

BUSINESS INTELLIGENCE

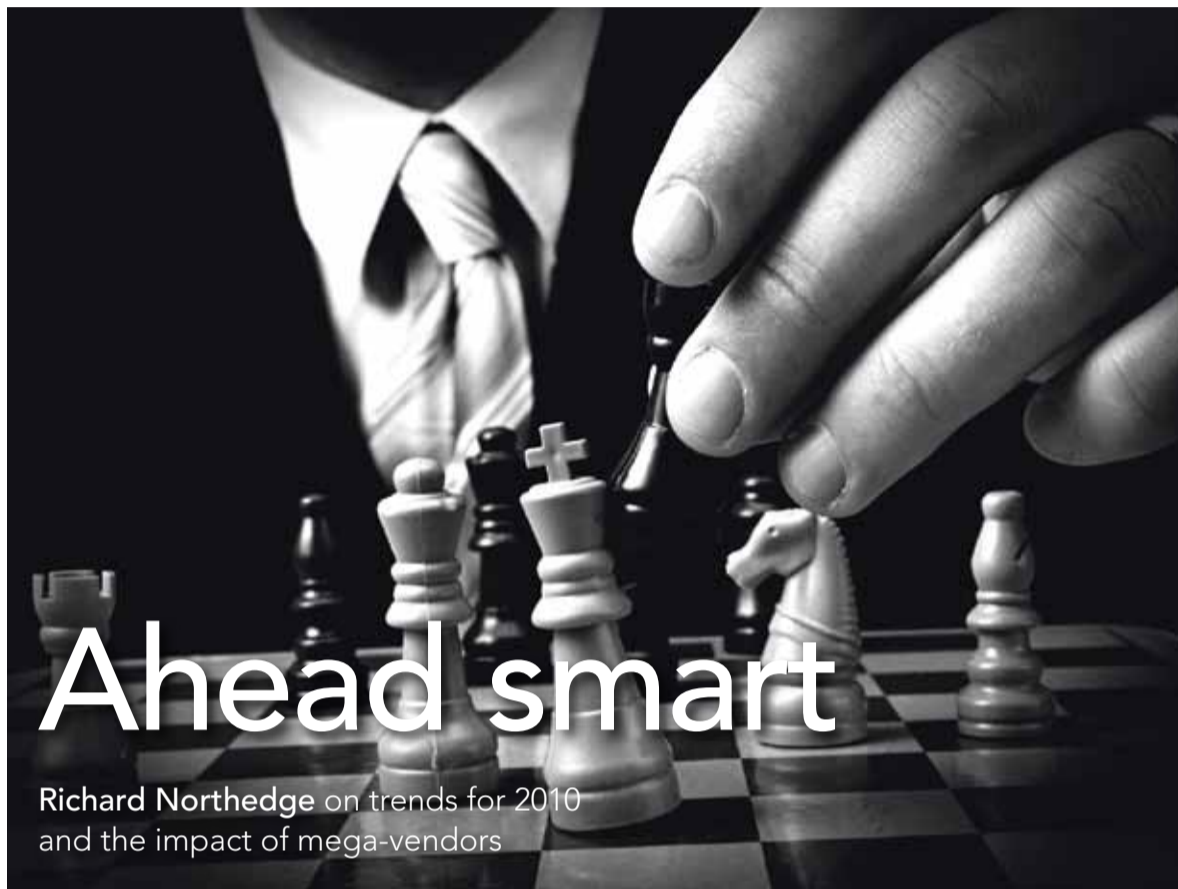
Companies with good business intelligence saw the recession coming long before it was officially declared and good systems may allow them to tell when it ends. But for the technology companies selling business intelligence systems, recession is a reason for companies to buy their technology, not an excuse to postpone purchasing.

Business intelligence – BI – allows different data sources to be sliced, diced and mixed to produce real-time analysis of everything from different teams’ productivity to different products’ margins in colourful graphics with instant alerts on budget variances, late orders or critical ratios.

Anthony Dent, chief executive of Dynistics, a specialist UK firm whose screen-based dashboards display these visual pictures, says: “In a recession, everyone’s interested in doing more with less and if we can provide a tool that gives everybody information – not just at board level – it encourages greater responsibility among employees. They can act more quickly: it’s a virtuous circle.”

The ability of BI to boost business will be a key selling message during 2010. At a different end of the corporate scale from Dent, Microsoft’s business division president, Stephen Elop, says: “It’s clearly a turbulent time economically all over the world, but that’s when it’s most useful. You have more and more people who have to make intelligent decisions. Our expectation is that there is going to be a real increase in demand for the broad applications of BI within businesses.”

Customers are increasingly finding new uses for BI systems – from shop-floor workers monitoring production progress, to hospitals analysing recovery rates to lawyers displaying case details - but recession is itself creating new markets. SAS, which describes itself as the largest independent vendor, reports a 28 per cent increase in sales of risk-management solutions, for instance,



while Dynistics is allowing companies to monitor carbon dioxide emissions to meet environmental standards.

Gartner, which researches the industry and rates the vendors, reckons BI usage will double in five years with suppliers struggling to meet the demand. But if the market is expanding, so are the suppliers. The mega-vendors that dominate the sector have been growing vigorously, Oracle purchasing Hyperion, IBM acquiring Cognos, Microsoft buying DATAlegro, and French software group Business Objects being taken over last year by Germany’s SAP for \$6.8 billion. Now they must make those purchases pay and these big suppliers are aggressively competing with each other to win new customers.

The result of this expansion is that Oracle and SAP have adopted vertical models, supplying a service that extends from hardware through software to data warehousing while the other mega-vendors seek horizontal breadth. But there are customer criticisms of both strategies, not least that they are based on IT rather than applications.

Software suppliers such as QlikTech and Dynistics believe their future is based on the flexibility of being compatible with vendors like Microsoft without being tied to a single system. Dent argues many mega-vendors produce BI tools that fail to take a holistic approach that can bring together different systems and says: “For us, the visual representa-

tion, and making it able to connect to any form of data, is key.”

Gartner concedes competition and consolidation will favour the mega-vendors over the pure-play suppliers but admits some customers are resisting relying on a single supplier for all their BI needs. Purchasers can use their negotiating power to strike good deals when choosing between the big vendors, but once they select a supplier they are locked – practically, if not legally – into long-term relationships for future transactions. Users are learning to balance the savings from moving to a cheaper system with the costs of switching.

However, the key developments in BI are to take data analysis away solely from

IT departments and put it onto business users’ desks. By 2012, Gartner forecasts that 40 per cent of BI budgets will be held by the business units benefiting from it. The smaller vendors hope to gain from that devolved decision making because add-on software packages are cheap enough to come from annual budgets rather than capital expenditure allocations and can pay for themselves within the year.

QlikTech says: “With business conditions shifting by the hour, agility has never been more critical. Organisations that empower their decision-makers with powerful, affordable and simple to use analysis will be the ones that thrive in the current environment.” Indeed, QlikTech is offering a completely free personal edition of their business intelligence software QlikView 9, available for download from their website.

Microsoft has long been executing an objective of “bringing BI to the masses”. It has developed new products such as the “Madison” facility, being rolled out in 2010, that uses technology acquired with DATAlegro and allows thousands of users simultaneously to access hundreds of terabytes of data; “Project Kilimanjaro” for handling large data sources, and the new SQL Server PowerPivot tool (formerly codenamed “Project Gemini”) that will enable more business users to create their own BI applications. It has also built BI functionality into its pervasive Microsoft SharePoint Server product making Microsoft the first vendor to bring together Unified Communications, Business Intelligence, Enterprise Content Management, Collaboration and Enterprise Search onto a single platform.

But Elop is insistent that in the future, such tools must be usable by staff at all levels. “If you know how to use Word or Excel,” he says. “Then you’ll be able to use our BI. The more employees who have access to business data, the greater a company’s ability to anticipate changes.”



Higher intelligence

Organisations are realising that decision-makers at all levels require access to timely information. **page 6**



Social software

From Facebook to Twitter, social media is changing the way BI data is disseminated and consumed. **page 8**



Performance-directed culture

We talk to the ‘father of business intelligence’, Howard Dresner, on how to use BI to outperform the competition. **page 12**

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Pervasive BI adds both breadth and depth to its usage, writes Rod Newing

Pervasive BI involves creating an infrastructure that gives employees in all areas of the organisation at all levels access to the information they need to be most effective in their role. It brings competitive advantage through improved performance, whilst increasing the return on the organisation's existing investment in BI technology.

"The goal has always been to take BI from the isolated realm of the office of the CFO or C-level executives and make it something for everyone," says Tom Casey, general manager for SQL Server development at Microsoft. "Today, only about 20 per cent of users in an organisation have access to the accurate corporate data and BI tools they need to make everyday decisions for the business. We must move towards empowering closer to 60-80 per cent of people in an organisation, for better day-to-day decision-making at every level of organisations."

This involves moving away from a fragmented BI environment, where each department has its own tools, to a unified platform that embeds BI into the overall management and business processes of the organisation. "You have to reach the IT professional and developer as well as users," says Casey. "As they are being asked to do a whole lot more with less these days."

EVENT-BASED BI

He goes on to say, "to make BI truly pervasive it must be delivered as part of the familiar tools users work with today, and delivered through the organisation's existing infrastructure to increase efficiency for IT professionals and developers. To be truly effective business intelligence must integrate deeply with the information platform, collaboration platform, and business productivity suite."

Embedding BI into business processes brings enormous competitive advantage. Nick Millman, senior director for information management services at Accenture, says that "event-based BI" makes information available to the individual employee who needs it at the time they are executing a process. It could tell a call centre agent the value of the customer with whom they are conversing,

detect errors in transactions at an early stage or optimise the supply chain.

This can be extended to make BI real-time, which involves the software monitoring high volume activities as they happen and alerting users to unusual items or changes in trends. "Real-time BI is a key need in the future evolution of BI," says Pete Walker, UK managing director at Information Builders, a BI software vendor. "The system 'listens' to events in a stream of operational data and allows business decisions to be made before problems affect business performance."

Andrew De Rozairo, head of European business development at Sybase, a database vendor, says that Search engines like Google and Bing have revolutionised people's expectations. Users who were satisfied with morning reports of yesterday's events now want reports for the last hour, minute, second or even millisecond.

Pervasive BI also embraces closed loop performance management, where targets are derived from the corporate planning process and expressed as an integrated set of key performance indicators for all departments and all levels that contribute to the achievement of those plans. Employees are incentivised to achieve their targets, the indicators monitored, variances investigated and corrective actions taken. The result is to align behaviour in all parts of the organisation behind achievement of overall corporate objectives.

"In this environment, businesses want to save or make money," says Nakis Papadopoulos, CEO of the IM Group, an information management company,



The goal is to take BI from the isolated realm of the office and make it accessible to all

"which is about closed loop. The BI technology monitors budgets and targets and feeds the outcome back to the business planning process, allowing real and tangible changes to the organisation."

BI COMPETENCY

A number of organisations have set up a BI competency centre, under various different names, to bring together people from both the business and IT. Its main role is to promote the use of BI in all parts of the organisation, encouraging local development and innovation. It also standardises the technology, builds an effective information management strategy and ensures data quality.

A BI infrastructure must be scalable enough to support a large number of users and flexible enough to meet a wide variety of business needs. "The most popular analyst tool in the world is our Excel spreadsheet," says Microsoft's Casey. "As it is a familiar business productivity application, we are

building directly into it the powerful integrated experiences people need to create and consume BI. Dashboards must also be made available across broad sets of users in the organisation, to give them a personalised experience integrated directly with their portals."

Pervasive BI should also enable relevant data to be provided to trading partners to promote a responsive and economic supply chain. "BI isn't just an isolated tool for a single user," says Casey. "Users need a collaboration environment to share insights." Kevin Long, senior consultant at Teradata UK, points out that some organisations give suppliers access to BI tools. This allows them to analyse availability, margin, wastage and promotional performance for their products.

The BI system also needs to incorporate unstructured data, such as e-mails, documents, news feeds, diagrams, maps, audio, video, social networks, etc. "BI isn't just about looking at numbers," says Papadopoulos. "It must look like the internet applications we use outside work, so BI must be able to bring all these different types of data sources together without having to log on and use different tools and technologies. Users want good performance and to view documents and numbers on the screen at the same time."

Franz Aman, vice president for intelligence platforms at SAP BusinessObjects, says that everybody knows how to use search and the web these days, so these familiar paradigms must be used in the BI space to make people more comfortable. A Google-style approach starts users off on a "white canvas", where they type in what they want in natural language. The resulting data is accompanied by an appropriate graph, whether line, bar, pie, radar, etc.

"You have freeform access and don't need to worry about structure," he says. "You can navigate and explore your business data in a natural way, just as you navigate and explore the web. It

makes BI much more approachable for a whole new range of people in the organisation, so it becomes pervasive."

THE JOURNEY TO PERVASIVE BI

Making BI pervasive is a long term strategy that will bring immense benefits. Accenture's Nick Millman says that most organisations are on a journey towards pervasive BI, but not many are at the destination. Nevertheless, it is a journey worth taking.

