



## **ADDRESSING 4 CORE BUSINESS INTELLIGENCE CHALLENGES ON THE SEARCH FOR ACTIONABLE INSIGHTS**

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From healthcare to retail and education to manufacturing, organizations of every size and type are reexamining how to leverage data to make meaningful decisions.

The adoption of business intelligence tools is on the rise across multiple sectors, according to Dresner Advisory Services' *Wisdom of Crowds® Business Intelligence Market Study*.

Half of organizations participating in the 2020 study planned to increase their business intelligence budgets throughout the year, focusing on opportunities to improve operational efficiencies, drive sales, and streamline decision making.

Instead of relying on stale quarterly snapshots or keeping data analytics capabilities in the hands of the few, organizations are eager to use innovative business intelligence tools to create highly responsive, agile entities that can outperform their competitors.

Yet many of these organizations are finding the process extremely challenging. Insufficient reporting, siloed infrastructure, poor communication across the enterprise, and unresponsive vendors are all making it difficult to access answers in a timely, trustworthy, and intuitive way.

In order to develop truly impactful data-driven decision making, business entities will need to identify their key barriers to success and address each obstacle in a holistic, methodical manner.

## ESTABLISHING OVERARCHING GOALS AND REPORTING NEEDS

For most organizations, dedicated business intelligence systems are a relatively new addition to their technology toolkits.

A little more than 40 percent of respondents to the survey said their current business intelligence solutions were adopted less than two years ago, while about 14 percent have replaced their existing software with a new option in the past year.

Businesses are pursuing new tools as part of a search for sophisticated analytics functionalities, including reports and dashboards that are easily accessible and understood.

Additional priorities include data integration, advanced visualizations, “self-service” analytics for end-users, and predictive analytics to guide strategic initiatives.

Executive management is often the driving force behind these requests, but organizations are also seeking to enhance their operational capabilities, financial insights, and sales prowess.

Unsurprisingly, perhaps, the overarching goal for these enterprises is “better decision making,” followed closely by revenue growth and improved operational efficiency.

More than half of organizations responding to the survey feel they can obtain achievement in decision-making and operational efficiency. Revenue growth is a top three goal, but ranks fifth as far as likely achievement, behind “competitive advantage” and “enhanced customer service.”

Uncertainty over the true effectiveness of business intelligence may be due to poorly aligned priorities or unclear objectives across different segments of the enterprise.

When broken down by business function, the top priorities begin to splinter.

Better decisions are important for all departments. But financial, supply chain, and IT leaders are more concerned with cost savings, while marketing and sales executives are looking for increased competitive advantages. Operations departments tend to focus on customer service, but R&D stakeholders also value risk management and compliance.

Before continuing to adopt new tools or replace existing infrastructure, organizations will need to develop a clear, comprehensive portrait of their internal needs and identify specific business intelligence functionalities that will equip stakeholders with the insights required to achieve their individual goals.

### Action steps:



Define what “better decision making” truly means for the organization and establish specific, attainable measures of success.



Map how data will flow throughout the organization, identify the high priority needs of key stakeholders, and decide on necessary functionalities for business intelligence products.



Ensure new and existing business intelligence tools offer adaptable, dynamic reporting and robust data integration capabilities to deliver meaningful information to the right stakeholders at the right time.

## OVERCOMING SILOES TO CREATE A SINGLE SOURCE OF TRUTH

Many organizations are looking to solve the problem of access to individualized insights by adopting multiple solutions, each of which provides a different view into the enterprise's data assets.

Approximately one quarter of organizations said they have four or more tools in use at the same time, with financial services, advertising, and healthcare organizations among the most prolific. About an additional 20 percent are using at least three tools at once.

This can lead to problems with trust in data. 45.5% of respondents to the survey identified "unreliable, untrustworthy data" as an obstacle to success with business intelligence.

Executive managers and data analytics experts are most likely to believe in the strength and accuracy of their data, but that confidence does not necessarily filter down to other members of the organization.

Operations, finance, R&D, and IT leaders feel significantly less comfortable with the state of their available information, indicating opportunities to ensure data is consistently analyzed and applied across the entire enterprise.

While multiple business intelligence solutions may be necessary to support complex functions, especially in larger organizations, leaders should strive to implement a shared governance structure that underpins all initiatives to produce consistent results.

Common rules and definitions that cannot be altered by individual users will be crucial for fostering trust and increasing the reliability of reporting.

### Action steps:



Establish a governance committee to manage shared data definitions and ensure data integrity across the enterprise.



Train all users on best practices for analytics and reporting, including correct data visualization and labeling techniques.



Reevaluate the need for multiple tools and explore unified solutions that offer shared capabilities for the organization.

