

# Business Analytics **Forum**

See The Future Of Decision Making

3 • 5<sup>th</sup> 2010

Gold Coast Convention and Exhibition Centre Queensland, Australia



## Business Analytics for Growth Strategy

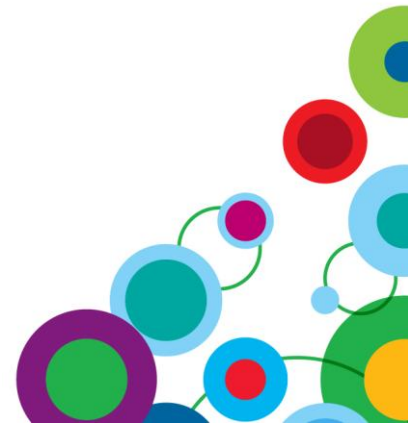
James Huckerby  
Deloitte Australia



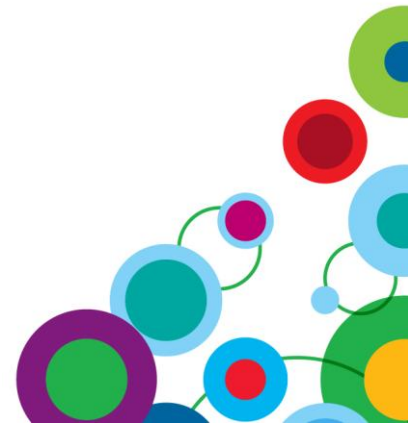


# Agenda

- Introduction
- Deloitte Australia
- Business Analytics Snapshot
- Deloitte Australia Growth Strategy
- Business Analytics - Granular Market Selection
- Business Analytics - Granular Performance Management
- Pervasive Business Analytics
- Lessons Learnt
- Enterprise Information Management



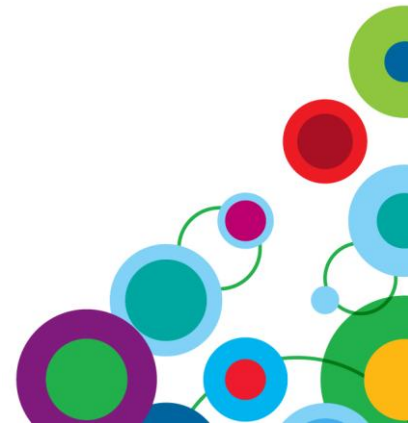
# Introduction





# Deloitte Australia

- Approx 4,600 practitioners including 432 partners
- Operate in all major capital cities and regional centres
- From 2005 to 2010 Deloitte was the fastest growing of big 4 - net revenue growth of 12% CAGR
- Only professional services firm to grow significantly throughout GFC





# Business Analytics Snapshot

## Overview

- Users of IBM-Cognos Business Analytics for 4 years
- Pervasive Business Analytics:
  - **Highest penetration of IBM-Cognos Business Analytics suite of any major organisation in the world at 67% (3,000 users)**
  - Utilising performance management tools to build granular applications (e.g. Pricing Tool)
- Business Analytics Competency Centre in Finance supports entire business (Operations, HR, Marketing etc)
- Finalists in the “Unlocking BI” award for the Chartered Institute of Management Accountants (CIMA)

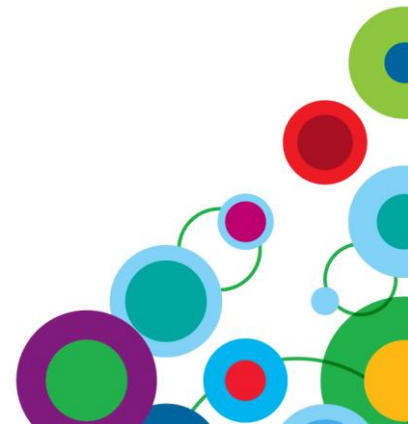




# Business Analytics Snapshot

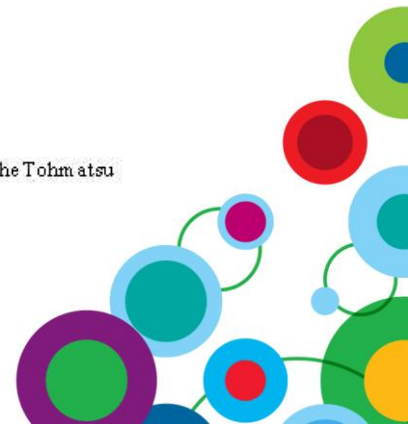
## *Functionality*

- Standard professional services business analytics:
  - Budgeting (460 partners)
  - Management Reporting
  - Operational Reporting (e.g Utilisation, Debtors, Cash, WIP)
  - Multi-dimensional analysis of data from IBM-Cognos data warehouse via cubes and reporting
  - Marketing – actual versus pipeline and forecast (Practice Mgt, CRM, EP)
  - HR – turnover etc
  - KPI-based scorecarding
- What we do that is different with business analytics:
  - Platform to support the growth strategy – Cells, patches
  - Granular application development – Pricing Tool
  - Moving to predictive analytics – HCM



