FOR: Application Development & Delivery Professionals

Drive Business Insight With Effective BI Strategy

by Boris Evelson and Anjali Yakkundi, April 30, 2012

KEY TAKEAWAYS

Your Business Will Not Succeed And May Not Even Survive Without Enterprise BI

Over the past five years, BI has morphed from an enterprise application, an initiative, and a program into a key corporate asset that enterprises use for differentiation. Unless you treat BI as a key corporate asset, with all of the funding, governance, oversight, and control implications, you will risk falling behind your competitors.

You Can No Longer Substitute ERP Reports And Spreadsheets For Enterprise BI

Today, diverse data comes from many sources and has many different meanings to different stakeholders. To support such a mission-critical environment with so much volume, complexity, and diversity, BI strategy, architecture, platform, tools, and applications must be state of the art and well-oiled for high performance and agility.

Earlier-Generation BI Approaches Are No Longer Sufficient

While traditional BI processes, architectures, and technologies can make BI robust, scalable, and function rich, they often fail at making BI agile and flexible. To help you address this latest BI challenge, make sure that Agile BI (in addition to traditional BI) is front and center in your BI strategy.

Drive Business Insight With Effective BI Strategy

Executive Overview: The Business Intelligence Playbook

by Boris Evelson and Anjali Yakkundi
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WHY READ THIS REPORT

How does an enterprise — especially a large, global one with multiple product lines and multiple enterprise resource planning (ERP) applications — make sense of operations, logistics, and finances? There's just too much information for any one person to process. So, it's business intelligence (BI) to the rescue! But how does BI differ from reporting and management information systems (MIS). What is the business impact, and what are the costs versus the benefits? What is the appropriate strategy for implementing BI and achieving continued BI success? This executive overview will give you an understanding of the four critical steps in strategizing around BI to achieve business goals: 1) establish the value of BI; 2) set the right strategy; 3) execute the strategy with precision; and 4) measure and optimize results.

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Notes & Resources

This document is the executive overview for Forrester's business intelligence playbook.

Related Research Documents

The Future Of BI
January 10, 2012

Agile Business Intelligence Solution Centers Are More Than Just Competency Centers
July 22, 2011

Trends 2011 And Beyond: Business Intelligence
March 31, 2011

LEVERAGE BI TO GET A 360-DEGREE VIEW OF YOUR BUSINESS

CEOs and other senior executives must identify ways to improve their enterprise performance by boosting profitability, raising market share, and leapfrogging competitors. But achieving these objectives is not as simple as just looking at the numbers. What about nonfinancial measures (e.g., customer loyalty and employee satisfaction) that don't show up in financial accounting? How do you quickly and efficiently get the full 360-degree view of your business?[1]

In order to execute on business strategy, business and IT executives need a business-focused, strategic, and pragmatic way to measure their finances and operations. Without such measurements — supported by enterprisewide BI deployments — businesses can't link operational results to strategy. Organizations will also find it difficult to get a coherent view of their internal and external processes, customers, logistics, operations, and finances.

Business Effectiveness And Efficiencies Drive BI Strategies

Many business executives understand just one type of a language when approving projects and initiatives: the language of return on investment (ROI). Unfortunately, the 1990s and early 2000s produced many horror stories of failed BI initiatives with runaway scope and unfulfilled ROI. This was partially due to an overreliance on structured approaches and earlier-generation technologies. While such stories continue to exist, newer approaches such as Agile BI are changing the BI equation. These approaches lead to successes such as:

- **Cost savings and cost avoidance from automating manual processes.** There are plenty of manual data collection and report production processes in most enterprises, such as the processes used in monthly financial reporting. Many of these processes use spreadsheets, desktop-based database management systems (DBMSes), and custom coding, all of which take significant time and effort to develop, maintain, and run. BI-enabled processes allow organizations to do more with less as well as avoid future development and support costs.

