

Business Analytics and Optimization (BAO) Services from IBM

Your next steps on a journey to intelligence, decision-making, and optimized business operations



“IBM has a major footprint in all the major industry verticals. IBM’s clients can therefore benefit from the cross-fertilization of resources from any vertical to another. IBM’s clients can also benefit from the expertise the firm brings in IT Strategy from managing its own vast infrastructure (“building a smarter planet”) and in efficiencies learned from managing its own massive internal operations.”

Source: Kennedy Information; IT Strategy Consulting Marketplace 2010-2013; © Kennedy Information, LLC. Reproduced under license.

Unknowable complexity. Overwhelming acceleration. Unheralded connectivity. Today, the very information and technology that pushes us to be more intelligent, more aware, and more connected also push the world to be increasingly complex, accelerated, and granular. Business leaders today understand the future is one of heightened intelligence and awareness; one driven by harnessing the growing velocity, variety, and volume of data and converting it into real, actionable insights that can drive faster and better decision-making, resulting in expedient outcomes, greater profits, superior flexibility, and optimal operational performance.

This is Business Analytics and Optimization – or BAO – a business discipline that enables people to harness the vast stores of customer, market, financial and enterprise data and turn it into advanced insights using sophisticated analytical techniques and tools. According to a recent IBM research, companies that invest in BAO have better business insight and hence are better able to manage business performance. They lead their peers with 33 percent higher revenue growth, 12 times more profit growth, and 32 percent higher return on invested capital¹.

BAO impact points: What and where BAO can incite breakaway results

BAO is a powerful enabler within organizations seeking to gain unprecedented visibility, gain fact-based views of their business in right-time, improve critical decision-making, and even improve their abilities to predict future events. BAO is especially potent in:

Driving profitable growth with customers, marketing, and sales:

Enterprises use advanced analytics on their vast stores of customer and market data to improve customer advocacy, marketing effectiveness, and sales performance. Integrated view of customers are developed across channels, and new sources of information such as unstructured analytics on social networking information and voice/text data add new dimensions to improve interactions and drive new profitable growth with customer and prospect bases.

Improving financial performance while reducing risk and fraud:

Organizations are driving control, improving the bottom line and reducing losses through their critical financial functions. CFOs and their teams are using advanced analytics to measure, report, plan, and forecast to drive profitability across the entire value chains. Analytics are leveraged to reduce risk and fraud in ways not previously possible.



Optimizing key operations such as the supply chain and the workforce: Operational leaders are using new analytics to understand their complex operations from the supplier ecosystem, to manufacturing and logistics, all the way through their distribution networks. Enterprises harness analytics to optimize the performance and utilization of their human capital, understanding how to ensure the right person at the right place at the right cost.

Delivering productivity through an improved information management foundation: Underlying and supporting analytics and the enterprise as a whole is a vital information infrastructure. By optimizing and integrating this information environment, organizations are able to create a unified and single ‘version of the truth’ that reflects accurate and speedy information across the enterprise. By optimizing an enterprise information management foundation, companies can enable new analytics capabilities, reduce costs and inefficiencies across the enterprise, adopt new techniques for integrating information and functionality, and build a foundation that enables trust in their data, future flexibility and performance.

BAO Solution Areas: From inception to action and beyond.

The IBM BAO experts deliver analytics-driven benefits via a comprehensive portfolio of consulting, technology, research, and management competencies that is unrivaled in the marketplace.

Business Analytics and Optimization strategy: Realize your business optimization objectives faster with less risk and at a lower cost through an effective information strategy. Applied enterprise wide or deep within a business function, business optimization provides resolution spanning policy, analytics, business process, organization, applications and data.

Business intelligence and performance management: Improve decision-making, productivity and efficiency through an environment where actionable, accurate and timely information is provided to monitor and improve performance. The ability to optimize performance within a company typically depends on a decision-makers’ ability to measure.

