Power Shift in BUSINESS INTELLIGENCE
Introduction

With recent advancements in technology, the rising primacy of data and a need to get data fast, business intelligence systems and processes are undergoing a major power shift. Gone will be the days when it took weeks, if not months, for business users to get the business intelligence (BI) - not to mention analysis and reports—they needed to make decisions rapidly and effectively. Data democratization is coming, and those companies that understand the benefits and hazards presented by the power shift in BI will be better prepared to harness the potential for success.

Traditionally, when it came to BI, such processes were relegated to IT departments, resulting in a siloed-vision of data procurement, analysis and presentation. Decision-makers were expected to adapt to data management systems built without their input—rather than the other way around. But a change is taking place.

BI management systems are now being driven by end-users’ needs, becoming more responsive to these business users and democratizing access to data tools across organizations. The potential? Greater efficiency and efficacy, i.e. decision-makers are getting the information they need, when they need it. The hazards? Data security threats and data sprawl.

So, what started this shift? How is it manifesting? Let’s start at the beginning...
What is Business Intelligence?

Business intelligence (BI) refers to the technological process and analysis of data in the creation of actionable information in order to help CEOs, IT departments, end-users and organizational leaders make more informed decisions across the business. It encompasses a variety of mediums, culling information from internal systems and external sources to produce reports, data visualizations, dashboards and more.

According to InformationWeek, the traditional process of collecting, processing and disseminating BI appears pretty straightforward: IT teams assess the business requirements of users, design a data model to support these needs, identify data sources, load them into the model and then let it fly. Sounds simple, right? Wrong. This model, once implemented, often stagnates and fails to adapt to changing circumstances. Context is everything, and legacy BI models are not being built with the understanding that agility needs to be prioritized in order for BI to be utilized.

However, the times are changing, the winds are shifting, and yes, technology is revolutionizing this traditional model of BI, putting agility and end-users first.
Disrupting Business Intelligence: the Technology and the Process

As a result of the clamor for more data faster and the difficulty that traditional models of BI face in handling this demand, the rise of self-service BI initiatives, a greater focus on feedback and a shift in who handles BI—from analysts to decision-makers—only seems to be a natural evolution.

Technology is, thus, breaking out of the IT-centric silo in which BI has typically resided and been curated. In fact, in a recent report, Gartner predicted that by 2017, the increasing prevalence of data discovery, access to multi-structured data, data preparation tools and smart capabilities will only further this change, supporting the necessary democratization of access to BI tools and knowledge across companies and those whose who comprise them.
“Smart data discovery has the potential to expand access to sophisticated interactive analysis and insights to business consumers and nontraditional BI users—the approximately 70 percent of users in organizations that currently do not use BI tools or have statistical backgrounds,” said Rita Sallam, vice president of research at Gartner and one of the report’s authors.

“New approaches have the potential to transform how and which users can derive insights from data discovery tools,” Sallam added. “The potential business benefit will lead to a shift resulting in smart data discovery becoming standard features of most data discovery platforms.”

The result? Decision-makers get the information they need in a format they understand along a timeline that actually works for them. Thus, a greater population of employees will not only be empowered by BI tools that promise greater self-service and discovery, they will have more time to analyze and prepare data, which will likely supply more nuanced insights and reports. Plus, IT departments won’t be flooded by BI requests, giving them more time to focus on other company priorities.
New BI Models Could Transform Business

So, what new possibilities does this business user-data mashup offer for companies? As noted previously, self-service data discovery will be at the crux of the shift from analysts to business users. For example, as self-service is implemented, it is expected to enable semi-automation of data discovery and analysis, eventually at the most advanced of levels, for business users.

In terms of everyday business interactions, this offers the prospect of more efficient and effective decision-making, as data and analysis will be acquired on a much shorter timeline and be presented on a more sophisticated, insightful level. Furthermore, the data sources accessed will likely be more diverse, helping to create more insightful, holistic analysis and decisions.

BI systems that are centralized, yet give greater access to data to business users across the company gain a more comprehensive understanding of business metrics and customer behavior. Unsurprisingly, it can also help cut down on
the predictive guesswork that can harm any executives’ decisions. For example, as a CEO or business executive, relying on a gut feeling or unstructured data culled from only one department can be damaging, if not devastating for a company. As BI power shifts, not only will these business users get data on a shorter timeline, as previously mentioned, they will also be able to make decisions for the future while looking at past performance and its accompanying metrics. Furthermore, that old 80-20 rule in which only 20 percent of the data could be used, and the resulting 80 percent was too difficult to manage? Throw it out. BI systems that make data easier to use by everyone also allow for that “difficult” or “expensive” data to be incorporated into end-user analysis in an understandable fashion.

And companies’ bottom lines are forecast to reap the benefits. Research from the Economist Intelligence Unit found companies that embraced a data-driven culture were more than three times as likely to rank themselves as surpassing their rivals in terms of financial performance. Additionally, these top companies recognized the importance of democratizing data, as noted in preceding sections, with 50 percent saying data literacy is highly important.

Recent research from IDC indicates that companies are putting their money where their mouths are when it comes to investing in a data-driven culture. The report predicted the big data and tech-related market to grow by 23.1 percent, with annual spending reaching $48.6 billion in 2019. As IDC asserts, this level of spending shows an appetite by businesses to incorporate data-driven processes into their organizations on a level both encompassing and comprehensive.
Furthermore, the research supports the Economist Intelligence Unit’s findings, with Jessica Goepfert, Program Director for IDC’s Global Technology and Industry Research Organization, explaining, “The ability to leverage big data and analytics to develop an integrated view of customer activities and business operations will provide competitive differentiation to companies across industries.”

While new BI technologies are heralding a shift in power to much praise, there are a few hurdles companies should be wary of during this transition. As the Gartner research noted, such fast-moving and highly in-demand initiatives can leave out IT and this department’s considerable expertise in modeling and system design and deployment. This can result in data sprawl, communication silos, security breaches and data security issues. The IDC research concurred, suggesting the business executives approach these technology and process changes with “awareness, flexibility, adaptability, and responsibility.”

The solution is not an investment wholesale in one or the other, but rather a merging of the two, or more tempered expectations during the implementation phase. Companies will want to implement self-service BI models for quicker analysis by a greater number of decision-makers within an environment led by a better governed and more highly integrated IT team. Otherwise, as Gartner, noted, companies could experience customer or investor dissatisfaction, stagnating the possibility of data democratization.
Conclusion

As BI technologies move more into the hands of decision-makers, the rapid advancement of these tools will allow individuals to better manage information, including access to BI, to prepare, integrate, curate and enrich their data analysis. This power in shift in BI ownership offers untold opportunities—and hazards—for companies to utilize new sources of data and new modes of analysis for quicker, more insightful business decisions.

It’s time to make the move, or risk being left behind.