- **Cost savings and cost avoidance from consolidating BI infrastructure.** Most enterprises still use multiple BI platforms, which in the majority of cases are just remnants of legacy environments, recent mergers and acquisitions (M&A), and other non-technology-specific baggage. Consolidating these multiple environments results in cost savings and future cost avoidance from the reduced number of licenses, more negotiating power with the strategic BI vendor, and fewer development, support, and infrastructure resources.

- **Top- and bottom-line impact from specific BI applications.** BI can play a significant role in addressing multiple business process challenges. For example, a large North American insurance company used BI to lower customer churn by collecting relevant data about customer demographics, psychographics, and buying behavior. It then organized that data in a data mart

and ran a series of analytical exercises and tests to find correlations between customer churn and other variables and events. In cases like these, organizations can find a direct correlation between BI and increased revenues.

- **BI impact on overall enterprise performance.** Finding the direct correlation between cross-enterprise BI-based decision-making and overall levels of enterprise performance (sales, profitability, stock price, etc.) can be a tricky, and often an elusive, endeavor. One study cites output and productivity metrics that are 5% to 6% higher than what would be expected given nonenterprise-grade BI-based decision-making.[2] This study also found a correlation between BI and other performance measures such as asset utilization, return on equity, and market value. In large enterprises, this productivity gain can easily translate into millions of dollars.

- **BI as a profit center.** Got data? Why not package it in a productized offering? Companies such as financial data providers and retailers package their financial and point of sale (POS) data into industry-vertical- and domain-specific analytical offerings and sell it to their partners, such as suppliers and distributors. For example, some of the top players in this space — Acxiom, Dun & Bradstreet (D&B), LexisNexis, Thomson Reuters, and the US credit bureaus Equifax, Experian Information Solutions, and TransUnion — long ago figured out how to monetize their data. Businesses can build an eCommerce infrastructure to deliver these data services on their own or via established data provider mechanisms such as Microsoft Windows Azure Marketplace.[3]

What Is This BI Thing, Anyway?

Are you now convinced that you can't manage your business without measurement, AKA BI? But when we talk about BI, what do we really mean? Is it reporting? Is it analytics? Dashboards? Data warehouses and data marts? The easiest way to describe BI is as follows: Imagine raw data — bits and bytes, 1s and 0s — on the left side of a picture, and that is the entire universe of data that's relevant to your business. But you can't glean insights and make decisions just by looking at 1s and 0s. You need to turn that data into information. Congratulations, you just defined business intelligence! But BI is obviously more complex than this would suggest, so we need a more precise definition:

Business intelligence is a set of methodologies, processes, architectures, and technologies — supported by organizational structures, roles, and responsibilities — that transform raw data into meaningful and useful information used to enable more-effective strategic, tactical, and operational insights and decision-making that contribute to improving overall enterprise performance.

Use Forrester's Prepare, Plan, Build, Run Methodology To Streamline Your BI Strategy

Firms struggle with BI strategies and programs because turning data into information is an open-ended concept. They often go in the wrong direction because of: 1) traditional (and often outdated) views and approaches, and 2) a focus on technology instead of business, which results

in BI programs that are tactical and only project-based. What these firms need is an approach to BI that, while staying true to the importance of long-term vision and looking across silos, provides the flexibility to accommodate varying levels of resource commitment and the political, historical, and cultural obstacles that BI programs often face (see Figure 1).[4] Think of the business intelligence playbook as your BI bible — it should guide your decisions every step of the way.

Figure 1 The Business Intelligence Playbook

73821 Source: Forrester Research, Inc.

PREPARE FOR YOUR BI PROGRAM

Understand that BI is a journey toward a moving target — and not just another project. Considering that it's also an expensive journey, you must prepare well. As part of the preparation cycle, Forrester recommends at a minimum asking yourself three sets of questions: 1) What does the future of BI look like? Have I prepared for the long haul? 2) What kind of impact will BI adoption have on my business and IT organizations? 3) What is the current state of BI in my organization, and how do we stack up against our peers and competitors?

