



This is a peer-reviewed, final published version of the following document, Final published version distributed here with permission from IGI Global. All Rights Reserved. and is licensed under All Rights Reserved license:

**Wynn, Martin G ORCID logoORCID: <https://orcid.org/0000-0001-7619-6079> and Brinkmann, Daniel (2016) Exploiting Business Intelligence for Strategic Knowledge Management: A German Healthcare Insurance Industry Case Study. International Journal of Business Intelligence Research, 7 (1). pp. 11-24. doi:10.4018/IJBIR.2016010102**

Official URL: <http://www.igi-global.com/article/exploiting-business-intelligence-for-strategic-knowledge-management/161671>  
DOI: <http://dx.doi.org/10.4018/IJBIR.2016010102>  
EPrint URI: <https://eprints.glos.ac.uk/id/eprint/3841>

#### **Disclaimer**

The University of Gloucestershire has obtained warranties from all depositors as to their title in the material deposited and as to their right to deposit such material.

The University of Gloucestershire makes no representation or warranties of commercial utility, title, or fitness for a particular purpose or any other warranty, express or implied in respect of any material deposited.

The University of Gloucestershire makes no representation that the use of the materials will not infringe any patent, copyright, trademark or other property or proprietary rights.

The University of Gloucestershire accepts no liability for any infringement of intellectual property rights in any material deposited but will remove such material from public view pending investigation in the event of an allegation of any such infringement.

PLEASE SCROLL DOWN FOR TEXT.

# Table of Contents

## International Journal of Business Intelligence Research

Volume 7 • Issue 1 • January-June-2016 • ISSN: 1947-3591 • eISSN: 1947-3605

*An official publication of the Information Resources Management Association*

### Research Articles

- 1      **Business Intelligence and Analytics Research: A Peek Inside the Black Box**  
Gregory S. Richards, University of Ottawa, Ottawa, Canada
- 11     **Exploiting Business Intelligence for Strategic Knowledge Management: A German Healthcare Insurance Industry Case Study**  
Martin George Wynn, University of Gloucestershire, Cheltenham, UK  
Daniel Brinkmann, University of Gloucestershire, Cheltenham, UK
- 25     **A Success Assessment Model for BI Tools Implementation: An Empirical Study of Banking Industry**  
Saeed Rouhani, University of Tehran, Tehran, Iran  
Sogol Rabiee Savoji, Mehrabborz University, Tehran, Iran
- 45     **Measuring Agreement Among Ranks: Sustainability Application**  
Kathleen Campbell Garwood, Saint Joseph's University, Philadelphia, PA, USA  
Alicia Graziosi Strandberg, Villanova University, Villanova, PA, USA

### COPYRIGHT

The **International Journal of Business Intelligence Research (IJBIR)** (ISSN 1947-3591; eISSN 1947-3605), Copyright © 2016 IGI Global. All rights, including translation into other languages reserved by the publisher. No part of this journal may be reproduced or used in any form or by any means without written permission from the publisher, except for noncommercial, educational use including classroom teaching purposes. Product or company names used in this journal are for identification purposes only. Inclusion of the names of the products or companies does not indicate a claim of ownership by IGI Global of the trademark or registered trademark. The views expressed in this journal are those of the authors but not necessarily of IGI Global.

The *International Journal of Business Intelligence Research* is indexed or listed in the following: ACM Digital Library; Bacon's Media Directory; Cabell's Directories; DBLP; Google Scholar; INSPEC; Library & Information Science Abstracts (LISA); MediaFinder; The Standard Periodical Directory; Ulrich's Periodicals Directory

# Exploiting Business Intelligence for Strategic Knowledge Management: A German Healthcare Insurance Industry Case Study

Martin George Wynn, University of Gloucestershire, Cheltenham, UK

Daniel Brinkmann, University of Gloucestershire, Cheltenham, UK

## ABSTRACT

In the German healthcare industry, Business Intelligence systems play a crucial role. For one major health insurance company (discussed here as an alias - AK Healthcare), the deployment of Business Intelligence applications has supported sustained growth in turnover and market share in the past five years. In this article, these tools are classified within an appropriate conceptual framework which encompasses the organisation's information infrastructure and associated processes. Different components of the framework are identified and examples are given - systems infrastructure, data provision/access control, the BI tools and technologies themselves, report generation, and information users. The use and integration of Business Intelligence tools in the strategy development process is then analyzed. Finally, the key functions and features of these tools for strategic knowledge management are discussed. Research findings encompass system access, report characteristics, and end-users profiles and capabilities.

## KEYWORDS

BI, Business Intelligence, German Healthcare, Insurance Industry, Strategic Knowledge Management, Strategy Development

## INTRODUCTION

"Information is power" is a well-used adage that points to the key role information plays in corporate success. A sound technology platform that supports integrated information systems is a key requirement that needs addressing as a company expands. To harness the full potential of corporate knowledge, the use of Business Intelligence (BI) tools will be necessary in most market environments. Sound core systems and effective BI tools deployment are the pre-requisites for the management of corporate knowledge relating to new market and product development, quality standards enhancement and process improvement.

BI information and its exploitation for key decision-making can play a vital role in underpinning strategic choice and corporate profitability. Operational data must be processed, analysed and reported in order to control and measure the performance of a company and its management. Effective and timely business information is recognized as being essential for organizations to succeed, but also simply to exist in today's rapidly changing and challenging business environment (Lönqvist & Pirttimäki, 2006). According to Pisello & Strassman (2003), companies can gain competitive advantage not just

by focusing on implementing new technologies, but also by deploying technology to share, manage, and increase the level of knowledge throughout the organization.

