

Information Centre of Excellence

Harnessing information for
competitive advantage

November 2011

Agenda

Background and definition

Building blocks

Putting it together



Background and definition

- The importance of information
- The evolution of Information Management
- Information Centre of Excellence

The velocity of business is increasing

'According to Gartner vice president and research fellow Roy Schulte, the elapsed time of individual processes at e-businesses around the globe is already beginning to accelerate. Responses to call-center inquiries, for example, have gone from eight hours as of a few years ago down to 10 seconds today; refreshing a data warehouse has accelerated from one month to one hour; and the time it takes to build a custom-made PC has gone from six weeks to 24 hours, to name a few examples. Schulte predicts this acceleration has just begun and that process times will speed up even more, triggering a huge impact on the inner workings of companies large and small. For the strategic CIO, he says, the movement to real time will mean "increasing the velocity of business processes, and to get this kind of speed the CIO is going to have to rethink how he or she designs computer systems."

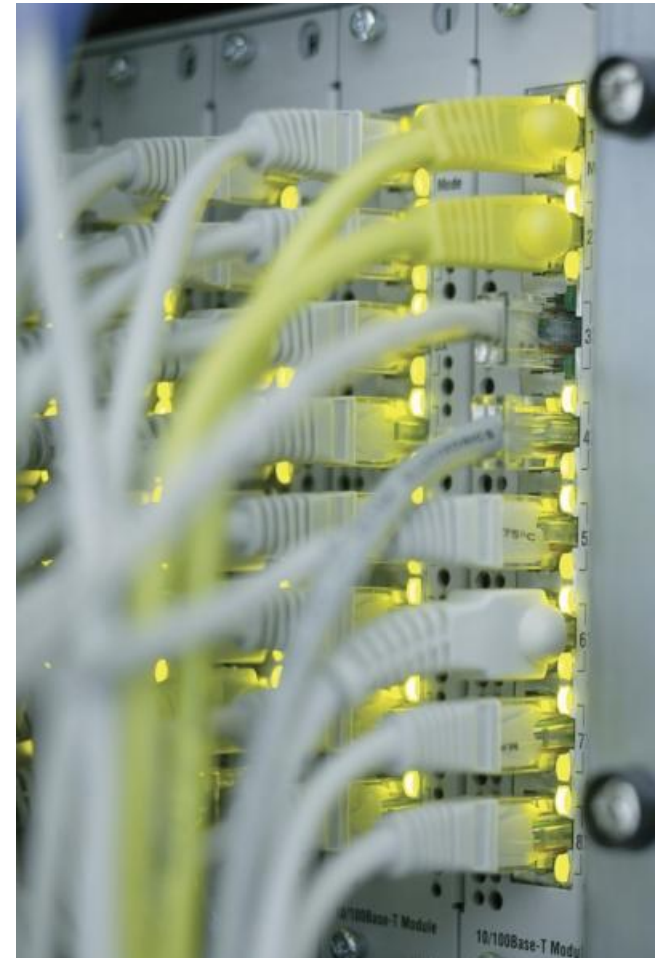
Increased speed of business implies the need for increased speed of decision making. It also means that businesses might need to be thinking of analysing events that have not yet happened.

The importance of information

Information is a competitive asset and advantage

In multiple global surveys conducted across industries, one of the differentiators between those who were most negatively impacted by the rapidly changing economic climate and those who were not, was access to accurate, timely, organisation-wide information. Information is a competitive advantage and should be treated for:

- Increased multi-year Net Present Value (NPV);
- Maximised Return On Investment (ROI); and
- Reduced time to market and resulting payback period.



Differentiating between data and information

We all have systems that generate data. But how much sense can we make of it? Plain numbers from a transaction system do not lead to active insight. For insight we need information.