The Future Of BI: All About Agility

IT no longer has exclusive control of BI platforms, tools, and applications; business users demand more empowerment (or make empowered changes without IT involvement), and previously unshakable pillars of the BI foundation such as relational databases are quickly being supplemented with alternative BI platforms. It's no longer business as usual. Ask yourself:

- **What are the main business and IT trends driving BI?** We already know how to make BI environments and applications robust, scalable, and function rich. But such robustness and structured environments are often antonymous with agility and flexibility. In today's world where everything is moving at lightning speed, the name of the game will be approaches and technologies that help make your BI environment more agile and flexible.[5]

- **What are the latest BI technologies that I need to know about?** We currently track more than 20 technologies that can make your BI environments agile. Self-service BI tools that often use BI-specific DBMS engines are just one example.[6] More-pervasive ways to deliver BI solutions such as cloud and mobile are another.[7] In some cases, you can even automate your entire BI processing life cycle from data collection to data modeling to creating a BI semantic layer or metadata.[8]

- **What's out there beyond traditional BI?** At extreme scale, traditional BI often becomes impractical, meaning that your business does not get what it demands: more insight to drive greater business performance. Big data helps firms work with extremes to deliver value from data in a cost-effective way. Big data will disrupt the data management landscape by changing fundamental notions about data governance and IT delivery.[9]

Quantify The Business Impact Of BI

Many specific BI use cases demonstrating business impact are mostly vendor hype. Forrester recommends concentrating on case studies conducted and verified by independent third parties.[10] When considering business impact, remember that:

- **Cost savings and cost avoidance case studies are easier to prove.** Start with business cases based on cost reduction, risk avoidance, operational efficiencies, redeployment of resources, or any other business value with the goal of improving profitability. Why? Cost savings and cost avoidance business cases are easier to build and support, as they carry more tangible and quantifiable benefits such as cost reductions and productivity gains. Definitive bottom-line savings are difficult to dismiss.

- **Isolating BI from supporting technologies makes your business cases easier to support.** Data quality and master data management (MDM) are highly critical components not only for a successful BI implementation (otherwise it's garbage in, garbage out) but also for data-centric operational processes such as order management and customer service. Portals manage, organize, and deliver BI reports but also provide more than just a window into BI applications. Draw a clear line around where pure BI components start and stop, and get stakeholders' agreement on these lines of demarcation.

- **Razor-sharp, focused case studies with top-line benefits often hit the mark.** For organizations that have successfully delivered incremental BI value, it's time to tackle the final frontier: top- or bottom-line benefits that can enable increased revenue and market share. For example, a large global retailer recently replaced relatively basic customer analytics, mostly based on simple demographics, with advanced BI applications. By prioritizing customer cross-sell/upsell analysis, deprioritizing all secondary objectives, and concentrating on data and variables that supported the analysis, the retailer was able to deliver the application on time, on budget, and with tangible results (improved cross-sell/upsell ratios).

Assess Your BI Environment

Make your current state assessment even more actionable by:

- **Using Forrester's BI maturity self-assessment model to determine your current state.** Forrester recommends using the tool at the beginning of any new strategic BI initiative to help better understand your current state and strategic priorities.[11] The tool emphasizes questions on BI organization structure, processes such as governance and delivery, methodologies such as the software development life cycle (SDLC) and project management office (PMO), executive sponsorship, and funding — all of which are infinitely more critical than the maturity of specific existing BI technologies.

- **Taking annual Forrester BI maturity surveys to benchmark yourself against your peers.** It's rare that organizations should use their BI current state analysis as an absolute measure, as Forrester research continuously shows relatively low BI maturity levels across multiple industries and regions. At the very least, make sure you are not falling behind your peers and competitors. Ultimately, you want to be ahead of them.

- **Periodically correlating BI maturity with enterprise performance.** As you measure your BI maturity on a periodic (say, quarterly) basis, track potential correlations between your BI maturity and other corporate performance metrics such as revenue growth, profit margins, stock price, and industry ranking. If you do find a correlation, you've hit a gold mine — your BI project budgets are safe for the foreseeable future. If you do not, it's time to stop and reassess your BI strategy.

