

Business Intelligence Trends and Best Practices

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Midsize Enterprise
Summit. 2007



BI Beyond Reporting

Future Scenarios: Wide Ranging from Human to Machine-Driven

Empowering Users with BI



- Search
- Visualization
- Empowerment

Organizational Efficacy Requires the Proper Balance



- Alignment
- Transparency
- Collaboration

Optimizing Business Process with BI



- Orchestration
- Business rules
- Predictive modeling

Measure

Decide

Manage

Optimize

Discover

Innovate

BI Continuum

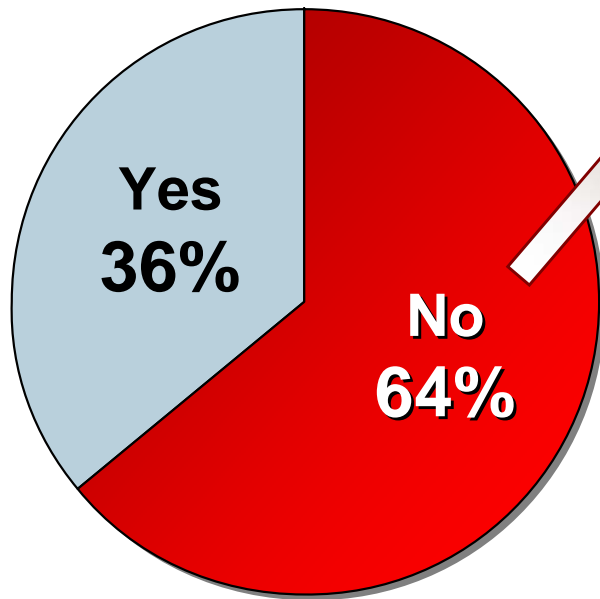
Gartner

Key Issues

- 1. Best Practices:** How can organizations use business intelligence to improve decision making and optimize performance?
- 2. Technology:** Which emerging technologies will have a major impact on how business intelligence capabilities are delivered?

Business Intelligence Applications Top CIO Priorities in 2007

CIOs: Management using right information to run business?



2007 Technology Priorities

Business intelligence applications

Enterprise applications (ERP, CRM and others)

Legacy application modernization

Networking, voice and data communications

Servers and storage technologies (virtualization)

Security technologies

Service-oriented architectures

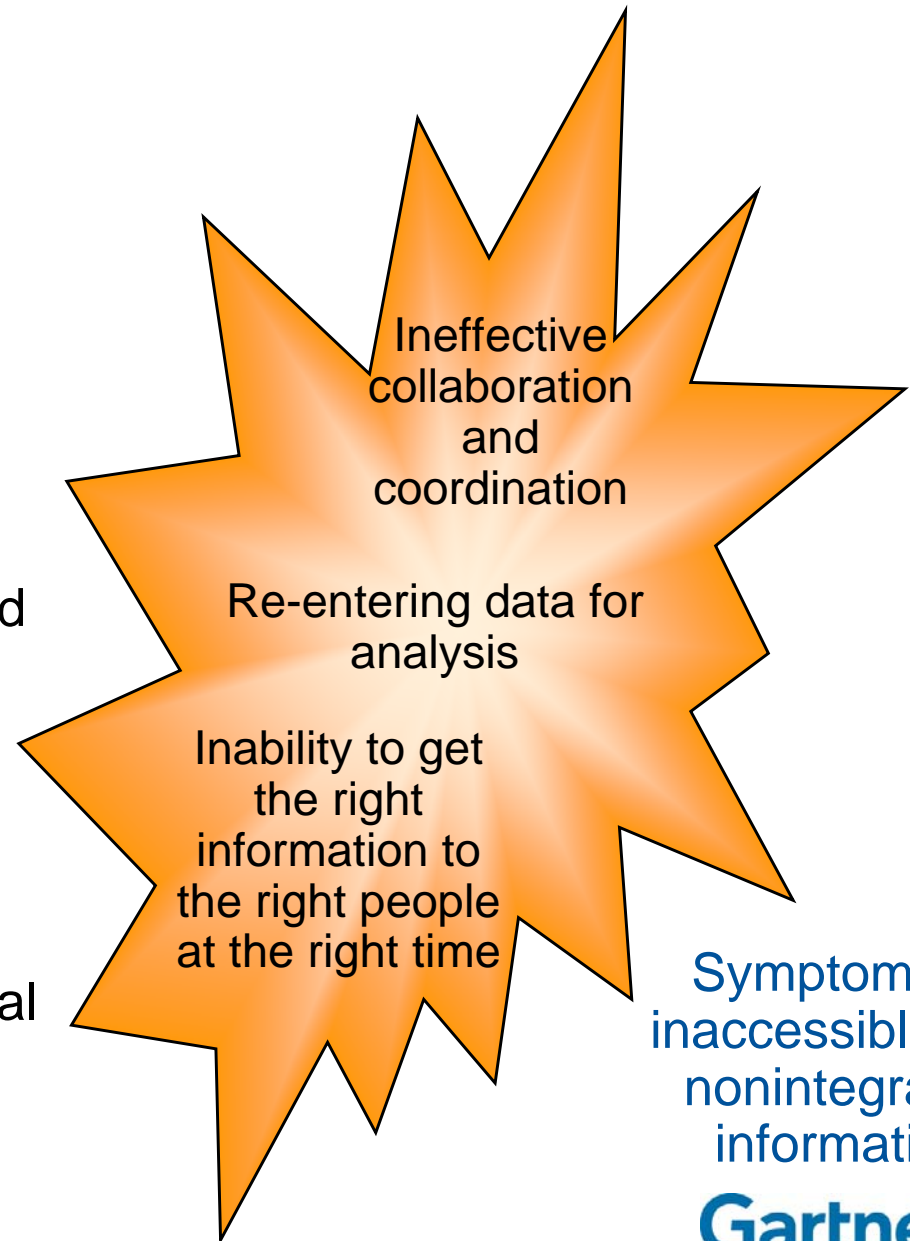
Technical infrastructure management

Document management

Collaboration technologies

Signs of Trouble Where BI Can Help

- How simple is it to answer ad hoc or event-driven questions based on your current systems and data?
- What is the form and frequency of management reports?
- What proportion of time is spent collecting and entering data vs. analyzing it?
- How often is your IT organization asked to run data queries, reports and obtain other "information" from organizational databases?
- How easy/simple is it to disseminate information to people who need it?
- Can you identify trends in organizational performance?
- Does all senior or executive management have a "single view" of information?