# Growth strategy

# Growth







# Strategy

External choices  
(Where to compete)

Internal choices  
(Resource allocation)



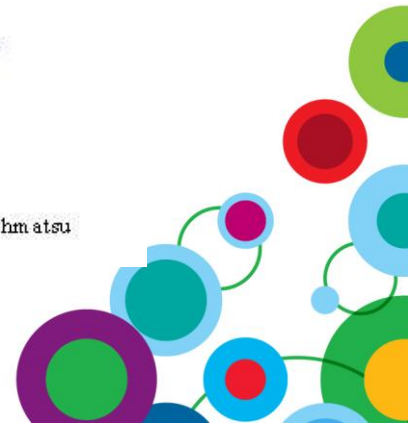
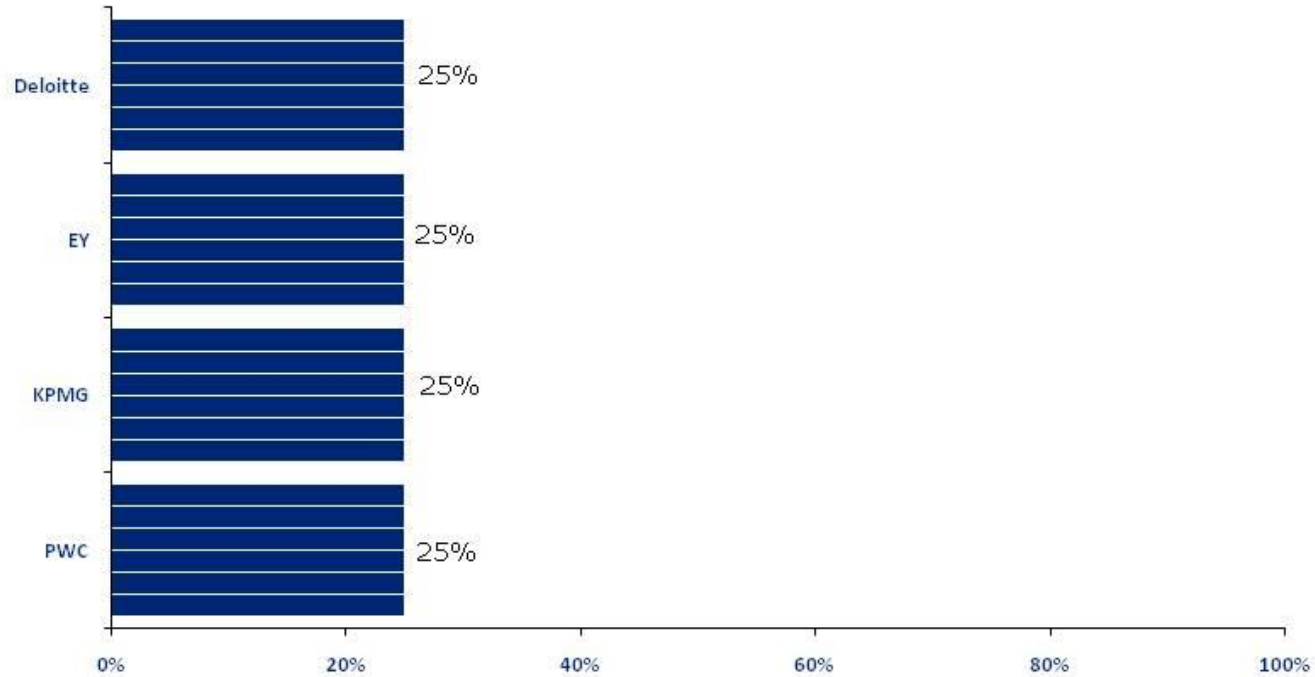
# Granular Market Selection:

Where to Compete



We are not trying to achieve our fair share across the market...

