When the BI You Know Isn't the BI You Need

Business users need fast, intuitive,
self-service analytics

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Finding the Range

Competing in today's fast-paced business world requires many things, none of them more important than information that business people can use to make quick, effective decisions. In the global economy, it is imperative for companies to strive constantly to gain an advantage through the kind and quality of information they possess. But now traditional methods of analyzing enterprise information aren't effective enough. Often, they are too slow or too complicated for the business people who use them, they don't include all relevant data, and they can't deliver the up-to-the-minute data necessary to enable those users to make the best decisions. That's because over time, various departments within the organization have created their own data repositories, leading to patched-together systems of standard reports, custom in-house query tools and specialized commercial applications. These gap-fillers create long queues for IT to upgrade systems or create reports, result in investments that can't be amortized over enough users and leave vital information unmanaged and underused.

Also, traditional methods are not adaptable enough to respond to users' new questions, not helping them to respond to unforeseen events or react to findings in their data. A key indicator that user needs are not being met is the ubiquitous desktop spreadsheet. Business people are taking it upon themselves to create "tools" that adapt to specific, changing questions.

What's more, many current systems, including business intelligence (BI) technologies, are architected to manage data that is already institutionalized and answer historical questions that have already been anticipated. Today, that doesn't go far enough. In particular, these systems cannot answer the demand to make use of data that is not already structured in traditional systems such as relational databases and data warehouses.

Business professionals have access to a variety of data that will never become part of the data warehouse. Assessing the impact of this data and its relationship to data that is in the corporate data sources is beyond the scope of traditional BI approaches. Users try to fill this gap with their personal productivity spreadsheets, which create new problems of reliability and consistency of data.

Companies need analytic software that gives business users access to key data they can apply to generate forward-looking business insights and that provides the flexibility to ask new questions as they arise and react to unforeseen events and changing business assumptions. And they need not only to improve individual performance with personal analytic tools but more so to systematically equip everyone in the company to produce and use these insights, regardless of the nature of their work or the different types of data that work requires them to analyze. This is enterprise analytics.

This next generation of information technology includes visualization capabilities that let users see the relationships among data, interactivity that lets them manipulate the data and an intuitive manner of working that suits the way business users think, for example, in asking new questions as they arise. Enterprise analytics enable business users to access the information and metrics relevant to their particular roles, allowing them to interact with and navigate through the information to form useful conclusions that assist the company in reaching its current goals and setting new ones for the future. With enterprise analytics, business users can gain insight into historical trends, but more importantly, they can understand and guide what must be changed to improve performance.

The Performance Gap

Because IT and other lines of business typically operate independently, silos of information and disparate applications crop up over time, creating significant challenges when decision-makers want to find ways to improve performance and make more relevant decisions. This gap between departments and information architectures can hamper the company's performance in several ways.

For example, valuable information assets may be not be widely available. Some departments keep data in custom applications built for specific functions, and these systems often can't work together, which keeps the data dispersed around the organization and inaccessible beyond each silo. Other critical information is stored in spreadsheets, which are difficult for IT to track and manage, which risks institutional knowledge and presents an obvious security risk. And spreadsheets are shared primarily through e-mail, which also makes version control nearly impossible. This situation makes it difficult to gather corporate-wide data to make important, overarching decisions about strategy and execution or to collaborate across business functions.

Enterprise analytics can help solve that access problem by providing a common infrastructure that can be configured for various users' needs, instead of maintaining separate applications for each. It is less expense to implement and maintain and enables the company to create strong requirements for organizing and connecting different data sources.

Slow information access and analysis hinder competitiveness. Companies that respond fast to opportunities can increase results and profits while decreasing costs and avoiding risks. For example, a manufacturer that runs trade promotions to retailers needs to coordinate all of the resulting data to analyze whether the promotion was successful and decide what should be changed to improve results next time. If the company struggles to assemble relevant data, it can lose valuable time while better-equipped competitors are moving forward.

Perhaps the company's sales and marketing team, charged to find out everything possible about customer behavior, has been relying on a series

of spreadsheets and point products to gather and analyze sales trends, customer buying habits, demographic data and other relevant information. But to apply this more effectively, executives need a way to analyze not just purchasing behavior but the effect of various promotions on a range of customers and also to ask follow-on questions once they spot trends or other information of interest. Because enterprise analytics enables all users to perform analytics in a consistent way, the team can identify trends and key performance indicators to use to develop more effective sales and marketing campaigns and harness the value of customer relationships.

A workforce raised on using the Web expects technology in the workplace to be just as easy and intuitive to use. As they've learned on the Web, these workers want to use technology to interact and collaborate – essential capabilities for companies that want to extract the full value from their information and base actions on it. Traditional data analysis tools are anything but intuitive, being oriented to the dimensions of the data rather than the kinds of questions business people have. Most BI tools don't allow knowledge workers to use interactive visualizations for ad-hoc iterative queries without IT intervention, which these workers expect and which can produce actionable analysis quickly.

