



CLAUDIA IMHOFF

Gone Fishin'— Hooking Up With Some BI Anglers

Claudia wishes to thank Scott Humphrey for his contributions to this month's column.

Ever feel as though you're overdue for a vacation? Like you just need to break the routines, clear your brain and refocus? Like if you get one more spam message offering to refinance your mortgage or increase the size of some body part, you're going to lose it? Well, I felt that way, and a weekend junket to the Rogue River in Oregon cured me.

Now, before you abandon this fishy story and continue searching for other business intelligence (BI) tidbits elsewhere, let me assure you that this month's column offers more than my accounts of the one that got away. Actually, it's more about the ones who came along.

Allow me to explain. The theory goes like this: If you've got BI on the brain 24x7 and you've got to get away from it all for a few days, you might as well take dozen or so BI columnists, analysts and vendors with you. Right?

Admittedly, it's a shaky theory, but it worked out well – so well, in fact, that we want to share the highlights of Humphrey Strategic Communications' 2nd Annual Pacific Northwest Business Intelligence Summit.

The three-day event brought us together in the informal settings of inflatable kayaks and Adirondack chairs, wherein we discussed relevant matters such as fish ladders, microbrews, spam and business intelligence. Here's what we came up with.

Sarbanes-Oxley: The need for greater transparency and higher standards in financial reporting is an immediate opportunity for BI. Organizations are being pressured – formally by the government and informally by their shareholders – for

greater disclosure, and BI has a central role to play in:

- Delivering greater insights into business operations.
- Detecting potential anomalies that could infringe laws if not corrected.
- Providing pro forma and on-demand reports as required by regulatory and other bodies.

BI vendors need to better acquaint themselves with the key requirements of Sarbanes-Oxley so they can determine the areas in which their products can help companies ensure compliance.

Homeland Security and the Patriot Act: Recent events highlight the issues related to the sharing of information among security agencies and the very difficult problem of consolidation of data from so many disparate sources. A number of BI-related areas are critical in addressing these issues – e.g., data cleansing and ETL at the infrastructural level, and business process integration at the procedural level.

There is also an ethical issue for BI professionals in determining the degree to which they should be advising their clients on the appropriate uses of data. BI professionals should be clear as to their organization's stance on the use of data within legal constraints. At one extreme, they may actively advise clients as to the appropriate use of data; and, at the other extreme, they may wash their hands of any such judgments. BI organizations should have clear policies on the extent to which they wish to engage in or disengage from ethical issues and be clear in communicating these policies to their clients from the outset in order to avoid misunderstandings and ethical conflicts later.

Small and Medium-Sized Business (SMB): The growth in the SMB sector is strong, and this market is

attracting attention from the major vendors who have previously ignored it in favor of the Global 2000 sector. SMB's BI needs are largely the same as those of large enterprise customers, but with one important difference: SMB customers are predominantly looking to buy solutions rather than build them from components. They are especially attracted to solutions tailored to the verticals in which they operate.

As the large BI players "stir up" the SMB market, the opportunity arises for all BI vendors to ride the wave of the heightened interest that will result from this intensification. BI vendors need to go to new levels of ease of use throughout the product life cycle (i.e., installation, configuration, maintenance and use) in order to succeed in the SMB market. Extra premiums will accrue to those companies that either tailor their products by vertical industry and/or partner with vertical solution providers who have established reputations as successful suppliers to SMB.

Governmental Business: Government agencies are major users of BI products, and use will become more pervasive in such agencies as they increasingly monitor data for financial and security irregularities (see Homeland Security and the Patriot Act). Many BI vendors (notably smaller companies) are averse to dealing with governmental entities because of the bureaucracy involved; but once they have "cracked the code" of dealing with government, the benefits can be enormous.

BI vendors who have previously eschewed government business because of the sizable administrative overhead that it imposes should consider partnering with organizations that have already established them-


selves as approved suppliers to government and work through these partners to deliver their products and services into this lucrative sector.

Industry Consolidation: There have been a significant number of consolidations in the BI area of late, and more are likely as companies seek to achieve critical mass and defray operating expenses. This trend is generally of benefit to the industry and customers alike as it promotes a single point of purchase for a variety of products and services, and greater integration between products and methodologies than previously existed between the independent companies.

Companies considering acquisi-

tions should accelerate their activities to take advantage of the attractive prices attaching to organizations that can complement or enhance their existing offerings. All BI vendors must pay particular attention to relevant consolidations taking place to ensure that they are not left high and dry by competitors who make a quantum leap forward through strategic acquisitions.

Those in attendance at the 2nd Annual Pacific Northwest Business Intelligence Summit wholeheartedly agreed that our industry has come a long way in the past 10 years, but the opportunities for growth in BI are still enormous and immediate.

What's more, we agreed that everyone should experience high-speed power slides in a 40-foot, thousand-horsepower jetboat. Gosh, it's good to be back. 

Claudia Imhoff, Ph.D., is the president and founder of Intelligent Solutions (www.intelsols.com), a leading consultancy on CRM and business intelligence technologies and strategies. She is a popular speaker and internationally recognized expert and serves as an advisor to many corporations, universities and leading technology companies. She has coauthored five books and more than 50 articles on these topics. She may be reached at cimhoff@intelsols.com.

Scott Humphrey is president of Humphrey Strategic Communications (www.strategic-pr.com), a Portland, Oregon-based public relations agency specializing in promoting business intelligence, CRM and data warehouse solution providers. Humphrey has 20 years experience in marketing BI, data warehousing and database solutions. He can be reached at (503) 644-9709 or humphrey@strategic-pr.com.