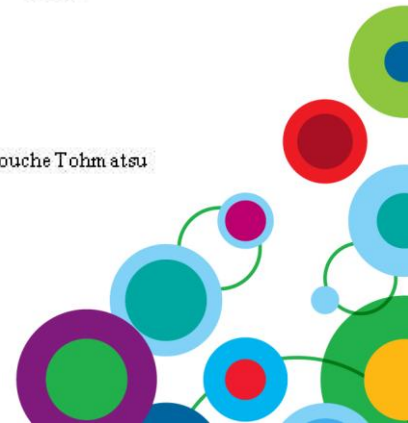
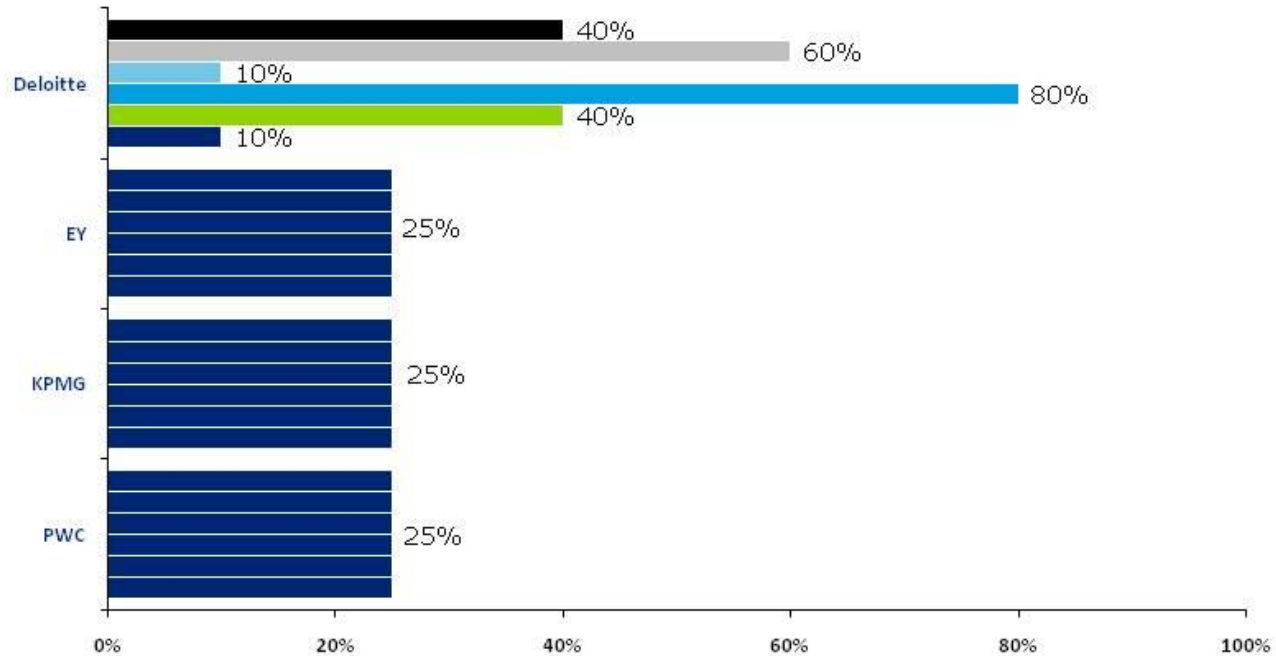
## Market strategy





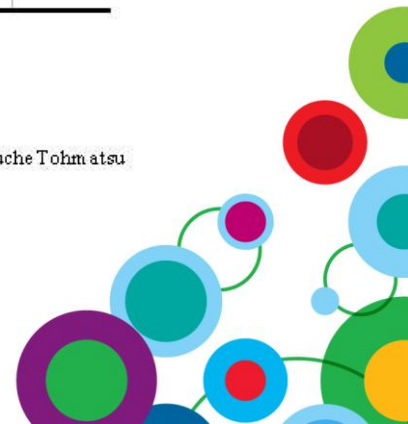
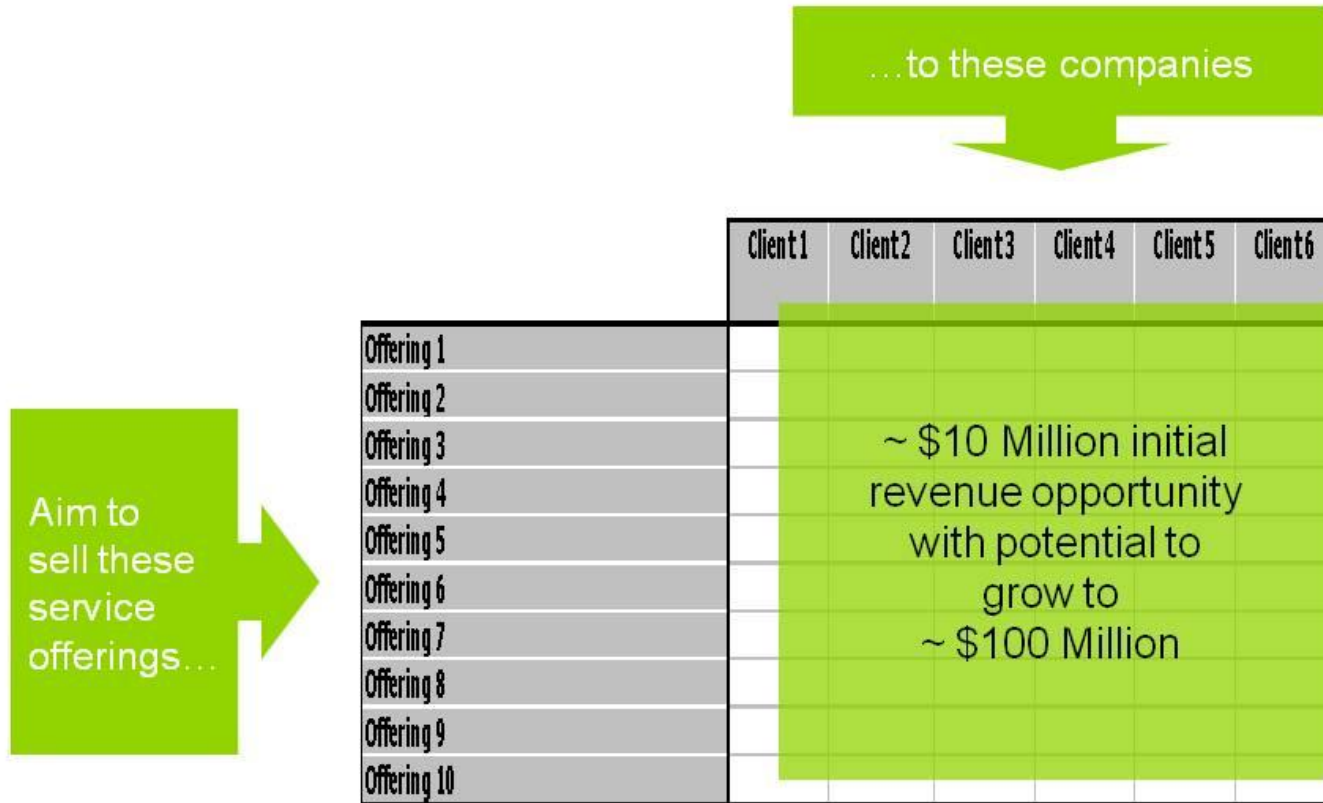
... instead we are targeting specific segments that play to our strengths