These and other gaps in understanding and execution all come down to the same issue: an inability to make accurate, game-changing decisions. This is perhaps the biggest problem of all. Without all data in one integrated, well-managed repository (even if it is virtual), decision-makers simply don't have the tools they need to make such decisions quickly and effectively.

Traditional business intelligence and information management architectures weren't made to address these challenges. They can't incorporate data housed in different systems and applications throughout the enterprise, and often aren't adaptable enough to handle any type of process, query or custom calculation required by a specific analytic request.

In short, traditional BI tools are fine for generating reports in response to structured questions, but they can't provide the type of analytic capabilities line-of-business leaders need to drive relevant decisions based on the latest input.

Leadership and Collaboration

Business users can't wait any longer for a more effective method of analysis, and it's up to IT management to provide it. Without IT's involvement, business users will add yet another set of point solutions in an effort to gain the type of analytic capabilities they need to drive relevant business decisions. These new silos of information likely won't communicate with others and will remain beyond IT's ability to set standards for data and for managing it.

To solve the problem, IT should adopt an enterprise analytics architecture: a platform and set of applications that can be used across all operations. That way, users will be able access and share key analytics in a consistent fashion. IT will help extract the value of company data and facilitate the precise kind of decisions needed to seize business advantage.

Toward this end, the first step is to assess the existing environment to understand its challenges. IT staff can do this best by collaborating with line-of-business managers, knowledge workers and analysts to understand their needs according to organizational structure and business processes.

The key to success in adopting this analytics architecture is full collaboration between IT and the lines of business. By working together, IT will understand the business needs of the enterprise's various departments and be able to develop an enterprise analytics system that allows business people to think like business people rather than having to adapt to work styles forced on them by the structure of the technology. In such an environment, business users can analyze data intuitively, using business terminology. IT's concern that applications are underutilized will dissolve when they are easy to use and navigate.

Once the IT staff fully understands business requirements by role, it will be clear how to build an effective enterprise analytics architecture. In general, the analytics platform is based on server technology, which manages the interfaces to data-level services and repositories. User administration and security interfaces sit on top of the server. Together, they provide the ability to model and describe information and metrics that are used as the basis for configuring analytics. In many cases, this is accomplished through modeling and other visually interactive capabilities that help business people spot trends and insights in the data.

By the end of the process, business users will have an intuitive, effective method of analyzing data and making relevant decisions, and IT will have created an easily maintainable system that complements existing IT investments by harnessing the full extent of the data and providing it in a form that business users can use with limited IT involvement. IT then will find more time for projects where its technical expertise can be put to best use.

Not More but Better

Enterprise analytics tools are more intuitive for business users than traditional business intelligence tools, specialty software and spreadsheets. They tend to be more adaptable and run faster and are organized around the user's experience, not the structure of the data. These features allow business users to work quickly and more efficiently, accessing key information to drive insights and prepare for appropriate action.

Enterprise analytics increases operational effectiveness significantly, measuring it by usage and actions instead of reports and data. IT managers and CIOs know that business users don't necessarily need more reports, but they need information they can use to make better decisions more quickly at lower cost and with less risk. With enterprise analytics, the IT staff can ensure that the operations side of the organization has the specific information it needs. It's a direct, immediate payoff.

Analytics also ensures a structured order to data, which allows users to analyze information by various measures, such as time period, customer or product. They also can investigate the root causes of business issues, such as why a specific promotion didn't yield the expected results. All of this is possible because the environment is more constrained and easier for business users to navigate dynamically. As a result, they can find relevant answers to their business questions promptly.

This new approach to business analysis also increases the value of IT services to the enterprise. By adopting an enterprise analytics platform as a standard across operations, the IT department is providing a common tool for multiple departments, particularly those that need to communicate regularly. It's a way for IT to add more value to the business on an ongoing basis.

A good enterprise analytics framework offers other benefits as well, such as better utilization of information assets and greater competitiveness in a business sector or industry. Other benefits include the assurance that business users can access and analyze data securely and assess risk or fraud during the data gathering and analysis process.

Putting Business into Business Intelligence

Enterprise analytics extends rather than replaces today's information architectures and allows organizations to derive more value from investments in traditional business intelligence, custom applications, specialized packaged applications and even spreadsheets. Most importantly, enterprise analytics is more responsive to knowledge workers seeking new insights, allowing them to make fast, informed decisions that improve the company's performance and bottom line. This higher level of analytics isn't possible with the standard tools many companies use today.

In addition to company-wide benefits such as better utilization of information assets,   increased operational effectiveness and greater competitiveness, employing an enterprise analytics infrastructure throughout the enterprise creates true collaboration between IT and business. In effect, IT department becomes a full partner with the business side of the enterprise. In the process, the IT department becomes ever more relevant, helping deliver value to the business without significant overhead.

The comprehensive analysis enabled by enterprise analytics allows company decision-makers to analyze business scenarios and situations

more quickly and effectively, which in turn increases competitiveness and ultimately the bottom line. That's something that affects everyone, from the IT department to the executive suite.

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