



Is there a positive future for Business Intelligence



..... or will we just keep on failing ?

Norman Manley
Managing Partner Passionned
norman.manley@passionned.nl



Is this technology gone crazy – or innovation?

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The fastest commercial aeroplane ever built, production stopped after completing 20 aeroplanes and only 14 ever flew commercially. Rumoured to have made a profit, at least for British Airways Concorde stopped flying for “ economic” reasons in November 2003.



The Spruce Goose (actually made of birch) was the biggest aeroplane ever built and the most fantastic last gasp of the flying boat era. 320 foot wingspan, could carry 750 troops, and only flew once with Hughes at the controls for a little more than a minute at an altitude of 70 feet.



Business Intelligence hasn't done much better

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BI fails to deliver operational performance

Although many organisations have deployed BI tools in quantity, buying thousands of user licenses, results of this research show that the majority fall short in meeting the expectations of their promise. Some 76 percent of companies have to make decisions before the information they need is available while 66 percent state that the data is either out of date or arrives too late to be of any use.

www.mycustomer.com





Is BI technology too difficult to use?

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Last year Gartner surveyed 350 organisations on BI...

...even more alarming is that 65% of those polled said they viewed business intelligence technology as too complex and unusable and 69% said they lacked the skills necessary to use it anyway.

Betsy Burton, Vice President Gartner Inc.

The Gartner logo, featuring the word "Gartner" in a bold, blue, sans-serif font. A small grey arrow points towards the bottom right corner of the slide.

And what do we think of the costs...?

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Business intelligence beneficial but costs too high ...

The perceived high costs of implementing business intelligence (BI) systems have prevented more than two-thirds of BI professionals from doing so throughout their firms even though they overwhelmingly believe that their companies can benefit from the insights BI provides.

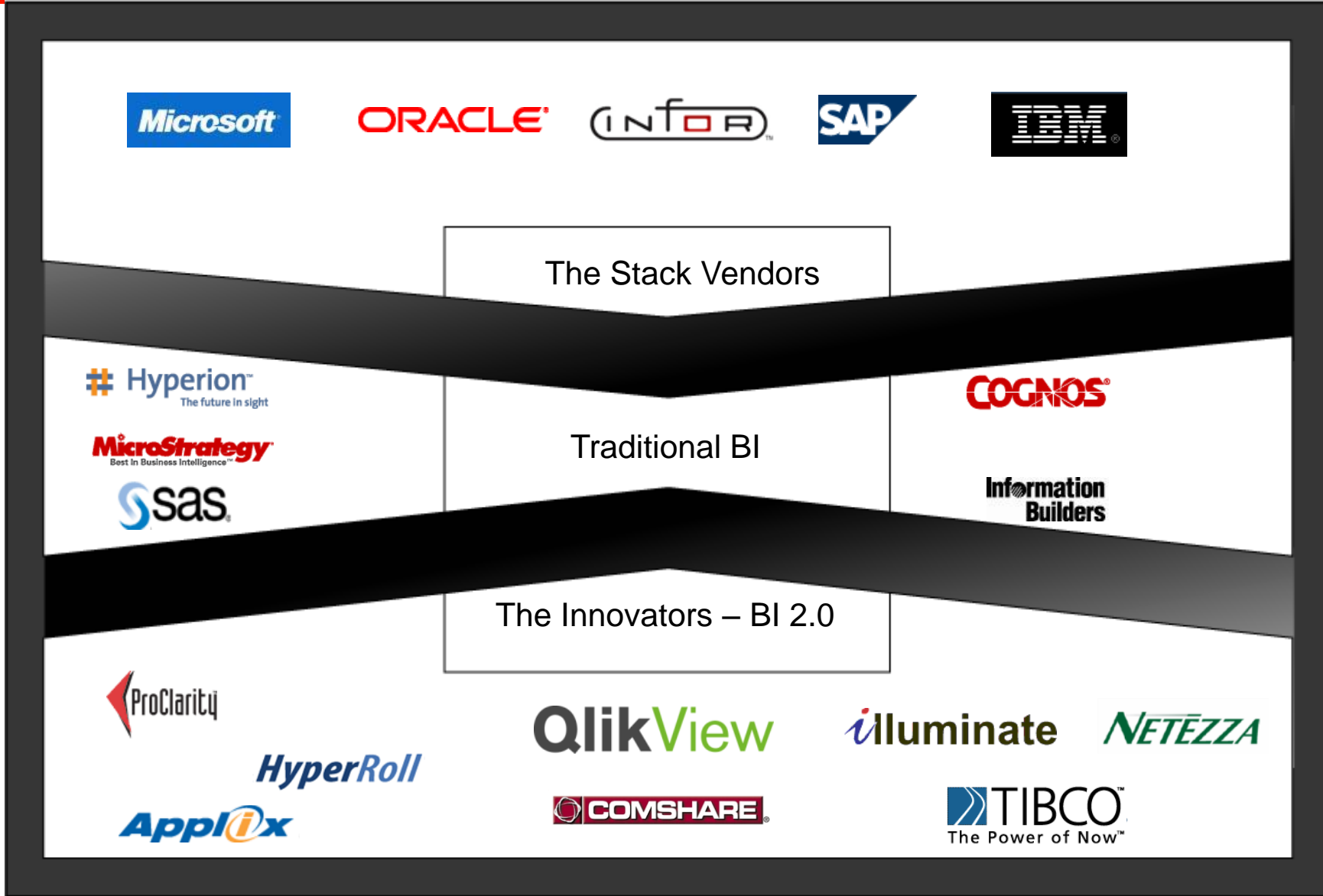
Worldwide survey of BI professionals by Teksouth

