Champion for Business Intelligence: SMART Goals for Business Focused and Financially Backed Results

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ABSTRACT

Although Gartner’s EXP 2006 CIO Survey ranked Business Intelligence (BI) as the top technology priority, BI projects face tough competition from other projects in IT portfolios promising more tangible financial returns (Wu & Weitzman, 2006). Two major hurdles that prevent BI projects from shining in portfolios are vague requirements and weak benefits calculations. Both can be addressed by examining and learning from a number of case studies that prove tangible ROI on BI solutions when scoped and designed with a focus on specific, measurable, achievable, results-oriented, and time bound SMART business goals. In order for BI projects to compete in IT portfolios based on financial measures, like ROI, BI champions need to approach BI requirements gathering with the goal of addressing a specific business problem as well as employ standard ways of calculating BI benefits post project go live. By examining common failures with BI requirements and case studies which demonstrate how successful BI implementations translate into tangible benefits for the organization, BI champions develop a toolkit of tips, tricks, and lessons learned for successful requirements gathering, design, implementation, and measure of business results on BI initiatives.

Keywords: Business Focus, Business Intelligence, Financial Measures, Requirements Gathering, Return on Investment, SMART Goals

INTRODUCTION

What?

A major initiative in 2010 for IT Leadership has been the widespread adoption of portfolio management. More scrutiny is applied to projects which make it through the selection phase to get funded and staffed. Project Managers (PM) and Business Relationship Managers (BRM) are tasked with collecting numerous details; from start and end dates, to capital returns, to intangible benefits all in an effort to select only those projects which offer the highest financial return on the proposed investment.

Selections become purely mathematical based on comparisons of costs, planned value, rate of return, and total return on investment. Infrastructure deployment, consolidation of support, and system upgrades all have very clear financial benefits. Business Intelligence (BI) typically depends on intangible benefits such as increased productivity, better decision making, and improved customer satisfaction.　

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as better decision making from reporting and metrics to drive the case for the project. Because of this, BI is often considered less valuable than funding and resourcing operational projects. Without a good way of documenting benefits, BI projects will be thrown out in the earliest phases of portfolio trimming. BI professionals need to get proficient at measuring tangible results from BI projects, become champions of BI initiatives in their environments, and work to change the perception of BI.

Despite promising competitive advantages organizations can gain by effectively using their data, they cannot get anything out of their BI implementations unless more time and effort is invested into BI focused requirements gathering. Requirements for BI are often documented at a very high summary level which repeatedly produces solutions that are not tailored to solving any business problem.

Furthermore, BI leaders must adopt a standard methodology for conveying measurable benefits of BI solutions rather than focusing on intangible benefits which cannot compete with dollars saved or goods sold.

**Now and Then**

Since the 1800s management theories, developed by the likes of Frederick Winslow Taylor, aim to increase efficiency through data analysis. This limited mindset is responsible for the fact that many organizations today still view BI as a reporting tool for examination of historical information and do not take advantage of the full potential of BI solutions to enable predictive analytics (Rollings, 2010).

Even in many mature corporations, BI is in its infant state. Analysis of one large pharmaceutical company demonstrate that current reports only focus on addressing “what happened” and “why did it happen” questions and are not yet sophisticated enough to predict what will happen, real-time what is happening or enabling action. The only way for BI implementation to deliver mature results, is for BI champions to become more proficient in collecting more complex business requirements and build up the financial case for larger BI investments which will produce more sophisticated reports to enable the business to truly respond to the information ahead of the trend.

**How?**

This paper addresses ways for BI leaders to exert greater business impact and increase effectiveness of the organization’s current BI initiatives. This is not an easy task and requires most significant changes in the first and last steps of a BI initiative: requirements gathering and measure of value post go live.

- **Requirements Gathering**

  If BI requirements are approached in the same way as an operational system’s functional specification, the project will deliver limited results, encouraging management to believe that BI can only deliver limited value. BI requirements need to focus on larger patterns in the data in order to deliver a truly robust solution for long term analysis.

- **Value Post Go-live**

  Learning from successful BI implementation case studies, BI champions need to practice working with their business partners to quantify the benefits of the BI solution. This type of information can be collected through informal interviews of the BI user community and by engaging the users; they become invested in articulating the true value of the solution. Even cost savings that may seem insignificant on their own, such as eliminated cost of paper and ink used in producing physical copies of legacy reports can be aggregated for an impactful total. The benefits presentation is further enhanced when access to the BI solution is not restricted and saving of a few minutes, few pages, few dollars, etc., can be multiplied by the large number of employees (Evans, 2010).
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