

An aerial photograph of a dense urban landscape, likely Tokyo, captured during a golden sunset. The sun is a bright, glowing orb in the upper right quadrant, casting a warm, orange light across the entire scene. The city is a vast expanse of buildings, with a prominent river winding through the center. The text is overlaid in white, bold, sans-serif font.

# INTRODUCTION TO THE ANALYTIC FEDERATED ORGANIZATION MODEL

HOW TO USE ANALYTIC FEDERATED  
MODEL TO OPERATIONALIZE ANALYTICS  
INSIDE ENTERPRISES

# ENTERPRISES STRUGGLE TO IDENTIFY THE RIGHT MODEL TO ORGANIZE AND GOVERN ANALYTICS CAPABILITIES ACROSS THE ORGANIZATION

EVEN IF ANALYTICS-BASED INSIGHTS ARE CONSIDERED THE TOP DRIVERS OF BUSINESS INNOVATION, THEIR ADOPTION IS STILL FAR FROM OPTIMAL. ENTERPRISES STRUGGLE TO INFUSING ANALYTICS INTO THEIR DECISION-MAKING PROCESSES AND TO ORGANIZE ANALYTIC CAPABILITIES ACROSS THE ORGANIZATION. IN OTHER WORDS, ENTERPRISES STRUGGLE TO OPERATIONALIZE ANALYTICS.

Operationalizing analytics, to drive value, requires the right operating model, an approach that enables driving value and a practical coordinated execution plan. Identify, build engagement and buy-in to the optimal analytical model (organization construct, resource allocation and governance) is the key. Only an appropriate analytic organization can effectively manage supply and demand of analytical services across the enterprise. And only a robust analytical governance enables all stakeholders to build confidence and ensures focusing on the right target.

There are several possible analytical organizations, but the right one depends on the enterprise analytic (and digital) needs, maturity, and, more important, on the ability to manage organizational transformation.

This paper presents in details the Federated analytical organization model and explains when and how to use it.

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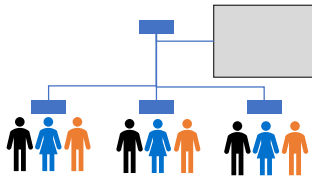
# ANALYTIC ORGANIZATION MODELS

	Decentralized model	Consulting Model
<b>Model description</b>	Analytics are scattered across the company in different functions and business units without any coordination. Each entity has its own resources This model has little or no coordination	The analytical central team is a small and independent function. It provides only consulting and support services to the rest of the organization
<b>Model focus</b>	Quick spreading of simple analytic capability across the enterprise	Facilitate the spreading of analytic capability across the enterprise
<b>Analytic Governance</b>	There is not analytical governance, each BU or Function decides its projects priorities and resource allocation and staffing	There is not analytical governance, each BU or Function decides its projects priorities and resource allocation and staffing
<b>Analytic project Implementation</b>	Analytical projects are managed inside each BU. Zero or limited exchange of resources across BUSs	Analytical projects are managed inside each BU. The central team can provide support on-demand
<b>Leadership commitment</b>	Minimal (just inside the BU)	Minimal (just budget)
<b>Cultural shift</b>	Zero to Minimal	Zero to Minimal
<b>When/Why to use</b>	<ul style="list-style-type: none"> <li>• Generally it is the starting point for many enterprise</li> <li>• Limited needs of complicated analytics projects</li> </ul>	To facilitate the spreading of analytic capabilities in absence of strong leadership commitment

