

THE STRUGGLE TO GET BI RIGHT CENTERS ON THE BROKEN BI VALUE CHAIN

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This is the third article in a continuing series on business intelligence and value creation.

In “Results-Based Leadership,” authors Ulrich, Zenger, and Smallwood write that “Leaders who aren’t getting desired results aren’t truly leading.” Most managers instinctively know this. Successful ones understand the BI Value Chain (1), and they rely on having the right information at the right time in order to support strategic, tactical, and operational decision-making. They are results-based leaders: managers driven by the need to know. They recognize the instrumental role information plays in creating value (2). They see information as the lifeblood of the organization, and they use it to confidently and consistently lead by delivering results that count. Unfortunately, the results-based leader isn’t a common leader. Twenty-one years after Gartner Research Fellow Howard Dresner coined the term “business intelligence,” too many organizations and the decision-makers who run them still struggle to get BI right.

In an effort to help executives lead, the BI industry has spent the last couple of decades making data access easier, analytic capability more comprehensive, and platforms more scalable. Yet, despite pouring billions of dollars into BI initiatives, executives still come up empty-handed when they reach for the information they need to make well-informed decisions, according to *Consulting Magazine*. To some, like author Thornton May, this disconnect between information and decision-making is difficult to understand. In his recently-released book, *The New Know: Innovation Powered by Analytics*, May notes that many organizations still “inexplicably live in the analytical dark

ages”—in spite of the “surprisingly affordable, accessible, and powerful tools” available to them.

Here’s the thing. Successful BI has little to do with technology. Sure, technology helps make it work. After all, BI has been technology- and infrastructure-driven almost from inception. But the value of any BI initiative is ultimately driven -- not by the sophistication of your reporting tools, the number of dashboards you’ve deployed, or the power of your servers -- but by the insight it provides and the impact it helps create.

When all is said and done, an organization that lives in the “analytical dark ages” does so because its BI Value Chain is broken. As a result,

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executives are simply unable to capitalize on BI’s promise of insight-to-impact because the information they *need*--what I call *right information*--is either limited or missing entirely from the decision-making process. It’s a sign the organization is struggling not to get *technology* right but to get *BI requirements* right.

I say that because requirements that are inaccurate, incomplete, or simply wrong represent the root cause of nearly all failed BI initiatives. Don’t be misled by studies that pin BI failure on some complicated mix of interrelated factors that appear to be beyond your grasp and control.

Know that when someone points to poor user adoption, insufficient funding or a business-IT disconnect as a reason for BI failure, they are really identifying a symptom of poor re-

quirements. It’s as simple as that.

The rest of this article series is dedicated to helping you get your requirements right in order to reconnect and reinforce the links of your BI Value Chain. Along the way you’ll learn that “right requirements” means a lot more than just functional and technical specifications, and that’s by design. The goal here is to enable your company to capitalize on BI’s promise of insight-to-impact to move beyond speculative guessing to fact-based decision making.

In the next issue of *TEQ Magazine*, I’ll introduce my methodology for capturing, creating, validating, and communicating this thing I call “right requirements.”

(1) For more information on the topic of the “BI Value Chain,” read “The Business Intelligence Value Chain” in the Entrepreneur of the Year issue of *TEQ Magazine*.

(2) For more information on the topic of “value creation,” read “Sell More, Spend Less, Work Smarter: Business Intelligence Enables Value Creation Across the Enterprise” in the Spring issue of *TEQ Magazine*. ■

Greg Steffine has been helping organizations use information to sell more, spend less, and work smarter for more than two decades now. His client experience represents a broad cross-section of industry and company size, from mid-market growth organizations to the Fortune 500. Greg has held management positions in sales, marketing, product development, and information technology and has been involved in nearly every aspect of systems development.

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