## Market strategy





# The basic idea of a patch

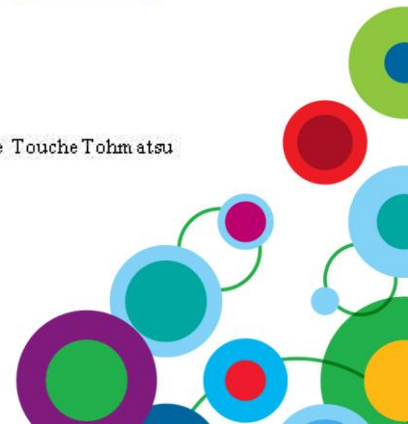


# Assessing our competitive position in the patch

Fill the competitor part of the patch using below colours to indicate top 3 professional service providers by revenue:

|                                 |
|---------------------------------|
| Deloitte                        |
| Other Big 4                     |
| Other Tier 1 e.g. consultancies |
| Tier 2 and below                |

|                                   | Client 1    | Client 2                        | Client 3                        | Client 4    | Client 5                        | Client 6                        |
|-----------------------------------|-------------|---------------------------------|---------------------------------|-------------|---------------------------------|---------------------------------|
| Offering 1                        |             |                                 |                                 |             |                                 |                                 |
| Offering 2                        |             |                                 |                                 |             |                                 |                                 |
| Offering 3                        |             |                                 |                                 |             |                                 |                                 |
| Offering 4                        |             |                                 |                                 |             |                                 |                                 |
| Offering 5                        |             |                                 |                                 |             |                                 |                                 |
| Offering 6                        |             |                                 |                                 |             |                                 |                                 |
| Offering 7                        |             |                                 |                                 |             |                                 |                                 |
| Offering 8                        |             |                                 |                                 |             |                                 |                                 |
| Offering 9                        |             |                                 |                                 |             |                                 |                                 |
| Offering 10                       |             |                                 |                                 |             |                                 |                                 |
| Top Professional Service Provider | Deloitte    | Other Big 4                     | Tier 2 and below                | Other Big 4 | Other Big 4                     | Other Big 4                     |
| 2nd Professional Service Provider | Other Big 4 | Other Tier 1 e.g. consultancies | Deloitte                        | Deloitte    | Other Tier 1 e.g. consultancies | Other Tier 1 e.g. consultancies |
| 3rd Professional Service Provider | Other Big 4 | Deloitte                        | Other Tier 1 e.g. consultancies | Other Big 4 | Deloitte                        | Other Big 4                     |

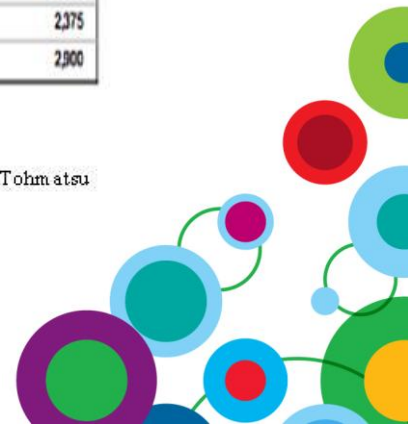




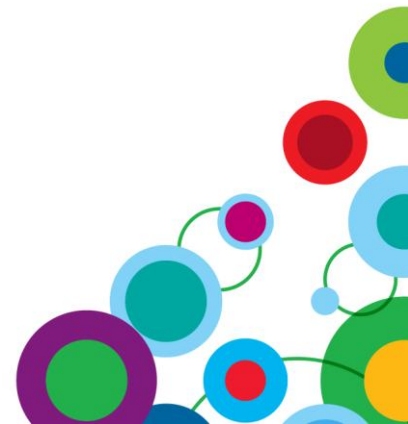
# Each patch has a 'sweet spot'

