

Why is the Governance of Business Intelligence so Difficult?

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Seminar Introduction

A Quick Answer

Unclear Expectations

Trust and Confidence

Narrow Thinking

Politics

Funding Models

Use of Slang

Communications

Gaps in Understanding

Maturity Levels

Confusion

Competing Priorities

Previous Experience

Passive Leadership

Organizational Structure

Conflict

Capability Levels

Seminar Introduction

Additional Questions worth Answering

How do we separate symptoms from causes?

How can we improve our situation?

How do we know if we are getting better?

What are the business risks of not getting better?

Does it make any difference if we don't change?

Seminar Introduction

Objectives

1. Share some personal observations about BI Governance
 2. Develop some basic definitions to allow us to communicate
 3. Frame the Governance Problem in a manner that enables corrective action
4. Provide an approach to implement and sustain BI Governance

Seminar Introduction

Outline

- Section 1 - Framing the BI Governance Problem
- Section 2 - Developing a Governance Solution
- Section 3 - Implementing a Sustainable Solution
- Section 4 - Summary

Framing the BI Governance Problem

Setting the Context
Concepts and Definitions
Key Challenges

Setting the Context

Introduction



Setting the Context

Personal Observations

During the Past 5 Years...

Opportunity to Work with
Several Organizations
In Diverse Locations
Across Many Industries



Observed Common Themes

Lack of Clarity about BI
Lack of Clarity about Governance
Lack of Clarity of the Impact
Mixed Results

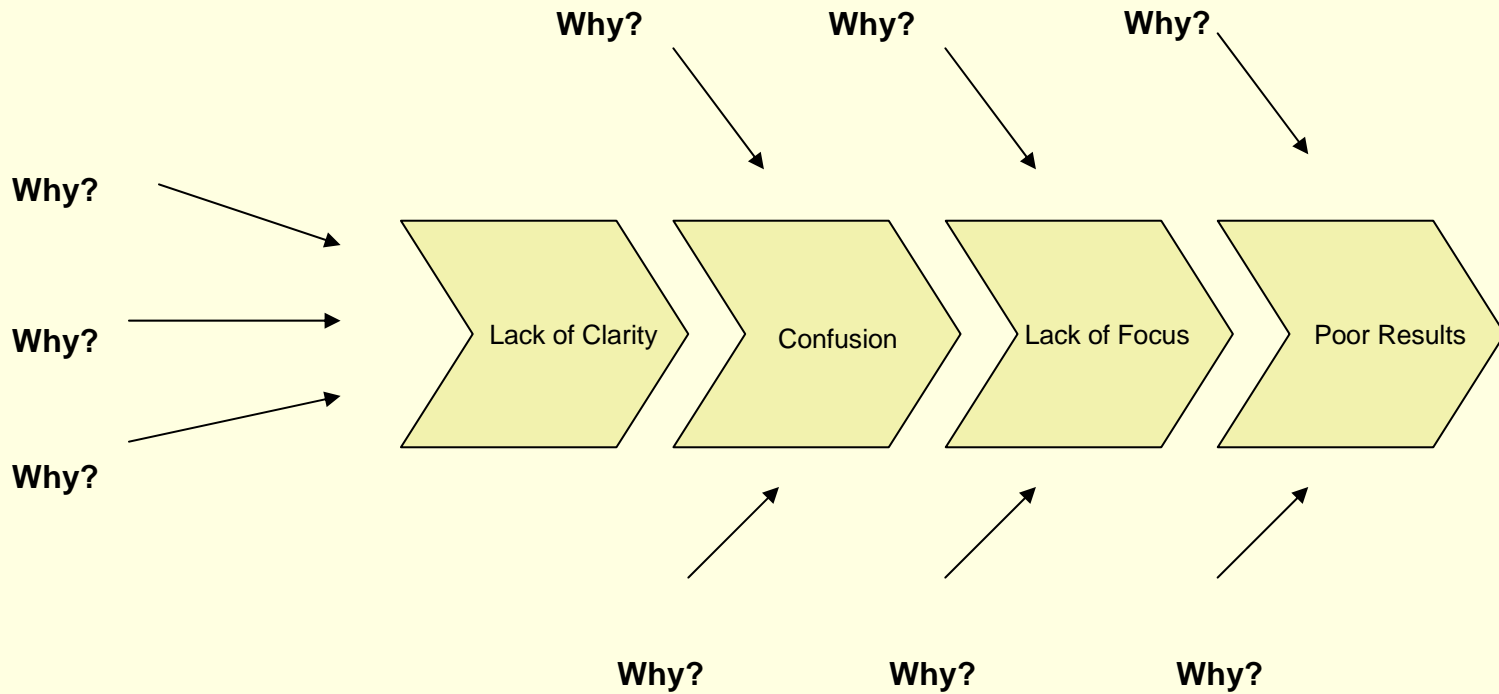


Business Impact

Frustration
Disappointing Results
Underachievement
Missed Opportunities

Setting the Context

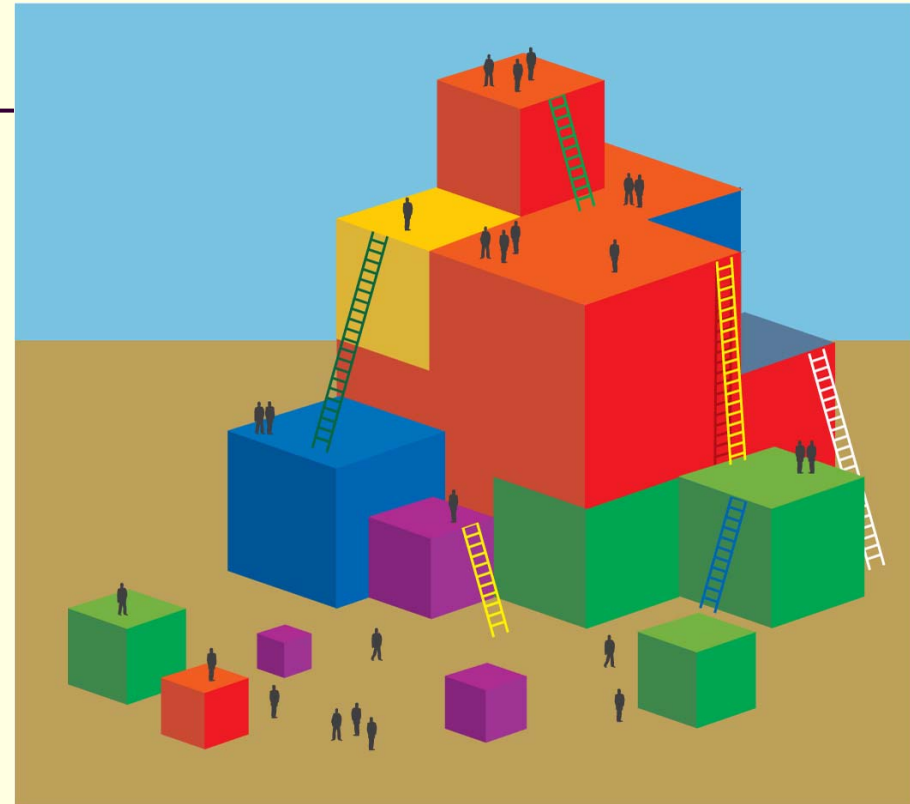
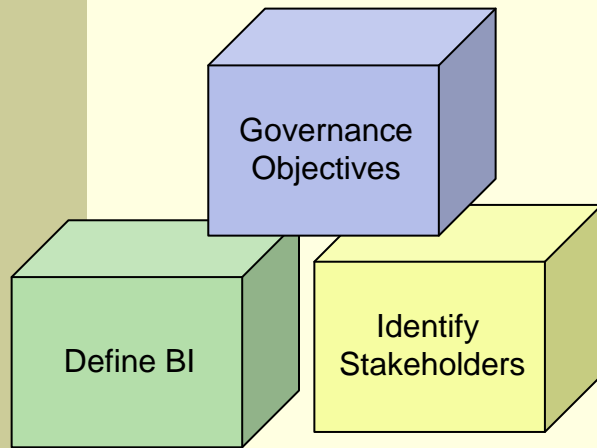
Separating Symptoms from Causes



Need a systematic method to separate causes from symptoms

Setting the Context

The Basic Building Blocks



To “Govern” something called “Business Intelligence” for somebody called “Stakeholders”.....

We need a clear understanding and agreement on what these terms mean and how they are inter-related

Concepts and Definitions

Governance

Governance is defined as...

**Leading
Directing
Regulating**

Wikipedia

**Governance cannot be carried
out in isolation...**

**Something is governed
Governance is done for someone**

Concepts and Definitions

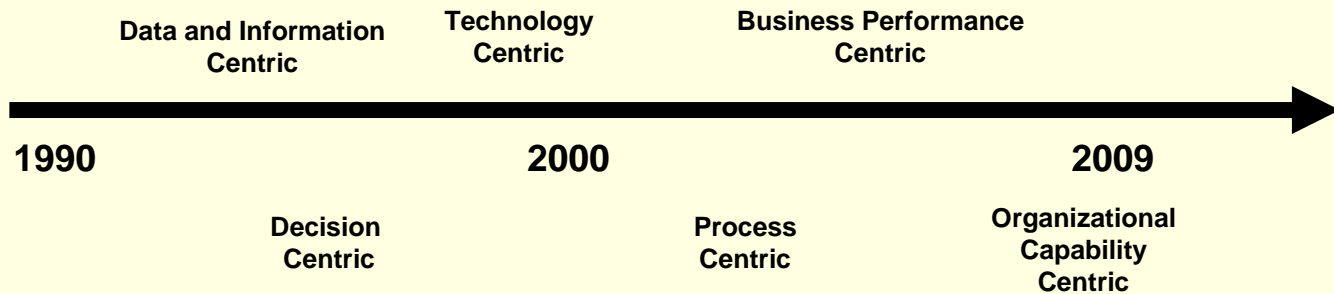
Governance

**Governance is about defining direction and constraints
It makes policy and strategic decisions**

**Governance and Management are not the same thing
Management is about executing
Governance is about leading and regulating**

Concepts and Definitions

Business Intelligence



Thought Leaders Howard Dresner, Wayne Eckerson, David Loshin and Larissa Moss

Definitions evolved from the early 1990's to the mid 2000's primarily based on "translating data into information to drive decisions"

Dave Wells recently re-defined and updated the Business Intelligence definition as...

An Organization's capability to think, analyze, plan, reason, learn and solve problems to accomplish specific creative and productive goals

Concepts and Definitions

Business Intelligence

Data and Information
Centric

Technology
Centric

1990

What Definition of Business Intelligence is
Your Governance Activity Responsible for?

If you can't agree on what "BI" is, then how can you "Direct and Lead it"?

the Business Intelligence definition as...

**think, analyze, plan, reason, learn and solve problems
to**

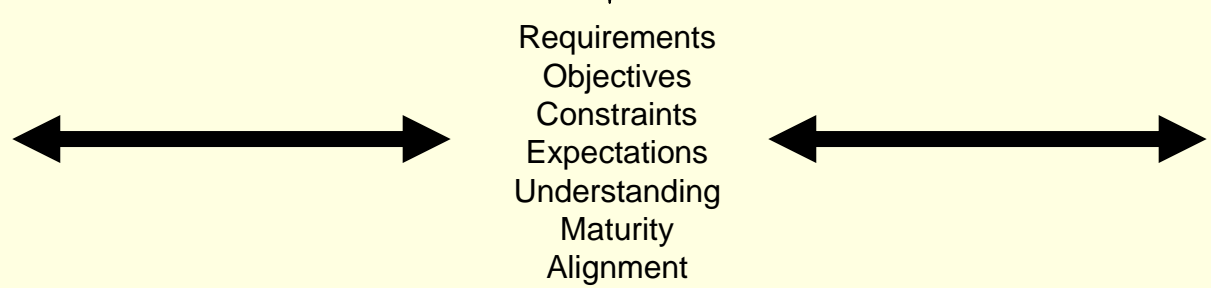
accomplish specific creative and productive goals

Concepts and Definitions

Stakeholders



customers owners managers
investors maintainers vendors developers technologists
suppliers decision makers mathematicians analysts



Concepts and Definitions

Sources of Confusion

Short Discussion....

“In your own view..... What is the output of Business Intelligence?”

How many different answers did we get?

