

Staying Informed

A BI Service Center is vital for delivering your overall Information Strategy



People matter, results count.

Introduction

The last decade has seen forward-thinking organizations lead the way, in part, through a more rigorous and directed use of their Business Information (BI). These organizations are driving value from the information generated across the enterprise, using it to gain better insight into customers, understand the profitability components of their business, and optimize operations. Using their information assets more effectively allows these organizations to be more stable and flexible in turbulent times and to stay ahead of the market. The question is: how do these organizations control, manage, and use their information – and how can others gain a similar mastery of their business information?



The crucial step is to construct an enterprise-wide, joined-up process for managing data and information. For this, three distinct, but linked elements must be put in place. First, an Information Strategy is essential to define what the organization needs from its information. This allows understanding of the processes that need to be in place in order for information assets to be used to their full potential. Second, a BI Competency Centre BICC includes the team, processes, and governance mechanisms for managing information across the enterprise.

However, the best plans and teamwork will not deliver this change unless the quality, volume, and speed of BI provision can be increased. This is achieved through the third element, the BI Service Center (BISC).

Together, these three elements function as a seamless process, delivering across the full BI development and support lifecycle and adapting to support the organization's evolving business needs.

The Information Strategy

An Information Strategy creates an understanding of how information is used across the organization and a vision of how it can add value to the business. Without this, BI design and developments easily deteriorate into fire-fighting exercises to deliver on immediate reporting requirements. The secondary purpose of an Information Strategy is to increase the awareness and appreciation of the role of BI within the organization. This leads to BI being seen not as a project but as an enterprise-level program and essential business service. During this phase, organizations develop a roadmap for the execution of their Information Strategy. This usually comprises smaller BI initiatives, which are sequenced to push the organization towards a more mature information-centric outlook.

A good Information Strategy begins with a vision of the goals and objectives of the organization and how they can be supported through the organization's information. This sets out how information can be used to deliver compelling competitive advantage and generate profitable growth.

Because access to BI is required across the organization, a clear Information Strategy will also describe how timely, accurate, consistent, and reliable information is made available. It will identify where in the organization different types of information are needed and the form in which they should be made available. It should provide

an integrated view including both structured (rows and columns) and unstructured (text) information and must address factors such as information access, data quality, integration, and governance.

Business Information, if harnessed effectively, can help to predict future business events and present optimized decision choices. A clear Information Strategy, therefore, may help to show how predictive analytics and automated/assisted decision making can deliver business value.

In short, it will set the scene for consistent and embedded use of information across the organization and allow business decisions to be based on fact.

The Role of a BICC

Developing and implementing a sustainable Information Strategy requires the alignment of Business and IT within the organization. Business stakeholders, frustrated by what they see as slow progress by IT, frequently build islands of information expertise. IT, meanwhile, attempts to homogenize the information landscape in ways that do not take into account actual business needs. IT and business therefore find themselves at cross-purposes; IT assets do not meet business requirements, and the business invests in building its own infrastructure.

The best solution for this is the creation of a BICC. This is a formal structure where representatives

from Business, IT, and vendor organizations work together to:

- a. Define BI strategy
- b. Identify BI initiatives to be converted into a BI roadmap
- c. Prioritize these initiatives
- d. Obtain stakeholder sponsorship
- e. Establish standards for technical implementation
- f. Provide governance and oversight to the BI program
- g. Evolve service-level definitions and agreements for implementation partners
- h. Manage internal organizational change.

A strong structure such as this is critical for the success of any Information Strategy or BI program. Although well recognized as an approach, relatively few organizations have successfully achieved this. For many the BICC is still too IT-centric. Typical symptoms of an ill-fitted BICC are:

- A siloed approach to BI implementation; concerns about information quality and availability
- Fragmented buying centers and multiple product vendors
- Lack of a consistent set of BI skills, standards, and best practices
- Gaps between Business and IT in understanding business needs and IT challenges
- Limited alignment of technology to strategic business goals
- No governance to monitor and reuse successfully deployed components
- Lack of centralization of competency, leading to a lower operational efficiency
- Low – or slow – adoption of the complete BI lifecycle and no ‘single version of the truth’.

A sustainable BI program (and a successful BICC) must actively seek involvement from the business at every

stage and prioritize initiatives based on business imperatives. However, alignment between business and IT must be backed up by consistency of delivery and development of BI initiatives. This is the purpose behind a BISC.

The need for a BISC

Most organizations understand the potential of their Business Information, but their IT organization cannot deliver it quickly enough. One problem is that requirements change regularly: new business issues arise; new opportunities occur; a gap appears from a new market technology; a financial market changes; or a competitor changes its market offering. Being able to respond quickly and intelligently to these changes allows an organization to take rapid, small-scale, better decisions that collectively deliver market differentiation.

