



# Why BI is Broken

## And 3 Ways to Fix It



# Why Business Intelligence Is Broken

Too often, business intelligence is a waste of money.

In a report that has taken on near-mythic proportions, market-research firm Gartner estimates that 70 percent to 80 percent of all business intelligence projects ultimately fail<sup>1</sup>. In another study, by the National Computer Center, a majority of respondents rated the overall performance of their BI projects as no better than “average.”

Time and again, BI projects don't meet objectives, don't connect with users and don't get the right information to the right people at the right time. In offices everywhere, business intelligence is the butt of endless water-cooler jokes—the corporate oxymoron, the poster child for overpromising and underdelivering.

But it doesn't have to be this way. Done right, BI is one of those rare strategic initiatives that has the power to deliver real value and make companies more competitive—especially now, as the volume of actionable data available to firms rises daily.

Which is why, in spite of its sputtering track record, business intelligence remains a popular investment. Another recent Gartner report revealed that analytics and business intelligence are once again the top technology priorities of enterprise CIOs, taking back the lead position after losing it a year ago to cloud computing<sup>2</sup>. CIOs know business intelligence can work brilliantly. They're just waiting to see it for themselves.

Here are the three leading reasons why BI is broken and ways to fix the problems.

(With apologies to the Rolling Stones.)



<sup>1</sup> – Interview with Patrick Meehan, president and research director in Gartner's CIO Research group, at Gartner Business Intelligence Summit (<http://bcove.me/8xyfs0js>)

<sup>2</sup> – Amplifying the Enterprise: The 2012 CIO Agenda, January 2012

## Problem #1

### Can't get no satisfaction.

Perhaps it's a no-brainer for the office quant jock, but business intelligence is often still a headache for nontechnical users like finance execs and sales managers.

Unless you're a data analyst or an Excel geek, you're probably not getting much satisfaction (or value) from your BI system. For average business users, accessing the right data at the right time remains a huge challenge. And even if you do find what you're looking for, data formats are typically so complex and convoluted it's hard to make sense of what you have.

This is probably why, in its predictions for 2012, Gartner forecasts a whopping 70 percent of all BI initiatives will produce data that's out of synch with the business<sup>3</sup>. The most common lapses, Gartner says, are backward-looking reports and query applications that provide neither context nor analytics that resonate with business users and their objectives.

## The Fix

### Make the experience more engaging.

Think of it this way: the data doesn't matter. What matters is what you do with the data and that the data is accessible enough that you



actually can do something with it.

This means putting intuitive, self-service tools and dashboards in the hands of decision-makers. It's time for business intelligence implementations to stop relying on dull, uninspired pivot tables and spreadsheets and start presenting data in compelling visuals that are easy to understand and loaded with insight. That's how BI can unlock the full value of the data it gathers and deliver the desired ROI.

A 2011 study by TDWI Research illustrates why interactive data visualization is vital. It found that organizations still spend almost two-thirds of their time analyzing data presented in tables and text—but only 12 percent of them describe these formats as “highly useful” in gaining insight and making decisions. By contrast, organizations that employ more engaging, interactive data-visualization tools like dashboards and other graphical formats derive far greater benefits.

3 - Predicts 2012: Business Intelligence Still Subject to Nontechnical Challenges, January 2012

In the TDWI study, almost three-quarters of respondents said that interactive data visualization results in a “very high” or “high” improvement in business insight. Additionally, more than two-thirds felt that better data visualization has a “very high” or “high” impact on user productivity.

Traditional BI implementations often do a good job of collecting data but they usually are not so good at presenting the information to decision-makers. When organizations are able to combine data discovery with effective visualization, they can discern relationships previously hidden. Once they replace text and tables with easy-to-use interactive dashboards, the data becomes more meaningful, more engaging and more powerful. Ultimately, that saves money, boosts employee performance and increases profitability.

