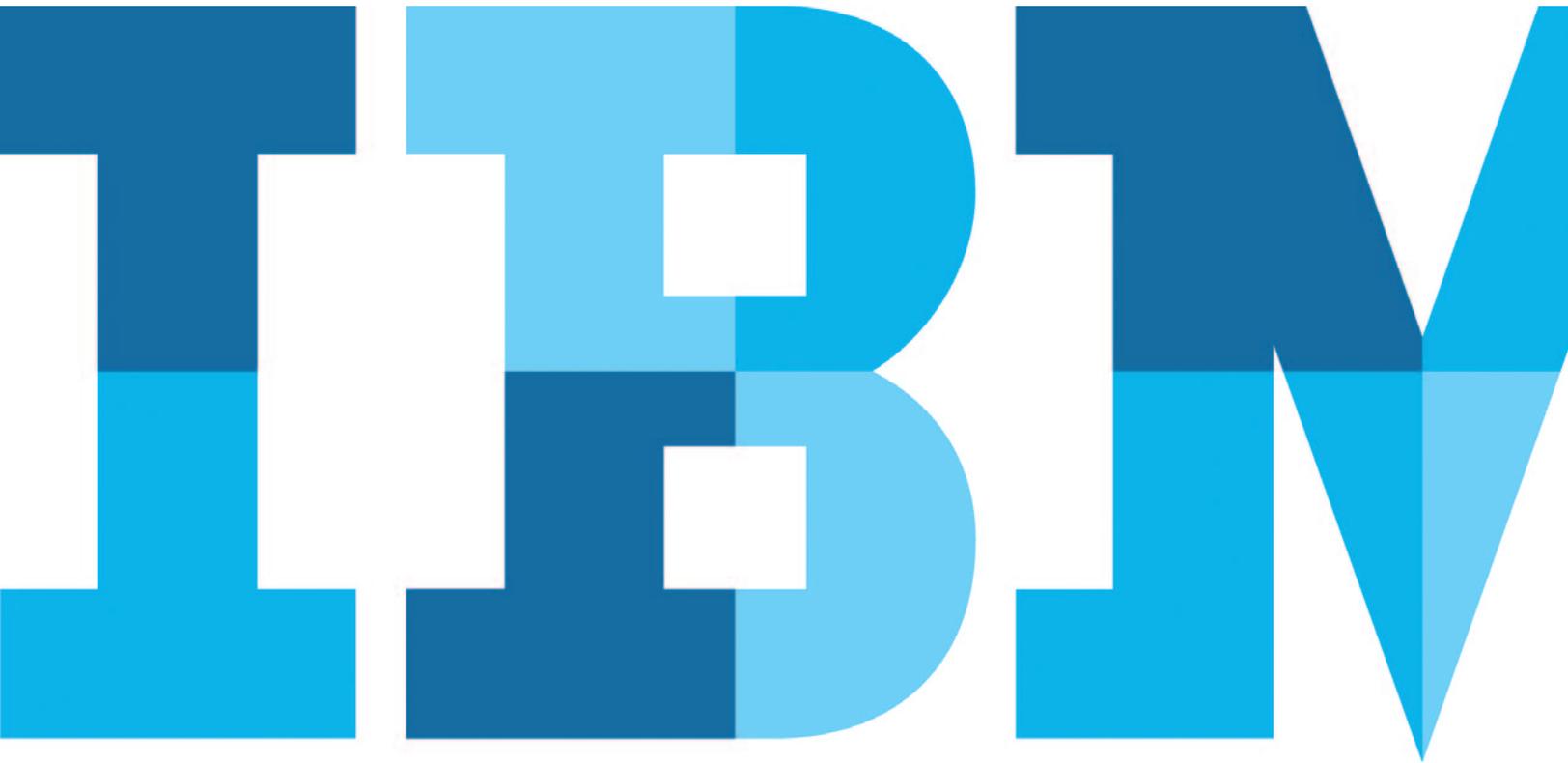


# A business intelligence agenda for midsize organizations: Six strategies for success



## **Contents**

- 2** Abstract
- 2** Overview
- 3** Business problems
- 4** Business drivers
- 5** The solution
- 10** Conclusion
- 11** About IBM Business Analytics

## **Abstract**

Midsized companies see business intelligence (BI) as too unwieldy and expensive for them, and use spreadsheets for planning, budgeting, and forecasting. In reality, the spreadsheets are the real expense and time-consumers.

