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People Ready BI

People Ready BI – a Microsoft White Paper

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Executive Summary

More than ever, today's organizations are challenged to empower employees with actionable data to drive business performance and increase worker productivity. With the countless sources of data available to aid in making well-informed daily decisions, there is an even greater need for effective business intelligence (BI) solutions. However, the reality is that many BI solutions employed by these organizations are only half-heartedly adopted. The primary reason? The majority of BI solutions on the market today force users to align their business processes with the way the technology records and organizes data; instead of a more intuitive process where the technology adapts to the organization's current or emerging business structure.

At Microsoft, we are working to transform the way organizations store, manage and use business intelligence. To accomplish our goal and to help businesses increase efficiencies, we've developed "People Ready" solutions. It's more than just a slogan; it's creating the right tools, in the right context, for the right users. Our solutions ensure that your business intelligence projects yield accurate and dependable results. This whitepaper will explore the limitations of many of today's approaches to business intelligence and will introduce the Microsoft business intelligence concept of "thinking bigger about BI." This concept stresses that individuals, teams, and entire organizations have streamlined and simplified access to actionable intelligence that drives results.

The Information Challenge

There's no doubt that today's dynamic, information era brings exciting opportunities to enhance business performance. In most cases, information is readily available at our fingertips and never more than an Internet search away. A quick search delivers links to multiple Websites, news articles, blogs, and documents that may help to better understand your challenge at hand. This scenario is of course in stark contrast to business challenges of even 10 years ago, where organizations did not have the technology capabilities or capacity to locate, store, manage and distribute crucial business data. That's where today's intelligent business intelligence (BI) solutions and strategies come into play. Empowering employees with material BI information is the best way to achieve positive and sustainable results throughout your organization.

Traditional Approaches to BI—and Thinking Bigger

Business Intelligence is not a new topic in the high-tech world. Since the first data warehouses and structured query languages were developed decades ago, we've been trying to find ways to effectively utilize the data and information we generate. As is the case with any immature technology, development and advancement has come in fits and starts. One of the first advancements in BI was with the introduction of tools like Microsoft SQL Server, which individuals used to access and aggregate large amounts of data. Next, more tailored toolsets were introduced that were specifically aimed at industries such as manufacturing, healthcare and government.

With the advancement of newer technologies, organizations began to take advantage of more cohesive and consolidated business intelligence solutions that aggregated tasks under one roof, and allowed for the use of a single solution from a single vendor. Then one by one, the specialty vendors were bought, sold, and integrated into the larger BI vendors or "pure plays." And while many pure plays have

also now been integrated, their legacies live on and have had a significant impact on how companies access, analyze, and share information today.

For years, these BI companies have talked a great deal about the overall industry growth and opportunities to expand BI through all levels of an organization. A common message you may have heard: “only about 20% of a typical organization uses BI today—we’re designing tools for the other 80%.” Then they’d ultimately release a new version of the product and the same individuals within the organization would adopt the product, with virtually no increase in BI usage overall. Why was this?

The problem with these traditional BI approaches is that users are only able to access a small fraction of the information that they need to become more productive, make better decisions and to move their strategies and the organization forward. One of the primary challenges is that the information is tied to ERP systems, data warehouses, CRM systems and many different transactional systems found across organizational lines. Typically these BI solutions are hard to use and they are only made available to a select group of people, and usage tends to peak during the first few weeks after implementation. Then, not surprisingly, individuals fall into their old habits. This leaves the original 20% of workers using the tool that was designed for 100% of the organization.

This all too common situation can be explained by a single reason: these BI tools do not reflect how individuals intend to use information. In short, it’s a productivity killer.

The solution to this challenge is to think bigger about this role business intelligence can play in driving productivity in an organization. Most of the information you use and interact with on a daily basis isn’t just in ERP and transactional systems and databases. As we’ve pointed out, it’s in multiple places—ranging from your desk drawer, to your hard drive, to the internet, to your own head. Traditional BI tools ultimately do not acknowledge these outside sources of data because they can’t.

Microsoft is changing the way we think about BI. We believe your business intelligence solution should reflect the way you use information—not the other way around. And when a BI solution is successful in capturing the way you actually use information, everyone in your organization is empowered to make better business decisions. That’s “People Ready” BI. Let’s face it, at the end of the day it’s the general employee population on whom companies depend on to solve critical business issues, that’s why getting them the information they need is so critical. We want to help turn their hunches into powerful insight and finally into decisions that positively impact the business. It’s this velocity of decision making that drives productivity and ultimately business performance.