ComputerWeekly.com



The Great BI Squeeze (thanks to QlikTech)

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What have we been buying?

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	Revenue (\$M)			Share (%)			2004-2005 Growth (%)	2005-2006 Growth (%)
	2004	2005	2006	2004	2005	2006		
Business Objects	730.1	835.0	893.6	14.5	14.9	14.3	14.4	7.0
SAS	514.5	582.4	678.9	10.2	10.4	10.9	13.2	16.6
Cognos	511.5	566.9	622.3	10.2	10.1	10.0	10.8	9.8
Microsoft	299.1	374.5	480.0	5.9	6.7	7.7	25.2	28.1
Hyperion	258.6	287.1	322.3	5.1	5.1	5.2	11.0	12.3
MicroStrategy	188.9	215.8	249.5	3.8	3.8	4.0	14.2	15.6
SAP	152.0	181.8	213.7	3.0	3.2	3.4	19.6	17.6
Oracle	164.5	184.6	206.2	3.3	3.3	3.3	12.3	11.7
SPSS	158.5	176.2	197.9	3.1	3.1	3.2	11.2	12.3
Information Builders Inc.	143.0	170.0	182.0	2.8	3.0	2.9	18.9	7.1
Actuate Corp.	88.6	89.9	98.7	1.8	1.6	1.6	1.5	9.8
IBM	65.1	64.0	71.9	1.3	1.1	1.1	-1.6	12.2
QlikTech	12.9	22.1	43.6	0.3	0.4	0.7	71.7	97.0
Visual Numerics Inc.	37.4	38.7	41.7	0.7	0.7	0.7	3.5	7.5
Panorama Software	22.7	22.7	37.8	0.5	0.4	0.6	0.0	66.5
Subtotal	3,347.4	3,811.9	4,340.0	66.5	68.0	69.4	13.9	13.9
Other	1,689.3	1,794.3	1,913.0	33.5	32.0	30.6	6.2	6.6
Total	5,036.7	5,606.2	6,253.0	100.0	100.0	100.0	11.3	11.5