However, BI is well within reach of your midsize organization through an incremental approach, matching project rollout with resources, benefiting quickly, justifying further investment and adjusting rapidly to business changes.

Midsized companies have six strategies in common when choosing and deploying BI solutions that address both business and IT challenges. You can choose the one that fits your company.

## **Overview**

Midsized organizations are feeling the pain of too much data and inconsistent information. With growing volumes of data and data sources, midsize companies need to unlock the data in operational systems and applications and transform it into useful, relevant information. With an accurate, up-to-the-minute view of the business, everyone can better collaborate to make sound strategic decisions.

This is why performance management has emerged as a strategic imperative in midsize organizations. Small to midsize businesses, along with business units and departments within larger organizations, need to grapple with issues that influence business performance and rapidly gain the insights to deal with them efficiently and effectively. BI is central to gaining competitive advantage and higher profits.

Optimal business performance is possible when decision makers understand what is happening, why it is happening and what they should do about it. Ideally, you want your users to make sound, data-driven decisions at every level and every function of the business. In a performance management framework, midsize organizations can efficiently deliver the right reports, the right dashboards and the right information to suit the needs of the business.

This paper describes the particular performance management requirements of the midsize organization and provides six strategies for success drawn from the experiences of actual IBM Cognos family customers.

## **Business problems**

### **Challenges facing the business**

Midsized organizations have the same business challenges as their larger counterparts. The difference for midsize organizations is that they need to be more agile, faster and smarter to react to competitive pressures—and do all of this on limited budgets and with fewer resources.

Business users in midsize organizations need to be empowered with immediate insight into how the business is performing. Without the right information, users are unable to make the best revenue-generating decisions, the best cost-saving decisions and decisions that make the most of their business assets.

Many midsize organizations still rely extensively on spreadsheets, not only in finance departments for planning, budgeting and forecasting, but also for reporting. This pervasive practice carries significant risks. Spreadsheets are highly error-prone, and it is often impossible to trace the logic of their creators, requiring constant checking and re-creation of the same data. Spreadsheets are also difficult to consolidate, making them slow, unreliable and inefficient for gleaning meaningful insights.

No longer can strategic decisions be left to trial and error. Midsize organizations need solutions to address the enormous competitive pressures they are facing. Unfortunately, BI and performance management applications are often perceived as too expensive and complex, suitable only for the budgets and resources of larger organizations.

## Challenges facing IT

Information technology leaders in midsize organizations recognize the value of BI, but they are faced with countless challenges:

- *Lack of staff and skilled resources.* IT professionals in most midsize organizations have to wear many hats and juggle multiple priorities. With lean staffs, they often lack the experience to deploy and maintain BI and performance management solutions.
- *Lack of budget.* IT needs solutions that are predictable with no hidden costs. They must also deliver the shortest possible time to value, demonstrating the advantage of BI and performance management by delivering a quick win for the business. Importantly, the solution also needs to be able to grow and scale as business needs grow.

With the number of data sources and the volume of data growing rapidly, IT struggles with the challenge of turning data into useful information. Faced with these pressures, IT remains ill-equipped to respond to the increasing demands of the business.

## Business drivers

To address the challenges of improving performance and driving competitive advantage, BI solutions require multiple capabilities to address a variety of needs and issues. For example, dashboard and scorecard capabilities measure business performance and answer the “How are you doing?” question. Reporting and analysis capabilities answer the “Why” behind critical issues, trends and opportunities. Planning capabilities answer, “What should we be doing?”