Concepts and Definitions

Sources of Confusion

Perspective

Experience

Education

Interest Level

Functional Role

Vocabulary

Labels vs Functions

Trust

Mental Models

Thinking Styles

Level of Understanding

The Desire to Simplify

Arrogance

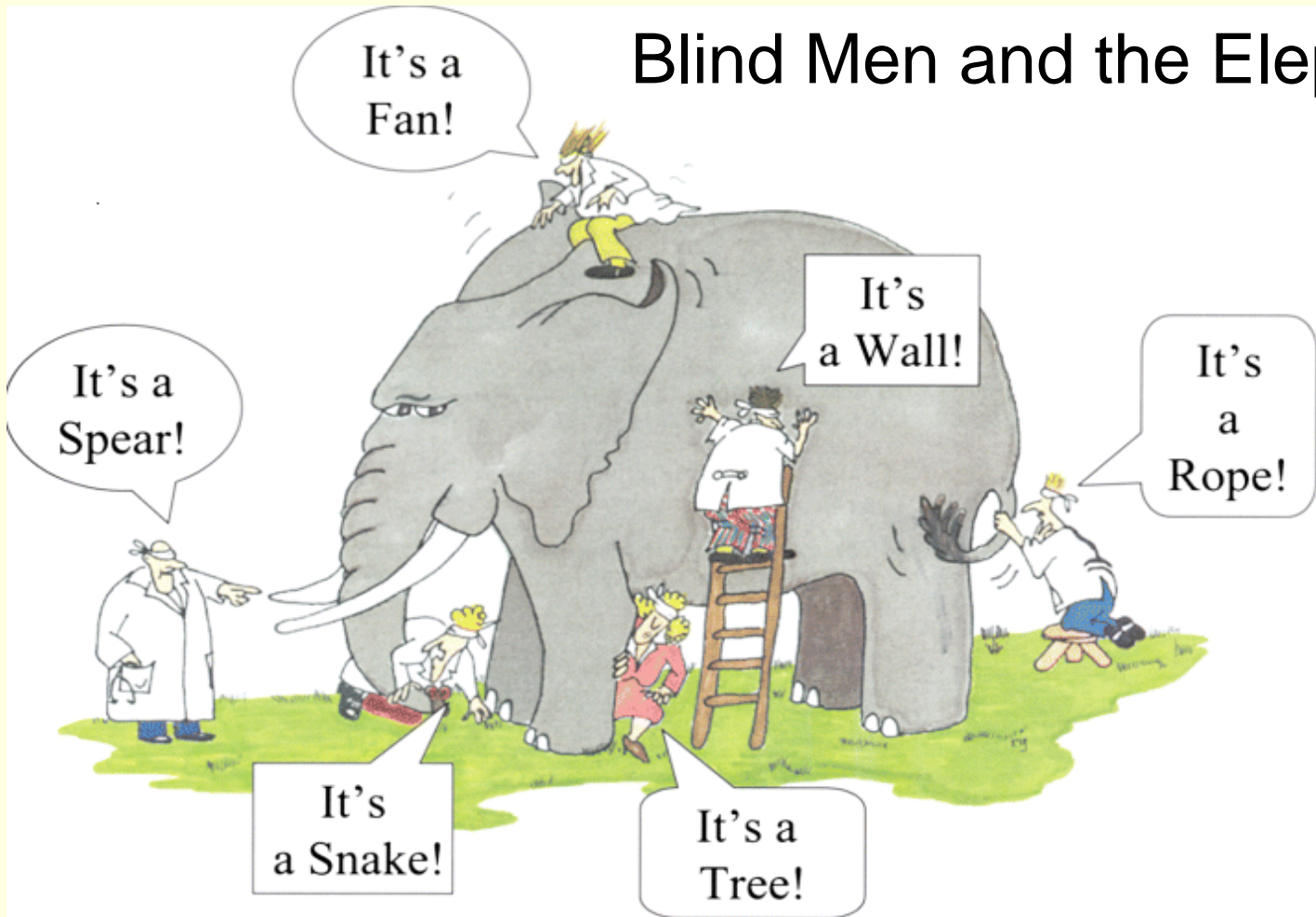


Communications

Complexity

Concepts and Definitions

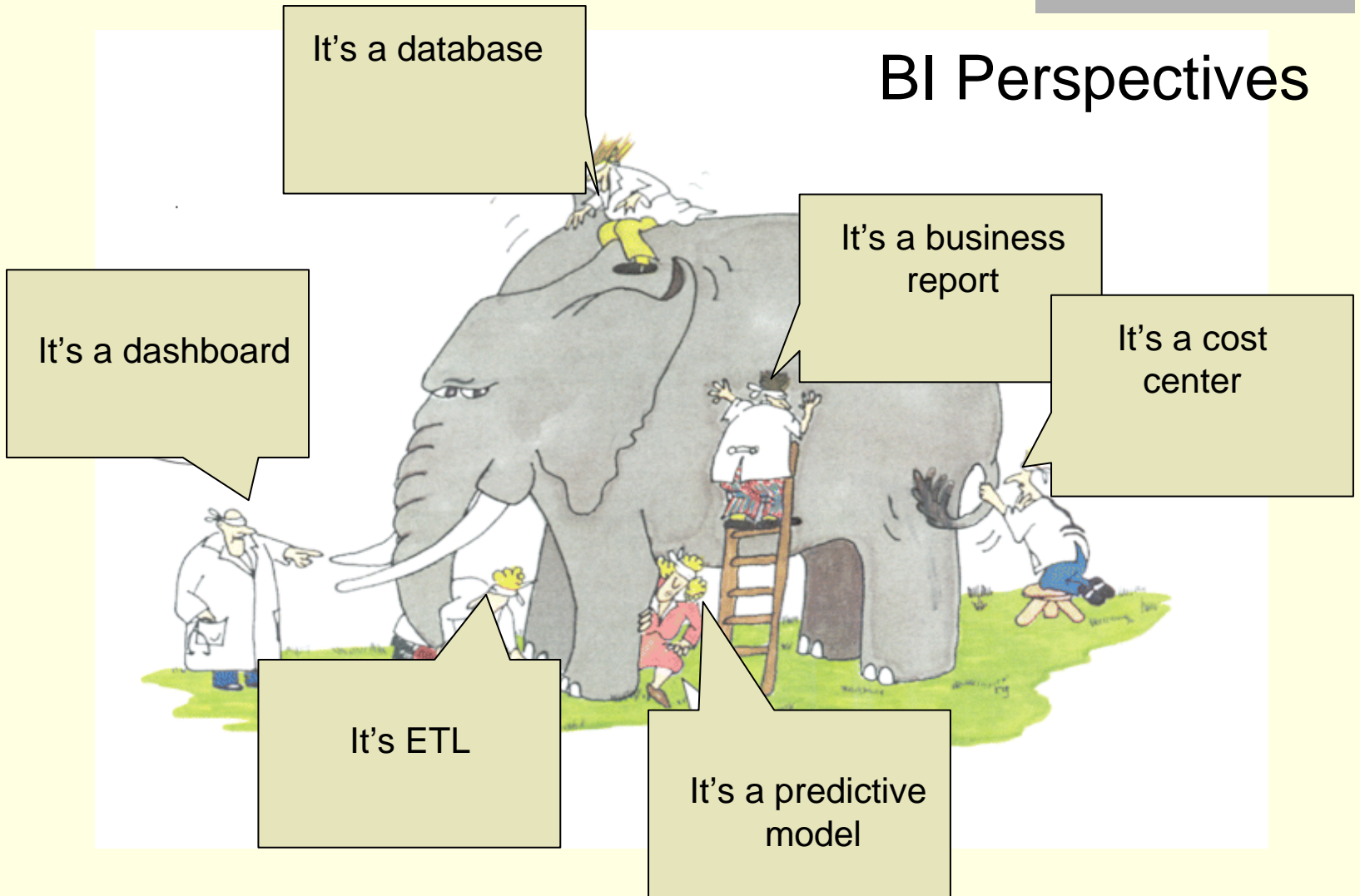
Perspective and Alignment



Concepts and Definitions

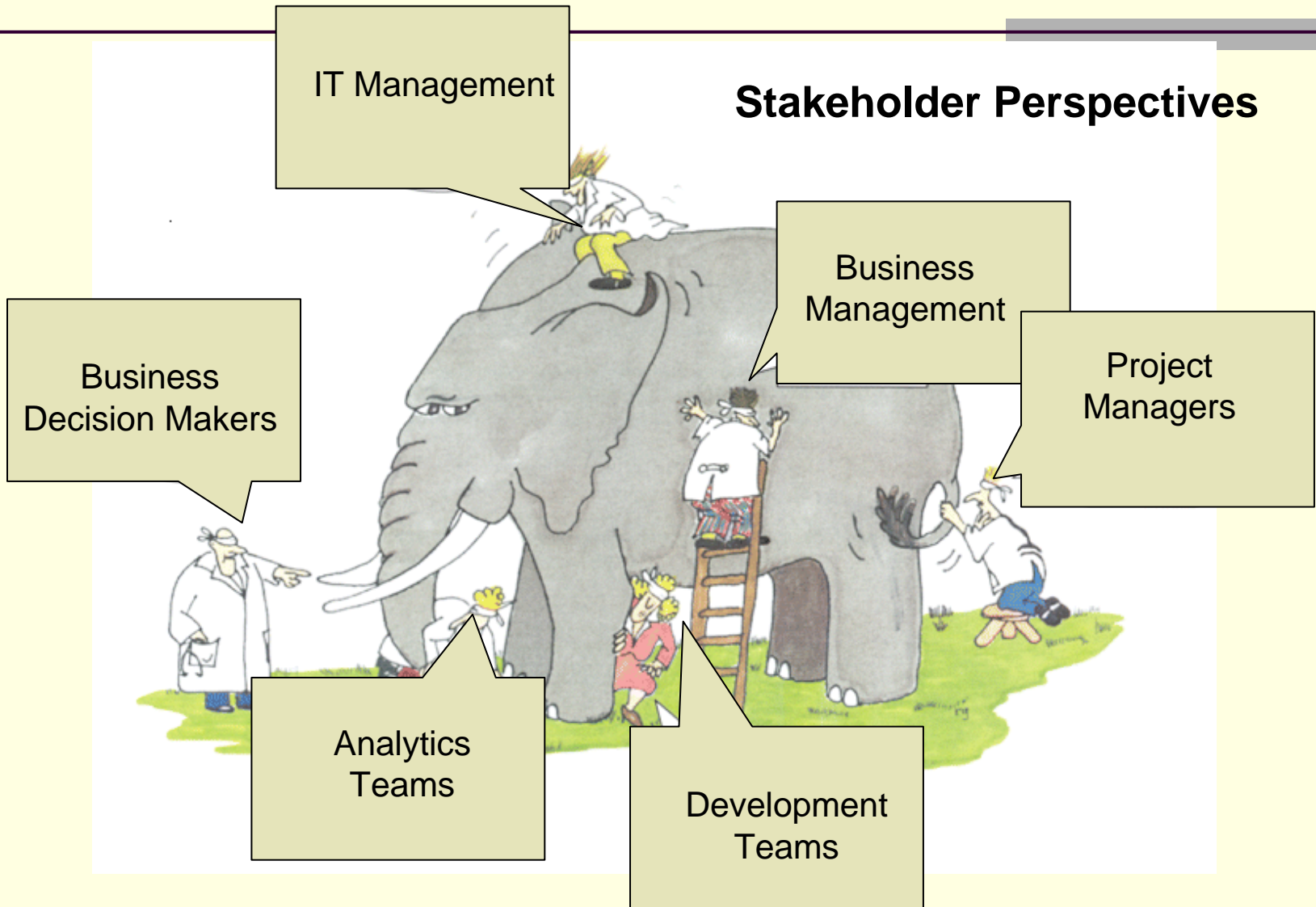
Perspective and Alignment

BI Perspectives



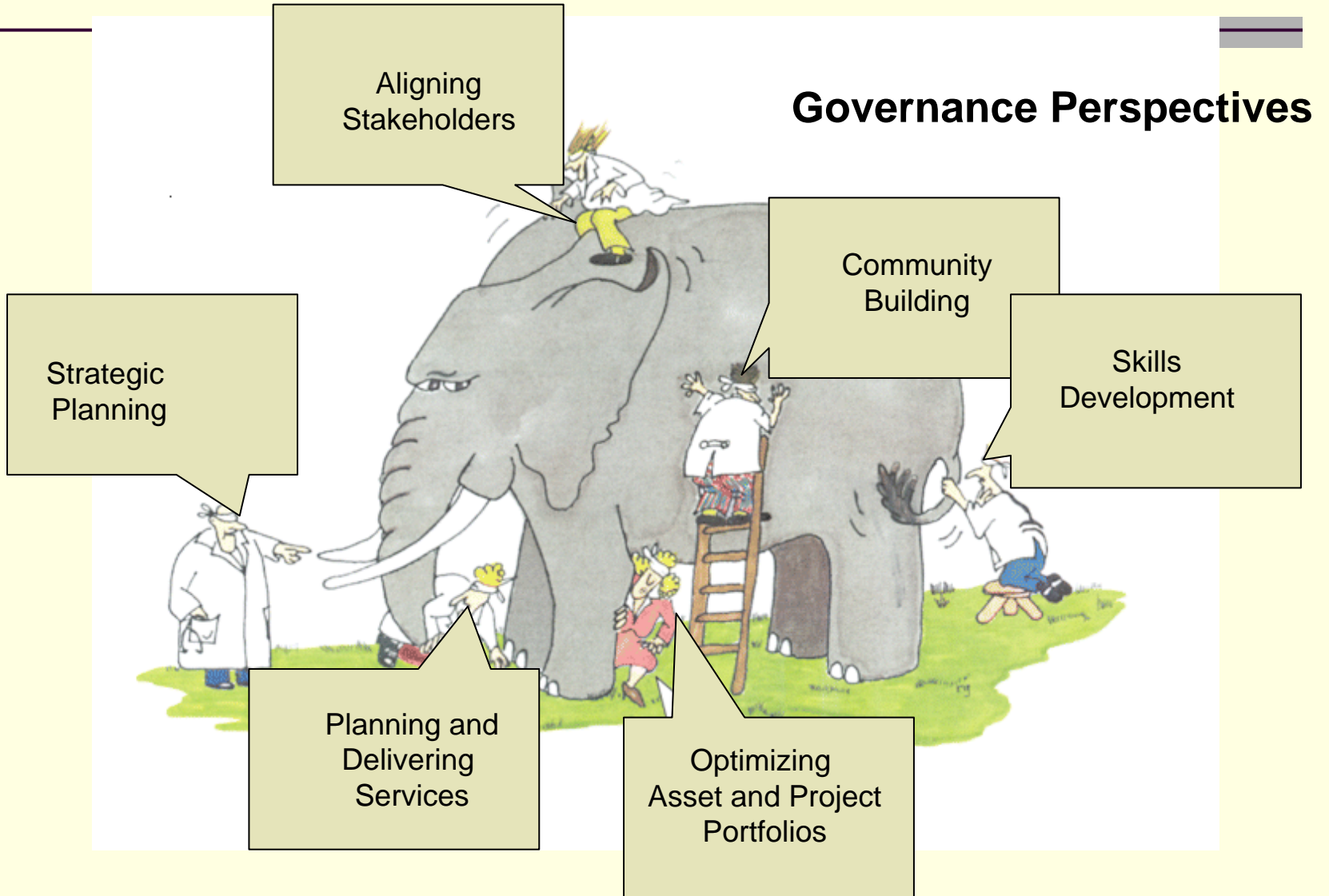
Concepts and Definitions

Perspective and Alignment



Concepts and Definitions

Perspective and Alignment



Key Challenges

Challenge 1

Maintaining Clarity of Purpose and Scope for Governance

Alignment



Agreement

What to Govern
How to Govern
Who to Govern
When to Govern
Why to Govern

Key Challenges

Challenge 2

Maintaining Accountability with Diverse Stakeholders

Alignment



Agreement

Knowing all Stakeholder Groups
Aligning Expectations
Aligning Objectives
Maintaining Communications
Measuring Performance
Apply Feedback

Key Challenges

Challenge 3

Maintaining Common Understanding of BI

Alignment



Agreement

Understanding
Purpose and Objectives
Scope Boundaries
Capabilities, Limitations and Risks
Breadth and Depth
Funding Models

Key Challenges

Challenge 4

Horizontal Organization

Alignment



Agreement

Politics
Maturity
Accountabilities
Cooperation
Organization Barriers

Key Challenges

Challenge 5

Diversity of “Things” to be Governed

Alignment



Agreement

Investments
Assets
Activities
Relationships
People
External Organizations

Key Challenges

Challenge 6

Evaluation and Improvement

Alignment



Agreement

Measuring the Governance Model
Measuring the BI Model
Measuring the Stakeholders
Continuous Improvement

Developing a Governance Solution

**Concepts from Systems Thinking
Systems Thinking Approach
Governance Model for BI**

Concepts from Systems Thinking

System

A System is....

A collection of interrelated components working together for a common goal
A dynamic and complex whole, interacting as a functional unit
A community situated within an environment

from Wikipedia

Some Properties....