Source: IDC, June 2007

Start 2007

Pure BI 52%
Database/ERP 15%
Innovators 2%
Others 31%

Start 2008

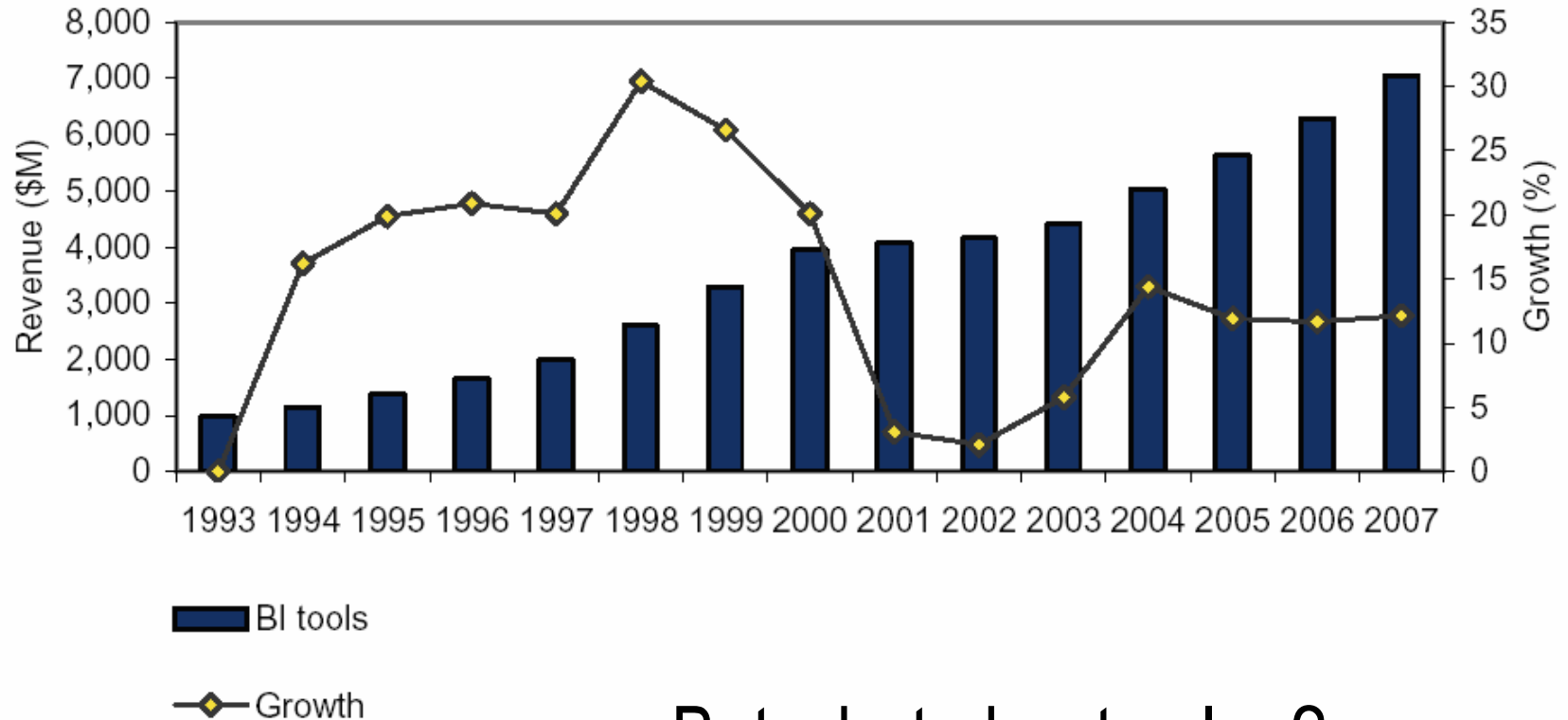
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Revenues are growing - again

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Worldwide Business Intelligence Tools Revenue, 1993-2007

