How to align BI roadmap with business priorities? – Lessons on BI strategy & execution from Kellogg’s enterprise-wide transformational BI program

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High performing companies are 50% more likely to use analytic information strategically

- Have significant decision-support/analytical capabilities: 65% High Performers, 23% Low Performers
- Value Analytical insights to a very large extent: 36% High Performers, 8% Low Performers
- Have above average analytical capability within industry: 77% High Performers, 33% Low Performers
- Use analytics across their entire organization: 40% High Performers, 23% Low Performers

Source: Competing on Analytics, Thomas Davenport
Per a, MIT Sloan Management Review Survey of 2500 respondents in two dozen industries, mostly senior executives

Source: [sloanreview.mit.edu](http://sloanreview.mit.edu)
Systems of Record
Transaction Processing Systems SAP ECC, APO, CRM, Non-SAP

Systems of Engagement
Business Intelligence & Analytics tools and systems

Business Intelligence (BI)
A set of technologies and processes that use data to measure, analyze, and improve business performance. BI includes data access, data storage, reporting and analytics.

Analytics
The use of data, statistical and quantitative analysis, explanatory and predictive models to generate actionable insights to enable better (business) decisions and actions.
What’s going on in the marketplace?

- BI initiatives are also the #1 priority, ahead of cloud computing, in Gartner’s survey of 2,335 IT managers and CIOs. Source: [www.gartner.com/newsroom/id/1897514](http://www.gartner.com/newsroom/id/1897514)

- 39% of CIOs in a SnapLogic survey said that BI was the #1 priority. Bimeanalytics.com, “CIO Insights”, 2012

- ANALYTICS PAYS BACK $10.66 FOR EVERY DOLLAR SPENT. Source: [Nucleus Research article– Analytics, October 2011](http://www.nucleusresearch.com)

So.....Does the BI Investment pay back equally for everybody?
The ‘Analytics Divide’

Per a MIT Sloan Management Review Survey of 2500 respondents in two dozen industries, mostly senior executives.  

Source: sloanreview.mit.edu

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Investing in BI technology without an alignment with Business Priorities is like a Ship without a navigator.
Indicators of alignment with Business Priorities

1. Enterprise-wide approach to KPI definition and measurement
2. Prioritized roadmap driven by business goals
3. Continuous business engagement during roadmap execution & beyond
4. High usability and adoption of BI tools in business
5. BI embedded in business processes, Fact based business decisions

Paths to transformation

- Enterprise driven
- Data-oriented culture
- Collaborative path
- Specialized path
- Experienced
- Aspirational

Information management proficiency

Analytics skills and tools proficiency

What you will learn?

- Key aspects in defining BI strategy & roadmap and fine-tuning it
- How to actively engage business, as you plan, govern, manage, evaluate and fine-tune the program through the roadmap execution and beyond (BI sustainment)
- Our learnings – what worked well, what did we do to continuously improve
Enterprise-wide IT initiative to support Changing Business Processes
Building Roadmap

As-Is Baseline
BI Maturity Model Assessment

- Evaluate each Process Area’s BI maturity
- Determine each area’s ability/desire to evolve
Assessment Results

Missed Opportunities

Predictive Insights

One Source of the Truth

Pain Points

Rearview Looking

Spreadsheet Analysis

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Building Roadmap

As-Is Baseline → To-Be Strategy → Gap Analysis
Guiding Principles

- Business Driven Goals
- Utilize SAP Standard Functionality
- Scalable, Flexible, High-Performance Solutions

Objectives

- Support Common KPI’s
- Eliminate offline databases
- Enable “Self Service”
- Establish framework for the “Evolution of BI”

Organizational Impact

- Data Driven Decisions
- Establishment of common processes
- Empowered Business Users

Strategy and Roadmap

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Guiding Principles

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Business Process Evolution

Strategy and Roadmap

Technology Evolution

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Overcoming Cultural Challenges

- One size fits all mentality
- Applying Best Practices across the board
- Changing the culture
- How to maximize value with limited resources at disposal
Critical Success Factors for the Program

Steering Committee Process
- Executives understand value of BI
- Continuous dialogue between IT and Business leadership

Strong Project Management
- Project planning, Team, Charter, Governance, Ways of working
- Report Progress, Analyze and Mitigate Issues and Risks

Good Governance - Processes and Policies
- SDLC – inline with business needs
- Documentation strategy

Emphasis on Sound Architecture
- Reference architecture
- Development guidelines/ templates

Good Change Management
- Improve adoption and adaptability

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Ensuring Alignment with Business Priorities

Today, we’ll delve into:

- Iterative cycles of business engagement
- Requirements analysis – probe
- Managing 4 project management monsters
- Setting up Governance
- Managing the Tipping Point

Several ways to ‘Skin the Cat’
Plan
- Blueprint
- Realize
- Deploy

Direct
Detect
Decide
Diagnose

Waterfall + Iterative method

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Program and Project Management
(Scope/Time/Cost/Quality)

Enable through SDLC Process
Lessons – Requirement Gathering

- **Analytical Requirements**
  - More Difficult to Define
  - Actionable Insights

- **Operational Report Requirements**
  - BW vs. Transactional

- **Application (OLTP) System Requirements**
  - OLTP Driven

- **Business Processes**
  - Rearview Looking
  - Forward Looking

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Requirements

What to measure?