|                                   | Client 1 | Client 3 | Client 5 | Client 4 | Client 6 | Client 2 |
|-----------------------------------|----------|----------|----------|----------|----------|----------|
| Offering 2                        |          | 50       |          |          | 75       |          |
| Offering 3                        | 200      |          |          |          |          |          |
| Offering 4                        |          |          | 350      |          |          |          |
| Offering 8                        |          |          |          | 500      |          |          |
| Offering 6                        |          |          |          |          |          |          |
| Offering 5                        |          |          |          |          |          |          |
| Offering 1                        |          |          |          |          |          |          |
| Offering 10                       |          |          |          |          |          |          |
| Offering 7                        |          |          |          |          |          |          |
| Offering 9                        |          |          |          |          |          |          |
| Top Professional Service Provider |          |          |          |          |          |          |
| 2nd Professional Service Provider |          |          |          |          |          |          |
| 3rd Professional Service Provider |          |          |          |          |          |          |

|                     | Expected FY08 Revenue |     |     |     |     |     | TOTAL |
|---------------------|-----------------------|-----|-----|-----|-----|-----|-------|
| FY09 Good Target    | 350                   | 150 | 400 | 750 | 200 | 50  | 1,900 |
| FY09 Great Target   | 450                   | 200 | 500 | 850 | 300 | 75  | 2,375 |
| FY09 Awesome Target | 600                   | 250 | 600 | 950 | 400 | 100 | 2,900 |



# Patch Reporting



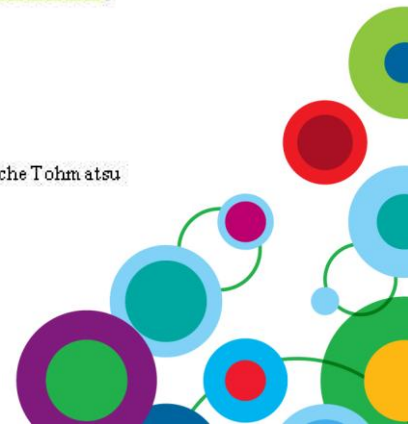




# Generating a patch strategy

- 1** H1: anchor the sweet spot *More proven offerings to core clients*
- 2** H2: go beyond the sweet spot *proven offerings to new clients and new offerings to core clients*
- 3** H3: extend the patch *Add more new clients and new offerings*

|             | Client 1 | Client 3  | Client 5 | Client 4  | Client 6 | Client 2 |           |
|-------------|----------|-----------|----------|-----------|----------|----------|-----------|
| Offering 2  |          |           |          |           |          |          | HORIZON 3 |
| Offering 3  |          |           |          |           |          |          |           |
| Offering 4  |          | HORIZON 1 |          |           |          |          |           |
| Offering 8  |          |           |          |           |          |          |           |
| Offering 6  |          |           |          |           |          |          |           |
| Offering 5  |          |           |          |           |          |          |           |
| Offering 1  |          |           |          |           |          |          |           |
| Offering 10 |          |           |          | HORIZON 2 |          |          |           |
| Offering 7  |          |           |          |           |          |          |           |
| Offering 9  |          |           |          |           |          |          |           |