To improve the BI process, senior management should be cognizant of the effects and impact of BI on their organization – and they can also be key players and stakeholders in the integration of BI tools into the strategy development process. Company performance can be comprehensively measured at all levels across an organisation, but BI tools can contribute to the management of knowledge in certain key strategic areas. They can be used to improve the way internal business processes are executed so that an organization performs the same activities better than its competitors (Hemmatfar, Salehi, & Bayat, 2010). They may also be applied to performance management to allow organizations to track, understand, and manage vital business information. Such improvements increase employee and customer satisfaction, quality and productivity, and decrease time to market.

This research focuses on the capabilities of Business Intelligence (BI) tools and technologies to support strategic knowledge management that enhances competitive advantage. It explores which BI technologies and tools are currently used within AK Healthcare (AKH), how they are used, how they can be classified, their interaction with the strategy development process, and the key elements of these tools that support effective knowledge management. The objectives of BI deployment are discussed and relevant BI products for AKH are reviewed.

## THEORETICAL FRAMEWORK

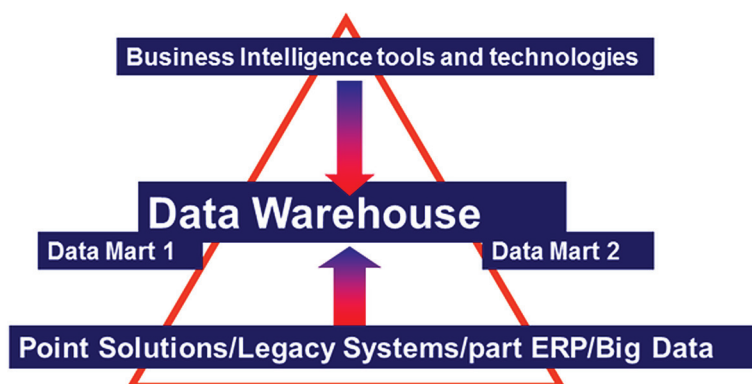
There are various definitions of Business Intelligence (BI) in existing literature. BI has become an important IT tool or mechanism that can help organizations to manage, develop, and communicate intangible assets such as information and knowledge. It is often considered essential for organizations operating in the current knowledge-based economy (Alnoukari, 2009). BI is discussed by Gansor, Totok, & Stock (2010) as an analytical process that transfers internal and external data into appropriate knowledge to support decision-making. The term BI has also been defined as the collection, saving, analysis, and provision of data to support the decision-making processes of a company (Seufert & Oehler, 2009).

This article assumes that relevant strategic data will be stored in a structured way in a data warehouse – a “subject-oriented, integrated and time-variant collection of data in support of management’s decisions” (Inmon, 2002, p. 31). This is most likely to be the case in organisations that do not have one large integrated software package – an enterprise resource planning system - fulfilling their systems needs, where there may be less of a business case for a data warehouse. It is more prevalent in organisations – like AKH – where a best of breed systems strategy has been pursued, resulting in a range of different applications and data sources. In such situations, the data warehouse (DWH) is often a key component of overall systems strategy; and it is also the base infrastructural element of a BI system, allowing storage and structuring of data from various systems and external sources, supporting the provision of key management information (Figure 1).

“Big Data” is another relevant concept - large volumes of data from different data sources that can be identified and analyzed with the help of BI applications. Similar to analytics, Big Data should allow the generation of findings and insights that provide business advantage (McAfee & Brynjolfsson, 2012); and Big Data may also relate to specific subject areas and be stored in sub-areas of the DWH, often termed “data marts”.

Strategic BI technologies and tools can be characterized by their ability to significantly change the manner in which business is conducted, providing an organisation with discernible strategic benefit (Turban *et al.*, 2006). BI technologies are perceived as instruments that generate the knowledge that supports or changes an organisation’s strategy (Wiseman, 1985). Eckerson (2005) argues that BI must be able to provide data mining, planning, and modelling tools. BI includes a set of concepts, methods, and processes designed to improve business decisions, using information from multiple sources and applying past experience to develop a more precise understanding of business dynamics

Figure 1. Typical systems architecture underpinning BI tools deployment



(Maria, 2005). It integrates the analysis of data with decision-analysis tools, with the purpose of improving strategic decisions. Although these tools may be used across an organization, it is often in the financial and management accounting areas of the business where BI applications are most in evidence. It is often these departments that are at the centre of strategic planning and knowledge management for the organization as a whole.

BI also encompasses predictive and explorative analytics, often collectively termed business analytics (Weber & Fohrholz, 2013). These tools follow on from the early online application processing (OLAP) tools that emerged in the 1990s, and their use requires multi-dimensional arrays or cube structures within the DWH as well as the more traditional relational database structures. These cube structures often relate to specific subject areas (e.g. customer profitability) and may be held as individual data marts. Predictive analytics are often used to forecast financial developments or consolidation activities with the aim of sustaining competitive advantage (Siegel, 2010). Explorative analytics, on the other hand, employ analytical and optimization methods to enable BI end-users to improve their understanding and interpretation of corporate data and information, and thereby generate new knowledge.

BI can change the way people work as individuals, in groups, and in the organization. People perform their work following business processes that are embedded in BI (Watson, 2010). Benefits attributed to BI may be non-financial and intangible, such as the improved quality and timeliness of information. Although such non-financial effects may lead to advantageous financial outcomes, there is often a time lag between the acquisition of information from BI and the related financial gain. Measuring BI benefits can thus be extremely difficult in practice (Lönngqvist & Pirttimäki, 2006). Carver & Ritacco (2006) conclude that the users of existing BI technologies and tools often emphasise that non-measurable benefits are worth more than measurable benefits. BI can be considered an essential component of a successful business in the current knowledge-based economy arena (Alnoukari, 2009). Changes in corporate-positioning or strategy can be implemented quickly for better and faster decision making. The business user's role is strengthened by reliance on effective information delivered via BI solutions. Whether acting upon a report as an end-user, or performing analytics as a business analyst or employee in management accounting, the BI end-user role provides flexibility for information delivery (Volitich, 2008).