Federated Model	Functional or COE Model	Centralized Model
<p>The analytical central team is responsible of the analytical initiatives governance and the implementation of strategic programs.</p>	<p>The analytical central team acts as an independent function. It provides analytical services (consulting, implementation, etc.) to the rest of the organization.</p>	<p>Analytics initiatives are prioritized and managed by a central team. Resources are located in the central team too. All the coordination is done by the central team</p>
<ul style="list-style-type: none"> <li>Analytic governance</li> <li>Strategy</li> <li>Analytic project portfolio management</li> </ul>	<p>Support to the implementation of complex analytical projects</p>	<p>Providing 360° advanced analytics capability to the whole enterprise.</p>
<p>Federated team is in charge of the analytic governance, portfolio management and other coordination activities across the enterprise</p>	<p>There is limited governance, each BU or Function decides its projects priorities and resource allocation and staffing. Central team can provide limited governance</p>	<p>The central team is responsible of the analytic governance, portfolio management and other coordination activities across the enterprise</p>
<p>Analytical projects are implemented by BUs</p>	<p>Analytical projects are implemented by Bus with the support of the central team.</p>	<p>Central team implements most part of the analytical projects across the enterprise.</p>
<p>Medium to High</p>	<p>Medium to High</p>	<p>Very high</p>
<p>Medium to High</p>	<p>Medium to High</p>	<p>Very High</p>
<ul style="list-style-type: none"> <li>Presence of several simultaneous strategic analytical projects</li> <li>When coordination is needed across multiple analytic teams</li> </ul>	<ul style="list-style-type: none"> <li>Limited analytic capabilities into BU</li> <li>Need for complex analytical projects implementation</li> </ul>	<p>To scale analytical capabilities</p>

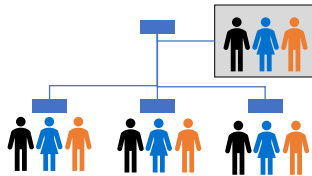
# ANALYTIC FEDERATED ORGANIZATION INTRODUCTION

FEDERATED MODEL IS THE BEST WAY TO BALANCING BUSINESS ENGAGEMENT WITH A STRONG CENTRAL FUNCTION



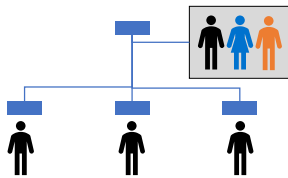
## Decentralized

Activities initiated and managed by the interested business units or LOB



## Federated

Centralized activities at key points of the process are managed by analytical central team



## Centralized

All activities go through and are managed by analytical central team

Many companies use the Federated or Center Of Expertise model because it offers the advantages of having a centralized enterprise strategy while maintaining decentralized execution and implementation.

- It allows a good alignment of analytical initiatives to the enterprise priorities with need-based operational involvement only as the centralized group of analytic resources is strategically deployed only in strategic or enterprise-wide initiatives.
- The success of such organization requires a strong leadership commitment and engagement. Analytic central team leader must have a combination of strong business leadership and analytics leadership.

*“The main scope of analytic federated organization is the governance of analytic and data projects across the enterprise”*

# ANALYTIC FEDERATED ORGANIZATION RESPONSIBILITIES

ANALYTIC FEDERATED ORGANIZATION HAS THE RESPONSIBILITY TO COORDINATE AND GOVERN ANALYTIC PROJECTS AND INITIATIVES ACROSS ENTERPRISE.

**Analytical Governance Management.** Structured governing analytic initiatives management body (e.g. alignment with corporate strategy, analytic roadmap...). It manages dependencies and issues across multiple projects

**Project measurability & traceability Management.** This function is responsible for managing documentation, project history, results and financial tracking and organizational knowledge

**Analytic Processes Management.** This function is responsible for developing standards and processes for analytics adoption and usage. It encourages (or enforces where necessary) the use of those standards and processes

**Strategic KPI Governance.** Management body responsible for providing, maintaining and optimizing the enterprise strategic KPI framework

Portfolio Management & Strategy.