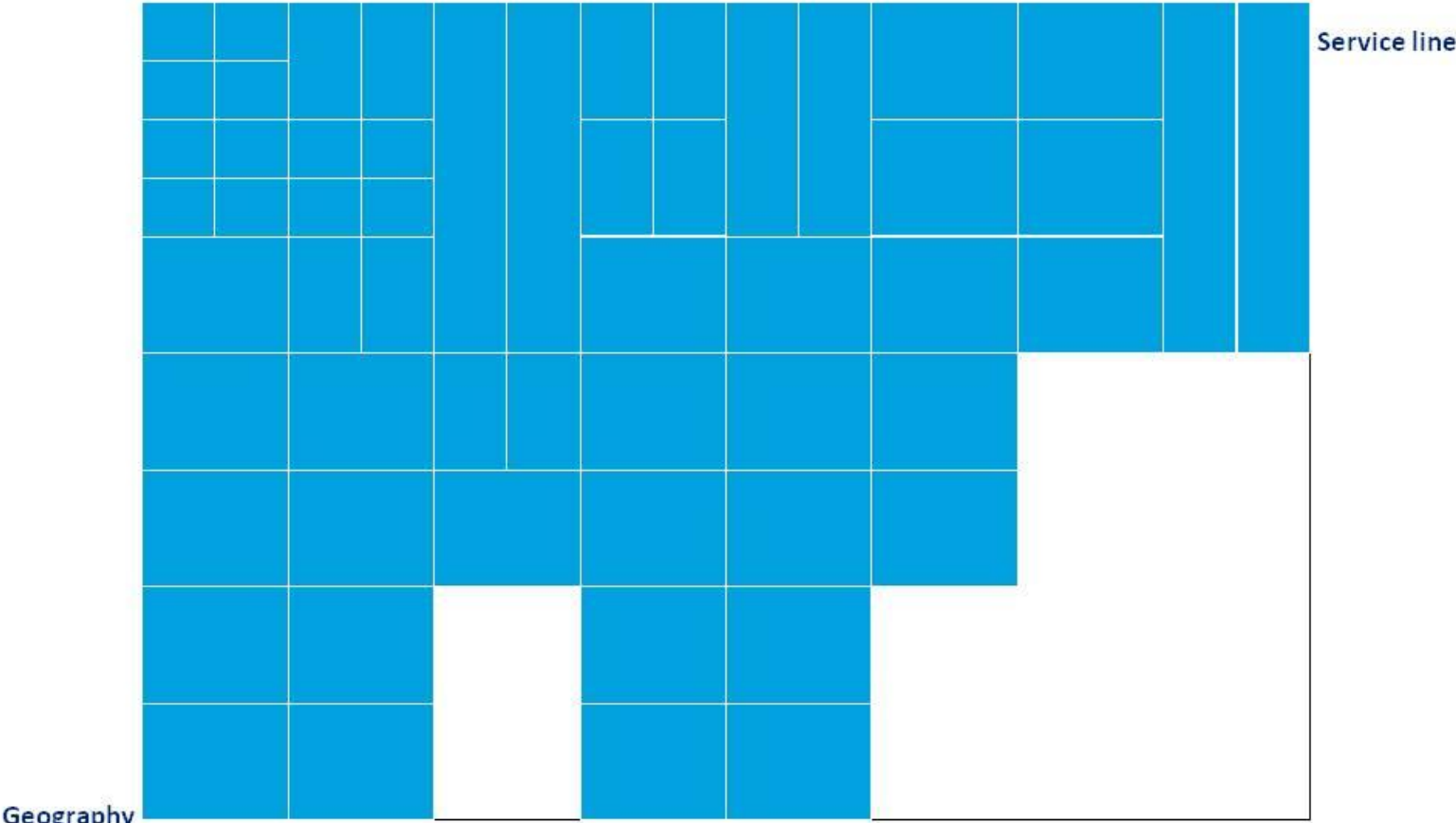


# Granular Performance Management: Resource Allocation



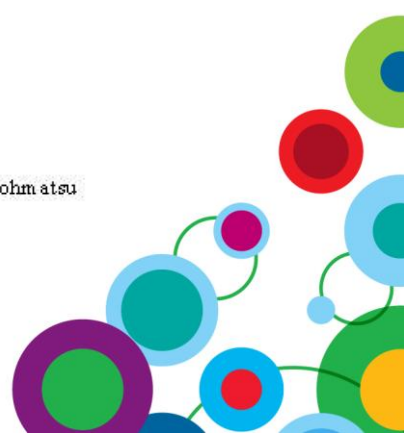
# Increasing granularity to create clarity, accountability and transparency