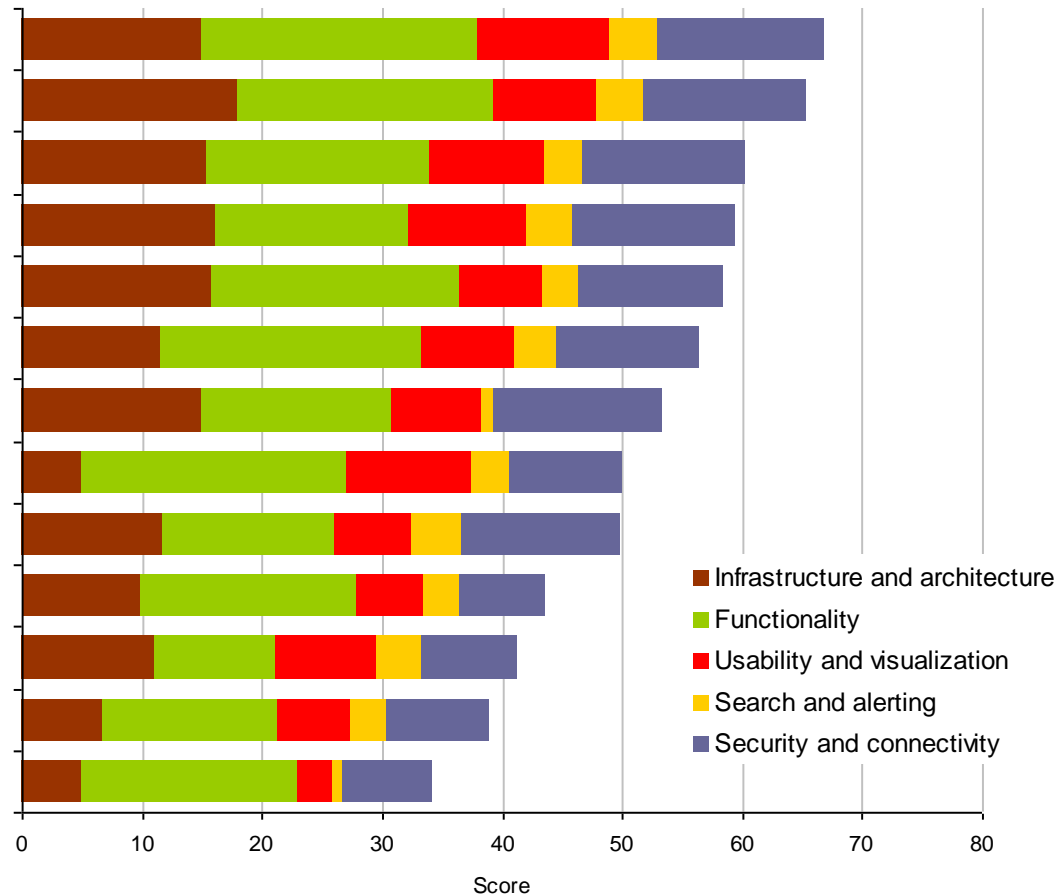


But what about value?

Source: IDC, June 2008



Functions and Features are not the problem



Source : <http://www.businessintelligencetoolbox.com/>

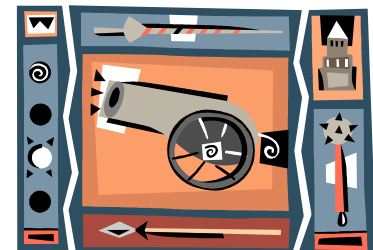
How old is Business Intelligence ?

To succeed in war, one should have full knowledge of one's own strengths and weaknesses and full knowledge of one's enemy's strengths and weaknesses. Lack of either one might result in defeat. A certain school of thought draws parallels between the challenges in business and those of war, specifically:

- collecting data - both internal and external
- discerning patterns and meaning in the data (analyzing)
- responding to the resultant information



Sun Tzu
Chinese General
544 BC - 496 BC





People are More Important than Technology

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65% of success determined by things OTHER than data and technology



Investment	Historical	Determinant of Success
People	2%	20%
Process	2%	15%
Organization	2%	10%
Culture	1%	20%
Leadership	1%	10%
Data	10%	15%
Technology	82%	10%

“Information competency is the result of the people you have in place, the processes they follow, the culture of your firm, and many things other than technology”

