

BICC – Developing BI Best Practice

BI is about more than just the technology

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As we are all aware, Business Intelligence (BI) can significantly improve decision-making and performance – through BI, organisations can manage their businesses using facts rather than gut feeling. As such, it is becoming strategic to a growing number of organisations. However, there is much more to implementing a BI solution than technology; most of us would look at systems and data as the main challenges for deployment. As important as these are, they must not overshadow the main requirements for BI, such as business drivers and the needs of users, integrated cross-departmental processes, and the effect on the culture of the organisation. The approach to implementing BI should be comprehensive and bring all the different aspects of deployment together effectively, and to achieve all this requires know how and experience.

Many companies are looking for ways to better manage and support BI deployments across divisions, regional offices, and functional groups. One approach to the problem is to develop better skills in-house and to gain best practice capabilities by creating expert teams of business, IT, and BI users. These groups are commonly known as BI Competency Centres (BICCs) and can help organisations make the most of their strategic BI investments. A BICC is a concept that allows organisations to harness their BI skills and knowledge in a central location (real or virtual), as resources for other departments and business units to draw upon when required.

A BICC typically consists of staff who, between them, have knowledge of the company's business, BI, and IT. The centralised pool of knowledge would help organisations with creating an integrated view of their key business entities and analytical processes. By working across departmental boundaries, a BICC can help companies resolve inconsistencies and standardise their BI. In so doing, duplication of effort can be removed, which can in turn lower costs.

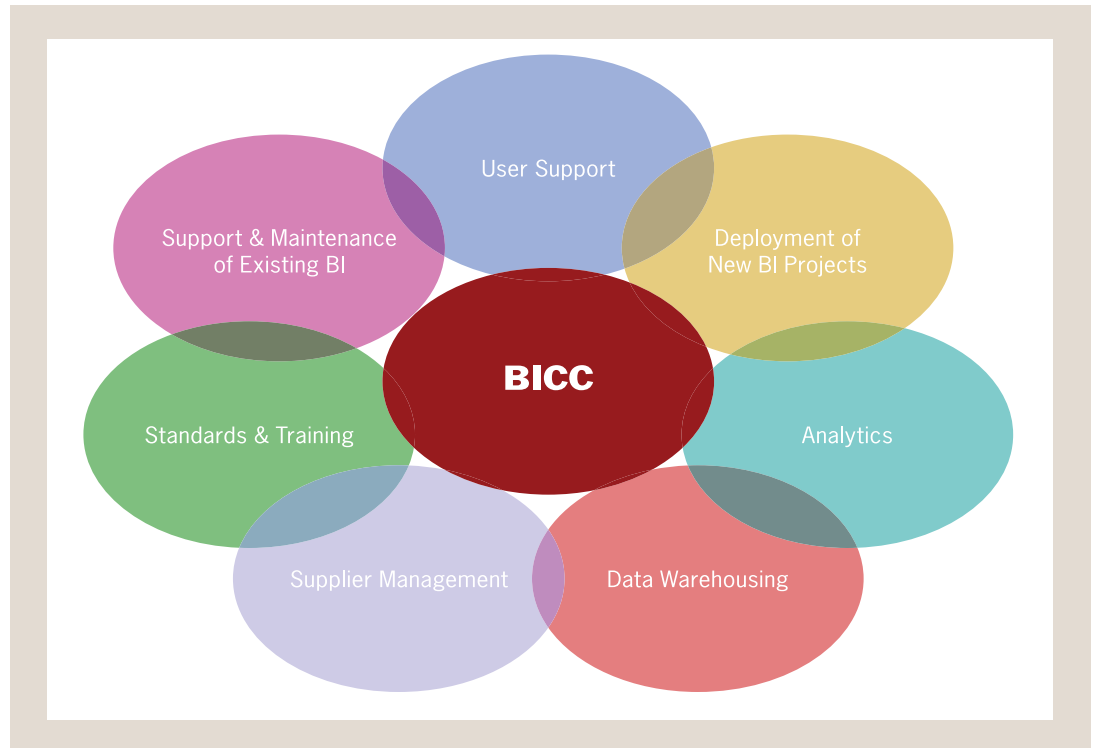
A BICC can help most organisations irrespective of how advanced they are in BI technologies. Beginners can start learning from scratch, and capture knowledge and experience as they progress. It is important to start small and gain a better understanding of how best to deploy BI, to learn from experience, sharing lessons from successes and failures. This would enable organisations to develop a tried-and-tested reusable model for deployment. Advanced and long-term users of BI could develop a BICC to oversee a new deployment or, as is often the case, standardise their BI solutions to change disparate tactical solutions to one that is

corporate-wide and strategic. These types of organisations will already have experienced BI users. Butler Group recommends that organisations consider developing a best practice capability as part of their immediate plans for BI; this would enable them to make the most of their BI investment, by minimising risks of failure.

