



Technology Spotlight

Looking at the Case for Integrated Corporate Performance Management and Analytics

Sponsored by: BOARD International

Philip Carnelley
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Helena Schwenk

IDC OPINION

When selecting a solution for business analytics, reporting, and performance management, IT and business solution architects have a wide array of choices to consider. In particular, they need to consider whether they should go for an all-embracing single solution, or an array of more focused solutions offering best of breed capabilities.

The best approach is obviously situation dependent, but in general IDC has seen best of breed solutions in the ascendant in recent years compared to integrated solutions, which are often viewed as rather "2nd Platform." However, there are clear signs of a pendulum swing back to integrated solutions that combine the often separate disciplines of reporting, planning, budgeting, and analytics, as established vendors build out new capabilities through internal developments or acquisitions.

One integrated solution vendor is BOARD International, and IDC took the opportunity to speak with some BOARD customers, including two highlighted in this report; both were very clear that in their situation, an integrated solution brought business benefits.

SITUATION OVERVIEW – THE PROS AND CONS OF INTEGRATED SOLUTIONS

Over the years, arguments have raged in several areas of enterprise applications – notably ERP, CRM, BI, and analytics – about the relative merits of adopting best-of-breed solutions versus integrated suite solutions. The arguments are familiar to many, but worth briefly revisiting.

In sum, the best-of-breed vendors in the business analytics space argue that only they can offer the best functionality, such as data visualization, and that, being focused, they can offer simpler solutions and move more quickly to take advantage of new trends and innovations in the market. The counter argument for integrated suites tends to revolve around the benefits that come from a centralized approach to process and data integration based on a unified data model and UI.

In business analytics, the best-of-breed argument has been in the ascendant for the past decade or so, reflected in the explosive growth in sales of the independent visualization and data discovery tool suppliers. Much of the innovation in analytics has come from open source specialists, particularly contributors to the Apache Hadoop projects. The business analytics suite vendors have been scrambling to respond.

Recently, however, there has been evidence that integrated solution suppliers may once more be making headway, as established vendors in this space launch new product versions and make high profile acquisitions – particularly of vendors offering cloud solutions and specialist Big Data, analytics, and cognitive solutions.

The underlying shift can also be attributed to growing demand, as organizations look to improve visibility into business performance and improve capabilities for responding to change. Whereas

business analytic systems have traditionally been implemented in a tactical, piecemeal fashion across various departments, organizations are now looking for a more connected view that ties in with a corporate management framework, enabling them to understand whether business plans are working, so that they can maintain growth or effect change if necessary. At the same time, managers see the benefit of moving from a rear-view perspective to one where they can anticipate and respond to market/customer changes and forecast and predict future performance.

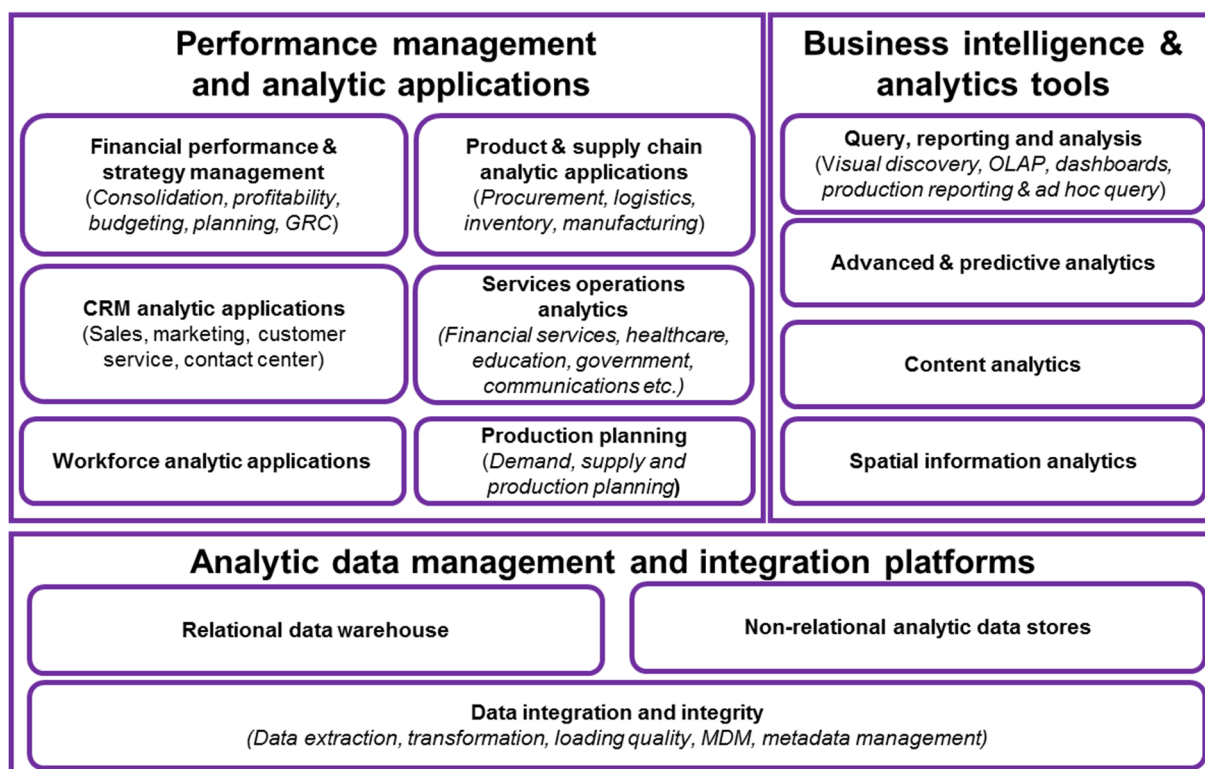
What is also generally accepted across the industry is that an awful lot of effort is expended in "data wrangling" – some estimate that as much as 80% of a data analysts' time is spent on data preparation – and that this is not directly of value to the business. Integrated suites by their nature tend to reduce this data preparation time, assuming that the majority of the data to be analyzed comes from a central database and that data prep, reporting, and analysis run off that data provides a consistent view, especially where financial data is locked within multiple, unconnected spreadsheets.

