



MnIPS NEWSLETTER

A Publication of the Minnesota Information Professional Society (ACM & ASM) - Vol. 2, No. 2, February, 2001

NEWSLETTER INFORMATION

The MnIPS Newsletter is published nine times a year (September-June) by Minnesota Information Professional Society. We welcome materials submitted to our calendar or articles on computing topics. Submit materials by disc or e-mail to:

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365 Summit Ave.
St. Paul, MN 55102-2120
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NOTE:

MEETING INFORMATION

The meeting place:
Holiday Inn - Bloomington
35W and 94th
(1201 W 94th St.)
Phone: 884-8211

Meeting Times:

5:00 P.M. Social & Registration
5:45 P.M. Dinner
6:45 P.M. Meeting and Program
8:00 P.M. Adjourn

For reservations call:

John Belich at
by Jan. 12th

And Choose:
Cheese Lasagna
Plus More

Tel. (651) 634-1440
Or E-mail:
john.belich@tech-pro.com

\$20 for members
\$25 for non-members

Dinner Meeting NOTICE

Tuesday
February 20, 2001

Meeting of
**Minnesota Information
Professional Society**

Presentation Topic:
**"Whole System Framework
Decisions"**

Speaker: **Dennis Cheesbrow**

SPEAKER PROFILE

Dennis Cheesbrow is President and Principal Facilitator / Consultant / Coach of TeamWorks International, Inc., a team and leadership effectiveness development practice. Dennis also speaks, teaches and trains in the areas of leadership, facilitation and process development. His work experiences include complex project management, strategic organization development, marketing, business management and product development. He has consulted with MNIPS in the past year with the leadership group.

TOPIC INFORMATION

In the everyday world of teamwork, collaboration and creativity, there are always points of "we don't see the whole picture" and "the facts just don't all add up". Sometimes confusion and ambiguity develop in spite of the best intentions and efforts of all who are engaged in teamwork.

In this presentation-conversation, we will explore a simple framework for "seeing" the whole system of complex organizations that takes into account the work, the systems and the cultures of diverse people working together.

We will also look at a simple process model of decision making and choice

making that begins to address the differences between consultation and choice making, between participation and authority, between influence and action.

The presentation-conversation is an interactive style that requires the involvement, knowledge and experiences of the attendees to fill out an enjoyable process of learning and discovery.

PRESIDENT'S LETTER

Happy Valentine's Day (and the rest of February) to you and your family & friends!

I would like to welcome the newest MnIPS members that have joined our group the past year. The current and established MnIPS members have found their participation in MnIPS (and ASM/ACM in the past) a rewarding experience. We recently mailed out membership renewal forms to the veteran membership and I hope that each of you consider rejoining MnIPS for another year.

MnIPS is a volunteer organization and we always welcome any help in our regular, ongoing committees or at a specific event. We are looking for a regular attendee at our monthly dinner meetings to register people. The time commitment would be 5:00-6:00pm on the 3rd Tuesday from September to May, except for December. If you can help at the dinner meetings, please call me at 651-707-0523. We also need volunteers at our annual Golf Outing, usually held on the 3rd Monday in June. The time commitment would be 4:00-6:00pm or any time that afternoon. If you can assist us at the Golf Outing, please contact Jeff Hemaur at

Jhema@LANDOLAKES.COM. We also welcome ideas from you that can improve our organization. If you can assist us this year in any capacity please let me or any board members (that are listed on the back page) know.

I look forward to hearing our February 20 speaker, Dennis Cheesbrow of Teamworks International, who will speak on "Whole System Framework Decisions". Thanks to our January 16 guest host, David Bahn from Metropolitan State University, who spoke on "Clicks and Mortar: The future of business strategy that includes E-commerce". Thanks again to Tony Clacko, of Born Information Systems, for his presentation on "Justifying Your Business Intelligence Investment" at our November 28 meeting. For a summary of Tony's talk, please read the regular meeting review column in this newsletter.

I hope to see all of you at the February 20 meeting!

--Dennis Cummings, MnIPS President

Would You Be Smarting After A Thorough "Business Intelligence" Review

(November 2000 MnIPS meeting review, written by Dennis Cummings)

Mr. Tony Clacko was the featured presenter at the Minnesota Information Professional Society's monthly dinner meeting held on November 28, 2000. Mr. Clacko has more than ten years of information technology experience, during which he has achieved expertise in business intelligence (hereafter called BI) system design, decision support-related business analysis and architecture design, and project and engagement management.

To complement this skill set, he has extensive experience in and a strong understanding of data warehouse and data mart development processes gained through project work in the credit, banking, finance, retail, consumer packaged goods, investment management and manufacturing industries. Presently, Mr. Clacko is a BI Solution Architect at Born Information Services. His primary responsibility is to assist clients in determining how business intelligence solutions can help them resolve key business issues due

to a lack of quality internal and/or external information.