8 → 44 → >60

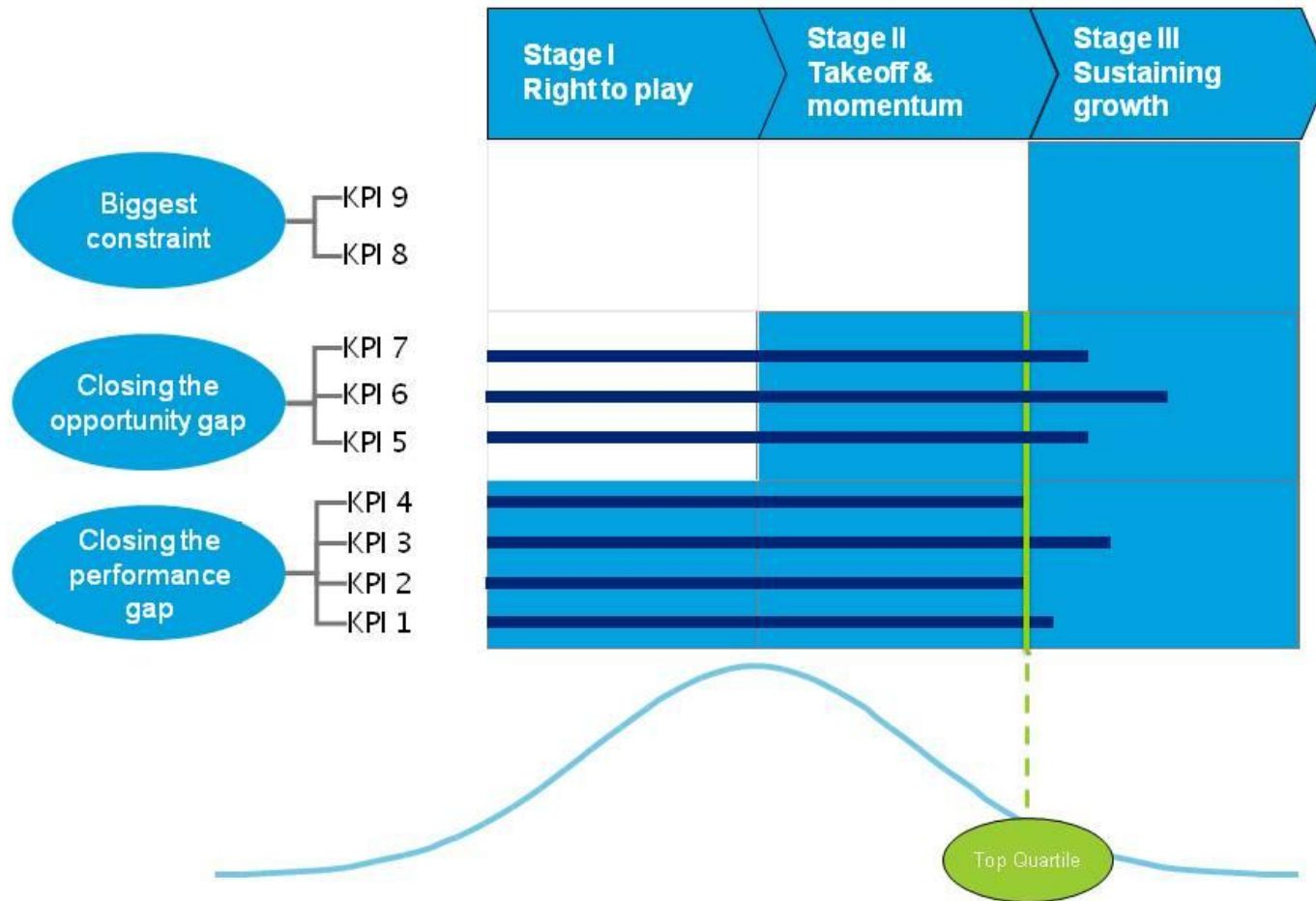


Geography  
1

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# Focusing management on what is important