Don Peppers


Source: Information Masters: Secrets of the Customer Race. John McKean



Performance Management starts with a Mission

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transformata
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**If You Don't Know
Where You're Going,
How Will You Know
When You Get There?**


***Business Planning:
A Five Step Plan for
Providing Direction***

By
Sandy Ringer

- ◆ In the middle of a jungle no expedition can journey successfully without an expert guide.
- ◆ Companies that formulate and follow a plan tend to outperform the competition.
- ◆ Learn the *five easy steps* to developing an effective business plan document.
- ◆ Build a valuable tool by incorporating the *key elements* that will propel your enterprise toward achievement of its goals.
- ◆ Appreciate the power of *strategic visioning* and reap the benefits of communicating that vision to your key stakeholders.

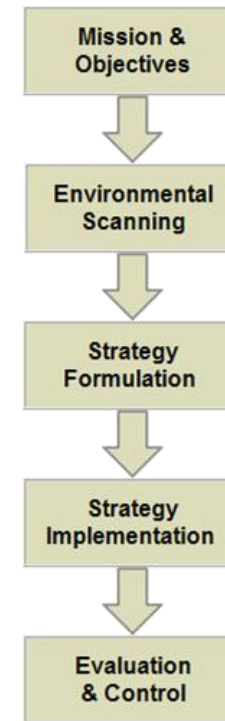
TRANSFORMATA PUBLISHING LLC
Post Office Box 7745
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PHONE: 502.245.0535
FAX: 502.245.2055
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"Organize the world's information and make it universally accessible and useful."—[Google](#)

The Strategic Planning Process



...and then you need some strategies



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It's not about technology
It's about people!



