DECISIONS, DECISIONS

HOW LEADING FIRMS ARE ARMING FRONTLINE EXECUTIVES WITH DATA-DRIVEN INSIGHT

There's a global revolution underway. Business executives are no longer satisfied with the long waiting periods, high costs and questionable quality of data-driven decision support being developed on their behalf. Taking matters into their own hands, leaders are embracing a more distributed model, where end-users can take control of their own analytics, modeling, visualization and decision making. The results, say practitioners, are profound. Consider these examples:

- Delving into data points as diverse as trip utilization, on-time performance and customer service surveys, the U.K.'s international transport-focused National Express is able to rapidly assess, adjust and optimize its menu of destinations, routes, timetables and fares.
- At a major insurer, after placing analysis tools in the hands of business units, end-users overlaid dates of claims with traditional fields to identify and isolate two agents who had been falsifying claims.
- Analysis of device usage data at a major U.S. bank revealed the means to reducing printing costs by over $5 million per year.
- At a leading provider of services to the asset management and banking industries, an accounting executive with no formal prior business intelligence training was able to develop an array of dashboards providing insights so compelling that once shown to prospects, the firm was able to, nearly immediately, sign five new major clients.

Results like these are by no means exceptional. Rather, they are becoming the norm at companies where front-line business executives, those in the right place at the right time to translate insight into action, are given the keys to drive today's most powerful analytics and decision-making platforms.

THE CASE FOR A DISTRIBUTED SOLUTION: FINANCIAL SERVICES

At the asset management and banking services provider, the story begins with the rise of business intelligence (BI). As the firm's lead executive in this area explains, "Ask 10 different people to explain [BI] and unless they're in precisely the same industry looking at the exact same sets of activities, you won't hear the same definition [nor] see the same tools twice."

What this means, says the executive, "is that each organization" needs to develop its BI capabilities in ways that work best for its "culture, its individual processes and functions," its [personnel] and, as a result, its varying, [distributed] "business objectives." So "if you're trying to run centralized, one size fits all" BI, says the BI expert, "that model will not be as effective as something more distributed and tailored."

But even custom tailoring—when centrally executed—faces limitations. In fact, says the executive, the traditional model of a central application development team working with end-users to develop meaningful tools "simply doesn't work." What tends to happen, in the executive's experience, "is that companies spend months going back and forth between developers and end-users, each speaking a different language, so neither ever really understands the other." Consequently, the output becomes "just another static end of month PDF or spreadsheet" that while likely an improvement on prior reporting "still isn't timely, meaningful, flexible, interactive or on point."

For these and related reasons, the executive and his team began searching for the means of developing a better BI solution. "What we needed," he explains, "was something simple, powerful and intuitive" that end-users, those actually closest to the business, "could use to explore their own data" and build their own analytics and dashboards.

It was at this point that the BI leader began evaluating various providers. Following a seven-month set of evaluations focusing on seven leading vendors, the company was finally sold on Qlik's suite. According to the executive, Qlik offered "the best combination of attributes" necessary for "placing greater analysis capabilities" in the hands of business executives wherever they reside.

Results to date "are nothing short of amazing." For example, the executive recalls installing Qlik on a senior manager's computer, planning to check back "in a few days." He was expecting to hear "'I haven't been able to get to this yet'" or at best to maybe "field a few questions." Instead, when the executive checked in, an "excited" senior manager explained that he had watched a few of the introductory videos and within 45 minutes was already beginning to model basic data.

Within three days, the manager, recalls the executive, "had developed a dashboard with 11 different sheets." Soon afterwards, these same dashboards rendered visualizations of insights so compelling that the senior manager was able to show them to five prospects "who became clients almost immediately."

The executive notes that a similar dashboard would have taken a typical development team many months to deliver—at an accompanying high cost—and even so, "would not be even a fraction as effective" as what a business end-user, appropriately enabled, "can develop on their own." A model giving line executives so many analytic capabilities in a flexible, immediate and highly visual and therefore more readily understandable manner, the spokesperson suggests, represents "an absolute paradigm shift."

THE PURSUIT OF OPTIMIZATION: NATIONAL EXPRESS

In spring 2013, Frank Kozurek joined National Express as head of business intelligence. Upon his arrival, recalls Kozurek, "we had no BI function, no strategy—just a blank piece of paper." Upon assessing matters, the executive set an initial goal of moving the level of data-driven understanding in the company from merely "what is happening" to, in addition, "why is this happening?" Today, he believes the group is better armed with the "why's" and, as a result, is in a better position to build more-optimized responses.

As opposed to being housed under IT, the National Express BI team sits within the larger finance group so as "to be closer" to end decision makers. Still, obtaining the needed data requires a close working partnership with the IT function—a key focus for Kozurek.

Soon after joining, working to find a solution to aid with the development of data analytics and decision making, Kozurek evaluated a handful of providers, ultimately choosing Qlik.

