Getting Executives on the BI Bandwagon

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Contents

In today's resource-constrained business environment, even initiatives that seem like slam dunks won't necessarily sell themselves. No matter how promising a solution appears, it can gather dust — and ultimately die on the vine — unless there are champions to actively quarterback it and drive it forward.

While this hard truth applies to the full range of technology- and business-related projects, it is especially true when dealing with strategic Business Intelligence (BI) or Performance Management initiatives.

Hard times demand smart leadership

While many companies react to challenging economic times by halting projects in an effort to conserve resources, a more effective long-term strategy involves assessing operational and strategic performance to determine how to do things better. New technologies and evolved business processes drive efficiencies, reduce business risk and position leaders to take advantage of tactical business opportunities — like scooping up a failing competitor's market share.

BI and Performance Management are crucial pillars of this capability. By giving stakeholders at all levels improved visibility into business performance, companies can enhance decision- making and agility, and avoid blind spots that could devastate less capable organizations. Leading companies in all sectors — including retail, financial services and the hospitality industry — that have traditionally accelerated investment during recessionary times, have leveraged these types of investments to their advantage against more technology-conservative competitors.

But getting executives' attention to recognize the value and understand BI and Performance Management when they, too, may be suffering from market condition shell shock can be difficult. They won't support just any proposal. They're feeling pain, and they're looking for help in alleviating it. Keep that in mind before initiating any approach.

Strategic in scope

BI and Performance Management implementations deliver profound operational, financial and cultural benefits to organizations in all market sectors. On the surface, it's easy to see why every company should already be on-board. But wanting this capability and actually making it happen are two very different things. That's because for these initiatives to become more strategic in nature, they require input and interaction that is much broader in scope than the average IT project, and demand early buy-in from senior leadership.

Without executives on-board to evangelize and champion the project, and enlist resources as appropriate, the typical BI and Performance Management initiative will take longer to move beyond the concept stage. As much passion as individuals may have for BI's potential, a broader team is required to make the project a reality. Although based to a certain degree on new and evolved technologies, BI and Performance Management implementations also depend on political will and capacity. That's where leadership comes in — and getting senior executive buy-in is likely one of the most important components required for successful enterprise-wide deployment.

A new level of partnership

Technology projects are often spearheaded by IT champions who understand the business drivers and pick up the ball and run with it. Although these champions understand the technology- and process-related benefits of the initiative, they require business partnerships to connect those benefits to organizational strategies, priorities and key performance indicators (KPIs). IT/business partnerships ensure the language of implementation is adapted for the specific business need. They also ensure organizational support for allocating resources and eliminating obstacles.

This is especially critical when pursuing strategic projects like BI and Performance Management. Because these initiatives have significant cross-organizational impact, you must seek and gain early senior leadership buy-in to ensure both appropriate resource allocation and proper alignment with business needs. Since organizational resources are always finite, IT strategies that plug directly into business strategies ensure optimal investment of those resources.

"Business areas want to analyze data in certain ways to improve their ability to compete, but they're not necessarily technology experts," says Forrest Palmer, IBM's Business Executive, Performance Management Competencies & Practices. "The IT team brings innovative IT understanding to the table, and helps the business areas use technology to solve that problem, to do more with less, or at least do more with the same."

So while business areas may analyze sales data using disconnected spreadsheets and databases with relatively low data quality and virtually no stewardship, Palmer says IT/business partnerships – driven by strong senior leadership champions – can turn challenge into opportunity.

