



Dear Readers,

It's the last issue of 2007, and as we go into the holidays, I want to thank you for your loyal readership -- and leave you with some points to ponder for the New Year:

- Are you missing golden opportunities buried in your organization's unstructured data? Find out in our lead article below.
- Is your business making the most of its most important asset? Find out how to best manage your work force.
- Advanced analytics are helping leading organizations achieve greater profitability and success, but analytics continues to exist on the sidelines of mainstream business practice. Why is this and what can we do about it?

The answers to these questions could hold the key to a successful 2008, so read on to learn more -- and I'll see you next year!

Happy holidays to you and yours,

A handwritten signature in black ink that reads 'Anne-Lindsay Beall'.

Anne-Lindsay Beall
Editor, *SAS Business Report*

What's better than enterprise search? Text mining.

By Alison Bolen, *sascom* magazine Editor-in-Chief

Last week I saw a slide from a customer presentation that said 85 percent of that company's data is unstructured data. This isn't usual, either. But what does it mean? First and foremost, it means the data we're all collecting at unprecedented rates is no longer stored strictly in spreadsheets and tidy numeric formats. Instead, it's in field service notes, tech support memos, customer comments, e-mails, blogs, wikis, news feeds, transcripts, medical records, case histories and hundreds of other text-based formats.

It also means that it's getting harder and harder to find the information you need from the hundreds and thousands of text-based documents within an organization. Companies like Google, Microsoft and others are hoping to solve this problem with [enterprise search technologies](#) that scour unstructured data sources throughout the enterprise and feed users results in the same user-friendly format they've become accustomed to seeing in Internet search results.

But is search enough? When you're looking for answers in your company's growing collection of text-based documents, are you going to find the answers you need with a basic search algorithm? If you're looking for a single report or piece of background information, yes. But if you're looking for deeper answers, the answer is no.

Here's an example. Enterprise search can quickly reveal how many customers are complaining about your company's newest cellular calling plan for college students. But can it tell you *why* they're complaining? Or what other factors are affecting their complaints? No. But text mining can.

[Text mining](#) transforms text into a structured format by automatically classifying documents and finding key relationships that deliver instant insights. So, now customer letters and call center notes provide valuable messages for WHY some customers may be unsatisfied.

It might turn out, in our example above, that students in different geographic regions are complaining for different reasons. And parents' complaints might differ drastically from students' complaints. Those relationships would take much longer to ascertain with enterprise search. With text mining, the insight is automatic.

Need another example? Read how [text mining helped prevent a leg amputation](#), from *Computerworld*.

What could you learn with the ability to apply [text mining](#) to your company's unstructured data sources?

Managing the work force in a proactive and strategic way

An organization's people represent a significant component of its total value – and an equally significant component of its costs. Yet few organizations manage this enormous and essential asset in a truly strategic way. Human resources (HR) departments have traditionally been mired in operational activities and viewed solely as a tactical support function. Chief Human Capital Officers (CHCOs) are taking action to change that, looking for ways to perform more strategically as part of the executive team and as a critical partner with business managers.

When the stock market values a company at several times the book value of its inventory and physical plant, it is acknowledging the value of intellectual capital. In an information-based economy, an organization's real value resides in the collective experience and skills of its people. The key to competitive advantage, therefore, is found in the people that are an organization's wellspring of innovation and renewal.

Is your organization maximizing that advantage, managing the work force in a truly strategic and forward-looking way? Few companies are. Less than 10 percent of CEOs believe their current work force has the skills necessary to perform at the level of industry leaders. Even if those workers were skilled by today's standards, one-half of all employee skills will be outdated in three to five years. And within the next two years, three million new jobs will be created that involve tasks that don't even exist today. Add to this the number of experienced workers who are retiring, coupled with the scant loyalty of the younger workers taking their place, and organizations face some serious challenges.

These realities require CHCOs and line-of-business managers to become far more sophisticated and strategic in how they manage human capital. They have to gain a holistic view of the work force – a comprehensive understanding of business issues and how human capital strategies can be implemented to support organizational goals. They must have a clear perspective on workforce strengths and vulnerabilities, insight into risk and competitive issues, and the ability to measure success for continuous improvement in support of organizational goals; this is what it means to be strategic.

Why then, do so many organizations manage the work force in such a tactical way focusing on here-and-now activities – fire drills and routine action items – rather than on optimizing the work force in alignment with organizational goals? Why do so many companies apply Industrial Age precepts and performance metrics that don't recognize Information Age values? Why do they tend to focus more on the cost of paying people than on the value of investing in them?