An interesting case in point is Swiss company BOARD International, which offers an integrated corporate performance management (CPM) and general analytics solution. While the company has been established for many years, it has recently seen 20% to 30% growth annually, and now boasts over 3,500 customers, ranging from medium to very large in size, and global in scope. IDC expects BOARD to grow by over 50% in 2016. This performance speaks volumes of the market need for more integrated offerings.

BOARD integrates reporting, analytics, data preparation, and corporate performance management into a single suite, though without having to be tied to a central ERP. For some companies then it fulfils all their reporting requirements, for others it is complementary to the core. IDC believes that the BOARD product spans every key aspect of IDC's Big Data Analytics Taxonomy (Figure 1), providing performance management applications, reporting and analysis tools, and a data platform for data storage.

FIGURE 1

IDC's Big Data Analytics Software Taxonomy



Source: IDC, 2016

The BOARD International Approach

BOARD International's eponymous product is unusual, even unique, in its scope and capabilities, as indicated above, with the aim to create a central and unified platform for CPM, financial reporting, modeling and optimization, simulation and, predictive analysis.

An overview of its functional architecture is shown in Figure 2. Unlike its (arguably) nearest competitors in business analytics and reporting, in IDC's view BOARD is best seen as a toolkit or framework for developing CPM, reporting, and analysis solutions, known as *capsules*, rather than as a finished application altogether.

That said, user feedback to IDC is that much of the development process can be undertaken by skilled power users within line-of-business functions, such as business analysts, rather than requiring dedicated IT developers to create the reports, workflows, and so on.