"CEOs are paid millions to come up with a strategy for the business," says Teradata's Kevin Long. "But it is the employees on the front line that execute that strategy through their everyday decisions and interactions with customers and suppliers. Switched on CEOs are using BI to arm employees with timely and accurate information to help them make better decisions."

He says that one of the most exciting trends coming out of pervasive BI is the freedom it gives all employees to experiment with information. They can establish new insights into why things happen within the business that can help to improve performance. Data literacy is becoming a mainstream business skill.

"Pervasive BI empowers everyone in the organisation to make the right business decisions based on data and analytics," concludes Alan Cornwell, European vice president at Netezza, an analytical appliance vendor. "It takes relevant information that is usually reported up to management and pushes it down to users. It is presented so that people see only what is most relevant to their day-to-day tasks, with expectations and performance clearly identified. What could be better than that?"

Published in association with:



PERVASIVE USE OF BI

To pull ahead of the competition, insurers are employing next generation BI to harness the power of their information assets to make answers immediately available to businesspeople across their organisations.

According to a Gartner survey of 28 life, property and casualty and health-care insurers, improving the speed and quality of business decisions was the fundamental driver underlying all BI investments made in the industry – more important than operational performance measurement or regulatory reporting. By offering decision makers at all levels a simple and powerful way to see the appropriate information at the right time, companies have seen how improved decisions can have a significant impact on revenue, cost and overall profitability.

Many firms are now leveraging next-gen BI to provide answers for front line personnel in functions like sales management, marketing, finance and administration. AON Insurance deployed QlikView to more than 400 users in their HQs across 12 countries to improve global sales and profit tracking – they achieved significant ROI because of direct reporting cost saves, which helped identify trends and realise their full market potential.

**TOM CASEY**

General manager for business intelligence at Microsoft Corp
Microsoft is the biggest IT company in the world and among the biggest players in the business intelligence market

**ANTHONY DEIGHTON**

Senior vice president, product at QlikTech
QlikTech is the world's fastest growing business intelligence company, according to IDC

ROUNDTABLE

Experience shared is business gained

Companies sharing information with all workers using innovative business intelligence software can make impressive productivity gains whatever state the economy is in, says **Iain Martin**

How does collaborative business intelligence (BI) differ from general BI and what are its main advantages, especially in the current tough economic climate?

Rita Sallam: "There is no difference between 'collaborative' business intelligence (BI) and 'traditional' BI. There has to be some form of collaboration in all BI. What we are seeing is the rise of the use of social software to encourage collaboration in decision-making, and also perhaps a more structured approach to decision-making. The problem is that this collaboration is completely disconnected from the decision and decision inputs and outcomes. That's where Collaborative Decision Making (CDM) plays a role."
Anthony Deighton: "General, or traditional business intelligence, failed to meet expectations in terms of flexibility and user experience. It focused on delivering static reports – pre-defined by IT – that were out-of-date and focused on the needs of a handful of elite power users. This caused never-ending multi-month development cycles that frustrated users and consumed enormous amounts of time and money."

Tom Casey: "Traditional business intelligence, which is built on a centrally managed data warehouse and allows users to align and monitor top-level business operations, remains important. The convergence of social networks, collaboration and business intelligence allows users to extend traditional BI with solutions they create, share, and use to make more effective decisions in their everyday work. BI is on the move from the realm of specialisation to truly becoming a technology for everyone."

Anthony Dent: "Collaborative business intelligence offers companies the ability to be a more agile and competitive organisation – import factors in the current economic climate. Collaborative BI has the added benefit

of encouraging a culture of greater individual responsibility and empowerment, enabling all sizes of organisations to get more from their most valuable assets – their staff."

Anthony Deighton: "Collaborative business intelligence is being driven by the new business user-driven, self-service era in BI. It allows users to create their own analyses and adjust on the fly. This enables them to analyse and drill down into key elements of their business, and combine previously disconnected information for a complete view that can help them make better decisions."

Tom Casey: "The emergence and pervasive nature of social software like Microsoft SharePoint Server inside corporations coupled with the agility of Excel, means users can more readily share their solutions to problems, brainstorm with team members and store assumptions, and ultimately capture more complete decision making data. At the same time IT professionals can manage and govern the utilisation of these applications just as they do the rest of their portal and information management infrastructure. In doing so, these sorts of self-service

“By next year, we'll see the emergence of more integrated tools that integrate more Collaborative Decision Making components”



Business intelligence is top of mind and a hot priority for most organisations

BI applications not only bring value to individuals and teams, but also can grow to be effective corporate information assets as well."

What types of companies are using collaborative BI and why are they using it?

Rita Sallam: "Business intelligence is top of mind and a hot priority for most organisations. According to Gartner surveys, BI has been a top CIO priority for the past five years with the top reason for this being better decisions."

Anthony Deighton: "Collaborative business intelligence can improve any industry. We've seen information in the hands of users impact everything from supply chain efficiencies in manufacturing to accelerating patient care in an emergency room. We've found the industries that are adopting the new collaborative BI technology more readily are in Manufacturing, Financial Services and Retail & Consumer Products industries."

Anthony Dent: "Collaborative business intelligence is applicable both for businesses and the public sector. In the public sector, collaborative BI is ideally suited to the modern target-driven culture that aims to achieve consistent in-service delivery across

many separate but similar public bodies such as councils, hospitals, schools, colleges and universities. It also lends itself well to setting benchmarks against which each organisation can measure its own results, thereby driving the cultural changes needed to enhance performance."

Anthony Deighton: "It's not so much that collaborative business intelligence generates better results in Manufacturing, Financial Services and Retail & Consumer Products industries, it's more the case that these industries have mountains of data and existing investments in traditional BI. Because of this they are looking for a cost effective addition that can quickly make the information they have more widely used throughout the organisation."

Rita Sallam: "Despite the fact that decision making has been the business intelligence holy grail, most BI deployments emphasise information delivery and analysis to support fact-based decision making. But, this fails to link BI content with the decision itself, its outcome, or with the related collaboration and other decision inputs that make it impossible to capture decision making best practices. This reduces the quality and transparency of resulting decisions."

Tom Casey: "All organisations benefit when they provide employees with the critical business information they need to make more informed decisions. Extending this system to support the collaborative process of sharing information, tracking assumptions, and brainstorming solutions enriches this process and results in more informed and thoughtful decision making."

Anthony Dent: "The greatest beneficiaries of collaborative BI are those that clearly recognise the value of involving their workforce in making the decisions required to achieve targets and continuously improve results. Individuals benefit from the approach by a better understanding of their effect on the achievement of overall company goals."

Rita Sallam: "We believe Collaborative Decision Making (CDM) can be used to capture best practices, to make decisions transparent, to capture knowledge – which is increasingly important as the workforce ages – and important to build consensus. A collaborative decision making solution should bring together all information relevant to a decision, not the least of which is Business Intelligence, the right people, with the right decision tools in a collaborative

17% expected annual growth in business intelligence market

\$13bn expected global revenues from dashboard technology by 2014



ANTHONY DENT

Managing director, Dynistics

Dynistics was set up in 2000 and is among the UK's leading developers of Customer Relationship Management, Email Marketing, Reporting and Active Dashboards products



RITA SALLAM

Research director, Gartner

Gartner is one of the world's leading IT Research and Advisory companies

decision making environment, which captures the process for reuse of best practices and transparency."

What role is business intelligence technology playing in improving results for companies?

Anthony Dent: "Collaborative Business Intelligence is improving both the internal and external exchange of information required for good decision making. For example, the general trend towards sharing information between partner organisations can be practically delivered through online web portals or intranets in real time. This eliminates issues associated with more traditional methods of information sharing such as by emailing spreadsheets (which creates security and uncontrolled distribution issues). In addition, the strong graphical capabilities of collaborative BI tools can present information in a more attention-grabbing and effective formats. Current software tools that enable collaborative BI are not expensive and can typically generate a return on investment within months of implementation."

Rita Sallam: "Business Intelligence, Collaboration, Social Software, Content Management could all play a role. Right now this is an emerging market. We are seeing vendors offering parts of the solution or for a specific decision like new product development. This could involve combining social software with BI or Collaboration with decision tools like simulation and mind mapping."

“In the public sector, collaborative business intelligence is ideally suited to the modern target-driven culture”

Tom Casey: "Emerging trends in collaborative business intelligence are in part driven by an emerging workforce familiar with social software and ready access to information on the web, and expect to work that way. We're seeing pervasive adoption of our collaboration platform, Microsoft SharePoint Server, which provides the integration of social software capabilities with business intelligence. This allows a changing workforce to better leverage information through a familiar and capable environment."

Anthony Deighton: "Because users are demanding the same speed and ease of use to finding information in the workplace as they have in their

personal life through ubiquitous tools like Google, new technology that addresses both of these demands is taking off. The speed is addressed by 'In-Memory BI' technology, which allows users to get answers in real time."

Rita Sallam: "By next year, we'll see the emergence of more integrated tools like SharePoint – which will include more of the Collaborative Decision Making components – and we're seeing a number of vendors pop up and focus on this problem. SAP has also announced a Cloud-based offering that begins to address this opportunity. Google begins to hint at this capability in Google Wave."

Tom Casey: "User driven access to critical business information is also provided through new products such as SQL Server PowerPivot for Excel, which provides better self-service access to critical business information, regardless of its origins or whether it is structured or unstructured. Users can create their own expansive views combining data from sources such as industry trends, data from suppliers, or information from partners and integrates with SharePoint for better collaboration. Also, to ensure that it all runs smoothly, it comes with built in management capabilities to provide IT with the insight and oversight that they need to better manage the system overall."

How will the collaborative Business Intelligence market place change in coming years?

Anthony Dent: "Opportunities for collaborative BI are going to increase dramatically over the next few years. Organisations are becoming more widely aware of the capabilities of tools such as dashboards for presenting all relevant information for decision making. They recognise that in an increasingly competitive environment they must invest in BI tools to remain competitive or risk losing their markets."

Tom Casey: "To remain competitive, there is an increased awareness that organisations gain a competitive edge when their workforce has easy access to the right information to make more informed and educated decisions, and we expect that need to grow. Our customers are looking for these capabilities to be delivered through the existing technology investments they have already invested in, to reduce training and costs, and allow for quick deployment. They are also looking for deployment flex-

ibility offered from both on-premise and cloud-based solutions and the freedom to choose either model or deploy a solution across both."

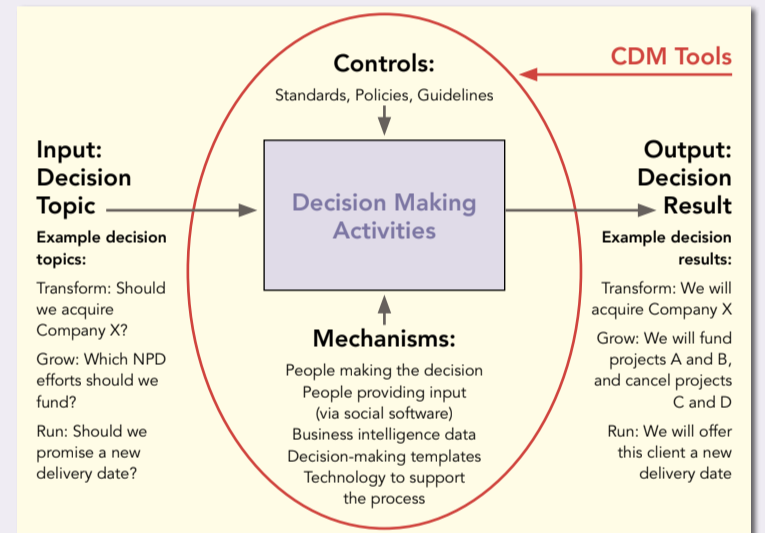
Anthony Deighton: "I expect we are just at the beginning of this self-service business intelligence movement. A generation of technology-savvy, information-hungry users is proving that data is not just for IT and executive management anymore. Really, to the users, they don't even know or care about the term BI."

Rita Sallam: "I think there will be greater opportunities to get more value out of business intelligence investments through Collaborative Decision Making, so I would expect the opportunities in the BI market to grow."

Anthony Deighton: "Users just want the information they need now, they want it to be accurate and they want to be able to use it so they can be successful. These demands will continue to drive IT decisions in the next few years more than they ever have in the past."

CHOICE WORDS

Collaborative decision making tools can provide crucial support to companies in their strategic planning.



