Why is Business Intelligence such a hot topic?

Thanks to modern technology, there has been an explosion in the volume of data available to businesses. This includes everything from internal data across geographies and business units; external data from their suppliers, customers and business partners; and unstructured data from the internet, including the wealth of opinion available on social media. The question is: how can businesses exploit this information to their advantage?

This is where the need for Business Intelligence (BI) and advanced Information Management (IM) comes in. Many leading organisations are now aligning and bringing together their data in order to apply leading edge data analysis and reporting tools to drive true business insight, enhance decision making, and improve operational efficiencies.

Why are organisations investing in Business Intelligence now?

From Traditional Reporting…	…to Business Intelligence
"Push" to information users	"Pull" by information users
Mostly fixed format	More interactive / self-service
Typically finance-centric offering little to other functions – especially the customer facing ones	Applies to all business functions, equally the 'front office' (customer facing functions) as the 'back office' (support functions)
Internal data only, with little or no external collaboration	Internal and external data, with significant external collaboration
Implemented as an after-thought to ERP programmes	Implemented independently as a peer of ERP programmes (not subservient)
Technology generally not a differentiator	Leading edge technologies (e.g. MPP databases, advanced analytic / visualisation tools)
Focussed on controlling and sustaining the business	Focussed on growing the business

Instead of being reactive, BI enables the business to be proactive…

Traditional reporting has typically been silo-ed by business functions such as Finance, HR, Customer Metrics, Supply Chain and so on, or by geography, and sometimes by both. It has been difficult to 'see across' related data in the organisation as a whole, let alone start to merge it with external data from customers or suppliers, or unstructured data from the web such as social networking commentary and sentiment.

The advancement of BI technologies such as specialist databases, better data extract and transform tools, and advanced data analytics and visualisation tools is empowering organisations to bring together and analyse data on a scale never previously possible – with the charge being led just as much by the business (thanks to powerful, 'self-service', business-friendly tools) as the Technology function.

On top of this, organisations are realising that the 'prize' of BI lies not just in operational efficiencies (cost savings) through greater global alignment, simplification and transparency of business operational KPIs, but also in business growth. In one case study, a consumer goods company worked closely with one of their large retail customers to analyse the customer's electronic point of sale (ePOS) data in combination with the manufacturer's own internal supply chain data – and together drove an increase in sales of more than 10%.

BI in practice: Unilever case study

Unilever is one of the world's largest consumer goods companies. On any given day, two billion people across 180 countries use Unilever products to look good, feel good and get more out of life. Unilever has more than 400 brands, 12 of which generate sales in excess of €1 billion a year. As an organisation with a proud heritage and strong values, a key element of their strategy is to double the size of the business while reducing their impact on the environment.

Unilever's Challenge

The demand for data driven business insights in a fast changing and increasingly competitive global environment required a major step change in Unilever's information capabilities. In 2010, the Board agreed a significant investment in this area, resulting in a major global programme that will create Unilever's first truly enterprise-wide data warehouse, providing real-time data on its customers, markets and operations worldwide to support decisions on all the company's plans and activities.

Willem Eelman, Unilever's Global Chief Information Officer, said: "This programme is one of our top strategic initiatives, not just for IT but for the Unilever business worldwide. It will transform the way our businesses around the world access and use information, bringing enhanced insight and consistency."

What was involved?

The programme involves migrating legacy data warehouses into the new EDW and providing new data mining and analytical tools to support Unilever management at all levels in achieving fast, informed and fact-based decisions based on comprehensive and up-to-date data. It is also expected to deliver significant sustainable cost savings both in IT and across Unilever business operations worldwide.

Berkeley's work involved developing the programme framework and guiding it through internal approval. Then the work moved on to focus on selecting suppliers, developing both high level and more detailed plans, and guiding the programme through the mobilisation phases to help set it up for success across a wide range of business functions and geographies.

The outcome

With Berkeley's help, the programme was mobilised successfully, and delivered a range of important business capabilities in its first year of operation in areas such as supply chain analytics; retailer ePOS / Loyalty card data analytics; spendingand supplier intelligence; and HR analytics.

The success of the programme in its first year was demonstrated by the high levels of business demand for delivery in Year 2 – which made distilling and prioritising the Year 2 roadmap a tough, but ultimately very rewarding, challenge!

In summary

The shift from traditional reporting to true business intelligence, as described above, has the potential to be a real "game-changer". Innovators are already seeking the first-mover competitive advantage, and the time will come when other organisations have to follow simply to remain competitive.

It also challenges the way in which the business and IT have typically worked together to drive business value from information - which can be disruptive but also, ultimately, very beneficial. Overall, BI is set to become high on the list of priorities for many organisations, if it isn't firmly on their radar already.

To read more about Berkeley's work at Unilever, visit our Unilever case study

http://www.berkeleypartnership.com/the-work/clients/unilever/how-berkeley-supported-unilever