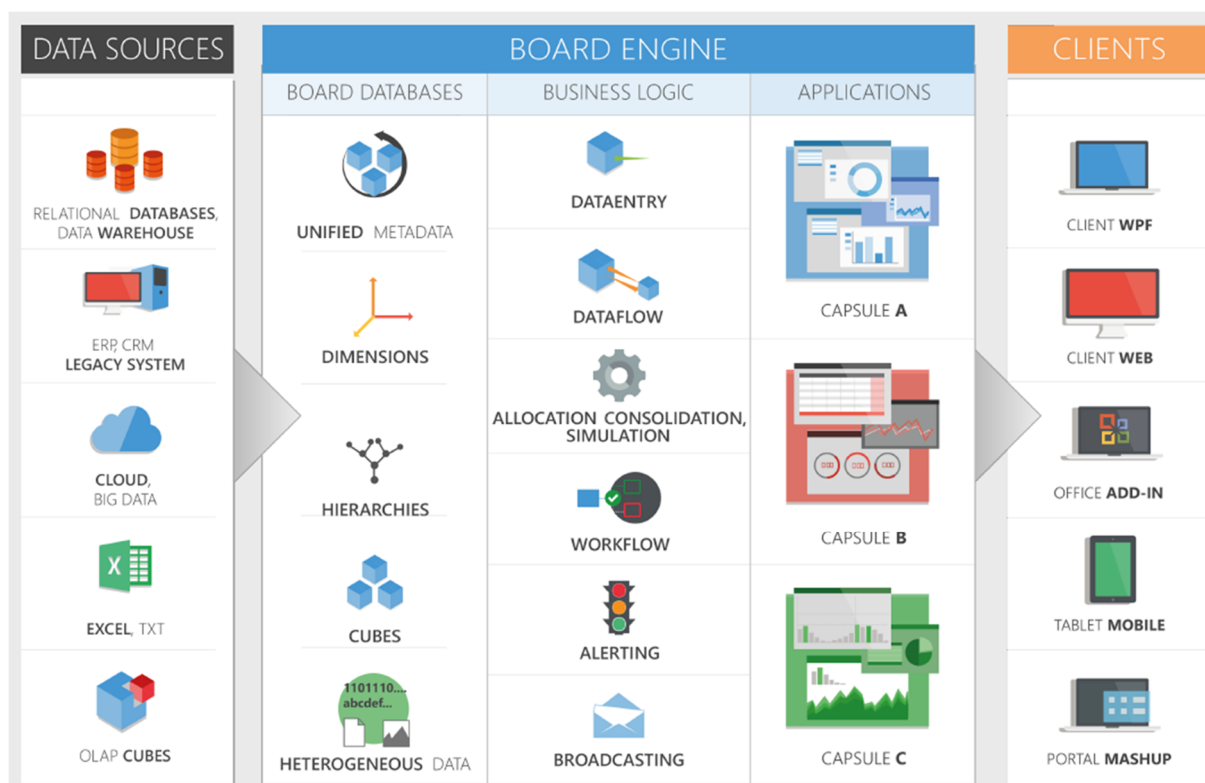
BOARD continues to drive the self-service aspect of the offering and has recently introduced a feature known as Data Fast Track for self-service data preparation, whereby business analysts can bring new data into the system through SQL queries, Excel, and so forth, and the system automatically recognizes data structures – cubes, dimensions, and hierarchies – and creates a screen with suggested analysis using existing synonyms and mappings.

A current technical thrust is to roll out a cloud version, announced in October 2015, that runs on Microsoft Azure, leveraging that platform's data security and replication services, with availability across 26 regions around the world. The company has around 20 cloud customers that are benefitting

from the scalability, ease of adoption and purchase, enhanced distribution, and collaboration that arise from cloud deployments.

FIGURE 2

BOARD International Product Functional Architecture



Source: BOARD International

Customer View: Addleshaw Goddard – Blending BI, Reporting, Forecasting, and Planning

Addleshaw Goddard [AG] is an international law firm, headquartered in London, with around 1400 staff including 800 lawyers. The company felt it needed to modernize its reporting and planning systems as it was reliant on some pretty old solutions. A key driver was to give firm-wide access to information: the company wants everyone to feel responsibility and accountability for company performance, everyone is measured on performance, and this requires appropriate information. Support for new platforms with modern UI – mobiles among them – and more intuitive, interactive facilities were also important drivers.

IDC interviewed Ric Pizzuti, head of finance, and Donna Carris, systems accountant. They confirmed that AG chose to go with BOARD above all because it offered everything that AG needed in a single package. Other, more focused point solutions were evaluated and rejected.

Another option considered was to upgrade AG's legacy reporting system. This could be done but would have required five different applications to do all that AG required: time and billing reporting and dashboards; GL reporting; P&L, trial balances, balance sheets, etc.; budgeting and forecasting, and long-term planning. They did not want to replace the core accounting system, however.

Mr. Pizzutti commented that "having all the information in one place is very important – we have detailed transactional data at a granular level we could want to interrogate." AG wanted a single system with one set of data that could be licensed to the entire company with appropriate permissions, workflows and dashboards for each of four different levels of staff: junior and senior staff, supervising partners and client partners. The system implementation started in early 2016 and is on its third phase of functional rollout; it has been well received by company staff, and over 600 are now using it on a regular basis.

Customer View: Syngenta – Relying on an Integrated Solution

Syngenta is a long-time user of BOARD. Indeed, the product's use predates Syngenta's formation, in 2000, from the merger of the agricultural chemicals businesses of pharmaceutical giants Novartis and AstraZeneca. Swiss-headquartered Syngenta is the world's largest crop chemicals producer with global revenues of over \$13 billion. Novartis's Italian operation, based in Milan, was one of the earliest users of BOARD, and its use has continued and expanded in function and geography, even as Syngenta itself has developed and expanded, in particular moving from BPCS onto SAP as its strategic global ERP platform.

For Syngenta, the key attraction of the BOARD solution is that its integrated workflow, data entry and validation and reporting facilities allow an integrated approach to key use cases such as market pricing control and demand forecasting. These are used by business people, for example sales analysts and pricing and demand managers, who are able to work on their own to add and modify reports without IT involvement.