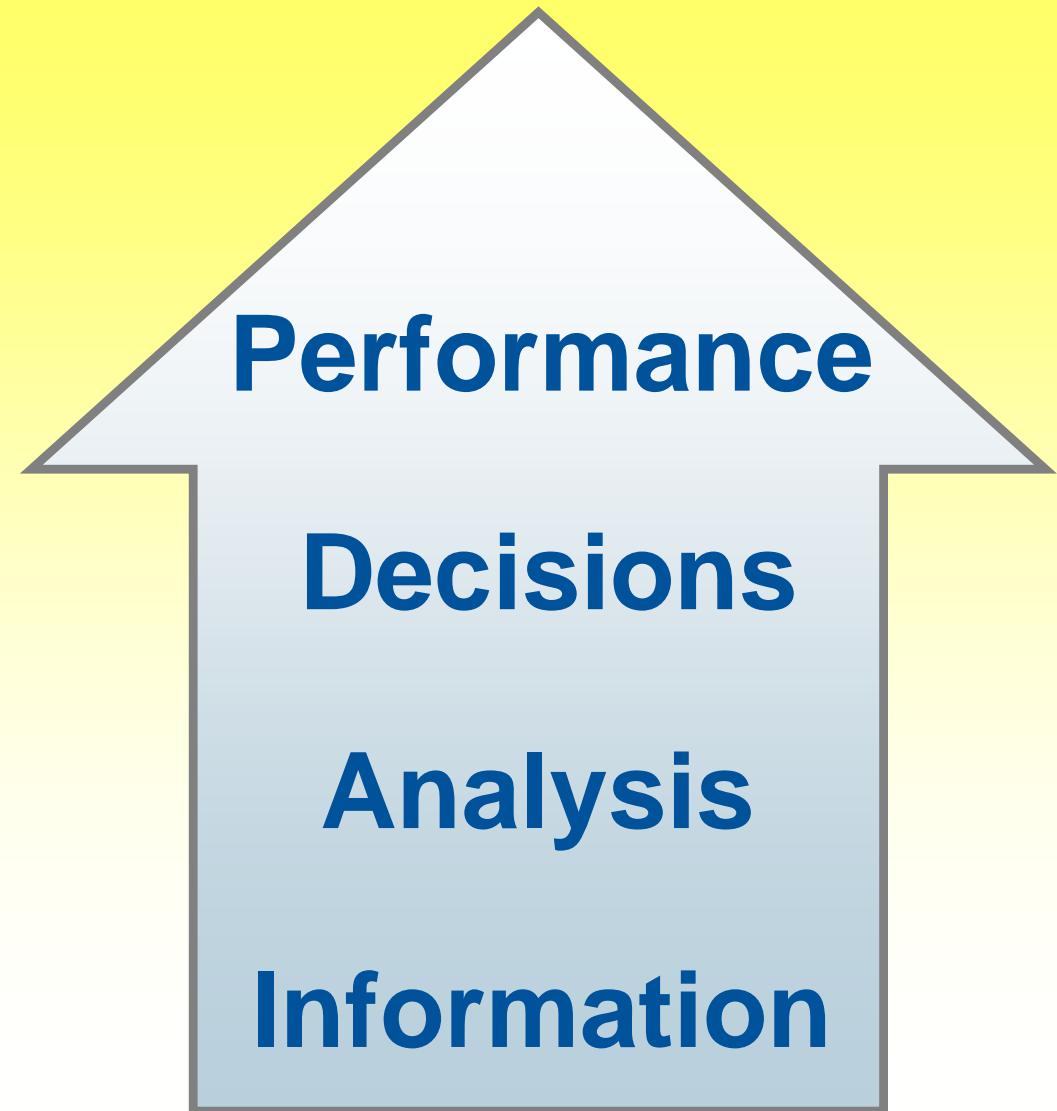
Symptoms of
inaccessible and
nonintegrated
information
Gartner

Business Intelligence: Information Driving Business Performance and Decision Making

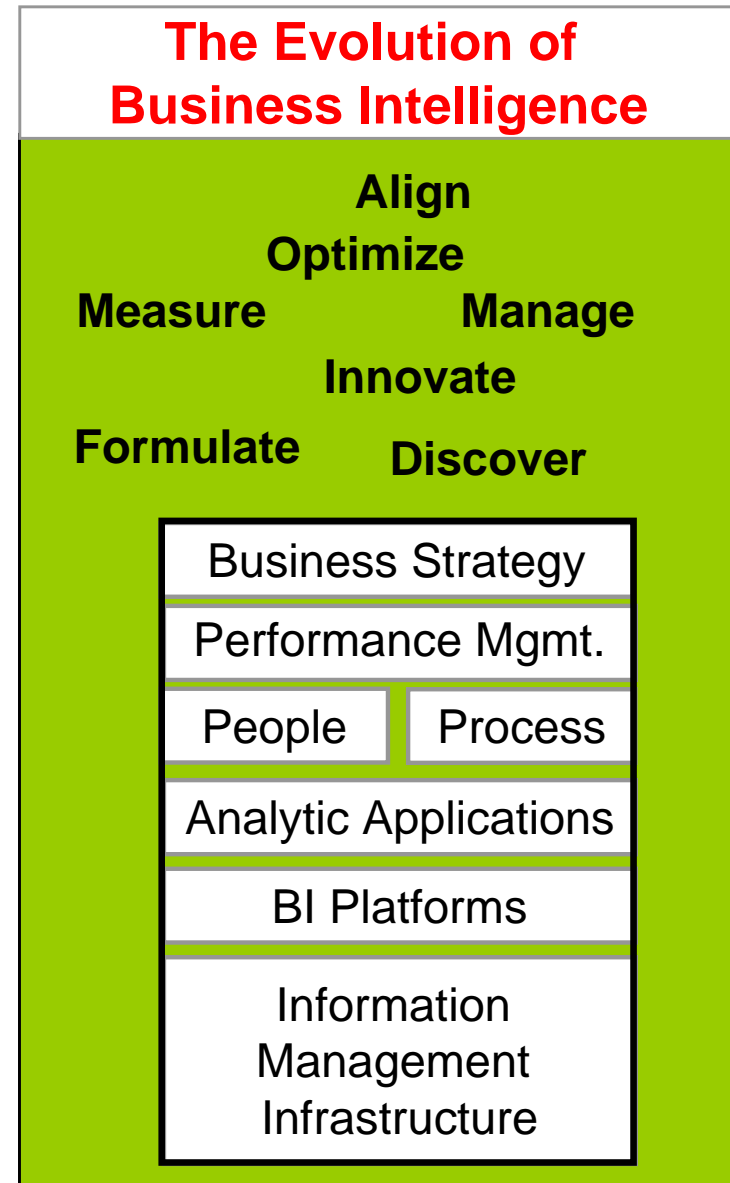
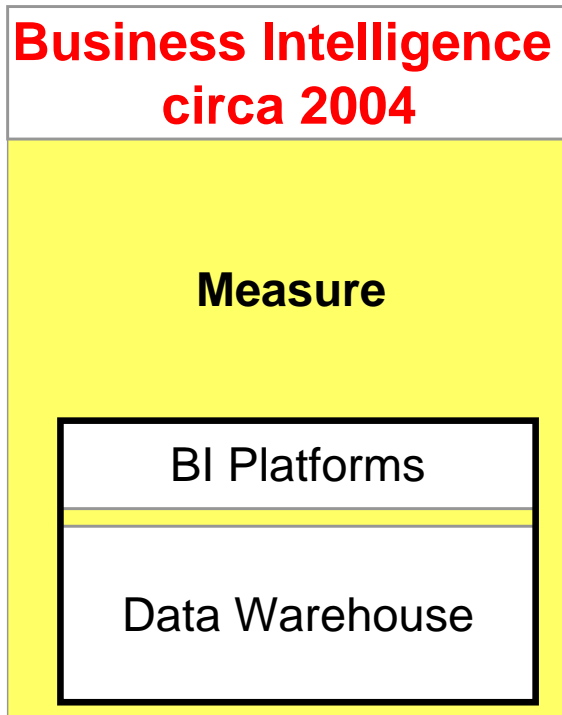
Business intelligence is an umbrella term for