Advanced analytics and optimization: Improve operations, tackle and solve your most complex problems, and create unique predictive capabilities for intelligent decisions. Advanced analytics harnesses IBM’s team of research scientists, analytics experts, and leading edge tools and techniques to deliver first of a kind, innovative analytics solutions.

Enterprise Content Management: It is estimated that 85 percent of the information managed by a typical business is in the form of unstructured “content.” Enterprise Content Management enables organizations to reduce processing cycle time, improve customer service and compliance, and establish agility and flexibility.

Enterprise Information Management: Achieve data integration between disparate systems to improve business processes and total business performance, and make intelligent decisions through a cohesive, orchestrated information environment.

IBM can help assess your BAO maturity with IBM customized offerings

IBM offers some fast and powerful ways to dig deep into BAO knowledge, identify some immediate areas of value to your specific organization, and accelerate an understanding and course of action for BAO. These include:

Solution Workshops: We conduct engaging, collaborative solution workshops with your leadership team to generate ideas, prioritize top opportunities, and lead an energetic, informative, and valuable exploration of the possibility of BAO within your organization. The workshops can take place your location, an IBM Briefing Center, or one of our eight Analytics Solutions Centers located around the globe.

Business Value Accelerators (BVA): We perform a rapid assessment of your current situation, identify opportunities, and assess your organization’s readiness for change, to define top priorities and initiatives for BAO transformation. We can also use the BVA methodology to use advanced analytics to solve a specific challenge or problem your company is facing in an 8-12 week proof of concept.

Enterprise Roadmap Assessments: IBM can help you identify capability gaps and the projects required to move from where you are today to desired outcomes in the future.

The next step: Getting started with IBM and BAO

IBM can help organizations beginning their journey towards optimizing their business performance through BAO. Many smart enterprises are taking these logical first steps:

Plan an Information Agenda: Whether your immediate opportunity is finding distinct impact on a single function such as marketing or finance, or looking to build a comprehensive, enterprise-wide analytics program, the first step is to create a formal and thoughtful vision and strategy – an Information Agenda. IBM can help craft this Information Agenda, starting with your strategic business objectives (e.g., intelligent growth, operational excellence, reducing costs or risk, etc.) and interpret these into meaningful strategic and actionable plans that set guidance and consensus for the BAO road ahead.

Master your information: IBM can help you understand, transform, and manage your critical information assets across the enterprise, identifying areas and actions to consolidate and align data assets, make enterprise data available and accessible, drive information quality, and set the information foundation that enables a viable and powerful analytics platform.

Embed business analytics in high value areas: The impact and benefits of analytics comes alive when embedded into the core, vital functions of the enterprise, be they enacted at the point of customer contact, driven into instrumentation of the supply chain, mastering the foresight of finance leaders, or providing comprehensive views of the enterprise via dashboards on the CEO's desk. By prioritizing BAO deployment to high value areas, organizations are able to begin realizing value immediately in the most important parts of their business while creating the momentum and justification for further enabling analytics in the future.

About IBM BAO Global Business Services

IBM's BAO practice is built on the expertise and competencies of 8,000 BAO experts working across the globe. Our practice contains skilled consultants, research scientists, and technologists with the insights and passion to deliver BAO solutions. IBM brings a portfolio of proven methods, accelerators and tools to our engagements to speed the time-to-value. We also bring best in class software and hardware solutions, both through our top analytics software brands as well as through our partnership with dozens of top industry providers. Hundreds of top enterprises across the globe enlist IBM to deliver BAO solutions, and our catalog of success stories provides demonstrable proof of our success within the industry. This success is echoed by the analysts who year after year rate IBM as a one of the leaders in delivering business analytics to the marketplace.

Ready to continue the conversation?

Contact your IBM Solution Executive or write us at XXX@us.ibm.com to have a detailed discussion of how IBM and BAO can work for you. Or, learn more at

ibm.com/bao

I 2010 CFO Study, IBM Institute for Business Value, 2010



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