CREATE YOUR BI PLAN

BI plans should be based on a BI strategy that includes a business plan and a future state road map.

Prepare Your BI Business Plan

Building BI business cases is not for the faint of heart. Challenges include: the grey boundary lines around which processes and tools are or are not part of BI; multiple BI components that typically

need to be customized and integrated; and the frequent unpredictability of BI system integration efforts. To ensure successful BI business cases that can stand the test of time:

- **Use Forrester's Total Economic Impact™ (TEI) as the framework for your BI business cases.** Forrester recommends using its BI TEI methodology, which quantifiably measures the business value of a BI decision or project. TEI is composed of four main elements with their own methodologies for quantification: benefits, costs, flexibility (future options), and risk. Individually, each provides only a piece of the decision-support puzzle. Together, they provide a holistic methodology for assessing and justifying BI investments, taking into account benefits, cost, risk, and flexibility.

- **Leverage existing BI TEI studies to improve your chances for success.** Do not start from scratch; rather, use one of Forrester's broad, tool-specific TEI studies to build on existing best practices.[12]

- **Follow Forrester's recommended best practices to build and support BI business cases.** Start with simpler BI business cases dealing with cost savings and cost avoidance. Next, build business cases based on top- and bottom-line benefits. To help you manage the cost variables of any BI business case, eliminate the foundational components that should have a business case of their own, such as MDM, data quality, data integration, and others.

Set Your BI Strategy

BI strategies usually contain a visionary, directional document that envisions a BI target state. They also often describe a road map of how to get there, including: BI definitions; a business plan; considerations for functional, architectural, technical, and operational requirements; governance and organizational structures; change management plans; and company culture. When strategizing for BI, ask yourself:

- **Is BI strategy clearly linked to business and IT strategy?** BI strategy must support overall business strategy, striving to attain goals such as increased revenue, better profitability, larger market shares, improved shareholder value, and others. BI needs more emphasis on business ownership and less emphasis on standards than other enterprise software and applications, but it still must link to the entire IT strategy in terms of priorities, dependencies, standards, and resources.

- **Who are the key BI stakeholders?** Forrester suggests several dimensions for classifying stakeholders, including: 1) frequency of BI usage; 2) authors or consumers of information (or both); 3) types of decisions they make (strategic, tactical, or operational); 4) latency of information that they require; 5) sharing of information (cross enterprise, cross line of business [LOB], cross department, within a team, individual); and 6) complexity of information and reports that they produce and/or consume

- **Have we charted and determined the scope of our BI programs?** Smaller organizations tend to bundle all information management components — including MDM, data quality, and data integration — into a single program. Larger, more heterogeneous and diverse enterprises tend to narrow BI program focus, concentrating only on data and information usage (which mostly includes just reporting and analytics). Additionally, organizations must create policy on when, where, and how BI intersects with enterprise architecture (EA), the PMO, and other cross-enterprise programs.

- **Have we created a BI operating model?** Forrester recommends that organizations create a BI operating model that includes: 1) governance and stewardship; 2) roles and responsibilities; 3) funding and cost allocation; 4) methodologies such as reference architecture, SDLC, and PMO; 5) support, including the role of business intelligence solution centers (BISC); and 6) change management and communications.

Create Your BI Future State And Road Map

Future state is not just a simple depiction of target state architecture; it should include functional, architectural, operational, and technical requirements as well as list major priorities, dependencies, and constraints affecting the road map. When developing your BI future state and road map, consider the following questions:

- **What should my BI target state reference architecture look like?** Leverage Forrester's data management reference architecture, which provides a framework to guide these BI and data management stakeholders in managing strategy and architecture. This includes architectural patterns and building blocks to help you get started.[13]

- **How do I determine what I do first?** Reach for the low-hanging fruit first. Create a list of all outstanding BI requirements, and rank them by priority and cost/effort. Then start with the lowest cost/effort, highest priority applications. The idea is to deliver the biggest bang for the lowest investment to keep the momentum going. Once you build up a reputation for a team that can deliver successful BI projects and applications, you can move on to more complex, more costly endeavors.