Data ≠ Information

Desirable characteristics of information

For making the right decision, I should

- Trust the information
- Have confidence in the results

1

ACCURACY

Information is useless unless I

- Receive it on time
- Receive it in the desired frequency

2

TIMELY

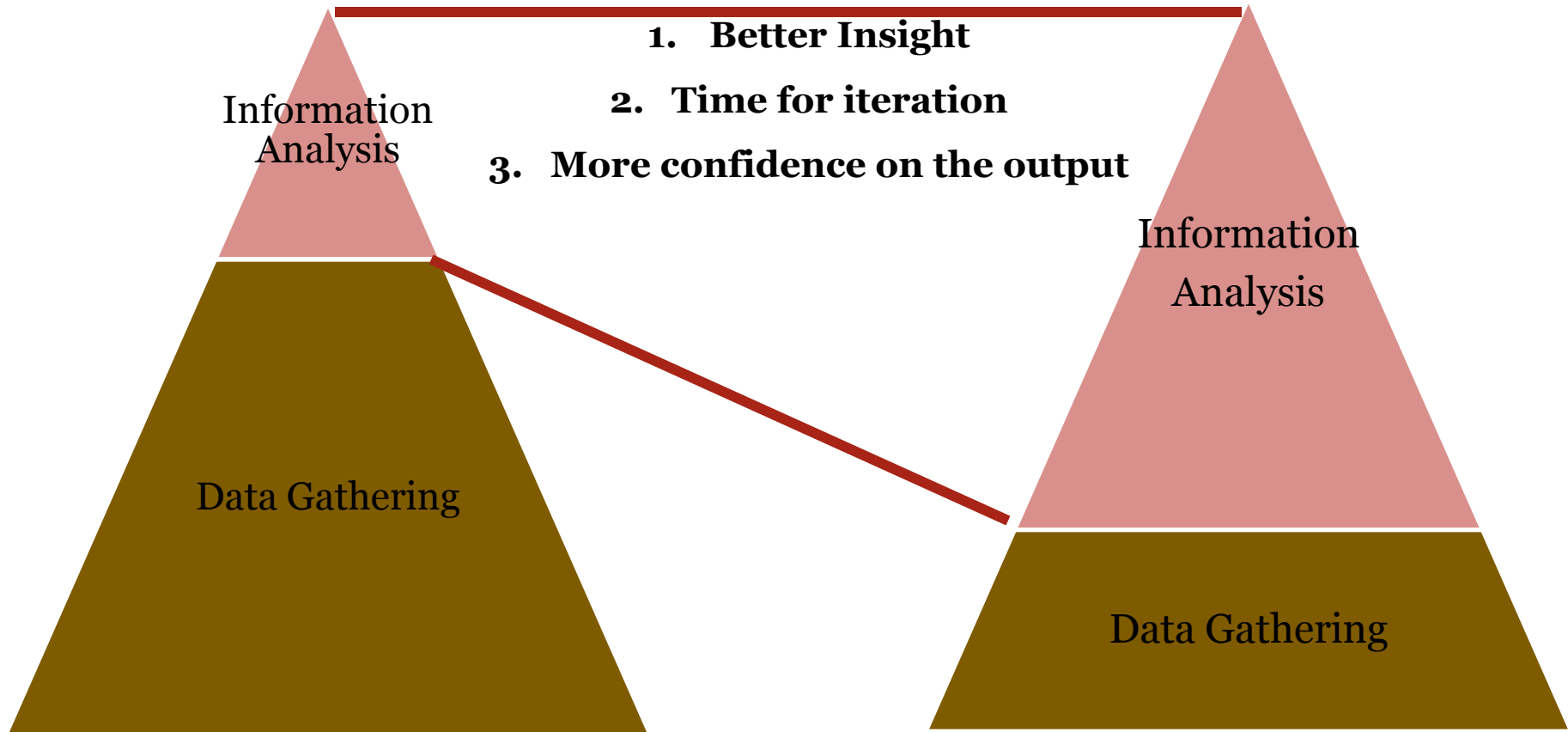
I require information that is

- Suitable to my purpose
- Helpful to derive the right conclusion

3

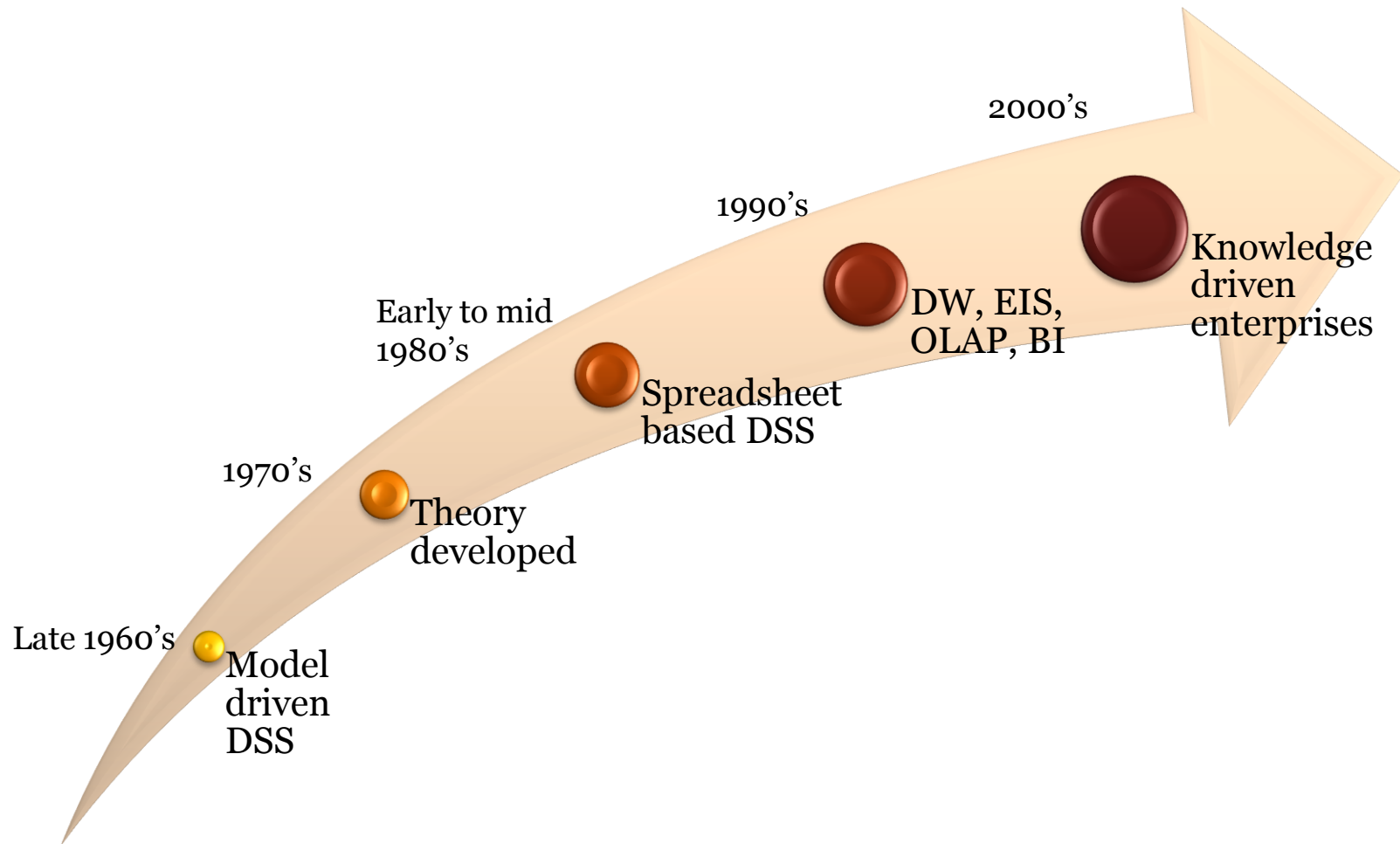
RELEVANT

Information Analysis



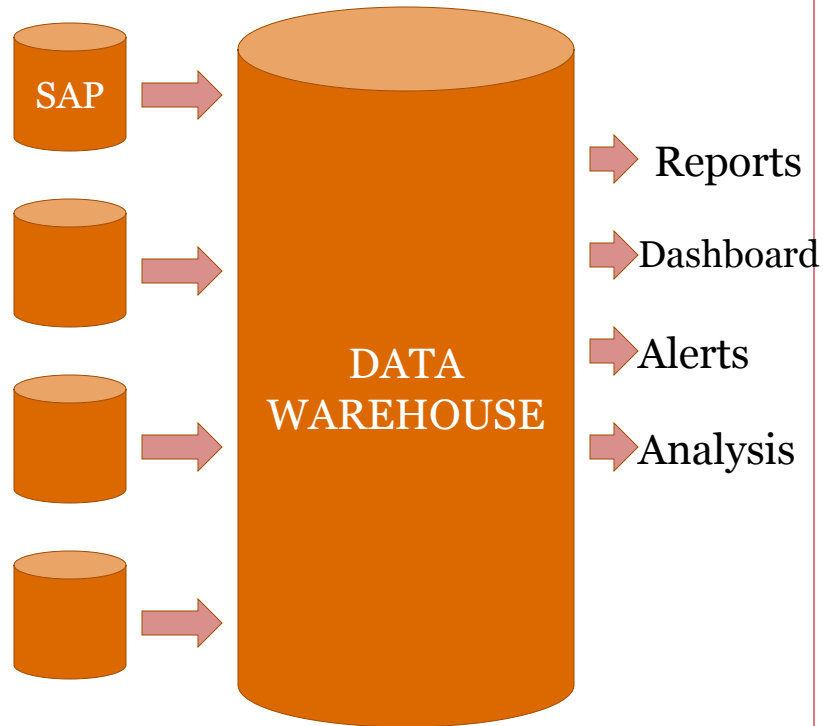
Information Management- Evolution

Delivering information to the enterprise

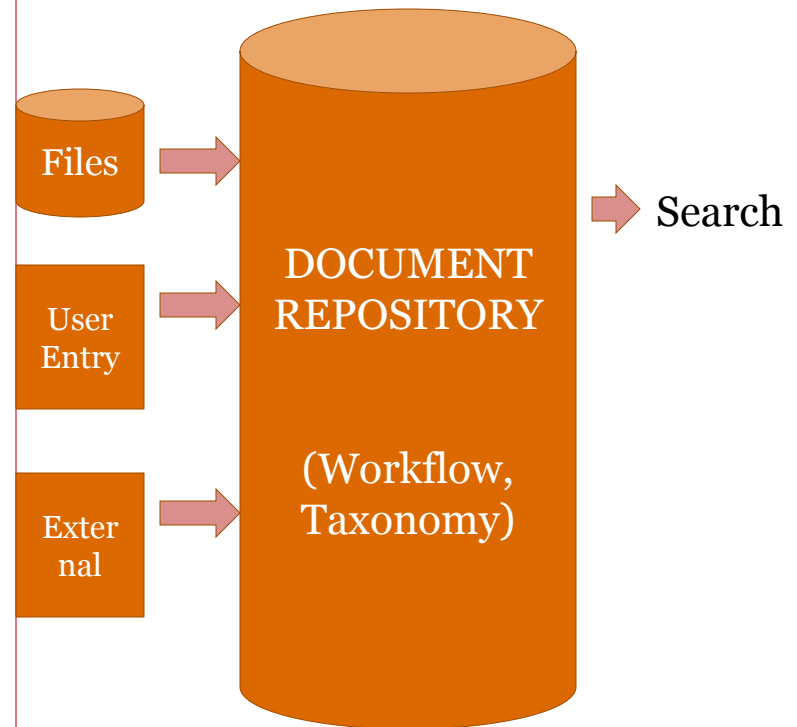


Quick Definitions

Data Warehouse



Document Management System



Getting the information – some challenges

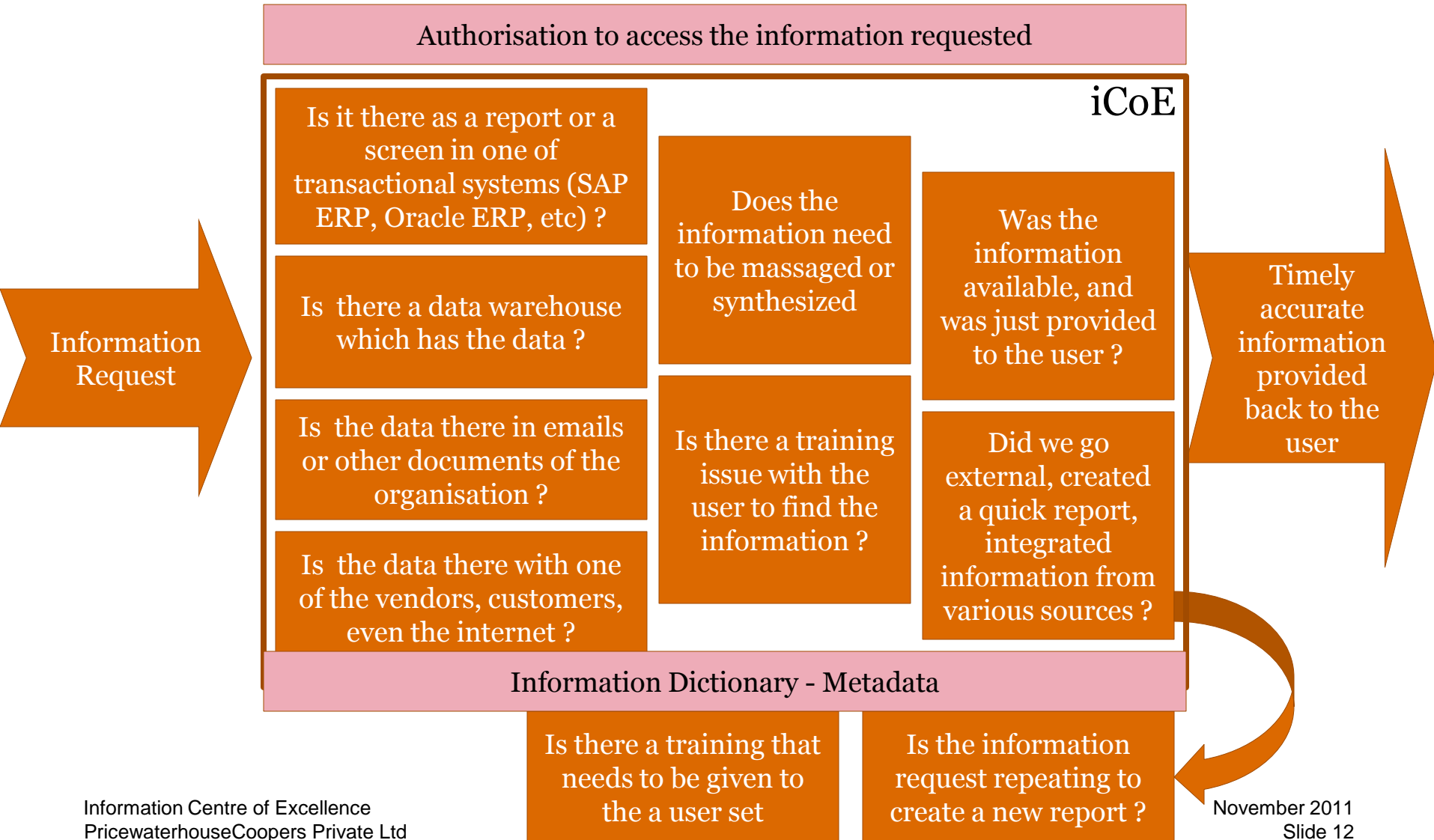
A Data Warehouse is just a start

Whilst most of us have systems and processes that churn out data at a high frequency, we have noticed the following challenges:

