

## **Technology Challenges - Commercial View**

#### Business Intelligence

Ability to gain complete and timely insight, distribute intelligence pervasively, and drive more effective actions and processes.

#### ▶ <u>IT BUDGETS</u>

- Concentrate on well-defined business functions
  - ► Billing
  - ► HR
  - ► Finance
- Often the only allocations for strategic business initiatives occur when there's leftover budget money or business units fund the programs themselves.



## **Business Intelligence Challenges**

- Business Intelligence typically falls OUTSIDE of operationally focused priorities
  - Number of Project requests exceeds the budget dollars to fund them.
  - This thrusts important strategic initiatives, most of which rely on rich information and analytic capabilities, into an Apples and Oranges comparison with Operational systems.
  - Support of strategic initiatives thus drops to the bottom of IT's priority tree

# Business groups complain that IT doesn't Listen

- Requirements Fatigue
  - Users tied of explaining what they need
  - Seeing no paybacks
  - Not kept in the loop
  - Gets shoved further and further back in the priority cue.

# Operational vs. Business Intelligence

- Operational Systems are focused on Business efficiencies
  - Are designed to automate repeatable business processes in a rigorous manner
- But when Business Goals change, flexibility is key, and flexibility is the cornerstone of Business Intelligence.

# **DoD View of Business Intelligence**

- Clearly visualize the status and effectiveness of your operations and take advantage or rich data to make informed decisions.
  - Track key performance indicators
  - Monitor, Analyze and prioritize operations to meet mission goals
  - View Data in a number of intuitive ways and drill down to specific areas of interest or concern
  - Perform predictive analysis based on data trends
  - Aggregate historical and near-real-time data from disparate sources.
  - Communicate in real time to initiate immediate actions.
  - Utilize familiar technology and control costs.





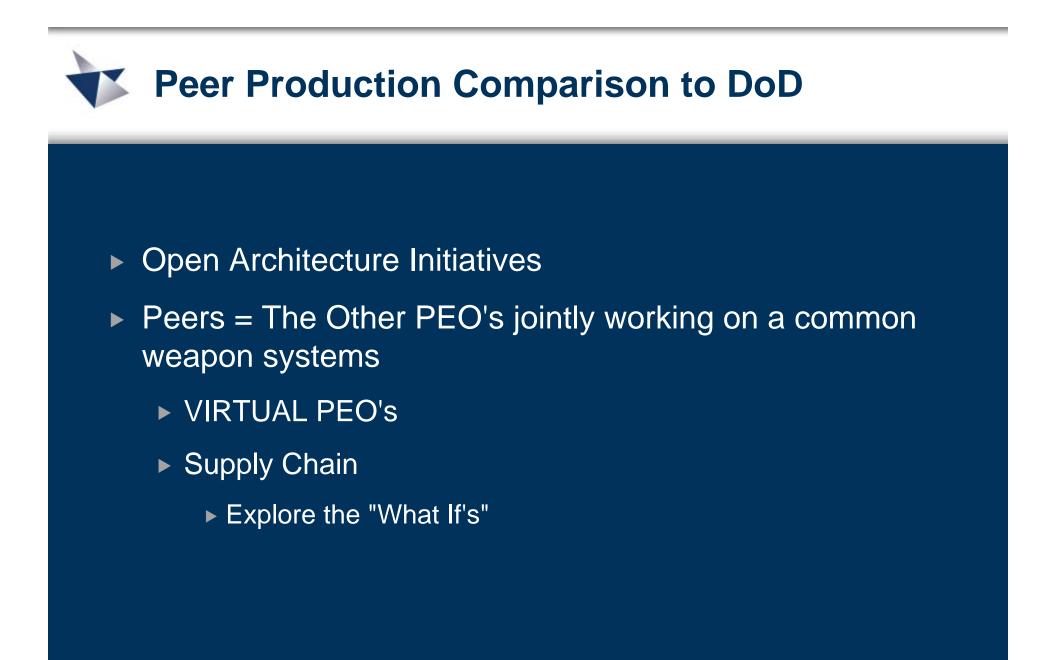
# Peer Production In Commercial Sector

- Open Source Software
  - Infrastructure
  - Products
- Millions of Customer Reviews
  - ► No Latency!
  - No Market Incentives such as Payments
- ► Example:
  - E-bay
    - Gross Merchandise sales up 32%
    - ▶ \$45 Billion

"It is far better to have an army of a million than a command-and-control system" - eBay CEO Margret Whitman

## **Industry Leveraging New Technologies**

- Proctor & Gamble
  - Collective Brain Trusts
  - Lilly Company Innocentive Inc
    - Network of 80,000 individuals
    - Independent, Self-selected "Solvers"
    - Across 173 Countries
    - Gang Tackle Research Problems
  - They MAKE UP 35% of NEW PRODUCTS Derived at P&G.





- Commence the involvement of seemingly disparate groups.
- Use Collaborative Technologies
  - JSF Example today
    - Requirements / Product Data / BoMs / Configurations / ITAR
  - Start with Communities of Interest
    - If need be, add the oversight, make it a directive
  - Spiral In Capabilities
    - Requirements Management
    - ► Workflow, etc
- GET YOUR FOOT IN THE DOOR. There are millions of ideas available for FREE



### ► Gillette

"We are a Fast Paced, High Impact, Low Tolerance Organization"

Low Tolerance equates to not training your people on the technologies sitting on their desktops.

Quote to Remember

► CULTURE EATS STRATEGY FOR LUNCH EVERYDAY.