Building an Analytics Competency Center

Heartland OUG Spring 2015

Tim Vlamis

Arthur Dayton

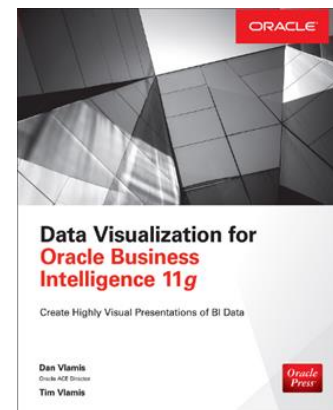**Vlamis Software Solutions**

816-781-2880

www.vlamis.com

Presentation Agenda

Your comments, questions, opinions, and ideas are more important to this session than our prepared PowerPoint slides!

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Vlamis Software Solutions

- Vlamis Software founded in 1992 in Kansas City, Missouri
- Developed more than 200 Oracle BI systems
- Specializes in ORACLE-based:
  - Data Warehousing
  - Business Intelligence
  - Data Mining and Predictive Analytics
  - Data Visualization
- Expert presenter at major Oracle conferences
- www.vlamis.com (blog, papers, newsletters, services)
- Co-authors of book "Data Visualization for OBI 11g"
- Co-author of book "Oracle Essbase & Oracle OLAP"
- Oracle University Partner
- Oracle Gold Partner

Data Visualization for Oracle Business Intelligence 11g
Create Highly Visual Presentations of BI Data
Dan Vlamis
Tim Vlamis

Oracle Essbase & Oracle OLAP

ORACLE EDUCATION RESELLER

ORACLE Gold Partner
Specialized
Oracle Business Intelligence
Foundation Suite 11g

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Tim Vlamis

- 25+ years experience in business modeling and valuation, forecasting, and scenario analyses
- Oracle ACE
- Instructor for Oracle University's Data Mining Techniques and Oracle R Enterprise Essentials Courses
- Professional Certified Marketer (PCM) from AMA
- Adjunct Professor of Business Benedictine College
- MBA Kellogg School of Management (Northwestern University)
- BA Economics Yale University

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Arthur Dayton

- 10+ years developing with Oracle software
- Spent several years as an Oracle customer
- Senior Consultant at Vlamis
- Participating in Oracle Business Intelligence12c Beta
- Education –
  - BA Accounting, University of Denver
  - MA Management Information Systems, University of Nebraska Omaha
- Adjunct Professor at University of Nebraska Omaha

@arthurdayton116

www.linkedin.com/in/arthurdayton

Analytics Competency Center

- A team actively supporting and promoting the effective use of analytics in an organization.

- Analytics competency centers are as unique as the organizations that build them.

- BI Competency Centers have been growing in popularity for the past 10 years. Gartner now recommends a shift to "Analytics Competency Centers"

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Audience Questions

- How many organizations have an identified BI or Analytics Competency Center?

- How many organizations have a group that meets regularly to discuss analytics?

Place the following in priority order

- Consistent, quality data
- Well-defined hierarchical data model
- Executive support for analytic initiatives
- Strong analytics software systems
- Culture of data-driven decision making
- Excellent analytics coordination across functions
- Strong analytics training programs
- Broad capabilities for analytics across functions and levels
- Strong standards for naming, data viz, and organization
- Well understood strategy with common set of priorities