- We often require to collate information from multiple sources
- Most of the effort is manual involving significant use of productive time and effort
- Information requests to the IT team take a long time to process
- Repeat the process the next time the need arises
- Many times we analyse the cause of the issue instead of predicting it

And at the end of the day we are still not sure if the information and insight we have gained is correct in the first place.

iCOE – How it works



iCOE – How is it different from the traditional thought process

The focus is on getting the information back to the user quickly for the case, and less on building a repeatable report

1

AGILE

One is not limited by the data in the various systems stored in structured form. Any organizational or external data can be the source

2

BOUNDARY LESS

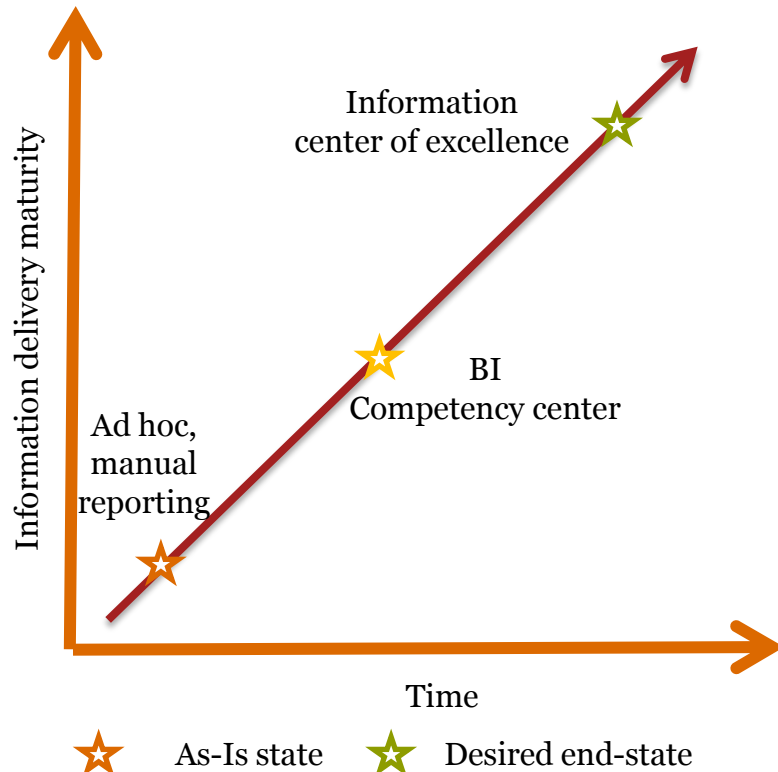
The reports that are the required by the users will get created automatically, and the concern on usage of the DW is not there

