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OPEN THE DOOR TO
LIMITLESS POSSIBILITIES

Getting More from Business Intelligence



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WHAT IS BUSINESS INTELLIGENCE?

Ask a room full of people to define business intelligence (BI) and there will probably be as many answers as there are people. Some may believe this is a problem; however, to be successful in meeting BI needs today, emerging and enterprise businesses have to accept that it covers a broad range of capabilities.

The typical approach to BI centers on data integration and technology. Using this approach, various source databases are identified, the data is consolidated and aggregated into a data warehouse or data mart so it can be analyzed in the form of an OLAP cube and put into some sort of presentation format. This is only a technical view of what it takes to solve the problem of converting data into information. This approach worked in the past, at high cost. Only the largest companies could afford to invest in this type of technology. To make BI implementations more affordable for emerging and enterprise businesses, a new approach must open the door to the limitless possibilities that can be achieved with all the historical and current data gathered today.

Future Strategies

A New Approach to Business Intelligence

What would happen if companies looked at their data from the standpoint of the business processes that drive the data? What if organizations were to begin at the start of the process rather than when the data is already in the database? What if companies were to analyze the nature of the data as various processes impact it to identify real opportunities which improve performance? How would the exceptions that surface be handled? How much economic value could be realized if this data was presented as actionable information to appropriate personnel within an organization? By incorporating this new approach to BI, emerging and enterprise businesses will rise to the next level and improve their organizations as a result.

The Business Intelligence Funnel

What goes on within a business can be described as the BI funnel. The funnel helps to identify key business processes within an organization and the various systems that support these operations. The funnel also helps to identify a very important aspect of BI that many organizations struggle with — determining what should be measured.

For example, from a financial transaction point of view, the funnel starts at the top with customer-facing infrastructure such as a call center, Internet Web portal, point-of-sale system or project timesheet. It drives into operational components such as order processing, inventory management, purchasing and billing, then into financial components such as payables and receivables, and ends with the general ledger.

In discussions regarding these operational areas, it is possible to uncover critical business measures that beg to be monitored routinely as well as the interrelationships between systems that impact the underlying data. If an organization has been around for some time, there may be an inherent gut feel about what measures are important to the organization's success. Regardless of whether the measures are based on gut instinct or a written list of performance indicators, many are not monitoring themselves in a real-time, cohesive, systemic fashion. The problem is that anyone who has participated in a meeting knows that it is practically impossible to engage line-of-business and department managers constructively without empirical evidence. But history has proven that by monitoring measures to evaluate performance within an organization, performance in that area will improve over time. All you have to consider is the amazing success of GE under the leadership of Jack Welch as they adopted and embraced their own scorecard methodology to appreciate that every organization should be compelled to measure, monitor, manage and act.

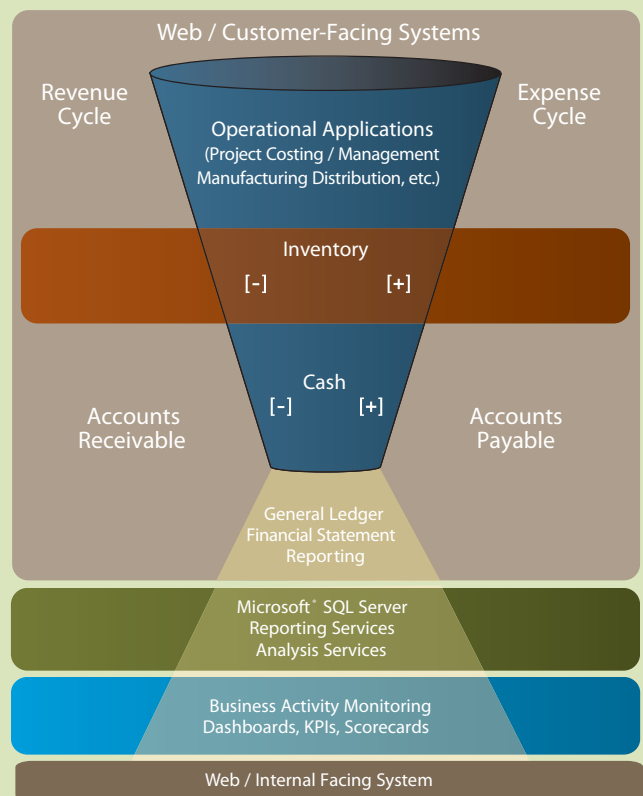
It is also important to acknowledge that by using the BI funnel any enterprise can identify its processes and systems, and define a universe of indicators that can be the keys to its successful performance. If these indicators are constantly measured and evaluated, that organization will improve and become more efficient, agile, competitive and profitable.