The strategy development process is the essential top level activity where enhanced knowledge management can have a major strategic impact. This process can be divided into four sequential but overlapping steps: information analysis, strategy development, strategy implementation and strategy review (Fueglistaller *et al.*, 2005). By impacting upon this process, BI applications can make a major contribution to providing competitive advantage. For example, the incorporation of external data into BI applications and the DWH allows organizations to ascertain market reactions to competitors' sales campaigns. Health insurance companies may also develop and access critical information through

BI tools deployment, in order to meet customer requirements in an increasingly complex world of processes and structures within the public healthcare sector. With this technology and business context as a backdrop, this article addresses three research questions (RQs), with specific reference to the AKH health insurance company:

- **RQ1:** How can BI technologies and tools be classified within an appropriate conceptual framework that encompasses the wider information management provision process?
- **RQ2:** How can BI technologies and tools be effectively used and integrated within the strategy development process?
- **RQ3:** What are the key elements of BI tools and technologies that are needed to support the knowledge management process?

## RESEARCH METHODOLOGY

This research employs a case study method applied to one large case – the AKH health insurance company. Eisenhardt (1989, p. 534) defined a case study as “a research strategy that focuses on understanding the dynamics present within single settings.” The case study can focus on a single case or a single organization (Easterby-Smith *et al.*, 2008).

The research questions were used to generate sets of sub-questions for one-to-one interviews with twelve AKH employees, most of which are BI tools users. For RQ1, 18 sub-questions were generated, there being 8 more for RQ2 and a further 11 for RQ3. An interpretivist paradigm was adopted to attempt to understand what is happening in the company, developing ideas and theory through induction from this interview data. Relevant concepts derived from existing literature were also incorporated into the analysis of findings. As Gray (2009) states, pre-existing theories or ideas are beneficial when approaching a problem. A qualitative methodology was chosen to explore and understand participant perspectives as shaped through their experiences and respective business roles and views (Creswell, 2009).

The case study is based on two sources of evidence: the direct observation of the events being studied, and the interviews of the persons involved in the events. The strength of a case study such as AKH is that it allows a large variety of evidence to be reviewed, such as documents, interview material, and observations that would not be available in a conventional historical study. Concerning the selection of the AKH interviewees, nine employee types were identified as being of primary interest with regard to answering the research questions. Appropriate employees were selected being either BI end-users or having access to certain BI outputs or solutions, such as reports or analysis platforms. Structured in-depth interviews were conducted with twelve employees between July and November 2013 in the company's Hanover offices. Interviews were audio-recorded, and these files were transcribed after each interview. Interviewees included the authorized agent of the CEO, marketing director, BI consultant, management accounting employees, director of management accounting, performance analysts, director of management accounting for health care, director of health care management, and the director of physical therapy.

The evidence from the one-to-one interviews was analysed in two phases as recommended by Miles and Huberman (1994). First, the replies to each of the 37 sub-questions were summarised and some specific, distinct responses were identified. Then these responses were organised and oriented around the main research questions and synthesised in a table that summarized the findings for each research question. This allowed the identification of key statements and attitudes regarding current BI applications and their deployment. The drivers of successful BI deployment in different business contexts were classified into different categories, allowing an initial positioning of interview material against each research question. This process was repeated several times, expanding and refining the interview material relevant to each RQ as the conceptual framework for analysis was developed and confirmed.

## FINDINGS AND ANALYSIS

The case study findings are based on in-house observation and material from the twelve in-depth interviews with AKH staff noted above. The deployment of different BI technologies and tools in AKH is classified within an appropriate conceptual framework that helps us understand their role in the strategy development process, and also supports the identification of key features and functions that may further knowledge management within the organization.

The conceptual framework attempts to provide a mechanism for the classification and integration of BI technologies and tools at AKH (RQ1). Certain elements have been taken from the existing literature and have been further developed. This framework comprises five distinct layers: infrastructure, data provision/access control, BI tools deployment, reporting, and information receivers (Figure 2).

*Infrastructure* is the lowest layer in this framework. To develop qualitative reports and analyses, a consistent database has to be in place, and this is provided by the DWH. The interviewees stressed the importance of a common structure and definition for data drawn from different sources - internal operational systems and external scientific data bases, such as official health statistics of memberships or financial data for healthcare industry benchmarking. This data is organized in the DWH in aggregated forms for multidimensional cube access, as well as in relational forms to provide in-depth views and detailed information presentations. The harmonization of data from different data sources is a major requirement for developing consistent reports and analyses. In the past, this was accomplished only with significant manual intervention by management accounting employees. BI end-users can now access centralized common master data structures and dimensions. Ratios can be used that are commonly defined so that reports in different areas of the organization can be compared

Figure 2. Conceptual framework for the classification of BI tools and technologies

5-layer model	applied to the strategy development process			applied to business operations
information receivers	- 3 <sup>rd</sup> management level - BI end users	- BI end users	- top management - 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> management levels - BI end users	- 2 <sup>nd</sup> and 3 <sup>rd</sup> management levels - BI end users
report generation	<b>planning</b> - budgeting - enterprise planning	<b>strategic reporting</b> - likelihoods (f.i. of hospitalization) - early-warning systems - mobile reporting - explorative cross-sectoral analysis		<b>operational reporting</b> - standard reporting system/monitoring
BI technologies and tools	<b>planning</b> - Cognos TM1	<b>predictive</b> - SPSS - PSM tool - AKH bespoke solutions/ tools	<b>explorative</b> - cockpits/ portlets - Analysis Studio - Workspace Adv. - Panoratio	<b>standard</b> - Report Studio - Microsoft tools
data provision/ access control	<b>Access control:</b> by management accounting department – general users, power users and developers  <b>Data is extracted, formatted, loaded and indexed:</b> multi-dimensional cubes, structured relational data sources, and data marts			
systems infra-structure	<b>Data Warehouse</b> - in-house operational data - external data			



and cross-referenced. Management accountants, as well as a wider cross-section of end-users, are able to access appropriately structured data.