This white paper presents how SAS helps the Chief Human Capital Officer become more strategic and addresses the following challenges HR leaders face today:

- Align the human capital strategy with organizational goals.
- Address workforce demands at every stage of the talent life cycle.
- Identify, assess and mitigate workforce risks.
- Proactively respond to changing workforce demographics and trends.
- Plan for business change, such as mergers, acquisitions and downsizing.
- Synchronize financial and operational workforce strategies.

Download full white paper at: <http://www.sas.com/apps/whitepaper/index.jsp?cid=3795>

Mainstreaming analytics

Ending disciplinary apartheid

By Thornton May

Analytics (the discipline) and Analyticals (the people who practice said discipline) continue to sit on the financial, operational and strategic sidelines of many enterprises today. This is wrong and has to change.

People in the analytical ecosystem can point to an ever-growing body of empirical evidence demonstrating unambiguously that competing on analytics makes sense (and cents) and surfaces the optimal path to achieving greater profitability and more successful missions.

Futurists, trend spotters and forecasters all predict that the environment of tomorrow will mandate the decimal-point precision in product quality, feature relevance and service provision that only informed, innovative and time-compressed application of analytics can provide. Our closest colleagues, or the people in our innermost business networks, typically share our passionate belief that analytics need to be embedded into the core behavioral DNA of each and every enterprise on the planet.

Yet, despite the presence of knowledge, quantitative and qualitative evidence, future-state inevitability and passion, analytics continues to exist on the sidelines of mainstream business practice. Why is this, and what we can do about it?

In a world with no boundaries, how did we end up in a prison cell?

Social scientists tell us that we are just now entering the as-yet-unnamed fourth wave of human civilization – the first three being agricultural, industrial and informational. Technologists tell us we are simultaneously entering Web 2.0 and IT 3.0. The old Web was about Web sites, clicks and “eyeballs,” while the new Web will be all about communities and collaboration. IT 1.0 and 2.0 were all about machines and networks.

Business Intelligence 3.0 will be all about collecting data from multiple locations – both inside and outside the enterprise – analyzing it and applying it for multiple purposes (both inside and outside the enterprise). The future belongs to us – the Analyticals – if we choose to mobilize. Quite literally, we have to become much more mobile (both movable and visible) in the various domains we operate. Stated simply, we have to get out more. We need to throw off our current org-chart shackles and do a walkabout. No more waiting for the phone to ring. No more waiting for the data to be delivered. We need to de-territorialize our discipline.

Organizational theory emphasizes the significance of the boundary that separates the enterprise from its environment, one division from another and people from the roles they play. C-level executives at hyperperforming companies like Boeing, Unilever and Procter & Gamble repeatedly go on record saying that success in their organizations requires spanning boundaries.

Look at the early-game winners of the Web 2.0 drag race: Flickr, <http://www.flickr.com/>, Wikipedia www.wikipedia.com, Blogger <https://www.blogger.com/start>, Epinions <http://www.epinions.com/>, Google Maps <http://maps.google.com/maps?tab=wl>, MySpace <http://www.myspace.com/> and craigslist <http://www.craigslist.org/about/cities.html>. What do they all have in common? They exploded/ transcended the boundary between them and the rest of the world. While their now-in-the-dust competitors launched Web sites, the winners launched vibrant communities. Winners connect with their users. Losers build walled gardens. Future career success for analytics and analysts will require boundary spanning and community building, too.

Busting silos is hard. Phil Cowdell, CEO of Group M's new Ford Media Services, is now attempting to get media, researchers and strategists from three of Ford's agencies – JWT, Ogilvy (who work with MindShare) and Y&R (Mediaedge: cia) – to work together. In the past, they would have worked independently. "Changing behavior is not so easy," Cowdell says. He is not attempting to break down those silos alone. He turned to the social sciences for help and airlifted in a behavioral psychologist.

Your next job: cultural architect

Analytics is hard. When I say hard, I am not talking about intellectually hard; I am talking about organizationally hard and culturally hard. One of the paradoxes of the world we will soon live in is that if we – the Analyticals – are to be able to extract full value from our quantitative skills, we will have to do a forklift upgrade on our cultural skills. We will have to create a culture that embraces analytics.

Culture is one of those words everybody talks about but very few people really understand. I am pretty certain that most of us never took a class in culture building. I am also willing to bet that in most organizations the title "culture maker" sits unclaimed. Search the organizational chart and try to figure out where responsibility for culture lies in the enterprise today. It is up to us to step up to the Dr. Frankenstein-like challenge of culture making.

