses and their distribution.

As a result, the BICC has gradually built up a complete BI knowledge base, quickly detects the most common problems, and responds promptly by taking corrective action in the form of further training or calling on the BI vendors.

The BICC also helps support end users with a number of tools to help them become more autonomous—an intranet site dedicated to user support, online training, and interactive help based on Microsoft NetMeeting.

“The BICC concept is an essential part of any standardization initiative. It provides users with the support they need to make optimal use of the product. In our different missions we gradually build up a genuine knowledge base around BusinessObjects and gain increasing credibility with the users.”

BICC Manager, France Telecom

► **Fast, Tangible Benefits**

The company now has a standard environment that covers all its BI needs. The corporate contract signed with the vendor has enabled savings on license fees—now accrued at the corporate level and no longer for each project. The choice of a single BI framework has enabled a substantial reduction in user training and support costs. Professional development is also easier because the tools are the same for all business areas. This is crucial in a company where business areas are in constant flux. Another significant

advantage is that applications are easier to deploy, upgrade, and maintain, saving time and money.

► **A Map for Tomorrow**

The BICC has opted for a step-by-step development. Its current priority is to conduct a complete survey of BI projects within the company and to find ways to streamline internal business processes by consolidating them at branch and business area levels. The aim is to produce a comprehensive map of BI projects to detect overlaps and gaps in the coverage.

Ultimately, the BICC aims to think in terms of users and business areas, rather than projects. The goal is to pull common reports for a particular business area together and then build a BI portal.

Conclusion

Today's organizations are sitting on stockpiles of information assets gathered over the last decade. Business intelligence, with its ability to unleash the value in those information assets, is becoming more prevalent and more important, but is not yet implemented strategically in most organizations.

By following the steps outlined in this document—having a BI strategy based on the creation of BI standards, a BI competency center, and a set of proven project methodologies—organizations can reap large ROI, through lower vendor and support costs and more effective use of information assets.

About Business Objects

Business Objects is the world's leading provider of business intelligence solutions. Business intelligence lets organizations track, understand, and manage information internally with employees and externally with customers, suppliers, and partners. We help organizations improve operational efficiency, build profitable customer relationships, and develop differentiated product offerings.

For over a decade, We have focused on the needs of organizations standardizing on enterprise-wide business intelligence. Reasons to consider Business Objects as your BI standardization partner include:

► **The Industry Leader**

Business Objects is the leading BI vendor, with over 30,000 customers and over 400 OEM partners worldwide. Microsoft, SAP, and your other key enterprise software providers have chosen our products. More consultants, strategic integrators, and potential employees know our products better than any other vendor's. All of which means that our products will integrate better with your existing systems, at a lower cost.

► **The Widest Set of Products and Data Access**

Business Objects has the widest set of products available in the market today, to cover your:

- **Functional needs:** From operational reporting all the way to dynamic dashboards
- **User needs:** From the factory floor, to the financial analyst, to the executive suite
- **Data needs:** From transactional systems, to data warehouses, to real-time information feeds

► **Your Installed User Base**

Throughout your organization, you probably have more licenses of our BI products than those of any other vendor, and most of your existing operational and management reports and dashboards are probably in our formats. This means you may be much closer to realizing the benefits of standardizing on our technology than you realize.

▶ **Extensive Standardization Experience**

Business Objects has extensive experience helping organizations around the world implement BI standards. Our dedicated consulting teams have helped organizations like yours successfully implement BI standards—working with you to get buy-in from your business units and helping you avoid the typical challenges faced by BI projects.

The following companies, and many others, have implemented BI standards with Business Objects.

ABN Amro
Allergan
Burger King
Consolidated Container
Coors Brewing Company
Cutter & Buck
City of Calgary
Commercial Bank of Dubai
Deutsche Telekom Immobilien
Fifth Third Bancorp
France Telecom

Fujitsu Siemens
HCA
Hutchison 3G UK
Maritz Travel
Nortel
Opodo
PepsiCo
Redback Networks
Sabre
Simon & Shuster
Sumitomo

Fujitsu Siemens
Telecom Italia
Tribune Company
Total
TruServ
US Food and Drug
Administration
US Department of Defense
Volkswagen AG



Americas

Business Objects Americas
3030 Orchard Parkway
San Jose, California 95134
USA
Tel: +1 408 953 6000
+1 800 877 2340

Asia-Pacific

Business Objects Asia Pacific Pte Ltd
350 Orchard Road
#20-04/06 Shaw House
238868
Singapore
Tel: +65 6887 4228

Europe, Middle East, Africa

Business Objects, SA
157-159 rue Anatole France
92309 Levallois-Perret Cedex
France
Tel: +33 1 41 25 21 21

Japan

Business Objects Japan K.K.
Head Office
Yebisu Garden Place Tower 28th Floor
4-20-3 Ebisu, Shibuya-ku
Tokyo 150-6028
Tel: +81 3 5720 3570

For a complete listing of our sales offices, please visit our website.

► www.businessobjects.com