Probe Business Process

Utilize Requirement workshops

Challenge the Status Quo

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Managing Project Management Monsters!

All priorities are important to manage.
“Do the right things, do them right, the first time”
- Possible only with the right mix of resources
Manage Scope

Be flexible, Be rigid, Maintain Balance

- Probe during iterative cycles
- Absorb changes that take less effort but add value but keep time, budget and burnout in mind
- Raise Issues and Risks, Leverage Program Managers meetings to highlight and communicate
  - BI sometimes can get lost amidst large enterprise-wide IT programs involving OLTP as well
- Surprises do spring – but avoid blame game
  - Refer to Requirements/ Functional Docs. Address Issues through discussion and consensus building
Manage Timelines

Assess and Document Impact
- Function
- Time
- Resources
- Cost

Work with Program Leadership
- Risks/Issues
- Mitigation Plan/Options

Adjust Plan and communicate
- Reset expectations
- Communicate clearly

Scope Change
Time Impact

- Business Process Design
- R1 Design/Build
- R2 Design/Build (7 OLTP Processes)
- R2 W1 BI Design/Build
- R2 W2 BI Design/Build
- R2 W3 BI Design/Build
- R2 W4 BI Design/Build
- R2 Location Roll-outs

Risks/Issues
Mitigation Plan/Options

Change Process

Business Process Changes
OLTP vs. OLAP
Source System Issues
Data Volume Issues

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Governance

Ensure Long-term alignment of BI with Business Priorities

- Master data governance
- Single Source of Truth
- Business Rules driven transformations
- Information Lifecycle Management strategy

- Reference Architecture
- Architecture guidelines
- Data Modeling standards
- Development standard
- Coding Standards

- SDLC (Systems Development Lifecycle)
- Documentation Strategy
- Program Mgt Guidelines (reporting progress, issues, risks, prioritization)
- Steering Committee
Governance – Reference Architecture

Flexible, Scalable, Adaptable, Sustainable, Performs

- Foundation for the future
- Business Relevance
  - Analytical and Operational reporting
  - Timeliness of data
Adoption rate:

- Tape
- CD
- MP3
- Smart-Phone

Tipping point of Trust & Confidence

Results in Soaring Adoption Rates

Being

Pro-Active | Attentive | Supportive

Leads to

Critical mass of supporters/ champions

Results in

Soaring Adoption Rates
Build Trust, Confidence, and Champions

Success/ROI of BI

Build Trust
• Dev./ QA Test/ Validation
• Prod. Validation
• Extra Vigil & Support
• Manage Security

Improve Usability

Train End Users

Train Power Users

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Build Trust, Confidence, and Champions

Trust & Confidence

Training & Self Service

Data Quality

Performance

- Multiple Test Cycles
  - Mandatory
- Program Level - Strategy
  - Plan → Monitor
- Project Level - Scenarios
  - Steps → Execution
- Validate with users in production

- Do Not Compromise on performance
- Set the right performance expectations
- Communicate best practices
- Explore all avenues – Extraction, EDW, Report, Caching, BWA, New Tech

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Build Trust, Confidence, and Champions

SAP Insider Survey 2013* findings:

- More than one-third of BI users cited user adoption and understanding as the major hindrance to expanding BI initiatives.
- More than 55% of respondents said they didn’t think BI users in their organizations currently have the skills required to make the most out of SAP BI applications.

Train Users & Power Users

- Core team training
- Train and Retrain users
- Power user training – Empower users, improve self service
- Knowledge Transfer (KT) to sustainment team

* This report is based on 413 responses to an online survey conducted in February 2013 by insiderRESEARCH.
Define a Business Driven Roadmap

Iterative cycles of business engagement

Requirements analysis – probe and maintain dialogue

Managing the project management monsters

Setting up Governance

Managing the Tipping Point
- Probe the Business and stimulate engagement
- Govern project with flexibility but with controlled purpose to defined BI Strategy
- Build Trust between all Stakeholders
- There is no ‘Perfect Project’....constantly monitor progress, if necessary take a step back and refine your approach
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