- **What's the road map to achieve our target state?** Purely strategic initiatives (BI architecture, enterprise data warehouses, etc.) are typically never ending and are "black boxes" in the eyes of business users who can't touch and feel them. Yet, they are necessary to ensure that tactical projects do not run amok and in different directions. Tactical BI projects provide immediate value to business users but run the risk of not marching to the same drum and may end up taking you further from, not closer to, your strategic objectives. Find the right mix of the two, where each tactical project is taking you one step closer to your target state environment.

- **Is a physical DW the only option as the foundational layer for BI?** Many data warehousing (DW) and BI professionals overlook the need to optimize an end-to-end data management architecture to support diverse BI applications. Forrester identifies and recommends five analytical data architectures to consider, each with distinct advantages and drawbacks: distributed data marts, data federation, enterprise data warehouse, hub-and-spoke, and information-as-a-service.[14]

- **Is an OLTP RDBMS the best data environment?** Earlier-generation BI technologies and architecture, while still useful for more-stable BI applications, fall short in the ever-faster race of changing business requirements. Consider alternative DBMS engines architected specifically for Agile BI.[15] BI pros should evaluate and consider BI DBMS for specific use cases where online transaction processing (OLTP) relational database management systems (RDBMSes) may not be the best fit (for example, in situations where requirements change often).

BUILD AN AGILE BI ENVIRONMENT

At this point, the preparations are over, and it's time for organizations to start delivering on the promise of BI.

Staff Your BI Program

Early-generation BI support centers — organized along the same lines as support centers for all other enterprise software — fall short when it comes to taking BI's peculiarities into account. These unique BI requirements include less reliance on the traditional SDLC and project planning and more emphasis on reacting to constantly changing business requirements. Structure your BI solution center (BISC) along somewhat different lines than traditional technical support organizations by asking:

- **How should I organize, staff, and assign BI roles and responsibilities?** Forrester recommends moving beyond just BI tech support organization and into how we define the BISC:

  A permanent, cross-functional, virtual, or physical organizational structure, loosely coupled for flexibility and agility, responsible for the governance and processes necessary to deliver or facilitate the delivery of successful BI solutions, as well as an institutional steward of, protector of, and forum for BI best practices.

  Keep in mind best practices such as: 1) separating and loosely coupling the data preparation and data usage support organizations; 2) setting up different guidelines for supporting front-office and back-office BI applications; and 3) establishing a hub-and-spoke organizational model.

- **How do I enable BI users?** This never-ending snowball effect of new BI requests from business users puts a significant strain on IT resources. Even with the most noble IT efforts, the "build it

and they will come" BI paradox will take its toll. In the end, BI business users have no choice but to start fulfilling a significant portion of their own BI requirements using BI technologies that can enable BI self-service and empower BI HEROes (highly empowered and resourceful operatives).[16]

- **How do I find the right resources and provide training for the existing ones?** Forrester recommends a three-pronged approach to tackle the challenge: 1) give special consideration to new hires who are graduates of colleges with strong BI and information management curriculums — especially programs that collaborate with leading BI vendors; 2) take advantage — by providing proper incentives to employees — of the multitude of eLearning classes available from most leading BI vendors; and 3) work with organizations such as The Data Warehousing Institute (TDWI) and Data Management International (DAMA) for advanced training in BI architecture, system integration, methodologies, and best practices.[17]

- **Where do I find external help for BI initiatives?** Forrester recommends creating a shortlist using our "BI Service Provider Short-Listing Tool" to find the right set of potential providers based on your technology requirements, industry, project size, and geographic scope.[18] Once you have a shortlist, dig deeper and use Forrester's BI partner selection methodology to zero in on a finalist.

