

Weaving BI into the corporate fabric

At these organizations, a top-down commitment helps business intelligence efforts spread throughout the enterprise.

Beth Schultz

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If 1-800-Flowers.com CIO [Steve Bozzo](#) had his druthers, even the online retailer's mailroom clerks would have access to business intelligence.

"There's valuable information at every level of the organization," he says. Clearly, Bozzo sees the power of pervasive BI.

"Business intelligence needs to be part of the business fabric: not an afterthought layered on top of a business initiative, but part and parcel of the overall process from the get-go," Bozzo says. "And that's what it is for us -- it's a part of our culture."

But pervasive BI doesn't mean everybody in the company has sophisticated analytics tools to use as they wish, cautions Dan Vesset, an analyst at IDC. Rather, he says, [pervasive BI](#) is about ensuring that everybody -- front-line employees, middle managers and executives -- can make decisions using the right information at the right time.

Achieving BI ubiquity takes considerable and continuous time and effort -- 10 years and counting in the case of 1-800-Flowers.com. "Pervasive business intelligence is something that we have and continue to work very hard at -- and we think we're really successful at it," Bozzo says.

Over time, the Carle Place, N.Y.-based company has learned the imperative of having a BI/analytics practice within IT as well having corresponding liaison groups in each business unit. "These liaisons are experts in BI, but they major in business and minor in IT, whereas the analytics group in IT majors in IT and minors in the business," Bozzo says. "The groups complement each other perfectly, and this has made a huge difference in the way we roll out BI."

At 1-800-Flowers.com, a family of 20 brands, IT asks that each business group identify who needs access to BI and to classify each designated individual as either a basic, intermediate or super user. A basic user is somebody who can generate basic queries and pull ad hoc reports, while a super user can write macros and generate his own reports; the capabilities of an intermediate user fall in between the two, Bozzo explains.

These are not static designations, he adds. "Our goal is to turn basic users into intermediate users and intermediate users into super users. Ultimately, someone defined by the business as somebody who has a need for BI information will go through that process, with IT taking the responsibility and accountability for facilitating the training," he says. Thirty-two 1-800-Flowers.com employees recently attended a training class run by its BI vendor, SAS Institute, he notes.

"Our basic goal is that we understand everything we can about our customers, so it's vitally important to get increased numbers of people involved in business intelligence. That effort cannot hurt as long as they have the appropriate training and can use the tools that we give them," Bozzo says.

Checklist

Where's My Data?

When thinking about pervasive BI, consider all sources of data, including unstructured content that doesn't traditionally fall in the BI domain, says Dan Vesset, an analyst specializing in business analytics at IDC. Ask yourself these questions:

- Should I be doing something that I'm not already doing with my data?
- Should I be analyzing it differently?

- Can I take advantage of data that I wasn't able to use previously?
- Are there questions we can answer now that we haven't been able to answer in the past?
- Are there new types of data -- such as information contained in social networking tools -- that we should be collecting?

— *Beth Schultz*

Budding Intelligence

Aberdeen Group has seen the correlation between training and the success of pervasive BI programs, says David White, an analyst at the research firm. "Best-in-class companies on pervasive BI are making sure users understand not only the capabilities of the BI tools, but also have a basic understanding of the data, statistics if necessary and analytical techniques, and how these help in decision-making. They have broad educational efforts around pervasive BI," he says.

Training is a critical success factor in achieving pervasive BI, which is in turn essential for better business excellence, agrees Bobby Nix, director of business intelligence and analytics at Allconnect, an Atlanta-based consumer services company. "We want to be a data-driven company, so we are democratizing data and making sure everybody has access to it," he says.

Toward that end, Nix's team has equipped all corporate employees with SAP BI tools so they can do their own day-to-day analysis of how the business is performing. "That means we spend a lot of time training and mentoring them on how to use reports and pull analysis together, as well as on analysis techniques -- but we don't create the analysis for them unless it requires really complex analytics," he says.

For this effort to succeed, the BI team has to fully understand the company's business needs, Nix says. "This isn't just me making decisions about what they need. It's an exchange, a gathering of business requirements and a coming to an understanding of how they run their business and what their biggest obstacles are," he says.