One reason was the flexibility Qlik delivers its end-users. "It lets you drill very deep with a great deal of freedom of movement between datasets." Moreover, says Kozurek, "people can work with what we provide, but then they are also free to add their own tables and charts—they don't have to come back to us to build for them what they want. It's all very customizable and flexible." In addition, the executive was also very "impressed" with the visualizations achievable, which, as Kozurek explains, "lead to better insights."

With their new analytics solution in hand, business executives are already taking steps to use data to enhance decision making and performance. Kozurek notes, "We actually had a very rich set of data—many sources of great information—it's just that we weren't using it to its full advantage." For example, the company's buses use telemetry, "transmitting where they are and how they are being driven."

Location data can meanwhile be combined with other key business information including sales, costs, number of passengers—even the results of customer satisfaction surveys—providing all manner of insights. "We wanted to build a complete picture of the customer experience so that we can continue to improve this for our customers," says Kozurek.

Using information of this nature, the company is able to make "infinitely better informed" decisions about a wide range of business issues. "What about our pricing?, asks Kozurek. "Are we offering the right routes and making the right stops? Are we in the right place in the market with the right levels of service?" Strategists and decision makers can "model the data in as many ways as they need to" in order to develop a "more complete understanding of the business." Better insight leads to better choices and ultimately, says Kozurek, "better performance."

PUTTING IT ALL TOGETHER

Kozurek views his role as an enabler; definitely not a gatekeeper or controller. "My job is to deliver consistent and accurate information in such a way that is both flexible and easily accessible for front-line users." Simply gathering and mining more and more data "will not lead to better decisions," says Kozurek. "You have to know the business goals and key drivers of the business and ensure that the information and insight you deliver really support these areas."

Along these same lines, the earlier-mentioned financial services executive insists that a distributed model is vastly superior to something centrally controlled: "True BI means empowering business users with tools that will allow them to explore their own data using the insights that only they possess as a result of being so close to their business needs." That is, "they can get whatever data they want, they can interact with it, play with it—create visualizations that bring clarity to meaning." Should end-users want or need additional assistance, perhaps in accessing additional data or in developing some highly specific applications, certainly, "the central team can assist." But in the end, says the executive, "BI that isn't fundamentally self-service driven is not intelligence at all."

The revolution is here. More businesses are using BI to harness more data to develop keener insight into strategy and performance. Leaders are taking matters a step still further, placing the power of advanced and yet highly intuitive/associative solutions into the hands of business users ideally placed to execute some of the most timely, creative and informed analysis—and take action. Results to date speak for themselves, raising the question: is there any business or similar entity that would not benefit from such an approach?

WHERE CAN DATA DRIVE INSIGHT—AND VALUE?

The key goals of BI include shifting the approach from looking "behind" to seeing "ahead" and, in general, achieving a clearer and more complete view of what the data reveals is happening in businesses. Key strategies include not only simply expanding the role of business intelligence, but in particular, embracing a distributed data model that places self-service visualization and discovery in the hands of business units.

The latter is particularly vital, says Mike Saliter, Qlik vice president of industry solutions: "Business users rarely have a single question they need answered. The first question typically leads to another and another, with each resulting in new discoveries and insights. Today's business users expect this level of self-service, but trusted answers are only possible if a governed and distributed model is in place.   Allowing users to freely explore a wide range of associations between datasets results in huge productivity savings and can be a game changer when it comes to insights and actions."

Beyond the cases already showcased in this briefing, consider the following:

OPPORTUNITIES: FUNCTIONAL

SALES AND MARKETING
- Analyze and segment customers
- Target customers and prospects
- Increase conversion rates/revenue
- Manage pipelines/forecasts
- Adjust pricing/strategies to align with market shifts
- Track consumer sentiment
- Optimize campaign targeting/performance

IT
- Improve data governance, security and scalability
- Identify underused systems and applications
- Predict emerging technology needs
- Support strategic business initiatives

FINANCE
- Reduce risks and costs
- Compare/contrast financial and accounting data to gain clarity and transparency
- Provide clearer performance and investment insight

SUPPLY CHAIN
- Evaluate suppliers' performance against terms, targets and SLAs
- Analyze warranty and returns trends to improve overall product quality
- Identify process and/or product quality issues

OPPORTUNITIES: INDUSTRY

FINANCIAL SERVICES
- Identify the most relevant market indicators
- Better inform investment choices
- Simplify complex relationships across multiple markets
- Develop clearer gauges of risk–adjusted returns

HEALTHCARE
- Explore clinical, financial and operational outcomes
- Improve asset allocation, processes and facilities design through motion studies
- Optimize the cost of care delivery

RETAIL
- Identify, target and retain most value customers
- Optimize inventories and supply chains
- Improve store layout and product placement
- Track leading demand indicators
- Develop dynamic pricing/promotions/coupons

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