Create BI Policies And Procedures

Within most organizations, BI and data governance remain an immature and poorly understood competency. The challenge for most organizations is to effectively scope, prioritize, and organize BI and data governance programs that will be acceptable within the confines of an existing corporate culture. Organizations should: identify the ways in which trusted data can optimize the most-critical business processes and decisions; define the policies, business rules, and standards that will ensure trusted data; and deliver business-value-oriented metrics that will justify the resource investments.

Organizations must also think about how BI strategies complement strategies for data management and analytics. They should consider cross-enterprise competencies and best practices, including business case development, architecture strategies, organizational alignment, skills development, and the change management implications of implementing, supporting, and measuring a solution. Leverage Forrester's process data management program framework in the form of a best practice guide and checklist.[19]

Build Or Buy BI Capabilities?

Organizations should perform buy/build/outsource analysis based on the high-level requirements they created when mapping out their future state. The next step is to select a BI platform, tools, and implementation partners. Ask yourself:

- **Should I build, buy, or outsource BI tools, applications, and solutions?** Few businesses outside of small businesses and specialized industries build their own BI platforms and tools, given the

mature BI platforms available commercially. However, Forrester still recommends mapping functional, technical, and operational requirements against these leading vendors' capabilities. Outsourcing early phases of BI initiatives — design, architecture, and prototyping — can be difficult, as business requirements are often unpredictable and can change on a dime. Therefore, organizations should consider outsourcing only later phases such as testing, debugging, release management, documentation, and others.

- **What are the leading vendors providing BI software, applications, and services?** Broad BI platforms come from four large, full-stack software vendors: IBM, Microsoft, Oracle, and SAP. Packaged versus best-of-breed BI tools is no longer a consideration; all of these large vendors have built or acquired best-of-breed BI technologies over the past few years. If you are looking to diversify your tool portfolio to reduce dependency on a single vendor, consider Information Builders, MicroStrategy, and SAS Institute. If you need highly visual and flexible analytics-only BI tools, consider adding Panorama Software, QlikTech's QlikView, Tableau Software, and Tibco Spotfire to the mix. Lastly, if your other IT initiatives are taking you in the direction of open source software, put Actuate's Eclipse BIRT, Jaspersoft, Pentaho, and SpagoBI on your list.

- **What should I expect to pay for BI?** Many BI vendors do not publish list prices. Also, licensing models differ greatly from vendor to vendor, keeping many BI software buyers from having a frame of reference when evaluating proposals from BI vendors. Forrester has assembled a list of industry-average BI deal prices for typical small business, medium-size business, and enterprise scenarios. Extrapolate and adjust these averages to fit your deal specifics, and then use them as the starting point for BI contract negotiations.[20]

After you make the buy/build/outsource decision, you'll need to go back and adjust your staffing plan. The end user roles and responsibilities will not be affected, but IT roles will.

CONTINUE TO OPTIMIZE YOUR BI ENVIRONMENT

In large, heterogeneous, complex, and global enterprises, BI can and will take on a life of its own. BI will become an environment that, just like any other enterprise software, needs to be monitored, measured, and improved. However, unlike any other enterprise software, usage of BI is much more haphazard, unpredictable, and without any clear patterns. How can one understand who uses BI applications and when and how they use them? This is especially tough when you have multiple BI platforms — a pragmatic reality in most enterprises.

Assess The Performance Of Your BI Programs

IT organizations too often rely on qualitative subjective assessments to make key decisions relating to performing or underperforming applications, projects, and programs. But BI performance assessment has to be as objective and quantitative as possible. BI has objectives, specific tangible goals associated with those objectives, and metrics that let you measure the progress toward the

goals. The organizations that measure the effectiveness of their investments are able to drive initiatives that gain the most business value and are often able to help reduce the total cost of ownership by eliminating waste.