An Example of “Thinking Bigger About BI”

Let’s take a simple example—the front desk at a hotel where guests check in for their stays. As the front desk receptionist, you can see how many rooms with king-sized beds are available for the night. You notice that you have more king rooms requested than you have available. What can you do about this issue? Looking at the data in front of you, you could prioritize guests and rooms based on any number of factors—customer loyalty, room rate paid, arrival time—this is the structured data component of BI. But the unstructured data components are all those other factors, including the knowledge you have gained from personal experience. In this example, the guest waiting to be checked in may be a family of four that would prefer a room with two beds, instead of one. This information is not necessarily captured in a database or system; instead it’s captured on the fly. The effective use of this type of unstructured data requires training, insight, good judgment—and most importantly empowerment to make these types of decisions which are intended to better serve

the customer. This situation should not require a meeting with the hotel management, or approval from the corporate office. This simple example demonstrates the tremendous benefits that can be gained when the right people are empowered with the right information at the right time. In essence, it's the complete business intelligence concept at work.

This hotel example is also a great representation of Microsoft's vision for business intelligence. For over a decade, our vision and strategy has been to help improve organizations by providing business insights to ALL employees, ultimately leading to better, faster, more relevant decision making.

Using People Ready BI in Your Organization Today

To achieve the goals of increased productivity and the promise of a People Ready Business, it's important to understand how your workers are using business intelligence to make key decisions. There are four primary ways BI is used in an organization:

- 1. BI is used to help plan—** BI helps us determine our forecasts, sales quotas, our commitments and even our task lists for the day. When you log on in the morning, you're taking a look at the work in front of you, or reviewing a report someone sent—in all these cases, you're planning what to do next.
- 2. Business intelligence is used to monitor the status of projects and tasks—** BI tells us how things are going and how we're tracking to our targets and goals, all in real time. That could be anything from telling you how long you've been on a customer service call, to reviewing production line forecast, to seeing how many king bedrooms you have left compared to guests not yet checked in. Whatever the instance, you are always using information to determine where you stand in relation to you goals.
- 3. BI information is used to report on what has happened—** Reports are nothing new, but with the incredible capabilities to slice and dice data, drill down to the lowest level of the report, reports are no longer just a static document in your inbox. Instead, they're a living, breathing, instantly-updated piece of information you interact with and use to help form and prioritize you next business decision. And with advancements in reporting, you are no longer dependent on others, like in the IT department, to give you a different view of the information—you can now create these reports yourself and get the answers you need immediately.
- 4. Finally BI is used to analyze—** BI is used to find out what happened and why it happened, as well as to help us spot potential trends and directions that we can leverage in our organization. You may be conducting research to understand and analyze any number of things: why your flight is delayed two hours, what's the batting average of your favorite baseball player for your fantasy team, or what's the sales order history of this customer? In all these cases, you're analyzing information that will help you make a decision. And again, that information is everywhere— not just in the ERP system, not just in the database, but everywhere. And the BI tools need to reflect that reality.

In order to work the way we work, business intelligence can be broken down into three main contexts: personal BI, team BI, and organizational BI.

Personal BI

To begin with, personal business intelligence is the most common form of BI. This could be an Microsoft Office Excel spreadsheet that you put together to see if a calculation still makes sense based on the ballpark numbers you received in an email just this morning. Or it could be a visual diagram you put

together, a project plan, an Outlook task list, a CRM call sheet, or a production report. Whatever it is, personal business intelligence information is it's not shared with team members, managers or the board of directors.

Team BI

Team business intelligence is also extremely prevalent in organizations today. Personal efforts at work are generally part of a larger team goal, where every individual has their own responsibilities and contributions. You may be part of a sales team in a retailer store, or a foreman of a factory line. And working in this role requires a business intelligence environment that allows you to work within your group, or even across groups, to share information, and to ensure that everyone has the latest data in front of them. And teams could include four colleagues, your entire office floor or your extended teams like a group of customer service representatives working in your company's San Francisco office.

By linking these groups of people together, regardless of where their offices are, and empowering them with the right tools that allow them to share, collaborate, and manage information in a group setting, that's team BI.