The *data provision/access control* layer is integrally linked to the access control function of the company's management accounting department, working in liaison with the corporate IT support function. All data on the DWH is potentially available to all end-users, and management accounting controls tools availability and access for BI end-users, who can access analysis platforms to develop individual reports. In addition, some BI end-users receive print reports from management accounting employees.

Regarding the *BI technologies and tools* layer, interview statements suggest a classification according to their purpose or role – *planning, predictive, explorative* or *standard/general*. These tools can collectively be referred to as “analytics”, and some can be used for more than one of these purposes. For instance, Cognos BI products, which were mentioned most frequently by interviewees, deliver analytics that all BI end-users can use to answer key business questions, and they can be viewed as both explorative and standard tools. Users can also develop individual analyses for specific cases. In order to enhance these analytics, management accounting employees are often required to support BI end-users in finding appropriate answers to specific business questions. Some more detailed examples of these four main BI roles are given below.

## Planning

Cognos TM1, a major BI tool from IBM, is used for planning and forecasting for all “activity fields” in which AKH operates. (An “activity field” denotes a business area in which AKH is commercially involved). The entire planning cycle and its sub-phases are supported by this software. Key variables relating to price, customer age structures and other demographics are used to calculate forecasts and spending plans for each activity field. Multi-dimensional cube based planning can also be developed and deployed within this product.

## Predictive

The propensity score matching (PSM) BI system was developed in-house by AKH to compare and evaluate different customer cost groups. It is designed to identify and calculate likelihoods of hospitalization or cancellations for patients, and is based on past diagnoses and ambulant or stationary benefits. SPSS, another BI product from IBM, is used in conjunction with the PSM tool to analyze specific data abnormalities, and to make predictions.

## Explorative

Explorative BI tools are evident in a number of forms in AKH, and this is the most widely used BI purpose in the company. These tools can be seen on screen as a “portlet”, a “cockpit”, or the “corporate dashboard”, depending on which tool is used, and what job role the end-user has. All levels of business management have the opportunity to use these tools to apply corporate ratios and trends to explore individual regional developments. These tools enable BI users to generate data and develop reports individually, and to get preferred analyses for their areas of responsibility. Cockpits are helpful in combining graphic displays with relevant corporate trends in comprehensive summaries of specific data and information. From a knowledge management perspective, these are very powerful, allowing all data, functions, developments, trends, and navigation opportunities to be integrated into one cockpit. To maximise benefits for end-users, the cockpits have to be critically and carefully designed and evaluated.

Cognos Analysis Studio is an example of a specific explorative tool in evidence within AKH. End-users find it generally easy-to-use, allowing reasonably complex queries. AKH analysts use this tool for multi-dimensional analysis and the exploration of large data sources. An interactive drag-and-drop function is often used for exploring and analyzing data and making data comparisons such as actual versus budgeted results. In addition, Panoratio provide a range of BI tools that also



allow analysis of multi-dimensional data sources, such as those contained in an OLAP cube. These products are viewed as being of strategic value for AKH, in particular for healthcare analytics. They can provide a platform for rough and ready, “first-cut”, analysis of business opportunities, using multi-dimensional cubes and aggregated data structures. In this context, Panoratio tools are used for business analytics by a wide range of end-users to experiment with data and develop individual scenarios and data portfolios.

## Standard

Cognos Report Studio is used for operational reporting, which is generally short-term-oriented and highly detailed. Clearly structured reports with relevant ratios are needed to serve different but related perspectives – for example, quality, cost-efficiency, and customer satisfaction. Reports are generally kept as simple as possible, and are easily managed and customised by end-users. This standard reporting and data monitoring function serves as the main information source for management and analysts in the business divisions, to view past activity on a short-term basis, based on previously defined relevant ratios and trend views.

The *report generation* layer concerns the output material - the business intelligence itself - generated by these tools. AKH is striving to provide top management with a panoramic view of information in an integrated reporting system. This includes external distribution, market and medical data from hospitals and doctors, which is summarized and cross-referenced. An example of advanced reporting capability which is more generally available in AKH is provided by Cognos Workspace Advanced, which is mainly used for explorative analytics. It allows basic developers, predominantly management accounting employees, to create reports and analyze different data sources in one interface. The product is designed to allow querying and analyses from a single interface, and it interacts with other Cognos products. It is used in business meetings to display structured overviews and trends, and can be manipulated to show further analysis and visual representations of information that aid decision processes in these meetings.

Mobile reporting from BI tools is a significant development being pursued at AKH. For certain tablet computers, mobile reports can be made available from the Cognos AKH systems. The company has developed tablet reporting solutions in the form of dashboards for the CEO, somewhat akin to the old concept of “executive information systems”. From his tablet, the CEO can request detailed analytical reports and receive them more or less immediately, in real time. He can then customize the analytical views depending on what he needs to see, by swiping on the tablet. Improvements are being made in information availability, speedier report development, and optimal hardware utilization. It is expected that these developments in mobile BI, being piloted with the CEO, will be rolled out to support AKH’s distribution and marketing functions. These mobile apps could be used, for example, to allow field based staff to enter doctor information that can then be transferred directly to the operational system for further analysis. So BI apps will be used for reporting, but also for field based data gathering and data entry.