- Applications
- Infrastructure, platforms, tools
- Best practices

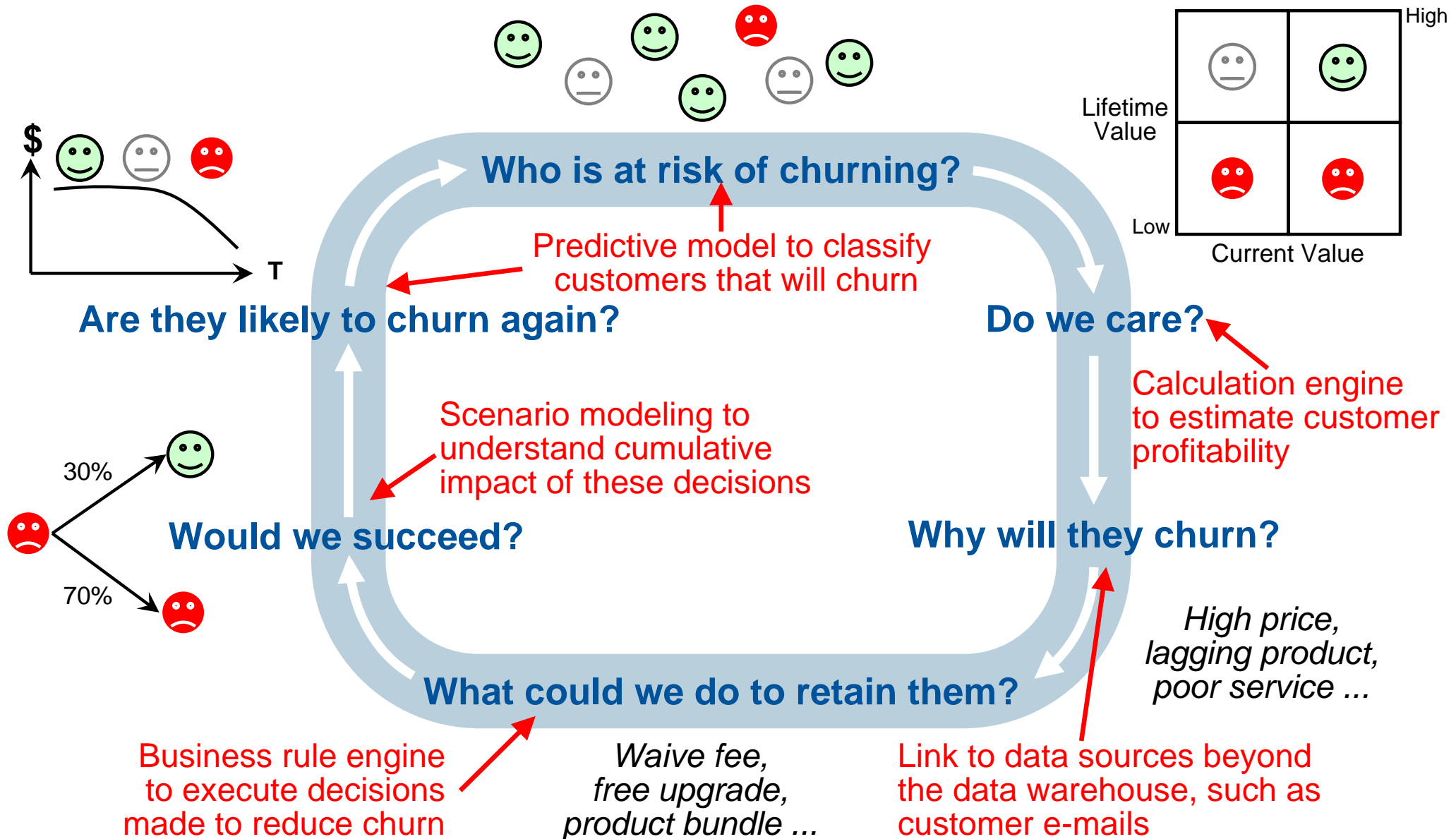
that enable the analysis of information to optimize decisions and manage performance.



A New, Broader BI and Performance Management Framework Is Needed



Process-Driven BI: Customer Churn Example



EuroDisney: Process-Driven BI

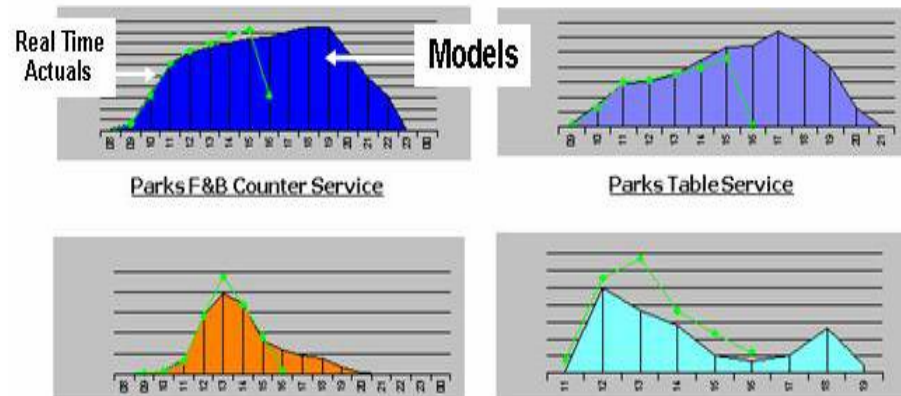


- **Challenge:** Optimize customer satisfaction and reduce expenses
- **Solution:** Define KPIs, predict, publish and alert
- **Results:** +15% customer satisfaction; higher staff efficiency
- **Success factors:** Distributed decisions aligned with business goals
- **Lessons learned:** Culture change takes years, but is worth it