The Structure behind a BI system

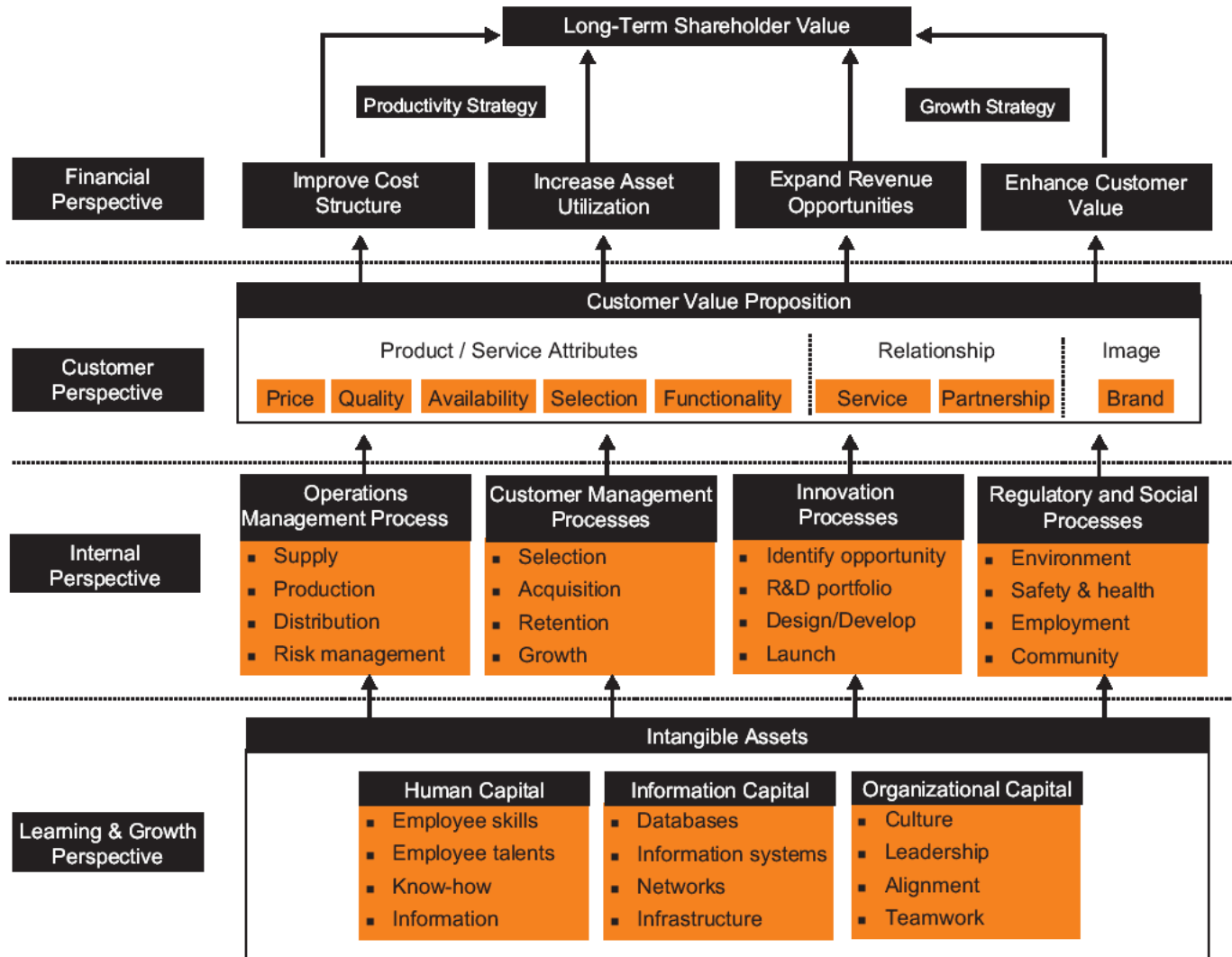
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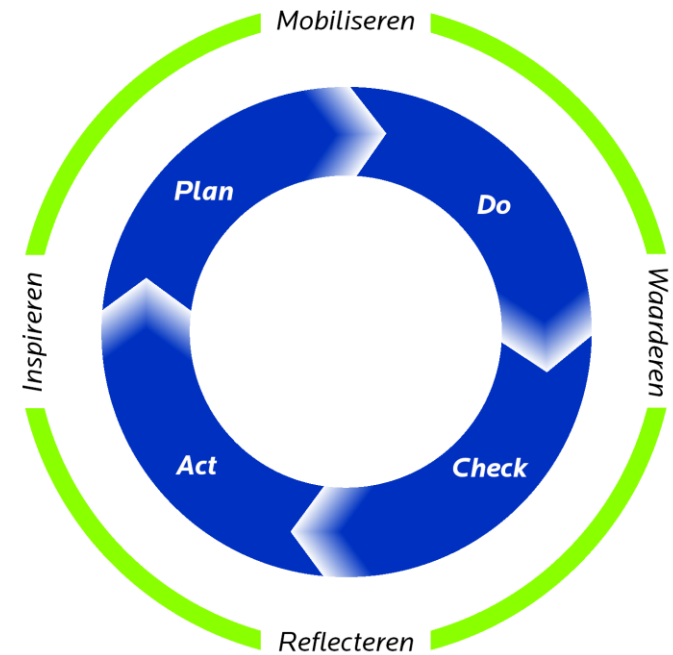
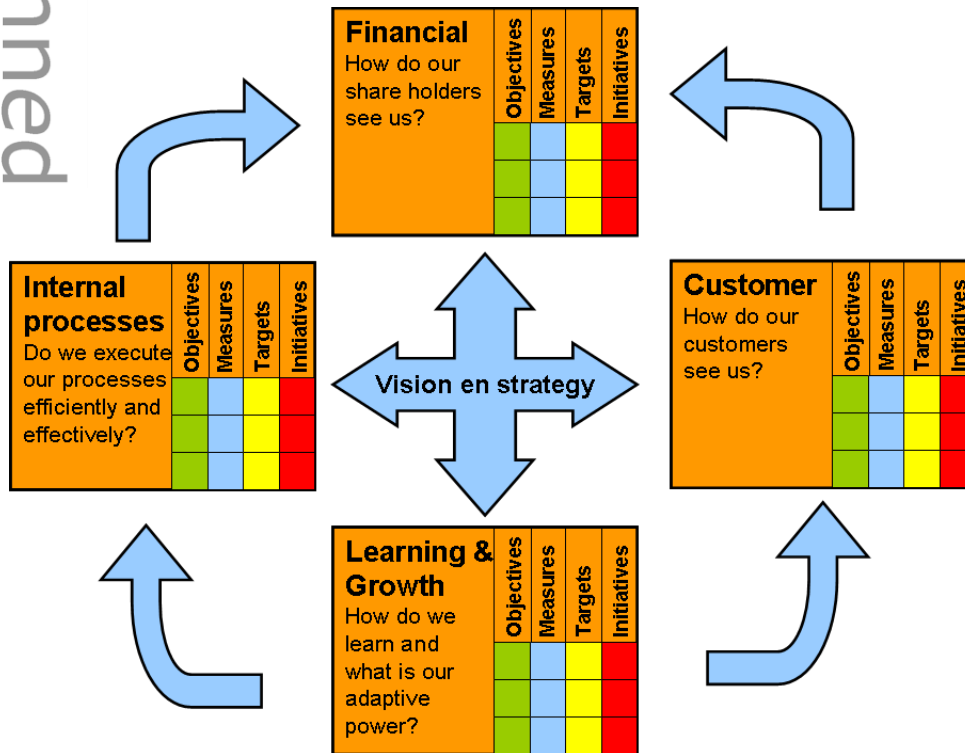