Flows of energy, material, information, finances move between the system components
Flows move to and from the external system environment
Systems seek equilibrium but exhibit dynamic behaviour
Components exhibit influence over each other
The System exhibits influence over systems outside of its boundaries

Systems exhibit emergent properties not found in any individual component

Concepts from Systems Thinking

Example

Automobile System

Components include

- Car parts
- Driver
- Fuel
- Oil
- Lubricants
- Air pressure

External Environment

- Roads
- Weather
- Other Vehicles
- Signals, Signs and Controls

Concepts from Systems Thinking

Thinking Styles

Holistic



Based on Systems Thinking

Behaviour is Studied by Considering how Parts and Components Interact with each other

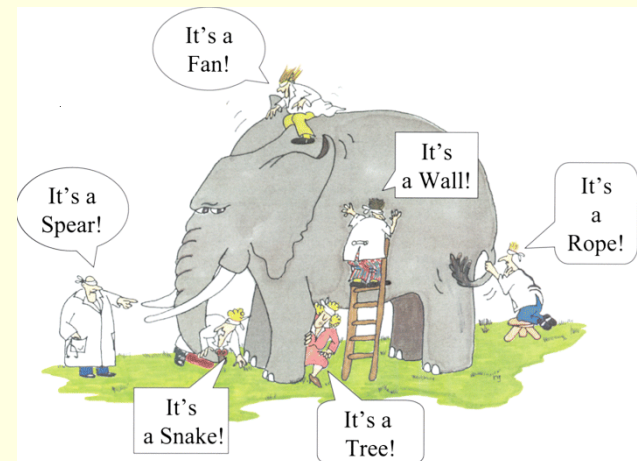
Reductionist



Based on Analytical Thinking

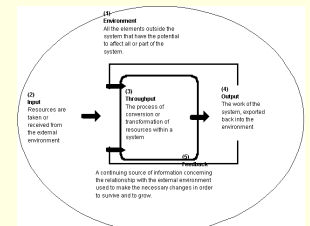
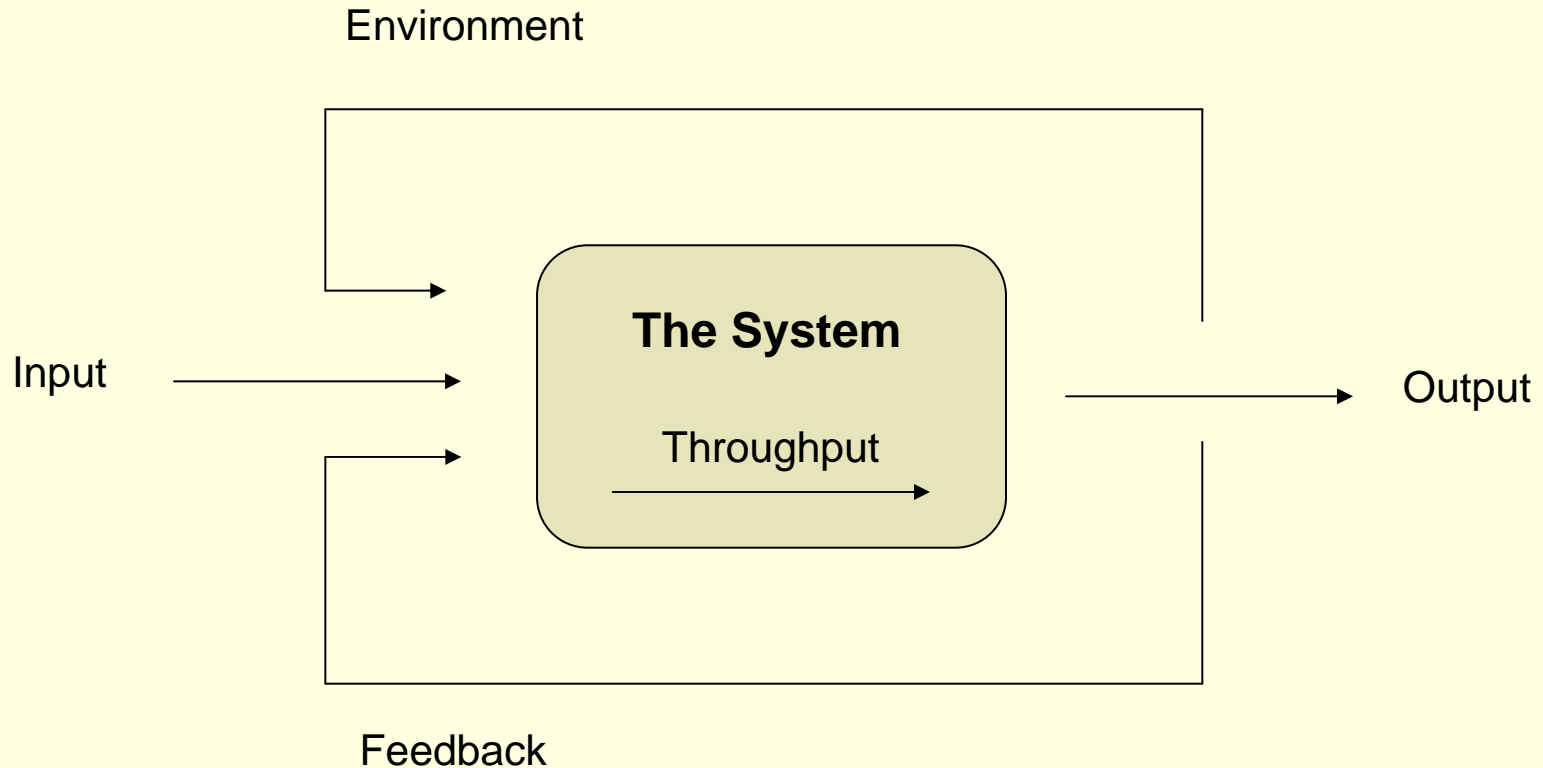
Behaviour is Studied by Considering the detailed Behaviour of each part and component

Remember the Elephant!