Develop BI Reporting And Metrics

At the bare minimum, BI metrics and reports must provide insights into efficiencies and effectiveness. For example, efficiency metrics could include the usage of various BI resources (servers, applications, tools, data sets, specific reports and queries, etc.). Firms can then proactively — rather than reactively — take steps to improve the performance of popular resources and eliminate waste by removing or deprioritizing seldom-used resources. Metrics that measure effectiveness of BI usage are trickier to quantify, but they are critical to the overall success of BI programs. When deciding what metrics you should collect, consider:

- **What are the key BI measurement metrics?** TDWI suggests having only a few key performance indicators (KPIs) per function (e.g., BI/DW) per level: operational, tactical, and strategic.[21] In this scenario, each set of KPIs drives performance in the level above. Thus, operational KPIs in an operational dashboard drive tactical KPIs in a tactical dashboard, which drive KPIs in a strategic dashboard. Operational KPIs are mostly about efficiencies such as query response times and BI/DW resource usage and utilization. Tactical KPIs can still be about operational efficiencies such as compliance with service-level agreements (SLAs) and other business processes. Other tactical KPIs can address BI/DW usage by workgroups, departments, regions, or LOBs. For strategic KPIs, TDWI suggests measuring how well the BI/DW team is achieving its strategic objectives.

- **How do I collect and report BI metrics?** Treat BI itself just like you would treat any other BI application. First, create a data model — hopefully, a star schema — that allows you to collect and calculate metrics. Then collect raw data to populate your data model. Raw data sources for BI on BI may include your BI and DW platforms' metadata (if you have multiple platforms and only want to collect the data once, look for help from vendors such as Appfluent Technology or Teleran Technologies), help desk applications, and business-to-employee (B2E) surveys.[22] Once you build and populate the data model, you can use any of your existing BI tools to build reports and dashboards.

Communicate Your BI Plans And Changes

The pace of continuous improvement and transformational change in BI continues to accelerate, often outpacing employees' ability to keep up. Many BI initiatives fail because they lack a clear change management program. Forrester recommends that you avoid this pitfall by implementing some of the most important components of change management: leader support, flexible short- and long-term planning, ongoing communications, and metrics to track the success of the change initiative.[23] Consider the following questions:

- **How do I ensure that change does not stand in the way of my BI programs' success?** Implementing new BI platforms and processes without ensuring that employees understand the technology and embrace process changes can destroy any expected benefits. Organizations must make special efforts throughout their change management initiatives to help employees understand why the organization is initiating the change, what the end results will be for the company, what employees' new roles will be, and what kind of support the company will give employees to help ensure their personal success.

- **How much emphasis do I put on BI change management?** Announcing a substantial new change and only following it up with a single online training session will elevate anxiety levels and raise more questions than answers, getting the new process off to a very rocky start. Change management must start when executives first decide to move forward with a process change; they must involve HR and the training department right away to develop a communication plan that lasts beyond the completion of the project or program.

- **Who should be in charge of the BI change management program?** Change management requires a specific skill set and has its own best practices and tools. If you don't have change management or organizational development skills on staff, hire someone with those skills or retain a consultant to work closely with your HR staff. Employees may still resist when companies carefully plan change management activities, so even the best-crafted plan must be open to tweaking.

- **How do I communicate BI programs?** While there's no single correct solution, a strong communications plan that starts before the change initiative begins, lasts beyond its conclusion, and goes up and down the organization comes close. Make your BI communications compelling, and connect them to something that employees care about. For example, a new BI platform requires training for employees to become proficient, but employees don't just need technical training — they need to understand what about their jobs has changed and how to apply that technology to those jobs. Help them see the difference the new BI changes will make in their workload and what the new benefits to them and especially to their customers will be.

ENDNOTES

[1] Some businesses are even beginning to talk about a 720-degree view of a customer that also brings customer interactions with other customers — as in social circles — into the picture.

[2] Source: "Strength in Numbers: How Does Data-Driven Decisionmaking Affect Firm Performance?" Social Science Research Network, April 22, 2011 (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1819486).

[3] Source: Windows Azure Marketplace (https://datamarket.azure.com/browse/Data?refreshCache=False).

[4] Please refer back to the online document to see the associated reports in the playbook. See the April 30, 2012, "Drive Business Insight With Effective BI Strategy" report.

[5] Don't risk falling behind. See the January 10, 2012, "The Future Of BI" report.