Don't treat them identically

In attempting to gain buy-in, however, it's important to avoid the temptation to approach all senior executives with the same strategy. BI and Performance Management champions hoping to enlist executive support need to adapt their messages depending on who they're planning on enlisting. Some key roles include the following:

Role	Responsible For	Top Priorities	They Need To
CIO	Innovation that will improve the business	• Enabling business innovation • Improving customer satisfaction • Reducing business costs • Creating competitive advantage	• Understand the issues in business terms • Avoid viewing challenge and opportunity exclusively from a technology perspective
CFO	Financial management and regulatory and financial processes	• Measuring and monitoring business performance • Meeting fiduciary and statutory requirements • Continuous process and business improvement	• Understand strategic and productivity benefits, global process ownership and integration • Turn data into usable information • Turn usable information into meaningful insights • Establish a data governance framework
Line-of-business executive	Driving day-to-day operational performance	• Improving profit • Increasing productivity • Reducing business risk	• Connect with business-area subject matter experts • Find champions willing to collaborate on identifying solutions • Solicit broad-based support • Drive adoption elsewhere across the business

Start small

Of course, wanting to obtain executive buy-in and actually achieving it are two different things. Here are a few recommendations:

- **Don't ask for money up front.** Never expect leaders to sign a blank check. Dollars are the last thing to mention when initiating contact with a senior leader. Frame the discussion in terms of value to the organization, business justification and long-term benefits to competitiveness.

- **Start small.** Don't expect senior leaders to instantly understand the BI and Performance Management value proposition. Be prepared to suggest smaller-scale pilot projects to prove the concept with some high-profile wins before gaining executive trust.

- **Speak the language of business.** You must demonstrate the value of the initiative in business-focused, non-technical terms.

- **Know your leaders' key pain points.** Every part of every organization feels some sort of pain. The key to maximizing the buy-in potential lies in understanding those pains before approaching leadership. What are they? How do they affect operations and planning? How are they being prioritized? How can IT help improve awareness here?

- **Focus on messaging.** Senior leaders love to know what's going on — and always seek to be on the winning team. Internally communicate key wins to them and their stakeholders to maximize buy-in potential. Articulate the value proposition of these wins — for example, a business unit increased sales, improved marketing campaign effectiveness or closed the books in hours instead of days — and use business-friendly terms in the process.

Keep the conversation going

Just because senior leaders buy into BI and Performance Management doesn't mean they're on-board forever. Far from it. If anything, buy-in isn't so much achieved as it is maintained. Plan on continuing to evolve the relationship with executive-level stakeholders to ensure their support remains strong over time.

"Gaining buy-in can be an ongoing struggle," says a BI professional from a large energy company. "It's definitely not something you achieve and then put on the back burner. You have to constantly keep the value-add focused on your key business objectives if you're going to keep their buy-in and ensure they continue to follow you."

It's a strategy that demands a certain degree of marketing savvy. Even if you've always been in IT, you'll need to learn how to sell.

"You have to play a sales role to maintain ongoing support at this level," adds the BI professional. "Be prepared to regularly approach your executives and show them, in concrete terms, how you're going to cut costs, generate more revenue or otherwise improve the way things work. There's a very strong internal sales aspect to maintaining executive buy-in over time."

Summary

Companies in every market sector are feeling at least some pain as a result of the stuttering economy. Yet, the recession's impact is hardly identical from one organization to another. More agile organizations are weathering the storm — and are better prepared for the turnaround — than those with less transparent visibility into their day-to-day and strategic operations.

Now more than ever, BI and Performance Management capability is critical to competitiveness. But it can't simply be implemented by an IT professional who's smitten with the technology. It demands close IT/business partnership and early executive buy-in. Without active, end-to-end support from senior leadership, organizations that lack BI and Performance Management maturity will continue to be outpaced by those that have already made the investment.

Obtaining executive buy-in, however, isn't as simple as asking for budget. It requires IT to understand the language of business, to understand the pain points that keep senior leaders up at night and to explain how BI and Performance Management add value and improve strategic performance.

In short, it's a value proposition. And IT professionals who build their internal marketing efforts around this reality stand a greater chance of advancing their BI and Performance Management plans than those who continue to initiate projects using more traditional — and increasingly less effective — approaches to funding requests.

About IBM Cognos BI and Performance Management

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