

BI Program Management: Why it Matters, and How to Do It

In our *The BI Leadership Gap* article, we make the point that whether a company is just getting started in BI or it is reinventing its BI program to get a better return on its investment, there are a number of business and IT core challenges that must be met in order to be successful. While the particulars might vary, all companies face the need to:

1. Create a concrete BI Vision of how they will use BI to improve profitability and business performance. The vision must be based on identification and prioritization of specific *business improvement opportunities*, i.e. specific uses of BI within core business processes that make a difference in business performance.
2. Systematically identify organizational, process, technical, and capability gaps that present barriers to success and then work purposefully to plan and execute the changes needed to break down and overcome those barriers.
3. Manage BI as a program of prioritized and orchestrated projects and operational activities, all aimed at rapidly and effectively developing and deploying new BI capabilities, managing risk and quality, managing business process change, and ensuring cost-effective technical operations and user support.

One key implication of these BI critical success factors is that achievement of the BI Vision is generally a multi-year effort that touches people, processes, and technology across organizational boundaries and that occurs in a dynamic business context. Another key implication is that achieving the BI Vision generally requires synchronization and execution of many different types of projects, ranging from acquisition and integration of specialized tools to data integration to design and delivery of usable BI to end users.

From the above, it is clear that BI is a boundary-spanning activity that requires effective coordination of complex projects and integration of delivered BI capabilities into core business processes. This is hardly the stuff for a part time or “business as usual” management approach. In fact, more and more major companies have found that achievement of a BI Vision in a cost-effective and strategically responsive manner requires consistent, focused, and empowered management across the entire scope of the BI Vision. In other words, achieving a BI Vision requires effective BI program management, without which companies run such risks as:

- Failing to capitalize on the BI-driven *business improvement opportunities* that have been defined by business stakeholders and prioritized via the BI Roadmap;
- Failing to deliver BI capabilities within timeframes that are demanded by customers and by competitive dynamics;
- Failing to create the required technical capabilities and policies to rapidly deliver BI that makes a difference in business performance;
- Failing to develop a scalable and extensible information architecture, creating problems with information quality, timeliness, availability, relevance, consistency, and usefulness;
- Failing to align boundary-spanning organizational efforts and to leverage BI best practices; and
- Incurring undue risks, costs, and delays.

Given the increasingly high competitive stakes associated with being able to leverage BI for business results, it seems obvious that BI program management is absolutely essential to achieving the BI Vision, and that managing BI as a series of one-off projects poses undue risks. So BI program management matters, and this leads us to our discussion of how to do BI program management.

Program management is a very mature discipline that arose in response to the complexities of such human endeavors as sending a man to the moon, developing weapon systems, and building interstate highways. For BI programs, there is no need to reinvent the wheel when it comes to program management basics, though certainly the business and technical subject matter is specific to BI. Accordingly, the BI program management approach should include:

1. A **BI Program Charter** that spells out the scope of the program, the program manager's authority and responsibility, the program budget, the specific resources assigned to the program, program governance, and key cost, schedule, and technical performance measures and milestones. Typically the scope is equivalent to the business and technical activities required to deliver the BI Vision and to overcome barriers to success.
2. A **BI Program Plan/Roadmap** that integrates and orchestrates the activities required to overcome organizational, process, technical, and capability gaps and to execute the prioritized BI projects reflected in the BI Portfolio. Typical gaps we see include weak BI governance, weak/non-existent data governance, data architectures that don't support the BI Vision, IT operating policies that impede rapid delivery of BI, and inappropriate BI/DW development methods.
3. A top caliber **Program Manager** who has effective working relationships across and up-and-down the organization and who has the communication skills, breadth of intellect, and people/relationship skills to keep a complex, boundary-spanning capital project from coming unglued.
4. A **BI Governance Structure** that brings senior business and IT stakeholders into the process of overseeing BI program and project performance against cost, schedule, technical, and business process objectives; that is under the leadership of the highest common supervisor for all the business and IT units involved; and that is an effective forum for escalation and resolution of issues and conflicting priorities.
5. A **BI Program Staffing Plan** that provides for consistent application of appropriate expertise to overarching program-level issues such as architecture, technical infrastructure, user support, standards, risk management, quality management, development methods, and change management. The BI Program Staffing Plan also provides for assignment and rotation of business and technical resources to specific BI projects at the point when they are needed and for as long as they are needed.
6. A **BI Impact Plan** that specifically addresses the change management and business process reengineering tasks associated with leveraging BI to capture the business improvement opportunities articulated and prioritized by the BI Portfolio. The BI Impact plan can leverage DecisionPath's *BI Impact Framework* or other suitable approach to ensuring effective leveraging of BI within the targeted business processes that impact profits and performance.

With the BI Program Management fundamentals in place, and with effective execution by the right people, companies can dramatically accelerate BI delivery while reducing risk and wasted time and effort. In effect, BI Program Management allows companies to improve return while reducing

investment. The improved returns come from capturing BI-driven business improvement opportunities more rapidly, and the reduced investment comes from leveraging common resources across projects and from avoiding waste, redundancy, and rework. In short, BI Program Management accelerates realization of the BI Vision and the associated competitive and economic benefits.

About the Author

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Steve is a leader of the business intelligence/data warehousing (BI/DW) industry, both in developing new methods and showing how to apply them in complex business situations. Since founding DecisionPath in 1999, Steve and his DecisionPath colleagues have shown clients how to connect their BI/DW investments to vital strategic goals so they can measure their return on investment and ensure that their goals are achieved. He is a co-developer of the BI Pathway method and a judge for the yearly Best Practices competition sponsored by The Data Warehousing Institute (TDWI), the BI/DW industry's premier educational organization. He has an MBA from the Darden School at the University of Virginia and a B.S. in Business Management from the University of Maryland.

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