Information Management CoE
A Pragmatic Approach

Peter LePine - Practice Director
Tom Lovell - Data Governance Specialist
Information Management & Business Intelligence Practice
Information Management Practice takes a solutions approach to help organizations achieve their Strategic Business Initiatives.

The Practice offers a set of services across four specialties, the goal being to provide comprehensive Information Management solutions.
IM & BI Practice Profile

**IT Management Consulting:**
- Information Architecture
- Data Management - Master Data, Data Quality, Data Governance Policies, etc.
- Managed Services - Data Warehouse DBA tuning, EDW lifecycle services

**Project Experience:**
- Project Management & Engagement Management
- Data Warehouse - Architecture, Analysis, Design & Modeling
- Technical Consulting - Analysis, Design, Development, Build & Support
IM & BI Practice Experience

*Comprehensive services that define realistic information strategies to deliver business value incrementally.*

**Methodology, Best Practices & Project Artifacts**

- **Platform and Capability Assessments**
  - Address Organizational Maturity, Budget
  - Work Effort to implement, Performance Requirements

- **Information Roadmaps** - Develop milestones, integrated across Data Management, Data Integration & Business Intelligence

- **CoE, Best Practices, Data Governance planning & deliverables**

- **Program & Project Management** - Manage delivery across multiple phases & multiple work streams

- **“Heads-down”** - Build & Test, Training, User adoption, Deployment, Go-Live & Helpdesk support
Background:

Client provided data points were derived from a recent BI deployment including Dashboards, Reports and Ad Hoc Query capabilities.

It highlights some of the efficiencies & cost savings that can be realized from the establishment of a CoE.

Actual Project Work Effort

- Project Duration: 18 weeks
- Project Costs: $368,000
- Est. Total Hours: 3368
Comparison with an Established CoE:

Reduce “Time to Delivery” with an Established CoE

- Reduce “Time to Delivery” by 4 weeks
- Reduce “Costs to Deliver” by approx. $100,000
**Business Case & Experience**

*With an Established CoE:*

Reduce “Time to Delivery” with an Established CoE

- Reduce “Design & Analysis” by 2 weeks
  - High Quality Master Data
  - Well Defined Business Rules
  - Design Templates

- Reduce “Deployment & Support” by 2 weeks
  - Overall quality of deliverables is improved
  - Deliverables more closely map to Business Requirements
Gartner Research Report:

“...organizations without such cross-functional centers will find that their efforts do not deliver the promised results, and their BPM initiatives will subsequently be disbanded. Fully 50% of BPM projects conducted without CoE support go belly-up”.

The excerpt from Gartner correlates with Emtec’s experience; however we have seen Information Management projects without a formal CoE established don’t necessarily go ‘belly-up’, but tend to just deliver a smaller percentage of the benefits & the time to completion is extended.

* Gartner- Starting Up the Business Process Competency Center, 2010 (Validated Nov 2011)
Client Experience

Global Manufacturer of Food Product Supplements:

- During an Assessment, we found a product that had been manufactured didn’t meet the specs. of any customer.
- Clear costs associated with an error like this, so the CFO asked the Question, “Would a CoE have prevented the error from occurring?”
- Emtec’s answer, “Possibly, by having common business rules between Sales, Order Entry, Manufacturing & Warehousing.”
- Typically we find a number of CSR’s manually checking, making adjustments adding & deleting Orders, Invoices, etc.
The Goal of the CoE:

Add sustainable value across business units and add strong governance values to the IT organization.

- **Strategic Direction** – The CoE Charter ensures that the Mission of the CoE aligns with the organization’s strategic direction
- **Alignment with Strategic Business Initiatives** – At a more tactical level, ensure that technology decisions align with specific business initiatives & have influence over IT decisions
- **Policies, Procedures & Best Practices** – A common understanding of an organization’s information needs in a clearly documented fashion.

The CoE should act as an enabling group, not a roadblock in the way of progress.
CoE Maturity: Stages of Maturity

4 Stages of CoE Maturity:

Allows for Growth & Adaptation of the CoE as the ‘value’ extends from IT-centric to a Business & IT partnership
# CoE Maturity Model Defined

<table>
<thead>
<tr>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
<th>Stage 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>Managed</td>
<td>Enhanced</td>
<td>Visionary</td>
</tr>
</tbody>
</table>

## People

**IT Internal:**
- Limited adoption
  - Project Manager
  - Architect
  - Dev. Lead

**IT Internal:**
- Limited adoption
  - Cross-project SME’s
  - & other IT staff

**IT & BA’s:**
- Widening adoption
  - Limited functional
  - Cross-project SME’s

**IT & key stakeholders:**
- Executive support
- Business stakeholders
- Ingrained in PMO

## Process (Scope)

**Limited:**
- Reactionary
  - IT Project focus

**Limited:**
- Reactionary
  - Single CoE subject area

**Expanded:**
- Initiated by IT
  - Limited functional
  - Focus on all IM env.

**Visionary:**
- Adopted by
  - business & IT
- Cross-functional
  - Cross-subject area

## Methodology (Approach)

**Tactical:**
- Document Project Requirements

**Tactical:**
- Impose Technical Requirements

**Strategic to IT:**
- Technical standards
  - Evangelize
  - Limited BPI

**Strategic Business & IT Partnership:**
- Technical standards
  - Maturity
  - Complete BPI
CoE Maturity: Critical Success Factors

Four critical success factors for a sustainable CoE.

