Looking at analytics for business intelligence and performance management

IBM solutions for the federal government

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The value of analytics for business intelligence and performance management

The White House Office of Management and Budget (OMB) has called for government agencies and departments to cut their budgets drastically by 2013. In addition, the Government Performance and Results Act Modernization Act of 2010 (GPRA 2.0) states that federal agencies and departments must use analytics to tie their strategic goals to actual data and link their performance goals to their strategic plan with clear milestones. In addition, agencies and departments must provide performance results more frequently (such as quarterly, weekly or even daily) rather than annually, a requirement of previous legislation.

Analytics solutions, such as business intelligence and performance management software and services, can help federal agencies and departments save *millions of dollars* in costs while improving efficiency by 10 - 15 percent and reducing process times by as much as 80 percent.[1] For example, with an IBM business intelligence and modeling solution, the US Social Security Administration (SSA) reduced processing time for claims and saved significant costs for disability benefit renewals.

Analytics success: The US Social Security Administration
The US Social Security Administration (SSA) provides more than $105,000,000,000 in disability benefits to disabled citizens and needed to reduce a backlog of more than 700,000 disability applications. The SSA and IBM built a business intelligence and modeling solution that can automatically identify applications to rout to the "fast track." For these fast-tracked claims, the processing time was reduced from an average of 97 days to 10 - 20 days. Similar predictive modeling techniques also saved the SSA $2,000,000,000 in costs for disability benefit renewals.

The reason business intelligence and performance management solutions are able to achieve these outcomes is because they make it possible for federal agencies, departments and organizations to:

- Gain important insights about core business processes and decisions.
- Better deliver on mission goals.
- Analyze program outcomes.
- Manage costs and reduce operating expenses.

As a result, your agency can address the key strategic challenges facing it today and contribute to improve overall government performance.

It's time to consider the value of business intelligence and performance management solutions for your agency.

Business intelligence and performance management: Core analytics solutions

To meet deficit reduction and GPRA 2.0 mandates, your agency needs a way to analyze data about your mission area programs and operations. Most critical are:

- Managing budget reduction
- Developing strategies for saving, reducing or avoiding costs
- Dealing with inadequate funding
- Working with budget constraints

Business intelligence and performance management software and services are core analytics solutions that offer ways to use the information you currently have to make the decisions needed to promote strategies for cost cutting and improved efficiency.

Business intelligence and performance management center on taking control of information, extracting insights that can be acted upon and shifting the agenda toward predicting and shaping business outcomes. Software, services and solutions that focus on business intelligence and performance management can organize and process the barrage of data and content generated by traditional sources and advanced systems. More specifically, business intelligence and performance management solutions, such as information management, enterprise content management and business analytics can help your agency:

- **Align activity with goals.** Business intelligence and performance management help tie the goals of political leadership to strategy and translate these goals into the specific agency, departmental or organizational objectives. Your agency is better able to staff appropriately to execute based on goals and ensure the resources in place have the necessary skills.

- **Manage budgets and connect with results.** With business intelligence and performance management, your organization can better track spending versus budget, which helps you plan programs based on projected budget, identify critical uncosted amounts and meet or exceed budget goals. And to help you demonstrate results, business analytics and optimization can clearly link program successes to budget allocation, spending, revenues and resources.
- **Measure and improve service levels.** Your agency can use business intelligence and performance management solutions to continuously monitor the progress of programs compared to their goals, measure service levels and discover inefficiencies.
- **Improve planning ability.** Business intelligence and performance management solutions include dynamic modeling capabilities that help your agency better plan future activities in such areas as crime prevention, social service requirements, economic development and tax revenue forecasting.
- **Create a culture of analysis.** Business intelligence and performance management solutions can help your agency encourage staff to think critically about operations and processes, incentive structure, responsibility and accountability and the many other factors that contribute to better performance. They can also better identify risks and critical issues and rapidly correct them to avoid waste and embarrassing disclosures.
- **Stop improper payments.** Business intelligence and performance management solutions help agencies create a single view of benefits, recipients and taxpayers to help with the identification of non-filers, under-reporters, non-payments and duplicate benefits applications. They also help agencies streamline case management, improve tax collection and find improper payments.
- **Meet GPRA 2.0 goals and mandates.** Business intelligence and performance management software and services tools can help your agency or department provide reports and reviews more frequently and coordinate them with those of other agencies, which are requirements of GPRA 2.0. As a result, your agency or department can create a more explicit fact-based decision-making framework and be more results-oriented.