3

INCREMENTALLY
BUILD SYSTEM

Information Centre of Excellence

Next generation of BI transformation



Many organisations are already on the path of implementing a Business Intelligence Competency Centre of sorts. The key components are already present:

1. A collection of Data Marts
2. A presentation layer (SAP BusinessObjects, Cognos etc.)
3. Extraction processes that automate data loading
4. Ad-hoc analysis allowing users to create reports and analyse on the fly

Information Centre of Excellence

Definition, Characteristics and Drivers

Definition

- A separate entity / department reporting to the CIO /CTO of the organization
- Caters to all business needs in the following areas:
 - Subject matter expertise on data and analytics
 - Is the sole authority on data definition and usage

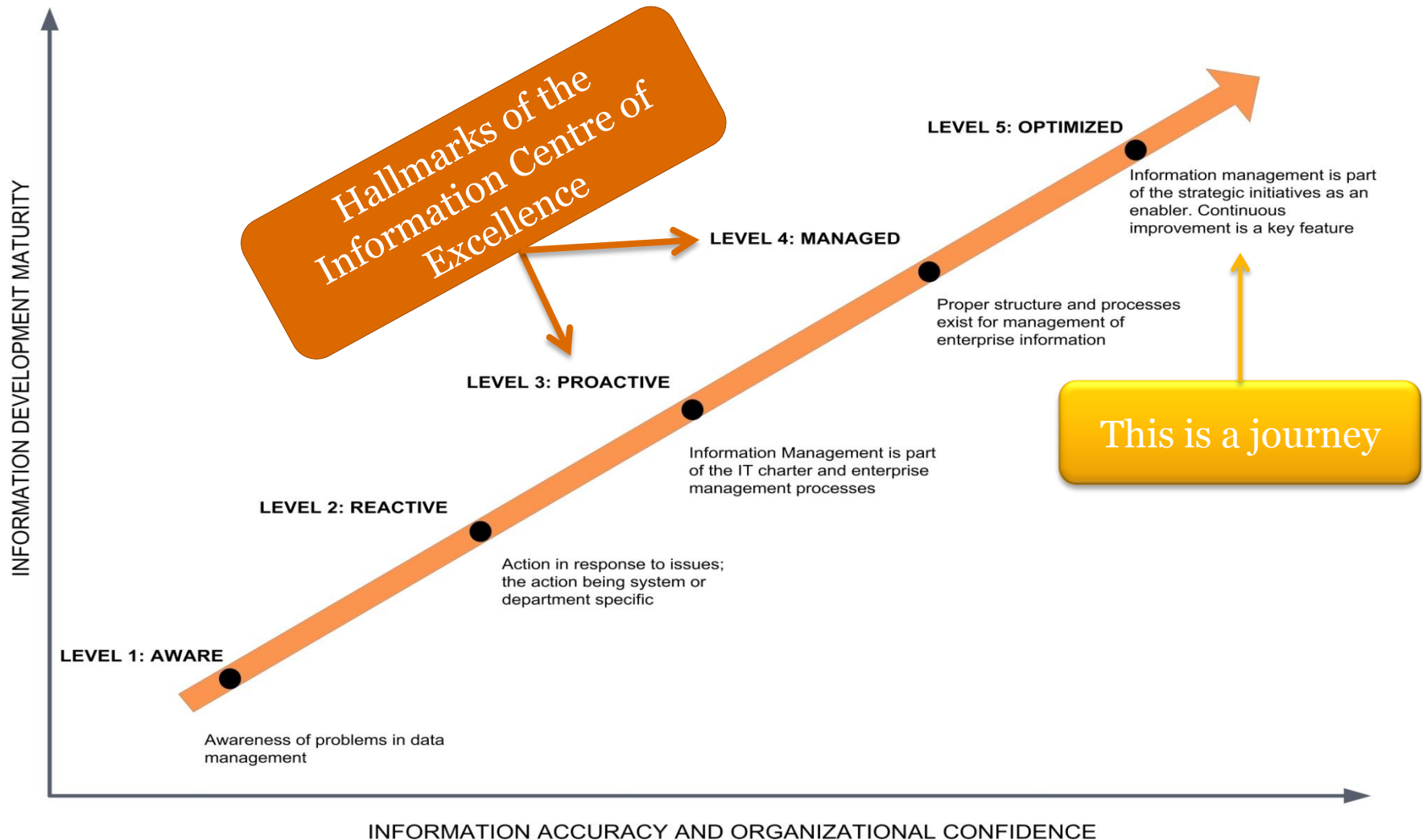
Characteristics

- Well defined business processes and systems
- SLA for maintaining service levels to business within time and cost constraints
- KPI and KRA for guiding its performance

Drivers

- Use of analytics as a means to stay a step ahead of the competition
- Helps the organization treat information as a competitive asset

The Information Maturity Model



Large Financial Services group in India

The virtual ICoE is able to get back to business proactively

The group has interests across banking, capital markets, life and general insurance, private equity etc. Most of the large business units in the group have set up their own business intelligence teams that are distinct from Business Users and IT and yet can interact very closely with both.

These teams take requests for development of new reports and work on special assignments given by Business users for which there is a charge back.

More importantly, these teams are able to get back to business with their suggestions which are based on their analysis of data.

Benefits

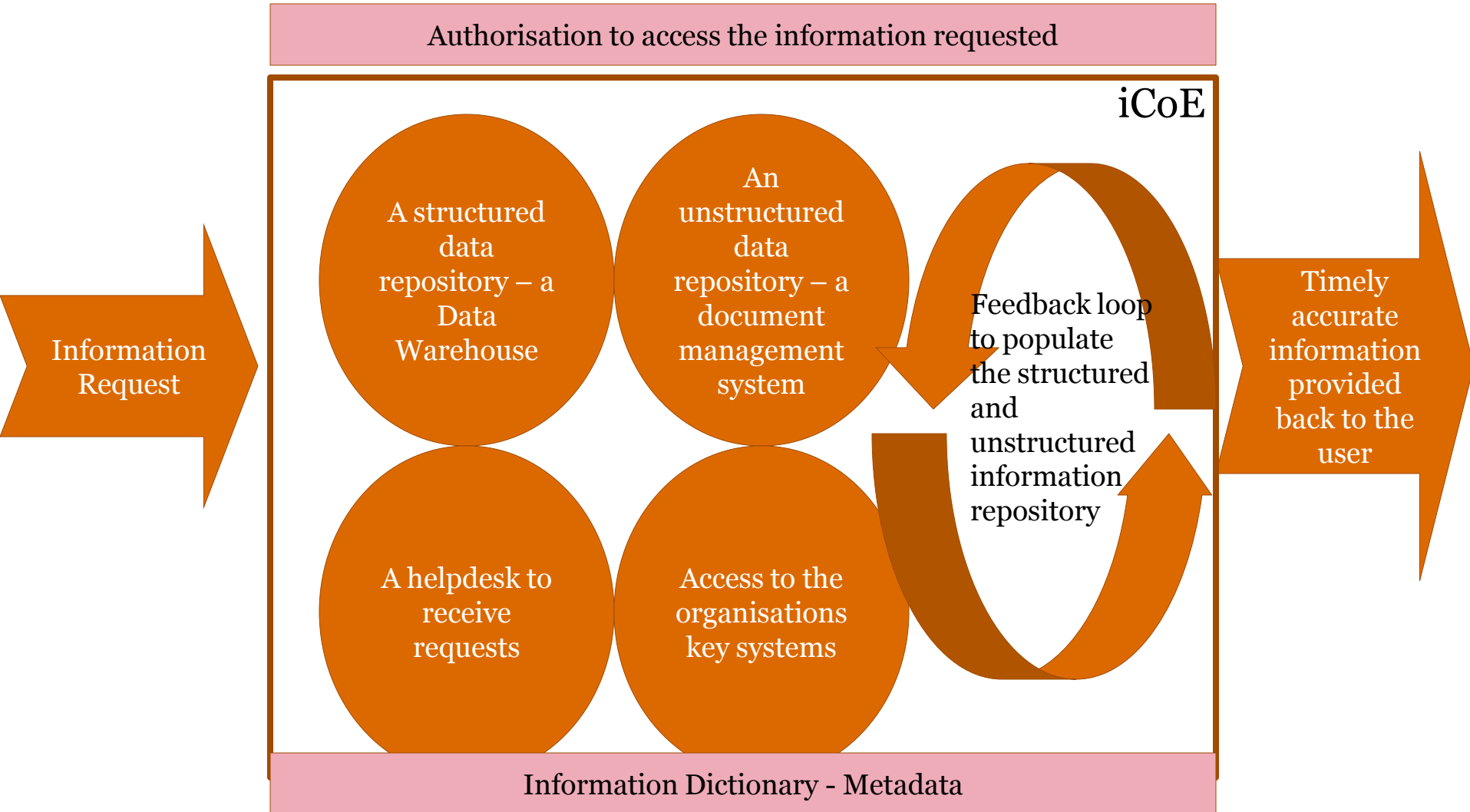
Benefits are both tangible as well as intangible

1. Improved business performance:
 - a. Better top line
 - b. Reduced costs
2. Ability to predict future areas of concern
3. Improved ability to respond to changes in business environment
4. Ability to drive alignment to business strategy in a more streamlined fashion
5. Better control over information assets
6. Self sustaining and hence delivering better Return on IT investment