IDC spoke with Ezio de Nittis – IS business partner, Syngenta – about his company's use of BOARD. Mr. de Nittis said that it is very important to have an integrated platform for these use cases, otherwise the company would have to buy expensive and rigid vertical solutions for prediction, and so on, or spend a lot of time and money on integration. He also said that the integrated nature of the tool leads to greater efficiencies. This allows Syngenta to marry global processes with local ways of working, adding that within the scope of the Syngenta Italy deployment, BOARD is seen as one of the top three management information platforms.

FUTURE OUTLOOK

IDC believes that the business analytics market will be driven by a number of key trends in the coming years, and that enterprise architects and solutions buyers in this space need to ensure that the platforms and tools that they use, or plan to use, should enable their organizations to take full advantage of those trends and innovations.

Key predictions include:

- Through 2020, spending on cloud-based BD&A technology will grow 4.5x faster than spending for on-premise solutions.
- The shortage of skilled staff will persist and extend from data scientists to architects and experts in data management.
- By 2020, 50% of all business analytics software will include prescriptive analytics built on cognitive computing functionality.

ESSENTIAL GUIDANCE

Challenges for BOARD International

IDC offers the following advice and guidance for BOARD International, if it is to maintain and improve its current, substantial growth rate:

- Be sure to emphasize, promote, and develop the cloud solution: IDC research shows that most future growth for software vendors over the coming years will be in cloud, as organizations look to migrate the bulk of their solutions onto the 3rd Platform.
- It is important to ensure that product upgrades are minimally disruptive to existing customers, whether on-premise or in-cloud, and that the company's migration services work towards retaining existing customers as well as look attractive to those not yet ready for cloud but expecting to migrate in the foreseeable future.
- Continue the push to improve self-service, automated assistance, and ease of use for power users such as business analysts and managers; look to include cognitive assistance (for example, chatbots) and new machine learning to extend both the power and usability of the solution. The new version of BOARD, due at the end of 2016 or early 2017, is taking a step in this direction and will debut functionality for natural language processing and semantic querying capabilities.
- Continue to build out capability on the ground in North America, both for its own sake, and because success in North America plays out well in other geographies too. This includes ensuring that a sufficiently large staff base is in place in the US, together with a rich partner ecosystem and together with adequate training materials and the like to support customers that are somewhat more remote from HQ than BOARD is historically used to dealing with.
- Underline and build out back-end data management capabilities. It's important to continue to embrace different types of data, outside of traditional transactional sources, to provide other analytic opportunities for customers to exploit. Ensure that customers can readily consume these new sources of data, including unstructured data and reports, and blend this information into the analysis effectively.

Advice for Business Analytics Buyers

The long debate about best of breed versus integrated solutions is far from over. However, solutions like BOARD certainly make the case that powerful and up-to-the-minute facilities can be offered from an integrated solution.

Whichever way you choose to go, be aware of the implications of using best of breed tools – there is always a tradeoff, but it is possible to minimize the overheads of integration while offering advanced analytics, modeling, and reporting capabilities. However, agility and flexibility are also key attributes for organizations as they seek to work through a digital transformation agenda with their products and services.

Importantly, do look for features that allow business users and managers to build out the solution they need without reliance on IT to develop solutions down to the last mile. They will expect to be given

knowledge of the current business operations by integrating different data sources and using advanced models to optimize business performance.

Identify the process management benefits of linking planning, budgeting and business analytics together in areas such as sales forecasting and workforce planning. Often, standalone BI tools are not tied to overall business drivers and plans, and an integrated process approach can provide a framework and methodology for use in a more practical, strategic business setting and make piecemeal and disconnected methods of analysis and reporting part of an overall business planning process.

Also, do consider the use and implications of cloud solutions – more and more of the leading offerings will be migrating to a cloud platform in the coming years, so it makes sense to have an intercept strategy to exploit cloud platforms sooner rather than later.

Finally, any organization's finance function is increasingly expected to be proactive – part of the corporate digital transformation agenda – and forward-looking, offering predictive and prescriptive analysis, not just backward-looking reporting. So it's important that whatever toolset is chosen, this type of functionality is accessible and usable within the context of the corporate information systems.

LEARN MORE

Related Research

- *IDC FutureScape: Worldwide Big Data and Analytics 2016 Predictions* (IDC #259835, November 2015)
- *Accelerating Digital Transformation: 2016 European End-User Software Spending Trends* (IDC #EMEA41310716, May 2016)
- *European Big Data and Analytics 2016 Top 10 Predictions* (IDC #EMEA40989315, February 2016)
- *Market Analysis Perspective: Worldwide Business Analytics Software, 2015* (IDC #25956, October 2015)

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Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-community.com
www.idc.com

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Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.872.8200 F.508.935.4015
www.idc.com

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