How human organization drives hardware/software purchases

A brief discussion

Adam Porter-Price, Senior Manager – Data Analytic Solutions
The tradeoff we’ll be discussing today

How hardware and software purchases impact your organizational structure

How your organizational structure impacts your hardware and software purchases
We typically see two models for analytics organizations: centralized in the headquarters function or decentralized to the business units.

**Centralized**
- Typically led by a Chief Data Officer, Chief Analytics Officer, or Strategy Director.
- Projects selected by prioritization framework, follow a consultative approach.
- Often, staff are new hire data scientists or statisticians; easier to recruit for this function.

**Decentralized**
- Typically use a Center of Excellence (CoE) to share methods and ideas.
- Projects selected according to business unit priorities.
- Often, staff are detailed to the analytics function from regular work.

Many variations and hybrids exist.
Your choice of organizational structure typically manifests the mission of your analytics program…

<table>
<thead>
<tr>
<th>Enterprise Analytics and Business Intelligence</th>
<th>Oft-Observed Analytics Program Missions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exploratory Analytics and R&amp;D</strong></td>
<td><strong>Centralized</strong></td>
</tr>
<tr>
<td></td>
<td>Portfolio management and organizational performance analysis</td>
</tr>
<tr>
<td></td>
<td>Inject more analytical thinking into day-to-day operations</td>
</tr>
<tr>
<td></td>
<td>Typically higher organizational commitment</td>
</tr>
<tr>
<td></td>
<td><strong>Decentralized</strong></td>
</tr>
<tr>
<td></td>
<td>Do awesome stuff with cutting-edge tools and techniques</td>
</tr>
<tr>
<td></td>
<td>Experiment with using advanced analytics across functions</td>
</tr>
<tr>
<td></td>
<td>Typically higher organizational commitment</td>
</tr>
</tbody>
</table>

**Software and Hardware Scalability**

**Organizational Diffusion**
…which, in turn, can reflect the purchasing priorities of your organization.

Oft-Observed Purchasing Behavior

<table>
<thead>
<tr>
<th>Centralized</th>
<th>Decentralized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use products from existing vendor relationships</td>
<td></td>
</tr>
<tr>
<td>Pick the 80% solution</td>
<td></td>
</tr>
<tr>
<td>Willingness to use open source or really complicated tools</td>
<td></td>
</tr>
<tr>
<td>Buy lots of licenses</td>
<td></td>
</tr>
<tr>
<td>Push purchasing org into new terrain</td>
<td></td>
</tr>
<tr>
<td>Use lots of different hardware configurations</td>
<td></td>
</tr>
<tr>
<td>Drive IT insane</td>
<td></td>
</tr>
</tbody>
</table>

Software and Hardware Scalability

Enterprise Analytics and Business Intelligence

Exploratory Analytics and R&D

Organizational Diffusion
There is constant interplay between these two forces

Two Additional Stories

Hardware / software purchasing decision driving organizational model

=  

IT department owns analytics capability

Biggest business unit driving hardware / software purchases

=  

Buy things that are perfect for one division and useless for everyone else
Key takeaways

- Start with the mission in mind
- Establish a vision for the eventual trajectory of the program, talk about it early and often
- Dedicate funding and organizational commitment to fulfilling this mission from the start
- Use the mission as the core decision-making tool to make technology selection and human capital allocation decisions
For more information...


Thank you

Adam Porter-Price
Senior Manager

Booz Allen Hamilton Inc.
901 15th Street NW
Washington, DC
Tel +1 (202) 569-9153
Porter-Price_Adam@bah.com