

Central Intelligence: Large organizations are moving to consolidated BI suites

Why many large organizations are moving to consolidated business intelligence suites.

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(COMPUTERWORLD) - Not many CIOs would rush to take on a business intelligence project like Jorge Basto's. As director of technology at the Georgia Administrative Office of the Courts, Basto is working to implement a statewide BI system for the approximately 1,000 state courts, most of which have different databases, case management applications and reporting tools.

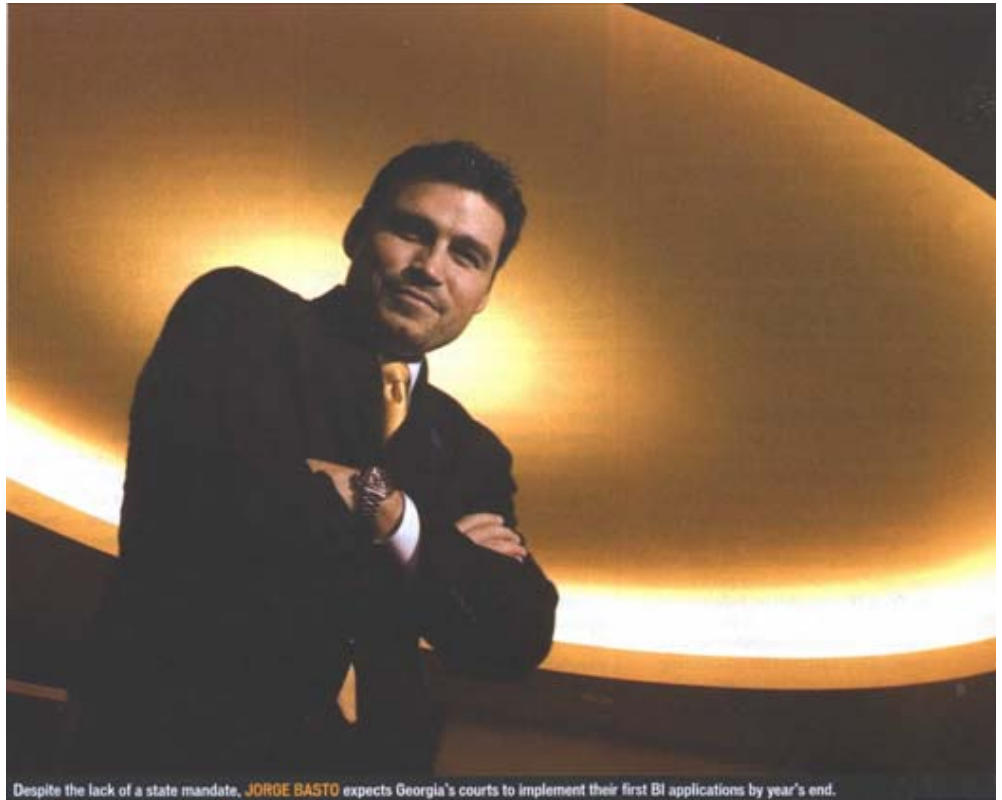
"There is no state mandate on software, data elements, etc. So it's very difficult to integrate case information," he says. "Our first step is trying to find commonalities, like find a specific, unique identifier for an offender."

Nevertheless, Basto expects to have the state's first integrated BI application in place by the end of this year. The application, which will be called Judicial Intelligence, will be implemented with the Business Objects XI suite. It will use XML for tagging and storing data used by the court's case management applications. XML will also be used for parsing document content. The Business Objects SA software will give Georgia's judiciary a single reporting, query and analysis tool layered over existing applications.

Basto says he believes the benefits of consolidating court reporting and analysis applications will be substantial: "There are seven levels of courts, numerous court-related agencies and offices, as well as several executive and legislative agencies that could use this information."

For example, with BI, court administrators could more easily spot problems. "They could pull statewide case-load statistics, for instance, and analyze them in order to make a case for adding more judges," Basto says.