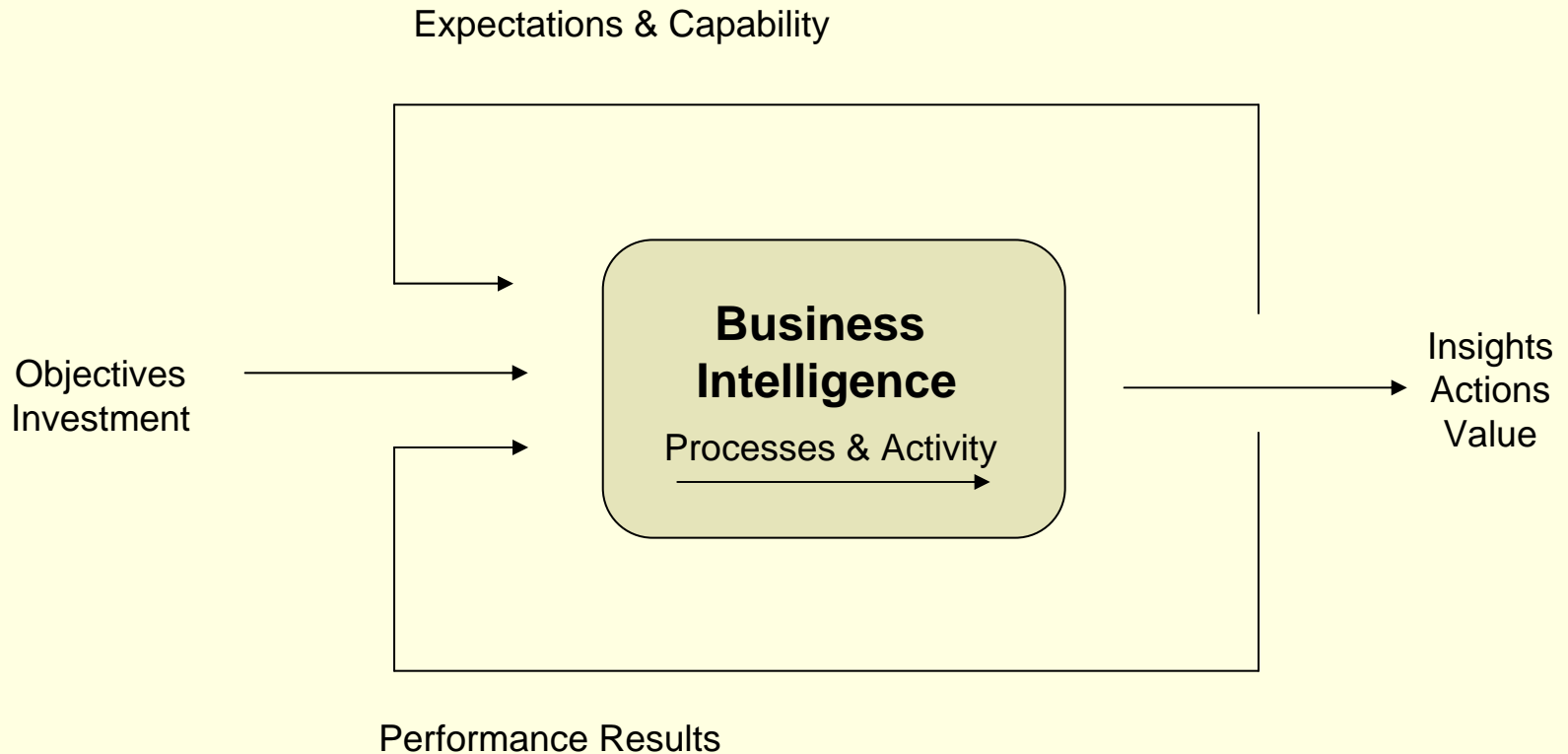
Concepts from Systems Thinking

General Structure



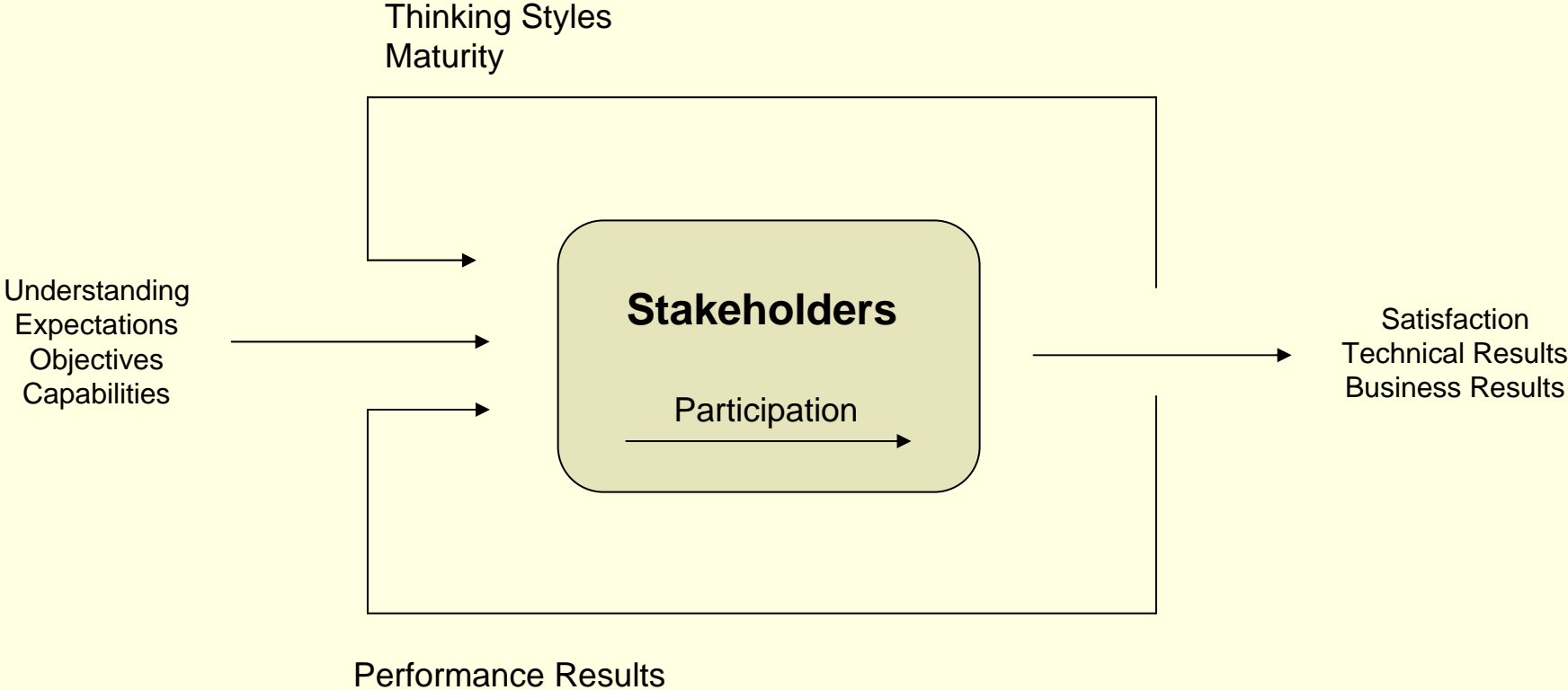
Systems Thinking Approach

Business Intelligence System



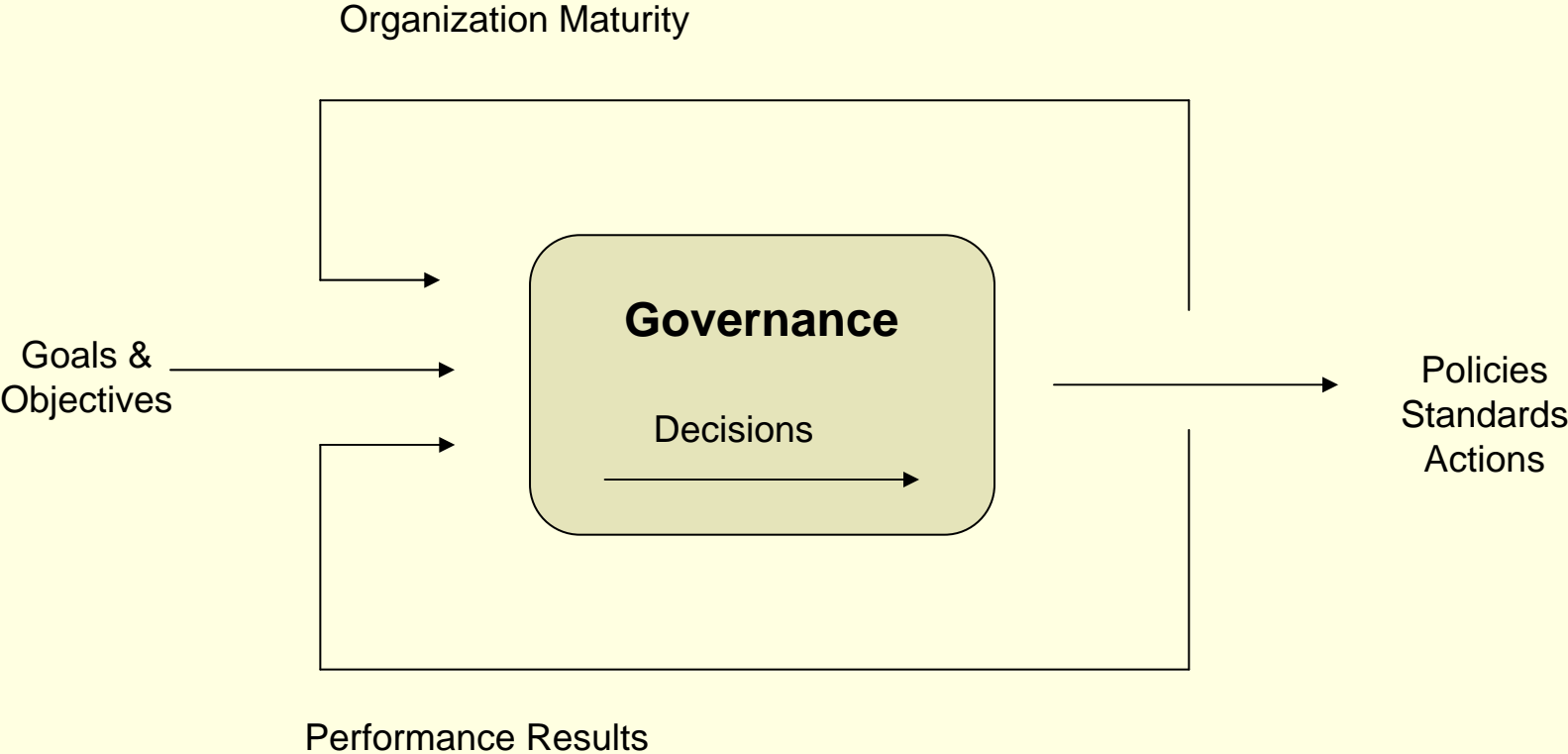
Systems Thinking Approach

Stakeholder System



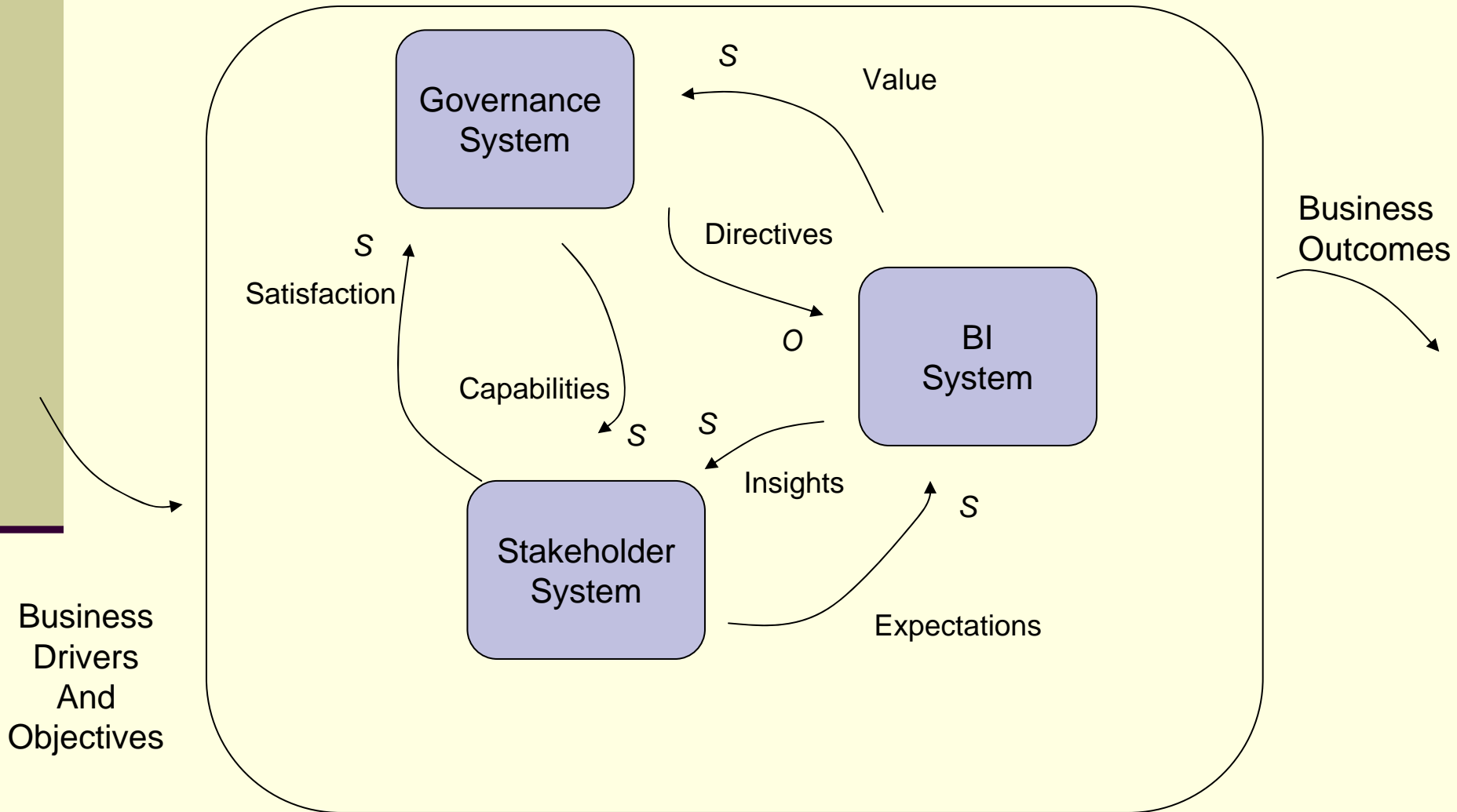
Systems Thinking Approach

Governance System



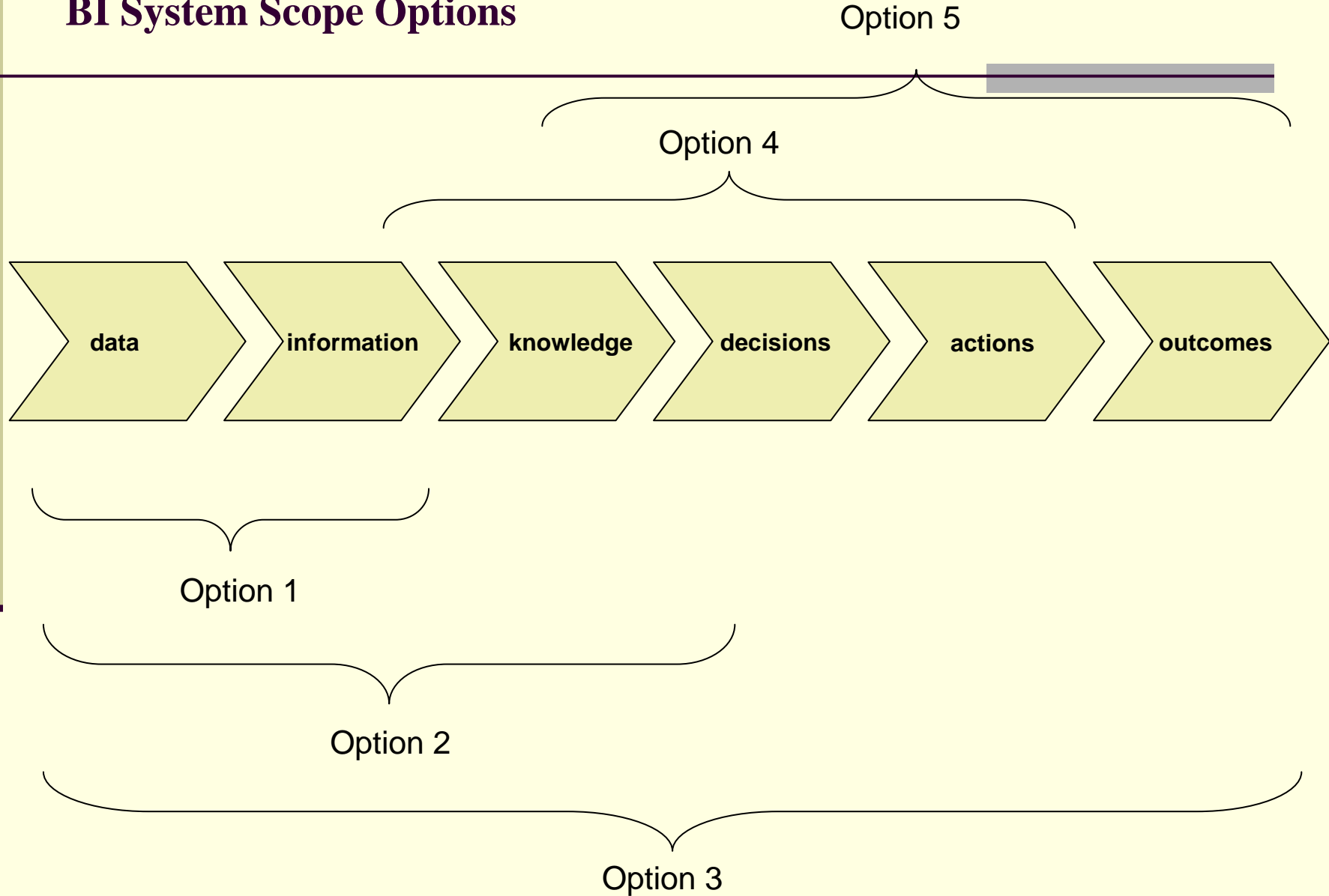
Governance Model for BI

Systems Perspective



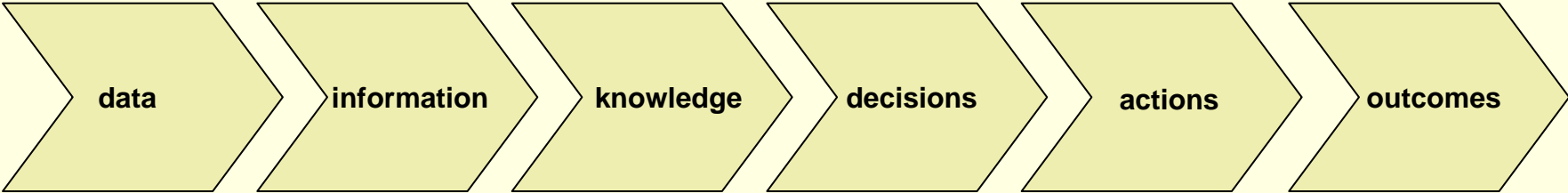
Governance Model for BI

BI System Scope Options



Governance Model for BI

BI System Components



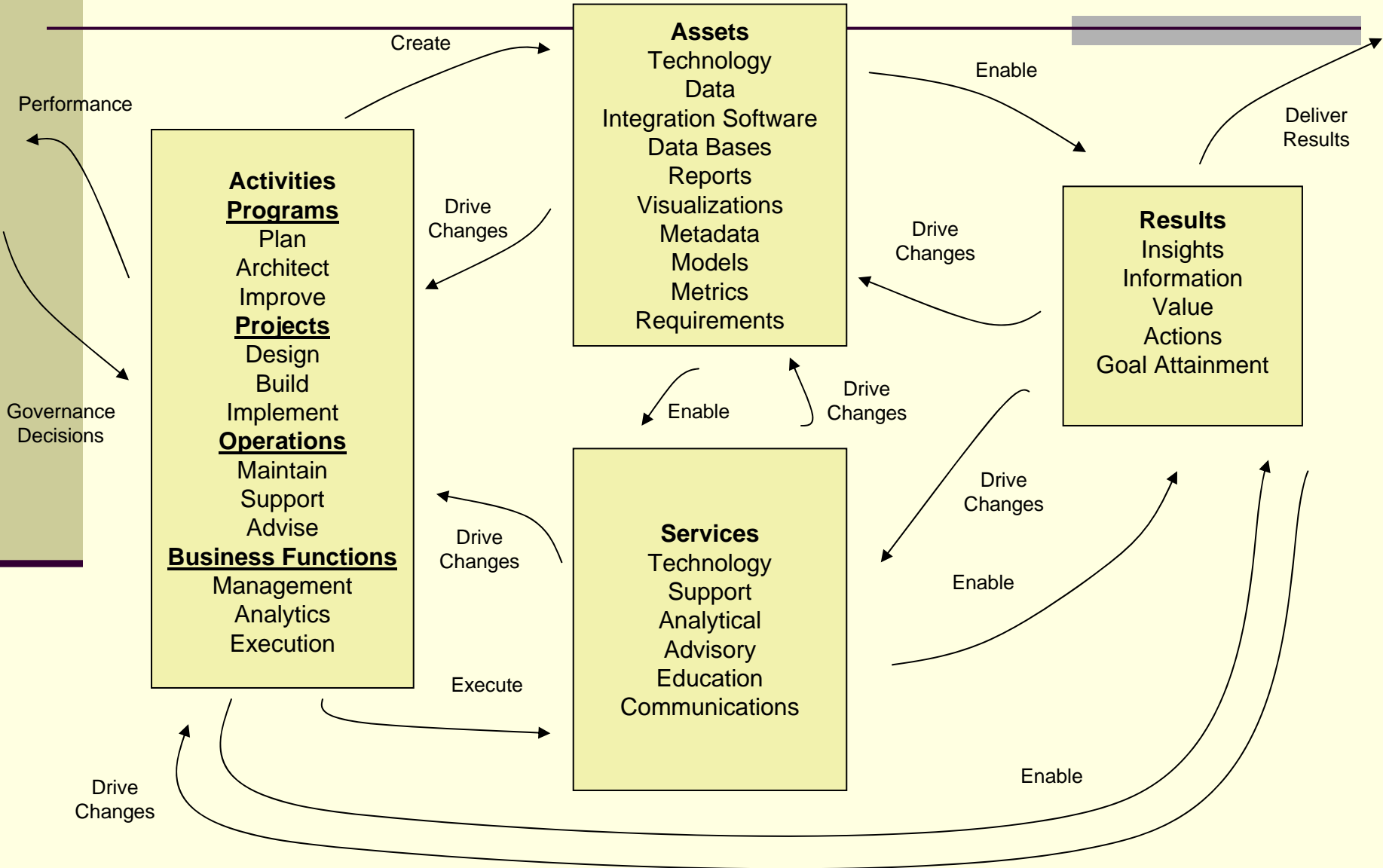
For a Defined Scope

Components of the BI System

- Assets*
- Activities*
- Services*
- Results*

Governance Model for BI

BI System Components



Governance Model for BI

Stakeholder System Scope Options

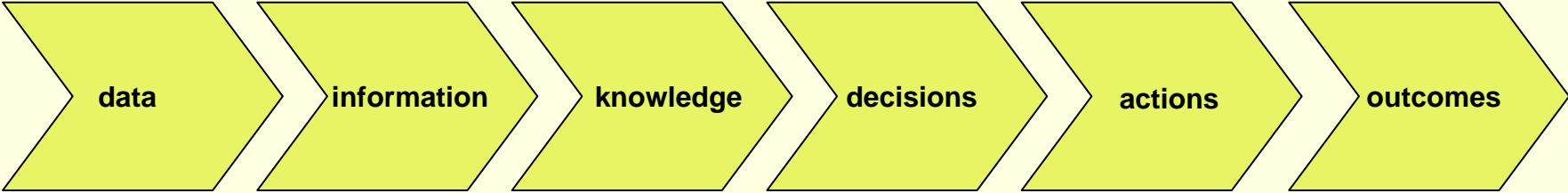
Option 5

Option 4

Option 1

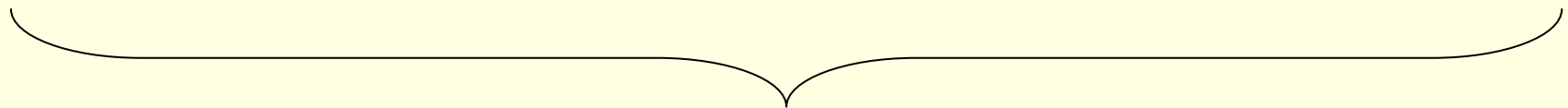
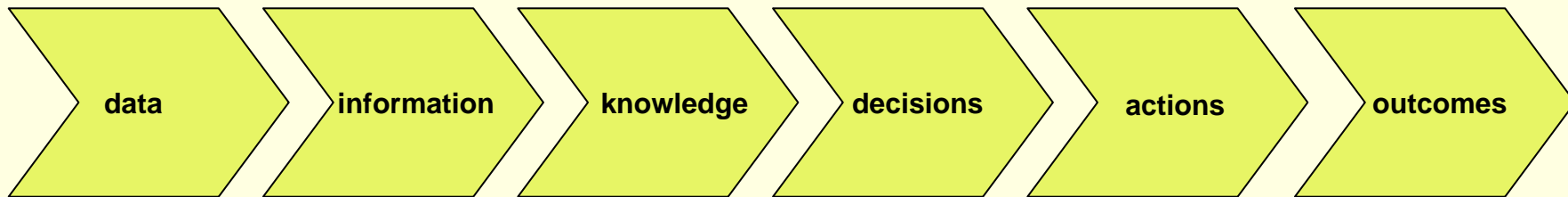
Option 2