These capabilities must also be integrated and modular, so midsize businesses can implement them incrementally, and start anywhere—say, with planning or analysis or reporting—and then move to where the need is greatest as business needs dictate. The midsize organization can deploy the solution tactically for different departments and then connect initiatives as they evolve.

With limited IT budgets and resource constraints, IT managers are looking beyond the initial price tag. BI solutions must not only fit your budget, but also place minimal ongoing demand on IT resources, with low maintenance and as little downtime as possible, so business users can focus on growing the business.

Vertical and horizontal solutions that can be used immediately are also needed to accelerate success, with prebuilt functionality for departmental or industry-specific needs. Service and support are also critical requirements, and midsize organizations will benefit from a strong network of solution service providers to assist when and where additional skilled resources are needed.

### The solution

The Cognos 10 family is a comprehensive portfolio of integrated solutions to manage business performance. These solutions come with packaging and pricing options tailored to midsize enterprises. Flexible delivery models range from hosted solutions to prepackaged hardware appliances and, of course, on-premises software. And 3,000-plus Business Partners help extend our ability to support your needs.

IBM understands that rapid time to value is critical for midsize organizations. Cognos business intelligence and performance management software provides best practices, blueprints, analytic applications, services, training and support—all designed to accelerate your deployment. IBM's objective is to advance and enhance our solutions continually to ensure you gain economies of scale. Above all, you can feel confident in choosing a world-class BI and performance management solution, ensuring widespread user adoption while keeping IT costs and complexity at bay.

### Six strategies for a successful BI agenda

IBM Cognos solutions are based on conversations with hundreds of successful midsize customers that have made BI a reality in their organizations. These conversations have identified six strategies that the companies have in common. Overall, these strategies address both business and IT challenges.



*Figure 1:* A comprehensive portfolio of integrated solutions to manage business performance

### **1. Start small, but think big with room to expand and grow**

IT professionals in many midsize organizations often perceive that BI and performance management are expensive and resource-intensive, suited only for larger organizations. IBM Cognos software customers have proven this is not the case.

Deploying BI and performance management should be viewed as a strategic initiative, so think big. However, rather than taking an “all or nothing” approach, your organization can deploy tactically and incrementally, connecting the initiatives together as they are added.

So, start by focusing on a key pain point. With the Cognos 10 family products, you can start anywhere—say, with just reporting, or analysis or planning—and add additional capabilities as the business grows and needs change. Many successful midsize organizations have taken this incremental approach. The benefits are many: project rollout can match resource capacity and budget; your organization realizes business benefit quickly; a successful implementation provides justification for further investment; and it enables rapid adjustments in response to changes in business objectives.

Engaging with the business is also a key criterion for success. Creating a Business Intelligence Competency Center (BICC) or similar entity helps ensure that knowledge gained is shared across the organization.

Cognos 10 family solutions are designed to be modular, so you can implement and expand BI and performance management capabilities as your needs dictate or as your company grows. Equally important is the ability to connect all the initiatives for successful BI deployment throughout your organization, reducing the need for multiple tools from multiple vendors and therefore minimizing complexity, resources and costs.

### **2. Ensure all reporting types are supported**

Reporting is repeatedly identified as the most important BI requirement. However, it's important to remember that different categories of business users have distinct reporting needs:

- *Managed reporting* is needed to distribute prebuilt reports throughout an organization daily, weekly or monthly, often providing flexible prompting so users can run variations of reports themselves without the need to recreate the reports.
- *Ad hoc reporting* is a critical aspect of enabling user self service, giving business users instant access and interactivity with information to create their own ad hoc reports. This type of reporting must be simple to use, with a drag-and-drop interface, and information must be presented in the context they understand.

