

Microstrategy 9: Carving A New Dimension in Proactive Business Intelligence

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Business Intelligence, in practice, provides decision makers with informative, robust reporting on the functioning of their business. It has evolved over time, but it is still a fairly new concept. It's based on the idea that aggregation and summarization of operational data into meaningful information can drive business decisions and steer an organization to optimal performance.

How this is done:

An organization needs to evolve to get to a level where their key decision makers are acting proactively to steer the company in the most profitable direction.

This means establishing a data collection framework built around the operational needs.

Then, identifying the key roles in the business and how they use the data to make decisions in their business. This means sitting with a financial analyst to understand what they are looking for, and then HR.

SAAS, or software as a service is the concept of adapting software to meet the needs of the business, and then leverage off the software tools to drive the business forward. For example, this could mean providing access to initial reports, and alerts and then changing their definition based on how they are used.

Then taking those definitions and making them the criteria for reporting, alerting, and analysis.

Decision makers shift from operations management to looking at the big picture; or how operational transactions roll up into aggregations of information that are used to determine suitable thresholds, acceptable variances, and financial forecasting. They should be planning their company's future and be able to preplan. For example, a decision maker should be able to create scenarios and determine profit and loss based on trends found in their company's data.

How efficient is it for a store owner to have to call up customer support every time they want to create a custom report, or whenever they want to explore a new "what if" scenario?

Its slow b/c this requires a new report to be generated, a database change... It costs money every time b/c staff needs to fulfill the request.

What if the time and cost to produce new aggregate reports is eliminated?

It can be. Tools like Microstrategy 9 work off of existing datasources to create interactive reporting systems that are limited only by what the end user is privileged to view. The end user has all the functions, access to pertinent entities, visual tools to get meaningful reports and forecasting based on scenarios,

Reports can evolve to strategic planning tools for each part of the organization, ie Finance and HR.

If the end user can customize there reports to suit their needs, and evolve there data aggregations specific to their organizations in a timely manner, they can implement quick and relevant change to their business.

How does Microstrategy and similar tools give report creating power to the user? The key is the Symantic layer. This is where we define the meta data, the definitions of the entities and their relationships in our data model. We create the relationships that are the "truths" in the system. The relationships defined here become the foundation for all reports, ie derived SQL statements to create accurate correlations. A problem in the report is more accurately a problem in the meta data definition.

In theory, since the symantic layer contains the rules for our data object model, when we change an entity's definition here, the change rolls up into all the other layers of the system and is transparent to the user.

The symantic layer is built on top of and existing datasource. It could be a database, a data warehouse, a data mart, an excel file, a tab delimited file.

Another great option that Microstrategy 9 provides is the ability to build a single symantic layer on top of multiple data sources (multi-source OLAP). As long as we define their "truth" in the meta data, we can successfully create relationships across data sources. This is not a free piece of the product. It is very useful. Say the direction of the business is to build a data warehouse to product and agregrate data in a certain way. It takes months to establish this warehouse. In the meantime the business doesn't stop and the user can begin creating cubes, or inter related subsets of data that can suffice for analysis until the data warehouse is established. For example, a cube can look at any relationship over a

given time...and then later across the cube itself and say a different data source (as long as the meta data defines the relationship)

Microstrategy eliminates the need for an ETL tool because with a single semantic layer pointing at multiple sources, the user can go analyze seamlessly across them. The fact that there's multiple sources is transparent to the user.

Another key factor is privileges. Finance should not have access to payroll data. Defining privileges limits what users can see and also helps them hone in on what's most important in their part of the business.

What does this mean?

No more need to print out reports. Reports can be delivered the web browser. Plugins are also available for accessing the data on MS Office products, MS outlook, smart phones... A dashboard component can be purchased. It is a flash application delivered to the user that gives them access to data off-line.

An alerting tool can be added on. The user defines alert triggers, it could be an event or if a certain threshold is exceeded. In essence, the user always has access to their data.

Your development staff no longer changes user reports. Instead, they work on managing the meta data that feeds the reports. They also make sure that their privileges provide users exactly what information they need to implement change in their organization.

What's next?

Microstrategy is offering 100 users free access to support and the basic pieces of their BI tool. It's a great opportunity for Amcom to explore how a tool like it can make our product and client proactive in terms of optimizing their business.

It also cuts cost because it eliminates the need for staff to support analysis and report changes.

Cost is a critical matter to consider. Upfront cost may save the company money in the long run since maintenance costs will be much lower than any home grown system. In terms of ROI, an out of the box product probably delivers a higher return in the long run, time is a crucial factor.