## Problem #2

**You can't always get what you want.**

Too many organizations define business intelligence success according to the amount of information they can stuff into one data warehouse. But the reality is that no company will ever get 100 percent of relevant data in a single box. Business moves too quickly and markets change too often to capture it all. What's more, the cost and effort of connecting disparate information sources to a centralized warehouse are monumental.

The volume of data generated around enterprises continues to grow exponentially. Information sources—from blogs to social media mentions to RFID tags to financial numbers—are expanding much faster than the organization's ability to store and manage them all. Yet companies still try, spending immense effort to capture and manage data in a top-down, single-silo process that, in theory, will render up one version of the truth. The reality is modern business moves so rapidly that reports and analyses derived via this process are often incorrect, out of date or both.

Even the most sophisticated companies in the world can only corral 70 percent to 80 percent of their data in a single warehouse. And, for some reason, these companies consider the feat cause for celebration. It's not. And savvy organizations are starting to realize it. They understand that there will always be important data—a new social media network, a wildcard sales number—that falls outside the box.



## The Fix

### Aggregate, don't migrate.

Given: there will always be critical data that doesn't make it into the central warehouse. And yet, as noted above, companies obsessively, compulsively try to gather it all and get it into one funnel, hoping useful intelligence will emerge at the other end.

According to a 2010 report from Forrester Research, 80 percent of all BI efforts is dedicated to data integration and more than 60 percent of typical BI efforts is spent identifying and profiling source data to feed the BI application. Instead, the majority of BI efforts should be focused on gaining insight to customer behaviors, eliminating guesswork, improving efficiency and spotting new business opportunities. Yes, it's nice to have a deep repository of information. But because there are so many sources that will never be captured in a data warehouse, organizations need flexible solutions that can hit these moving targets—sources like a one-off SaaS application or a social media monitoring tool that measures marketing efforts.

Rather than force the migration of data into a single bottomless pit, it's time for companies to move to a modern solution that can seamlessly provide a window into various information sources—a nimble BI tool that can constantly adapt to new data streams and provide intelligence anytime, on any terms.

It pays to do so. For example, Idaho-based product manufacturer Boise Inc. implemented

a modern dashboard solution that quickly and easily tapped into all its existing data systems and freed the company from a big part of its IT burden. Boise saved \$150,000 a year in costs and, with an effective dashboard solution, Boise's employees now have a tool that delivers better information and provides a competitive advantage.

## Problem #3

### Get off of your cloud.

Or, to be precise, find a better cloud—one that doesn't keep you in the dark. Every provider these days is claiming to be a cloud-based BI vendor. After all, the cloud does have the potential to reduce the cost of business intelligence implementations and give organizations the power to reap the benefits of pervasive BI.



But cloud-based vendors typically fall into one of two (equally unappealing) categories. They're either small vendors with no traction in the market and no partner ecosystem. Or they're old-school vendors that have simply given themselves a cloud-based facelift. With their existing install base on their traditional technology, it's hard for these old-school vendors to make the leap. Their "cloud" offerings tend to be one-dimensional solutions that don't have the capacity to provide a full picture.

## The Fix

### Get a true cloud solution.

Look for a solution built from the ground up for the cloud—one that can quickly connect to critical data either on-premise or in the cloud.

The knock on traditional BI has been its high sticker price, its heavy reliance on IT, its inaccessibility for business managers and its frustrating user experience. Now, cloud BI is hailed for its lower cost, easier deployment and better flexibility. "The use of BI in the cloud is a game-changer," says InfoWorld. "Through the use of cloud computing, BI is finally affordable and available. At last, BI systems are available to those who actually need them."

But you must choose wisely.

## Meet Domo

If any of these challenges sound all too familiar, it may be time to consider Domo, a new form of business intelligence delivered as a service that helps managers and executives transform the way they run their business. By bringing all of your data—finance, sales, HR, compliance and more—together in one intuitive, visual interface, Domo gives you real-time, self-service access to all the information you need in one place. No more searching. No more asking. No more doubt. To learn more, visit [www.domo.com](http://www.domo.com), follow @domotalk or call 1-800-899-1000.

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