- **CoE Charter** – A formal document that defines the scope and authority of the CoE.
- **CoE Leadership** – A strong technical lead that can be described as an “Evangelist” for the CoE. As the CoE matures this position should mature with it.
- **CoE Executive Sponsorship** – Support and direction from individual(s) in the IT Steering Committee.
- **CoE Roles & Responsibilities** – An extension of the Charter which defines staffing of the CoE.

All of these factors should be considered in the context of overall IT Governance.
Multi-Domain CoE: Summary

Focus on Large / Strategic consumers of IT Services

- Generally Sales & Marketing, Customer Service, Finance
- In Public Sector might be Suppliers, Budget and Planning (Finance)
- Learn, grow & adapt based on experience
- Experience gained is the input into Case Studies to demonstrate Business Value

Take an Incremental approach, not a ‘Big Bang’

- Build on success; small successes are cumulative
- Continue to demonstrate business value
- Internal ‘selling’ by IT to new Business groups
- Expand & Develop according to a Roadmap or Blueprint

The diagram (preceding slide) is an example.
Adapt the CoE structure to the priorities of the organization.
Multi-Domain CoE: Subject Areas

IT Steering Committee

- Business Domain Knowledge
- Technical Domain Expertise

Information Management CoE

- Manufacturing
  - Business Manager or Analyst
- Sales / Marketing
  - Business Manager or Analyst
- Corp. Finance
  - Business Manager or Analyst
- Customer Support
  - Business Manager or Analyst

- Data Warehouse Architect
- ETL Lead
- Data Governance Lead
- Business Intelligence Lead

Program / Project Management Org. (PMO)
- IT Project delivery & Architecture

2012 © Emtec Inc. All rights reserved. Confidential and proprietary information. www.emtecin.com
Multi-Domain CoE: Customer Master Approach

Following is a Customer Master example, The same general approach can be followed for other Master Data

1. **Initiate** - in a single domain, such as Customer, which is central to a CRM implementation
2. **Identify** - CRM Project team identifies the data elements to completely define Customer for the tool and provides requirements.
3. **Technical Analysis** - CRM Project Team determines that definitions are different across disparate systems feeding the CRM tool.
4. **Functional Analysis** – Business SME’s help define all attributes for the CRM specific fields.
5. **Manual Master Data Processes** – SME’s augment data processes to make sure valid data is pushed through CRM.
6. **Expanded Scope** - Business decides other domains such as Vendor and Product could benefit from improved data quality.
7. **MDM Business Case** – Develop the Business Case for a MDM & Data Governance project to ensure master data quality going forward to all systems.
8. **MDM Evaluation** - IT & Business decides tools are necessary to support good customer data and asks for budget to implement.
Although our focus in this Webinar has been on the IM CoE, The IM CoE is one component of a strong IT Governance strategy.
Start building a Business Case for your CoE by developing a Cost / Benefit analysis to show the ROI over time

### CoE Cost / Benefit Analysis

<table>
<thead>
<tr>
<th>Costs</th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardware</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Software</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Annual Maint.</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Organizational</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Annual Costs</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits</th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>2012 Q3</th>
<th>2012 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Opportunities Optimized</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Cost Reduction</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Risk Mitigation</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Annual Benefits</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td><strong>Net Benefits (Costs)</strong></td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
</tbody>
</table>
Focus on the following for Expenses / Costs

- Implementation Costs
  - Software costs for MDM & DQ Licenses
  - Allocate Salary % to support the CoE
- Quantify & Qualify the Organizational Benefits
  - Data Quality Improvements
  - Reduce Manual Interventions
  - Best Practices
  - Common Business Rules across Subject Areas
- Reduce Time-to-Delivery for IT Projects
- Quality Improvements of IT Systems
Business opportunities for increasing Revenues or Reducing Costs

- Opportunities Optimized
  - Business lines where sales were enhanced i.e. cross-selling across Business units

- Cost Reduction
  - Areas of the business where costs were reduced i.e. Supply Chain efficiencies
  - Centralize Vendor Management activities
  - Improved Customer Support efficiencies

- Risk Mitigation
  - Lines of business where risks are avoided by a single understanding of business information
Information Management CoE: Getting Started

CoE – Initial Activities

- Assessment to determine:
  - Identify a Strategic Business Initiative or Project as a CoE incubator
  - Does the IT Steering Committee support a CoE in concept
  - Has the organization adopted Six Sigma or some other quality program
  - Have CoE’s been built elsewhere in the organization
  - Test the reaction through Internal selling
  - Conduct an ‘Independent Audit’ to build the business case

- Build the business case to establish a CoE
  - Develop a Maturity model & Roadmap to achieve Maturity
  - Incremental Costs / Commitment / Benefits
  - Internal sale to business owners & IT support commitment
Information Management CoE: Conclusions

Internal IT & Business Resources to...

- Providing Leadership, Advocacy & Facilitation for SBI’s
- Internal Consultants as Advisors, Education & Mentoring, Best Practices

With the Goals of...

- More responsive to business change
- Reduce the Time to Delivery
- Reducing the Work Effort (*Staffing, Costs, Duration & Deliverables* ) of Project Delivery
Q&A
Thank you!

Peter LePine
Practice Director
Emtec IM & BI Practice
408-674-7336
Peter.LePine@emtecinc.com

Tom Lovell
Data Governance Specialist
Emtec IM & BI Practice
630-696-4393
Thomas.lovell@emtecinc.com

Deanna Evers
Director of Marketing
Emtec
973-232-7897
Deanna.Evers@emtecinc.com

Follow us:

www.emtecinc.com