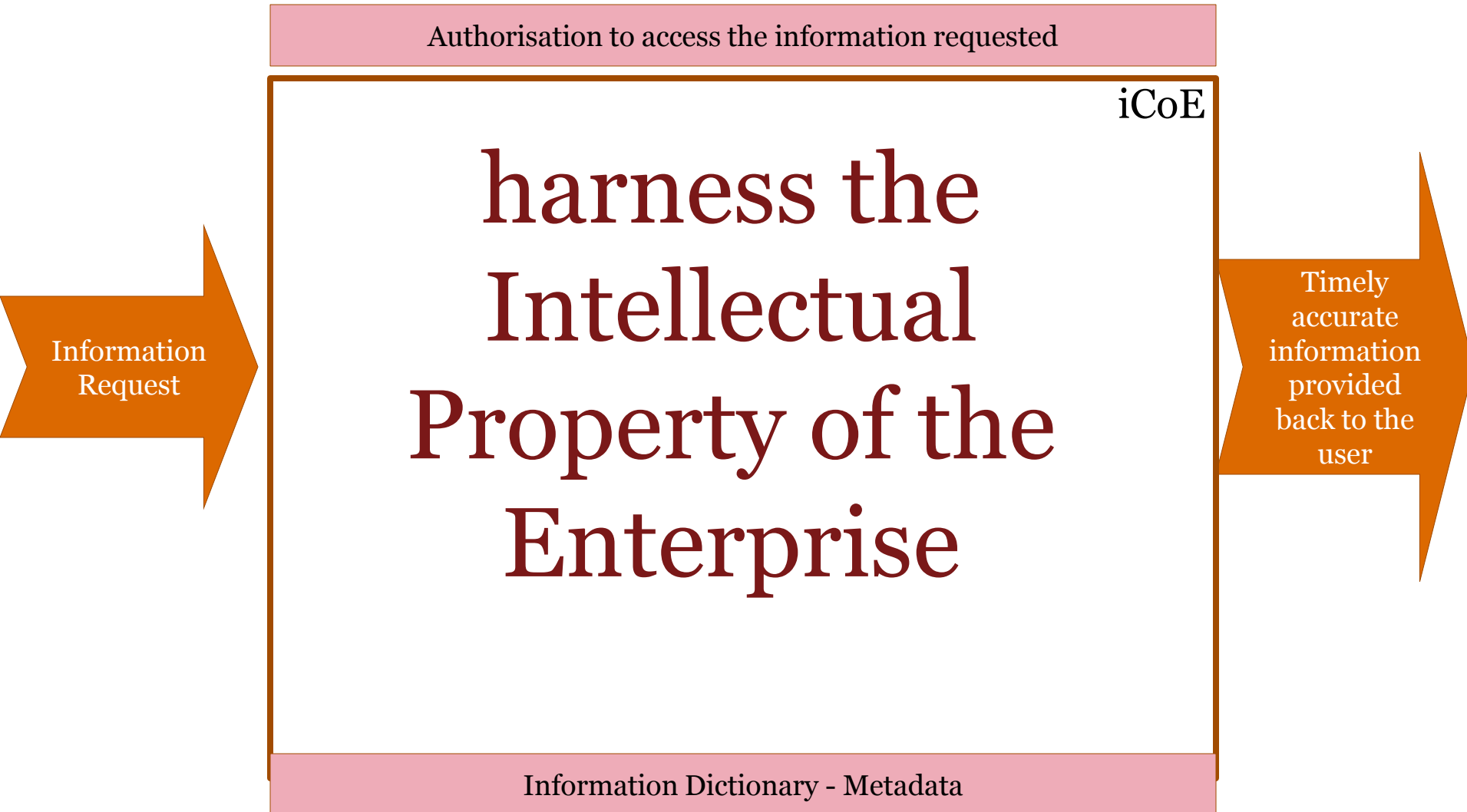
Building blocks

- Information architecture
- Data Governance
- Delivery models
- Team

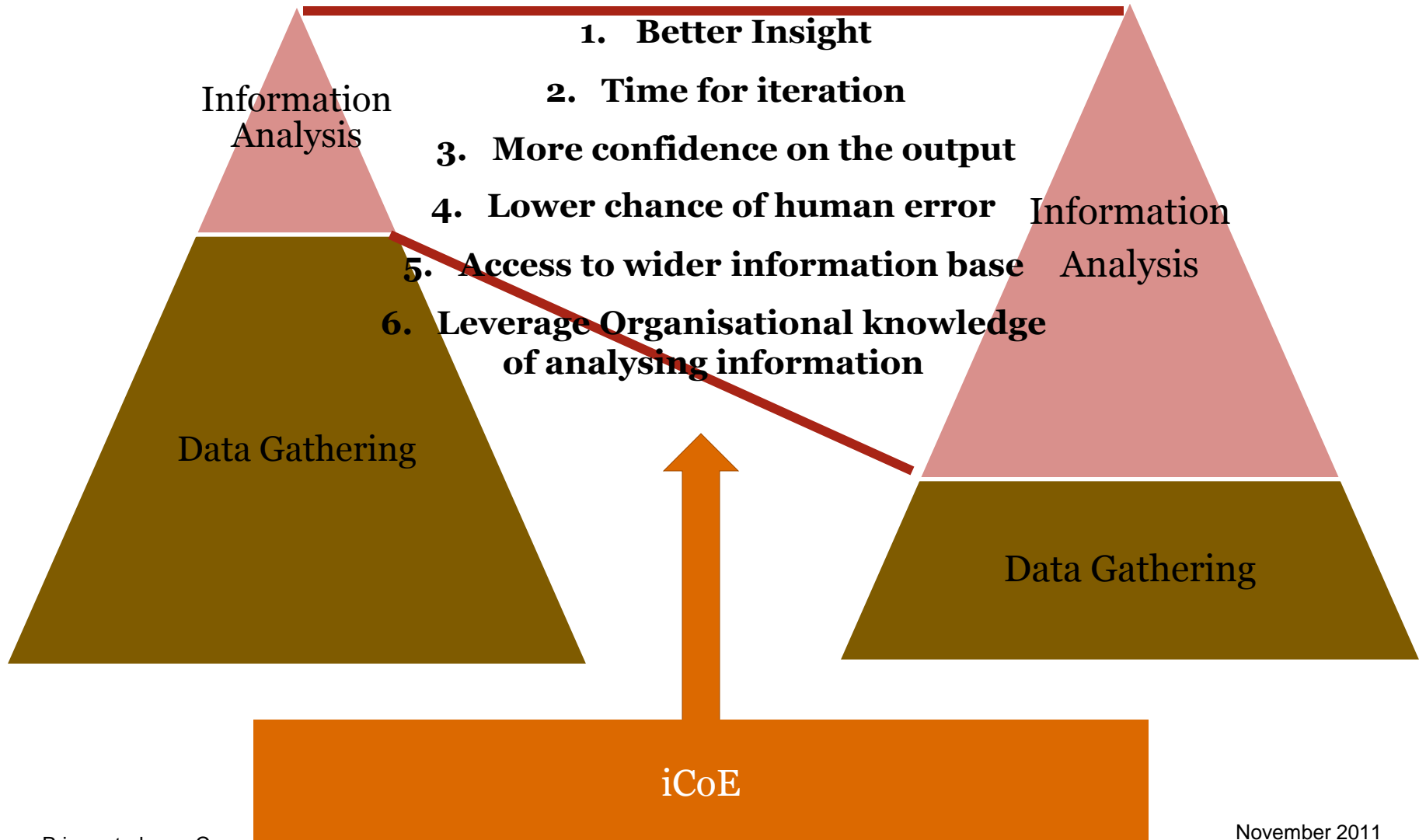
iCOE – What's inside



iCOE – What's inside

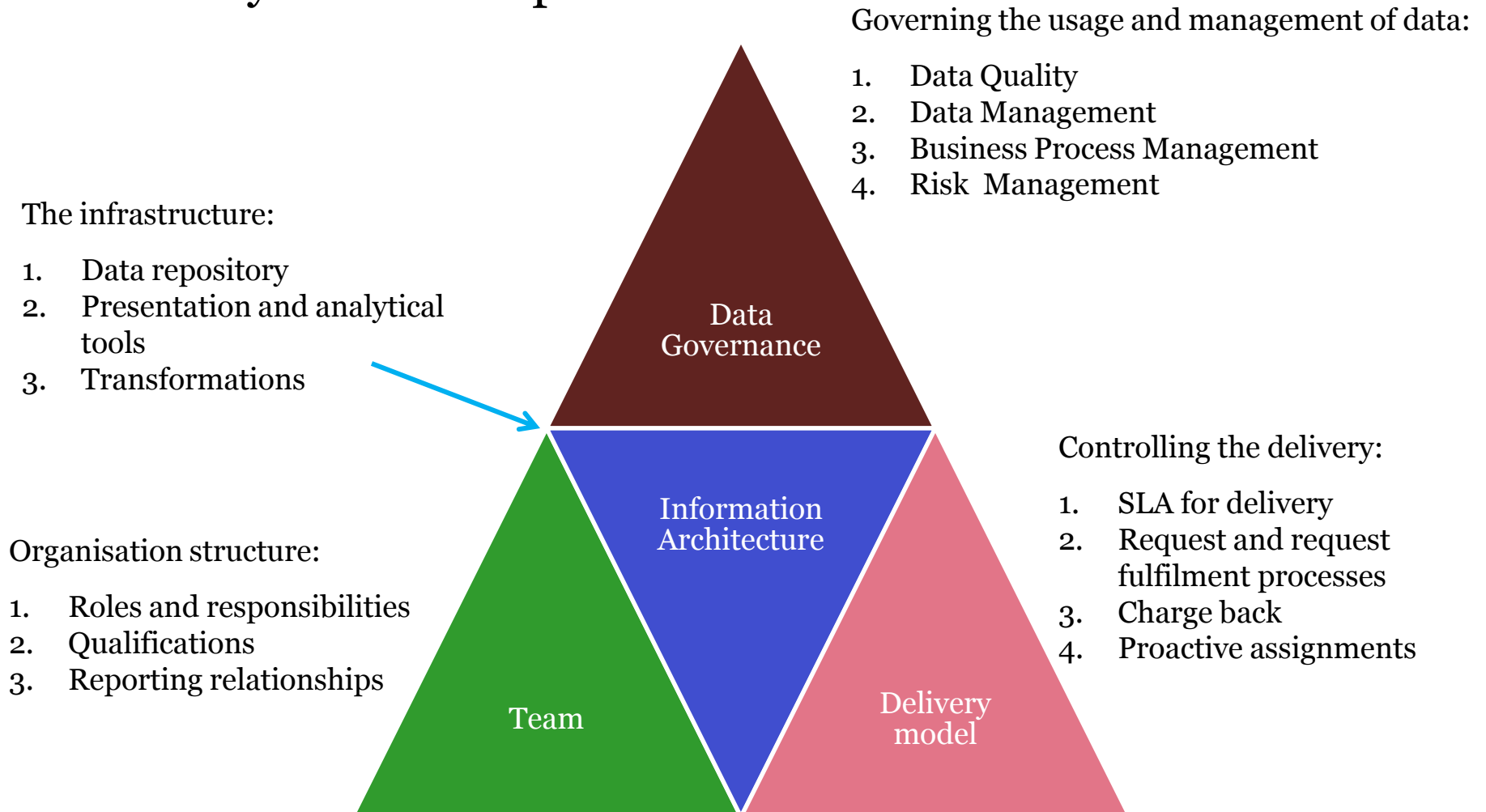


Information Analysis



Building blocks

Four way relationship



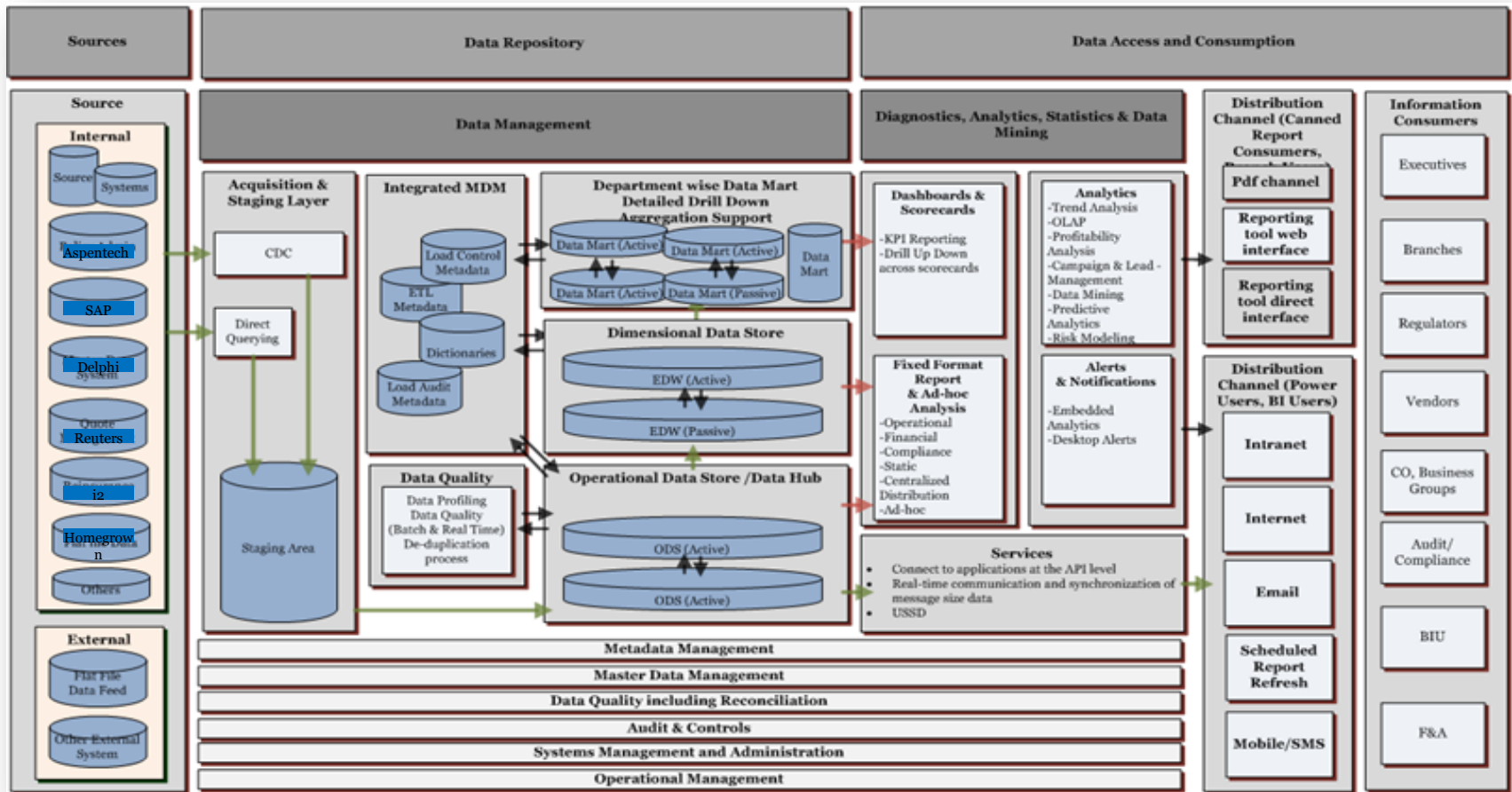
Information architecture

The Information Architecture consists of the following building blocks:

1. Automated mechanism to extract, transform and then load data into the data repository.
2. A data repository or multiple data repositories each providing data for various business functions.
3. Presentation and analytics tools to provide business users with adequate and relevant insights into business performance and issues.