How do you define culture? A formal definition I frequently use states that culture is "the set of shared attitudes, values, goals and practices that characterizes a company or corporation." Others define it more creatively:

- Marvin Bower, author of *The Will to Manage* and former Managing Director at McKinsey, described culture as "the way we do things around here."
- A colleague tells me she views culture as "the Maps of Meaning through which the world is made intelligible."
- A senior vice president of human resources thinks culture is "the Second Nature – norms that operate in subtle but powerful ways to box us in and restrict our thinking."
- A person in the analytics community told me that "culture is really a form of organizational virus – it's what you catch when you come here."

However we define it, in many organizations the culture in place today incorrectly positions and underuses analytics – and this is unfortunate.

To help redefine our culture, our new job is to change the enterprise's perception of analytics and Analyticals. Start, as I said, by getting out and walking around. Next, keep reading [sascom](#). In the next issue, we will examine the culture-making tools and techniques available to us.

Win an all expenses paid trip to SAS Global Forum!

Each year, SAS recognizes organizations that have most effectively used SAS to achieve business goals, productivity gains, or cost and time savings. The prize? An all expenses paid trip to SAS Global Forum in San Antonio, Texas March 16-19, 2008 to receive your award. You can't win if you don't enter, so submit your application before the January 15, 2008 deadline!

Applications online at: <http://www.sas.com/events/eiaward/form.html>

SAS and Sun launch new initiative to deliver BI innovation to datacenters

SAS and Sun unveil reference architectures to help customers streamline implementation for faster, more accurate data analysis

Leveraging their 20-year strategic partnership, SAS and Sun Microsystems, Inc. (Nasdaq: JAVA) today announced a new initiative to help organizations establish an enterprise-wide analytic architecture built on a highly available, scalable, secure and cost-effective platform. The [SAS® Enterprise Intelligence Platform Powered by Sun's Datacenter of the Future](#) (DcoF) helps organizations better manage, optimize and enhance current and future SAS and Sun IT infrastructures throughout the enterprise.

To help organizations increase business performance while reducing the cost and complexity of business intelligence solutions in the datacenter, SAS will leverage Sun's IT infrastructure, including hardware, software and services, as part of the SAS Enterprise Intelligence Platform running on the open source Solaris™ operating system (OS). The architectures can run on virtually any of Sun's award-winning hardware systems, from x64 servers to highly powerful compute-intensive servers.

"Launching this initiative together, SAS and Sun spotlight the need to align IT with business needs," said Claudia Imhoff, President, Intelligent Solutions, Inc. "IT determines how well an enterprise analytical platform can be built and utilized, which impacts how successfully a company can provide the accurate intelligence demanded in today's competitive environment."

As part of the initiative, Sun and SAS also unveiled a customer-accessible online [Knowledge Center](#) to house reference architectures, white papers and best practices. The reference architectures help customers accelerate deployment of the SAS Enterprise Intelligence Platform on Sun systems by ensuring interoperability and scalability with existing and future strategic business environments. Additionally, Sun and SAS will collaborate on joint engineering, marketing efforts and global sales efforts.

"The SAS and Sun Datacenter of the Future initiative provides IT and executive managers the continuity, security, data privacy, compliance and performance so critical to enterprise customers," said Keith Collins, Chief Technology Officer at SAS. "Our goal is to ensure businesses have optimal configurations of the SAS Enterprise Intelligence Platform on Sun systems that are eco-friendly. This will accelerate the successful deployment of business intelligence throughout organizations more quickly and efficiently."

Today's announcement furthers SAS and Sun's long-standing partnership that offers enterprises industry-leading business intelligence solutions optimized to run on the world's most open and scalable hardware and the open source Solaris OS. For access to their newest joint initiative, Sun and SAS are offering customers a joint "try and buy" program, and grid computing and high availability assessments. Additional information about the initiative is available through an on-demand Webcast: www.sas.com/events/partners/153469.

"Mission-critical computing has been the core of Sun's business for over 30 years. By combining the SAS Enterprise Intelligence Platform with Sun servers and the highly secure, open source Solaris OS, Sun and SAS have created the ideal platform for eliminating risk on SAS Enterprise deployments," said Juan Carlos Soto, Vice President of Market Development at Sun. "With this new initiative, customers can quickly deploy a highly available, scalable, secure and cost-effective enterprise intelligence solution."

EVENTS

National Retail Federation Annual Convention & Expo

Jan. 13-16, New York

<http://www.sas.com/events/ustradeshows/addinfo.html#nrf08>

TDWI World Conference Winter 2008

Feb. 19-20, Las Vegas

<http://www.sas.com/events/ustradeshows/addinfo.html#tdwi-winter08>

SAS Global Forum 2008

March 16-19, San Antonio, TX

<http://support.sas.com/events/sasglobalforum/2008/index.html>