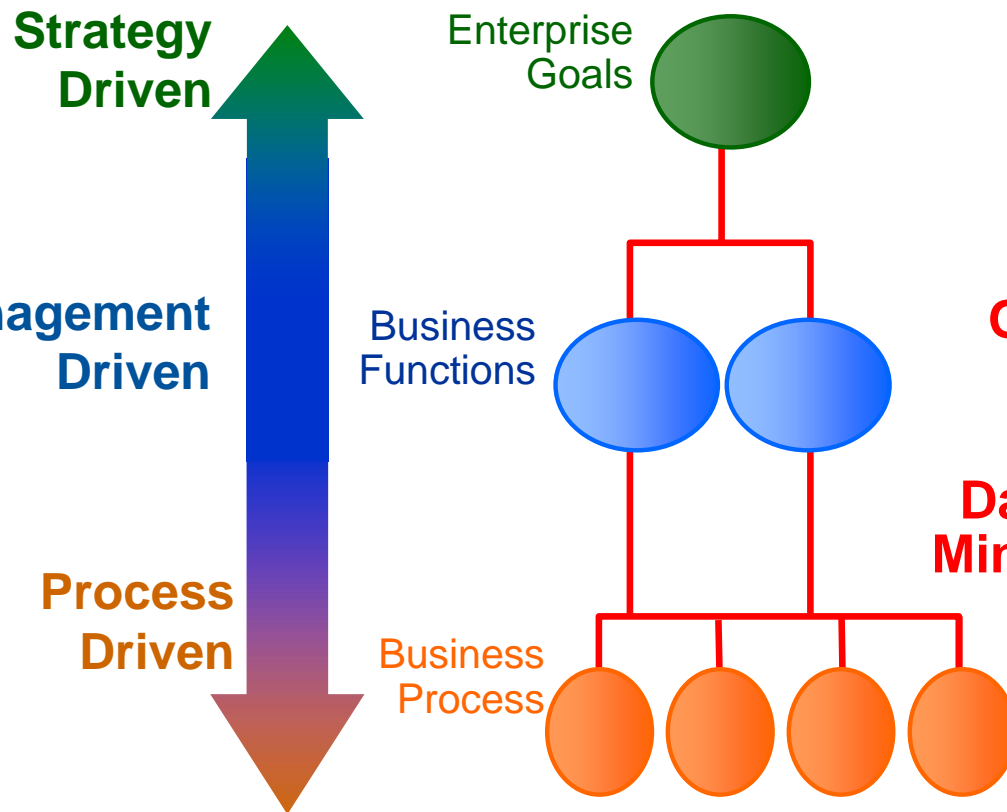
Parks Attendance TREND

Parks Merchandise

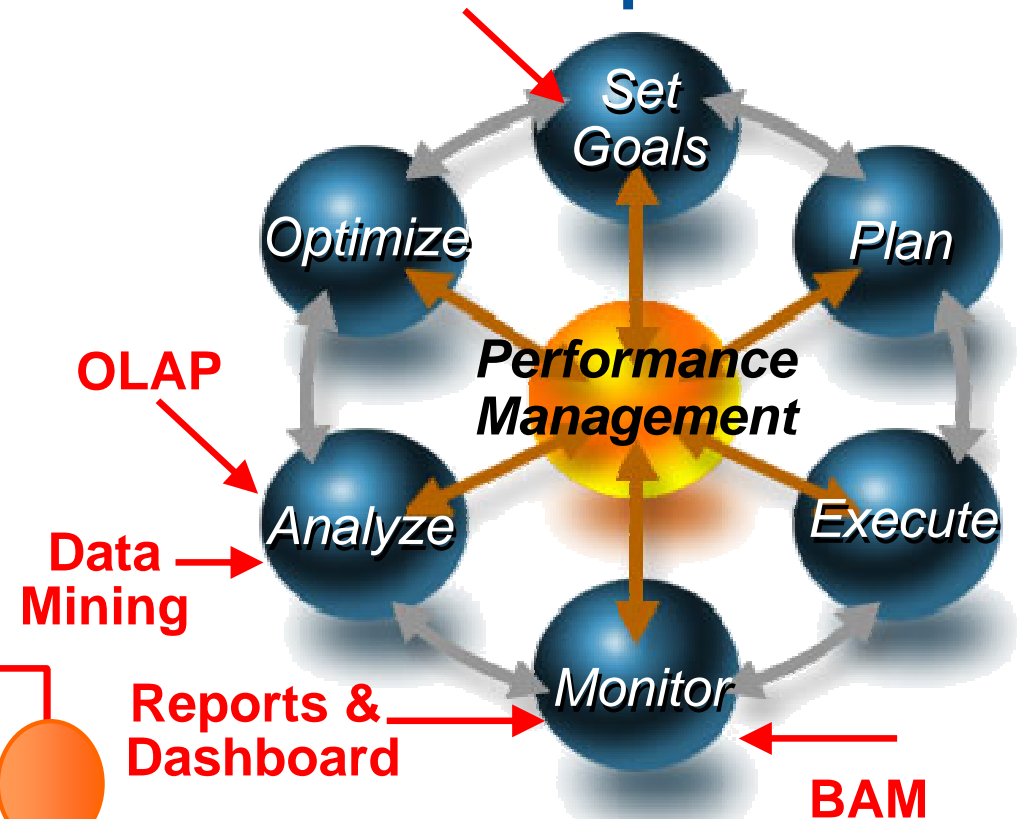


Strategy-Driven BI

Alignment of KPIs



Performance Management: A Closed-Loop Process



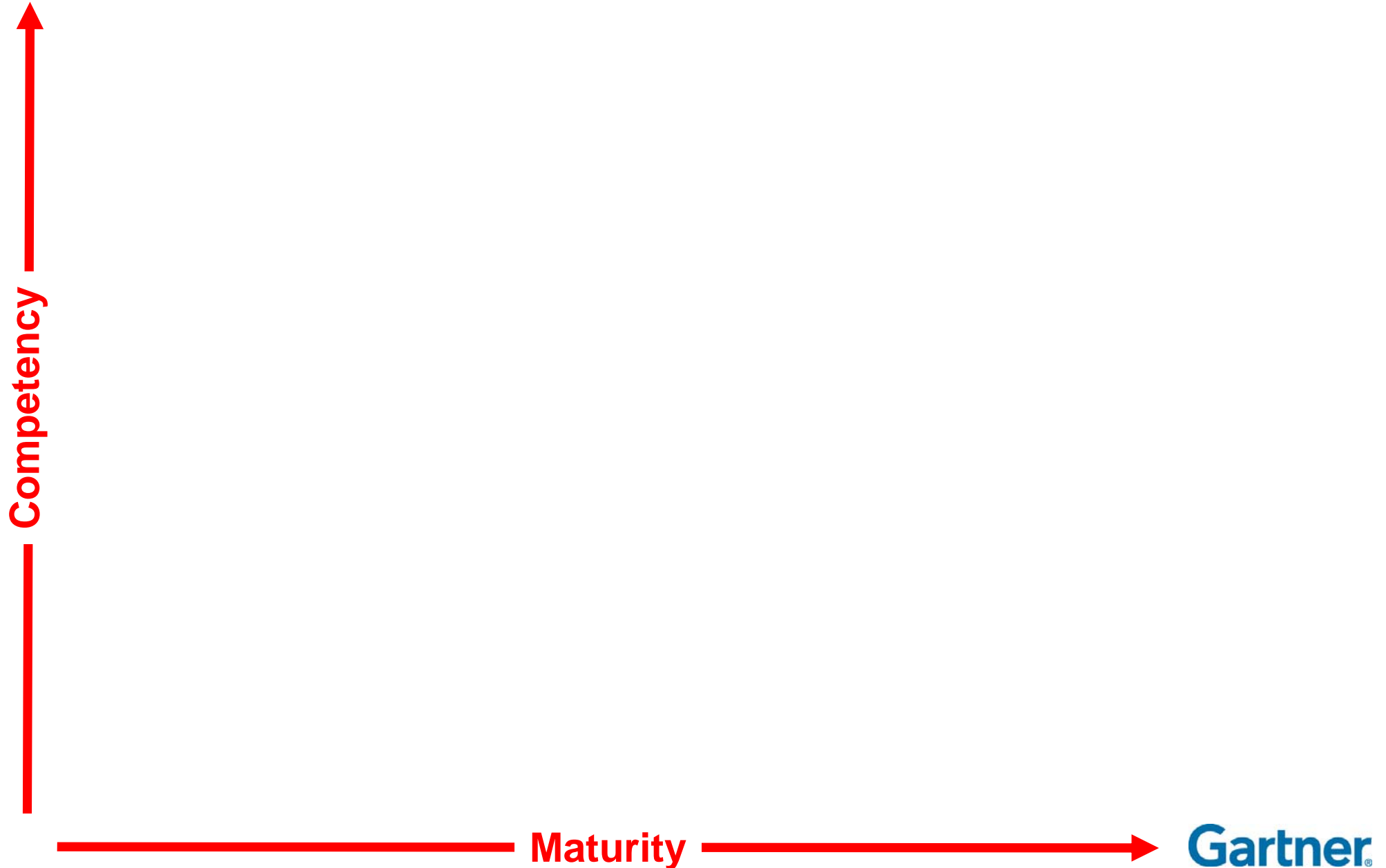
Alignment of multiple business processes with strategic business objectives using performance metrics.