Source: Gartner

THE BUSINESS INTELLIGENCE MARKET

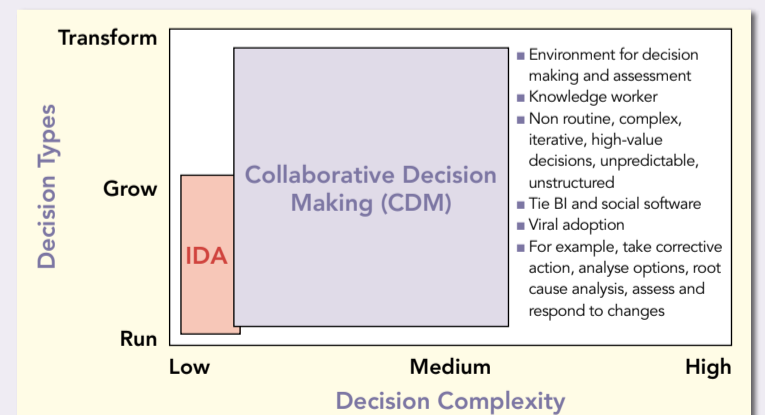
The business intelligence (BI) sector is populated with established US-based BI software suppliers such as Microsoft, IBM, SAP and QlikView. Despite the global economic slowdown, the BI market is expected to achieve 17 per cent compound annual growth in coming years.

One of the biggest drivers of the expected growth in the BI market is so-called collaborative BI. Collaborative BI essentially differs from general BI as it's based on a deliberate strategy to deliver information to everyone in an organization (not just management) to enable more informed decisions. Some companies have improved business process efficiency by 30 per cent annually by combining collaborative techniques with BI tools and methodologies, according to a survey of 220 organisations globally published by US-based research house Aberdeen Group this year.

So-called dashboard technology is an emerging collaborative BI tool. Dashboards are applications that retrieve data directly from an organisation's existing databases in real time and in a broad range of graphical or text formats. One of the key advantages of this software is the ease in integrating them with other applications. Research houses Gartner and Forrester predict that the worldwide market in annual licence revenues for dashboard technology will grow from \$3 billion this year to \$13 billion in 2014.

A HELPING HAND

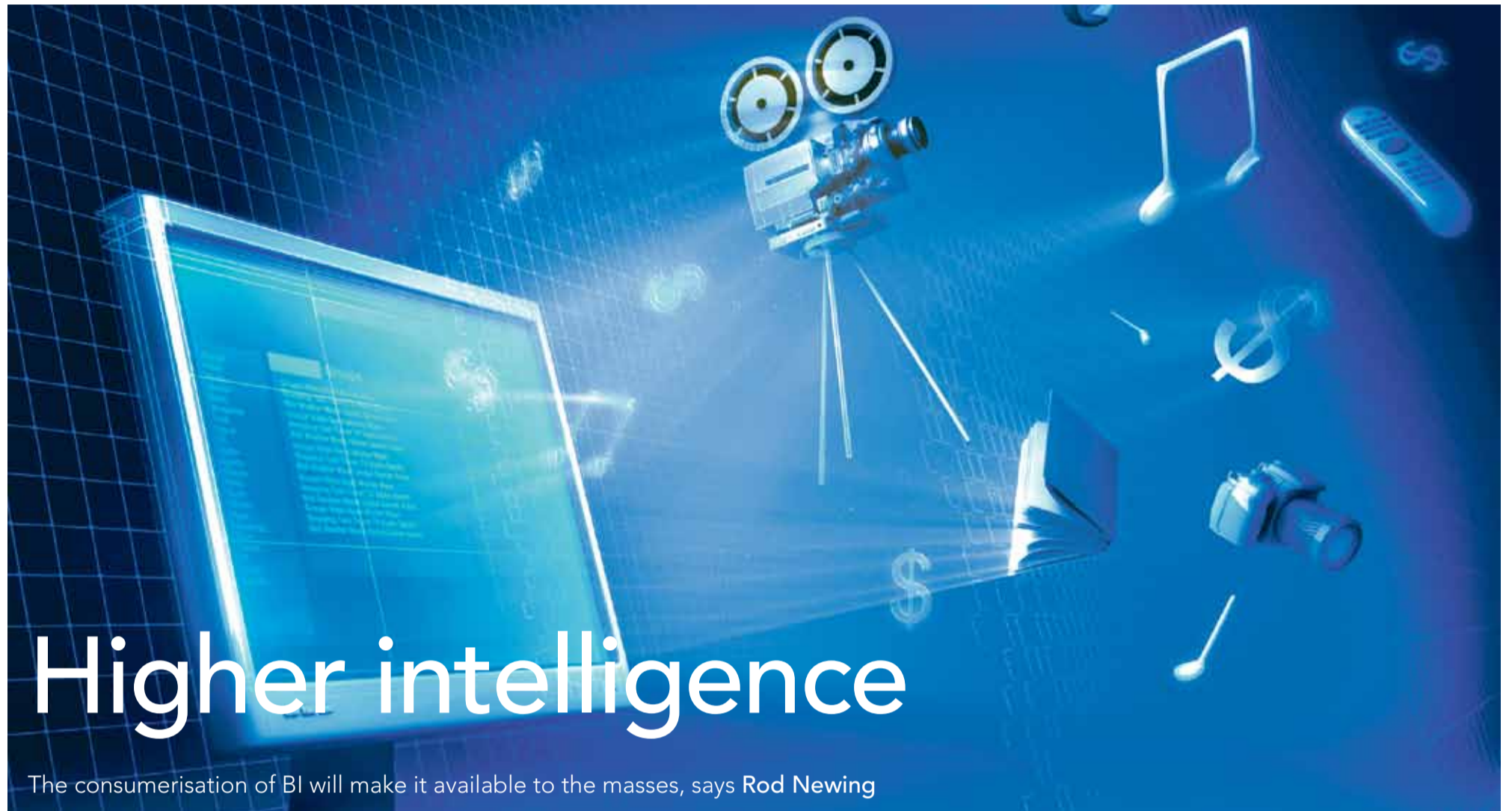
CDM practices can help with the assessment of decisions in terms of type and complexity and allows companies to share the strategic workload.



Source: Gartner

30% efficiency improvement through collaborative business intelligence

\$578m expected business intelligence software revenues in Asia by 2011



Higher intelligence

The consumerisation of BI will make it available to the masses, says Rod Newing

Business intelligence is a concept that arose twenty years ago from decision support, which was aimed at internal analysts, and executive information systems, which were designed for directors, managers and their supporting analysts. Since then, organisations have come to realise that decision-makers at all levels in all parts of the organisation need access to timely, relevant and accurate information, whether in a call centre, sales office, shop floor, retail outlet or logistics department.

This means that the system must be usable by people with a wide variety of computing and analysis skills. "Consumerisation of BI will be a significant trend affecting IT over the next decade," says Sean Farrington, UK managing director at QlikTech, a BI vendor. "Enterprise-wide BI software is already scalable, but must be redefined to make it accessible and useful to everyone in the organisation who needs it."

DEMOCRATISING INFORMATION

He says that turning data into information for people on the front line will help to democratise information. However, the software will need to have more in common with consumer software, in terms of its ease of use and perceived usefulness, in order to achieve high user adoption rates. This will help to change the culture of the organisation into one that recognises and rewards the contribution of the individual, even in a global enterprise.

"If you can use a computer you should be able to use BI," says Franz Aman, vice president for intelligence platforms at SAP BusinessObjects. "If BI is easy and straightforward to use it becomes an essential tool of people's daily work life."

One organisation that has faced this challenge is Henderson Group in Northern Ireland, which owns SPAR, EUROSPAR, VIVO and VIVOXTRA franchises. "We had the classic issue where we couldn't get access to information we knew we had," says Andrew Logan, the company's information services director. "It was held on paper, in spreadsheets, in multiple databases, in stores, headquarters and constituent companies. We wanted to make it accessible from the top down to anybody who needed it."

APPLICATIONS

The company implemented QlikView from QlikTech. A core team in the IT department identified "super users" in each department who established its needs, identified "easy wins" and refined the basic reports. Sixty different applications were developed that are used from the chairman down to administrative staff in all parts of the company, including supermarkets, both owned and third party.

"It is fantastically easy to use," says Logan. "We have a very wide range of end user skills in the business, from sophisticated to barely able to use a computer, but we can encompass all their different requirements."

He had to overcome initial reticence from a few colleagues who held onto information as a source of power. He showed them how consolidating information from different sources would make their job easier and how they could empower their employees by giving them subsets of the information.

Everybody has an initial "dashboard" screen that provides a graphical presentation of what matters most to them. Areas that need action are in red and those

in green are meeting objectives, making it very much an exceptional management tool. Logan doesn't want people to spend a lot of time doing analysis and they only need to "drill down" to more detail if there is an issue.

"It is all things to all men and women," he says. "People are falling over themselves to get access to the tool, because it makes their life so much easier. It shows where we are missing margin, where we haven't performed and what we need to address."

Farrington says that BI allows users to see the business at all levels relevant to their role. They can zoom in to see where changes need to be made and then zoom out to get the big picture. The detail gives them more knowledge of what is going on in the organisation, so that they have more control.

"We can take appropriate actions to fix problems," says Logan. "Which we couldn't do in the past. BI tools give easier access to more detail, which allows us more control of our business. We now have a very well managed business that we can keep a close eye on and we know exactly how we are performing in every area."

Farrington points out that consumerisation of BI is also an opportunity to improve best practices in management of BI systems, by automating as much as possible. It not only allows the organisation to get the most out of its employees, but improves their relationship with IT because they are better supported.

Alys Woodward, European programme manager for business analytics at IDC, points out that delivering reports is a relatively simple task for the IT department. However, providing an ad hoc

query and analysis environment with the flexibility and simplicity demanded by end users remains a challenge.

"Business requirements naturally evolve as the business itself evolves," she says. "BI software must be flexible and dynamic enough to provide answers to the business in changing times. It can drive the organisation's evolution to a more analytic culture-making information available to support the business strategy as it changes to underpin business agility."

“Users need answers right away and they don't have time to manipulate data or 'crunch' spreadsheets”

This means that software must operate "at the speed of thought", as users interact with their data to answer their own questions. BI vendors have spent 20 years speeding up the performance of their systems, as they analyse large volumes of data, but users now expect the almost immediate response times they get on the worldwide web.

"In the past you needed to spend a lot of time organising your information in a way that would allow you to answer your questions," says Franz Aman

of SAP. "But that is not how business works today. Users need answers right away and they don't have time to manipulate data or 'crunch' spreadsheets."

Pete Walker, UK managing director at Information Builders, a BI vendor, says that BI has evolved significantly over the last few years, from predominantly giving access to information only to senior management to being applicable to all employees today. This has involved moving from a tools-based approach, where the IT department builds the application, to the capability being pushed out to all users to do a degree of analysis on their own.

Users may be given a standard report, but if they are being asked to drive greater productivity or efficiency, increase profits or realise return on investments they need to adjust their report to get appropriate information for their business decisions. That gets quite challenging if they have to go back to IT all the time and drain its resources.

EVOLUTION

"It has been a natural evolution as expectations of today's consumers and users are higher," he says. "They have developed over the years as a result of the internet and search engine capabilities. People are used to going online and getting information at the click of a button."

Nakis Papadopoulos, CEO of the IM Group, an information management company, says that his customers are telling him to deliver BI, but to make it easy. "BI must be delivered in a way that consumers can engage without having to read a manual, the way they use an iPhone," he says. "Making it really easy and accessible means it has to be 'consumer-grade BI.'"

BI for the masses

Rod Newing investigates how self-service technology is empowering end users

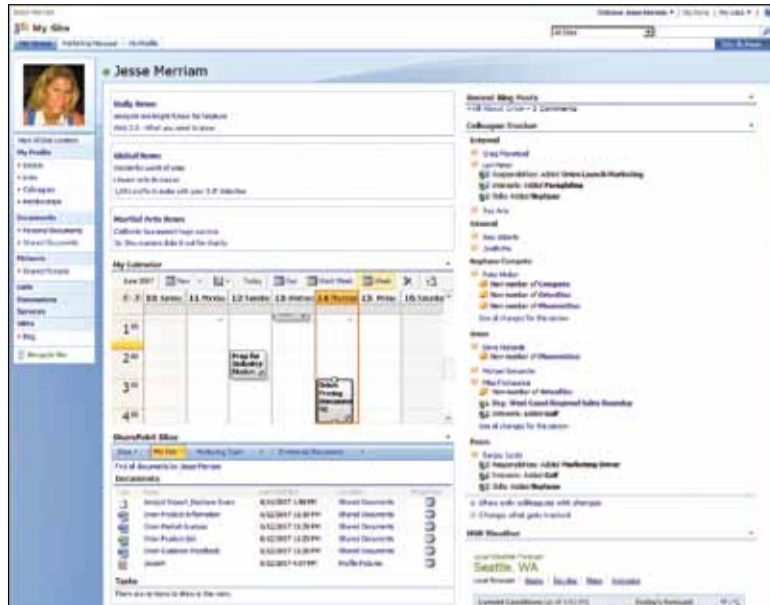
Currently only about 20 per cent of decision makers in an organisation are supported by BI tools to give them the information they need. Microsoft believes that this needs to be raised to 60-80 per cent.

“We have to make BI something for every user in the organisation, by delivering BI in the tools employees already know and use every day, in a way that isn’t cost prohibitive to the organisation and encourages mass adoption,” says Tom Casey, the company’s general manager for SQL Server development. “We need to give business users more agility to create their own BI solutions while providing IT professionals with the oversight and control that they need. We call this ‘managed self service.’ It isn’t an entirely new idea, as for some time our Excel spreadsheet has been widely used by business users to create their own BI solutions, albeit in a somewhat disconnected and unmanaged way. We can’t tell users not to use it to solve everyday business problems, as they should. Instead, we have to embrace it and make it much more manageable and palatable to the organisation as a whole.”