Option 3

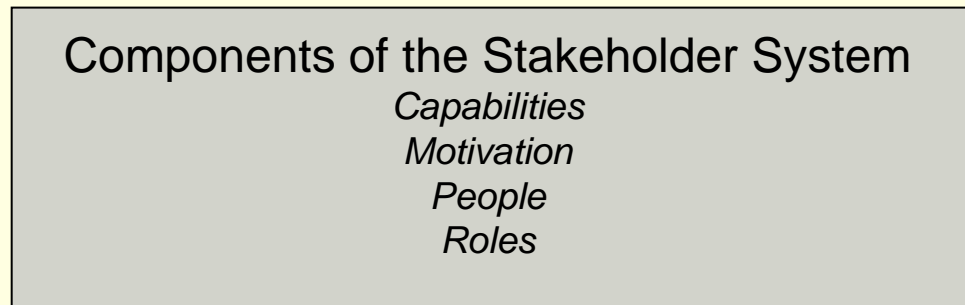


Governance Model for BI

Stakeholder System Components

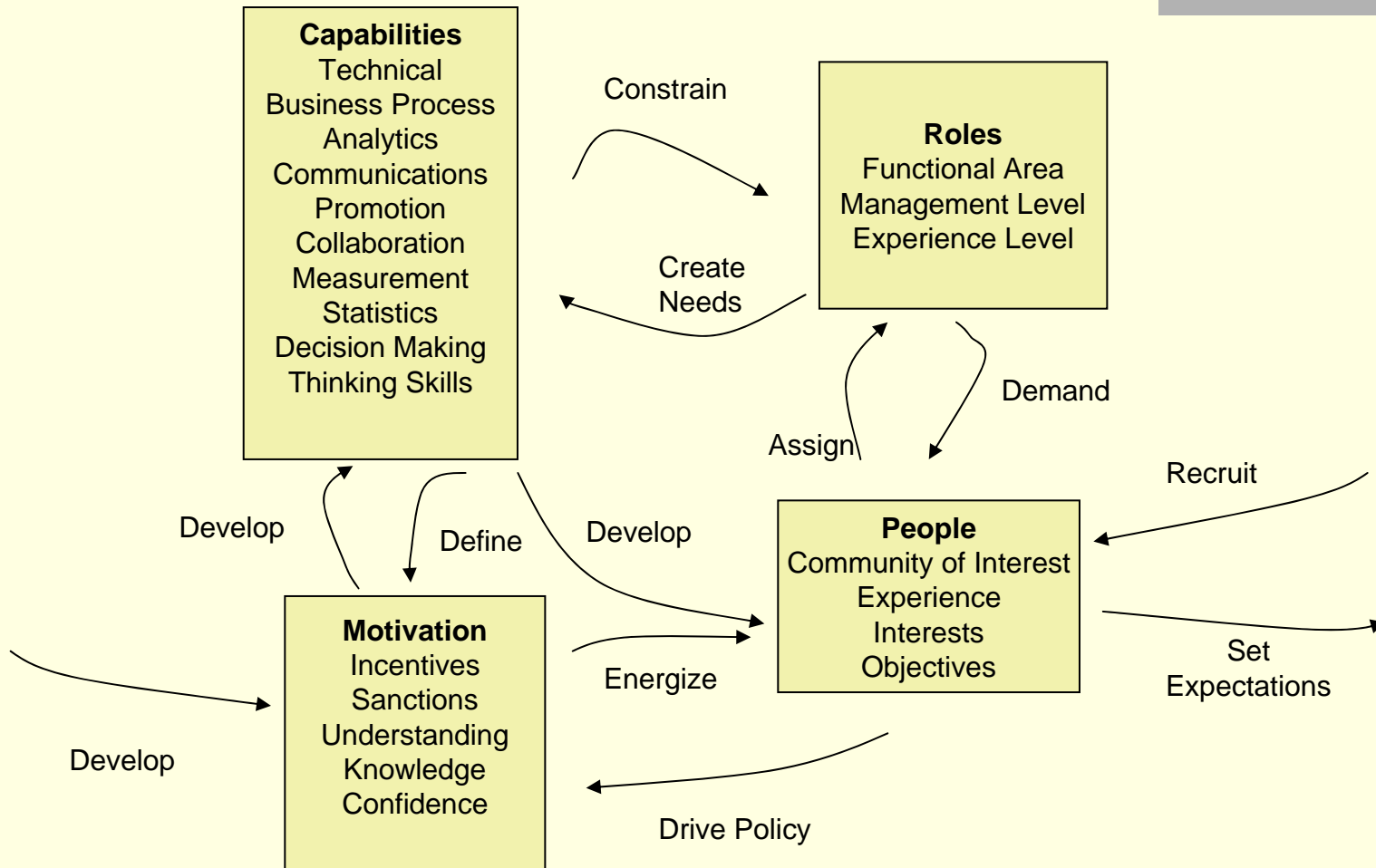


For a Defined Scope



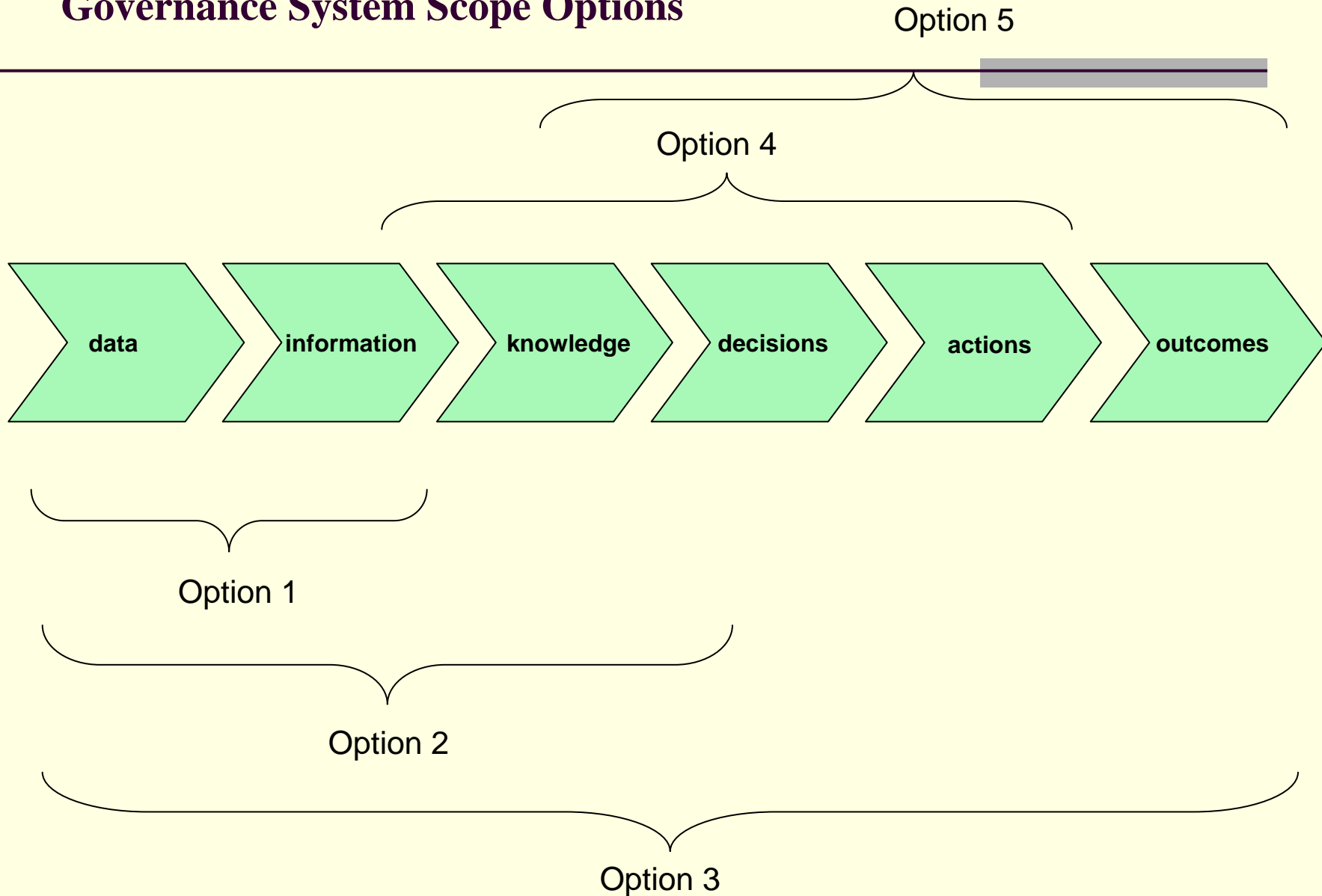
Governance Model for BI

Stakeholder System Components



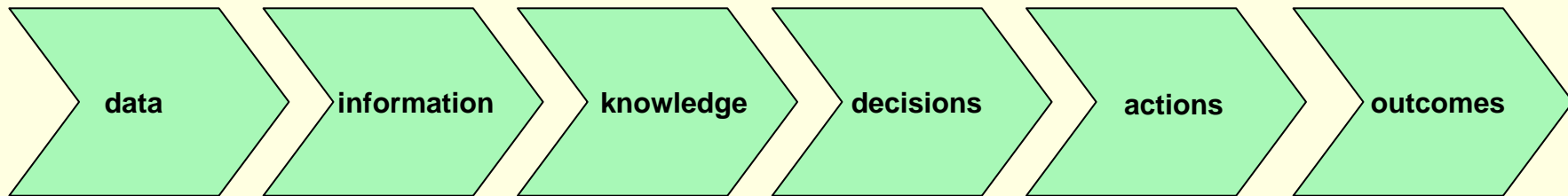
Governance Model for BI

Governance System Scope Options

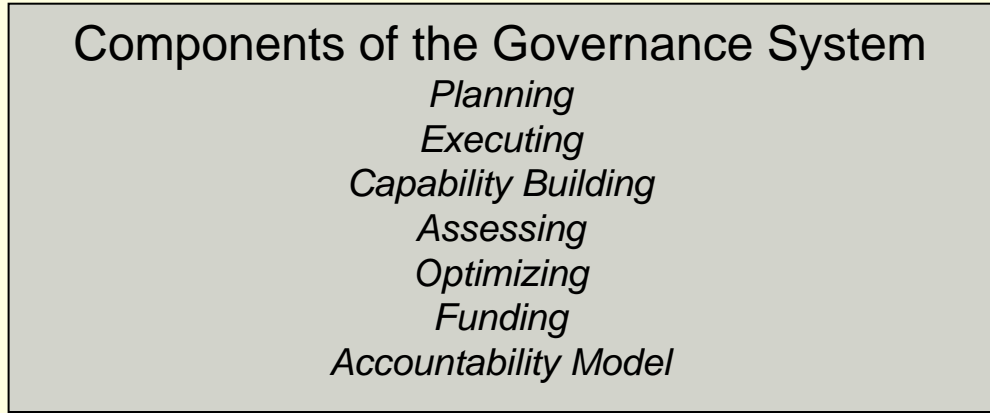


Governance Model for BI

Governance System Components

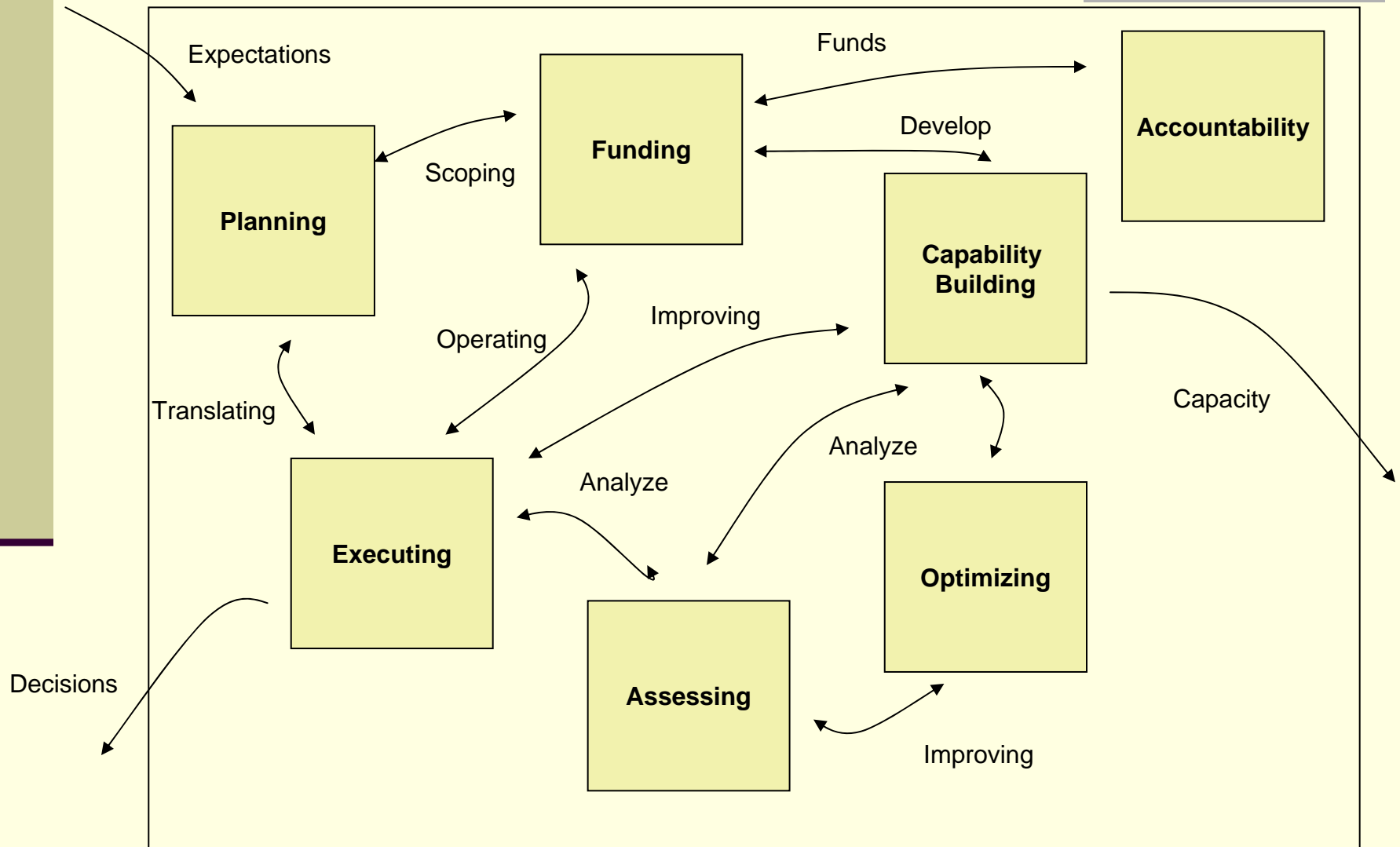


For a Defined Scope



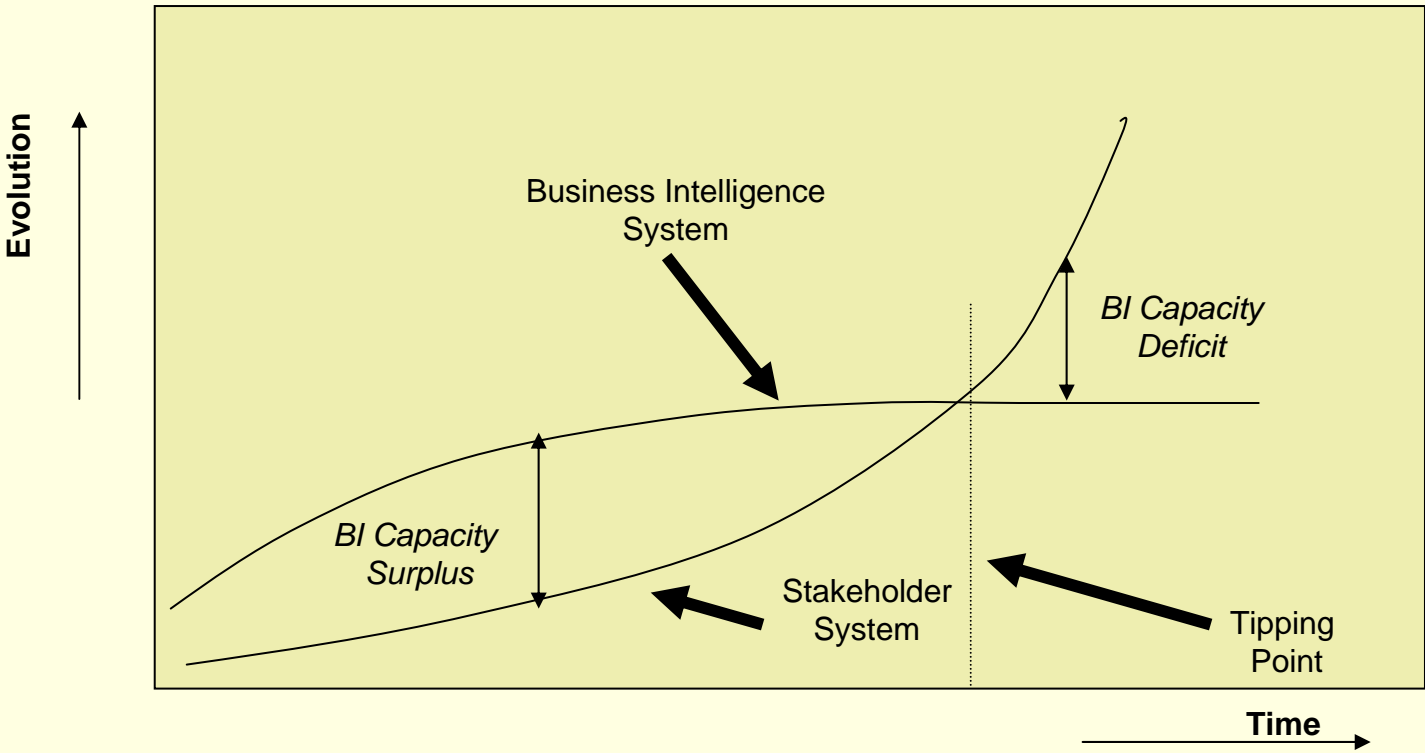
Governance Model for BI

Governance System Components