Mr. Clacko started his "Justifying Your BI Investment" presentation by graphing the "Common BI Development Approach", as we would usually see it in a traditional IT workplace. It highlighted "High-level Requirements" (or the struggling to get information) as the prerequisite to a Business Case, which then creates an "Architectural Design" for a future "Product Selection". Later, a repeating group of tasks (Iteration Project Planning Requirements Analysis Detailed Design Build & Deploy) and their accompanying maintenance functions are performed before a system "goes live".

Mr. Clacko pointed out some weaknesses in the "Common BI Development Approach":

1. High-level requirements are frequently a restatement of existing reporting and analysis capabilities.
2. Existing reporting and analysis capabilities, while inefficient and cumbersome (and perhaps inaccurate), nevertheless, have been sufficient to run the business
3. The benefits (or ROI) of a "new and improved" business intelligence environment are only stated in terms of labor or time saved.
4. Ultimately, this proves to be a weak justification for a project.
5. Either, the new BI environment is never developed or it's hopelessly underfunded. As an example, "data warehouses" can have expensive start-up costs.

Mr. Clacko said that the trick is to "Make BI a Strategic Initiative", that is making its projects' benefits overwhelmingly outweigh the costs:

1. Don't be content to simply re-engineer existing reporting and analysis capabilities ? especially when they are already getting the job done (albeit inefficiently)
2. Instead, identify BI solutions that will likely contribute to the successful implementation of business strategy in a manner that is not already being served by existing reporting and analysis capabilities
3. Prioritize these solutions based on their expected benefits
4. Implement them repeatedly beginning with the highest valued solution. We also need to be customer-focused, but will we spend the money in hardware and software updates to become that?

Mr. Clacko seemed to sum his view on BI by quoting John Distefano, who appeared in the April 1999 issue of Data Management Review. Mr. Distefano said then that "Under-performing companies are less often the result of grand strategic mistakes, than they are the sum total of hundreds or thousands of decisions made [poorly] throughout the organization." The apparent lesson here was to keep every team or department's role in the "big picture" (or vision) in focus while working on their specific piece. That means to provide the workers with the right tools and regular project status updates.

What is Mr. Clacko's vision of a "New & Improved BI Development Approach"? It looks similar to the previously mentioned "Common BI Development Approach", but he would begin with a Discover Phase (or strategy-focused) as the prerequisite to a Business Case, which then creates an "Architectural Design" for a future "Product Selection". Later, a looping group of tasks (Iteration Project Planning Requirements Analysis Detailed Design Build & Deploy) and their accompanying maintenance functions are performed before a system moves to a regular production status. This "Discover Phase" would involve completion of the following 6-step program:

1. Map the company's business strategy.
2. Breakdown the firm's business strategy.
3. Assess "Intelligence Spectrum" regarding its strategic initiatives.
4. Plot the company's current BI capabilities on a "Matrix of Intelligence Spectrum by Strategic Objectives".
5. Identify the firm's BI gaps (on the matrix) and then prioritize its needs into projects.
6. Develop the project's Business Case and Proceed with its First Increment (i.e., the aforementioned "Common BI Development Approach" loop).

Mr. Clacko then proceeded to show us a "Map Business Strategy" (Step #1), which was developed from Robert Kaplan and David Norton's book "The Balanced Scorecard: Translating Strategy into

Action". It relates 4 different business concerns into the company's ultimate strategy goal (Improving Shareholder Value), namely Learning & Growth-focused, Process-focused, Customer-focused and financially-focused. The "Learning & Growth-focused" area takes Employee Skills, Technology, Culture and Partners and maps it into the "Process-focused" area. The "Process-focused" area includes Innovation, Customer Relationship Management (CRM), Operations (which will later affect Productivity) and Citizenship/Social Concerns. Citizenship/Social Concerns (i.e., such as deploying airbags before they were legally required) itself can directly improve Shareholder Value, such as a perceived higher stock price or goodwill at sale time.

The "Process-focused" Innovation function directly affects the "Customer-focused" area of Products & Services (i.e., Process, Time, Quality and Function) and ultimately, a "Financially-focused" growing market share. The "Process-focused" CRM triggers a "Customer-focused" area of Relationship (i.e., Image, Service and Loyalty) and then a "Financially-focused" revenue growth, or as Mr. Clacko calls it "Wallet Share Growth".

The "Financially-focused" areas include Grow Share of the Market (i.e., attract new customers), Grow Share of the Wallet (i.e., sell more services) Improve Cost Structure (i.e., become more efficient) and Improve Asset Utilization (i.e., use less staff or assets to get more work done). The "Grow Share of the Market" and "Grow Share of the Wallet" areas directly affect "Revenue Growth" and then the ultimate goal "Improve Shareholder Value". The "Improve Cost Structure" and "Improve Asset Utilization" areas directly affect "Productivity" and then the ultimate goal "Improve Shareholder Value".

