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Your BI Competency Center: A Blueprint for Successful Deployment

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Abstract

Business intelligence competency centers bring together a small team of experts to address strategic and tactical focus areas that span the organization. When considering whether to invest in such an initiative, questions often arise about where to start and what process to follow.

This article provides a blueprint for developing and deploying a business intelligence competency center. This blueprint will enable you to determine the BICC scope and structure that best serve your organization's environment. We also discuss critical success factors for maximizing the return on your investment in a BICC.

Introduction

A growing number of organizations are finding value in business intelligence competency centers (BICCs), which bring together a small team of experts to address strategic and tactical focus areas. According to a February 2006 *Computerworld* online survey, 45 percent of large organizations already have implemented or plan to implement a BICC. Small organizations also recognize the value of such centers, with an adoption rate of 23 percent. The survey further revealed that the top reason organizations establish BICCs is to drive the use of BI throughout different levels of the organization, with a clear emphasis on analytics as a primary tool in their BI solutions.

The return on investment (ROI) from creating a strategic perspective that spans the enterprise, coupled with the competitive advantage of a BICC, justifies the investment in resources. Many organizations have invested in their BI environment by creating data warehouses and data marts for business areas. These organizations also have acquired BI and data warehousing expertise to maintain and exploit the value of their BI environment. Establishing a BICC allows these organizations to leverage their current BI and data warehouse resources across the entire organization, as their existing resources likely will become members of the BICC team. The BICC will maximize the impact and value of existing resources and help align BI efforts with the objectives of the organization.

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BICC Definition

A business intelligence competency center consists of a relatively small team of BI experts (typically fewer than 10) with well-defined objectives, roles, and responsibilities. Their overarching charter is to promote the optimal use of business intelligence across the organization. A BICC's focus could include data integration, data stewardship, delivery of information and analytical services, and vendor relationships.

The scope of your BICC is determined by your organization's priorities, its business objectives, and the skills of your business users. For instance, if your organization decided to focus on analytics, then your BICC would consist of a team of business analytics experts who

understand the predictive-modeling and forecasting technical domain, and how to structure and maintain the required BI environment to enable delivery of analytical services to business users.

The executive team establishes a formal organizational structure to bring together this group of experts and defines their focus and responsibility. In addition, the executive team defines the interaction between the BICC, the business units, and the IT group.

BICC Scope

The scope of the BICC can encompass several strategic and tactical areas within your organization. The specific focus areas or functions are determined during an assessment phase. This assessment is the first phase of establishing a BICC, and it is during this phase that a detailed examination of your organization's environment takes place. The assessment outcome produces the initial focus of the BICC, including required skills, functions, and responsibilities, as well as a funding model. The key steps you need to take during the assessment phase are discussed later in this article.

Approach: Phased versus Big Bang

To begin, select the approach to take to define the scope of a BICC. Do you need a one-time effort to figure out the focus of the BICC and establish the team, or do you need a methodology in place that allows you to revisit and re-evaluate the scope regularly? The answer is the latter.

You will be able to see value from a BICC relatively quickly in some areas. For instance, leveraging your BI skills and offering BI services and training to business users will produce tangible benefits in short order. Other benefits—such as data governance, best practices, and using BI to drive your strategic plans—will probably take slightly longer to develop. The main ingredient for success here is changing your internal knowledge and information processes while altering the culture to rely on the value of BI and analytics. These changes ultimately will help your organization view its information as a strategic corporate asset.

Organizations have inefficient internal processes when:

- Business users must go through a lengthy process to request information
- Users don't trust the data they receive and must do further processing to get the information they think is important
- Users have insufficient time to analyze the data before having to make decisions

Inefficient processes such as these will have a damaging impact on the business and may also create internal distrust and unproductive relationships between business and IT. By understanding your current environment, you will be better prepared to uncover such inefficient and unproductive processes. Knowing the weaknesses and strengths of your environment enables you to structure your BICC to eliminate internal barriers to obtaining and exchanging information.