The top layer in this model concerns the main users of this business intelligence information – the *information receivers*. This model refers to top management, operating at Board level, and then three further levels of management in the company, the first level being the most senior answering to Board directors. Planning reports and associated BI macros and applications are used by BI end-users and the third level of management. Strategic reporting is conducted by BI end-users, employing predictive analytics. It is likely that all levels of management will require increasing support from explorative analytics BI in future. BI outputs relating to business operations tend to be used by the second and third levels of management, as well as BI end-users (Figure 2).

We can now consider how BI tools and technologies can best be deployed and integrated within the strategy development process (RQ2). Based on the four phases of this process identified by Fueglistaller *et al.* (2005), interview analysis and internal documentation suggest objectives, BI

activities and BI tools deployment for each phase (Figure 3). These tools are discussed in the context of their use at AKH, but others could be used in different business technology contexts.

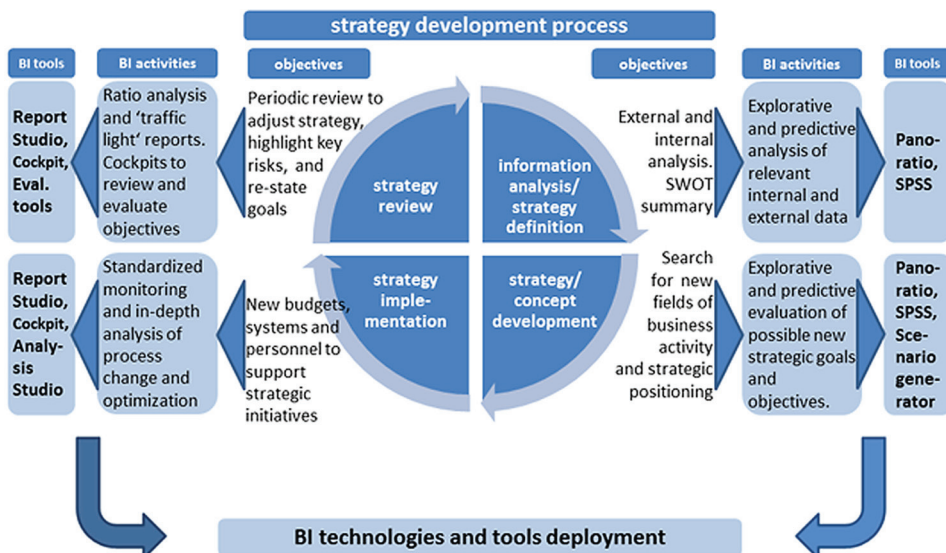
Some examples can be given to illustrate the overall picture given in Figure 3. In the *information analysis* phase, for example, SPSS serves as a predictive analysis tool for the calculation of probabilities and their relevant weightings. This encompasses possible customer cancellations and hospitalization rates. Such predictive data also aids the development of the appropriate strategy for relevant customers and thus optimizes AKH's business portfolio.

Central to the *strategy/concept development* phase, is the search for new activity fields and possible strategic direction changes. The definition of new project objectives, and any related process implications, is clarified at this stage. This is done with the help of explorative information searches, prediction models, and scenario generators. Panoratio is used to develop different scenarios for intervention. Concept development is supported by data analysis, using a number of BI tools, including Panoratio, SPSS and scenario generators.

In the *strategy implementation* phase, standardized monitoring from BI tools is used to show relevant ratios and cross-organisational implications for staff centrally involved in strategy development and implementation. Business strategy implementation is supported by reporting and monitoring that includes the relevant ratios to minimize uncertainties and support strategy evaluation. For standardized monitoring, Cognos Report Studio is used to provide access to all data packages – markets and customers, hospitals, doctors, pharmaceuticals and a number of related statistical ratios – and to prepare and present them appropriately. For more in-depth analyses, including countermeasure and adverse event impacts, explorative tools such as Cognos Analysis Studio and associated dashboards are used.

The *strategy review* phase encompasses a number of periodical reviews which act as an early warning of any adverse results and analyses the potential impacts of appropriate countermeasures. Statistical evaluation BI tools, such as the PSM tool and Panoratio with its integrated statistical package, provide relevant ratios for achieving strategic objectives and milestones. In this way, the results of the strategy evaluation and review are communicated to the responsible divisions, for instance, health care management. A holistic evaluation of a healthcare project linked to overall strategy, for instance, will measures results to date against the defined financial objectives.

Figure 3. Deployment of BI technologies and tools within the strategy development process(Phase -> Objectives->BI activity->BI tools deployed)



The role of these tools within the strategy development and implementation process can be illustrated in the context of the implementation of healthcare projects, which are developed and enhanced by different product teams. Current healthcare projects concern the insurance costs of certain medical conditions: depression, schizophrenia, and cardiac disease. They focus on the generation of cost or quality advantages and the targeted enhancement of healthcare structures in Germany. The basic conditions that are required in order to implement healthcare structures or models of specialized departments, hospitals, or cross-sectoral regional budgets in Germany can be found in Social Law regulations. AKH has to act within this political and legal framework. BI reports with traffic light systems of warnings and escalation mechanisms provide evidence of whether certain healthcare projects are successful or not. These mechanisms can be used as the basis for decisions to review or adjust initial strategy choices.

As regards the key elements of BI tools and technologies (RQ3), the interviews suggested a range of factors that might improve BI deployment for knowledge management. These factors can be divided into five components: *technology element*, *software product*, *ways of access*, *report characteristics*, and *BI end-user communication*.