The typical BICC functions are shown in Figure 1 (page 24). These include responsibility for collecting and disseminating approved standards and methods, and best practices guidelines to enable successful deployments of BI. Training and coaching staff in BI tools is another important part of a BICC, as is helping them understand what data is available, and the best analysis techniques to use. A BICC often handles data acquisition; for example, by delivering a data warehouse and/or maintaining its operations. A BICC also generally manages and maintains approved BI tools purchased by the company, and supports BI users. It also provides a central resource for managing suppliers of BI. Basically, once established, all requests for help with BI are sent to the BICC, for example, to deploy BI in a department for the first time, to provide initial consultation and implementation support, and to provide additional technical support as requested. A BICC requires rules for its day-to-day business, as well as its strategic objectives and mission. There should be rules for governance, terms and conditions, service level agreements, and so on.

There are different ways of funding a BICC; one is to charge its internal customers, another is through corporate development funds, but many organisations use a mixture of the two. A BICC is a shared resource, so it can run on a similar funding basis to that of the IT function. To help customers understand the BICC journey and take initial steps forward with confidence, vendors such as Cognos and SAS provide BICC-specific services and guidance to customers world-wide. Studying the practical experiences of other organisations that have deployed a BICC, as illustrated by the following case study, can be very useful too to gain information about the methods employed, the outcomes achieved, and the lessons learnt. Eneco Retail is part of Eneco Energy, a Dutch utility company that has more than two million business and domestic customers, and revenues of EU€3.5 billion. The company took the BICC route from the start of its first BI implementation in 2003. The implementation was to deliver a Balanced Scorecard for Corporate Performance Management (CPM), in order to help the company stay competitive in the newly

**Figure 1:
BICC Functions**



At a glance

- There is much more to implementing BI than technology.
- Technology must not overshadow other key requirements such as the different needs of users, integrated cross-departmental processes, and the effect on the culture of the organisation.
- A BICC can help all organisations deploy BI using best practice, no matter how advanced they are in BI technologies.
- A BICC is a concept that allows organisations to harness their skills and knowledge in a central location, to be drawn upon from other departments and business units when required.



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deregulated Dutch utilities market. A CPM strategy was defined by clarifying corporate objectives, vision, and mission.

Ton van den Dungen, who was then the finance manager of the Retail Division, and is now the manager of Eneco Business Intelligence Centre of Excellence (BICE). He understood that success meant integrating business processes and information across units. From the beginning, van den Dungen had consultants sit and discuss requirements with users in order to get a clear understanding of their needs and to get their buy-in. In van den Dungen's words: "It was important for the users to pull the project forward and not have it pushed on them. There was no selling of the idea of BI to users, as all the ideas had to come from them". The BICE staff worked with the users in several workshops to define scorecards and reporting requirements. Prototypes were then produced and only when those were approved by the users, were IT staff consulted on the best way to implement them.

The enterprise-wide implementation began within two years of the first pilot activity. A Balanced Scorecard solution from Cognos was implemented, driven by business intelligence from an Oracle data warehouse. In fact, the company took a strategic decision to standardise on these solutions. The Balanced Scorecard is used to integrate process views with appropriate operational and financial metrics. One of the integrated process views is that of customers, which helps the company realise financial benefits as part of its CPM objectives. For example, the integrated customer view means that Eneco Retail can profile and target customers for special promotions much better than before. Previously, letters had to be printed and posted to over two million customers for

every promotion. Now letters are only sent out to customers who have the right profile and despite that, there is a much higher conversion rate than before. Another integrated process view, the information-based marketing view, allows the company's marketing and operational groups to work together to see how changes of processes are likely to affect specific customers, and changes are only implemented and marketed if the outcome is for the better.

The BICC is a virtual one, i.e. BICE staff sit and work with the business, and not from a central location. This allows them to gain and maintain better knowledge of the business in order to provide appropriate support. The BICE is funded in two ways: from a central development budget, and also on a project basis. There are circa 16-20 BICE staff supporting between 150-200 BI users. According to van den Dungen, the mix of skills for BICE staff should include BI/analytics, business, and IT skills. The BICE is responsible for user support, implementation support that includes discussions with users to ensure that all their requirements are taken into account, and challenging them to think beyond the immediately obvious. The BICE maintains best practice guides, advice, standards, and also provides user training. Eneco Retail is now working with Cognos to build on its BI success to date, and to extend its capabilities.

To conclude, BI implementations can be highly rewarding from every aspect; customer satisfaction, ease of decision making, and financially. A BICC can help organisations develop and maintain the best practice skills that they need to implement and operate BI successfully.