RESEARCH NOTE
IMPROVING ANALYTICS DEPLOYMENTS WITH IBM PARTNERS

THE BOTTOM LINE

In analyzing deployments of IBM Business Analytics Software, Nucleus has found that midsize organizations adopting these applications typically turn to IBM partners for assistance with adoption. When Nucleus took a closer look at the role that partners played in deployments, analysts identified benefits that included shorter project cycle times, reduced training costs, and lower software costs. Analysts also found that by turning to partners, companies improved the scope and effectiveness of their deployments.

Although most organizations find it easy to accumulate large amounts of information in assets such as transactional databases and ERP systems, few are able to use this information to improve their employees' decision making. Despite a broad understanding of how analytics tools such as business intelligence (BI), performance management (PM), and predictive analytics can tap into data sources and expose data for use in decision making, Nucleus has identified barriers to analytics adoption at midsize organizations that include misperceptions about risk and costs as well as a lack of analytics-specific skill sets within most IT departments.

Regardless of the reason, a decision not to invest in analytics applications is more costly than most technology buyers might think. In fact, Nucleus found that for every $1 invested in analytics applications, organizations get back $10.66 (Nucleus Research l122 - *Analytics pays back $10.66 for every dollar spent*, November 2011). One way midsize organizations can overcome barriers to analytics adoption is by turning to partners skilled in the deployment and configuration of analytics tools as well as the creation of data assets such as data cubes and data warehouses these applications will access.

IBM PARTNER NETWORK

IBM has an extensive partner network that is available for its customers deploying analytics applications such as IBM Cognos BI, IBM Cognos Express, IBM Netezza, IBM Cognos TM1, and IBM Cognos FSR. Partners provide expertise in areas that include:

- Business requirements gathering. Partners can assist in the interviewing of end users to identify analytical and decision-related pain points in the organization that can be addressed with analytics. With extensive knowledge about how analytics can change decision making and analytical processes, partners are capable of obtaining more granular information from end users so that when assets are created, they are more likely to meet users' needs.

- Data source creation. Partners are skilled at using end user requirements to identify the data sources required for a deployment and aggregating them into data warehouses and datacubes for access by analytical applications. Partners are also capable of navigating data-related complexities that IT departments in midsize organizations do not encounter. For example, depending on whether a KPI or data point will be accessed through an interactive report, dashboard, or query, both the data and the underlying metadata will need to be formatted for optimizing application performance, a skill set unavailable in most IT departments.

- Deployment strategy. IBM partners create short term and long-term deployment strategies after learning about a client's business model, long term goals, data sources, and end-user populations. Many partners are able to accelerate deployments as a result of vertical-specific knowledge and assets.

- Application deployment. Partners are able to assist companies with configuring and creating integration among analytics applications, their data sources, and the in-memory hardware on which most IBM deployments reside.

- Deliverable creation. Partners are skilled in the creation and fine tuning of assets for publishing analytical data such as reports, dashboards, interactive reports, and query tools.

BENEFITS OF WORKING WITH IBM PARTNERS

When Nucleus examined midsize organizations that turned to IBM business partners for assistance in deploying analytics, analysts identified benefits that included shorter project cycle times, avoided training costs, increased end-user productivity, and lower software costs. With the ability to deploy analytics more cost effectively, most project teams were able to improve the scope and effectiveness of their deployments.

Increased project team productivity

Knowledge and expertise that accelerated deployments was one benefit midsize organizations achieved by turning to the IBM partner network. Professionals within the IBM partner network have two areas of expertise typically unavailable within the IT departments of smaller organizations. First, they have extensive knowledge of data assets, such as data warehouses and data cubes, as well as how to best construct these assets so they enable deployment teams to deliver data that fulfills end-user business requirements. Second, partners also have extensive knowledge about the various features and functionality within IBM Cognos BI and IBM Cognos Express. Familiarity with the features and functionality within applications such as IBM Cognos Express enables partners to build reports and dashboards that are easier to use and more likely to be adopted by end users.

Nucleus found deployment teams were able to reduce project cycle times by an average of 50 percent by turning to IBM partners.

Customers also found that access to these skill sets enabled project teams to spend less time creating data assets and configuring individual assets such as reports and dashboards:

- "*We knew how we would eventually use IBM Cognos BI to solve our problems, but we had very little knowledge about how to get there. The partners knew how to build a warehouse and configure the application for our business*

requirements. If we had done it internally, the deployment would have taken 50 percent longer."

