

# Your customized IBM Business Intelligence and Performance Management Assessment Report

Business Profile			
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## Benchmark Results

### Your Overall Score

The following table shows your overall score based on the assessment tracks you completed. The "Best-in-Class" column shows the average score achieved by top performers (the top 20%) of all Aberdeen survey participants. "Your Score" is the calculated score based on your answer choices within each track you completed. The "Laggards" column shows the average score achieved by poor performers (the bottom 30%) of all Aberdeen survey participants.

Business Intelligence Capabilities	Best-in-Class	Your Score	Laggards
Planning & Budgeting Score	69.8	46.1	35.6
Measuring & Monitoring Score	49.1	42.7	29.0
Overall Assessment Score	118.9	88.8	64.6

### Key Challenges

You identified the top challenges that are driving your company's need for new or improved business intelligence (BI) capabilities. Your peers have also indicated the priority level and selection percentage of these pressures as shown below.

The 'percent' column shows the percentage of all Aberdeen survey respondents who chose the selected key challenge as one of the top two pressures driving their business intelligence initiatives.

The 'rank' column shows the rank order of the key challenges as selected by all survey respondents. This will provide you with insight about the priorities that are driving your company's BI initiatives.

Your Leading Pressures	Percent	Rank	Recommended Track
Become more agile in adapting to changing conditions	37%	2	Reporting and Analysis
Provide better cost control	34%	3	Planning and Budgeting
Improve executive visibility into operational drivers	32%	4	Reporting and Analysis

These relate directly to the top ten business pressures that Aberdeen research has identified as critical drivers for BI investment. Research has shown that organizations are trying to improve efficiencies and performance of many day-to-day and real-time activities and transactions, such as:

- Customer interactions
- Financial processes
- Accounting processes
- Transportation / shipping
- Sales activity
- Manufacturing
- Inventory Management
- Marketing projects / campaigns

Best-in-Class companies are improving their time-to-decision through the implementation of capabilities, technologies, and services that enable faster delivery of mission-critical information to the people who need it, when they need it, and how they need it.

When it comes to reporting and analyzing actionable information, companies face an entirely new set of challenges. The information needs to be clean, relevant, and timely. Unfortunately relevance and timeliness are mutually exclusive. Pertinent information is useless if delivered too late and real-time data is ineffective in the wrong hands. Organizations now strive to deliver that actionable information to the right decision makers within a time frame that permits informed decision making.

Planning and budgeting lays the foundation for any effective business plan. Without a clear set of goals and objectives and a financial plan which supports those goals, managing business day-to-day is akin to driving your car while looking in the rear view mirror. Best-in-Class companies focus on the future by tuning the planning process to improve efficiency and the accuracy of resulting budgets and forecasts.

Operational managers are increasingly demanding visibility into business metrics in order to align operational activity with corporate objectives. This requires gathering, tracking, analyzing, and acting upon KPIs that can change frequently. The creation, management, and continual review of KPIs can prove to be a difficult process, particularly when large, complex data volumes are combined with rapidly changing business dynamics and when data is being integrated from a variety of disparate sources.

The following assessment provides you with a starting point for understanding how your organization is equipped to address these business

### Current Capabilities

The following tables show the responses you provided about the management capabilities and technology enablers that your organization has currently obtained. The % of Aberdeen Best-in-Class and Laggard respondents that answered "yes" to each of the questions is shown in order to provide perspective on the importance of each capability. Those with high Best-in-Class scores should be viewed as more critical to overall success, versus those with lower scores.

Category	Assessment Questions	Your Response	% Best-in-Class companies who answered 'yes'	% Laggards who answered 'yes'
	Does your organization have the ability to re-forecast as market conditions change?	Yes	77%	31%
	Does your company perform 'what-if' scenarios and change analysis?	No	49%	25%
<b>Planning &amp; Budgeting</b>	Within your company, are managers held accountable for budget accuracy at all levels throughout the organization?	No	79%	44%
	Is your organization able to perform multi-dimensional reporting with roll-ups?	Yes	59%	40%
	Does your company have the ability to drill down to successive levels of detail from summary reports produced?	No	67%	37%
	Is your organization able to track actual performance against budget?	No	100%	69%

### Technology Enablers

	Does your company use automated tools for version control of budgets?	No	50%	19%
	Is your organization currently using workflow automation tools (either stand-alone or embedded)?	No	72%	28%
	Does your organization use a stand alone budgeting / forecasting application?	Yes	67%	27%
	Does your company use budgeting / forecasting features of an ERP or other financial application?	No	48%	23%
	Is your company using event management (triggers and alerts) tools?	No	30%	13%