Investing the time and effort to build consensus on the IT and business sides of your enterprise is essential.

To address the inefficient processes, design your BICC to emphasize data quality and availability to business users. It should also provide the skills and expertise to empower your business users to obtain information quickly. You must deliver this information in the right format and using the appropriate technology to match your users' skills and needs.

Through this process, you will begin to see changes in your organization's approach to decision making. Your BICC will play a significant role in accomplishing this objective. As you make progress in promoting the proper use and value of business intelligence in your organization,

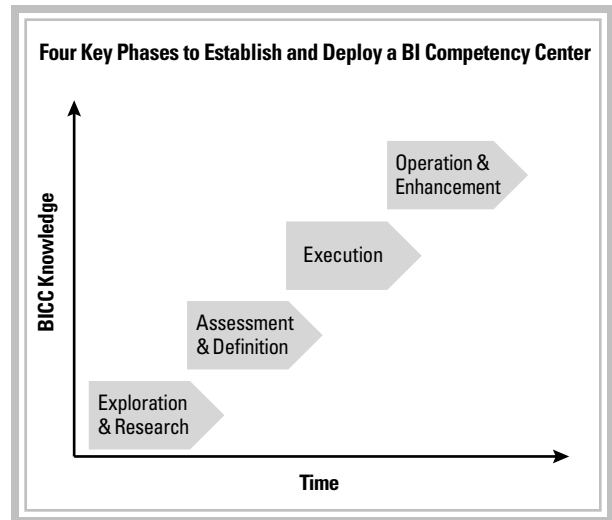


Figure 1. Establishing and deploying a BI competency center requires four key phases

your business users' requirements will change. Consequently, your requirements and expectations from your BICC will change as well. Your business users' perceptions of your BICC depend on how well you involved them in establishing and evaluating your BICC. It is an ongoing process, and your organization's progress will dictate how fast you can go. A phased approach will allow you to re-evaluate and measure your BICC success. A big-bang approach will not give you the flexibility you need. Hasty decisions may result in a BICC that is not appreciated or respected by the business side of your organization.

Finally, establish success criteria for each phase of your BICC. Investing the time and effort to build consensus on the IT and business sides of your enterprise is essential. Reaching agreement on how your organization will measure the performance of your BICC is a crucial requirement.

After comprehending the value of a phased and measured approach to BICC implementation, you must determine the initial scope. You can follow four key phases to establish and deploy your BICC. Your knowledge of the subject will increase as you move through these phases.

Four-Phase Blueprint to Establish and Deploy Your BI Competency Center

There are several tactical approaches to defining the scope of your BICC and deploying its services in your organization. In general, you will move through four key phases.

Phase 1: Exploration and Research

Flexibility and the ability to adapt the concept to your organization's specific environment, culture, and internal dynamics are fundamental requirements. Understanding the purpose, scope, and proper implementation of a BICC is also important. The first step is to understand the purpose and role of a BICC and to learn as much as possible from industry research and the experience of other organizations.

The success of an enterprise initiative such as a BICC depends on executive support, so it is crucial to identify an executive sponsor who understands the need for a BICC and is willing to support this initiative.

There are several ways to structure a BICC and fund its operations and, more importantly, there are many areas on which a BICC can focus. Understanding all of these possibilities will provide the foundation you need, giving you the confidence and efficiency to move to the next phase.

First, you will need to test your internal organization's readiness to invest in this initiative. Speak with your business and IT colleagues about the concept. Explore their understanding and views about the use of corporate information and BI in the decision-making process. Do your own research on the subject; there are several

sources of information online. The success of an enterprise initiative such as a BICC depends on executive support, so it is crucial to identify an executive sponsor who understands the need for a BICC and is willing to support this initiative and take it to the next phase.