But trying to impose a single reporting, querying and analysis tool on any heterogeneous, geographically dispersed organization is likely to be difficult. So it's no big surprise that few enterprises currently have a single BI system. One



Despite the lack of a state mandate, **JORGE BASTO** expects Georgia's courts to implement their first BI applications by year's end.

of the downsides of moving from individual tools to consolidated BI is that not all users want to use a new application.

"In general, standardizing on a single BI platform is a good idea," says Kurt Schlegel, an analyst at Stamford, Conn.-based Gartner Inc. "However, few organizations have actually done it. Most are hampered by the political realities of replacing a tool from existing projects, all in the name of standardization."

According to surveys conducted by Forrester Research Inc. in Cambridge, Mass., most large organizations have between five and 15 different reporting and analysis tools. So consolidating means "taking away those technologies that users feel are most appropriate for their tasks," says Keith Gile, an analyst at Forrester.

Combining Functions

Consolidated BI products combine functionalities such as online analytical processing (OLAP), data mining, standardized reports, custom report generation, end-user querying, visual analysis tools, and executive dashboards and scorecard functions, which are used

for tracking key performance metrics. BI may also include extract, transform and load tools for moving data into a data warehouse, and integration adapters for connecting directly to an application or database. Generally, though, BI offerings fall into one of two distinct categories: data mining/analysis or business reporting.

"They serve very different audiences," says Gile. "But if you bring the two together onto a single platform, then your reporting solution could potentially leverage some of the metadata or integration capabilities that are in the analytic tool."

Another reason for bringing in a BI system is long-term cost savings.

"With a single platform, you can take advantage of caching and clustering [and] blade technology," says Gile. "There really is an economy of scale to managing one BI environment."

Consolidation can also provide business users with access to more-sophisticated reporting and querying capabilities and give executives a better view of up-to-date operational data via user-friendly dashboards.

"Organizations want a 360-degree view of their customers, employees and processes -- and usually they have to pull that from multiple databases," says Eric Rogge, vice president and research director at Ventana Research Inc., a business performance management consulting firm in San Mateo, Calif.

Two years ago, executives at Mueller Inc., a Ballinger, Texas-based manufacturer of prefabricated steel buildings, wanted more flexible reporting options on key financial metrics, rather than just the standard monthly reports generated by the company's reporting system. They also wanted more consistency from the data coming out of three back-office systems.

In 2004, Mueller implemented Cognos Performance Applications for financial planning and analysis. The system extracted data from the company's J.D. Edwards back-end database via prebuilt Cognos Inc. integration software. Mueller's IT staff did some additional integration work in order to extract data from the two other custom applications used for reporting and analysis. The result was a unified reporting system that could identify trends and provide historical data as well as a balanced scorecard to compare Mueller's corporate results with its goals and industry best practices.

"Before, there was a lot of double-checking to make sure the info in one report matched the information in another. Now they're all in one place," says Mark Lack, Mueller's planning and financial analysis manager. "We're getting one version of the truth."

A planned migration to the new Cognos 8 suite will provide additional reporting on manufacturing processes as well, he says.

When employees or even customers need better information than they're getting from their existing tools, they may drive a move to BI rather than oppose it.

Employees at The Hillman Group Inc., a \$380 million manufacturer and distributor of engraving hardware, were "starved for information" before the company introduced BI tools, says Jim Honerkamp, CIO at the Cincinnati-

based company. "The company has grown dramatically, and that outstripped IT's ability to deliver information," he says.

Hillman Group purchased Information Builders Inc.'s WebFocus enterprise BI product and connected it to a J.D. Edwards back-end system and two custom applications. The company uses it to analyze financial data such as customer orders and costs and plans to use it for geographic analysis to optimize its distribution process.

"Now we can make better decisions" on critical issues like freight costs and sales, Honerkamp says. Even the company's president -- a diehard spreadsheet user -- became BI's biggest advocate after being convinced that the software was easy to use and produced accurate results, he says.