'Moneyball': Applying BI to Strategy

- "Moneyball: The Art of Winning an Unfair Game" written by Michael Lewis
 - Account of Billy Bean, manager of the Oakland Athletics baseball team
- Used BI to manage processes (e.g., scoring runs) and predict performance (e.g., games won)
 - Used "on base %" instead of "batting average" to draft players
 - History showed, in the data, that the old "gut feelings" and adages were wrong
 - Focused on avoiding outs instead of advancing the runner — a major change to the business process of baseball.
- Result: Able to win 90+ games per year with one-third the payroll of the New York Yankees

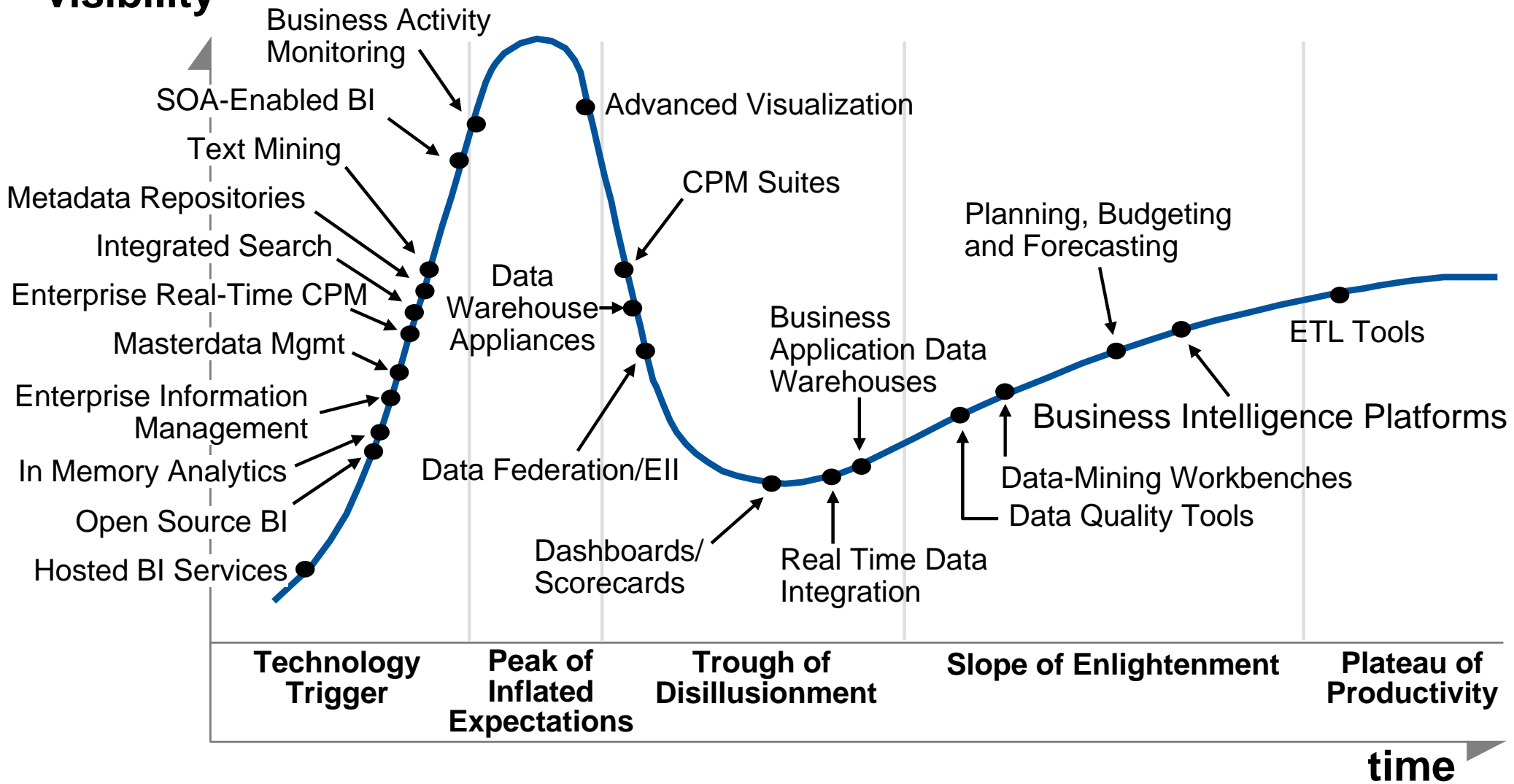


Different Organizations Are at Different Places on the Maturity Curve



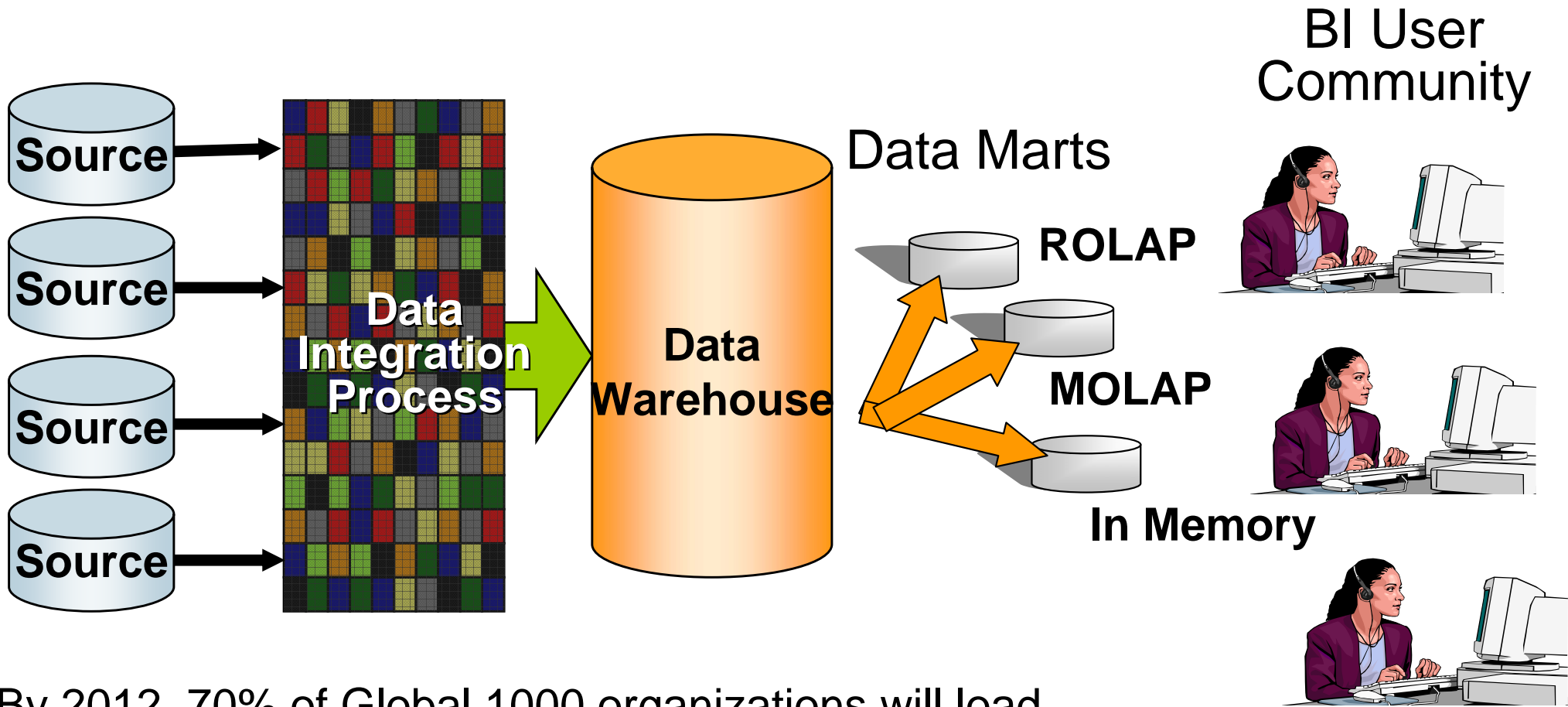
Trends: Technologies to Watch

visibility



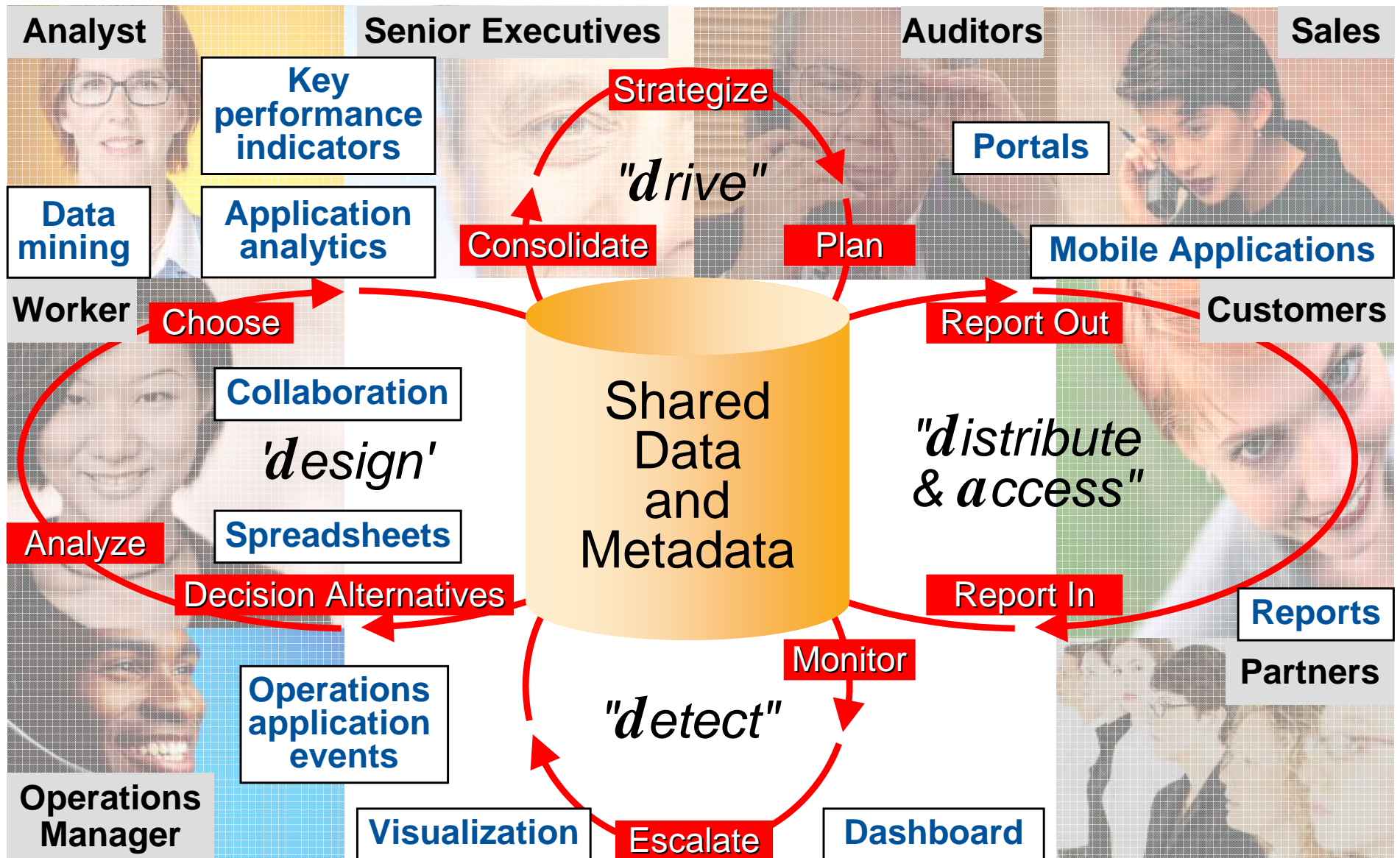
Source: "Hype Cycle for Business Intelligence and Corporate Performance Management, 2006," 14 July 2006; and "Hype Cycle for Data Management, 2006," 6 July 2006

In Memory Reporting and Analysis



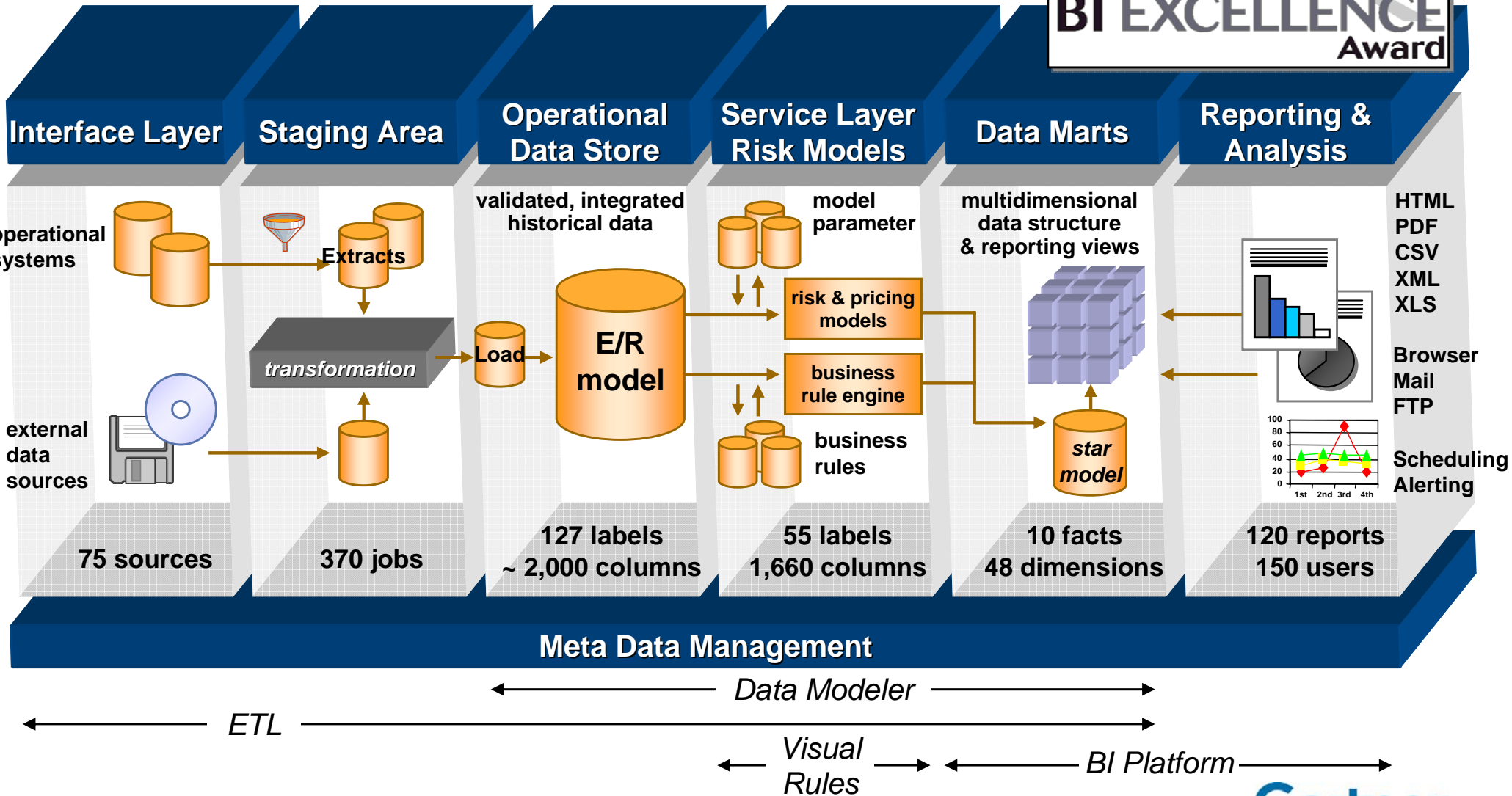
By 2012, 70% of Global 1000 organizations will load detailed data into memory as the primary method to optimize BI application performance (0.7 probability).