- *Analytical reporting* enables business users to slice and dice information so they can easily understand the “why” behind critical issues, trends and opportunities, with the ability to drill down further for detailed information.
- *Dashboards* help measure business performance and quickly communicate complex information to business users in compelling visual formats, so they have a clear picture of how the business is doing.
- *Production reports* provide high-quality detailed information such as invoices or statements, and these reports are highly formatted.
- *Operational or transactional reports* typically have detailed information from transactional systems, so ensuring secure and controlled data access is key.

Not all companies have all these needs at once. However, as your business grows and reporting needs change, the right BI solution will answer all your reporting needs both today and in the future. Your business and IT leaders can have greater peace of mind, knowing you won't have to deploy multiple reporting products from multiple vendors, which adds complexity to your systems, demands more IT resources and creates silos that hinder your ability to take advantage of success from one initiative to another in other functions.

Cognos Business Intelligence software offers zero-footprint, web-based reporting solutions that address all your reporting needs, all your different users and all the types of data that you have. Deliver reports anywhere, without data duplication.

### 3. Enable access anywhere, anytime

Customers want to put information in the hands of a broad range of users and bring it into familiar working environments they use each day, which helps to increase the adoption of BI in the organization. It is also important to ensure no duplication of work is needed to use the many delivery models.



Figure 2: Reports can be accessed online or on the go with the Apple iPad.

Cognos software helps make it possible for users to see the information they want, how they want it, when they want it. Reports are authored once, but published anywhere, to save enormous resource time and duplication. They can be viewed in multiple formats—on the web, as Adobe PDF files, in Microsoft Office applications or on mobile devices such as the Apple iPad.

For business analysts who prefer to work in a spreadsheet, IBM offers an extension to Microsoft Excel that allows users to access centrally modeled and secure information using their tool of choice.

#### **4. Open access to all data**

A company's data is one of its biggest assets—second only to its people. The challenge lies in extracting that data from multiple sources and transforming it into useful and relevant information that puts it in context for the business user.

Midsize organizations rarely have just one data source. As applications are purchased and deployed, the sources and formats of data grow rapidly. Data may come from transactional systems, enterprise resource planning (ERP) solutions, data warehouses, older systems or from online

analytical processing (OLAP) sources. Data needs to be accessed from multiple sources, even when you have a data warehouse, to address all the information needs and requests from business users.

A critical factor for BI success is ensuring that easy and open access is supported for all types of data sources from your BI solution. Cognos software has an open architecture to ensure access to all sources, as well as any combination of sources, so reports can access data wherever it resides.

The speed of data access is equally important, and Cognos software provides direct access to data with query optimization and Enterprise Information Integration (EII) technology that further optimizes data access with virtual caching from multiple sources.

#### **5. Optimize Information delivery**

Another key success factor is ensuring that everyone in the organization is working from the same data and using the same business rules. More often than not, business users are struggling to produce consistent results from manual processes, error-prone spreadsheets or different tools that use different queries with different rules to access data.

To ensure data consistency and accuracy and that users are working from the same numbers, a best practice approach is to have one place to define the data, a single query service to retrieve the data and one place to centrally manage the business rules. When everyone works from the same data, query and business rules, business users can have confidence in the results. With multiple tools from multiple vendors, achieving this goal is highly unlikely.

With a common business model provided by Cognos software, users have access to a complete, consistent view of information, no matter which BI capability they use. Users are empowered with the right data, everyone is working from the same numbers, and data complexity is hidden from them.

#### **6. Ensure easy deployment and maintenance**

IT professionals understand the value of performance management, but may be concerned about the cost, complexity and resources needed for maintaining a performance management system over time. For this reason, Cognos software provides flexible maintenance and support solutions that are tailored to each organization and maximize internal resources.

Built from the ground up as a web services-based, service-oriented architecture (SOA), the Cognos 10 family of solutions is, by nature, open. With support for your existing data sources, security systems, portals, application servers and more, Cognos software offers a full range of BI and planning capabilities that help ease the burdens of deployment and maintenance. An open platform uses your existing infrastructure, while also protecting any future investments.

