BI Organizational Structure

Coordinate or consolidate?

Summary

For years now, health care organizations have focused considerable attention on building their business intelligence (BI) function. In addition to the technology components necessary to develop and deliver this function, the organization must be ready to continually optimize productive use of the capabilities through effective organization and alignment of its analytic teams.

The challenge

For many organizations building and evolving their BI strategy, it is often the case that analytics teams (at least descriptive BI or reporting teams) are already working in pockets throughout the organization. Often there are teams of business analysts already encamped in departments such as finance, quality or planning. Both the team members and the executives to whom they report are probably, and understandably, wed to their reporting relationships and their data sources, both of which may have been carefully cultivated for years.

The leadership challenge is to preserve the existing value of the teams and their outputs while moving the enterprise to a more collaborative and better coordinated organizational structure for data analytics. The ultimate goal is to create a high-performing BI function that is characteristically accurate and agile in meeting the needs of the enterprise as defined by all the executive stakeholders, while minimizing the labor costs, maintaining the high-value services, and boosting the productivity of the dedicated resources.

Analytics teams may be organized in two ways:

A **coordinated** approach may move through several phases, combining staff in a core services department where it makes sense, while leaving other satellites in place.

In some cases, a single **consolidated** department may best serve the needs of the enterprise.

In choosing the best approach, you will need to consider the requirements of your enterprise as it exists today and as it may unfold in the future. There are several points during your enterprise's BI evolution that will allow for the assessment of your structural approach. We address four fundamental points in this research briefing.

Assessing your structural approach

How will you organize your analytics teams?

1   Determine the data model for the enterprise warehouse

All high-performing organizations will likely move to a single BI infrastructure and warehouse managed by IT (whether that be insourced or outsourced). Progressing along a continuum toward "a single source of truth" and away from the many disparate sources used throughout the organization is a compelling vision for enterprise BI. Moving to self-service business intelligence (SSBI) may spawn several downstream data stores, but all of these should stem from a single data model with shared governance.

- The first issue of coordination will come with the collaborative work of defining the data model, supporting extract, transform, and load (ETL) processes, and granting system permissions to the users outside of IT needing to access the data stores.
- The extant analytic groups, once educated on the science of data modeling by a central resource, should serve as the data stewards for the ETL definition and testing.
- Determining who will have access to manipulate data at its source and various landing points should be addressed as part of the overall data governance.
- Conflicts between groups will need to be negotiated by the teams. The ability or inability for groups to work together productively at this early stage may lead executives to choose or abandon the coordinated model.
- There is nothing inherent in the infrastructure change that would necessitate consolidating the groups as long as effective governance can be created.

2   Determine the specific delivery mechanisms (e.g., what data is needed and by whom)

If your enterprise history has been that some executives have built their own teams to respond to their specific needs, you will need to facilitate a conversation among these executives to evaluate the pros and cons of continuing in that model.

- Often the needs of these executives are quite different, and they may be hesitant to have to "do battle" for shared resources that reside in a consolidated department.
- However, with constraint comes discipline and the organization will find value in defining a prioritization process that addresses the relative value of each request for data going into a consolidated or shared group of resources.
- There is not one correct model, and executive teams may appropriately come to different conclusions as they weigh agility versus cost.
- An organization that is still in the exploratory stages of its network development and risk contracts may want to preserve agility and innovation at all costs, whereas a more stable organization may wish to marshal its resources to focus on specific targets at a lower cost.
- Most organizations will find it necessary to create a core analytics team for at least the most complex of programming challenges, as well as the generation and distribution of agreed-upon key performance indicators (KPIs) for the enterprise.

3   Determine manager and employee performance criteria

While there are many stakeholders who have legitimate claim to directing the analytics agenda to meet the business and clinical needs of the enterprise, the analytics team(s) must be managed by individuals who can critically evaluate their use of the data and the tools that assures accuracy and efficiency.

- Consider a collaborative process that includes IT, finance, clinical professionals, and data and statistical professionals for reviewing the existing managers and interviewing potential new managers.
- Consider how artificial intelligence and machine learning will challenge workforce composition.
- Managers' skills should be evaluated against standard job descriptions that include detailed and specific qualifications and experience with enterprise toolsets.

4   Determine the executive leadership model

A consolidated BI function must be viewed as a corporate asset and not the domain of any single executive or department. This is especially true as organizations empower new and overlapping executive roles such as a Chief Data Officer and Chief Analytics Officer. And the executive customer base continues to expand with the analytics capabilities – executives overseeing marketing and patient engagement should have a voice in governance.

- Members of the executive team who are accustomed to leading teams that service the whole organization include the CIO, the CQO, CAO and the VP of Planning and Strategy.
- However, any executive who sees the value of coordinated use of data to drive decisions, monitor performance, inform workflows, and model future directions would be a good candidate to coordinate and drive the analytics team agenda should a decision to consolidate the team be made.
- If the function remains coordinated and not consolidated, the periodic meetings of all the executive sponsors should be facilitated to review the disparate agendas for duplication or synergy.
- This BI governance structure should be clearly connected to the already existing corporate governance structure such that it gets the appropriate inputs and filters for its decisions and requirements to any appropriate and related committees (e.g., capital budgeting, infrastructure resource allocation).

Key takeaways

Regardless of your choices, consider these **attributes** as you set up your BI organizational structure:
- Eliminate all duplicate or similar reports or services and share all new work in common libraries.
- Jointly review annual staffing plans and budgets for analytic teams.
- Agree on standardized tool sets and a process to approve exceptions.
- Agree on productivity measurements and reporting for all teams.
- Establish standard job descriptions and performance management criteria.

Below are some additional **action items**:
- Establish clear business/clinical ownership and accountability for outputs.
- Convene executive stakeholders to document a common BI vision for the enterprise.
- Work with the CEO to identify a single executive to be accountable for driving the enterprise BI plan.

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Health Care IT Advisor

Research Team

Meg Aranow
Senior Research Director
maranow@advisory.com

Andrew Rebhan
Consultant
rebhana@advisory.com

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maintaining an effective **data governance program**,
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