A template for a Strategy Map

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Balanced Scorecard (Kaplan & Norton)

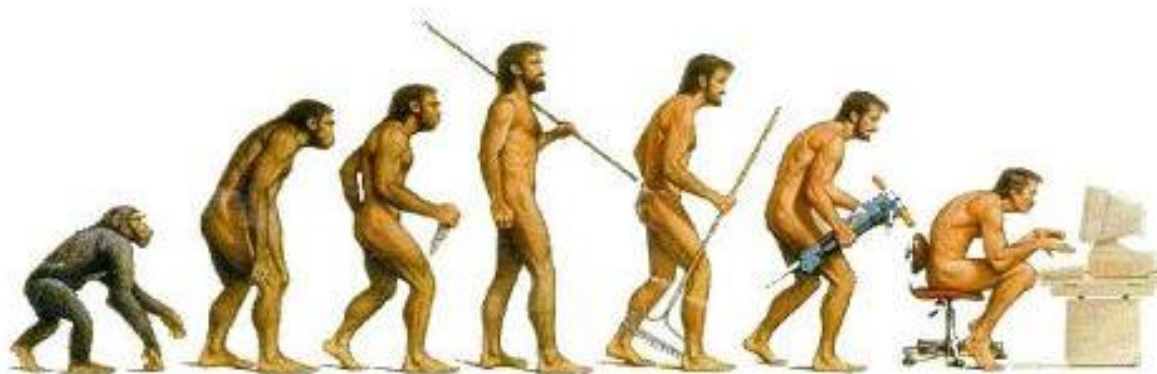


The INK Model (Dutch Government)

Case study – a well known company

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- Implemented balanced scorecard in 3 months
- Changed the targets one day after implementation
- Used it to see “who wasn't performing”
- Created an opaque culture
- Fired most of the managers in 2 years
- Abandoned the Balanced Scorecard



The Dutch manager is still very focussed on the short term. Lower costs are the priority; new technology is underused.

31 oktober 2007

Rankings 2007-2008 Top Ten

[>>Rankings in full](#)

Rank	Country	Score
1	US	5.67
2	Switzerland	5.62
3	Denmark	5.55
4	Sweden	5.54
5	Germany	5.51
6	Finland	5.49
7	Singapore	5.45
8	Japan	5.43
9	UK	5.41
10	Netherlands	5.40

