



Highlights

- What is the hidden cost of business intelligence tool standardization?
- Business process analysis is a critical precursor to standardization.
- A three-step method—rationalize, convert, and measure—will minimize risk.

BI Platform Standardization in Life Sciences

In the life sciences industry, information matters. At every stage in the development of therapies—from research to drug safety—information feeds key decision-making; and the complex relationships between the company and its customers and key opinion leaders create heavy reliance on information to drive relationship management.

Many companies, in an effort to make information available to all stakeholders in a relevant and consumable fashion, have invested heavily in business intelligence (BI) tools. Over time, it is typical to observe that a number of disparate BI platforms have been utilized and hundreds of reports have been designed and implemented. It is also typical to observe that much of the information generated is now under-utilized or, worse, not needed at all. At the same time, the cost of these systems creates a drag on IT resources and maintenance costs.

Some companies have attempted to deal with this situation by driving standardization of the BI tool set, often using out-sourced resources to convert reports to new environments. However, this approach fails to yield the efficiencies companies seek.

The approach is flawed for two reasons:

- Reports which either are not used or do not provide business value may be mechanically moved to the new environment.
- The opportunity to align current business processes with specific information may be missed.

The optimal approach for conversions is a three-stage approach: rationalize then convert then measure.

Rationalize: Think before doing

Before converting reports to a new BI platform, it is imperative that the company rationalize the reports themselves, tying them to the company's business processes.

In many cases, the rationalization step uncovers areas in which the reports themselves are no longer needed. Certainly, if the information in the report is not supporting a business process, there is no need to convert it to the new platform.

On the other hand, the rationalization process, by focusing on business process, may uncover the need for additional information to support key business processes (e.g., compliance). This may result in the development of new reporting functionality.

Instead of taking the “brute force” approach of converting all the reports to a standardized environment, a process of rationalization prioritizes reports which should move to the new platform. Companies that take this approach may find that up to 40 percent of their existing reports do not need to be converted.

Convert: Do while thinking

The second step in the process is that of converting the prioritized reports to the new platform. Again, the brute force approach of hiring large numbers of programmers or offshore resources is not the preferred method. Instead, this step should follow a typical systems development cycle from design methodology to quality assurance testing and signoff.

Complicating implementation will be issues such as using validated vs. non-validated systems and the need to run reports in two environments during the conversion process.

Organizations will need to account for the added infrastructure, support, and processes associated with this transition time. In fact, the overlap of systems will, in many cases, drive the decision on whether to staff the conversion team for rapid parallel conversions or for a more sequential conversion of systems.

Measure the results

One of the main drivers for standardization will be efficiencies and overall cost savings. It is critical to measure this savings at an aggregate level as well as at a detailed level. During the transition to the standardized platforms, an organization may have to incur additional costs to maintain skills or software licenses for two environments. These temporary cost increases should be treated as a part of the cost of transition.

The savings and efficiencies must not come at the cost of lost capabilities. The conversion project must make sure that the reports adequately support the business processes.

By taking the three-step approach, BI standardization in life sciences organizations can be driven by business demands rather than by a “technology for technology’s sake” mindset.



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