Microsoft extends its “managed self-service” solution in the next release with a product they call SQL Server PowerPivot. SQL Server PowerPivot is an add-in to Excel which allows users to pull in large data sets into Excel from a broad range of both structured and unstructured sources. It then joins the data together so users can use pivot tables and other BI capabilities native to Excel to self-serve their BI needs. The “managed” elements come into play when users publish these solutions into SharePoint to collaborate with colleagues. Once in SharePoint, IT professionals have visibility into what’s being created.

“People used to create the Excel workbook and it would run around in the wild and get copied via e-mail,” says Casey. “It would then run into the information management issues around data decay and staleness and people could make decisions using old and invalid information, which is bad.”

IT professionals can now take control of the users’ applications through SharePoint Server. They can man-



Microsoft is working to make BI more manageable and palatable

age data refresh, see who is using the workbooks, change data sources, manage security and change the users and roles permitted to use it.

“End users’ decisions used to live and die with them,” says Casey. “Managed self-service now allows them to carry out their own reporting and analysis, while giving IT oversight and insight into what solutions are being built.”

Self service involves the use of BI applications, as well as creating them. Nick Millman, senior director for in-

formation management services at Accenture, believes that self service is a good thing, but organisation have to look at it in terms of what information needs to be pushed out to users and what they need to “pull” from the system themselves.

“The executive level wants scorecards and information pushed to them and then the ability to analyse the data,” he says. “Information workers prefer to serve themselves with the data they want for analysis. People doing day-to-day business processes

want to be given the information at the right time for the event or process they are dealing with.”

Self service BI is critical when it is shared, which is increasingly being done with customers and suppliers. BI has typically been used by tens and hundreds of users, but BI vendor Information Builders is involved in projects that involve thousands, tens of thousands and potentially millions of users.

For example, Southern Energy is allowing its 420,000 business customers to analyse their gas and electricity consumption and costs using Information Builders WebFOCUS tool, through a Microsoft.NET portal. 23 per cent signed up in just six months and the company is confident of converting 90 per cent within three years.

“Without a good web presence we would be struggling to attract new customers and to retain existing customers by enhancing their experience and relationship with us,” says Phil Collard, head of business and operational support at Southern Energy. “Unless we are able to offer on-line services like this, especially to the public sector, we would not even be able to tender.”

Casey concludes that the key is to make BI accessible to everyone, not just executives. It must empower end users to make everyday decisions in a way that is more informed by accurate information.

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Lots of data, but no information

Dashboards provide new sources of ROI, writes Megan Codling

Downturns magnify IT spend many times more than the norm creating, at the very least, caution when deliberating further outlay but also thrusting existing implementations into the spotlight to prove their return on investment.

Let’s consider the CIO who only five years ago purchased an enterprise-wide or departmental system. Today, the economic landscape has changed beyond recognition, the business is under pressures which it has not experienced before, and there is an overwhelming necessity to produce better and real-time information upon which to make decisions. In short, there is a need to do more with less and to make existing investments work harder.

Anthony Dent, managing director of UK dashboard software vendor Dynistics explains: “We’re seeing massive demand for our Active Dashboards software to address two things: the need for instant interpretation of data in a highly usable format for making rapid decisions and the need to make existing enterprise software ever more relevant, extending its life and protecting long term investments during leaner times.

“Customers often have all the data they could want sitting in silos across the organisation – everything from a spreadsheet to a full relational database, but still don’t have the management information they want at their fingertips. Active Dashboards addresses that issue for them.”

The payback is two fold; the user spends considerably less time asking internal departments to run reports, number crunching data, and putting together management packs containing presentations which are instantly out of date. The CIO on the other hand, for little outlay, safeguards the long term investment of legacy systems whilst unlocking the information from within them and making them usable and relevant to doing business in today’s environment.

Warren Jenchner, managing director of Apex Lifts Ltd, uses Active Dashboards as a complementary enhancement to the company’s Pegasus accounting software. Pegasus resells Dynistics’ Active Dashboards under its own brand name enabling existing customers to distribute meaningful financial management information across the organisation.

Warren explains: “The addition of dashboards has provided Apex Lifts with a tremendous boost to the usa-



Dashboards are a highly usable format for making rapid decisions

bility of our chosen accounting package, especially for non-accounting trained employees. For me it provides a comprehensive and customisable management briefing when I arrive at my desk each morning. Key issues, such as sales, cash flow and debtors are updated in real time.”

Usability is key. If software is intuitive to use, employees across the organisation can have instant access to information that might previously have only been the domain of management. Communicating corporate objectives and measures in a format that provides real-time feedback on results and progress towards the achievement of corporate goals helps to foster a proactive management culture and promote employee productivity.

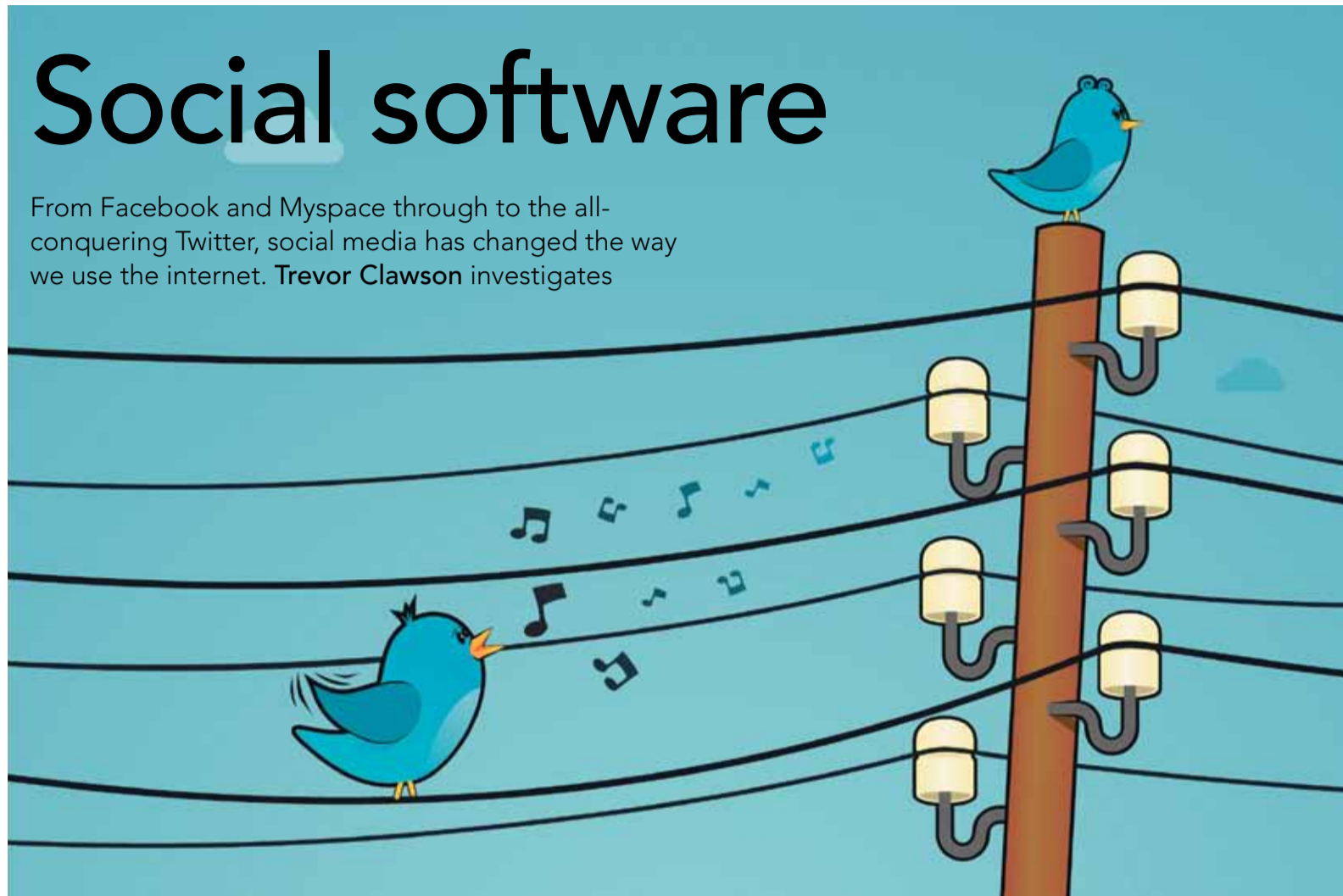
And what of the in-house IT department? Well, Active Dashboards makes life easier for them too, as they can more easily provide the organisation with the information it needs but spend less time creating and distributing reports. It’s also no longer necessary to aggregate data into a single data warehouse as Active Dashboards can retrieve it directly from one or more sources simultaneously, making implementation very simple and very rapid – delivering significant results in a matter of days.

“Active Dashboards is at the forefront of innovation in Business Intelligence solutions,” says Dynistics’ Anthony Dent.



Social software

From Facebook and Myspace through to the all-conquering Twitter, social media has changed the way we use the internet. Trevor Clawson investigates



Where once we consumed web content and interacted mainly on a one-to-one basis via e-mail and instant messaging, we now add our thoughts to wikis, write blogs and communicate within communities of like minded people.

And according to Tom Casey, general manager for SQL Server at Microsoft, the collaborative principals of Web 2.0 are already having an impact on the way that business intelligence data is disseminated and consumed. "If you look at the new class of professionals that are coming into the workplace, you see people who are more connected than any generation before them," he says. "What's more, they expect to work collaboratively and create content."

As Casey sees it, this participatory approach to online work and play is spilling rapidly into the corporate computing environment. The new employee is seldom content to simply consume information imparted from above. Quite the opposite. Thanks at least in part to a grounding in Web 2.0, young professionals expect to take information, play with it, add their own thoughts and comments and pass it around within (and sometimes outside) the organisation.

INDIVIDUAL NEEDS

It's a development that chimes neatly with trends in business intelligence thinking. Where once BI was seen mainly in terms of dashboards and reports for senior

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Next generation business intelligence

These days so many articles about information technology (IT) begin with "In this economy..." that you could be forgiven for thinking that all our challenges are new. To summarize those articles, we need to build better efficiencies and improve processes, go digital as much as possible and increase collaboration so that we can rapidly address changing business needs. These challenges are as old (or new) as business itself and have been the cornerstone of what Business Intelligence (BI) has promised. What has been missing is a complete BI solution that addresses the full range of our needs so that it can properly support agile thinking and continue improving our processes in any economy.

In A.W Shaw's "Library of Business Practice" published in London in 1914, Shaw describes how "Every executive has an endless chain of demands upon him for specific information. Such demands consume a large percentage of the desk time of the executive unless the desk itself is made a tool for supplying the answers." Shaw could have been writing yesterday, could he not? The parallel is even more striking when he describes the solution "The executive's desk is merely the center of a highly specialized finding system."

Microsoft are helping the business world build better efficiencies and improve processes

Shaw, a pioneer of modern management techniques, essentially describes the need for centralized and managed reporting, self-service access to critical business information, and the ability to search and discover new insights. Funny that the demands have not changed, just the tools.

Over the years BI has evolved tremendously through new technologies and approaches and Microsoft has made great contributions to this area, bringing Online Analytical Processing (OLAP) to the mainstream, as well as Extract, Transfer, and Load (ETL) tools, data mining for predictive insights, and dash-

boards and scorecards for clearer understanding of trends and targets.

But the one tool that every person in the organization defaults to is Excel. And when other tools reach their limits, Excel is the tool that becomes the hero by bringing together different pieces of information into a single, coherent view. Excel's ubiquity and flexibility impose very few restrictions that are typical in traditional BI tools; their modelling environments targeted at specialists and IT teams deep in the vernacular of the system, not the business. In Excel, you work directly with the data and perform many iterations quickly and seamlessly. It is the business world canvas and palette in one.

Better yet, IT professionals can now provide end users with the power and flexibility they need without having to compromise the "Insight and Oversight" that is critical to running secure and compliant IT infrastructure.

With Microsoft Office, SharePoint 2010 and SQL Server 2008R2, Microsoft has taken the traditional and new worlds of Business Intelligence and combined them into a single, performance platform to drive businesses of all sizes. From the desktop with Excel 2010 and PowerPivot for Excel, analysts

have the power and flexibility to perform any type of modelling, create advanced calculations that previously required deep understanding of data objects and semantics. With SharePoint, that analysis in Excel is transformed into a sharable, highly interactive business view, that is collaborative and discoverable alongside rich dashboards and scorecards. Now that dashboard is viewable by all who need it with up-to-the minute information only a click away supplying the answers needed quickly. Collaboration is amplified with new social networking concepts, people and knowledge search, and uniting structured and unstructured information into a single view across the business, inside and outside of the firewall.

As end users share Excel documents and collaborate in SharePoint, IT professionals now have the control they need to manage data refresh, see who's using the workbooks, change data sources, administer security and more, providing IT with governance and compliance without restricting end-user flexibility and agility.