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HBR

NOVEMBER-DECEMBER 1996
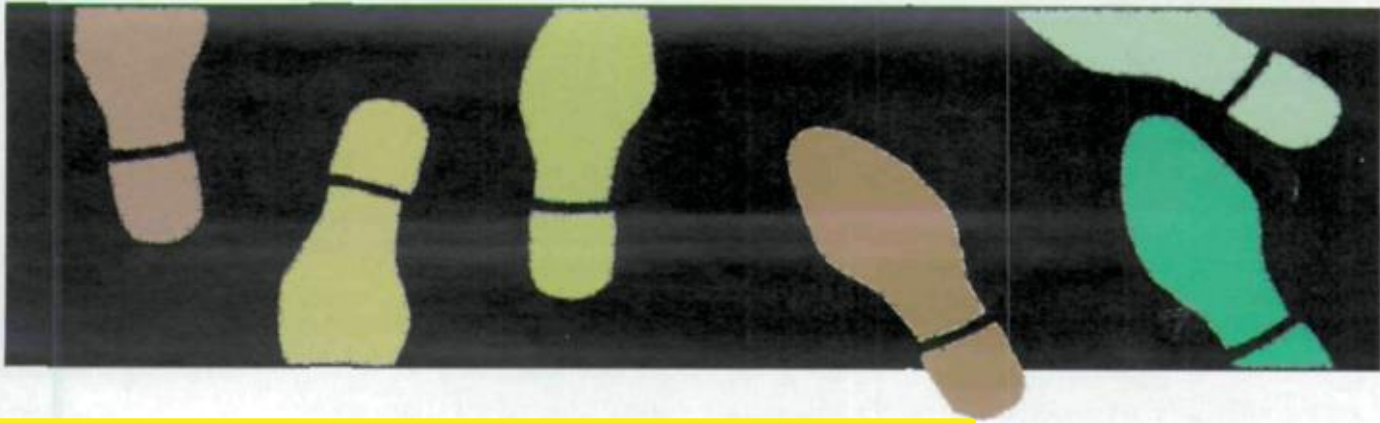
I. Operational Effectiveness Is Not Strategy

For almost two decades, managers have been learning to play by a new set of rules. Companies must be flexible to respond rapidly to competitive and market changes. They must benchmark continuously to achieve best practice. They must outsource aggressively to gain efficiencies. And they must nurture a few core competencies in the

What Is Strategy?

by Michael E. Porter

egy. The quest for productivity, quality, and speed has spawned a remarkable number of management tools and techniques: total quality management, benchmarking, time-based competition, outsourcing, partnering, reengineering, change management. Although the resulting operational improvements have often been dramatic, many companies have

Strategy
involves choices

Four Realms of Analytics

	Past	Future
Probability Based	**Diagnostic Analytics**	**Predictive Analytics**
Rules Based	**Descriptive Analytics**	**Prescriptive Analytics**

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4 Different Dimensions of Analytics

	Reaction	Planned /Guided
Years	Exception and Anomaly Detection	Scenario Analysis and Statistical Modeling
Days	Prescriptive Analytics and Real Time Decisions	Predictive Analytics and Workflow Optimization