## Technology

Interview feedback highlighted the need for BI technologies to be efficient, user-friendly, and custom-fit to the market and specific business division needs. Aggregated data structures for performance analyses (such as Panoratio databases and subject specific data marts) play a crucial role in certain business areas. For further in-depth data analyses, relational data technologies have to be available primarily for management accounting employees and certain BI end-users.

## Software Products

The Cognos BI software is viewed as providing fast and efficient functions with planning, standard and explorative tools, and mobile cockpits and dashboards. Data mining products can play a key role here; their objective is to extract knowledge from a data set or structure and their function involves data base and data management, model and inference building, visualization and online updating. AKH provides data mining solutions to find correlations in different activity fields such as the likelihood of the withdrawal of target customers or identifying excellence in care provision. The key employees are trained in statistics and in data sciences. Data mining can be exploited using SPSS in combination with social media analytical platforms. This is a new area of knowledge management that will use social media data in conjunction with BI tools to analyze social behavior characteristics and the needs and attitudes of customers. This should be conducted with due consideration of privacy protection.

## Access

There are many ways to access reports or analysis templates. The delivery can be an active transmission with management accounting support. For instance, a management report may be delivered via email in pdf format by management accounting employees. However, there are other options for standard reporting handling and provision. The management of AKH is now using a self-provision function available via a Cognos portal, where reports are available in fixed pdf format. The Cognos Event Studio can also be automated to schedule report delivery immediately following weekly data synchronisation. Self-provision via a self-service portal with provision for end-user pick-up is becoming increasingly important as a means of access in AKH. Some employees have mobile access to pre-prepared reports and corporate ratios via tablets. An “Event Studio” is also in use in the management accounting division for receiving reports after the weekly or monthly data synchronisation process. This automatic data provision process will be expanded in the future to free up resources for more focused strategic BI tasks. It is intended to roll-out the self-service portal to all divisions, making a wide range of reports and analysis available to end-users.

## Reports

Interview feedback highlighted the importance of standard reporting procedures, consistent definition and use of key ratios, and well communicated processes for report generation and access. The value of interactive graphics for report analysis was also emphasized. Statistical functions should be clearly defined to allow evaluations of, for example, specific health care projects. Reports should provide flexibility so that BI users and management can access multiple views, trends, or data.

The visualization of information and Big Data plays a crucial role in this context. This development is logical because it is difficult to get an overview of the amount of available data and to identify structures and correlations within it. Today, it is not possible to identify all relevant data patterns with automatic algorithms. The skills of employees are necessary for this process. Thus, it is important to focus on certain analysis activities and platforms. Graphic presentations afford the opportunity to visualize structures and trends, as opposed to simple tabulation. The visualization process can be structured in four steps: data integration, classification, sorting, and colouration. Visual BI with different visualization options will be an important area of development in AKH and in the wider BI world in the future.

## BI Communication

The effective in-house communication of BI developments is crucial and it is intended to strengthen this in AKH in the coming years. Interview feedback suggested that communication with BI end-users and BI customers within the company has to be more custom-fit on the basis of the corporate policies and individual needs. This communication needs to be aligned with first-level product support, the training and qualification advancement of BI end-users, and even cultural aspects such as corporate mission and vision aspirations. These guidelines and requirements for using BI for effective knowledge management are summarized in Figure 4.

## CONCLUSION

These research findings come with certain qualifications. The methodological decision to rely in the main on in-depth interviews comes at the cost of limited representation as compared to quantitative surveys, for example. Further limitations arise from the national and cultural setting of the empirical research stage. The fact that the empirical study was conducted in Germany means that results are potentially biased by the local culture or regional traditions. While goal-oriented activities are executed in a specific way in the AKH region in the north of Lower-Saxony, these objectives may be pursued in significantly different manner, even in nearby regions that can vary greatly with regard to culture or even religion.

Through the extensive transcripts, English translations, coding and use of interview materials, and internal inquiries, the results of the case study have been reviewed and confirmed from different positions within the company. To allow wider generalisations to be made, the emergent models need to be applied and cross-checked in other organizational contexts. For other companies like AKH, there is the opportunity to become a totally networked and intelligent company exploiting the benefits of an appropriate set of BI tools and technologies. The conceptual framework shown in Figure 2 can be used as a checklist to plan and monitor in-company BI deployment. Is there a technically sound and appropriately structured database underpinning BI operations? Is someone or some department playing the role of DWH manager to effectively control access to BI tools and data? Are you exploiting the full range of tools and technologies available? Whilst the *planning* and *standard* tools are reasonably well known and used, the *predictive* and *explorative* tools are less so, and this is where AKH has attained significant business benefit, as evidenced in the use of BI in the strategy development and implementation process. In a wider context, business processes have been enhanced through end-users creatively exploiting these tools to achieve their own goals aligned to corporate strategy. As regards report generation and the information receivers, are different levels of management getting what they need from BI? There may be a wealth of data available, but this needs to be effectively managed and