If you are taking these steps yourself, there is a very good chance that you are personally experiencing the pain and cost of an inefficient BI environment. You probably are quite knowledgeable about BI and passionate about the value that a BICC can bring to your organization. You may become your own organization's BICC champion, and this may present the opportunity to play an important role in shaping and contributing to your organization's BICC.

Phase 2: Assessment and Definition

Once you, your colleagues, and at least one executive sponsor have learned enough about BICCs and are convinced of their value and applicability to your own organizational environment, you are ready to proceed to the next phase of this process: assessment and definition.

The main objectives of this phase are to determine your organization's business and IT requirements as they relate to BI and use these findings to define an initial focus area and function for your BICC. The IT and business sides of your organization should collaborate on this process, because its success depends on shared ownership and accountability. Among the key objectives of this phase:

- **Identify key stakeholders.** In most cases, BICC starts as an IT initiative. Your BICC executive sponsor will play an important role in selling the project internally and obtaining commitments from other groups to participate in this process.
- **Identify your top business priorities and objectives.** Use these priorities and objectives as a starting point to determine the scope, structure, services to be offered, and required skills for your BICC.

- **Determine your environment's baseline.** You need to understand the structure of the current BI environment, including its strengths and weaknesses.
- **Plan for incremental steps.** Remember, it is much easier to start small and build slowly. Use existing business priorities to develop a high-level roadmap to address your BI requirements.
- **Obtain consensus on main objectives.** Make sure everyone agrees on the high-level roadmap. Once you have agreement, you can start defining the details.
- **Include affected business units.** The scope of your BICC may affect the operation of some business units. You need to include them in this definition phase to ensure that their input and requirements are addressed.
- **Consider structure and funding.** Propose structure, required skills, and funding options—all sensitive details—to all the business and IT representatives and stakeholders.
- **Gain consensus and approval to go forward.** Get the final tasks in place, including budget approval, if required.

Phase 3: Execution (Phased Approach)

Once you have assessed where you are, defined the initial scope of your BICC, secured an executive sponsor, and received final approval to move forward with your detailed plan, you can focus on execution. Do not underestimate this critical phase. Make sure you stay the course and continue to keep all stakeholders and affected business units in the loop. Key objectives of this phase include:

- **Staying the course.** Business users' perceptions of the BICC are important. Continue to build credibility; the first step is to execute what has been agreed upon. This may include restructuring or hiring workers, developing a BI strategy, or performing enterprise governance.

- **Ensuring executive involvement.** Depending on your defined BICC scope, the executive sponsor(s) should now take the required actions relating to corporate policies and governance, internal processes, or organizational changes.

Make sure you keep all stakeholders and affected business units in the loop.

- **Managing change.** You will likely encounter changes in internal processes or other organizational areas that require putting together a change-management initiative to ensure successful transition.
- **Announcing your BICC to your organization.** After everything is in place, announce to your organization the availability of your new BICC team. The announcement must include a clear definition of objectives, scope, roles, and responsibilities, and a clear process for allowing business to interact with your new BICC.
- **Measuring performance.** Don't forget this critical area. Your plan should have key performance metrics to evaluate the progress of your BICC, and you need to start using them.

Phase 4: Operation and Enhancement

You have put in the required effort to determine the appropriate focus for your BICC, developed a detailed plan for deployment, secured an executive sponsor, and announced the availability of the BICC to your organization. What is left is to start monitoring the fruits of your efforts.

Adjustments to your operational plan almost certainly will be required. As your organization starts interacting with the new BICC team, you will identify areas that require more attention or changes. Moreover, depending on the scope of your BICC, you may need to increase the

BICC knowledge in some technical domain areas, such as data integration, analytics, and performance management. Key objectives of this phase include:

- **Monitoring.** In this early stage of operation, monitoring the interaction between the BICC and your intended internal customers is crucial. Ensure that all parties are following the process outlined and agreed to by everyone.
- **Capturing experiences and best practices.** One of the significant benefits of BICCs is capturing and leveraging your experiences and lessons learned from BI projects and turning them into best practices. Make this an important priority of your operation plan.
- **Collecting and publishing performance metrics.** Part of staying the course is monitoring your newly established BICC and communicating the progress to stakeholders. Collect the data necessary to populate the BICC performance metrics you developed earlier and publish the metrics as soon as you have sufficient data.