4. The information architecture also encompasses technology and tools to implement policies around Data Governance.

Information Architecture

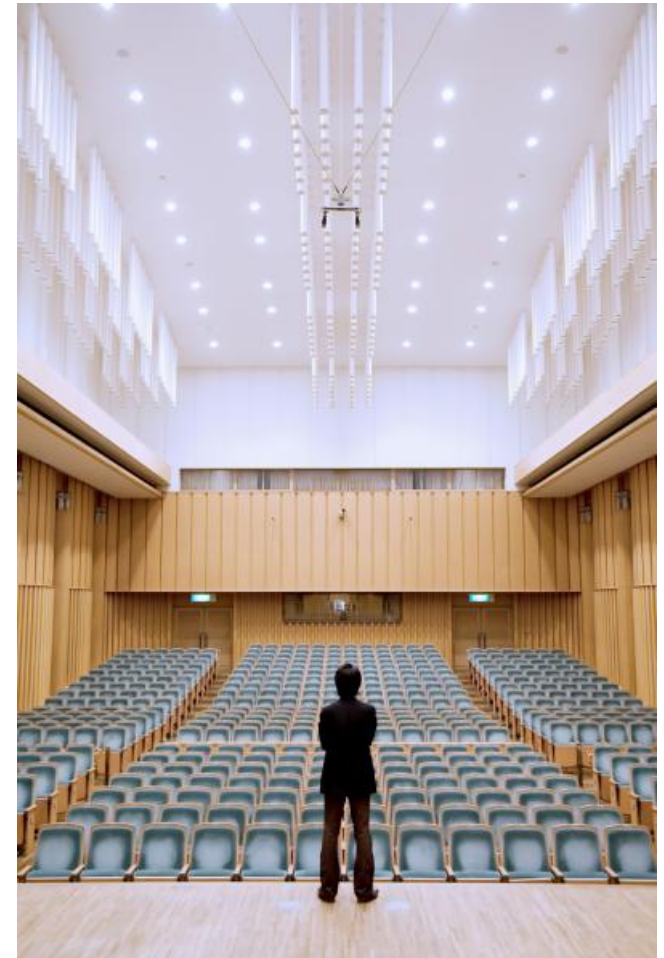
Sample



Data Governance

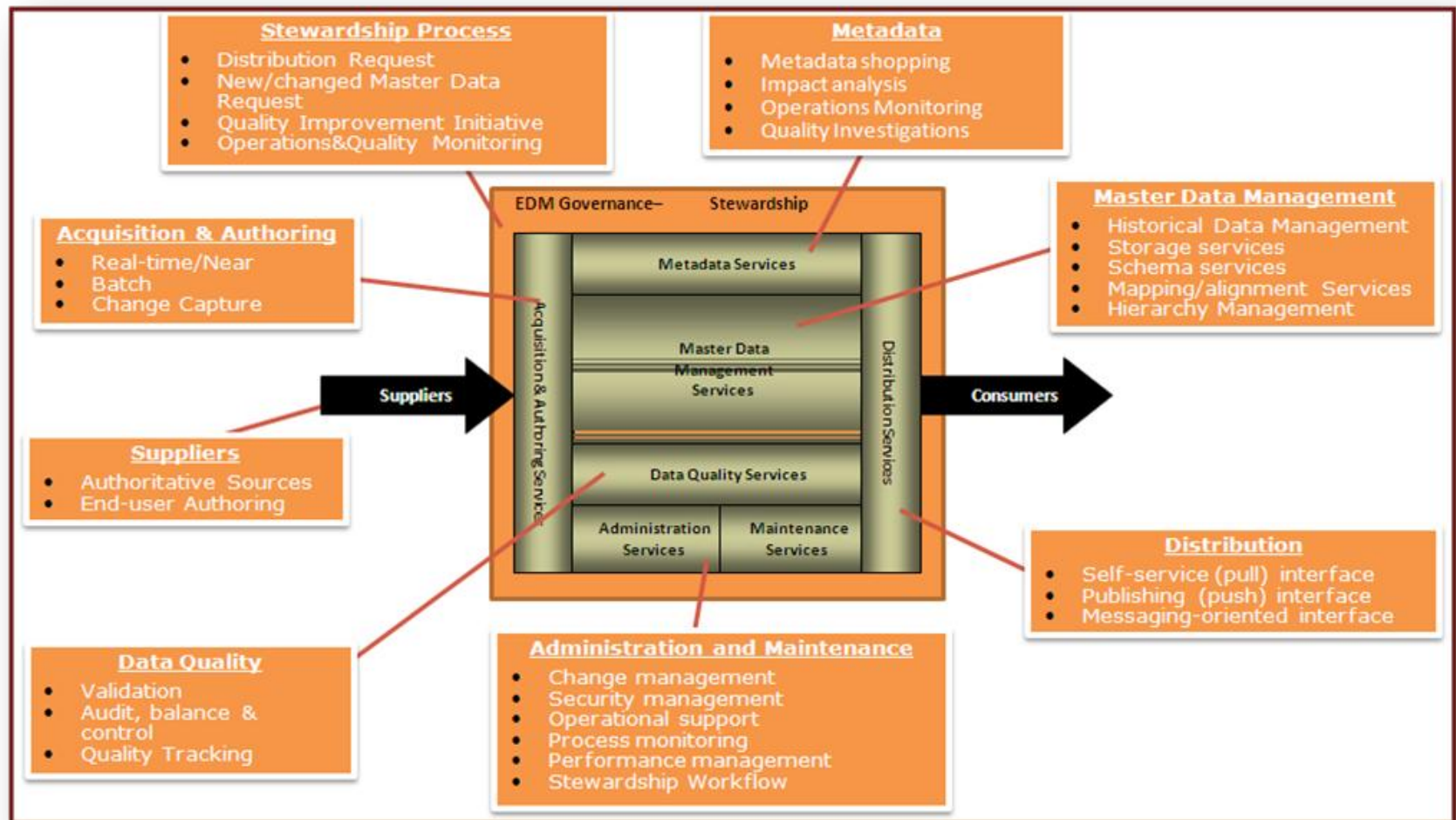
Data Governance structures and procedures are put in place in order to manage the following:

1. **Data Quality:** So that the information being provided is complete, acceptably accurate, timely and relevant.
2. **Data Management:** So that information being updated within the Information Architecture does not affect Data Quality
3. **Risk:** So that information being served from the ICoE is protected from unauthorized use
4. **Changes to Business Processes:** So that the linkage between the business process and the data captured is maintained