For example, you can view a snapshot of system health, with live insight into key metrics of system performance, enabling you to proactively manage your deployment. Also, simplified upgrade management capability helps you handle any volume of reports and to test out your system when there are environmental changes.

IBM Cognos software is the BI and performance management choice for many midsize organizations. Learn how workgroups and midsize companies worldwide have benefited at: [ibm.com/software/analytics/cognos/express/success\\_stories.html](http://ibm.com/software/analytics/cognos/express/success_stories.html)

## Conclusion

Let's go back for a moment to the three questions that drive performance: "How are we doing?" "Why?" "What should we be doing?" Answering these key questions requires multiple integrated capabilities. IBM Cognos software delivers a comprehensive portfolio of solutions and capabilities to enable your business users to see the information they want, how they want it and when they want it.

The Cognos 10 family of products delivers the essential foundation for business intelligence, performance management and business analytics solutions. These products are designed to work together to help individuals, workgroups and entire organizations gain value from applying analytics to every business decision.

Cognos 10 family products are right-sized for your organization and integrated so you can start addressing your most pressing needs with the confidence that you can grow your solution to meet future requirements. For example:

- Initial deployments can address the needs of individuals by instantly deploying the desktop capabilities of IBM Cognos Insight for data discovery and planning.
- Workgroups or departments can grow to share that insight through a server, add reports on larger data sets and interact with them on mobile devices with Cognos Express.
- Organizations can combine those insights with real-time and corporate information, out them in scorecards and deploy them broadly with IBM Cognos Enterprise.

Understanding the need for easy deployment and maintenance for resource-constrained IT departments, IBM Cognos solutions were built on open standards, web services and SOA architecture designed to use existing infrastructure and future investments. We provide support for data sources, security, portals and more, to ensure ease of deployment and minimal maintenance requirements.

Lastly, a network of more than 3,000 IBM Business Partners is ready to help accelerate your deployments and make you successful.

## About IBM Business Analytics

IBM Business Analytics software delivers actionable insights decision-makers need to achieve better business performance. IBM offers a comprehensive, unified portfolio of business intelligence, predictive and advanced analytics, financial performance and strategy management, governance, risk and compliance and analytic applications.

With IBM software, companies can spot trends, patterns and anomalies, compare “what if” scenarios, predict potential threats and opportunities, identify and manage key business risks and plan, budget and forecast resources. With these deep analytic capabilities our customers around the world can better understand, anticipate and shape business outcomes.

### For more information

For further information, please visit  
[ibm.com/business-analytics](https://ibm.com/business-analytics)

### Request a call

To request a call or to ask a question, go to  
[ibm.com/business-analytics/contactus](https://ibm.com/business-analytics/contactus). An IBM representative will respond to your inquiry within two business days.



---

© Copyright IBM Corporation 2012

IBM Corporation  
Software Group  
Route 100  
Somers, NY 10589

Produced in the United States of America  
April 2012

IBM, the IBM logo, [ibm.com](http://ibm.com) and Cognos are trademarks of International Business Machines Corporation, registered in many jurisdictions worldwide. Other product and service names might be trademarks of IBM or other companies. A current list of IBM trademarks is available on the Web at “Copyright and trademark information” at [www.ibm.com/legal/copytrade.shtml](http://www.ibm.com/legal/copytrade.shtml)

Microsoft, Windows, Windows NT, and the Windows logo are trademarks of Microsoft Corporation in the United States, other countries, or both.

The content in this document (including currency OR pricing references which exclude applicable taxes) is current as of the initial date of publication and may be changed by IBM at any time. Not all offerings are available in every country in which IBM operates.

THE INFORMATION IN THIS DOCUMENT IS PROVIDED “AS IS” WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY OR CONDITION OF NON-INFRINGEMENT. IBM products are warranted according to the terms and conditions of the agreements under which they are provided.



Please Recycle