First and foremost, companies with a commitment to pervasive BI do need to look at the types of decisions being made and determine whether they are strategic, corporate or tactical, Vessel says. "Each type of decision has a different requirement for the type of technology a company needs to apply to support it, and they're different in the way that people interact with the data," he adds.

Businesses can typically handle tactical decisions with rules-based automated systems that kick out exceptions for more in-depth human analysis, for example. Corporate decisions typically entail collaborative BI, so beyond the analytics capabilities, users involved in those also will need tools that enable effective communication with colleagues should they need advice on the intelligence, Vessel explains. At the strategic level, where users are making decisions for the longer term, tools are less important than experience.

"One of the primary reasons for BI failure is that IT never really understood why business users needed the information they requested. All it heard was, 'We need this data point,' and that's it," Vessel says.

ROI

The BI Payoff

Here are three examples of the bottom-line impact of building an enterprisewide culture embracing business intelligence.

1-800-Flowers.com: Prior to Mother's Day, business users noticed in real time that a particular product was selling strongly. So they quickly created an express checkout process that shaved two to three minutes off the average call time, says CIO Steve Bozzo. "Every minute -- or every second, for that matter -- can mean tens of thousands of dollars in reduced costs," he says. "But more important than that, we surveyed callers and found an increase in customer satisfaction."

Allconnect: Since all employees were trained in BI and were equipped with BI tools, sales for the first quarter of 2011 were up 26% over the same period in 2010, says Bobby Nix, director of business intelligence and analytics. "We believe that what we've been able to do from a BI perspective has changed the conversations for front-line sales, saving a ton of time and really helping to coach associates on the best sales opportunities," he says.

Cincinnati Zoo & Botanical Garden: After the zoo went live with BI, decisions that were made regarding its food and beverage services led to a 30.7% per-capita increase in sales from October 2010 through the first quarter of 2011 compared with the same period a year earlier, says John Lucas, director of park operations. "If I read this somewhere, I'd treat it with skepticism," he says. "But I assure you these are real, auditable public numbers."

— *Beth Schultz*

Everybody from the top on down needs to understand the importance of the data -- even those individuals who never use an analytics tool or see a business report, agrees John Lucas, director of park operations at the Cincinnati Zoo & Botanical Garden.

"In achieving success, the key has been allowing our project to be steered by the people who are influential in the organization -- those who can make budgetary decisions and set strategy and vision, as well as people who are directly responsible for the success or failure of the business, specifically revenue," says Lucas. "But the pervasiveness is core." He spearheaded the decision to foster an enterprisewide culture of BI at the zoo and selected the IBM Cognos tools that IT now supports for the effort.

The zoo was one of the first visitor attractions to take on such a deep BI project, and Lucas frequently shares his experiences in speaking engagements around the country. "The No. 1 thing I tell people is, if you don't succeed on making everybody understand, embrace and participate in the process, you really shouldn't do analytics," he says. "The cultural buy-in is key to reaching your full potential with analytics."

Lucas says he likes to tell zoo employees, "If you can imagine it, we can measure it," and he has hosted companywide meetings to drive home that message. Even front-line cashiers, who are typically college kids working summer jobs, have to know that the data they gather -- patrons' ZIP codes, for example -- is critical to the zoo's success. And because the BI team has taken the time to convey that message, he says, "almost literally every day, somebody comes up with an idea on how we can use business analytics to drive the needle for us."

Ongoing efforts to make BI pervasive do pay off, White agrees.

"At the companies we survey, we see pervasive use of business intelligence being tied to better business performance. So those business functions that have access to business intelligence are able to make better-quality and more timely decisions in a way that impacts the business in a positive way," he says.

But you have to remember that making BI pervasive involves constant learning, says 1-800-Flowers.com's Bozzo.

"We're always learning and discovering new tricks," he says. "That's not to say we're not already getting enormous benefit from our BI efforts, because we are -- day in and day out. We're just greedy -- we want even more."

Schultz is a longtime IT writer and editor in Chicago. You can reach her at bschultz5824@gmail.com.