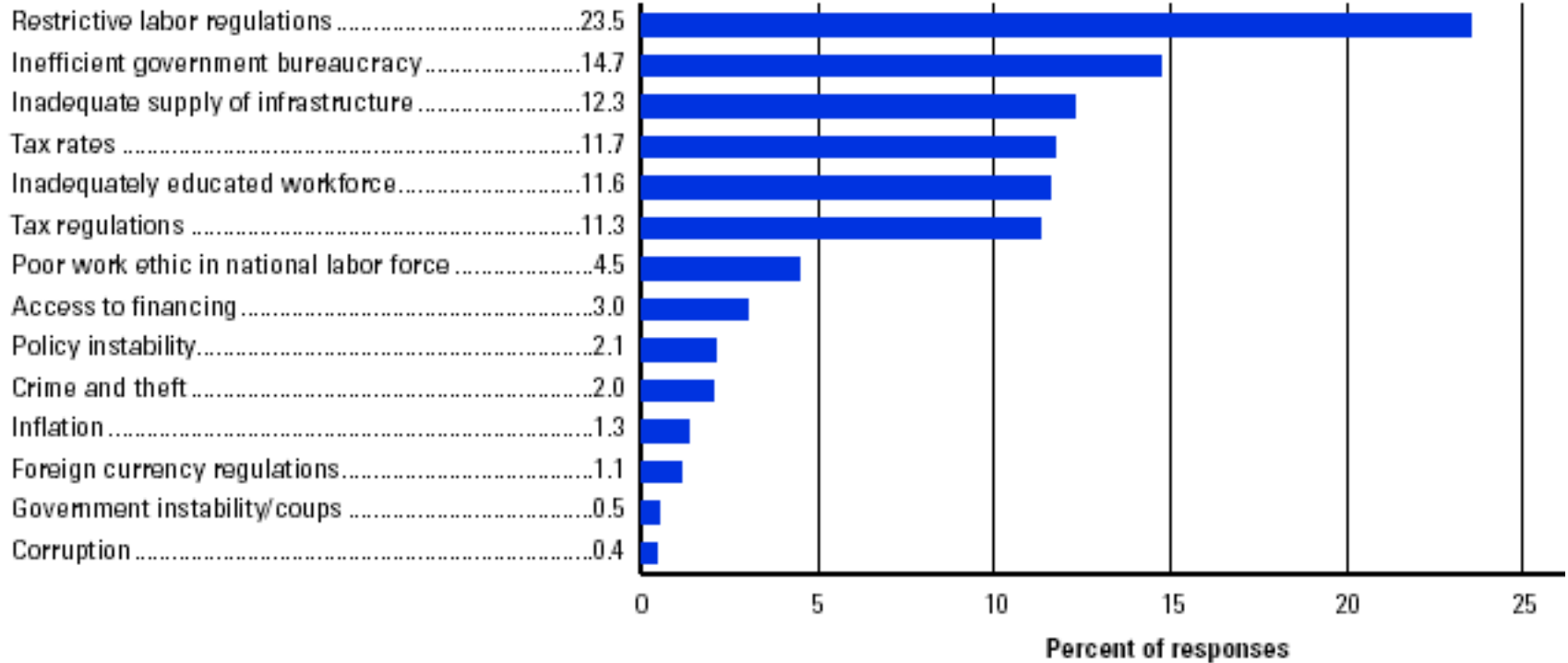
The Global Competitiveness Report 2007-2008 © 2007 World Economic Forum



The problems of doing business

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The most problematic factors for doing business



Where does it say lack of information?

Nowhere !!!!!



What have we achieved in 20 years?

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- We are no nearer the boardroom than we were then
- But IBM, SAP, Microsoft and Oracle could just do it
 - If they really take it seriously
 - If they do it quickly
 - If they lower the cost
 - If they make it simpler
- Otherwise we will go on selling expensive toys



Which 95% of the population will never get to use





Some Conclusions

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- We have all the technology we need – it's the people
- BI is not (should not be) a weapon of mass destruction
- The perception is that it's too expensive
- The perception is that it's too difficult
- The perception is that it (mostly) doesn't work

If IBM, Microsoft, Oracle and SAP get their act together
we could change all that in the boardroom

If they don't we will just keep on building the Concorde



One final thought regarding
communication.

Thank you

"E-mail is the most common means on information or
communication in the company business."

*Marketing manager,
Boat Company*