Longevity of Decision

Latency of Decision
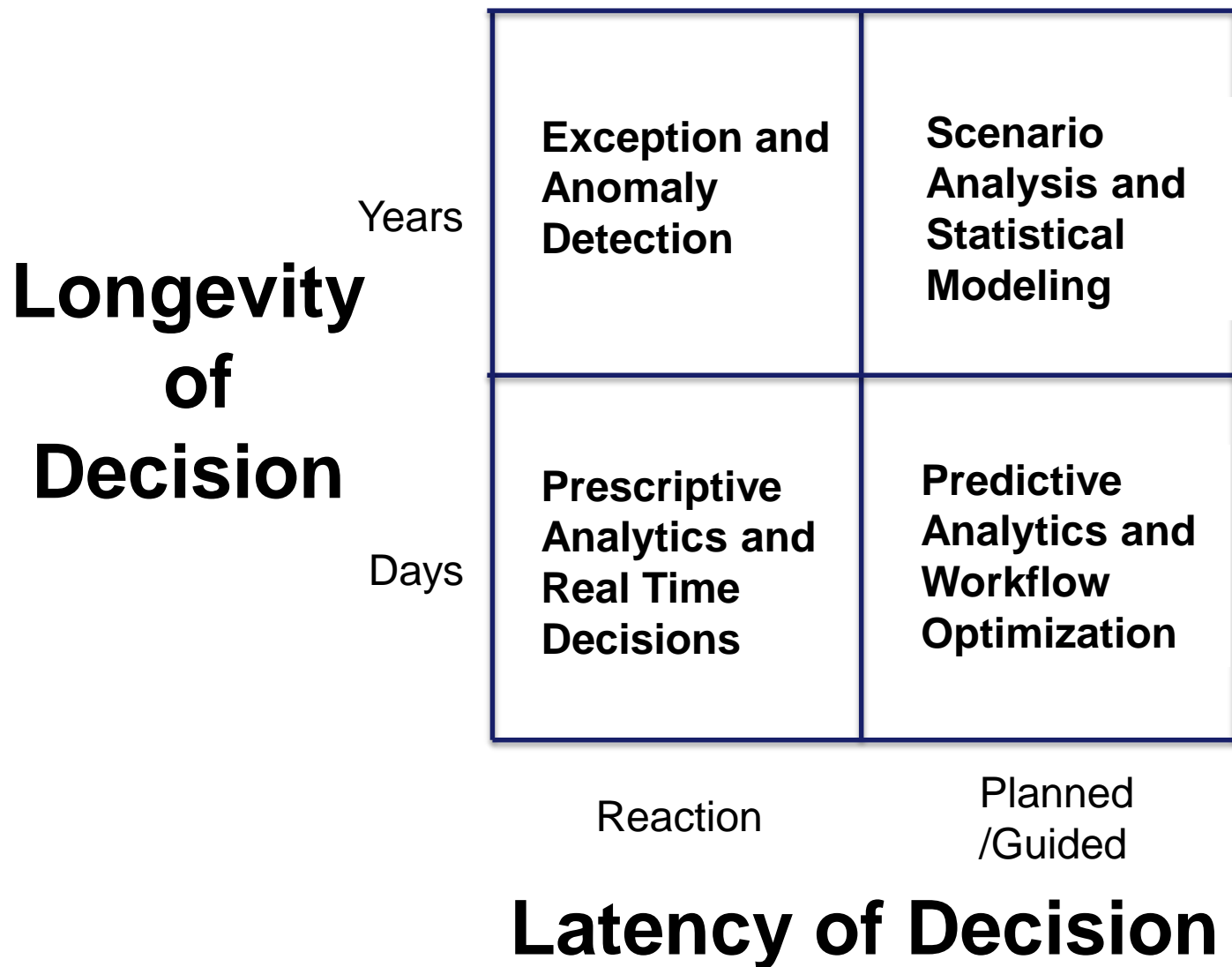
Roles to Consider for Inclusion

- Executive (C-level)
- Functional/Business
    - Sales (expert in customers/market needs)
    - Marketing (product, channel, CRM)
    - Finance (accounting system, costs, budgets, forecasts)
    - Operations (engineering, production, supply chain)
- Technical/Analytics/Business Intelligence
    - Data scientist/economist/actuary/statistician
    - IT (architecture, data warehouse, processing, ERP)
    - BI admin
    - Business analysts/analytics system experts
    - Master Data Management

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Steps to Developing an ACC

- Conduct an assessment to determine:
  - Degree of readiness
  - Identified challenges specific to your organization
  - Likelihood of success
- Minimize the politics of cross-functional analytics initiatives
  - Garner executive level support and consensus
  - Identify top priorities
- Choose an external service provider or objective internal leader/manager
- Choose a strategy for an analytics competency center

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Three Different Potential Strategies

- Small full-time core (many hats) that works intensely/exclusively on the ACC

- Broad committee that meets periodically

- Punctuated team (convenes for intense periods)

Gartner 11 Best Practices for a BI Competency Center

1. Plan for Your BICC to Be Dynamic
2. Define and Evolve Your Sponsor
3. Ensure BICC Members Are Cross-Organizational
4. Develop Your BICC's Mix of Business, Process and Technology
5. Change Your Members and Your Structure
6. Build on Incentives Rather Than Punishment
7. Create a Business-Driven Priority List
8. Be Able to Lead, and Follow
9. Work With Other Competency Centers
10. Create Avenues for Input and Responses
11. Promote Your Successes

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Key Areas of Focus

- Analytics training and mentoring
- Standards development
- Prioritization for competing resources
- Best practice development
- Master data management
- New tool evaluation
- Predictive model building and interpretation
- Prescriptive models for business processes
- Promotion of evidence-based management
- Data model development

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Five (often ignored) Tips for Success

- Match resource commitment to size of analytics and BI implementations
- Include a cross-section of business, technical, and executive members and slowly rotate membership
- Reach out to rogue/shadow IT and include MS Excel
- Ceaselessly promote evidence-based decision-making
- Ceaselessly promote the need for standards, quality, and reliability for broadly shared analytics.