But many emerging and enterprise businesses, even with

experienced executives on hand, have trouble defining a universe of key performance indicators. These organizations may have lots of data, but they've not reached the level of "intelligent organizations" — those who convert data into meaningful information that is relevant and delivered within the right context to appropriate personnel so it can be acted upon in a timely manner.

This transformation process takes a forward-thinking enterprise to succeed. Fortunately, organizations that are still using older existing systems don't necessarily have to change their systems to transform. Instead, they have to be willing to apply some incremental technology to get more out of those systems. If they do so, they will do themselves a major service.

BUSINESS INTELLIGENCE DATA FUNNEL



Microsoft: The Great Equalizer

When someone says, "I need to change systems," their statement could often be rephrased, "I'm trying to get more information from my existing system. Because my system can't do that, I think I have to replace the system I've got." This approach could be misdirected. They may not actually have to change their source system, and shouldn't want to, especially if it is one that satisfies the demands of everyday operations and works. What they may need are tools that do more than just regurgitate data and instead generate information by aggregating and presenting relevant data in the right context.

Microsoft has leveled the playing field for emerging and enterprise organizations with its SQL Server database engine.

Future Strategies

It has extensive features for integrating data from multiple external sources, analyzing that data and reporting on it, and numerous reporting tools that interface with it. Just a short time ago, this type of technology cost organizations millions of dollars and many months or years to deploy. But now with Microsoft's technology, these capabilities are considerably more affordable for emerging and enterprise businesses than in the past. These technologies can be deployed alongside existing systems so that the implementation is less disruptive, takes less time and is more cost-effective than replacing entire operational systems.

The New Business Intelligence Process

Now that the BI funnel has given you a more comprehensive and complete perspective that helps to identify a long-term plan for unfolding BI in an organization, the next step is to focus on what needs to be measured.

But where to begin? Some organizations have such a problem defining where to start that they suffer from analysis paralysis. They feel it is necessary to define the whole picture before commencing in any direction. Because this takes time and businesses change routinely, the picture often changes significantly, causing a never-ending cycle. At the other extreme, some organizations are so overwhelmed by numbers that they think it is necessary to measure them all. Faced with a daunting scope and limited technology resources, these organizations get stuck in infinite limbo without movement or a strategy.

The best thing an organization can do is pick one or a very few key items to measure, making sure that measurement of these items is achievable within a short period of time, within a reasonable budget and can be accomplished using standard technology. Look at the BI funnel, stake a flag and say, "We're starting here." Otherwise, it will never begin.

The Business Intelligence Wheel

After you've spent some time understanding the BI funnel and how it relates to your organization, narrowed down a small handful of critical business measurement needs and aggregated data within the SQL Server database or analysis cube to support what needs to be measured, now what? You need to decide the best way to present or "see" the information you expect to derive from that data. The nice part about Microsoft SQL Server is that it interfaces with so many presentation tools, each manifesting itself in different ways, that there are plenty of choices. That leads us to the BI wheel.

Whether it is financial reporting and budgeting, dashboards and scorecards, business and ad hoc reporting, and business process management and business alerts, there is a presentation solution that interfaces with SQL Server.

Please accept that no single tool in the marketplace provides the capabilities to address every type of presentation requirement you might have. Even some of the largest vendors assemble multiple applications within their solutions. Interestingly, some of the more useful applications can be purchased to operate independently of the larger solution. We

BUSINESS INTELLIGENCE SOLUTIONS



Microsoft Windows Server

are fortunate that there are many choices available and that they all interface with Microsoft SQL Server.

While each of these solutions is available to be implemented individually, in parallel or in sequential phases, the underlying technologies are seamlessly connected. When used together, the overall result is a world-class information system.

Try taking a different look at and approach to BI. While the technology of integration and data warehouses is important, these technologies have evolved into a well-oiled machine for emerging and enterprise businesses using Microsoft SQL Server. Instead, concentrate your focus on the nature of your data before it ever gets into the data warehouse. Then, decide on how to use that data to your organization's maximum advantage. This allows you to make BI a much more powerful tool.

As with all things new, management has to be absolutely committed and engaged at a business level to make this approach to BI work. It has to be a priority for them. If not, companies can easily fall into a technical view or get trapped in a never-ending analysis process before they ever solve the problem.

By incorporating the BI funnel and wheel concepts, emerging and enterprise businesses can take into consideration much more than just the raw data. They can open themselves to viewing business in a new dimension — one that will enable them to become more efficient, agile, competitive and profitable. ^{DMR}

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