In short, business intelligence and performance management solutions can help your agency contribute to a more accountable, cost-effective and productive federal government. This is the federal government that citizens keenly desire and that federal employees want to deliver. IBM offers business analytics solutions and services that can help.

Why IBM?

IBM is the right choice to be your agency's trusted partner and provider of business intelligence and performance management solutions. Recently, IBM was a rated a "Strong Positive," the highest rating possible, in the Gartner MarketScope for Business Intelligence and Information Management in North America.[2] IBM offers a broad and deep range of hardware, software and services for analytics. In fact, IBM has invested more than $15,000,000,000 in analytics acquisitions to build a complete software infrastructure that complements all of our development, and IBM Global Business Services® has created a completely new service line called Business Analytics and Optimization. This service line has thousands of practitioners that can help clients with their analytics initiatives.

Not only has IBM implemented business intelligence and performance management solutions to improve its own internal performance, planning and budgeting, but IBM has also helped government organizations, including federal agencies, reap the benefits of analytics. Here are a few examples:

- A US financial department improved efficiency, reduced error risk and achieved compliance when it implemented business intelligence and performance management software to manage and automate its reporting process.
- IBM helped a major department of the US federal government implement a dashboard that helps the department identify, analyze and direct available funding toward time-sensitive initiatives, such as hurricane relief efforts, and exercise near real-time, centralized financial management oversight. The result is more accurate and timely responses to Congressional and White House requests.
- The social services agency of a US state implemented an IBM business intelligence solution to achieve the visibility it needed to avoid overpayments and improve productivity. The agency's return on investment was 631 percent, payback was two months and the average annual benefit was $24,725,000.
- A county agency in the US upgraded to an IBM business intelligence solution to help manage its targeted family services case-management system and launch new services. As a result, the agency has identified more federal revenue sources, generated approximately $4,000,000 in new revenue, done away with multiple spreadsheets and hand-counting of information—practices that often led to confusion and errors—and seen a return on investment of 245 percent in nine months.

IBM has decades of experience working with the federal government. This experience combined with services and software we provide and our partnerships with government leaders have resulted in IBM's in-depth knowledge of how business intelligence and performance management can best help government agencies with analytics initiatives. IBM even has an Analytics Solution Center in Washington, DC, that is devoted to helping public sector agencies and the U.S. federal government use analytics to solve their business and mission problems.

Not sure where to start? Consider an IBM Analytics Quick Assessment

IBM offers an Analytics Quick Assessment (AQA) at no charge to help your agency or department identify the best starting point for an analytics strategy. An IBM Assessment Leader and business and technical subject matter experts from your organization work together on a set of key steps that help identify some opportunities for analytics in the short term. The assessment can also help identify key pain points and projects that could provide high returns on investment or help departments in your organization identify a project that can be implemented quickly and provide significant return for a small investment of time and effort. For more information, contact ASCdc@us.ibm.com

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Conclusion

Government agencies can improve their effectiveness, reduce their budget and accurately plan with help from IBM Business Analytics solutions. Business intelligence and performance management provide not only numbers and metrics, but also the analysis and analytics tools that help pinpoint problems, improve program delivery and implement efficiencies. IBM can help your federal agency or department apply business intelligence and performance management solutions to gain insights into core business processes and decisions so you can deliver on mission goals, analyze program outcomes, manage costs, reduce operating expenses and comply with GPRA 2.0.

IBM business intelligence and performance management solutions address the key strategic challenges facing governments today: protecting the nation and its citizens and improving citizen and business services, while protecting the environment and managing overall government performance with fewer resources and reduced budgets. IBM has the total package: deep industry expertise, a comprehensive portfolio of hardware, software and services and a proven methodology to help governments develop their analytics strategy with a clear, definitive roadmap.

For more information

To learn more about the IBM analytics solutions and services for the federal government, please contact your IBM representative or IBM Business Partner, or visit the following website: **ibm.com**/federal/cto

Attend a complimentary event at the Analytics Solution Center - click the events tab: **ibm.com**/ASCdc

Request a meeting with our IBM experts at the Analytics Solution Center in Washington, DC.

Download the Partnership for Public Service analytics study

Request a chat with an IBM Sales Representative by visiting: **ibm.com**/connect/ibm/us/en

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[1] The results, facts and statistics quoted in this paper are based on the experience of IBM and IBM clients. Your own results might vary.

[2] Gartner Research note: "Marketscope for Business Intelligence and Information Management Services in North America"
— Alex Soejarto, Susanne Matson and Neil Chandler,
Nov 18, 2011 G00219672.
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