Pervasive BI Needs a Metadata Hub

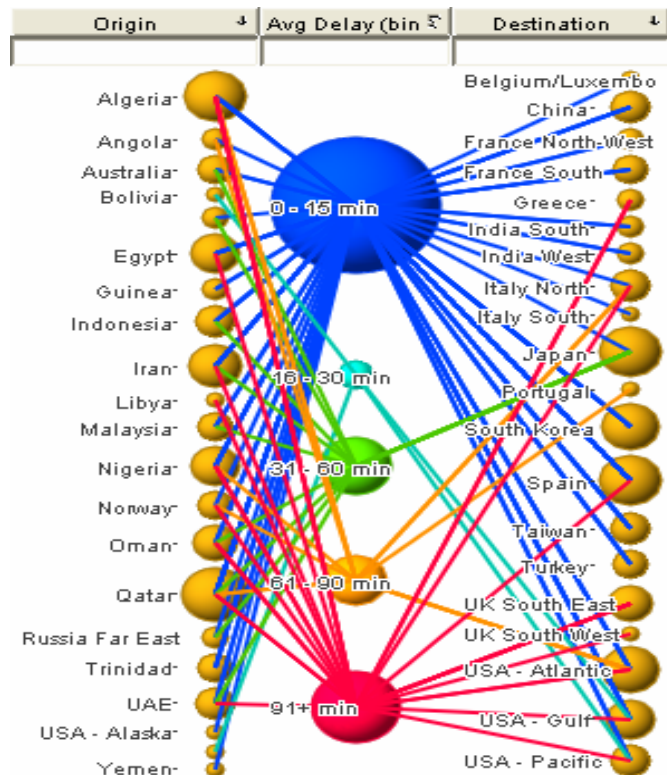


Unicredit (HypoVerinsbank AG): Harnessing Advanced Technology

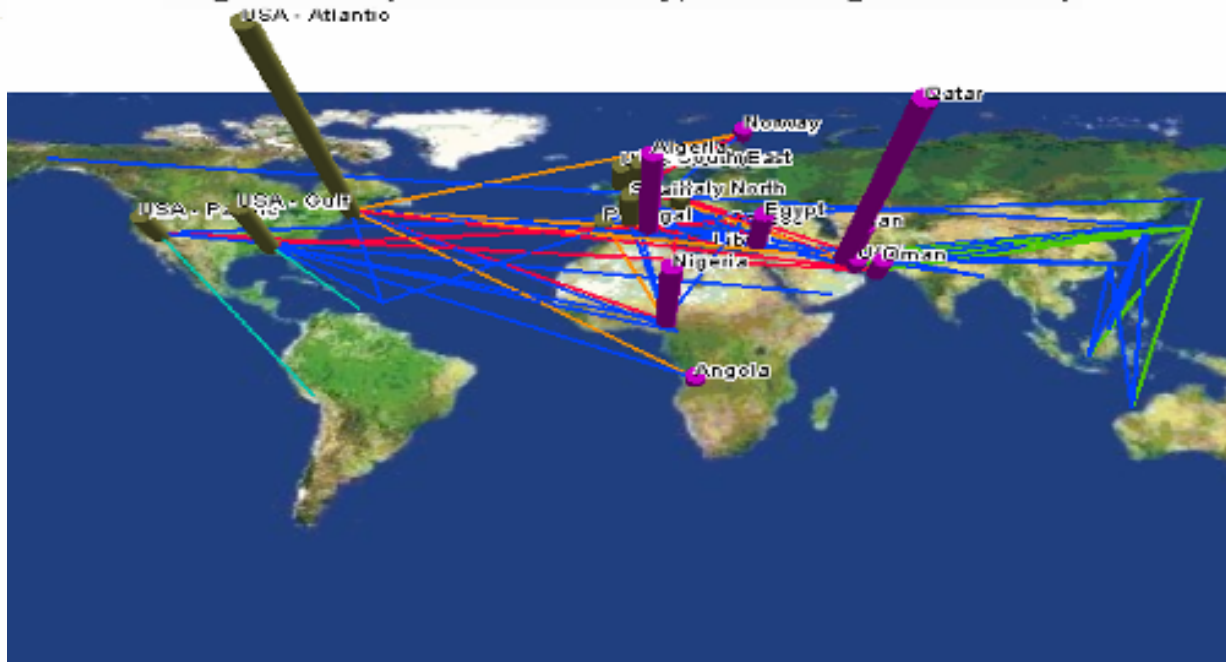
Winner
Gartner
BI EXCELLENCE
Award



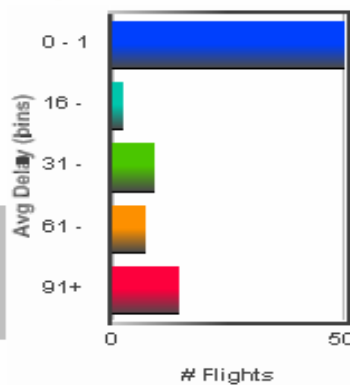
Interactive Data Visualization



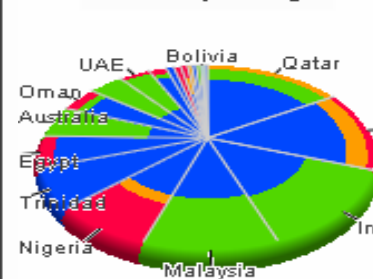
Flight Paths (link color = delay, node height = volume)



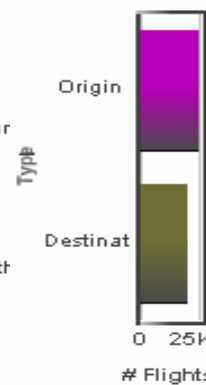
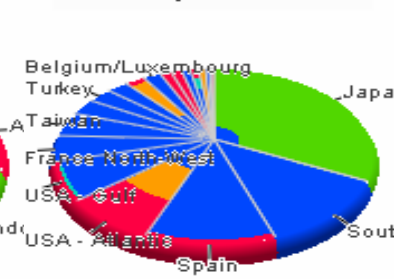
Origin	Destination	Avg Del...	Avg ...	Reve...
USA - ...	Japan	0 - 15 min	9.1	\$172
Algeria	Belgium/Lu...	0 - 15 min	10.6	\$413
Algeria	France Nort...	0 - 15 min	10.9	\$566
Algeria	France South	0 - 15 min	9.2	\$285
Algeria	Spain	0 - 15 min	6.3	\$382
Algeria	Turkey	0 - 15 min	4.1	\$311
Angola	USA - Gulf	0 - 15 min	8.3	\$50
Australia	China	0 - 15 min	12.4	\$50
Australia	South Korea	0 - 15 min	11.4	\$100
Brunei	South Korea	0 - 15 min	9.1	\$120
Egypt	France South	0 - 15 min	4.5	\$50
Egypt	Italy North	0 - 15 min	5.2	\$63