Adjustments to your operational plan almost certainly will be required. As your organization starts interacting with the new BICC team, you will identify areas that require more attention or changes.

- **Communicating with BICC stakeholders.** Keep all stakeholders updated on the progress of the BICC. Obtaining buy-in and being responsive to feedback from the stakeholders will help you build credibility with your internal customers.

- **Learning more about relevant technical domains.**

Assume, for example, that the scope of your BICC is data integration and that you have established your BICC team. Team members need to keep up with new technology and best practices. Their key objectives will be to evaluate:

- The efficiency and accuracy of how your entire organization integrates its own operational data into your BI environment
- How the organization integrates external data into the BI environment
- How the organization handles data quality
- How critical data integration metadata is captured and leveraged downstream

This process will take time. Your BICC data integration team members will need to follow best practices and key enterprise considerations to develop a data-integration strategy that meets the business objectives of all your business units.

These are the four critical phases for defining the scope of your BICC, deploying the team members, and putting them to work. When your BICC scope expands, your team can follow the same process again. Many of the detailed steps may not be required in subsequent phases, a judgment you can make based on the progress of the initial phase.

Your own organizational culture and internal dynamics will influence your approach in the next phase. The good news is that you are now equipped with experience from the first phase, which will help you act more quickly next time around.

Critical Success Factors

Although each BICC deployment is distinct in some way, we present these common critical success factors that can help you maximize your chances for success:

- **Information = corporate asset.** Accept your information as a corporate asset and a competitive advantage. Your BICC should work towards elevating the internal view of and trust in your organization's data. This is a slow process, but it will pay high dividends in the long run.
- **Executive involvement.** It is likely that internal organizational changes will be required in structuring the BICC team, as well as in the internal processes used by business units to get information. Make sure your executive sponsor is enabling this change and enforcing the new processes and governance. If not, your effort will have a smaller impact.
- **Collaboration is essential.** Business and IT have different perspectives. This is only natural, because they deal with different issues and priorities. Your BICC initiative should focus on improving the mutual understanding of these differing perspectives and encourage collaboration between business and IT.
- **It is a journey, not a destination.** Changing internal culture and knowledge mechanisms is a slow process. You are embarking on an ongoing process that will pay significant dividends in the long term.
- **Be brave and relentless.** Identifying crystal-clear objectives, roles, and responsibilities for your BICC is a fundamental requirement. You must avoid vague definitions of responsibility as well as duplication of efforts with other IT and business units. Put these issues on the table and deal with them forthrightly.
- **You will make changes.** Changes are almost certain. Be prepared to address them. Flexibility will be your strongest tool in winning the support of stakeholders.
- **One size does not fit all.** Your business units will likely be at varying maturity levels in their use of business intelligence in decision making and formulating strategic directions. Consequently, their BI needs will be different. Your challenge is to structure your BICC and use of resources to meet these different requirements.
- **Set reasonable expectations.** BICC deployment is a slow process. Work toward incremental goals. Continue to obtain consensus on the incremental criteria for success.
- **Make your customers happy.** Keep a close watch on the acceptance of your BICC by the business units and IT. Effective monitoring of your progress and frequent communication with stakeholders will help you keep an eye on this issue. Apply your BICC success metrics diligently.
- **Stay the course.** Focus your BICC motto on the goal of enterprise efficiency. Don't lose sight of the critical objective to streamline the development, distribution, and proper use of business intelligence throughout your enterprise. ■

REFERENCES

"How Companies Are Implementing Business Intelligence Competency Centers (BICCs)," **Computerworld** survey, April 2006.