Figure 4. Factors to engender BI technology deployment for knowledge management

CLASSIFICATION:	elements of BI technologies and tools for effective knowledge management				
BI communication	<b>first-level-support</b> - for technical, analytical, and cognitive abilities	<b>education</b> - training courses - in-house workshops - data scientists	<b>marketing</b> - market the benefits of BI for knowledge management	<b>corporate vision</b> - senior management leadership	information dialogue, support, transparency of BI strengths
report characteristics	<b>standardized</b> - structured to suite different business needs	<b>functions/ features</b> - interactive visualization - statistical features - multiple views, trends, scenarios, data correlations, big data management		<b>objectives</b> - early warning alerts - controls - KPI reporting	flexibility, performance monitoring, transparency of customer needs
ways of access	<b>active transmission</b> - management accounting support - email directives - target group workshops - event studio alerts		<b>self service/ provision for pick-up</b> - portal (cockpit, job and events, report repository, own folders, time schedules) - book mark, archival storage - mobile reporting/ video podcasts		get information to minimize uncertainty of decision-making, and develop knowledge
software	<b>Cognos</b> - planning - standard tools - explorative tools - portlets/ mobile	<b>data mining</b> - SPSS - social media data analytic platform	<b>Panoratio</b> - pdi sets	<b>others</b> - AKH software - SAP BO - Microsoft Office	fast and efficient use of technologies for process management
technology	<b>TM1</b> - planning applications	<b>data mart</b> - aggregated data analytics for relevant segments	<b>pdi</b> - customer-focused views for cross-sectoral analytics	<b>structured relational data</b> - in-depth analytics	sound technical platform and data integrity/ consistency

made available in the right formats, using the appropriate tools. The enhanced analytical abilities of employees using BI tools and technologies should improve decision-making at all levels to engender process improvement and attain competitive edge.

To this end, Figure 4 can be used as a template that can be customized to individual organizational needs and circumstances. Whilst Figure 2 depicts *what* is required for effective BI deployment, Figure 4 illustrates *how* BI can be used. This is, however, specific to the AKH organizational context, and provides but one case example. Other authors have attempted to summarise and classify these factors. Gonzales (2011) identifies four main requirements for the successful deployment of BI tools for effective knowledge management - leadership, value, skill and infrastructure. In particular, steadfast and consistent leadership can play a key role in the sustainability of BI and its impact within an organisation. This resonates with the assertion of Woodside (2011, p. 557) that “BI is not a single product, application, program, user, area, or system, but rather an architecture of integrated systems that provides users with easy access to, and storage of, information for decision-making and learning.” It highlights the significance for organizations of bridging the gap between theoretical knowledge and its practical application for decision support (Guarda *et al.*, 2013).

BI products and their benefits for the organisation have to be marketed in-house to the professional business divisions. This may encompass a range of functions, processes and disciplines: new product development and innovation, for example, are becoming increasingly important to many organizations as they focus on new ideas capture, screening and prioritization to drive future growth, and BI tools can play a key role in these initiatives. Risk management is also now becoming an issue of strategic importance as increased regulation and the need for continuous improvement has brought renewed focus on strategic, process and programme risk management. Corporate governance is closely linked to risk management. There is now a significant amount of visibility and focus on the senior management team, who need to manage the business in a way that is both highly effective and compliant with regulations. This creates a need for information visibility and process control underpinned by sound

knowledge management systems, of which BI tools are a key component. The ability to present the right information to the right people at the right time using well-constructed dashboards and analytical platforms is an important element of BI delivery. A single version of the “truth”, delivered on a well-integrated and secure BI technical platform through transparent data management, is a key element of successful BI deployment. BI integrates information utilities and a decision support system that can help organizations to manage, develop, and communicate their intangible assets embedded in corporate information and knowledge.

This research focuses on professional practice development, which was established using a mixture of theoretical and practical frameworks. Theory must be supplemented with daily business practice at AKH. The first steps have been taken, but an increase in BI end-users would further engender an IT-driven self-service with BI technologies and tools at their core. Together, top management and BI end-users can generate new strategic capabilities as the findings and analyses of the research questions showed. If awareness and creativity can be raised by using BI technologies and tools, then BI solutions will generate fast, simple, and diverse advantages for AKH. In the different business divisions, a broad portfolio of BI applications and analysis tools is supporting and enriching the way opportunities are identified, and how key strategic and operational decisions are made and implemented in a better informed, appropriately qualified, and more transparent manner.



## REFERENCES

- Alnoukari, M. (2009). Using Business Intelligence Solutions for Achieving Organization's Strategy: Arab International University Case Study. *Internetworking Indonesia Journal*, 1(3), 11–16.
- Carver, A., & Ritacco, M. (2006). *The Business Value of Business Intelligence – A Framework for Measuring the Benefits of Business Intelligence*. Business Objects.
- Creswell, J. W. (2009). *Research Design. Qualitative, quantitative and mixed methods approaches* (3rd ed.). Thousand Oaks, CA: SAGE Publications, Inc.
- Easterby-Smith, M., Thorpe, R., & Jackson, P. R. (2008). *Management Research: Theory and Research* (3rd ed.). London: SAGE Publications Ltd.
- Eckerson, W. (2005). *Performance Dashboards: Measuring, Monitoring, and Managing Your Business*. Wiley.
- Eisenhardt, K. M. (1989). Building Theories from Case Study Research. *Academy of Management Review*, 14(4), 532–550.
- Fueglistaller, U., Frey, U., Halter, F., & Hartl, R. (2005). Unternehmensführung 3 – Der Strategiefindungsprozess – Vorgehensmethodik zur Erarbeitung einer Strategie in vier Schritten. Study booklet of Europäische Fernhochschule Hamburg. UNFÜ 3/H, Hamburg.
- Gansor, T., Totok, A., & Stock, S. (2010). *Von der Strategie zum Business Intelligence Competency Center (BICC) – Konzeption, Betrieb, Praxis* (1st ed.). Munich: Hanser. doi:10.3139/9783446424869
- Gonzales, M. (2011). Success Factors for Business Intelligence and Data Warehousing Maturity and Competitive Advantage. *Business Intelligence Journal*, 16(1), 22–29.
- Gray, D. E. (2009). *Doing Research in the Real World* (2nd ed.). London: SAGE Publications Ltd.
- Guarda, T., Santos, M., Pinto, F., Augusto, M., & Silva, C. (2013). Business Intelligence as a Competitive Advantage for SMEs. *International Journal of Trade, Economics and Finance*, 4(4), 187–190.
- Hemmatfar, M., Salehi, M., & Bayat, M. (2010). Competitive Advantage and Strategic Information Systems. *International Journal of Business and Management*, 5(7), 158–169. doi:10.5539/ijbm.v5n7p158
- Inmom, W. H. (2002). *Building the Data Warehouse*. J Wiley.
- Lönnqvist, A., & Pirttimäki, V. (2006). The Measurement of Business Intelligence. *Information Systems Management Journal*, 23(1), 32–40. doi:10.1201/1078.10580530/45769.23.1.20061201/91770.4
- Maria, F. (2005). *Improving the utilization of external strategic information* [Unpublished Master of Science Thesis]. Tampere University of Technology.
- McAfee, A. & Brynjolfsson, E. (2012). Besser entscheiden mit Big Data. *Harvard Business Manager*, November, 22-30.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: an Expanded Sourcebook*. Thousand Oaks: SAGE Publications, Inc.
- Pisello, T., & Strassmann, P. (2003). *IT Value Chain Management – Maximizing the ROI from IT Investments*. New Canaan. The Information Economics Press.
- Seufert, A., & Oehler, K. (2009). *Business Intelligence & Controlling Competence* (1st ed.). Berlin.
- Siegel, E. (2010). *Seven Reasons You Need Predictive Analytics Today*. Prediction Impact, Inc.
- Turban, E., Leidner, D., McLean, E., & Wetherbe, J. (2006). *Information Technology for Management: Transforming Organizations in the Digital Economy* (5th ed.). J. Wiley and Sons.
- Volitich, D. (2008). *IBM Cognos 8 Business Intelligence: The Official Guide* (1st ed.). New York: McGraw-Hill.
- Watson, H. J. (2010). BI-based Organizations. *Business Intelligence Journal*, 15(2), 4–6.