Microsoft®

managers, today it increasingly addresses the information needs of individuals and teams at all levels within an organisation. In this environment, the collaborative tools that characterise social media provide a useful means for team members to interact. "And it's not simply about sharing information," Casey stresses. "It's about sharing experience and insights."

But what does this mean in practice? Well, Casey cites the example of an HR project looking at salaries within a company to determine if they are on par with those paid by competitor organisations. The chances are that the HR department will only have up-to-date data relating to the company's own salary structure. However, by opening up the reporting process to others within the department a huge amount of information can be gleaned from employees who have experience of the packages offered by rival businesses."

“You see people who are more connected than any generation before them”

Microsoft offers collaboration through Microsoft SharePoint Server, but it isn't the only software and solutions provider to see social media applications as a lubricant for the flow of business-critical information. In November of this year, Salesforce – a provider of sales and customer service management software – announced the launch of Chatter. Billed as a Facebook for the enterprise, chatter allows users to set up profiles, tap into communities and share information and insights on customers.

COLLABORATION

"For instance, within a group you can share information that a deal has been signed or a new competitor has come into the market place," says Tim Barker, senior director of product marketing (EMEA) at Salesforce. "Everything can be customised so individuals only see the news for the topic areas they've specified."

The Salesforce system also allows users to access the public internet to tap into social networks such as Twitter or LinkedIn – potentially useful sources of customer intelligence and this particular feature reflects a second front on which the Web 2.0 universe is having an impact on business intelligence.

Facebook, LinkedIn, Twitter and the rest are not just social spaces, they are forums in which senior executives post details of their careers, developments in the business world are openly discussed and users praise and damn brands, products and companies. And as Barker points out, a customer will often post a complaint on a social network before taking it to the company's own call centre.

It's hardly surprising then that major corporations are increasingly monitoring and analysing activity on social networks and feeding the results back to the corporation.

Sometimes it's a case of crisis management. For instance, when car company Peugeot fell victim to a wave of online criticism concerning product faults, business intelligence provider LexisNexis set up a system that allowed the company to monitor content on blogs and formulate a response. As LexisNexis UK director of new business Bob De Laney stresses, this kind of intelligence is not simply reactive – by applying analytics tools it can be used to build a customer service strategy. "By analysing the relationship between what is said online and what people go on to do, you can determine how best to deal with angry customers," he says.

INSIGHT

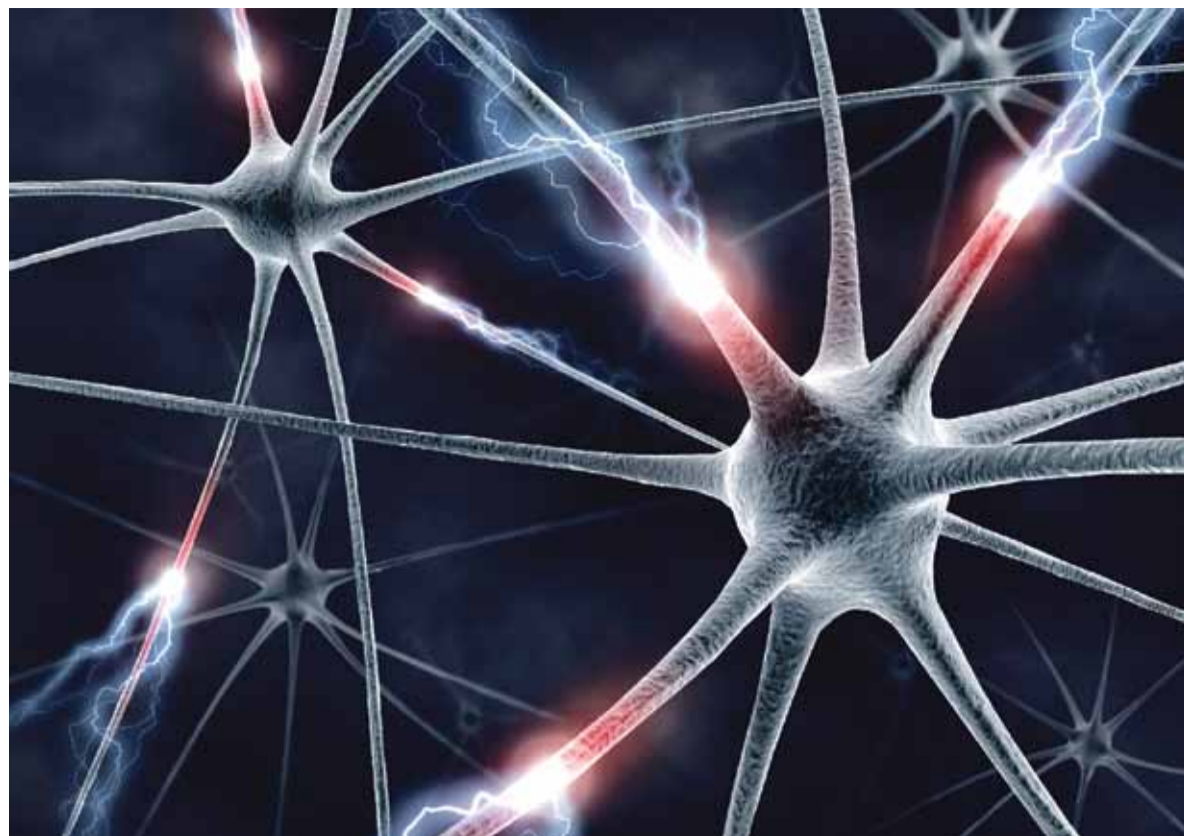
Equally, social networks provide market insight about the major companies. "You might use a social network to find out what people are saying about the financial stability of a potential customer" says Craig Sullivan, VP of international products at cloud Netsuite, a cloud computing specialist that has recently enabled the social media monitoring tool InsideView for corporate customer relationship management (CRM) systems.

But is there a danger that in embracing social media, firms will somehow lose sight of business intelligence as a means to deliver focused information to time poor managers? Tom Casey of Microsoft doesn't think so. "We're not talking about social media replacing BI methods," he says. "But what social media can do is add a valuable collaborative element."



Businesses are now exploiting social networks as a vital tool for collaboration

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Creative, non-linear thinking is where ideas come from

Word association is no longer a game

The birth of super learning for ING Lease UK

Let's play a little game of word association. Your trigger word is "spring". Now think....

What just popped into your mind? Coil? Summer? Bounce? Clean?

Test the same word with a group of people and you're likely to get a variety of answers: what makes sense as a connection for one person, might seem completely absurd to someone else.

Of course, it's these differences that make word association games entertaining. Ask 100 people on Family Fortunes to name a bird with a long neck, and it's "Naomi Campbell" that gets the laughs.

Our responses come from our unique experiences and memories, not to mention the influences that are present at the moment we're asked, which is why there's no way of predicting, logically, one answer that everyone will definitely give.

This is the nature of human thought. We make fast, spontaneous connections based on infinite variables rather than working through logical steps that form a predictable, predefined path.

In trying to recall an acquaintance's name we might think about a particular situation or other people they know – in fact we'll approach it from any angle to try and create that spark of recognition.

Increasingly we want our technology to reflect this, which is why search engines are continually striving to improve the relevance of their associations rather than settling for logical metrics like "web page most visited".

Creative, non-linear thinking is where ideas come from, and a new breed of Business Intelligence tools is recognising this and aiming to support flexible data analysis rather than rigidly defining its parameters.

QlikTech is the company that pioneered this approach to drive tools for super learning. Its QlikView analytics tool has a patented technology it terms Associative Query Logic - developed to better reflect the way the human mind works when searching for answers, by helping explore all possible connections within multiple sets of data.

Data from all your business systems, your favourite Excel spreadsheet and your website, can be combined within minutes. The information is represented in a visual dashboard that helps users to see relationships within this data for further exploration, enabling users to jump from one idea to another at the speed of thought.

The reason QlikView's approach has been seen as so disruptive is that traditional analysis tools have predefined parameters for what you can view. When displaying data they are confined to show you the items you've selected. With QlikView you can review three things: what you've selected, what is associated with the selection, and what is excluded.

Quite often, it provides answers to questions you hadn't even thought of asking.

Chris Stamper, CEO of ING Lease UK, implemented QlikView in order to give his team the tools they needed to get value from their data and make more effective decisions. "Fundamental to the company's quantitative strategy is the investment in associative analysis tools. In a relatively short space of time, the descriptive query tools and associated Excel economy that we relied on have been replaced with QlikView.

"Instead of starting small, we addressed the most fundamental business question: where does the company make its money?"

"Strategic decision making follows a life cycle based on description, prediction, explanation, investigation, and prescription" Stamper adds "As-

sociation suggests that progressing that life cycle is based on the connection of basic events based around impressions derived from experience in the real world, and ideas that originate to explore those impressions.

Following the path from one idea to another which is related to it starts to unlock quantitative analysis of the information that created the impression in the first place."

In practice, ING Lease UK rapidly created a single database containing the vast majority of transactional and relationship information available to the organisation.

Stamper continues "The real power of the technology is that it facilitates the connection of ideas across multiple dimensions, and allows more rounded, considered decisions. Analyses that previously required the involvement of the IT department, and then serious Excel manipulation within the business community, can be carried out in seconds.

"In practice, it means more ideas, more quickly, with the ability to follow a chain of connections to its ultimate end point without the delays that risk compromising the clarity of the original thought being explored."

Because of its self service model that gives users independence and ease in exploring information, QlikTech boasts many more happy customers, with diverse success stories that continue to innovate in this area.

Now associate these two statements: "(QlikTech) The World's fastest-growing BI software vendor" – five years running (source IDC research)

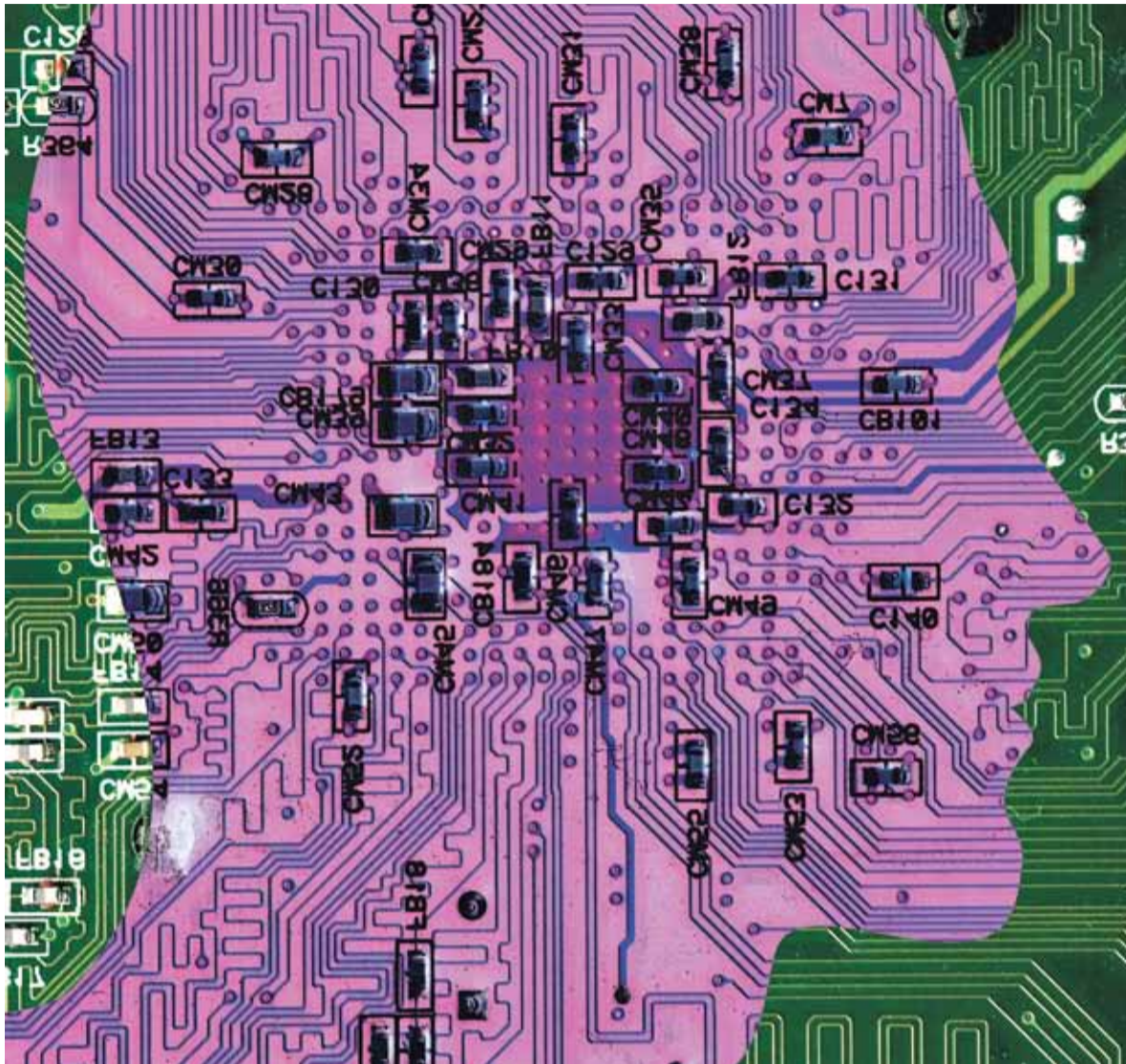
QlikView ranked #1 for Ease of Use and Customer Loyalty

(Source: BI Survey 8 – the world's largest independent survey of Business Intelligence and Performance Management users from Business Application Research Center.)