However, organizations struggle at the next stage. Their Information Strategy has set out what needs to be done and the BICC puts in place the people and processes for making BI work in the business. But the supply of BI is just too slow and too unreliable. The development team is overstretched with ‘fire-fighting’, getting current reports fixed and struggling to deliver many urgent BI requirements. The business cannot wait six months for the next release of BI developments. Therefore, having established an information strategy and a BICC to help define approach and governance, a similar structure is needed to deliver the stream of BI initiatives consistently and quickly.

It is critical to address this issue, as the needs for Business Information do not have a logical end. The organization learns from its BI solutions, discovering increasingly sophisticated ways of deploying information assets aided by new ways of doing business as well as more advanced technology and the

ever-shrinking cost of adopting it. This means that the demand for and use of BI evolves constantly.

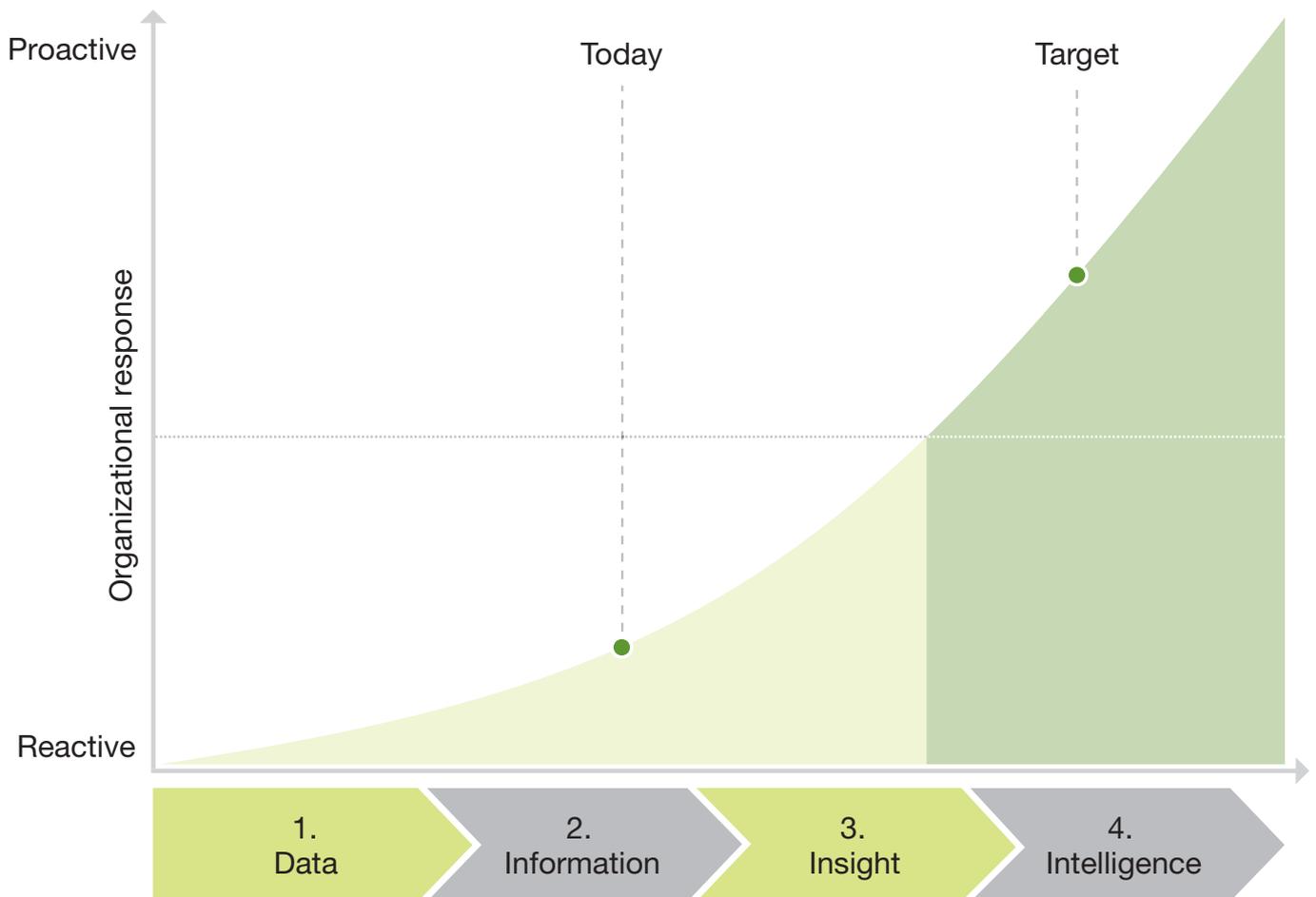
The answer is a BISC: an industrialized BI factory that can deliver high quality, consistent, and reliable BI development. It must provide elastic supply, scaling up to meet increased demand and contracting if demand wanes, and be tightly coupled to the BICC through a single integrated BI development and support process. Generally a BISC will use offshore delivery centers that benefit from low-cost locations – but onshore BISCs can still deliver many core benefits. What is most vital is to ensure that BI development is rapid, attuned to business needs, scalable, and of high quality.