Weber, N., & Fohrholz, C. (2013). Wirtschaftliche Potenziale von Business Analytics – Ergebnisse einer explorativen Studie. *ERP Management*, 4, 36–38.

Wiseman, C. (1985). *Strategic Information Systems*. Homewood, Illinois: Irwin.

Woodside, J. (2011). Business Intelligence Best Practices for Success. *Proceedings of the European Conference on Information Management* (pp. 556-562).

*Martin Wynn worked for 20 years in industry as an IT professional, including 10 years as IT Director at HP Bulmer Drinks Ltd, now part of the Heineken Group. Since his return to academia in 2002, he has focused on post graduate research supervision and knowledge transfer activities with local industries. He has supervised over 20 industry based projects which have implemented a range of new technologies in local companies, including integrated systems packages, business intelligence solutions and portal based e-business applications.*

*Daniel Brinkmann is a professional management accountant working in the health insurance industry in Germany. He attained his Doctoral degree at the University of Gloucestershire in 2015.*

# Call for Articles

## International Journal of Business Intelligence Research

Volume 7 • Issue 1 • January-June 2016 • ISSN: 1947-3591 • eISSN: 1947-3605

*An official publication of the Information Resources Management Association*

### MISSION

The mission of the **International Journal of Business Intelligence Research (IJBIR)** is to advance research in the field of business intelligence and analytics. IJBIR is a peer-reviewed publication dedicated to the exchange of the latest ideas and research on all aspects of practicing and managing business intelligence in organizations. This journal publishes original research, case studies, and critical analyses by academic, business, and government contributors on strategies, practices, techniques, and technologies that advance the understanding and practice of business intelligence. The focus of this journal is to identify innovative business intelligence strategies and to assess the application of theoretical concepts to real-world situations. IJBIR takes a multidisciplinary approach to the examination of business intelligence.

### COVERAGE AND MAJOR TOPICS

**The topics of interest in this journal include, but are not limited to:**

Analyses of business intelligence applications and analytics • Best practices in business intelligence • Business intelligence and CRM • Business intelligence and market basket analysis • Business intelligence education • Business intelligence in small and medium enterprises • Business intelligence technology utilization in organizations • Business intelligence training issues • Case studies in business intelligence • Critical assessments of business intelligence solutions • Critical success factors in business intelligence adoption and practice • Data warehousing and data mining strategies for business intelligence • Development of business intelligence architectures • Enablers and inhibitors for business intelligence • Examination of the use of analytics in support of business processes and decision-making • Global issues in business intelligence • Group practices in business intelligence • Issues pertaining to analyst/decision-maker interactions • Knowledge transfer and sharing behaviors in business intelligence • Methodologies and processes for managing business intelligence activities • Metrics and their effectiveness in business intelligence analyses • Organizational culture and its impact on business intelligence • Relationship between knowledge management and business intelligence • Retail business intelligence and analytics • Theories that enlighten business intelligence & decision-making • Trends in business intelligence research • Using business intelligence for security analysis and fraud detection

**ALL INQUIRIES REGARDING IJBIR SHOULD BE DIRECTED TO THE ATTENTION OF:**

William Yeoh, Editor-in-Chief • [IJBIR@igi-global.com](mailto:IJBIR@igi-global.com)

**ALL MANUSCRIPT SUBMISSIONS TO IJBIR SHOULD BE SENT THROUGH THE ONLINE SUBMISSION SYSTEM:**

<http://www.igi-global.com/authorseditors/titlesubmission/newproject.aspx>

IDEAS FOR SPECIAL THEME ISSUES MAY BE SUBMITTED TO THE EDITOR(S)-IN-CHIEF

**PLEASE RECOMMEND THIS PUBLICATION TO YOUR LIBRARIAN**

For a convenient easy-to-use library recommendation form, please visit:

<http://www.igi-global.com/IJBIR>