Version 9 personal edition free download at www.qlikview.com

Tel. 01926 45 88 88 For free training days

QlikView



BI is allowing smart companies to quickly disseminate data around their organisations

Benchmarking success

How are we performing against the targets we've set? Smart companies use BI to find out, as Jessica Twentyman reports

The financial analysis team at asset management firm Insight Investment plays a key role in the company's goal of managing its own finances as well as it manages its clients assets.

That means presenting the company's senior management with regular monthly, quarterly and annual reports that show both costs and revenues associated with particular parts of the business, as well as responding quickly and accurately to ad-hoc enquiries as they arise.

"To do this, I need good quality and accessible data and business intelligence (BI) tools that are flexible enough to extract information from that data effectively, since I've no way of knowing in advance what question will be asked next," says David Merchant, head of financial analysis at Insight.

Trying to provide that information using spreadsheets proved unworkable. So Merchant teamed up with the company's head of IT strategy, Gareth Exell, to build a BI platform for performance management. "We knew we needed an approach that would enable us to consolidate data at a highly

granular level, and then aggregate it to provide information about performance at different levels in highly visual formats," says Exell.

Because of the company's forward-thinking approach to BI and performance management, it is able to identify the costs associated with running a particular fund - the cost of fund management, the cost of the market data they require to do their job, the cost of developing the fund, and so on. Equally, it can track revenues generated by individual product groups (such as fixed income or liability-driven investments), funds, fund managers and clients. "So if our chief operation officer comes to me and asks me how much business do we currently attract from companies in a particular industry sector, for example, I can quickly get an answer back to him," says Merchant.

That kind of responsiveness was vital during Insight Investment's recent £235 million acquisition by BNY Mellon. "When a company engages in this kind of transaction, the data requirements of its executive team - and that of the acquiring company - tend to escalate

very suddenly. A lot of data is needed to clarify the business's performance to date, as well as to model its likely future performance. That was certainly the case for us," he says. "Had we still been stuck using spreadsheets, we might have struggled to provide what was needed. This was a real test of our BI capabilities and we came out of it well."

As part of the company's ongoing BI journey, Insight Investment has recently invested in tools from QlikTech, which Exell explains will further enhance employees' ability to access and view vital performance data. "Prior to the purchase, QlikTech provided a proof of concept, demonstrating a highly scalable platform using real business data, which supports not only the finance team's requirements, but also the wider business as we make the BI platform available across it."

ACHIEVING CLARITY

Not every company is able to measure its own performance with such clarity. In research conducted during 2009 by Clive Longbottom and Bob Tarzey at IT market analyst firm Quocirca, the analysts found that most organisations still have much work to do. In particular, a striking gap was identified between the data needs of organisations and the technology in place to fulfill them.

"Enterprise performance management is still in its early days, with the

majority of organisations having some non-integrated pieces of functionality in place," they report. But, despite the shortcomings, only 12 per cent saw BI tools as being an important means of monitoring, measuring and reporting on the overall health of the business.

That situation needs to change, says Longbottom and Tarzey, pointing out that those respondents who DID see BI as a critical tool are much better at monitoring, measuring and reporting on the financial health of the business than those who did not.

That comes as no surprise to Lars Bjork, CEO of QlikTech and a former CFO himself. "Among our customers, there's been a lot of focus this year on performance, whether it's trimming expenses to create better margins or finding other pockets of potential revenue, but that's certainly not the case everywhere," he says. "During 2009, I suspect a great number of organisations have discovered the hard way that they need a better understanding of how external factors are impacting internal performance, so that smarter business decisions can be made in response to changing conditions."

And it's not just in the finance department that this kind of visibility is required, he adds. Inside QlikTech, BI is used widely to monitor sales, measure the success of marketing campaigns, get better insight into customer trends and to track the progress of customer support issues. "Performance management is vital right across a business," says Bjork. "Whether it's delivered by balanced scorecards or dashboards, employees at every level of the business and in every department need to see the contribution they're making to overall performance and make adjustments accordingly," he says.

Key Performance Indicators (KPIs) are at the heart of a performance management initiative and are meant to provide both strategic and tactical measures of success (or failure) that correlate to an overall corporate plan and set of objectives, according to analysts at IT market research company Aberdeen Group, in a recent report into performance management tools.

KPIs, they say, can be forged from financial planning, budgeting and forecasting activities or from a separate initiative such as a balanced scorecard or corporate dashboard project. They can provide "business alignment" across all levels of an organisation with clearly defined "cascaded targets" - multiple layers of performance measures from enterprise-wide initiatives to individual goals and benchmarks - to create accountability and track progress. "The success of any performance management programme is thus dependent on an effective strategy for defining, tracking, visualising and acting upon KPIs," they say.

Every company has data it could be using to measure performance, according to Bjork - but the ability to extract it in the form of meaningful and (more importantly) actionable information, he says, is what allows high performers to push ahead of their competition.

WORKING ON THE CHAIN GANG

So beyond financial data, what other types of information are smart companies using in order to measure their achievements against company-wide goals and targets? One area that has gained more attention from executives over the past year is supply chain data, according to Sanjeev Nagrath, global supply chain management leader for IBM's global business services arm. "Supply chains cost money. Companies that operate fleets of trucks or have huge volumes of inventory in warehouses have become very aware of these costs involved in the last year and sought to bring them under control," he says.

That said, a recent survey of 400 supply chain executives worldwide conducted by the company found that a lack of visibility into systems data is the number one challenge they face. Over two-thirds of respondents said that making sense of "overwhelming and fragmented data" about supply chain performance is costly, difficult and too time consuming.

This creates "blind spots" at many companies, causing them to fall behind on customers' orders, with potentially damaging results, says Nagrath. By using BI technology, more forward-thinking organisations are tackling this lack of visibility head-on, by using it to collect critical information about supply chain performance from disparate systems, consolidate it and present it to managers in the form of meaningful reports and metrics. At these companies, he adds, the supply chain operation is seen as a critical boardroom issue with direct links to financial results - rather than a back-room operation.

Jason Saunders, a supply chain and consumer goods specialist at management consultancy firm PA Consulting Group has also seen this in action. He's worked with a fast-moving consumer goods (FMCG) company that combined an extensive supply chain track-and-trace database, containing over 120 million product movements, with warehouse management data, product information and invoicing details to determine 'real' customer-service levels, inventory levels and to establish true supply chain velocity across 6,000 stock keeping units (KPU) and 1,000 customers. "This near real-time visibility meant scarce resources could be allocated to the opportunities that would create best value," he says.

That points to a trend in which the value of BI-enabled performance management is increasingly important in every part of a company's operations. "Performance management encompasses more than just financial data," says Aberdeen Group analysts David Hatch and Michael Lock.

"Companies that have exhibited top performance have taken a broad approach that includes the measurement of customers, organisations, process and innovation capabilities, in addition to financial metrics. Prospective buyers of performance management technology should challenge solutions providers to demonstrate that their software and services can address more than financial KPIs."

The ability to measure public sector performance has been dramatically improved by business intelligence applications, writes **Sally Whittle**

Like every NHS Trust across the UK, NHS South West Essex Community Services is measured against the government's 18-week patient pathway, which stipulates that no patient should wait more than 18 weeks after a referral to begin treatment.

Reporting how well the organisation was performing against this target used to take three days a week, but this reporting now takes just five minutes a week, thanks to a business intelligence application.

The Trust had been producing performance reports on six community services when the 18-week pathway was implemented, which meant reports would be needed for all 50 community services. "We were gathering report data manually but to scale that up to all 50 of our services was simply not viable," says Julie Price, head of performance and business development at NHS South West Essex Community Services.

Instead, the Trust worked with 21C to deploy a Microsoft business intelligence solution that provides staff with a simple to use dashboard. The dashboard amalgamates data from various back-end systems and presents users with simple to read, real-time data. "It means we're working with dynamic information rather than data that's a month out of date," says Price.

EFFICIENCY AND PERFORMANCE

Business intelligence is increasingly being used in the local authorities, universities and NHS Trusts to drive efficiency and performance improvements, says Anthony Dent, managing director of BI specialist Dynistics. "That adoption is definitely being driven by a target-based culture, and the need to report against more and more performance metrics to secure funding," he says. "People don't have time to create and then try and read 20 reports or huge spreadsheets every morning."

There are two key advantages to using business intelligence in the public sector, says Sarah Burnett, a senior analyst with Ovum. First, business intelligence tools can automate much of the grunt work in reporting by automatically



NHS Trusts have worked to deploy business intelligence systems to improve their service

pulling data from multiple sources and integrating it into a single feed, which can then be viewed in any number of different configurations. Second, most tools today incorporate dashboards or other graphical front-ends which make it easier than ever to understand huge swathes of data at a glance.

Business intelligence can also highlight trends and missed opportunities, she adds. "The public sector often has enormous amounts of wastage which people aren't aware of, and business intelligence throws a big spotlight on that," says Burnett.

At Nottingham Trent University, business intelligence is used to track how efficiency resources are being used at every level, says David Swayne, direc-

tor of IS with the University. "We have a £175 million turnover and aim to generate a £2 million surplus each year. So it doesn't take much to go wrong before we're looking at a deficit."

Using business intelligence tools from Dynistics, the University is able to track usage of staff, office and other resources, and make adjustments as necessary. "One simple thing we can do is track how efficiently our computer rooms are being used, and we can put that information on screens around the university, so students can easily see where they can go and work," says Swayne.

RESOURCES

Having real-time access to information is also hugely important during the

summer period, when accommodation is being allocated and the availability can change minute by minute. "Previously, that information was in the system, but it would be a case of someone being employed to go off and produce a report, which would then take a whole day to read," Swayne adds. "Providing departmental heads with dashboards has been really popular, because people can see at a glance if they're spending more than was projected, or if they don't have the resources available for the actual number of students they're expecting."

Business intelligence can also provide powerful insights into how service delivery can be improved, adds Daniel Stott, a director at KPMG who has worked with numerous NHS Trusts on

business intelligence projects. "It's one thing asking someone to change their behaviour based on your hunch, but quite another if you can go in with solid statistics showing the consequences of what they're doing," he says.

KPMG recently worked with a strategic health authority to measure the ease of access to health services in the county. "We looked at how easy it was for people to get appointments at various surgeries and clinics, and how that related to things like opening hours, the range of services offered, and so on," explains Stott. "The result was to give us some real insight into what opening hours worked best, how nurses might be used most effectively, what additional services would improve access and which wouldn't."

The Health Authority was then able to talk to GPs about their findings, but also to tweak its bonus and incentive schemes to encourage surgeries to adopt its recommendations. "Without business intelligence, that sort of insight would have taken years to develop, and perhaps wouldn't be possible at all," says Stott.

GRAPHIC

Business intelligence dashboards have been around for many years, but the latest products are a huge improvement on early models, says Bob McDowall, a research director with Tower Group. "We now have a range of graphical tools that enable non-expert users to see virtually any data at any stage of its journey," he says. "Today's dashboards can also pull much more data from far more systems, often in near real-time."

Arguments can be particularly compelling when they're illustrated with a dashboard – a graphic front end that presents data in simple to read formats such as bar charts, traffic lights or car-style gauges with needles pointing towards "green", "amber" or "red" zones. "They sound a bit Noddy-like, but chief executives and senior executives really like dashboards, and for good reason," says Stott. "What a dashboard does is give you something that says, of the 150 things you care about, I think you need to be concerned about these three."

"However, it's vital to ensure that processes are actually in place to act upon the information presented by dashboards. There's a danger sometimes that dashboards can become a PR exercise, where you're seen to be measuring something like anti-social behaviour, but nothing really changes on the ground," says Burnett. "You need to ensure someone is watching and knows what to do if something on the dashboard turns red," she says.

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Performance-driven cultures

The 'father of business intelligence' is a very busy man. Howard Dresner was talking to **Jessica Twentyman** just weeks after the publication of his new book, *Profiles in Performance*

You're often billed as the man who coined the term "business intelligence". Is that true?

That is, in fact, true – I started using it back in 1989 and

it's a legacy I've lived with ever since [laughs]. I was working at that time for Digital Equipment Corporation. I then joined [market research firm] Gartner in 1992 and spent 13 years there, during which time I was the lead analyst for BI and eventually a Gartner research fellow. After 13 years, I wanted to try something new, so instead of dispensing advice to organisations, I decided to put my ideas into practice and joined BI company Hyperion as chief strategy officer. I spent two years up until the company's acquisition by Oracle and then struck out on my own. These days, I focus on thought leadership, which manifests itself in the form of books, blogs, webinars and seminars around the world, and primary research, focussing on the notion of performance-directed culture. I also work with a small group of organisations, helping them to use BI to outperform their peers.