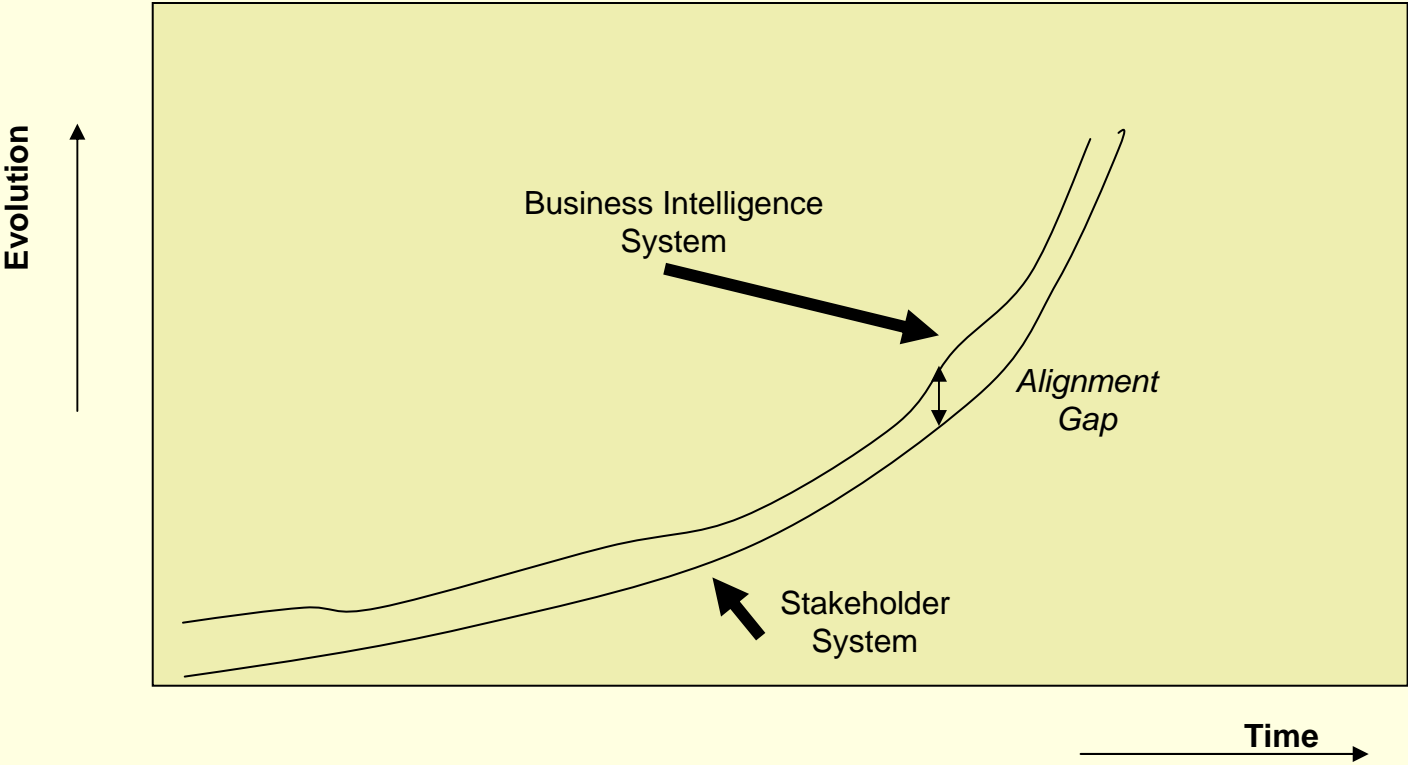
Governance Model for BI

Purpose of a Governance System



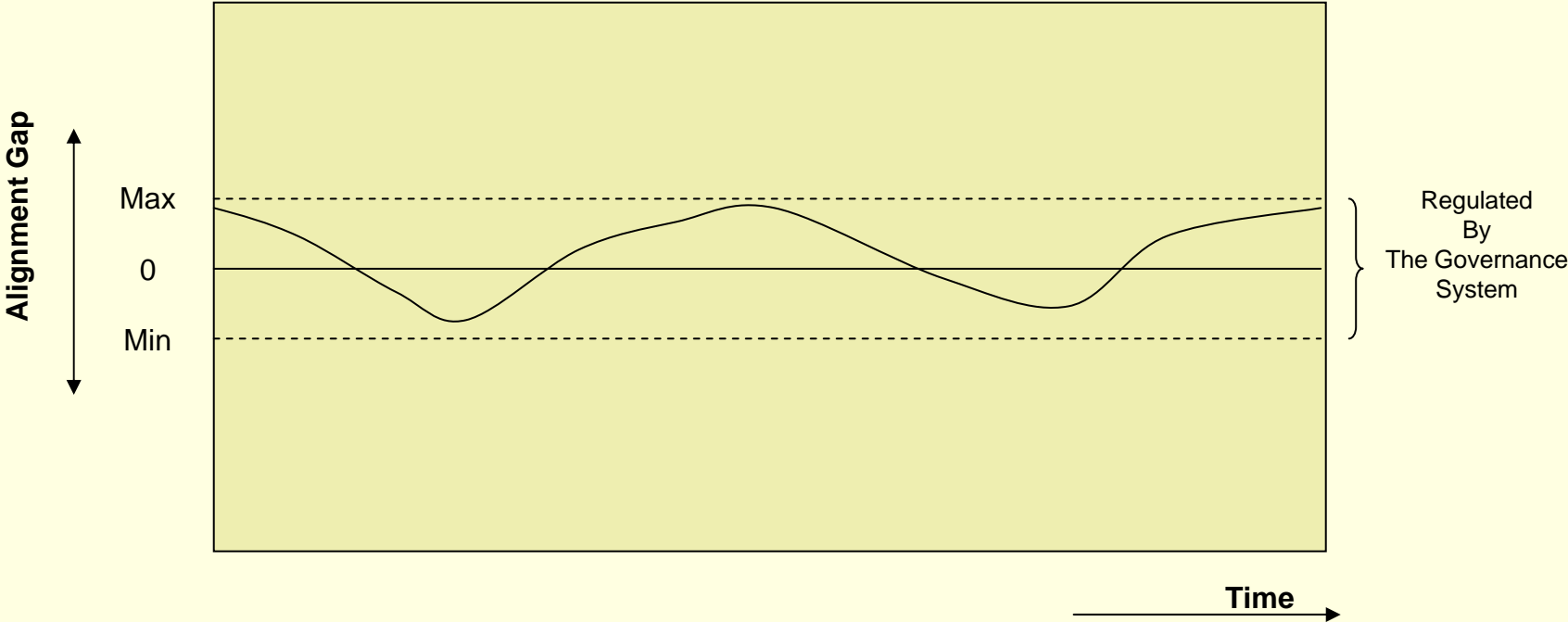
Governance Model for BI

Alignment Gaps



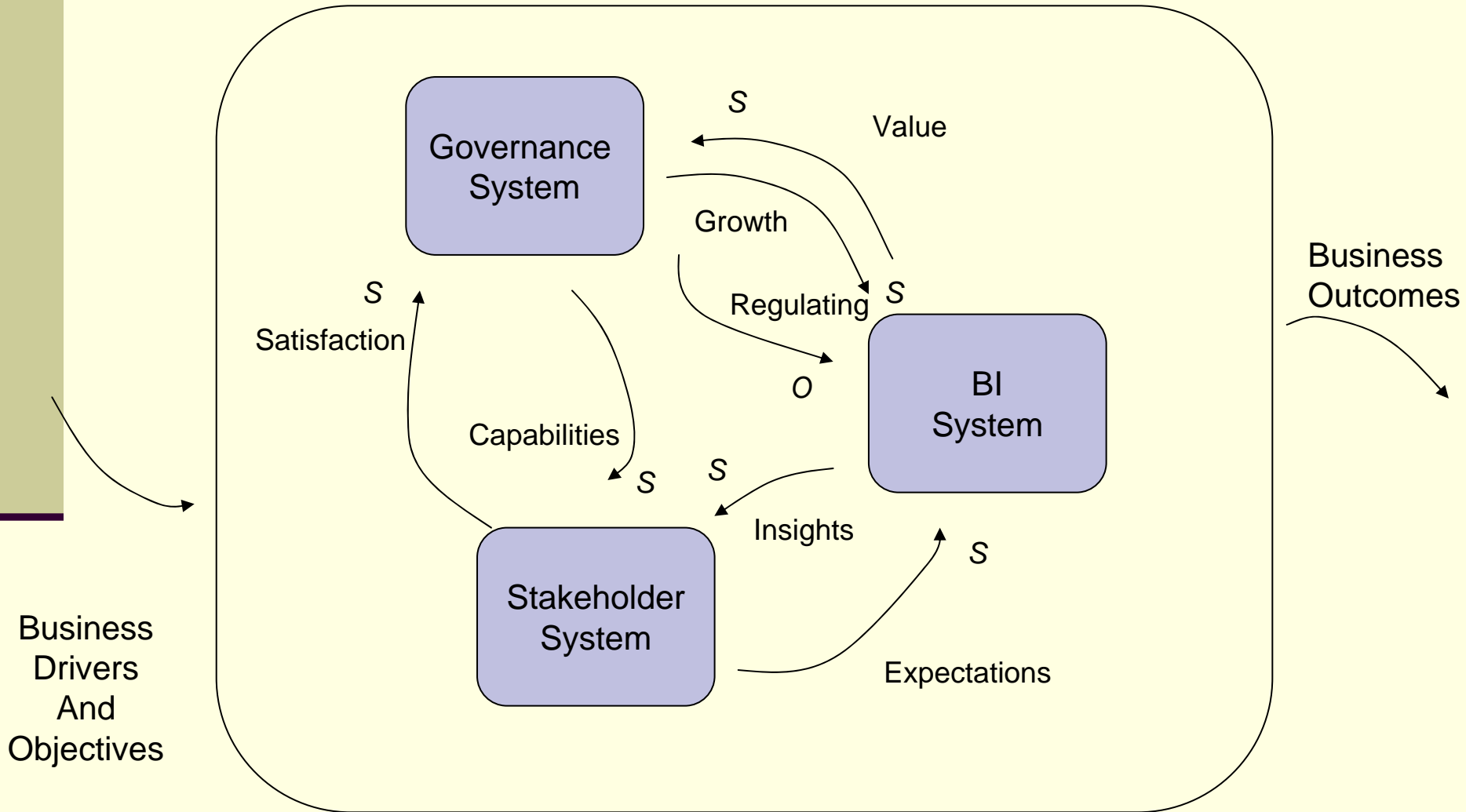
Governance Model for BI

Regulating Alignment



Governance Model for BI

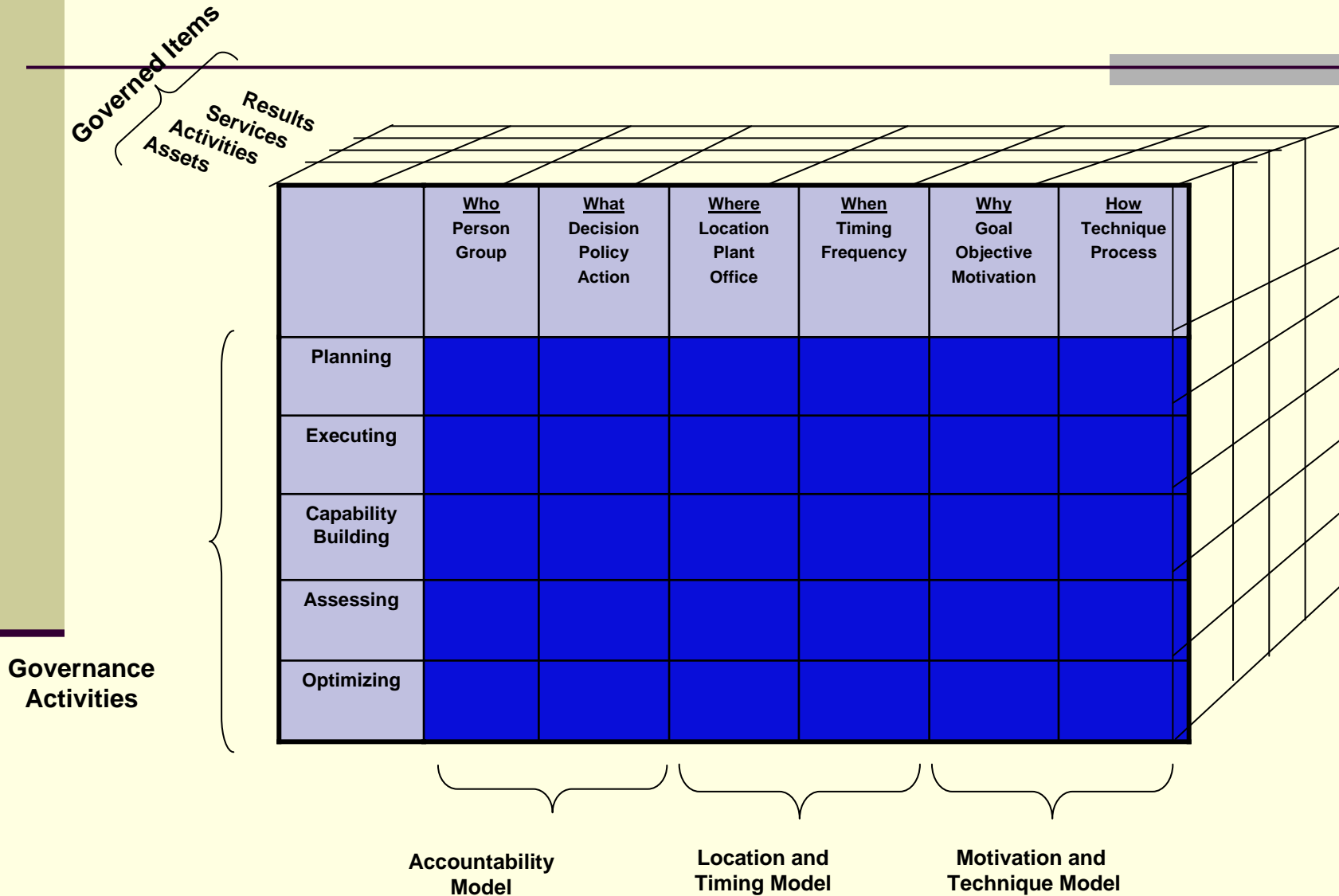
Systems Perspective Revisited



Implementing a Sustainable Solution

Governance Model
Implementation
Sustainability

Governance Model Framework



Governance Model

Framework for Assets

- Technology
- Data
- Integration Software
- Data Bases
- Reports
- Visualizations
- Metadata
- Models
- Metrics
- Requirements