Setting up a BISC

For a BISC to function properly, it must be directed and controlled by the organization’s BICC. It should feature a set of established tools, proven processes, and expert people to deliver BI Initiatives. Many organizations will use one or more vendors to complement their own teams. Both in terms of accountability and cost, the best results are achieved through managing all developments by all parties through a single set of processes. The BISC must also be able to deliver multiple, discrete BI projects in parallel, as well as ongoing managed and ad hoc BI services.

At a large global consumer products company, Capgemini was selected as the strategic BI partner, though services to be delivered included those of a product vendor and another services vendor. In this multi-vendor environment, Capgemini’s approach to providing BISC services managed by a single set of common processes across all three vendors has been instrumental in ensuring seamless delivery.

The Information Strategy sets out the roadmap for the use of Business Information



Managing a BISC

Setting up a successful BISC that can deliver large multi-year programs is complex, requiring well-defined governance processes. These include processes for demand and resource management to manage the multiple work packages being developed and supported. Over the duration of the program, priorities will change. Managing all of these activities effectively is critical to the success of the program. It is important that there is a consistent and reliable estimation methodology and toolset. One-off projects can be estimated based on experience and rule of thumb with a few iterations and some negotiation. However, when a large number of initiatives are involved, this is an inefficient process.

It is therefore critical that the BISC features a robust estimation methodology backed by a solid estimation tool to provide consistent, reliable, and auditable estimates. It will also be important to have processes around the introduction of innovation and productivity improvement. As seen in the example on the right, these processes can help to manage a large BI program consisting of multiple parallel initiatives.

At a large global consumer goods manufacturer, where Capgemini is responsible for providing BISC services, the client had a roadmap with initiatives planned to the end of 2012. Beginning in 2010, Capgemini was delivering multiple initiatives with a variety of timescales from six to 16 weeks, executing a dozen or more initiatives at any one time with a team of between five and 20 people. Capgemini was only able to deliver these initiatives successfully because of robust demand management, estimation, and resource management processes.

The Role of Innovation in a BISC

The BI requirements of an organization are constantly evolving; they are a journey on which technology and the business environment undergo significant changes. The BISC should be capable of capturing these changes and apply suitable solutions to address them on a continuous basis. It should, in short, be able to innovate.

At a large European Telecom provider, Capgemini was selected as the partner to deliver BI services primarily because Capgemini recognized the importance of innovation in delivering BI services, particularly for the telecom industry. Keeping this in mind, we identified the position of Innovation Manager to drive innovation in BI delivery. Because innovation can be seen as chaotic, Capgemini's structured and systematic approach to bringing innovation into service delivery was highly valued. It was seen as critical to the client's success in addressing business challenges in an industry where the market is saturated and innovation – based on in-depth understanding of both technology and consumer preferences and needs – is key to staying ahead of the competition.