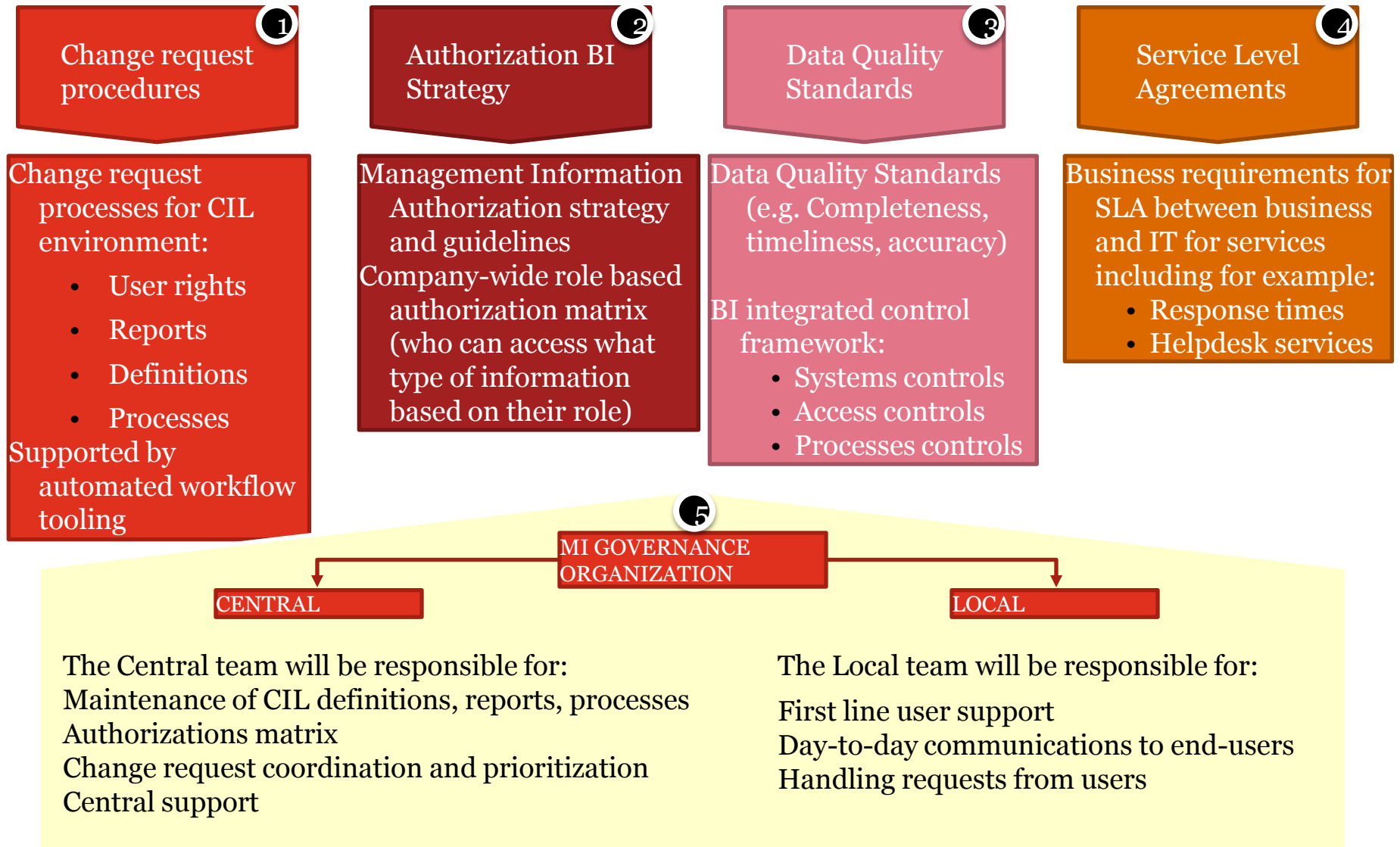


Data Governance

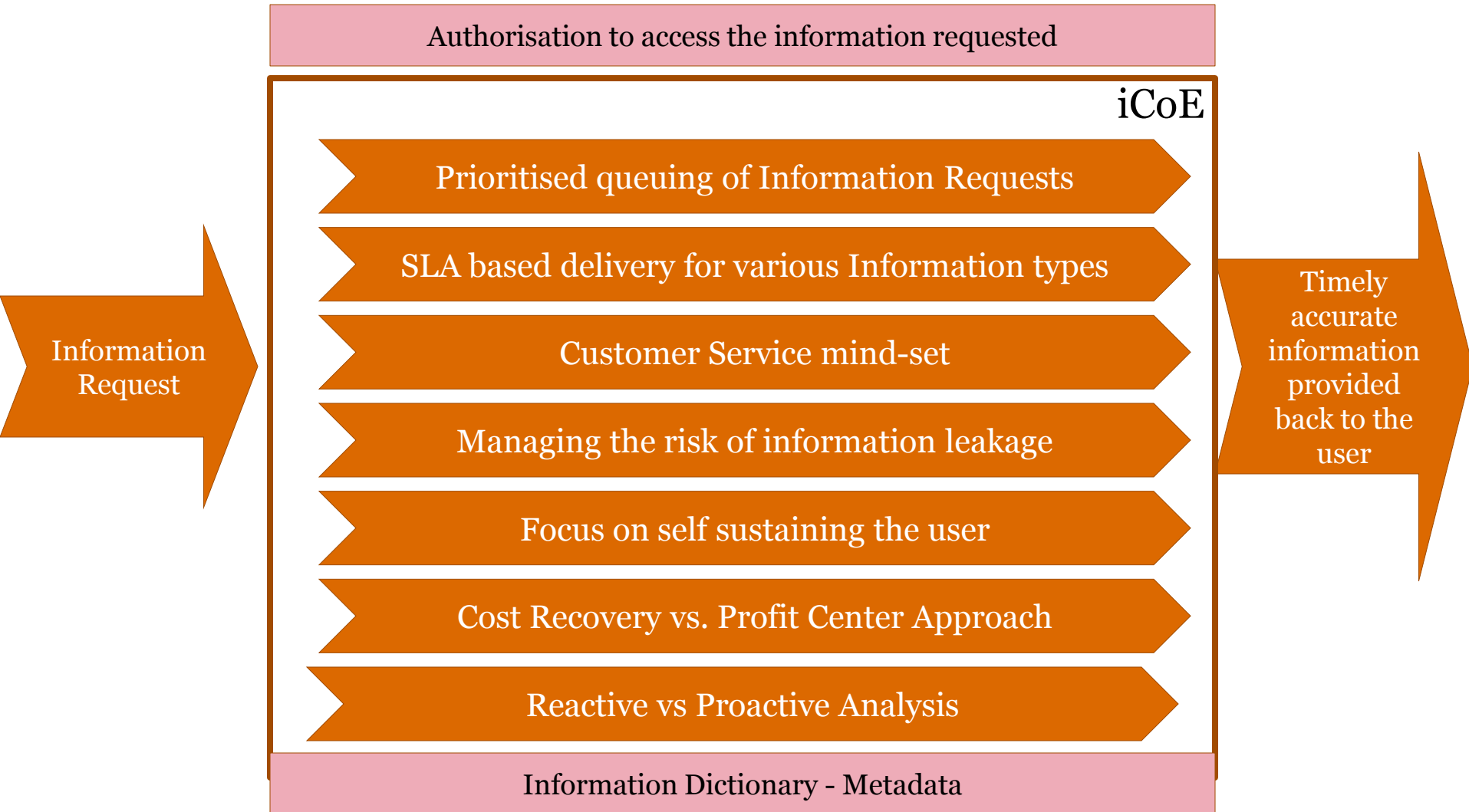
Illustrative framework



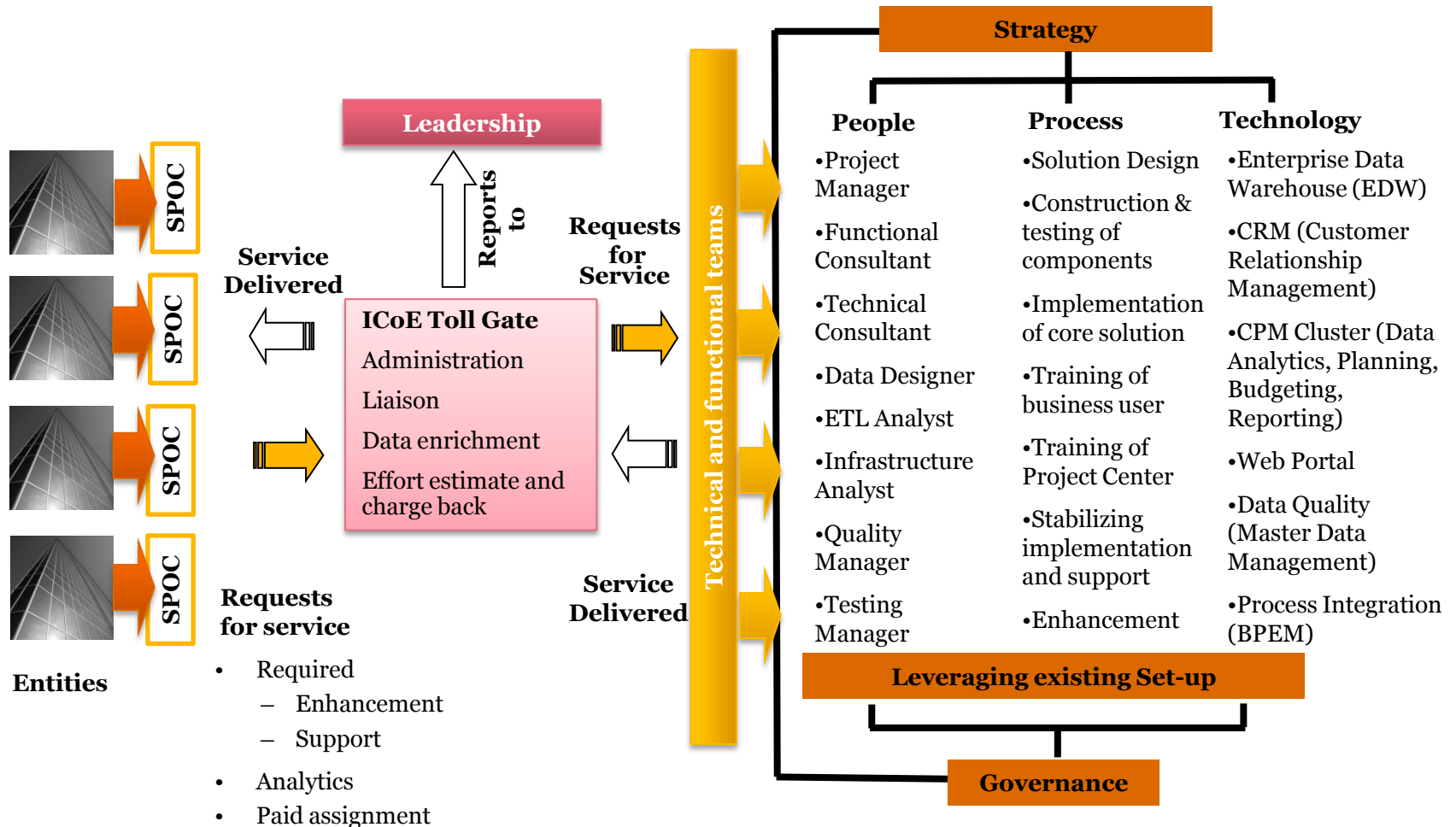
Data Governance within a iCoE



iCOE – Delivery Model



Delivery model – Illustrative

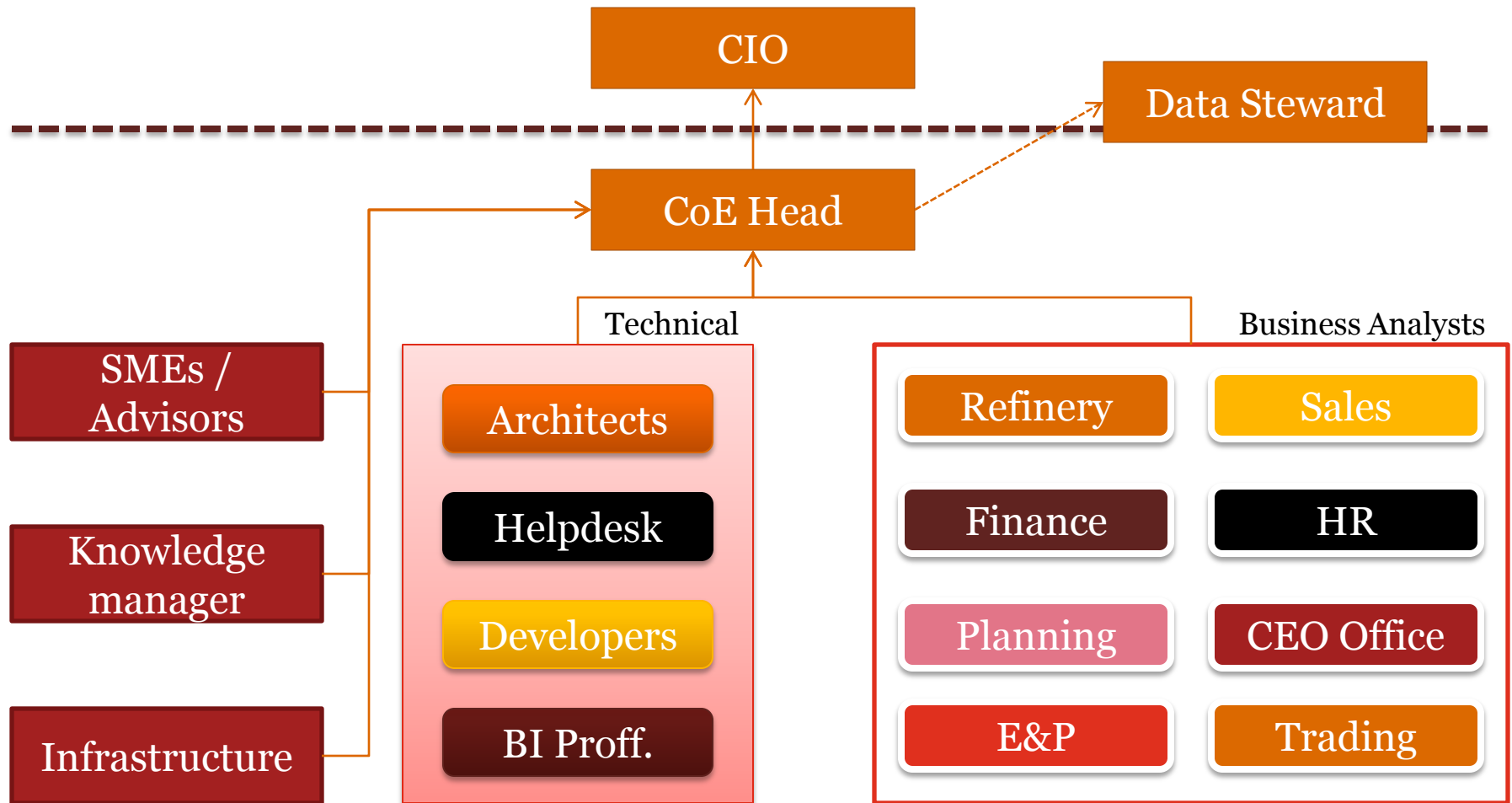


Team

The team that is responsible for the ICoE has the following characteristics:

1. Is proficient with the tools and technologies of the Information Architecture
2. Is proficient with the business processes and can appreciate the challenges being faced by the business
3. Has a clear and well defined span of control between both technology and functional teams
4. Is capable of utilising its expertise in getting back to business pro-actively with its own analysis of business issues
5. Is focused on working in a Profit Centre approach

Team components



Putting it together

- Considerations
- Execution

There is no shortcut to the implementation of the ICoE. The journey is long and to reach managed state would take about 2-3 years if starting from scratch.