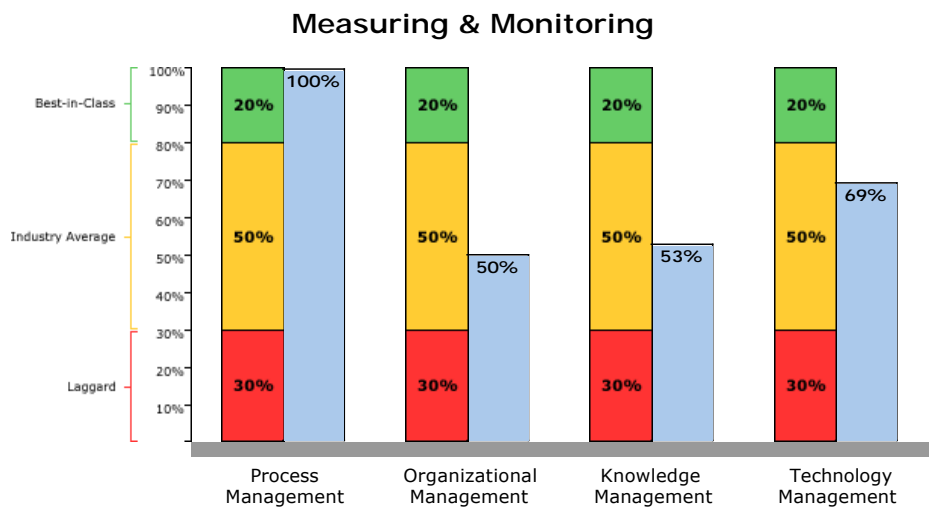
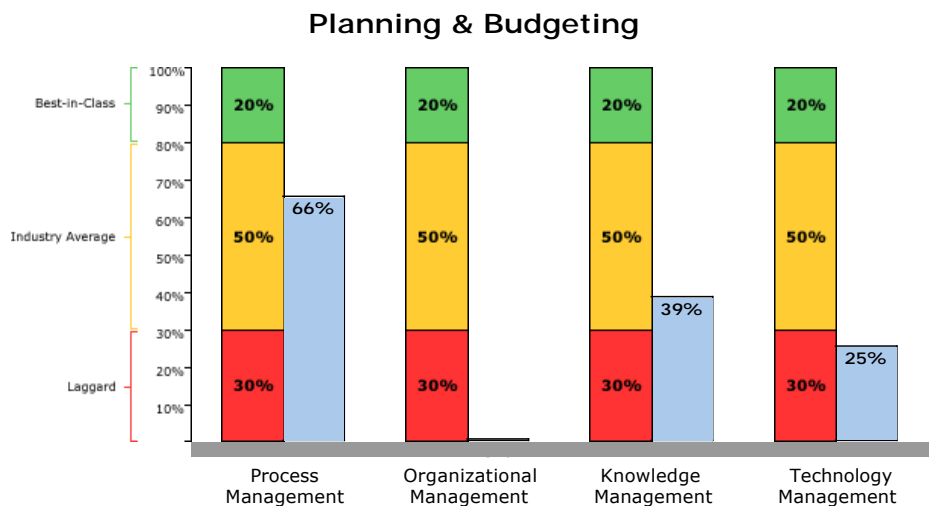
Category	Assessment Questions	Your Response	% Best-in-Class companies who answered 'yes'	% Laggards who answered 'yes'
	Does your organization have a balanced scorecard system in place based on a 'strategy map' and clearly defined objectives?	Yes	30%	17%
	Are your organizational KPIs visible to line of business management and decision makers?	No	51%	32%
<b>Measuring &amp; Monitoring</b>	Does your company have a formal committee in place to establish KPI definitions, business rules and access permissions?	Yes	44%	25%
	Are your organization's KPIs utilized to automate reports, report generation, and report distribution?	Yes	30%	12%
	At your company, is KPI information available within a day or less from actual business activity?	No	38%	22%
	Does your organization measure and track KPI performance against corporate and departmental goals?	Yes	69%	48%

### Technology Enablers

	Is your company currently using dashboard tools?	Yes	61%	37%
	Does your company utilize balanced scorecards?	Yes	42%	36%
	Does your organization use BI analytics software?	No	31%	20%
	Is your company currently using automated alert technology?	No	31%	13%
	Does your company use automated			

### Performance Charts

Based on your responses, your company's comparison with the top performers ('Best-in-Class') and lagging performers ('Laggards') in terms of current capabilities is summarized in the following chart(s):



- Process Management – What is the scope of process standardization? What is the efficiency and effectiveness of this process?
- Organizational Management – How is your company currently organized to manage and optimize this particular process?
- Knowledge Management – What visibility do you have into key data and intelligence required to manage this process?
- Technology Management – What level of automation have you used to support this process? How is this automation integrated and aligned?