Organizational BI

The last dimension of BI in the workplace is corporate or organizational business intelligence. This represents the larger strategic goals and objectives set by the company: net profit, top line revenue, market share—the numbers we're all working to achieve. This type of BI is often developed and maintained centrally by the organization's corporate IT department so that everyone in the organization knows where they stand relative to their role in helping the company achieve its goals. Your tasks, and your team's tasks, ultimately roll up into the goals and objectives set by the organization. Often times this is called "BI that counts." This is where people get paid, where our stock price is most affected, what determines your staffing level—all predicated on our success in achieving these high level goals.

So when you think of what you do on a regular basis with BI—for you, your team, and your company, what emerges is a continuum of BI functionality that is required in the organization to help you achieve your productivity and performance goals.

Going back to our original quandary, in order for BI to reach its true potential, the solution must have the flexibility and functionality to seamlessly extend from the individual Information Worker, to the team, and to the organizational level, and adapt to accommodate the different ways people use information. The solution must also provide high-quality data, from any data source (both structured AND unstructured), so that you can use it to make the best possible decisions. At Microsoft we understand these requirements, and we've developed a comprehensive BI solution to meet these goals. Essentially, our integrated BI solution is the optimal choice for three primary reasons: functionality, integration, and our economic model.

People Ready BI Functionality

While far reaching functionality is the most common item evaluated in a BI purchase decision, it is also critically important that your BI tool set be incredibly modular and flexible. It should work intuitively and seamlessly for those who do not spend all their time inside the BI system—or in the ERP, CRM, or supply chain management system, for that matter. For that group a majority of their time is spent in meetings with

customers, responding to emails, or managing the factory floor, and they don't have the time or patience to learn a complicated system. And for those analysts and "power users" across the organization, the solution should be dynamic and robust enough to perform in-depth analysis, compare different variables across departments, and much more.

Business Intelligence Integration

Because each of your prospective BI users brings different expectations and a unique skill set to the table, it's critical that your system is seamlessly integrated across the organization. It should have the ability to pull data from virtually any data source, and it must work well with line of business applications, desktop productivity tools like the Microsoft 2007 Office system suite, as well as e-mail, portals and document repositories. With this, you and your team will trust in the data, know where it came from and that it's current and reliable.

Additionally, using the right tools and applications ensures that you can use that data in the way you want to in order to make business-critical decisions rapidly and efficiently. With an integrated BI solution, gains in efficiencies and productivity are compounded tremendously.

This is People Ready Microsoft BI at work.

The Economics of Business Intelligence

Lastly, there's a strong economic argument that must be considered if you are to truly achieve the promise of being people-ready: the solution must cost-effective so it can truly be delivered organization wide. It may seem obvious, but many BI projects today start with grand visions of delivering business intelligence to every desktop—"a dashboard for everyone." But when it comes time to scope the cost of the software, the cost of training, and the cost of maintenance, suddenly the "dashboard for everyone" is scaled downward to just for the executives and tools just for the analysts. Once again this leaves the great majority of employees to fend for themselves. This leaves most individuals back where they started, holding inspiring roadmaps, but with no actual solution in hand to help accomplish their tactical and operational decision making that. Our view is that users at all levels and job descriptions benefit from simplified access to important business data and information.

The economics of Microsoft BI solutions allows you to make sure that these tactical and operational decisions are made with the benefit of your company's data stores. Our goal is to massively simplify the way to think about delivering business intelligence to all your employees so that wherever they sit within your organization, they'll have access to the same tools and applications that will increase their productivity and drive your business forward.

Conclusion

So as we've seen, optimal business performance demands a comprehensive and People Ready approach to Business Intelligence. And if you're going to unlock the potential of all your employees, your teams, and your organization to achieve its goals, it's clear that you can't do it with just one tool, data source, or application. You need a solution that allows for the flexibility demanded by your workers to do their job, with the security, administration, and centralization that the IT department requires to do its job. And you need all of this at a price that allows you to get the tools and the applications to every information worker within your organization.

We believe Microsoft can provide you with the breadth and depth of tools, applications, and infrastructure needed to help you achieve true business performance. We can deliver a comprehensive solution that combines personal empowerment with corporate accountability. Our single solution allows for organization-wide BI and consequently contributes to powerful productivity gains. This is the prime driver of true business performance, and this is what Microsoft can deliver to your organization today.

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