Customer Pressure

For Stuart Maue Mitchell & James Ltd., a legal auditing firm in Bridgeton, Mo., pressure from a few of its larger customers -- major law firms -- motivated the company to purchase Oracle Business Intelligence 10g and Oracle Portal in 2004 and build a data warehouse of customers' past billing data.

"It was really about client retention," says Bradley Maue, vice president of IT and systems development. "A few of our large customers knew what these kinds of tools could do and started asking us for them."

Now clients can access and analyze fees and other invoice-related data stored in an Oracle data warehouse. They can use the Oracle BI tools via the portal or import the data into their own Excel spreadsheets.

Stuart Maue's employees are also using the tools to provide better analysis and auditing for customers. "It's a big step up from the old days," says Maue. "In the pre-BI period, statistical analysis was minimal, and it would be in a spreadsheet. And the database could only produce reports based on codes."

At Florida's Broward County School District, the sixth-largest school district in the U.S., the goal is to provide teachers and administrators with

"fingertip access to data that enables better decision-making," says Phyllis Chasser, the district's senior data warehouse analyst. And as of last year, that goal had been largely met, thanks to a Web-based BI portal that provides school employees and parents with access to information on school operations and student academics. Teachers, for instance, can drill down into an individual student's attendance records and grades, and parents can track their children's progress.

The idea for the system, which is based on Hyperion Solutions Corp.'s Business Intelligence Platform, was first conceived in 1996, when administrators realized that the district had loads of valuable data on hundreds of AS/400s scattered around various locations but no quick way to run reports on it.

"You had to make a request and wait for someone to write a program or run a report," says Chasser. "A week later, you might have the information, but it was already half outdated."

With the help of an IBM Reinventing Education Grant, Broward County moved its data off of the AS/400s located at the schools and onto a centralized data-base on an IBM iSeries server, with a Hyperion Web-based portal for access to the information.

Broward chose Hyperion, says Chasser, for its ease of use, particularly for nontechnical and semitechnical users. While most people use a Web interface to find information, more sophisticated querying and analysis is done via the full client interface.

Making data readily available to employees was also the goal at Blue Cross and Blue Shield of Kansas City. The health insurer implemented Business Objects XI, which has an "Intelligent Question" feature that enables users to create queries by navigating a series of drop-down menu choices.

"It's a guided question," explains Erik Brokaw, enterprise system architect at Kansas City, Mo.-based Blue Cross. "So, for instance, if a vice president wants to know the top 10 employer groups by revenue for the last quarter of 2005, he can use the menu. As he makes

selections, the question changes as well."

Web Services and BI

Once BI suites become more mainstream in large organizations, some companies could find themselves with competing BI products. That's especially likely in companies engaged in mergers. Therefore, open standards and Web services are seen as key to ensuring long-term BI compatibility.

Desmond Lownds, a software engineer in the architecture group at CHG Healthcare Services, a health care staffing firm in Salt Lake City, has steered clear of proprietary BI products for fear of not having enough support for open standards. Instead, CHG uses JasperSoft Corp.'s open-source Java-based reporting tools and a custom Java Web application that displays indicators pulled from an AS/400 transactional system and a data warehouse. Lownds also expects to implement the open-source Pentaho Business Platform for additional reporting and OLAP functionality.

"Our infrastructure has to be adaptable," says Lownds. "We've had four mergers in the past few years and expect more."

BI vendors are acknowledging that concern and have moved to add support for Web services, says Forrester's Gile. He says BI companies that have started to move in that direction include Cognos, Hyperion, Information Builders and Actuate Corp.

Thus, BI suites may be open to mix and match purchasing from organizations looking to let different user groups have their best-of-breed tools.

"By exposing more functions with Web services, they're making it easier for their products to fit in with SAP and Oracle and IBM applications," Gile says. "So you can pull your BI pieces from wherever you want. That's a fundamental change from three or four years ago."

Ventana's Rogge agrees: "We will be seeing more out-of-the box data integration than before, and one way is through Web services."

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