Based on the responses you provided, your organization's BI capabilities and technology enablement have been aggregated into scores that reflect the level of capability as compared to Aberdeen's overall respondents within the three performance maturity categories: Best-in-Class, Industry Average and Laggard. The four categories measured include "process management", "knowledge management", "organizational management" and "technology enablement". These charts can be used to determine the specific areas to address first when it comes to future investments in your BI initiatives.

### Best-in-Class Performance Metrics

Respondents to Aberdeen's business intelligence research surveys were asked to rate their current performance across several key metrics, including financial, customer, process and organizational measures. The table below shows the average performance rating for Best-in-Class versus Laggard respondents. Analysis of the year-over-year changes show that Best-in-Class organizations achieved the greatest gains in reducing the time-to-information, increasing budget accuracy, improving year-over-year top-line and bottom line financial performance, and increasing customer satisfaction and retention. Your scores, shown in the bar charts above, illustrate your organizations' overall mapping to Best-in-Class, Average or Laggard performance, and indicate the level of performance you can expect to achieve within each of the performance measures in the table below.

Estimated Year-over-Year Change	Best-in-Class	Laggards
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Decrease in time-to-information – measured as the time between business activity and delivery of information to decision-makers, over the past 12 months	-7%	2%
Improvement in customer satisfaction, issue resolution speed, and issue resolution accuracy in past 12 months	20%	7%
Overall budget accuracy (ratio of actual to budget)	101%	87%
Improvement in year-over-year profitability	9%	-4%
Improvement in year-over-year revenue growth	9%	2%

Best-in-Class organizations in Aberdeen's research are typically distinguished by their year-over-year improvements in performance, and by their year-over-year improvements in the time and total cost related to implementing and deploying their BI technologies. Laggards, meanwhile, have the unfortunate distinction of reporting year-over-year declines in these areas. The majority of companies fall somewhere in between, tending to increase their overall spending on information management and delivery while essentially treading water with respect to results.

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## General Recommendations

**Focus on institutionalizing an enterprise-wide 'BI Culture'.** Best-in-Class companies clearly indicated that the establishment of a BI center of excellence is crucial to the success of BI projects. This involves the inclusion of business and IT management at all levels, and can encompass the definition and creation of KPIs. Best-in-Class organizations are also far more likely to emphasize training as a key enabler for operational BI projects and a key ingredient in developing the type of BI skill sets necessary to generate a BI or information 'culture'.

**Automate version control during the budgeting and planning process.** While the Best-in-Class are 150% more likely to implement automated version control, only half actually do, leaving significant room for additional deployment to gain better control. As soon as multiple people touch the budget in a collaborative manner, the risk of error increases exponentially. Through automation of version control, organizations have been able to reduce or eliminate:

- Disjointed results
- Wasted time & resources
- Duplication of efforts
- Falsely premised budgets

**Establish operational metrics across multiple areas of the business.** An effective KPI strategy is accomplished through a combination of training and corporate culture. Many Best-in-Class companies are forming a BI Center of Excellence and training programs to facilitate an institutional approach to information delivery. An operational KPI strategy should be included in these initiatives. Laggard respondents are far less likely to utilize operational and strategic KPIs across multiple operational areas of the business. While there are many potential metrics, it is important to determine which are critical to measuring operational performance improvement.

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## Additional Resources

### Related Aberdeen Research

[Smart Decisions: The Role of Key Performance Indicators September 2007](#)

[Operational BI: Getting Real-Time About Performance December 2007](#)

[The Expansion and Contraction of Business Intelligence January 2008](#)

[Managing the TCO of Business Intelligence February 2008](#)

[Data Management for Business Intelligence March 2008](#)

[Business Intelligence Deployment Strategies April 2008](#)

[Financial Planning and Budgeting April 2008](#)

[Predictive Analytics. The BI Crystal Ball May 2008](#)

[Operational KPIs and Performance Management August 2008](#)

[One Version of the Truth 2.0 September 2008](#)