



The BI Watch: Are You Unwired?

by Richard Hackathorn

At the recent Sybase TechWave conference, that was the question. To some, it sounded like being hooked on illegal drugs. However, to the techie attendees, it was a call to action for inspiring their companies to compete in the global economy.

As a business intelligence and data warehousing professional, I have struggled with terms such as unwired, wireless, remote and disconnected. Do you really want a pivot table on your PDA? Isn't your desk a more proper place to analyze your business, rather than Starbucks? Unwiring the enterprise seems to tout geeky fringe benefits for your knowledge-workers. Or, are the implications much deeper? That is my struggle.

Putting on a CEO hat, why would you want to unwire your enterprise? What are the tangible benefits to your business?

Location Independence

The term unwired should imply that you could free business processes from the constraint of a static location. Let's call this location independence.

For centuries, businesses have centralized their business at static locations such as headquarters, branch offices, factories and warehouses. Economy of scale has lead to the consolidation of enterprise infrastructure, thus leveraging capital investments efficiently. Likewise, information flows about the business have been consolidated at these locations. Until recently, business data (i.e., manually prepared business forms) was physically transported to the data center where it could be processed.

Now, an unwired enterprise can conduct business anywhere with anyone. What is the benefit? The usual example is selling your product or service wherever your customers may be located. Instead of a mandatory office visit, an insurance representative goes to someone's home and does the qualification, approval and issuance at the kitchen table. A telecommunications provider sets up a kiosk at a mall to sell and activate cell phones. We can cite many such examples.

I would argue that these examples of relocating to your customer are the lesser answer to the benefit question. The greater answer is that an unwired enterprise can conduct business at any location of action. This implies that you can do business anywhere your business processes intersect with the processes of another party (e.g., customer, supplier, distributor), without needing to relocate to some office. Several hundred years ago, this was the natural thing to do: the product was sitting on the camel; the warehouse was a nearby tent; and a handshake was the event of commit transaction. The location of the camel and tent always varied. Since then, the location of action was forced to be at a warehouse in New Jersey, rather than a place that is natural for doing business.

Time Independence

There should be a deeper meaning to the term unwired, which is to free your business from time constraints. Let's call this time independence.

A simple interpretation is to not restrain the hours for doing business. For instance, Sue's Cheese Shop is open from 9:00 a.m. to 5:00 p.m.; otherwise, customers must return the following business day. An unwired enterprise should be open for business 24 hours per day and 365 days per year. This is typical for multinational corporations who must conduct business globally in many time zones. If Sue's business was unwired, she could fill that order from Singapore at 3:00 a.m. her time and have it delivered within 36 hours.

A deeper interpretation of time independence deals with responsiveness rather than duration. In other words, an unwired enterprise can conduct business at the proper time of action. Instead of delaying or batching transactions, a transaction is immediately initiated and committed without external constraints. Most business transactions must hurdle a series of verification steps, each of which involves checks by other people and delays of hours, if not days. An unwired enterprise should interconnect all the verification points so that transactions proceed with unimpeded flow.

Scale Independence

There should be a further meaning to the term unwired, which is to free your business from scalability constraints. Let's call this scale independence. It is preserving the qualities of the small when growing to the large and preserving the qualities of the large when serving in the small. The scaling benefits should work in both directions.

For instance, your company should be able to grow from 1 thousand to 1 million customers while delivering the same quality as if you had one customer. Additionally, your company should be able to serve the one customer while delivering the same efficiencies as if you had 1 million customers.

Many industries were inflicted with high fixed-cost structures that forced them to grow bigger, or else. For example, major airlines do not have the flexibility to compete in small-volume (but high-margin) routes, thus condemning themselves to high-volume routes with declining margins. Unwiring the enterprise implies unwiring the underlying cost structures, so that cost is incurred only when the infrastructure is needed - an on-demand infrastructure. Any product or service that can be digitized is a candidate for unwiring its cost structure.

The goal of scale independence is to seek the optimal scale of action. If you need to compete on the scale of 1 million customers or 1 million units shipped, you can do so efficiently. If you need to compete on the scale of one customer or one unit shipped, you can also do so efficiently. Of the three, scale independence has the greatest potential for altering the basic nature of doing business.

The Big Challenge

The challenge is not technology. Sybase and other companies are supplying the tools to unwire your enterprise. If not this year, next year will definitely bring enabling technology that is cheap, reliable and available. Do not use technology as an excuse to avoid the big challenge.

The big challenge is to rethink your business and to remain competitive, given the potential of the unwired enterprise. This is not an option! Once several companies within your industry segment accept the unwired religion, they will change the game rules. Your enterprise must now choose to play either the old game or the new game. If you continue to play the old game, you might find yourself in a vanishing segment. If you switch and play the new game, you might find yourself constantly a step behind those disruptive leaders.

On a positive note, unwiring your enterprise has the potential to create a kinder and gentler business environment. When asked what unwired meant, John Chen, CEO of Sybase, remarked, "An unwired enterprise treats everyone as peers." Instead of forcing your customers or suppliers to do business at your location, within your business hours or with sufficient volume, you can treat them as peers -- adjusting service levels that are a win/win for both parties.

Need for Business Intelligence

Independence from location, time and scale can turbo-charge your enterprise in ways that are difficult to imagine. One requirement is certain. The downside of the unwired enterprise is that the complexity of managing your business will explode. There will be a crying need for intelligence at every location of action, time of action and scale of action. Smarts must be built throughout every business process. To do otherwise will be like flying an airplane without an instrument panel, which is prone to disaster. It is odd that unwiring your enterprise implies that you must rewire your enterprise for business intelligence. People who have never touched an analytic now must rely on their custom dashboards, which are continually driven by the unwired data warehouse. Additionally, the unwired data warehouse must logically contain an integrated and consistent view of business reality across and beyond the enterprise while being physically distributed everywhere.

Although I continue to struggle with the term unwired, there are exciting fresh perspectives for competing in the global economy while freeing us from old constraints. So, are you unwired yet - in rethinking your business?

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