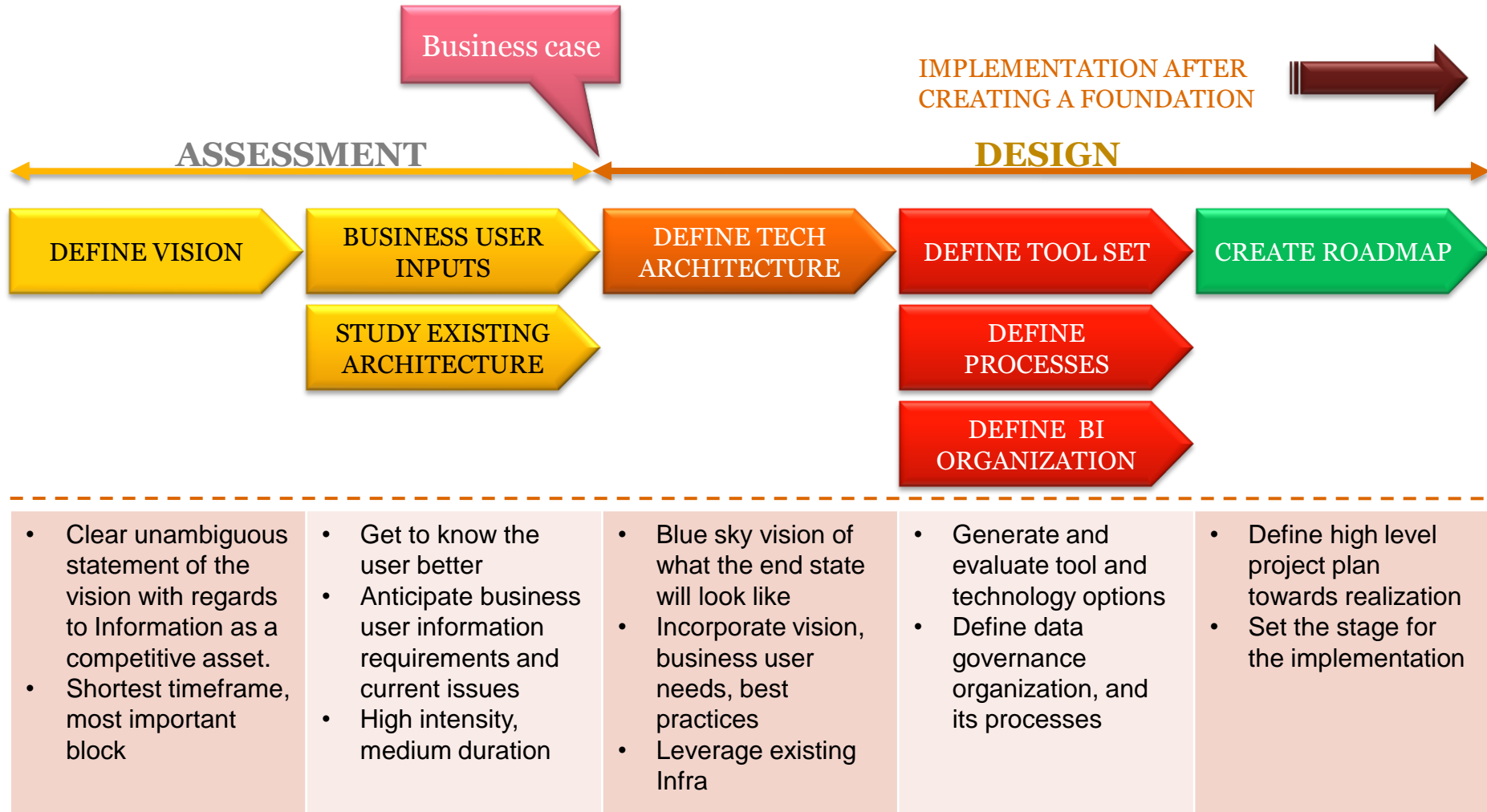
Considerations

Commissioning an ICoE requires thought

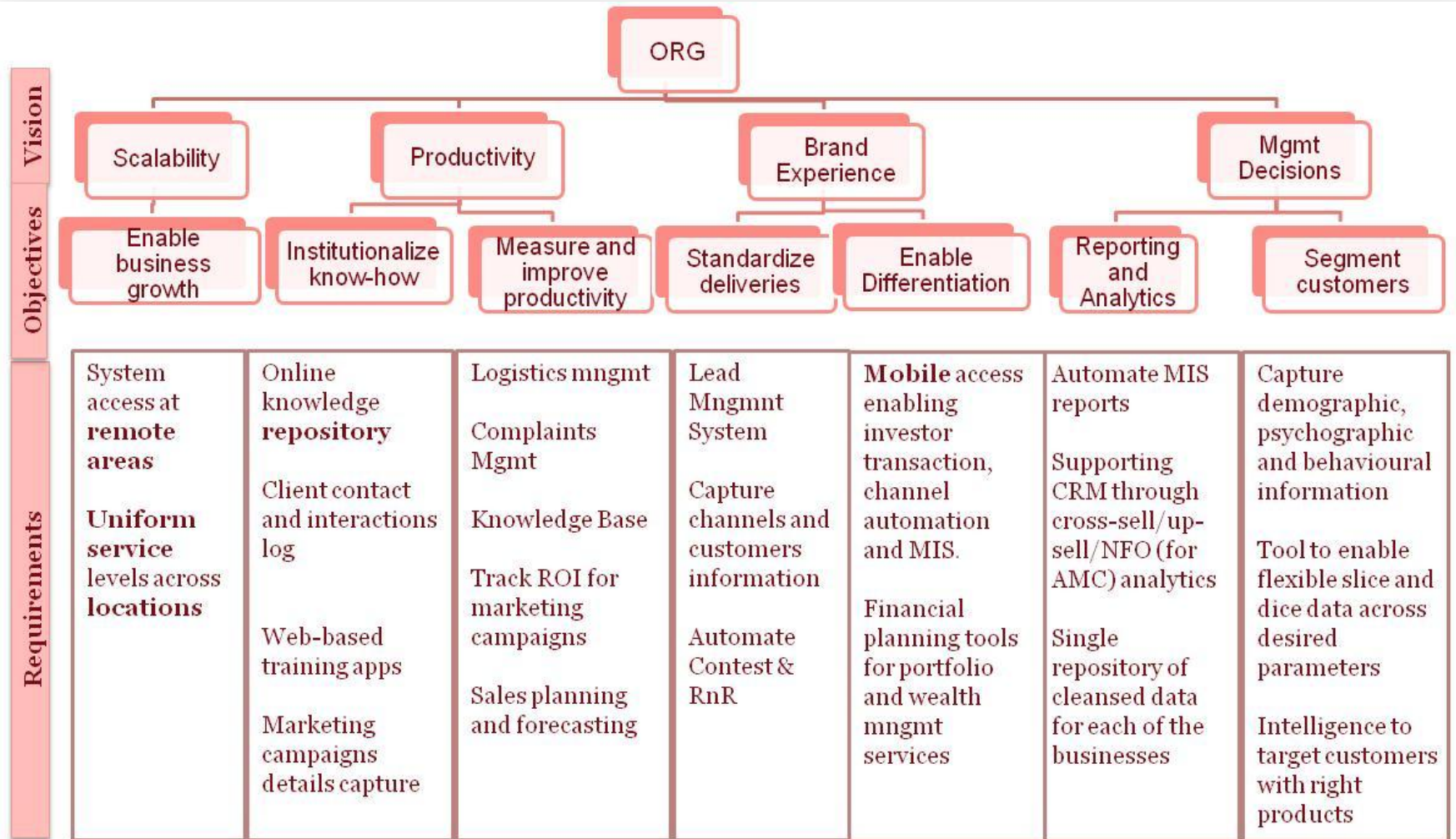
While any time is a good time to start, the following need to be addressed before embarking on the ICoE journey:

- All relevant business users and departments have been sensitised to the coming of an ICoE
- The IT strategy reflects the coming change from a technology and process perspective
- There is a clear articulation of the information architecture of the organisation and clarity for the next 3-5 years
- The process of evaluation of products and vendors for plugging the gaps in the architecture has been completed or is on track for completion

Starting from scratch?

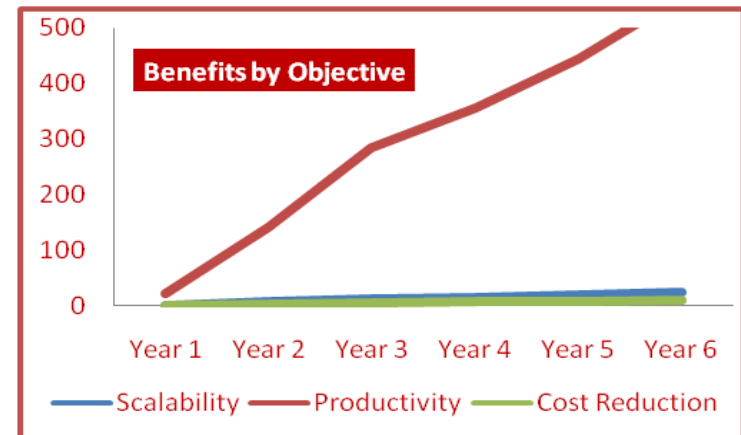
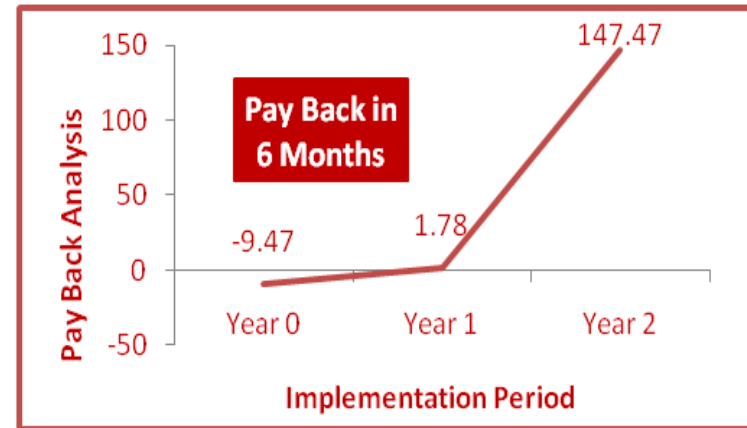
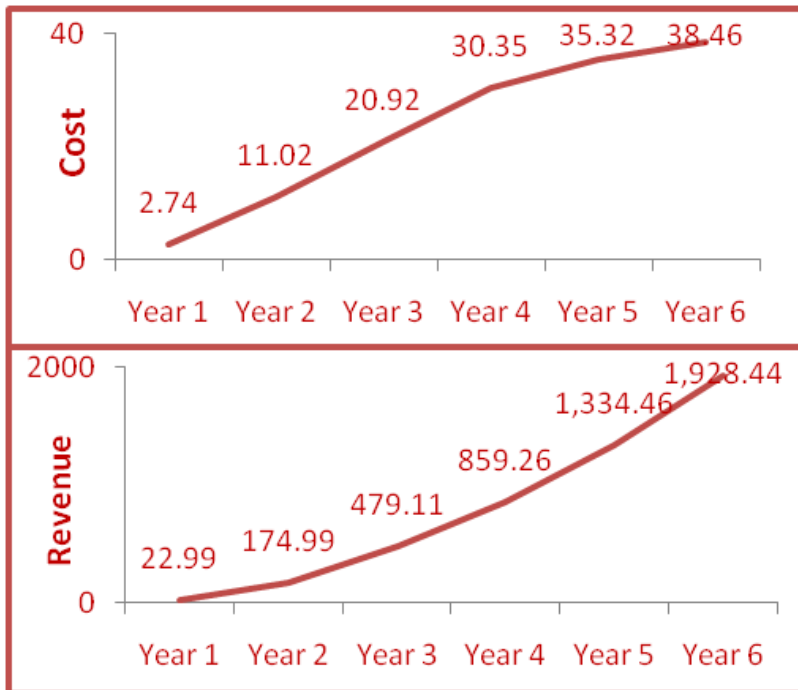


Align to business objective and strategy

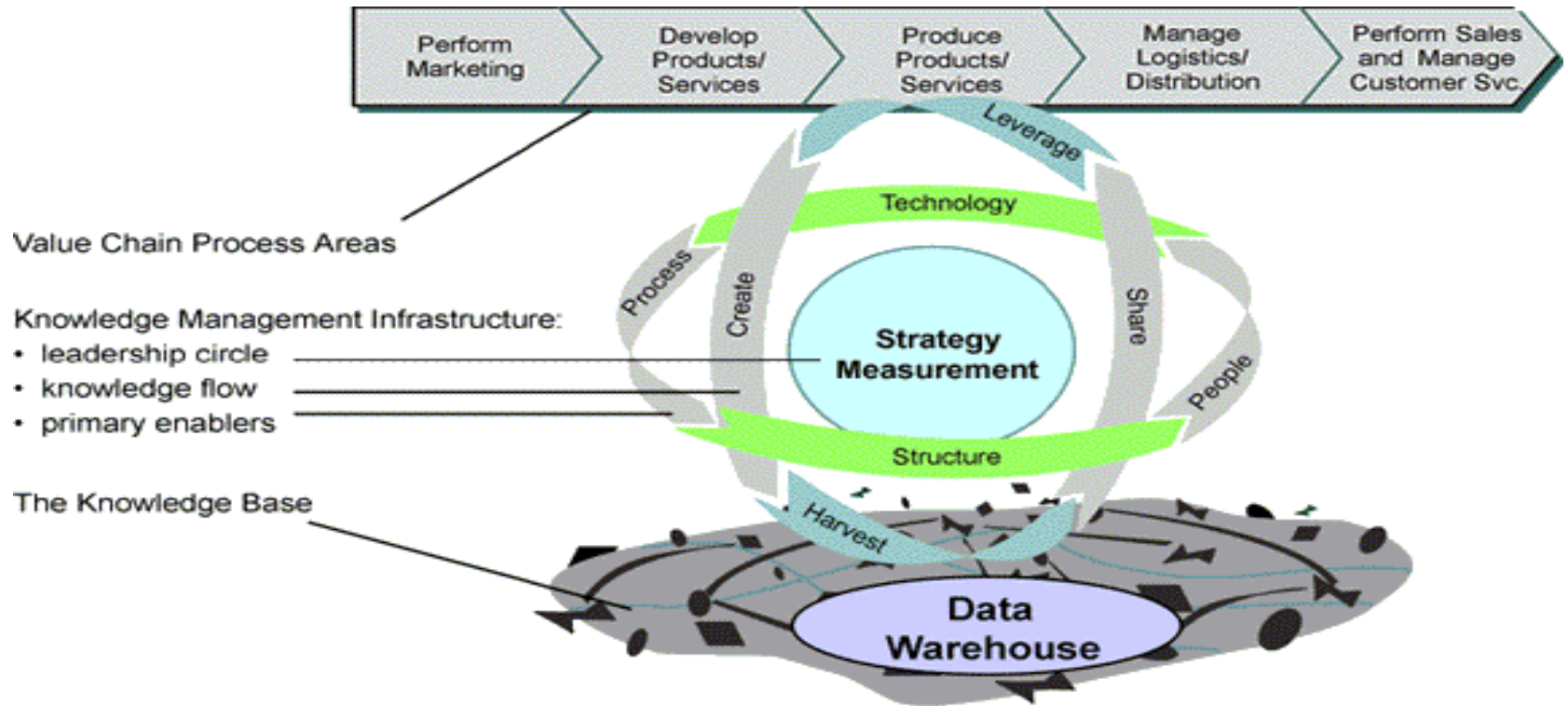


Clearly define the business case and track it

Financial Evaluation (Cost vs. Revenue)



Defining the knowledge and information cycle



Alignment of the relationship between the value chain, strategy imperatives, the knowledge cycle and is necessary to create the business meta data that would be used to form the basis of all information flow across the organisation.

How an ICoE would help?

1. Unified business meta data
2. Published and accepted business transformation logic
3. Automated processes for loading of information
4. Unified information delivery channels
5. Control over the information delivery channels – improves consistency, reduces redundancy, reduces maintenance costs
6. Self service mechanisms allow users to reduce dependency on IT
7. Time freed up for CoE personnel will allow them to focus their efforts on proactively looking for emerging issues and advise business on corrective actions
8. CoE can take up paid assignments from business for analytics on a case to case or continuous basis

Thank you

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