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Agile Business Intelligence

How to win in the 21st century business climate

Contents

It is hard to imagine a world without intelligence. What would today's landscape be like if those who regularly made business decisions had no capacity of insight or understanding? Yet, there are still many in the fields of consulting, agency, accounting, engineering and other Professional Service industries that don't acknowledge the importance of "being intelligent about your business" – or in other words, the necessity of Business Intelligence.

Business Intelligence refers to computer-based techniques used for learning, analyzing and predicting problems – thus eliminating problems before they arise, helping organizations reach their goals. As a platform for analyzing data, BI enables users with immediate, self-service access to data which then allows for timely and accurate responses. Being a vehicle that delivers insights and foresights by providing users with historical, current and predictive views of business operations, Business Intelligence bestows users with high-levels of information that before would have been out of their reach.

Want to avoid common pitfalls of your business industry? Research what changes your business is likely to face before you come across them, and save yourself from time and money over-runs. Want to improve performance and increase profitability? Use BI to capture insight on operational, tactical and strategic levels, instead of relying on the practices instituted by the company's long-gone forefathers.

Business Intelligence solutions empower users with two sub-solutions: Performance Management and Business Analytics. While Performance Management focuses on business insight by providing users with historical and current data, Business Analytics instead focuses on foresight, and provides users with predictive data.

These common sense tactics of "before rather than later" that are made possible through BI solutions enable companies to compete in a way that truly reflects the 21st century of business strategy.

The importance of agile Business Intelligence

The report, Trends 2011 and beyond: Business Intelligence[1], from the prestigious Forrester research group, states the importance of agility when accounting for and implementing BI. In my opinion, nothing could be truer. The idea of agility means to be able to adjust quickly to changing conditions, which BI exemplifies perfectly. Since using BI is all about providing users with immediate access to up-to-date information, it allows them to both explore and analyze data, and then quickly apply the findings to the appropriate business practices – granting the user the agility to change processes to fit best practices.

[1] Trends 2011 and Beyond, by Forrester Research, issued by Boris Evelson

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As hinted in Forrester's report, without agility, BI serves little purpose. What this means, is that BI puts the power in the hands of the users. In utilizing a single platform where all users can access up-to-date information from each side of the organization, a company holds the power to diminish its lack of knowledge sharing or divisibility.

Business Intelligence today is no longer just the domain of the highly technical analyst or Executive Management, but of all business users. Now, users in Marketing, Sales, Project Management, Consulting, Finance and any other department in your company can be empowered with information and made more capable to handle business questions more efficiently and effectively. Since the access to up-to-date information is now immediate, with Business Intelligence answers to questions are based on facts – not assumptions, and isolation of the office's knowledge is eliminated. In other words, your company is now agile enough to take on the market.

Business Intelligence market update

Another report, Business Intelligence and Performance Management Will Deliver Greater Business Value[2], from the research group Gartner, reports intense BI growth in the following years and projects an unbelievable 260% increase in 2012 compared to 2010. This rapid growth can easily be attributed to today's economic situation, wherein companies are under pressure to improve performance and increase profitability.

[2] Business Intelligence and Performance Management Will Deliver Greater Business Value, by Gartner Inc., issued by Kurt Schlegel, Mark A Beyer, Bill Hostmann, Rita L Sallam, Bill Gassman, Nigel Rayner, Neil McMurchy, Neil Chandler, Matthew W Cain

With the current economic downturn, BI is not just effective, it is vital to a company's sustenance. BI can be used to monitor performance, discover new market opportunities, map out customer trends, and drive cost reductions, all imperative capabilities for keeping business afloat in today's turbulent economy.

However, BI solutions are just as imperative even without the background of a recessive economy. Despite potential concerns from customers regarding the value of Business Intelligence in a post recession market, BI solutions only stand to put you farther ahead competition when the economy gets back on track. The idea is that when the market is behind, BI puts your company's head above water and helps you maintain performance optimization and increase profitability. When the market is ahead, BI serves to keep you further ahead of competition – and yes – generate higher profitability. In this way, both Gartner and Forrester agree: "BI software is now prevalent in all successful business models".

What does Business Intelligence need in order to be successful?

It can't be stressed enough that Business Intelligence it is not just a software solution – it's a change of mindset. Business Intelligence helps improve organizations performance, and the way it operates with maximum agility is by ensuring that all users in the organization have access to it. But, if only a few analysts within a company have access to Business Intelligence, or only Executive Management, how can Business Intelligence help improve organizations performance? The answer is easy: it can't.

If only a few analysts within a company have access to Business Intelligence, or only Executive Management, how can Business Intelligence help improve an organization's performance? The answer is easy: it can't.

If only a few users in the company can access business information, then only a few users within the company will have the flexibility to react to data proactively. In other words, improperly administering Business Intelligence means an organization is only as strong as its weakest link.

Other Business Intelligence success factors are just as simplistic, though no less imperative. Most importantly, a BI platform must be an integrated role-based solution. This allows every person within the organization to target their role, and contribute to actions that will serve to make their department (in addition to the organization as a whole) more efficient. Without this element, other critical benefits of your solution will not be able to fall into place.

