

Study reveals ways to increase accuracy, timeliness, and cost effectiveness of Business Intelligence and Analytical software

Atlanta, Georgia (OpenPR) February 29, 2008 – Organizations that make an investment in a decision-making support entity, e. g. a Business Intelligence Competency Center or equivalent, reaped the benefits of more accurate, faster or more economical decision-making according to a recent study conducted by Troy University.

In January, Troy University surveyed 529 management, business, and academic professionals from 50 countries representing 30 industries on “Decision Making Using Systems & Technology.” The survey was augmented by telephone interviews with a subset of 10 survey respondents. The research found that when respondents could identify a decision-making support entity of any name or structure within their organization, the organization was more likely to:

- use decision-making software (e.g., business intelligence, analytical, and performance management software) for strategic-decisions in automated ways across a broad spectrum of business areas,
- use advanced capabilities to forecast and predict strategic options,
- have a more pervasive usage of decision-making software throughout the corporate, business and functional levels of the organization,
- have a higher degree of user satisfaction with decision-making software, and
- have better collaboration between the IT and business functions in delivering solutions that support the organization’s growth strategy.

77% of the organizations with a decision-making support entity indicated that the entity has been effective in contributing to improvements in organization-wide financial performance. In addition, these organizations indicated that the entity helped with reducing the cost, time, or effort related to the decision-making software.

The research analyzed 14 characteristics (i.e., authorities and responsibilities) of any reported decision-making support entities. This analysis yielded some correlations between the 14 characteristics and positive impacts on organizational performance. According to Gloria Miller, one of the research co-authors, “In some areas the research re-affirmed things we already knew through our BICC experience. However, in other areas the research provides some fresh insights on the most relevant and significant characteristics for a BICC. “

“Through several of the interviews it became clear that the decision-making support entities play a key role in changing the mind-set of organizational leaders about using a data-driven approach to decision-making,” said Dr. Thomas D. Queisser the research co-author. The entities not only provide help, assistance, and competency development to the entire organization but in some cases, they conduct the analysis and present findings to executive management for action.

By playing a cross-organizational role in the strategic decision-making process, these support entities can spot emerging trends in the external environment as well as contribute to developing new competitive product offerings. This contribution was underscored by several of the interview candidates. For example:

- An Asian, Financial Services interview candidate whose company offers credit products in rural areas noted that it is not good enough for the company to know the customer. The emerging trend is that the customer must know the company. Therefore strong communication and collaboration environments are needed with the customer.
- A European Financial Services interview candidate indicated that because of the analysis and effort of the entity, the organization was able to offer its clients a service it would not have been able to offer otherwise. This brought competitive advantage and financial benefit to organization.

The research indicated that according to organizational managers implementing a decision-making support entity can deliver superior decisions in a more accurate, timely, and cost effective manner.

The survey was conducted by Troy University's Heidelberg, Germany Site. The research was co-authored jointly by Troy University and MaxMetrics, a Management and IT Consulting Company focused on implementing projects and programs for improving decision making and management. The full results including interview cases will be published in May 2008.

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About MaxMetrics

Founded in 2007, MaxMetrics is a Management and Information Technology Consulting firm with professionals that have vast amounts of experience in helping organizations to implement projects and programs for improving decision making and management.