Rapid Return on Investment

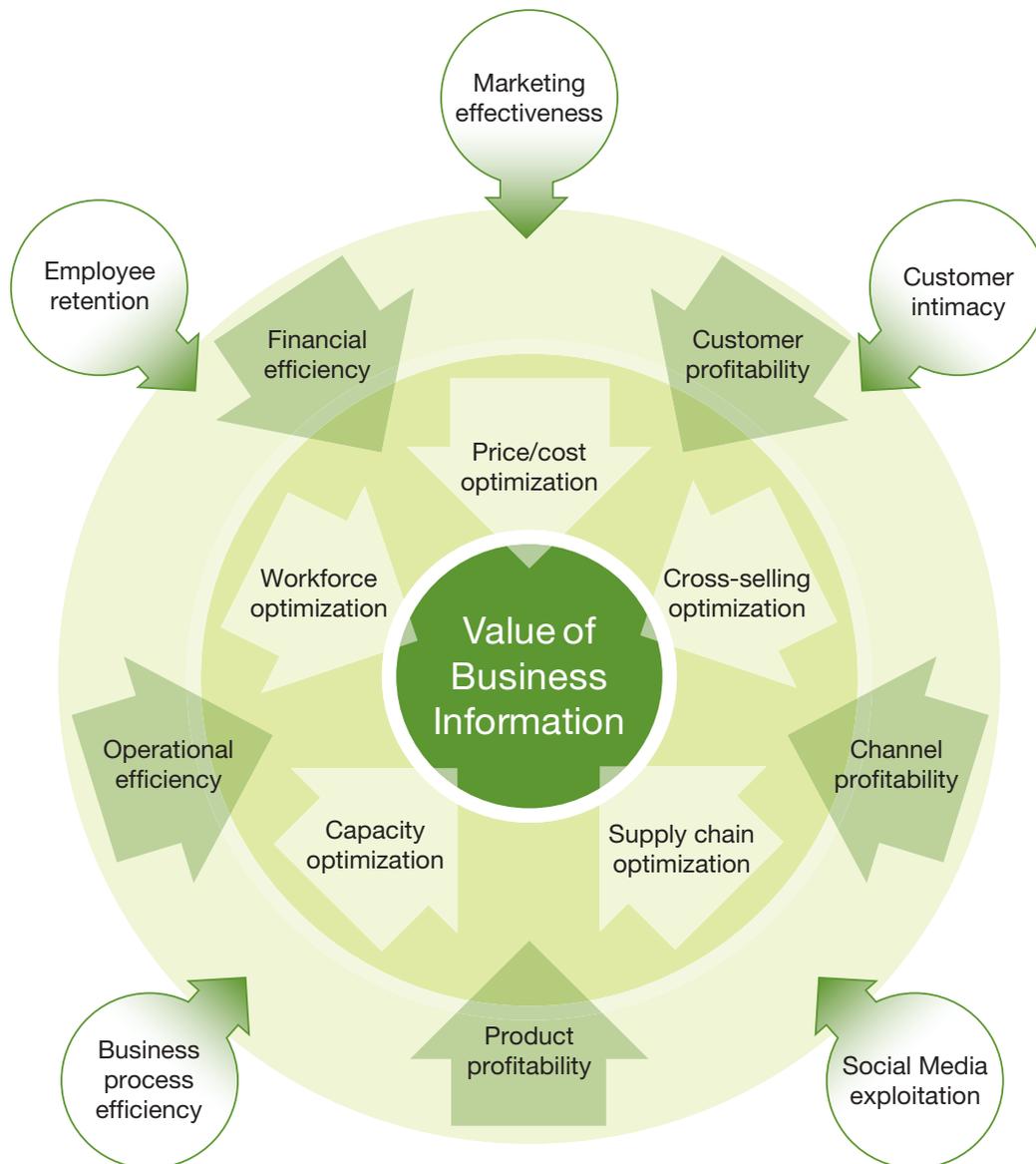
A BISC should deliver a rapid ROI; it is therefore impractical to develop the necessary processes, controls, and tools from scratch. Many organizations look to System Integrators such as Capgemini, which have templated processes, accelerators, and tools ready for immediate deployment. Specific attention should be paid to development of business functionality in reporting and analysis, as many initiatives fail because of a lack of appreciation of business needs – leading to a profound mismatch between what is expected and what is delivered. Rapid processes, which shortcut the design-build-test-deliver cycle, can help to eliminate these issues.

Capgemini's radical Rapid Design Visualization (RDV) is one such approach, which allows Capgemini experts to engage the business directly in the development of prototypes over a short period of two to three weeks. Such prototypes are used as the basis for design and development. The end product is therefore kept fully compliant with the needs of the business.

At a large UK retailer, Capgemini was responsible for the setup of the BISC and delivering BI initiatives. Capgemini adopted the RDV approach in its interactions with business users to capture BI functionality and, in doing so, reduced the overall effort to deliver functionality by 40%.



Effective use of Business Information will drive value for all parts of the Organization



Bringing it all Together

Creating a consistent, sustainable, and evolving BI program requires three elements – Information Strategy, BICC, and BISC. More importantly, it requires that they are brought together in the right way.

The Information Strategy sets out what information assets are in place and how an organization must use them to realize its business goals. This creates the environment in which the BICC and BISC can work together and develop a single integrated BI development and

support process, with the BICC acting as the governance and business integration component and the BISC as the delivery mechanism. Through this approach, the organization can achieve real integration of BI development into the business and deliver BI functionality in a consistent, reliable, and efficient industrialized manner.

This model, linking Information Strategy directly to BICCs and BISCs, has been shown to harness the power of the organization’s information assets in addressing business challenges. It prevents

sporadic, scattered initiatives from being used across the enterprise and keeps business and IT in alignment. Fundamentally, it enables an organization to become an ‘intelligent enterprise’ – one that not only has a strategy for its information, but also puts this strategy into practice to unlock the value in its information assets.



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right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients.

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