The next key element is to ensure that your business's BI solution provides users with either live data or data close to real time. If this aspect is not defined, your solution will be rendered irrelevant and not fact-based, thus defeating the whole purpose of the solution.

Other necessary qualities of a BI solution tend to have a domino effect. Once you have made certain that your integrated role-based solution provides live- or close to real time data, the next essential factors are that the solution has to perform fast, and data must be reliable – or else it risks the same consequences of becoming an "assumption-based system" that does not provide proactive action ability. Finally, what those who develop Business Intelligence often forget is that a BI solution must be both easy to use and have an appealing interface. It does not matter if BI is available to all users cross-departmentally – if it is not intuitive and appealing to the user, it will not be used effectively.

To summarize, the below components serve as key aspects of a successful BI platform—and missing even one of these aspects can leave your BI solution completely ineffectual.

- Accessible for all users
- Integrated role-based solution
- Live data or data close to real time
- Reliable data
- Fast performance
- Easy to use
- Appealing interface

How should Business Intelligence be implemented?

To ensure that the above requirements are met, companies can mentally phase into a successful BI implementation with a simple step-by-step process, and seeing the magnitude of today's interest in Business Intelligence, the research organization Aberdeen Group published the report entitled Business Answers at Your Fingertips[3], dedicated to this very subject. Using benchmark reports and data-management statistics, I have evaluated and identified three steps that coincide with Aberdeen's recommendations for implementing a constructive BI solution.

1. Ensure all data is in the system
2. Provide proper role-based training for all users
3. Develop programs to promote analytical thinking

[3]Business Answers at Your Fingertips, by Aberdeen Group, issued by Michael Lock

By taking these steps, companies can reaffirm that BI priorities are met. That is, if these steps are implemented, a BI solution will effectively make all data available throughout the organization so information is both, timely and fact-based rather than assumption-based, all users will be competent in using the solution, and they will be able to proactively react to issues. In conclusion, with this implementation process, a company can ensure that relevant data is being used properly to prepare the organization for future challenges – making the business agile.

Business Intelligence helps companies take proactive, rather than reactive approaches to challenges.

Lesson learned

Unsurprisingly, the correct way to utilize a successful BI solution isn't accomplished in a day. The most significant point to be considered in order to achieve a positive return on investment is a business' commitment to the solution. Though it sounds obvious, just because an organization buys and installs a BI solution, does not guarantee that it will be used.

Time and time again, experts in the industry have seen a familiar situation, where a company has been using the same process of delivering insights and foresights for 20 years and results are not optimal. Management then decides to invest in a BI solution to improve business performance. However, when the solution is implemented, the change management process is forgotten; users do not receive proper training on how to use the solution, or motivation for why it would be beneficial to use it in both their independent job and for the organization as a whole. This is one of the biggest mistakes a company can make. It results in a waste of money, and ensures that your BI solution will remain useless to your business and ultimately provide no benefit to your profitability.

But here is the lesson learned. To get staff motivated about using a new solution, it takes a considerable amount of dedication from Management. Once those in supervisory roles lead by example by using the solution, train their employees, explain them the benefits of the solution, and demonstrate that the solution is intended for standard practices, the process for accurate utilization from the rest of the organization can begin. Though this in no way means that the effort to effectively implement BI ends here, it is a critical starting point to incorporating the importance of your BI solution as part of the office's IT culture. Again, it should be noted that using a Business Intelligence solution is a change of mindset. The effectiveness of a BI implementation depends highly on Management's predisposition to follow through on the investment, by making sure that the staff will use this solution in a way that successfully benefits the entire organization.

Seeing Business Intelligence in the future

At its core, Business Intelligence helps companies take proactive, rather than reactive approaches to challenges. With that in mind, it is easy to see that BI will grow and retain a huge role in business development as we move into the future. According to Gartner, by 2012 50% of users within individual organizations will work with Business Intelligence. In the same study, 20% of organizations are expected to have industry specific BI solutions, while project oriented firms will lead in terms of BI implementations.

Though statistics show BI's popularity, does it really make a difference if a company chooses not to have a Business Intelligence solution? Gartner's study says it does, and depicts that 35% of global companies lacking BI solutions will regularly fail to make insightful decisions about business practices. The research group also points out that without insightful decision-making capabilities, organizations will not be able to appropriately

With Business
Intelligence,
answers to
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adapt to industry or market fluctuations and are
more likely to experience profit loss.

Complimentary to the Gartner report,
Forrester's report Trends 2011 and beyond:
Business Intelligence, reaffirms the importance
of the presence of agility in BI. As mentioned
before, this study notes that enabling all users to
being agile enough to quickly self-access around-
the-clock information is critical to Business
Intelligence, and will stay critical even as the idea
of BI develops and expands to fit future needs.

What all these studies tell us is that the role
of Business Intelligence as a "business-game-
changer" will remain, even through turbulent
economic fluctuations and changing market
priorities. Through careful analysis of the
solution's properties and capabilities, we've
learned that an integrated BI solution with a
proper role-based architecture empowers
Professional Services firms to review and react
to information in a way that is new and exciting to
the industry – yet is nonetheless a requirement of
today's successful business practices.

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