Mr. Clacko then presented the "Breakdown Business Strategy, which drive IT initiatives" (Step #2). The firm's executives define the company's goals and possibly how to reach them. The ultimate goal (Improve Shareholder

Value) is reached via a 5-step ladder of "Perspectives", "Strategic Objectives", "Critical Success Factors", "Strategic Measures" and "Strategic Initiatives" areas. Each of the 5 areas directly or implicitly affects the Financial, Customer, Process and Core Competencies (i.e., reduce widget maintenance) concerns of the company. A bank's Strategic Initiative could be to close a few branches and increase its online or ATM presence.

Mr. Clacko next showed his "Intelligence Spectrum Assessment (Step #3) with Regards to Strategic Initiatives or Strategic Key Performance Indicators (KPI)" chart. KPI's are measurable parameters (such as %-errors or %-overhead costs) which when added to a firm's "data warehouse" table, can better drive the company's strategy. These KPI's are handled by "Knowledge Management", which oversees the "Strategy Management" (or "Intelligence Spectrum") made up of embedded "data mining" analysis areas. These areas are "Strategy Formulation & Renewal", "Strategy Management", "Performance Management", "Business Analysis", "Operational or Financial Reporting" and "Transaction Processing".

Mr. Clacko then presented his "Plot Existing BI Capabilities" graphic. It was a "Matrix of Intelligence Spectrum by Strategic Objectives (Step #4)" model. It asked the question "Are Strategic Objectives met for the following areas (Strategic Objectives met for Strategy Management, Performance Management, Business Analysis, Operational or Financial Reporting, Transaction Processing and Knowledge Management)? You should answer "yes" (with a check mark on 2-D graph), "no" (blank) or "not applicable" (N/A). The "no" cells of the matrix will "identify the strategic gaps which need to be addressed and prioritized (Step #5)", labeling each project/activity from most to least urgent.

Mr. Clacko finished by displaying his "Develop Business Case and Proceed with First Increment (Step #6)" graphic. The previous 5 models (Steps #1-5) now fill the once-empty "Discover Phase (Strategy-focused) Business Case" and these IT-related initiatives now allow the CIO to coordinate business strategy and projects with the CEO, who drive the KPI's. Later, a repeating group of tasks (Iteration Project Planning Requirements Analysis Detailed Design Build & Deploy) and their accompanying maintenance functions are performed before a system finally "goes live". Businesses should run better with clean data, which is data warehoused based on the firm's strategies and has growth potential for future IT initiatives.

If you wish to learn more about BORN or its "Business Intelligence" system, please contact Tony Clacko at tony.clacko@born.com.

Computer Information Systems Faculty

One tenure-track position at the assistant professor or more advanced level in Computer Information Systems. Qualifications: Ability to teach in two or more of the following areas: HCI, multimedia, web development, software methodologies including OOAD, computer security, or client-server architectures; master's degree in CIS, CS or a related field is required (Ph.D. in CIS or CS preferred). Applicants with industry, government or non-profit information systems work experience are preferred. Review of applications will begin January 12, 2001. Appointments will begin August 2001. For additional information, visit learning.metrostate.edu/courses/ics/cisjob.htm, send e-mail to the administrative support staff, Joy Harris, at Joy.Harris@MetroState.edu, or call (612) 341-7435. For TDD users, call (651) 772-7723.

AITP Meetings

- Future AITP Meetings -
- February 1, 2001 - ASP - Why's and How's
 - March 1, 2001 - Wireless/E-Solutions Architecture
 - April 5, 2001 - What's In It For Me? Understanding Generation Differences
 - May meeting is a joint meeting with MnIPS, sponsored by MnIPS
 - September 6, 2001 - Fall Kickoff - CIO Panel on Outsourcing
 - December 6, 2001 - Partnering with ITEC.

BRING A FRIEND TO MnIPS MEETINGS

MnIPS Officers for 2000

President

Dennis Cummings (w) 651-205-2632

Vice President

Kurt Linberg (w) 612-252-4335

Past President

Joe Perzel [w] 612.801.0737

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MnIPS Newsletter

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ADDRESS SERVICE REQUESTED

DINNER METTING

Tuesday, February 20, 2001

5:00 PM - 8:00 PM

TOPIC:

“Whole System Framework Decisions”

NOTE: MEETING LOCATION

Holiday Inn Bloomington
35W & 94th (1201 W 94th St.)

**“PCs ARE DEAD,
LONG LIVE THE
PC?!”**



by Earl C. Joseph