In many ways, your career has been devoted to understanding how companies can get a competitive differentiation from BI. How have recent advances in technology helped?

Clearly, BI technology continues to advance. Who would want to go back to where we were twenty years ago technologically? But we're now at the point where the technology available exceeds our ability to absorb and utilise the data it produces. We've simply not kept pace. That's why so much of my energy focuses on the "softer" sides of BI and performance management. My first book, *The Performance Management Revolution*, was a sort of "cook book" around BI and performance



Dresner coined the term 'business intelligence'

management. My new book, *Profiles in Performance*, very much focuses on culture – it really doesn't focus much on the technology at all. In it, I discuss how organisations need to think and the belief systems that need to be in place in order to act upon insights. If you get that right, BI services the lifeblood, the currency of a performance-directed culture, by turning data into information. The message has been extremely well-received and many people come up to me and tell me this is exactly what they're dealing with at work. There's too much emphasis placed on tools and technology – on advanced visualisation, predictive analytics, search. These are all great technologies, certainly, but we're missing the point of BI. BI should give you an anchor, a starting point, a foundation to go out and learn some more about your organisation and how it's performing. BI technology is a means to an end. It's not the end in itself.

So where do you believe organisations are going wrong?

So many organisations go through data analysis and they think they know what reality is and they don't. They have one view of reality, but it's not the whole picture. The fact is that the improbable can't be predicted. Data is very much a rear-view mirror, it can only tell us what we can expect if nothing ever changes – and we know from history that this is not the case. You have to go out in the world and test your models and assumptions and you'll learn things you simply couldn't have learned any other way. I'm a pilot, so I like aviation examples: even when you're flying in instrument flight rules [IFR] conditions, the objective is to use the instrumentation until you can get the visual reference necessary to land the plane. You've

got to see the runway and it's got to be within 200 feet, otherwise you can't land. Likewise, in data analysis, you collect all this wonderful data, build correlation tables and spot relationships - but how do you see which one is the cause and which is the effect? It's not always easy to tell from data. You need to look beyond.

So what is a performance-directed culture?

It's a culture that embraces BI and knows how to use it to build models of reality and then build on that learning. In my new book, I discuss "Four Forces" that I see at work within high-achieving, performance-driven organisations. The first force is visionary leadership – the people responsible for setting strategy and who drive transparency and accountability within the organisation. The second force is business advocacy – a grassroots effort, where people within the business begin to break down barriers of tribal behaviour and start to see the merits of collaborating and sharing information. The third force is data literacy –

this is the only area where I really talk about BI technology in the book. It's the notion of having common trust in data, good availability and currency of data, and people who have a fluency and a comfort with data and information systems and know where they need to go to get answers. This is probably the most difficult area to address, because most organisations don't have much confidence in the data literacy of their employees. It's an area where IT and BI efforts can help, but clearly not in isolation. The final force is what I call "organisational activism" – those people that are passionate about driving change for the better within their organisations and do so in a relentless way.

“Sometimes acquisition is the best thing that can happen for a company and its customers, but not always”

In your view, how has the rampant market consolidation of BI in recent years impacted business leaders' ability to navigate the market and choose the best tools for them?

Market consolidation is a cause for concern, to some degree. Sometimes acquisition is the best thing that can happen for a company and its cus-

tomers, but not always. It's become difficult for people to keep track of all the acquisitions that have taken place in the BI market in recent years – it's pretty complicated stuff and it creates challenges in the marketplace. But at the same time, it's spurred the growth of some interesting smaller companies and the adoption of things like Software-as-a-Service [SaaS] and open source. With SaaS, there are concerns over security and privacy that need to be overcome, although I'm not aware of any breaches to date. On the plus side, these solutions promise faster time-to-action and a lower cost solution and only paying for your actual use – these are positives and that's certainly creating traction for BI SaaS. Most of the tools out there seem to deliver on these promises, but the downside is this: we're rebuilding the same old stovepipes that we've had before. Sales goes off and buys their preferred BI SaaS solution, finance goes off and does the same. So how do we build an integrated perspective? Not easily.

When you're not thinking about your next book, blog, seminar or client engagement, where do you turn to get other perspectives?

I've just finished reading the latest book from Robert Kaplan & David Norton, the founders of the Palladium Group, a company I work with frequently. But for anyone who wants to think for a living, I believe it's also important to read outside of your discipline. So right now I'm reading historian Edward Rutherford's *New York: The Novel*. I also get the *Economist*, the *Harvard Business Review* and the *Wall Street Journal*.



BI should give a company an anchor or starting point to learn about their organisation

READING LIST

Profiles in Performance: Business Intelligence Journeys and the Roadmap for Change. By Howard Dresner, 2009
The Performance Management Revolution: Business Results Through Insight and Action. By Howard Dresner, 2007

Finger on the pulse

Intelligent 'dashboards' are saving vital time and providing crucial information for businesses, writes Sally Whittle

Software development firm Vectorform has operations in the US, Germany and India, and works on a wide variety of projects using many different skills and techniques. It's common for projects to span multiple teams and offices – sometimes even different continents.

This presents Charles Spadafore, the company's director of operations, with a real challenge – how to ensure the company is using its resources efficiently, and how to capture information about current projects to deliver better quotes and services to customers in the future.

"One issue we had was knowing how our skills were being utilised, so for example, do we have enough free Silverlight developers to work on this project, or are we going to have spare capacity on another skill set next month," explains Spadafore. "For a business of our size in the current market, we want to know we're always minimising waste and maximising efficiency."

For this reason, Vectorform has deployed a Microsoft business intelligence solution utilising Office, SharePoint and SQL Server, including the beta version of Office 2010. The reason for choosing Microsoft over higher-end specialist tools? "For starters, those tools were too complex to roll out broadly within the organization and get any real adoption, but really Microsoft is a very familiar environment so it's easy for us to push that knowledge out to the team, to empower them with these insights."

By letting the sales team track what skills are allocated and what's available, it's possible to focus on contracts that will make use of what's available. Providing project teams

with detailed information on previous projects and costings means that they can provide better, more accurate quotes and timelines to new clients. "And the best thing is we haven't had to spend a day training everyone, because they already know how to use this without any specialist knowledge," says Spadafore.

Traditionally, business intelligence has been used as a way for senior management to gain insight into how well an organisation is performing against strategic goals. But an increasing number of companies are finding that using graphical BI tools to share key performance metrics and data with employees can drive up both performance and productivity.

PERFORMANCE TARGETS

At Essilor, the world's biggest producer of ophthalmic lenses, the company has placed plasma screens around the production department so sales staff can see Dynistics Active dashboards showing performance against key performance targets. The company also holds "dashboard meetings" every morning, where managers can assess what's happening in the company, and what needs to be addressed.

"The use of dashboards has enabled employees at all levels of the business to access and view information relating to their work in real-time, throughout the day," says Arif Samnani, Essilor's UK IT manager. "We've seen a significant increase in achieving our daily targets, and we've also reduced paper usage because we're not printing so many reports, so we have been able to reduce our carbon footprint."

While it might sound tempting to put a dashboard on every desktop, experts urge caution when sharing business

intelligence metrics with employees. For starters, when things aren't going well, do you really want your employees looking at a sea of red on their computers every day? And will your employees welcome the sharing of information or will they suspect you're looking for poor performers to get rid of?

These are questions you must consider because poorly implemented dashboards are about as effective as sticking CCTV on every employee's

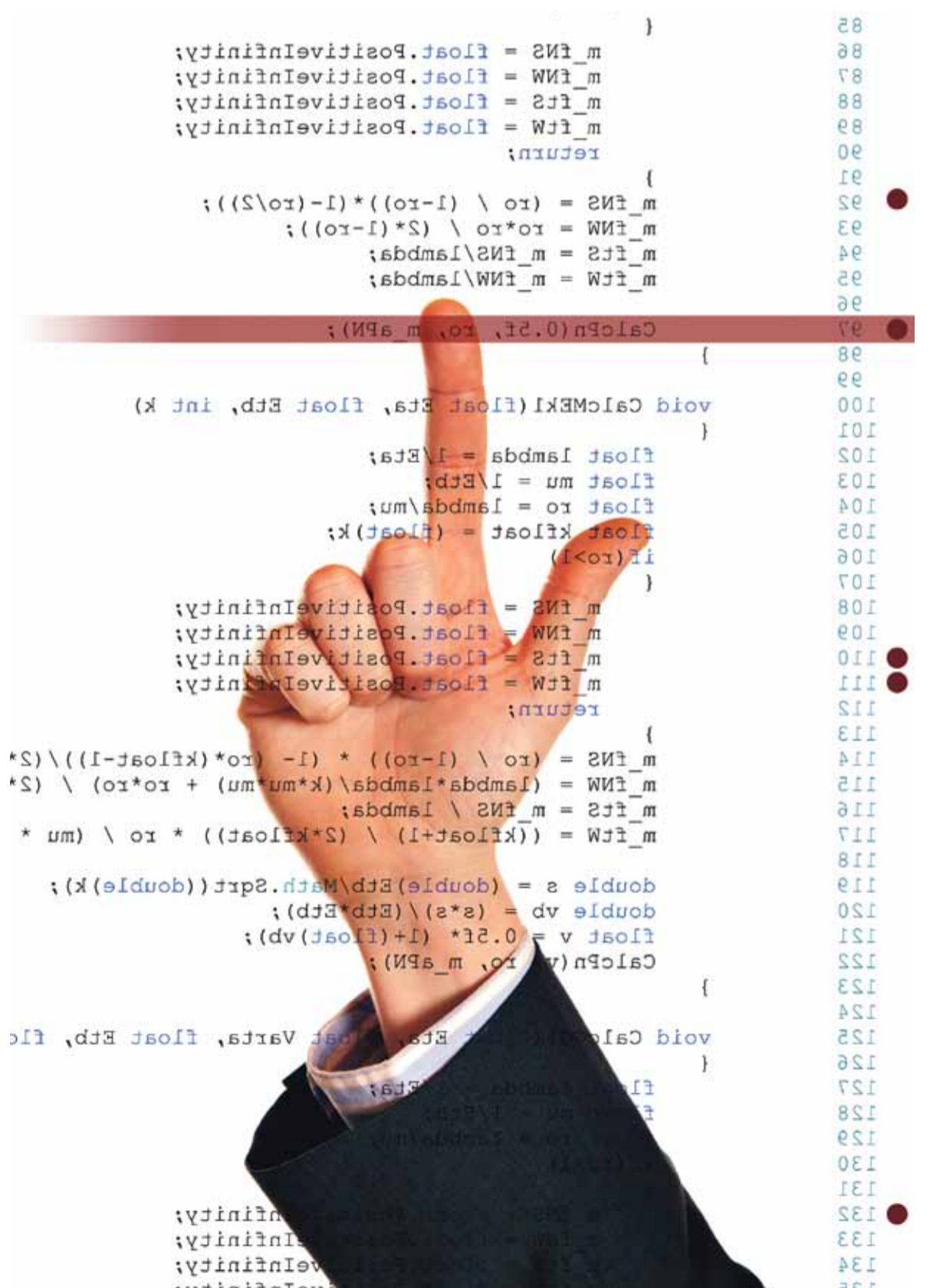
desk, says Alys Woodward, a research analyst with IDC. "You must consult with employees and departmental managers throughout the process. Ask for their input on what metrics they would find useful to do their jobs better, and also what potential stumbling blocks they might encounter."

SHARE TO SUCCEED

In addition, you must also make it easy for employees who don't meet targets or who see falling performance to address any issues. "If you look at Royal Mail, it's a great example of a target being shared – that postal workers should do their rounds faster – but the employees complain that there are specific reasons why rounds are actually taking longer," says Woodward. "If you can't resolve those kinds of issues,

then dashboards and targets generally will be very demoralising."

Once you have identified what you need to measure, and have secured employee buy-in, the final consideration is what your dashboard should look like. The best dashboards can be customised and easily changed depending on what a user needs to know, or how the business environment changes. The most important thing is not to be tempted to include everything – just because you can. "Most businesses have far too many metrics, which completely overload individuals," says Richard Traish, a senior partner with consulting firm Kurt Salmon Associates. "I would suggest focusing on perhaps three key initiatives or KPIs, and they should be in line with corporate strategies."



Ensuring a company is using its resources efficiently allows them to deliver better services to customers

AS SEEN ON SCREEN

As we have all become used to accessing huge amounts of information instantly via internet search engines, so BI software providers have developed their technology to allow end-users to view key company information in a clear, readable and informative way.

The screenshot shows a web-based dashboard titled 'Factory Layout - Queuing Dashboard'. It features a grid of 'Active Dashboards' with several circular gauges and charts. On the right, there is a 'Selected Machine Information' table with columns for 'Machine ID', 'Status', and 'Action'. The interface is clean and professional, typical of a business intelligence tool.