**Strategic project execution management.** This function drives the implementation of strategic analytic project

**Knowledge Management.** This function facilitates the sharing of knowledge and best practices across analytical communities. It should be the central point for lessons learned, templates and best practice.. It provides reference materials (e.g. technical interview question list) to standardize and facilitate analytical talent recruitment

**Data Governance Management.** Structured governing data management body

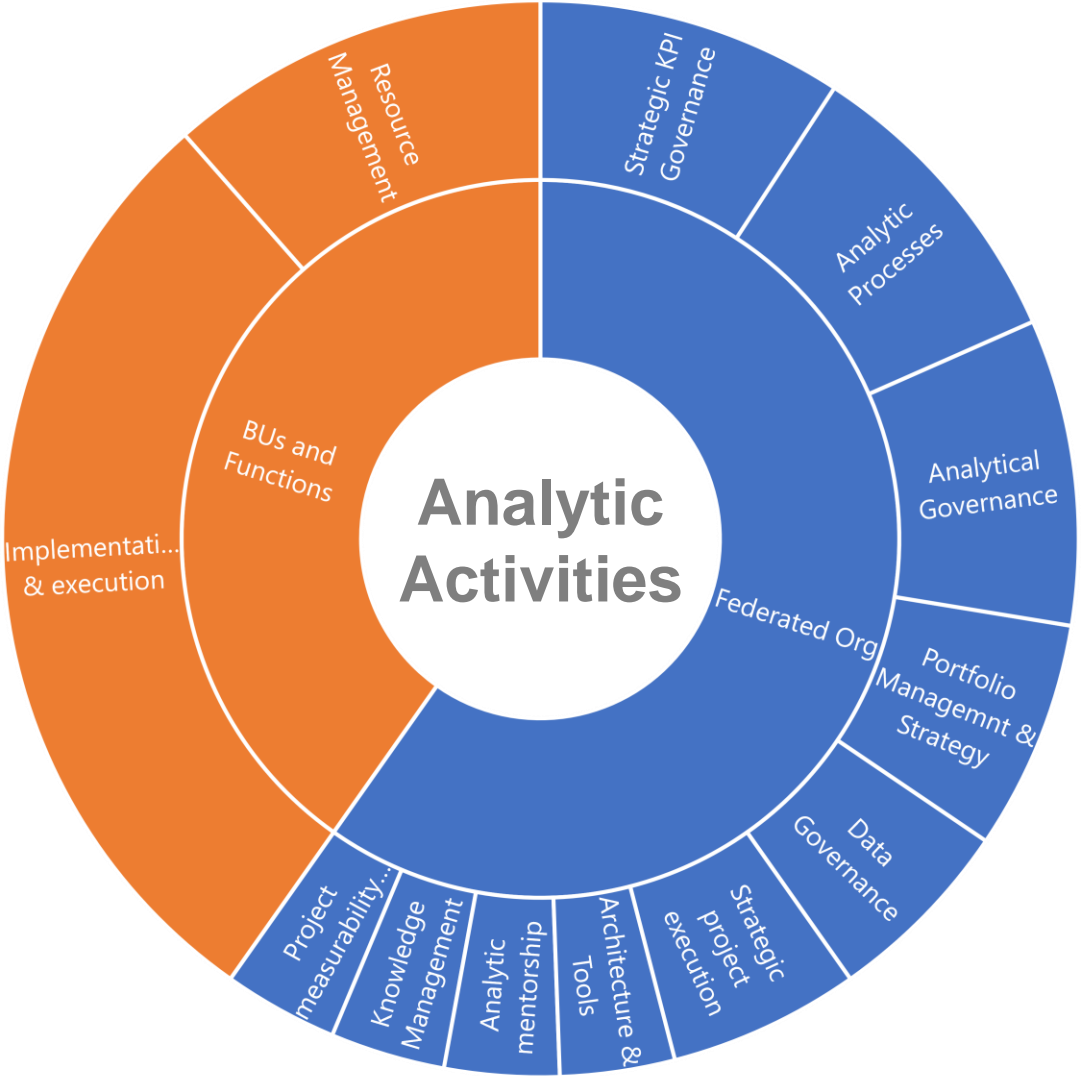
**Analytic mentorship and Training.** This function is responsible for delivering training and mentoring to analytical community members.