Governed Items
 Results
 Services
 Activities
Assets

	<u>Who</u> Person Group	<u>What</u> Decision Policy Action	<u>Where</u> Location Plant Office	<u>When</u> Timing Frequency	<u>Why</u> Goal Objective Motivation	<u>How</u> Technique Process
Planning						
Executing						
Capability Building						
Assessing						
Optimizing						

Governance Activities

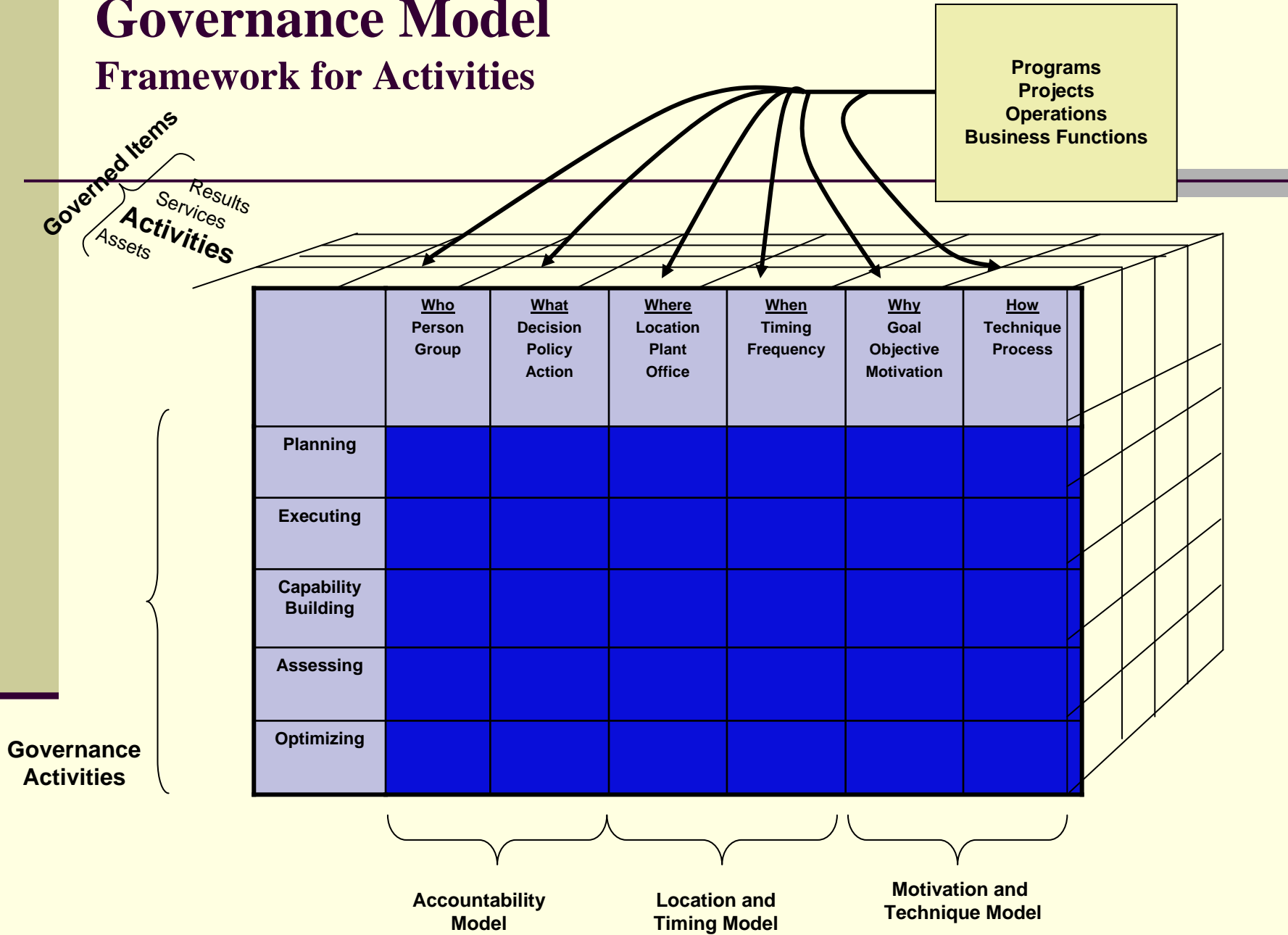
Accountability Model

Location and Timing Model

Motivation and Technique Model

Governance Model

Framework for Activities



Governance Model

Framework for Services

Technology
Support
Analytical
Advisory
Education
Communications

Governed Items
Results
Services
Activities
Assets

Governance
Activities

	<u>Who</u> Person Group	<u>What</u> Decision Policy Action	<u>Where</u> Location Plant Office	<u>When</u> Timing Frequency	<u>Why</u> Goal Objective Motivation	<u>How</u> Technique Process
Planning						
Executing						
Capability Building						
Assessing						
Optimizing						

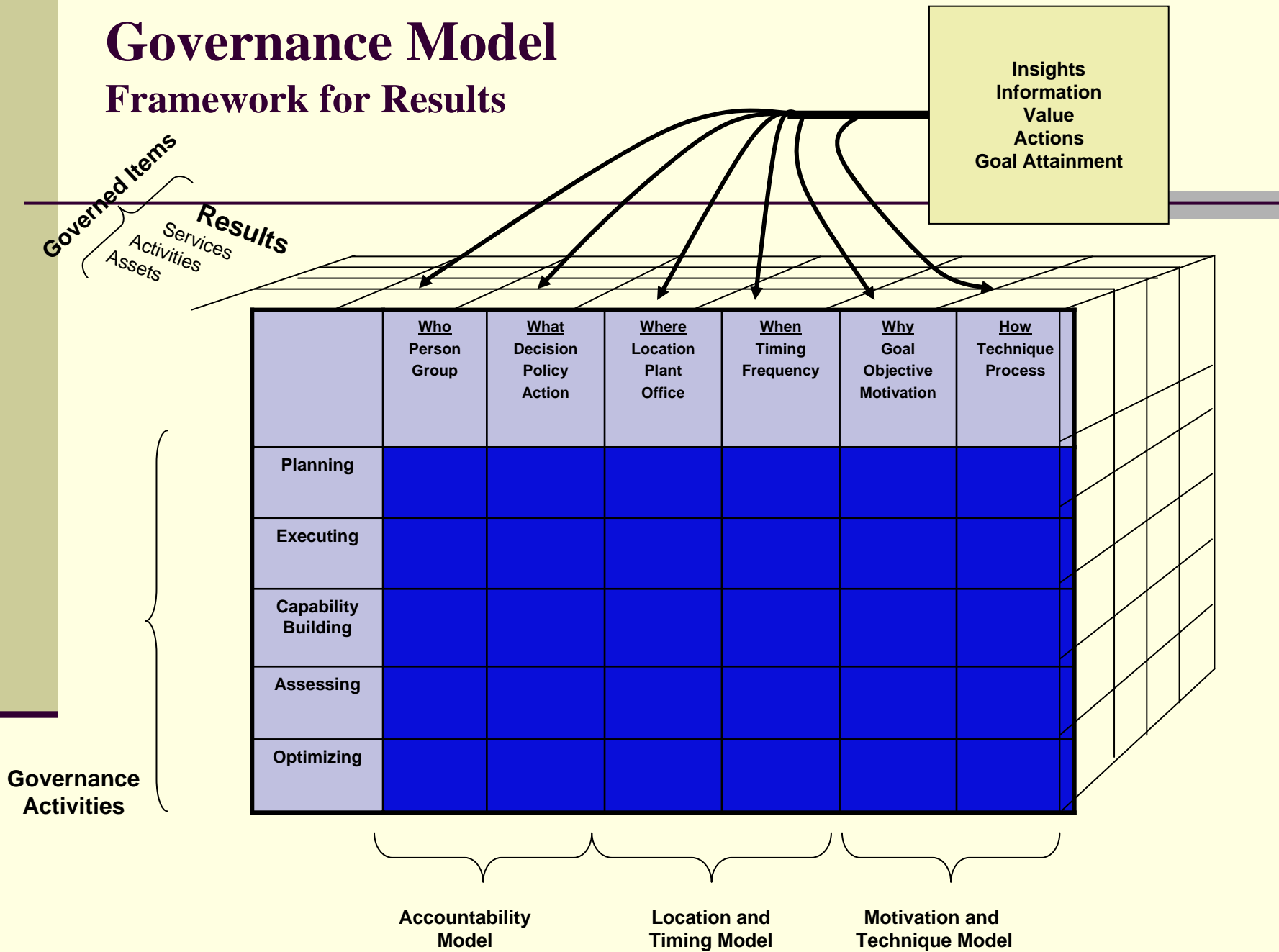
Accountability
Model

Location and
Timing Model

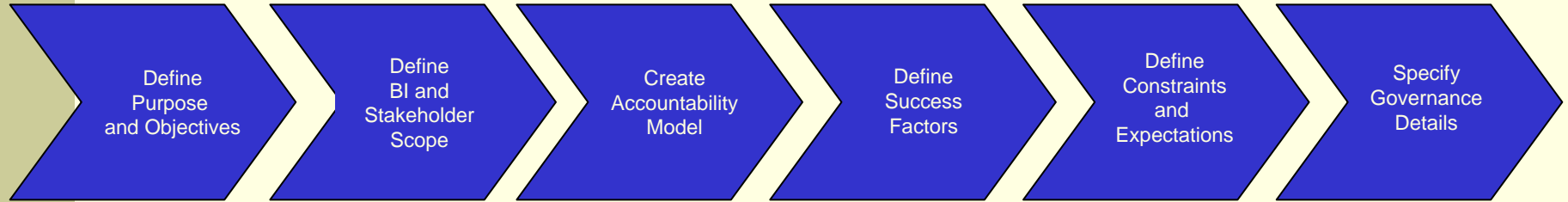
Motivation and
Technique Model

Governance Model

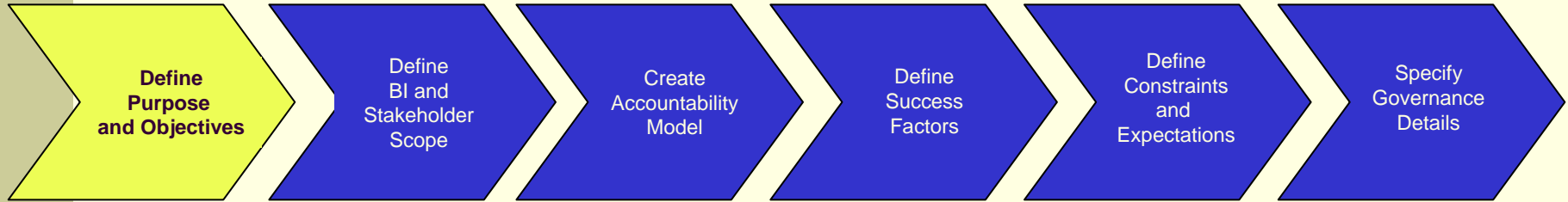
Framework for Results



Implementation Approach

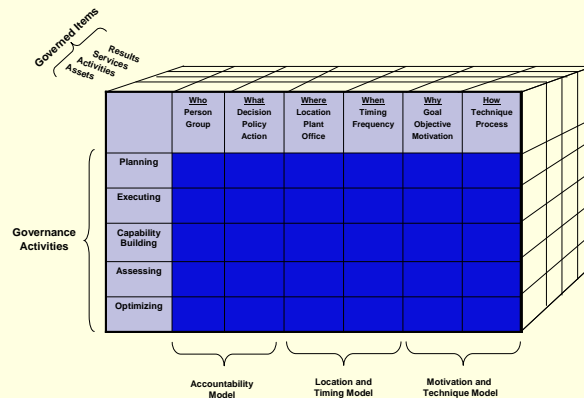


Implementation Approach

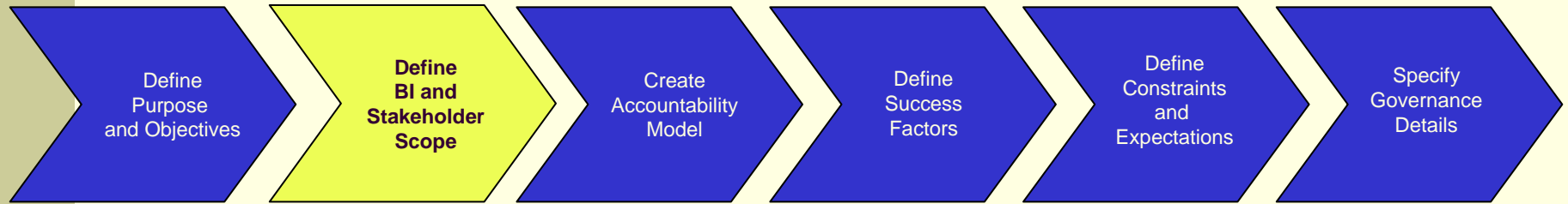


The purpose and objectives of the BI System, the Stakeholder System and the Governance System are defined in business and functional terms.

Does the purpose include planning, execution, capability building, assessment and optimization?