[6] To read more about the 20 technologies that can make your BI environments Agile, see the May 27, 2011, "It's The Dawning Of The Age Of BI DBMS" report.

To read more about self-service BI tools that often use BI specific DBMS engines, see the October 26, 2010, "Empower BI HEROes With Self-Service Tools" report.

[7] To read more about delivering BI solutions through the mobile marketplace, see the March 3, 2011, "A Practical How-To Approach To Mobile BI" report, and to read more about delivering BI solutions through the cloud, see the January 26, 2010, "BI In The Cloud? Yes, And On The Ground, Too" report.

[8] To read more about automating your entire BI processing life cycle from data collection to data modeling to creating a BI semantic layer or metadata, see the April 22, 2010, "Agile BI Out Of The Box" report.

[9] To learn more about the emerging trend of big data, see the September 30, 2011, "Expand Your Digital Horizon With Big Data" report, and see the October 20, 2011, "Enterprise Hadoop: The Emerging Core Of Big Data" report.

[10] For Forrester's BI case studies, see the October 19, 2011, "Case Study: Yahoo Pioneers Hadoop In Operational Big Data Programs" report, and see the July 18, 2011, "Case Study: Sallie Mae Drives Data Governance In A Complex Environment" report.

[11] To read more about the BI maturity marketplace, see the December 21, 2011, "Update 2011: Forrester's BI Maturity Assessment Tool" report.

[12] Source: "The Total Economic Impact Of Actuate's BIRT Product Line," Forrester Consulting report prepared for Actuate Corporation, Actuate website, October 2009 (http://www.actuate.com/download/analyst-papers/Actuate-BIRT-TEI-Full.pdf); Oracle (http://www.endeca.com/en/resource-center/analyst-reports/Total-Economic-Impact-Of-Endeca-Latitude.html); and "The Total Economic Impact™ Of Smarter Planet Solutions," Forrester Consulting report prepared for IBM, *Building A Smarter Planet: A Smarter Planet Blog,* May 2010 (http://asmarterplanet.com/files/2011/07/IBM-Smarter-Planet-Law-Enforcement-FINAL-041911-.pdf).

[13] To read more about data management strategy and data architecture, see the February 2, 2011, "Forrester's Data Management Reference Architecture" report.

[14] To read more about Forrester's five recommended analytical data architectures, see the July 9, 2009, "Fit Your Data Architecture To Your Analytical Needs" report.

[15] To read more about alternative DBMS engines architected specifically for Agile BI, see the May 27, 2011, "It's The Dawning Of The Age Of BI DBMS" report.

[16] To read more about BI technologies that can enable BI self-service and empower BI HEROes, see the October 26, 2010, "Empower BI HEROes With Self-Service Tools" report.

[17] Source: The Data Warehousing Institute (www.tdwi.org) and DAMA International (www.dama.org).

[18] To read more about short-listing tools, see the January 10, 2012, "Updated 2012: BI Service Provider Short-Listing Tool" report.

[19] To learn more about Forrester's process data management program framework, see the July 25, 2011, "How To Build An Effective BI And Data Management Program Framework" report.

[20] To read more about BI contract negotiations, see the November 14, 2011, "Six Steps To Negotiating A Better BI Deal" report.

[21] Source: Wayne W. Eckerson, "KPIs for Data Warehousing Managers," The Data Warehousing Institute, December 10, 2009 (http://tdwi.org/blogs/wayne-eckerson/2009/12/kpis-for-dw-managers.aspx).

[22] Source: "Visibility 90X for Lean Data Warehousing," Appfluent Technology, (http://www.appfluent.com/library/downloads2.shtml) and "Usage Management for Business Intelligence/Data Warehouse Environments," Teleran Technologies (http://www.teleran.com/files/_/white-papers/Improving_Business_Intelligence_Data_Warehouse_Performance_and_Compliance.pdf).

[23] To read more about the pitfalls of change initiatives, see the November 21, 2011, "Understanding Business Change Management Challenges" report.

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