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Five Mistakes to Avoid

- Treating analytics as a project rather than a process
- Searching for "magic bullets"
- Focusing on external data to the exclusion of internal data
- Failing to get adequate input/involvement from functional business areas
- Failing to engage an executive sponsor

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BIWA Summit 2016, Jan 26-28
Oracle HQ Conference Center

Business Intelligence, Warehousing and Analytics
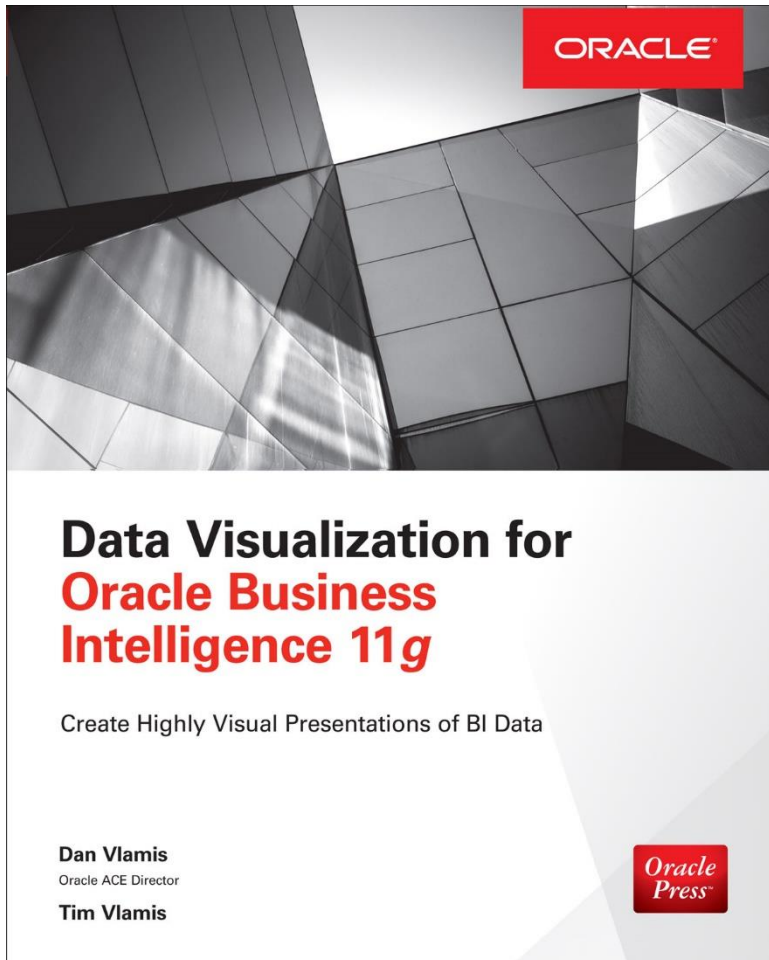and Spatial
IOUG Special Interest Group
www.biwasummit.org

Drawing for Free Book

- Add business card to basket or fill out card

Thank You!

Presenter Information

Tim Vlamis, Consultant

Vlamis Software Solutions, Inc.

816-781-2880

tvlamis@vlamis.com

For more information go to www.vlamis.com

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Oracle Test Drive

- Free to try out Oracle BI, Advanced Analytics and Big Data
- Go to www.vlamis.com/td
- Runs off of Amazon AWS
- Hands-on Labs based on Collaborate 2012 HOLs
- Test Drives for:
    - Oracle BI
    - Oracle Advanced Analytics
    - Big Data
- Once signed up, you have private instance for 5 hours
- Available now