- *"One reason we deployed so fast is that we used IBM partners who helped us build data cubes with really high data quality and structured in a way that we could run the reports and build the dashboards we needed. We don't have these data integrity or asset construction capabilities internally."*

- *"With partners, we deployed in 90 days. It would have taken us three times as long to deploy on our own because we would have spent so much time learning and iteratively figuring out how to do things like selecting data sources, identifying the best format for accessing data, building the data cubes, and configuring IBM Cognos. You can do it yourself; you just don't do it as well or as fast."*

Reduced training costs

Knowledge transfer is another benefit of working with IBM partners. In all of the deployments examined by Nucleus, project team members stated they learned more about IBM analytics and deployment best practices by working with and observing partners than they could have learned in formal training or on their own. By reducing the amount of time spent in formal training on the simpler parts of an analytics deployment, project team members were able to spend more time on the more complex and company-specific aspects of a deployment, such as requirements gathering and change management. One user said, *"It would have taken me one month of full-time training to learn what I learned from our IBM partner, and this was just working with him one day a week for three months."* Another customer of the IBM partner network said, *"You can learn by Google topics or attend formal training. But I've learned things by watching partners that you can't pick up anywhere else, even very good training."*

Another benefit of acquiring knowledge from partners is the ability to reduce the cost of follow-on projects. Customers of the IBM partner network said that by learning how to complete tasks such as application configuration or the building of data cubes and reporting assets, they were able to create new analytics-related capabilities that normally would have been outsourced. One user said, *"By learning from IBM partners, we developed a lot of internal capabilities that we could not have acquired through training. As a result, we can do our own requirements gathering, we've gotten very good at data-asset modeling, and people adopt the tools we create more rapidly."*

Lower software costs

Midsize organizations that used IBM Partners were typically able to fulfill their analytics-related business objectives with lower software costs. Partners help companies lower software costs in two ways. First, partners often eliminate the need for new analyst or query user seats by creating new reporting assets for specific user groups or analytical tasks. Second, partners can use their expertise about data cubes and asset deliverables to fulfill a business requirement that might otherwise be met with an upgrade to end-user licenses. Companies adopting analytics identified the cost reduction benefits of both capabilities:

- *"We have lots of line staff, people who need to see data but don't necessarily need to drill into data from a dashboard or interactive report. IBM partners helped us find a way to burst data out to these users instead of giving them*

> data access, so they only need consumer seat licenses instead of something more expensive."

- "Our software cost for analytics is about 3 percent lower because our IBM partner helps us extend the data delivery capabilities of existing assets and purchase the least costly seat required for a new functionality."

- "Our software costs are about 15 percent lower because of assistance from our partners. They help us find ways to serve up as much data as possible to our population of consumer-seat holders without upgrading their licenses. Partners also help us configure the data cubes so that we can build new capabilities without upgrading the existing administrator seats or buying new ones."

- "Our partner always helps us try to first fulfill new business requirements with new report publication rather than purchasing new query or analysis seats."

Increased end-user productivity

Organizations that turn to IBM partners are able to extend their analytics deployments to more end users and analytical processes. Nucleus found partners enabled the broadening of deployments in two ways. First, partners accelerate end-user adoption by enabling deployment teams to create data cubes and analytical assets which fulfill business requirements and are easy to use. Knowledge transfer was also a driver of broader deployments. When project team members learned how to independently create new analytics assets by working with partners, they were more likely to independently add new data sets and end-user groups to the deployment, leading to increased productivity gains. Second, partners also helped project teams to cost effectively broaden deployment scopes by improving the usability of reports and making them consumable by more end-user groups:

- "By having IBM partners on hand, we were able to do much better fine tuning of our dashboards. People really liked them and rapidly started using them. If we had built the dashboards on our own, it would have been far more iterative and adoption would have been a lot slower."

- "By using partners, we are able to bring on new data sources in about half the time, which means we extend analytics to new end users and new decision making processes twice as fast."

- "Our partners often show us ways to make small modifications to our data cubes or bring on new data sources so that reports are modified in a way that delivers more data to more end users."

Greater analytics benefits

Although cost reductions were a significant benefit of turning to IBM partners when adopting analytics, most companies used cost reductions to accomplish more with their analytics deployments. Despite the challenge of their limited IT budgets, many of the midsize organizations examined by Nucleus were more interested in maximizing the breadth and effectiveness of their analytics deployments than reducing deployment costs. With this in mind, most project teams found ways to convert efficiencies made available by partners into resources for improving their deployment. For example, although most teams reduced formal training by observing highly trained partners, the knowledge they acquired was significantly more valuable when they were able to independently broaden their deployment by adding new data sources or deliverables for exposing data to end users. Deployments were also broadened as a result of avoided software purchases.

When faced with a new analytics-related business requirement, project teams typically have a choice. They can either give higher-cost seats to existing or new users or find new ways to expose data with the existing configuration of software seats. Since CFOs and investment committees are often reluctant to upgrade existing licenses or purchase new seats, the choice was often made to use existing capabilities to reach more end users.

It's important to keep in mind that when partners enable project teams to cost effectively broaden deployments, all of the standard benefits that result from analytics can be increased, including:

- Improved productivity resulting from automated report creation and faster analytical processes.
- Increased revenues as a result of smarter pricing and selling decisions by customer-facing employees.
- Reductions to operating costs and costs of goods sold as a result of more granular cost analyses.

CONCLUSION

IBM partners enable midsize organizations to reduce analytics-related project cycle times, training costs, software costs. By freeing up scarce project-related resources, partners also enable deployment teams to improve the quality, scope, and ultimately the ROI of their deployments. Technology buyers should be careful not to view partners merely as temporary help for a deployment team. With measurably significant returns to be earned on investments in analytics, CFOs and other technology decision makers should be careful to give their organizations all of the assets available for maximizing returns on analytics investments.