

Preface

5 Keys to Business Analytics Program Success is an amalgamation of the combined experience of the members of the IBM Business Analytics Excellence Advisory Board. Our team has been documenting and sharing best practices since 2008, and this book builds on our first book, *Business Intelligence Strategy*, expanding our knowledge with additional sharing and viewpoints from five other companies with deep experience and proven excellence in Business Analytics.

This book is meant to be shared with aspiring business analytics program managers, senior executives, and IT or BA managers who are also trying to manage a program amidst an era of rapid technology evolution. If you are looking for a guide that will help you learn the features and functions of how to use Business Analytics technology, this book will not help you—this book is meant to discuss the management aspects of the program, as well as a bit of the sociology behind making it work.

It can be pointed out that the first book from this team contained the term “Business Intelligence” in the title, while the second discusses “Business Analytics.” Both books actually discuss similar capabilities, but the change in terminology demonstrates the rapidly evolving landscape of Business Analytics. Just a couple years ago, Business Intelligence dominated the analytic landscape, encompassing and integrating with a variety of technologies. Today, the analytics landscape is so vast that the terms of reference themselves have changed.

So, what do we mean by Business Analytics? When we discuss Business Analytics (BA), we refer to the groups of analytical capabilities that are used to help organizations make better decisions. This includes Business Intelligence (reporting, analysis, scorecard, and dashboard capabilities), Performance Management (budgeting, planning, forecasting, and what-if scenario analysis), Predictive and Advanced Analytics (predictive and statistical analysis), as well as risk management solutions. While information management solutions—such as data warehousing, ETL (extract, transfer, load), data quality, and others—are the foundation of analytics and critical to the conversation, the focus of this book is less on this area of analytics, and we maintain most of the discussion at the analytic capability level.

This book is not just about implementing Business Analytics technologies; it’s about *smarter* analytics. The goal is to achieve business outcomes—with decision making and the end result as the aim. It’s about innovating and integrating technologies to produce the best results in the most efficient ways. It’s about continually trying to move the marker to achieve higher levels of performance, of analytic maturity, and to constantly strive for excellence. Business Analytics is a technology that affects businesses on the front lines—and the management of business, governments, teams, and individuals. It produces real results and has the ability to deliver major impact.

However, the technologies are evolving rapidly, and keeping up with the change of pace is difficult. It must be recognized that it is a journey, not a destination. It's a program—not a project. This is why this book talks to the Program—not just the specific organizational design or the technology—but the overall program that will pervade the entire organization with analytic culture at its roots.

For many months, the team discussed the content that went into the book to help organizations understand the common practices that are followed by organizations—in any industry and of various sizes. All the while, we knew that the goal was to define the areas of focus for a Business Analytics Program, but we decided to hold the title until the end of the book. When the content was done, we had many debates about the name of the book. We knew there were five major areas of the Business Analytics Program—but were they five separate areas that needed to be managed separately and it didn't matter which came first? Or were they five different steps that should be followed one after the other? Were they rules? For many weeks, we discussed this topic and finally decided on “5 Keys” as the core concept of the title. We chose this title because each of the teams actually implemented the five areas at separate times and in different orders and still managed a very successful program. What we decided was that a business analytics program could successfully be implemented in any order—or parts of each area together at the same time—and create success. However, at the end we decided that if you actually implement the 5 Keys in the order we have stated in the book, your time to success will likely be more rapid. This is because if you have a strategy and attach value, it is much easier to design your organization, combat politics, design processes, and determine technology requirements. So, while any order will do, organizations new to analytics may wish to actually follow the order that is discussed in this book.

What we did realize is that there is really no one-size-fits-all program structure, organizational design, process, or technology architecture. It all depends on analytic maturity, culture, and need within each organization. However, there are common elements that each organization can take and adapt to its own environment. This book is not an academic overview, nor is it meant to be a prescriptive recipe—it is a practical guide of knowledge that can be adapted to meet the needs of any business.

This book is about collaborating, communicating, and creating change in an organization. It is about building knowledge, aligning an organization, being able to anticipate and shape outcomes, acting on knowledge, learning with every step, and transforming an organization. This is the recipe that creates smarter analytics.

Another interesting point to note is that the members of the author team come from various industries—manufacturing, life sciences, insurance, services, retail, and software—and regardless of the industry, each of our organizations has the same common program elements. No matter where you come from, the principles of running a successful Business Analytics Program are the very same.

We enjoyed the debates, discussions, and sharing that went into the creation of this book—and hope that the insight and best practices provide real learning to you in your Business Analytics journey. If you see the commonalities in your organization, then you can recognize that you are well on the path to a successful program—and you will see that the downfalls and the successes you encounter along this journey are normal. We hope you walk away with some new ideas and that you breathe a sigh of relief as you see some of your own struggles iterated in this book—hopefully with a solution you can implement that will help you to overcome your challenge. We appreciate any thoughts, feedback, or ideas you have—connect with any of us on LinkedIn to share your stories.

—*John, Bill, Brian, Tracy, and Kay*
October 2012