### ***Trust and truth in the healthcare setting***

*At Beacon Health System in Indiana, leveraging data to manage the health of high-risk patients used to be a perennial challenge.*

*“If we are looking at specific populations, such as a set of stroke patients or pneumonia patients, we must make sure everyone interacting with the data can agree on the same definitions around what has to happen for patient care,” says Darrel Yoder, manager of business intelligence.*

*“Diver Platform’s Measure Factory from Dimensional Insight lets us define those criteria and share them with our data analysts, data scientists, and business users, so that anyone who is trying to work with that data is using exactly the same cohort—and everyone else who touches that data anywhere down the line is seeing the same thing, too. Transparency throughout the enterprise is absolutely key.”*

*A data governance council that includes stakeholders from across the organization also helps to foster transparency and trust, added Colin Nolan, data architect at Beacon Health Systems, while giving all members of the team a chance to identify and solve potential pain points in the analytics process.*

*“If you can set up your dashboards so you can see all the relevant parameters on one page, and allow people to illustrate what they mean when they use a certain definition, you’re going to have fewer misunderstandings about the data and what it represents to different groups,” he said.*

*“You have to have some type of tool—and an organizational structure to complement it—so that you can start pulling your data together, defining it, and governing it in a way that lets you maximize its value.”*

## CREATING A COLLABORATIVE CULTURE OF ACTION

Access to reliable data is only the first step toward a successful business intelligence initiative. Stakeholders must also use their analytics tools consistently and truly believe that data-driven insights are important for achieving their goals.

The three biggest obstacles to success with BI, according to the survey, are “a culture that doesn’t fully understand or value fact-based decision-making,” “lack of support from senior management or other BI champions,” and “poor communication/collaboration between those developing/supporting BI solution and those using it.”

In order to ensure appropriate uptake and correct utilization of new business intelligence tools, organizations must be sure that end-users are aware of best practices and are applying those strategies within their own teams and across functions.

As businesses continue to expand their investments in business intelligence tools, many are hiring Chief Analytics Officers (CAOs) or Chief Data Officers (CDOs) to drive coordinated cultural change throughout the organization.

In 2020, just under 20 percent of participants stated that they had a CDO in place, with just under 15% reporting a CAO in place. For the majority of organizations, these are relatively new roles: most respondents have had these executives in place for less than three years.

Organizations that have installed CAOs and CDOs are pleased with the results. Approximately 90 percent reported that their data executives are either “somewhat effective” or “extremely effective.”

Entities with executive analytics leaders are also more likely to report that their initiatives are very or completely successful. CAOs and CDOs are particularly

important for achieving high-profile goals such as revenue growth and overall better decision making, indicating an ability to influence cultural change as well as hit specific targets.

For organizations that may not have the budget or scope for a dedicated analytics executive, identifying and empowering data analytics champions within the organization may produce a similar effect. Providing end-users with a central point of contact and a resource for information can foster awareness and uptake of best practices.

### Action steps:



Define measures of success and failure clearly, and consistently report on these measures to hold stakeholders and leaders accountable to long-term goals.



Explore the possibility of adding an executive position, or the equivalent, to support broad cultural changes and provide analytics resources within the organization.



Share examples of successful business intelligence initiatives with internal stakeholders to motivate users and celebrate achievements.

## PARTNERING WITH AN EFFECTIVE BUSINESS INTELLIGENCE VENDOR

Working with the right vendor is critical for organizations that are expanding their analytics capabilities, seeking new offerings, or replacing their existing business intelligence tools.

However, in the 2020 report, all measures of industry technical support sit near all-time low scores. Organizations struggled in particular with unresponsive vendors and insufficient technical support.

Executive leaders who are investing in business intelligence and relying more heavily on the output of analytics tools are expecting exceptional value and experiences, putting the pressure on purchasing committees to engage with a vendor that offers more than just a minimally viable product.

Organizations should seek out vendors with a record of solid performance across technology and service categories, including responsiveness, professionalism, product knowledge, flexibility and customization, reliability, and scalability.

Businesses may wish to gather detailed recommendations from their peers and investigate a wide range of potential partners instead of relying wholly on a company's longevity or market cap.

In the 2020 *Wisdom of Crowds® Market Study*, a surprising number of large, well-known companies scored significantly below average on key indicators of value, confidence, and satisfaction, suggesting that the business intelligence landscape is rarely one-size-fits-all.

In contrast, Dimensional Insight achieved a perfect peer recommendation score and overall experience leadership accolades, impressing customers with its value, responsiveness, reliability, integrity, and business practices.

Vendors that combine leading-edge technologies with comprehensive service and support may be more likely to provide long-term satisfaction across the enterprise as access to data becomes more and more important for everyday decisions.

### Action steps:



Identify aspects of the vendor-customer relationship that matter most to the organization and assess potential partners based on those criteria.



Prioritize vendors with a history of high performance, industry recognition, strong governance principles, and innovative approaches to data analytics during the search for new products.



Ask detailed questions about integration, customization, and ongoing support options during the vendor selection process to avoid disappointments when implementing new systems.





## CONCLUSION

Across all industries and company types, executive leaders are actively searching for the tools and technologies that will allow them to make more informed decisions and grow their businesses.

But developing an effective, successful business intelligence program is not always an easy task. Without clear goals, meaningful governance, a

collaborative culture, and the right technology partner, organizations may find it difficult to make the most of their investments.

Enterprises that embrace best practices and create a seamless ecosystem of trustworthy data will be much more likely to generate actionable insights and position themselves for long-term success.

## ABOUT DIMENSIONAL INSIGHT

Dimensional Insight® is a leading provider of analytics, data management, and performance management solutions, offering a complete portfolio of capabilities ranging from data integration and modeling to sophisticated reporting, analytics, and dashboards. The company is a eight-time Best in KLAS winner in healthcare business intelligence and analytics, most recently ranking #1 in 2021. Founded in 1989, Dimensional Insight has thousands of customer organizations worldwide. Dimensional Insight consistently ranks as a top performing analytics organization by customers and industry analysts in its core market segments including healthcare, manufacturing, and beverage alcohol. For more information, please visit <https://www.dimins.com/>.

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