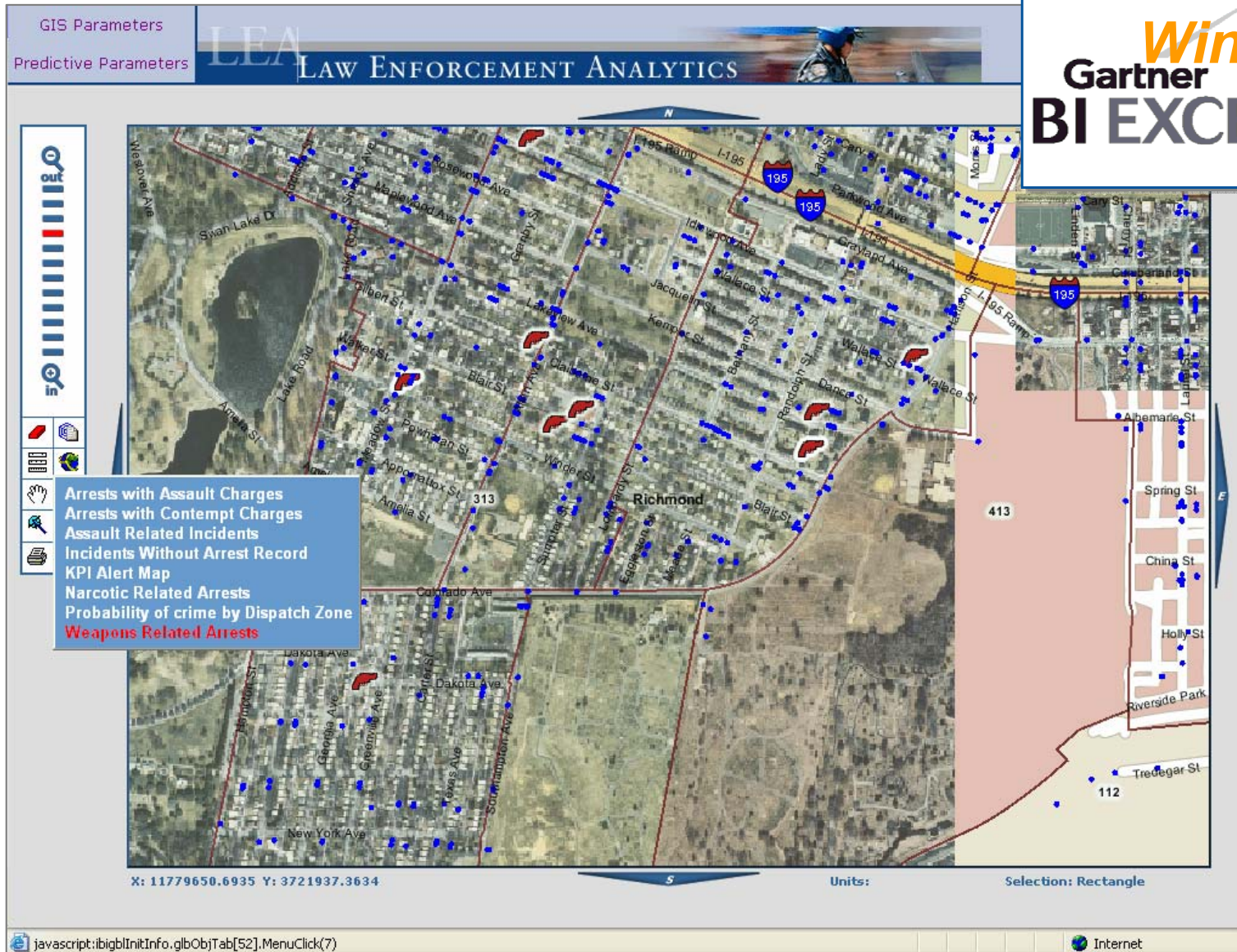
Revenue per Origin



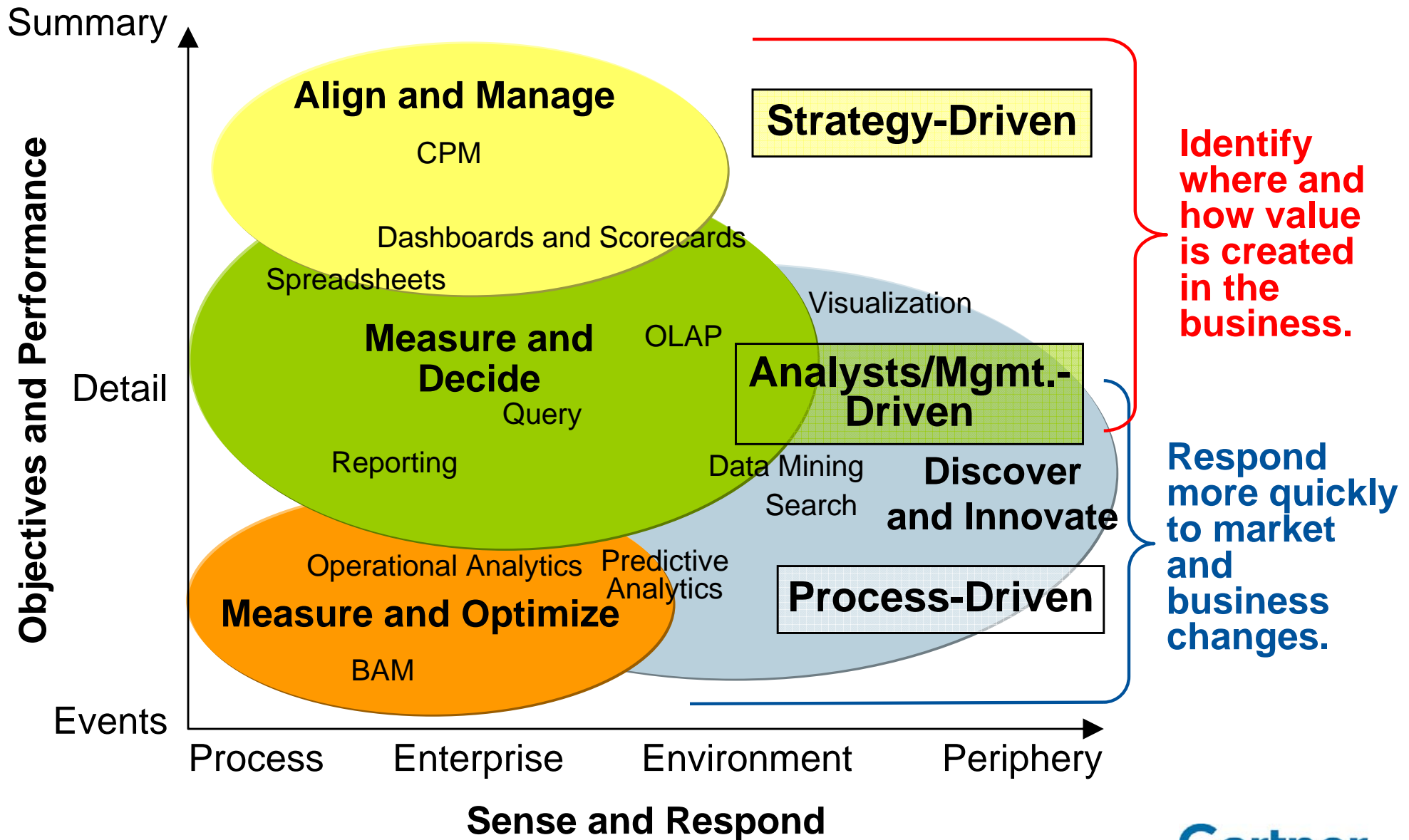
Revenue per Destination



Richmond Police Department



Putting It All Together



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