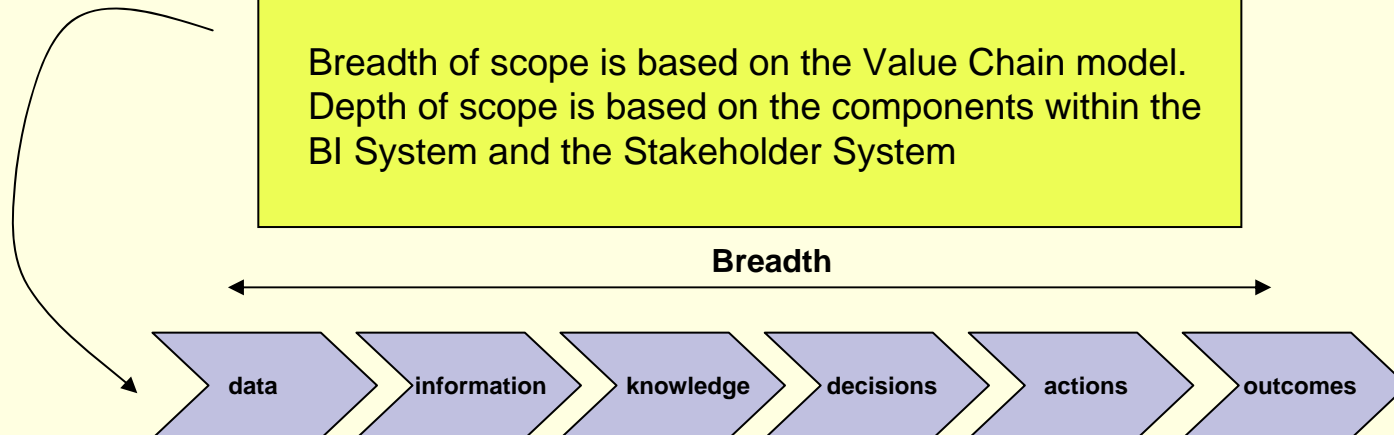


Implementation Approach

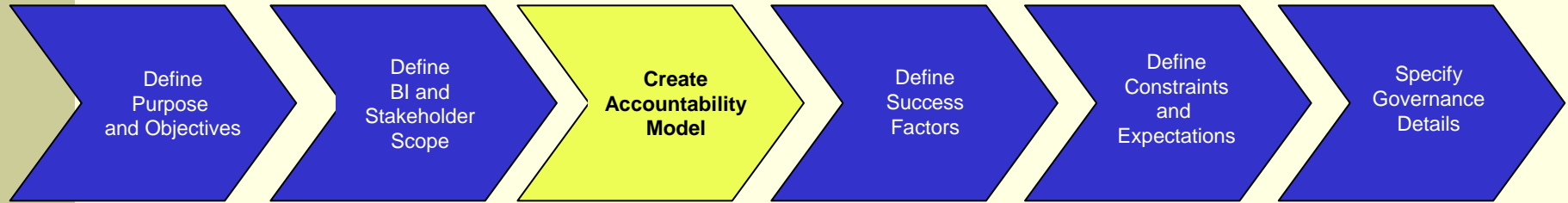


Scope is defined in terms of Breadth and Depth.

Breadth of scope is based on the Value Chain model.
Depth of scope is based on the components within the BI System and the Stakeholder System



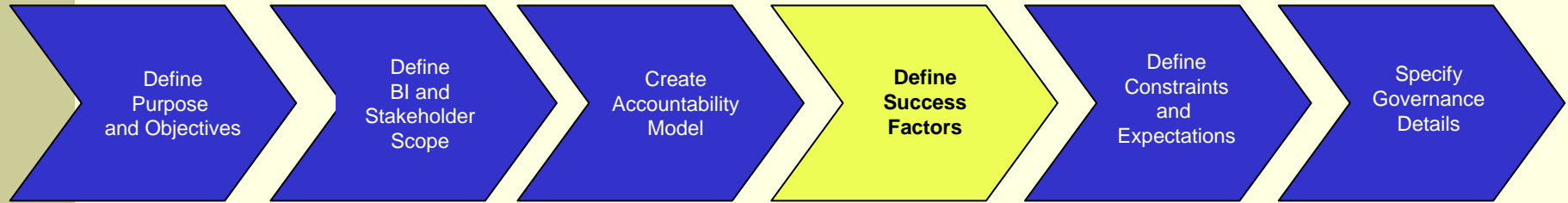
Implementation Approach



Accountability Model defines how the Governance System relates and integrates into the Corporate Management Structure. It may be virtual or physical structures.

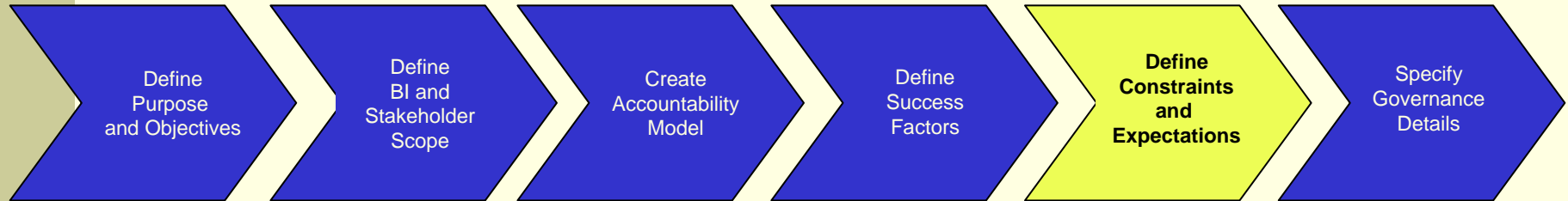
The model also defines all accountabilities for the Governance System.

Implementation Approach



Factors that define and indicate success for each system, Governance, BI and Stakeholder are identified..

Implementation Approach

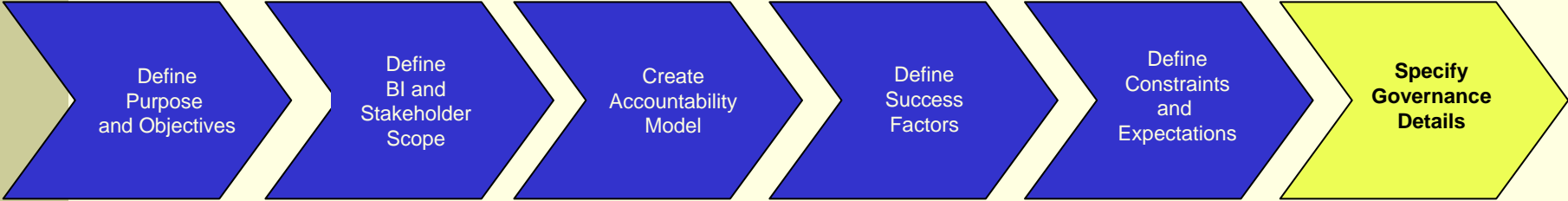


Business, technical and resource constraints are defined. The Governance System will regulate the BI and Stakeholder Systems to operate within these constraints.

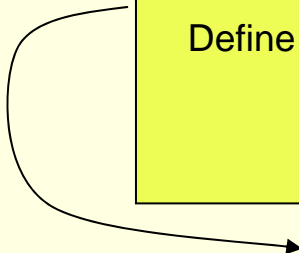
Stakeholder expectations are defined. This is input to the Governance System.

Implementation

Approach



Define the appropriate cells in the Governance Model



Governance Model Grid

Governance Activities	Governed Items						
	Who Person Group	What Decision Policy Action	Where Location Plant Office	When Timing Frequency	Why Goal Objective Motivation	How Technique Process	Results Services Assets
Planning							
Executing							
Capability Building							
Assessing							
Optimizing							

Accountability Model Location and Timing Model Motivation and Technique Model

Sustainability

Basic Requirements

Some Basic Characteristics of a Sustainable System or Process

Teachable

Auditable

Visible

Manageable *Measurable* Scalable

Usable Operable Maintainable

Flexible Sharable

Sustainability

Implementation

Trust and Confidence

Unclear Expectations

Narrow Thinking
Politics

Funding Models

Use of Slang

Communications

Gaps in Understanding

Maturity Levels

Confusion

Competing Priorities

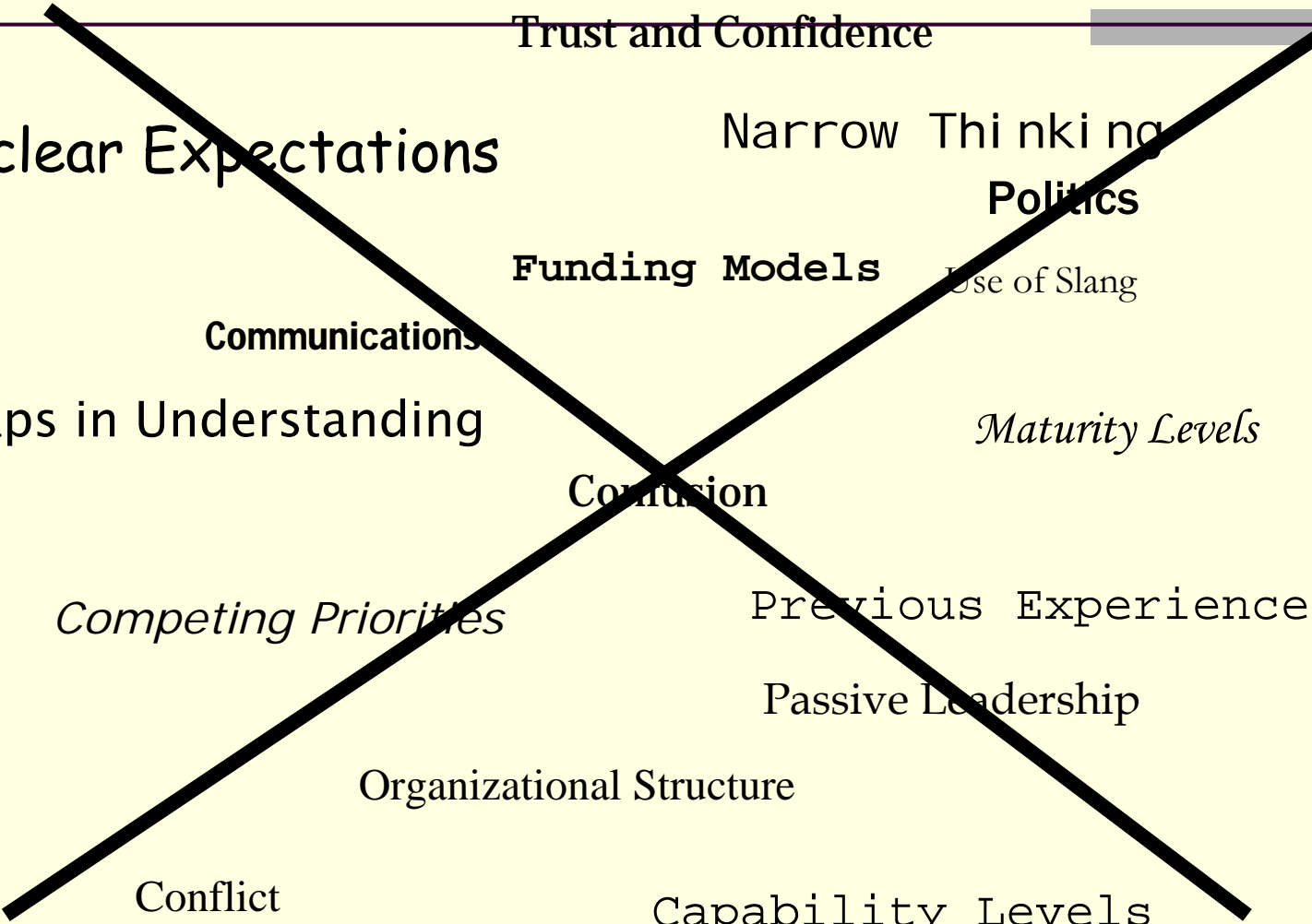
Previous Experience

Passive Leadership

Organizational Structure

Conflict

Capability Levels



Sustainability

Implementation

Effective Governance System

Decisions, Policies and Procedures

Architectures

Quality

Measurements

Visibility

Accountabilities

Audits

Apply the Governance System

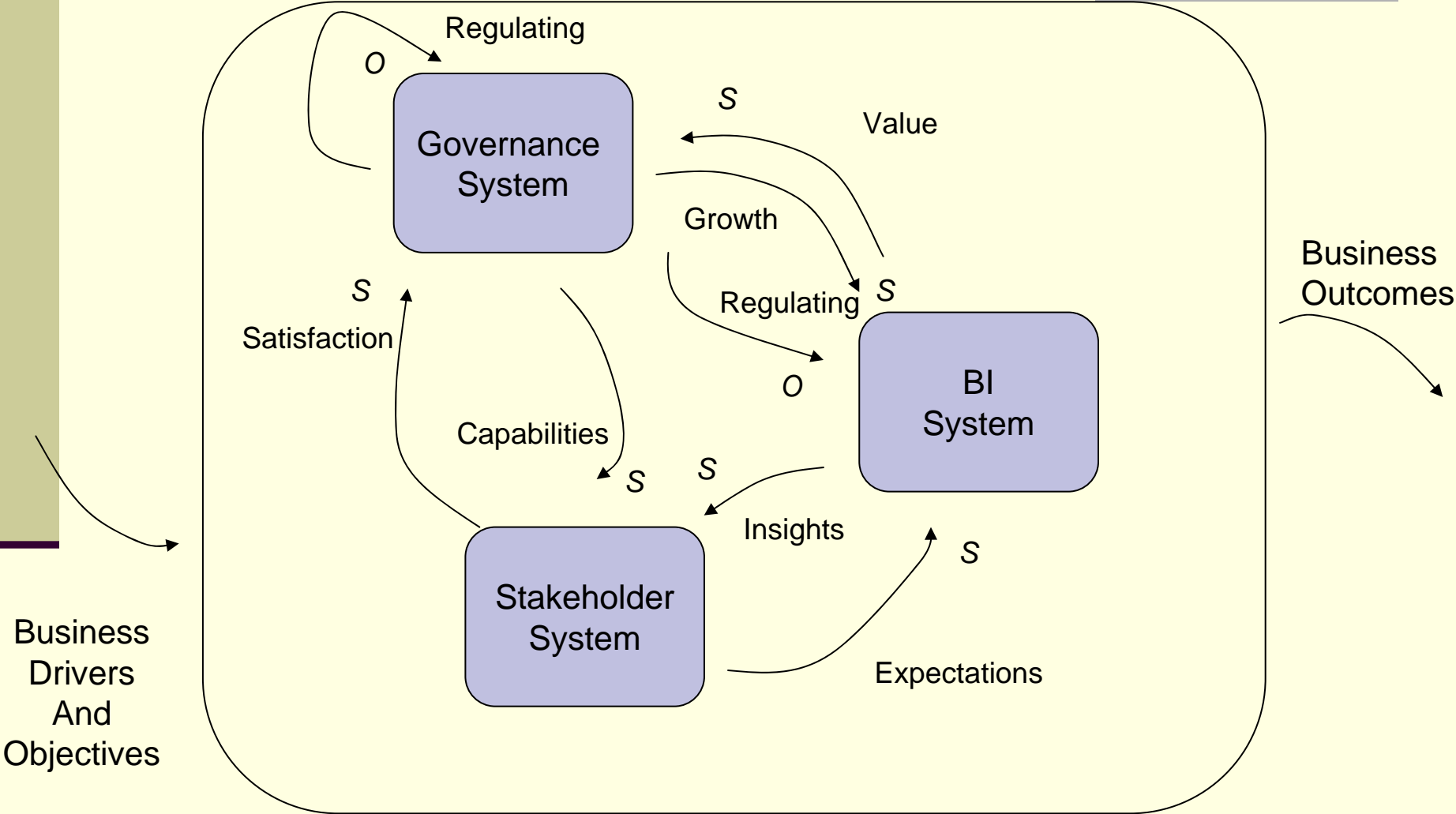
Business Intelligence System

Stakeholder System

Governance System (Govern the Governance)

Sustainability

Govern the Governance System





Summary



Key Concepts

Key Concepts

Governance

- Eliminate Confusion & Clearly Define
 - Business Intelligence
 - Stakeholder Group
 - Governance Mandate
- Apply Systems Thinking to
 - BI, Stakeholder and Governance Systems
- Frame and Solve the Governance Problem using Systems Design Principles for...
 - Governance System
 - Governing the Governance System

Questions and Discussion

Thank You

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