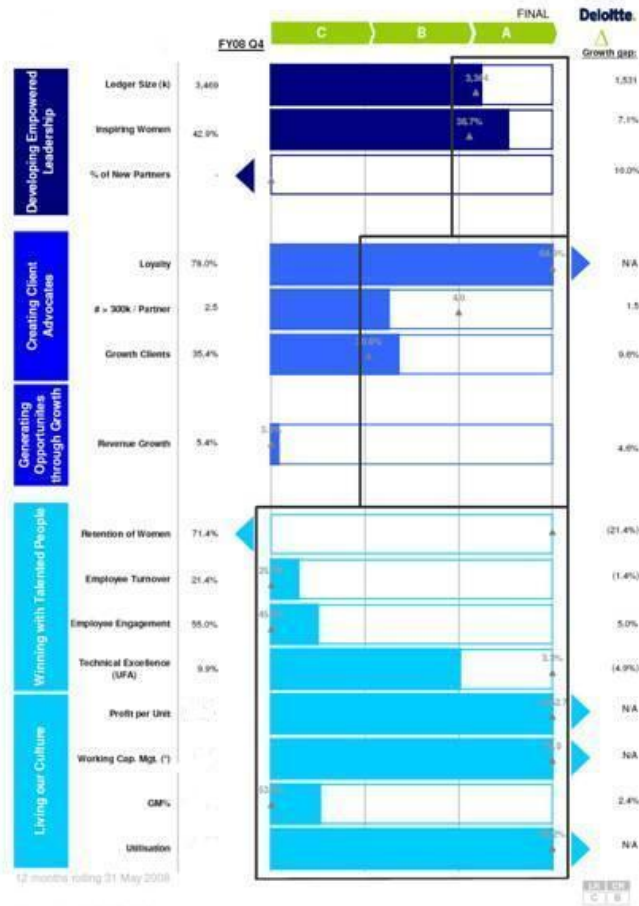


# Providing the framework for sustainable & profitable growth



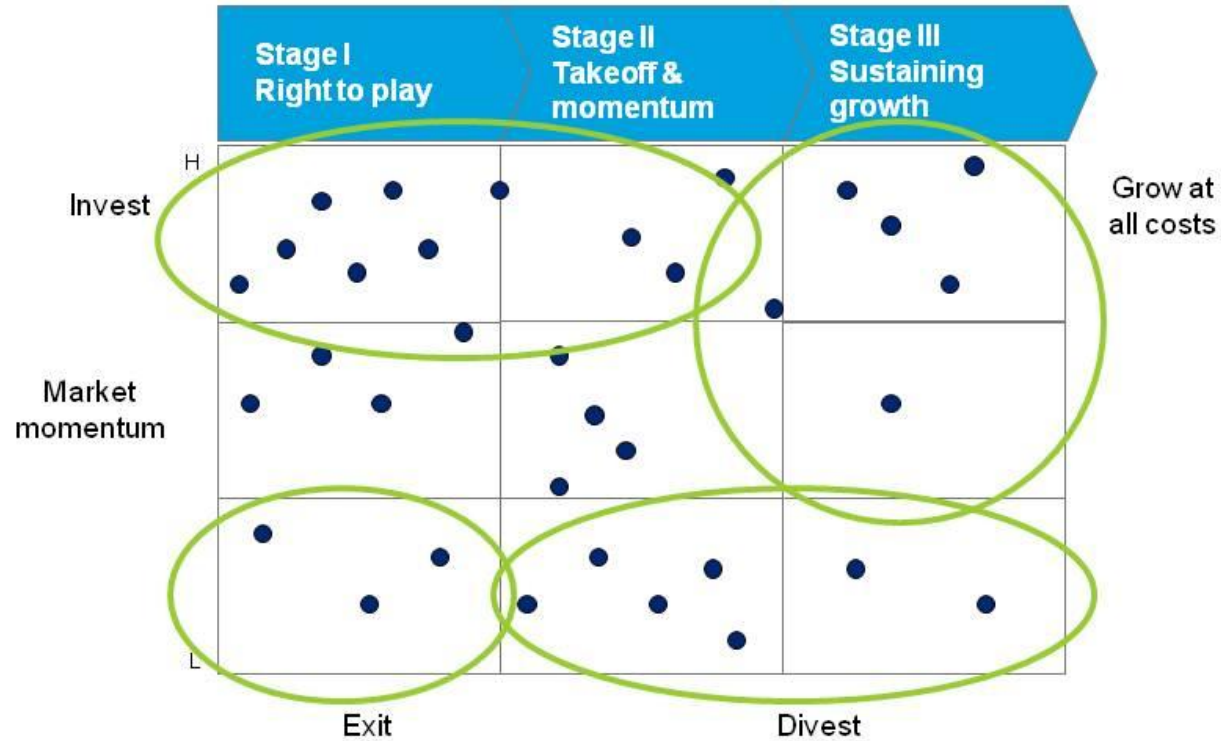


# Planning, measurement and action





# Clarity of investment, divestment and outsource decisions



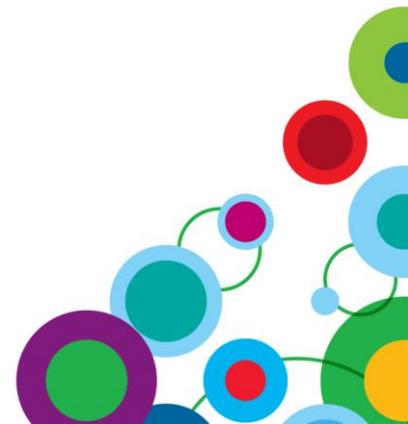
# Pervasive Business Analytics





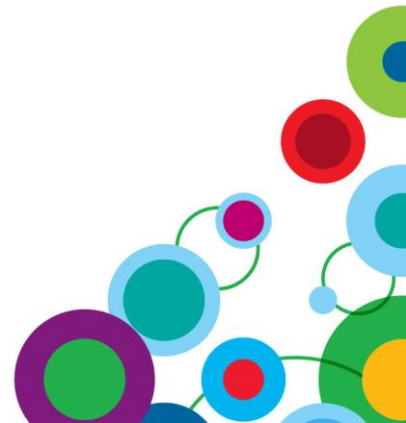
# Pervasive Business Analytics

- Full penetration: all business roles at Deloitte to use Business Analytics (aim is 80%, currently at 67%)
- Firm-wide planning has been in place since FY07. We are starting to use Performance Management for the “dumb stuff” – data collection etc
- Focusing on building granular applications in Business Analytics stack which leverage off the data warehouse (e.g. Pricing Tool)
- Future Business Analytics Initiatives:
  - Predictive analytics and adaptive warehouse – staff turnover
  - Role-specific dashboards

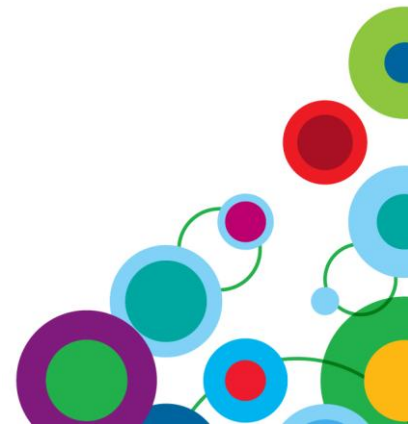


# Lessons Learnt

- Advantage of having BACC in business is that it has a business focus
- Sell benefits to executive
- Annually updated strategy, 12 month roadmap updated every 6 months
- Dedicated analysis and projects team – separate from central PSO
- Set standards and stick to them to avoid rework
- Get resource mix right



# Enterprise Information Management (EIM)





# Enterprise Information Management (EIM)

## What do we do ?

- Deloitte's EIM (Enterprise Information Management) team with over 200 specialised consultants is one of the largest and most experienced IM practices in Australia drawing from a global network of expertise
- Deep experience in planning and delivering IM solutions based on well established methodologies, frameworks and tools already applied in many leading Australian organisations
- Experts focused on our clients and the industries they operate, such as telecommunications, energy, financial services, education, consumer business and public sector
- Recognised thought leaders and contributors to the MIKE 2.0 open source IM methodology – MIKE 2.0 supports Deloitte's own global EIM methodology to deliver value to our clients
- We help our clients with a diverse range of services, including Enterprise Data Management; Business Transformation & Enterprise Applications; Business Process Management; Business Rules Management; Business Intelligence & Data Warehousing; Enterprise Performance Management; Enterprise Content Management; and Master Data Management

## Who do we do it for?



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