Crunching the carbon numbers



Any organisation, for instance, the Ministry of Defence, seeking to measure its carbon footprint will probably have to draw raw data from a number of sources

The Ministry of Defence is frequently criticised for failing to control spending but over the next few years the officials who patrol its offices and bases intend to clamp down hard on energy consumption, writes **Trevor Clawson**

In line with the government's policy on climate change, the MOD is committed to a 30 per cent cut in carbon emissions by 2010 against 1999/2000 levels. In order to hit that target, the ministry has been investing in a range of energy-efficient technologies, including new lighting controls, bio mass boilers and ground source heat pumps.

When you add up capital spending from the MOD's own budget, cross-government funding for carbon reduction measures, additional cash allocated by the Army, Navy and RAF, and third party grants and loans, the investment in energy efficiency is set to come in at around £28 million. It's a case of spending now to save later and one of the challenges facing officials is proving that investments made today can be justified in terms of significantly lower energy bills in the years ahead. To measure the effectiveness of their carbon reduction/energy efficiency strategy the ministry's officials need data – and lots of it.

Much of that essential information will come from a new generation of smart electricity and gas meters, linked to sustainable reporting tool – SIRA – supplied by IT services company Logica and business intelligence technology provider Qlik Tech.

The system is designed to feed information to a central database where it can be sliced, diced and analysed right down to meter level to assess the effectiveness of the ministry's energy saving strategy. "If you can't measure your energy consumption, you can't manage it," says Matthew Foley, head of the Central Programme for Energy Office at the MOD. "By using SIRA we have a central source of assured, timely data."

POWER

The MOD's adoption of an automated reporting system illustrates how business intelligence solutions are playing an increasingly important role in helping public and private sector organisations to cut costs and reduce their environmental impact, particularly in the field of energy efficiency.

It's not hard to see why. If you look at the single issue of power consumption, around 5,000 UK organisations will be affected by the imminent implementation of the Carbon Reduction Commitment – a mandatory emissions cap and trade scheme designed to bring down the UK's overall carbon footprint. Meanwhile, battered by the perfect storm of a deep recession and rising fuel costs, British companies increasingly see energy efficiency as a priority as they strive to

preserve the bottom line. Thus, and as Ben Weilgus, an advisor on sustainability issues at KPMG explains, there is a real need for accurate information.

"The focus at the moment is on driving cost out of the business," he says. "Energy efficiency provides a means to reduce costs and it is something that every company should be doing but unless you understand the numbers, it is very hard to take effective action."

Getting those numbers undoubtedly requires upfront spending. As Peter Graf, chief sustainability officer at business management software company SAP observes, the first step in any energy reduction strategy is putting a figure on where the organization is today and even establishing that base point can be an expensive and complex undertaking. SAP committed itself to a 50 per cent cut in carbon emissions by 2020 when compared with 2007. "It cost us half a million dollars just to work out how much carbon we were using at that time," Graf recalls.

So why is it so expensive to read the gas or electricity bill? Well, measuring the output from meters is relatively straightforward, but as John Winstanley, partner responsible for sustainable computing at professional services firm Deloitte points out, a comprehensive energy audit usually extends beyond the power consumed to keep lights burning and computers humming. "In the case of my firm, one of the biggest areas of spend is business travel," he says. "But if you're in the retail business you would be looking at fuel costs across the distribution network. Manufacturers should be looking at the carbon used to produce a particular component."

So any organization seeking to measure its carbon footprint will probably have to draw data from a number of sources – such as fuel accounts or travel receipts – and put systems in place to capture all the information required. Equally important, the organization will have to take a view on how much detail is required. For instance, does a manufacturer with multiple sites simply meter each facility or does it measure consumption on every production line?

COMPREHENSIVE PICTURE

The MOD has taken a gradualist approach. Initially every site in the estate will have a single gas or electricity meter feeding data to the BI reporting tool. However, over the next few

years, sub-meters will be introduced to provide a much more comprehensive picture of consumption patterns within sites. The second phase will also see the installation of 800 oil meters in place to capture all the information required. Equally important, the organization will have to take a view on how much detail is required.

For instance, does a manufacturer with multiple sites simply meter each facility or does it measure consumption on every production line? And as the information flows in, Matthew Foley expects the SIRA tool to do more than monitor consumption. Over time it will provide the MOD with intelligence that will enable it to hone its energy efficiency strategy. "Initially, it's about knowing what our consumption is," he says. "But once we have the data we can look at the consumption patterns and ask telling questions. If a site registers high consumption that can't be explained away we can ask managers to take action."

GREENING THE SUPPLY CHAIN

According to David Abood, executive director of the climate change group at consultancy Accenture, demand for information on carbon is likely to increase as regulators and shareholders seek ever more detailed reporting on sustainability issues. Indeed, he predicts that businesses will be asked to provide accurate data on carbon "embedded" in goods and services coming in through the supply chain. This will be a major challenge. "There are systems that will measure some of this but a lot of information is not included," he says. "I would expect to see the companies that provide ERP (enterprise resource planning) solutions doing more in this area," he says.

Peter Graf of SAP agrees. Supply chains tend to be optimized for cost and value rather than environmental impact, "he says. "Going forward we will need to build environmental data into ERP tools."

So as public and private sector organisations continue to square up to the green agenda, the likelihood is that we will see a new generation of business intelligence tools monitoring and reporting on energy consumption across a broadening range of business activity.

The strategic use of BI in 2010

Jessica Twentyman asks how organisations will use BI to combat uncertain economic conditions in the year ahead



Companies are focusing on strategic BI to tackle a wide range of business problems

Has the world economy turned a corner? In recent months, there have been grounds for cautious optimism, with the US, France and Germany all posting positive quarterly growth in gross domestic product [GDP].

Most business leaders expect to wait a while longer before they have full confidence that what they're seeing are truly the much-hailed "green shoots of renewal". While they do so, however, it seems likely that they'll continue to invest in strategic business intelligence (BI) tools during 2010, despite the pressure of flat IT budgets.

"Although talk of an economic recovery is gathering steam, organisations are taking a 'wait and see' approach to increasing IT investment," explains Shventank Shah, executive director at research and training company Corporate Executive Board (CEB), which recently conducted research into the 2010 spending plans of IT heads at 200 large global companies. "That doesn't mean that IT organisations will spend 2010 looking inward. CIOs will also be looking to quickly reposition as the situation changes and use new analytics capabilities to better understand and serve their customers and drive productivity internally."

That tallies with research from IT market analyst firm Gartner, which recently listed the top ten technologies and trends that will be the most strategic for businesses in 2010. Advanced analytics take the number two spot on that list of priorities, just behind cloud computing.

That's because, in uncertain economic times, making vital corporate decisions solely on the basis of gut-feeling and instinct can be a very risky business. By contrast, BI tools enable businesses to "slice and dice" the data they hold, so that actions taken at every level of the business are underpinned by meaningful analyses of past performance, current conditions and likely future trends.

Many companies have seen the benefits of their BI investments during 2009. Despite the downturn – or perhaps because of it – the market for BI tools grew 22 per cent to \$8.8 billion in 2008, a significant leap from the 13 per cent growth clocked up between 2007 and 2008, according to figures from IT market research company Gartner.

In 2010, they will continue to focus on strategic BI to tackle a wide range of strategic business problems – sales turbulence, tight profit margins, shortening product lifecycles. "In uncertain economic times, the stakes are significantly higher for

“BI is being used in a variety of different ways”

businesses. Resources are scarcer, and as a result, bad decisions have disproportionately large consequences," says Iyas AlQasem, EMEA head of application consulting at EMC Consulting. "Making key decisions based on fact and analysis may lack the bravado of making them based on gut instinct – but given the choice, most companies would rather grow and take market share methodically, than decline and go bust in style," he says.

A NEW LOOK AT BI

In order to achieve their strategic goals in 2010, organisations will use BI in a wide variety of different ways, predicts Nick Millman, lead for information management services at management consultancy firm Accenture. One way, he says, is through more use of real-time capabilities, still in the

earliest stages of mainstream uptake, but growing in popularity.

"When dramatic market fluctuations are a fact of life, today's BI tools are engineered to gather the most recent data available, providing streams of alerts generated by a variety of back-end systems, so that users can monitor events as they unfold and respond accordingly," he explains.

Some organisations are simply looking for a BI solution that can deliver quickly, at low cost, according to Lars Bjork, CEO of BI supplier QlikTech. ROI is a top priority right now, he says, and not every company has the resources or inclination to completely revamp their BI infrastructure to achieve it. His company differentiates itself from traditional online analytical processing (OLAP) tools for BI by offering a radically different approach – Associative Query Language (AQL). This enables computation of extensive data sets on low-cost hardware, using dynamic queries without the need for pre-defined data structures.

"The current economic climate actually works in our favour," says Bjork. "QlikView delivers effective analysis with rapid time-to-value, and it's so easy to implement and use, that companies also save on service and training costs. That makes it an easy purchase to justify," he says.

QlikView's users are unanimous in their praise of the new system. Jan Nangle, eCommerce Manager, North West NHS Commercial Collaborative Agency, says: "It's clear that we haven't yet scratched the surface of what we can do with this software. I can quite easily see us doing a lot more with this and sharing even more information in six months time."

"We originally came across QlikView in other organisations and saw that it handled exactly what we wanted – benefits reporting and cost analysis – relatively easily. Since then we've developed its use for the NHS to include

additional analysis of the supplier database and purchaser hierarchies. By being able to include this level of data, we have managed to give ourselves insight into potential scales of economy that has not been available before. This is an invaluable ability for an organisation that's primary existence is based on reducing costs and adding value through strategic purchasing."

Similarly, customers are turning to Microsoft's BI solution in a downturned economy because it's allowing them to leverage the technology infrastructure they already own in many regards. Says Microsoft's Tom Casey, "many people are just now realizing that if you have Office, SharePoint and SQL Server in your organization – and most do – you have a powerful, enterprise-grade BI solution."

Not every organisation is ready for the deluge of data that this real-time approach will create, but there are still plenty of sophisticated capabilities offered within their existing BI suites to explore, says Richard Neale, UK & Ireland product marketing manager at SAP Business Objects. "We're seeing a real appetite among customers to achieve a clearer understanding of the internal state of their businesses in order to combat external volatility. They are increasingly using BI capabilities to draw a clearer correlation between how those external conditions could affect future performance," he says. But managers rarely make strategic decisions based on business intelligence data alone, he points out, which is why customers are also looking to BI vendors to incorporate collaborative functions into their BI environments, helping users to collaborate with their colleagues on the decision-making process.

NOT JUST TECHNOLOGY

However they choose to embrace BI, organisations need to understand that a shift in thinking may be just as

necessary as a shift in technologies, warns Neale of SAP Business Objects. "It's about creating a workplace where analysis-led decisions are the norm and where there is a general expectation that necessary information will be provided, or at least made easily accessible, to those who need it," he says. Research suggests that companies where BI is more pervasive – and not just the sole preserve of senior executives – tend to be more profitable, he says. "As economic conditions improve, it will be the companies that have established this kind of culture that will be in the best shape to take advantage of new opportunities as they arise."

It's a view echoed by analysts at Gartner in an April 2009 research report, entitled "Overcoming the Gap Between Business Intelligence and Decision Support".

“Organisations need to understand that a shift in thinking may be just as necessary as a shift in technology”

"Most BI deployments emphasise information delivery and analysis to support fact-based decision-making, but fail to link them to the decision itself, the decision outcome, to decision-making best practices, or to the related collaboration and decision inputs. This reduces the quality and transparency of resulting decisions," they say.

As a result, they say, knowledge workers are making a slew of large and small decisions that are lost every day. Examples include: which customer segments should receive which discounts and offers? Should we make this new business investment? Should we hire more staff? What new features should we add to our product? What are the best launch venues and activities for our new product?

"Decisions to take corrective action, analyse and choose from options, identify new opportunities, determine root causes, and assess or respond to changes in the competitive environment are the lifeblood of knowledge-worker activity," they say. What is needed to support them is the convergence of technologies such as BI, social software and decision frameworks – which are not available as out-of-the-box decision-support applications today.

But they predict that, during the next decade, technologies and business practices will converge to enable collaborative decision-making that will address this un-met need and market opportunity. Until that time, however, companies should begin experimenting with applying these kinds of capabilities to a few, high-value strategic decisions. And 2010, it seems, may be an ideal time to start.

QlikView

most revolutionising thing to hit Business Intelligence, not least because of the enormous value it brings to their companies on a daily basis. QlikView is extremely powerful and agile, everyone can use it and it can be customised to meet the real needs of organisations around the world. With a little help from QlikView, they're changing the world for thousands including themselves.

Now change yours.

Change comes in different shapes and sizes. Some we notice, others get less attention. Many go unseen. Yet changes are what they are, and without them the world would be a very dull place. Still, in many areas nothing seems to happen. Take ours, Business Intelligence, for example. Not a lot that could be called 'intelligent' has come out of it, which is why we decided to do something about it. What once began as a different idea is now QlikView, a super-smart tool for analysing business critical information. In fact, our customers think it's the

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