**Architecture & Tools standardization management.** This function is responsible for the validation and selection of data and analytical architecture and tools

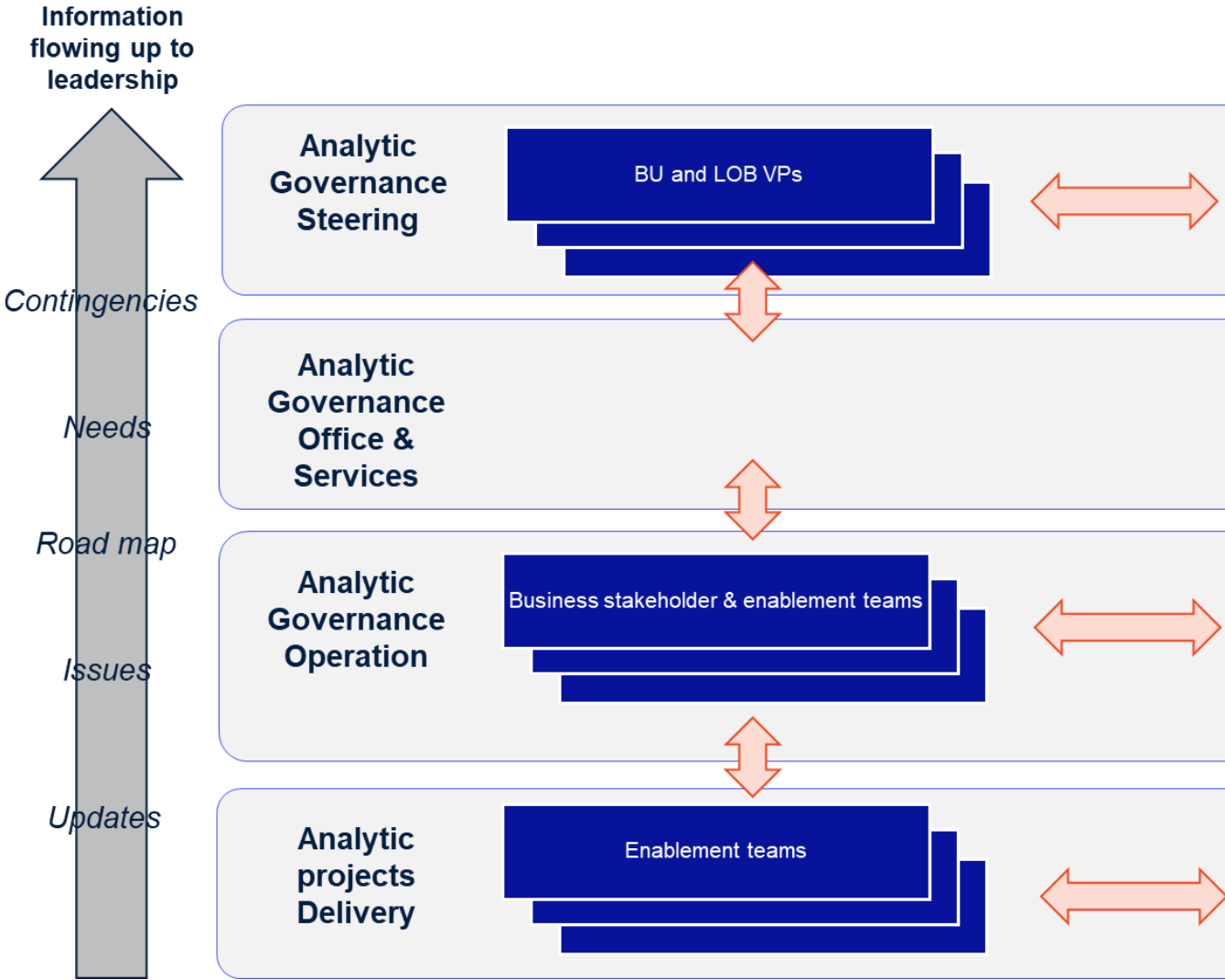
**Resource Management.** This function is responsible for the correct resources allocation across analytic initiatives, activities and projects. In the federated model, this activity is responsibility of the Bus.

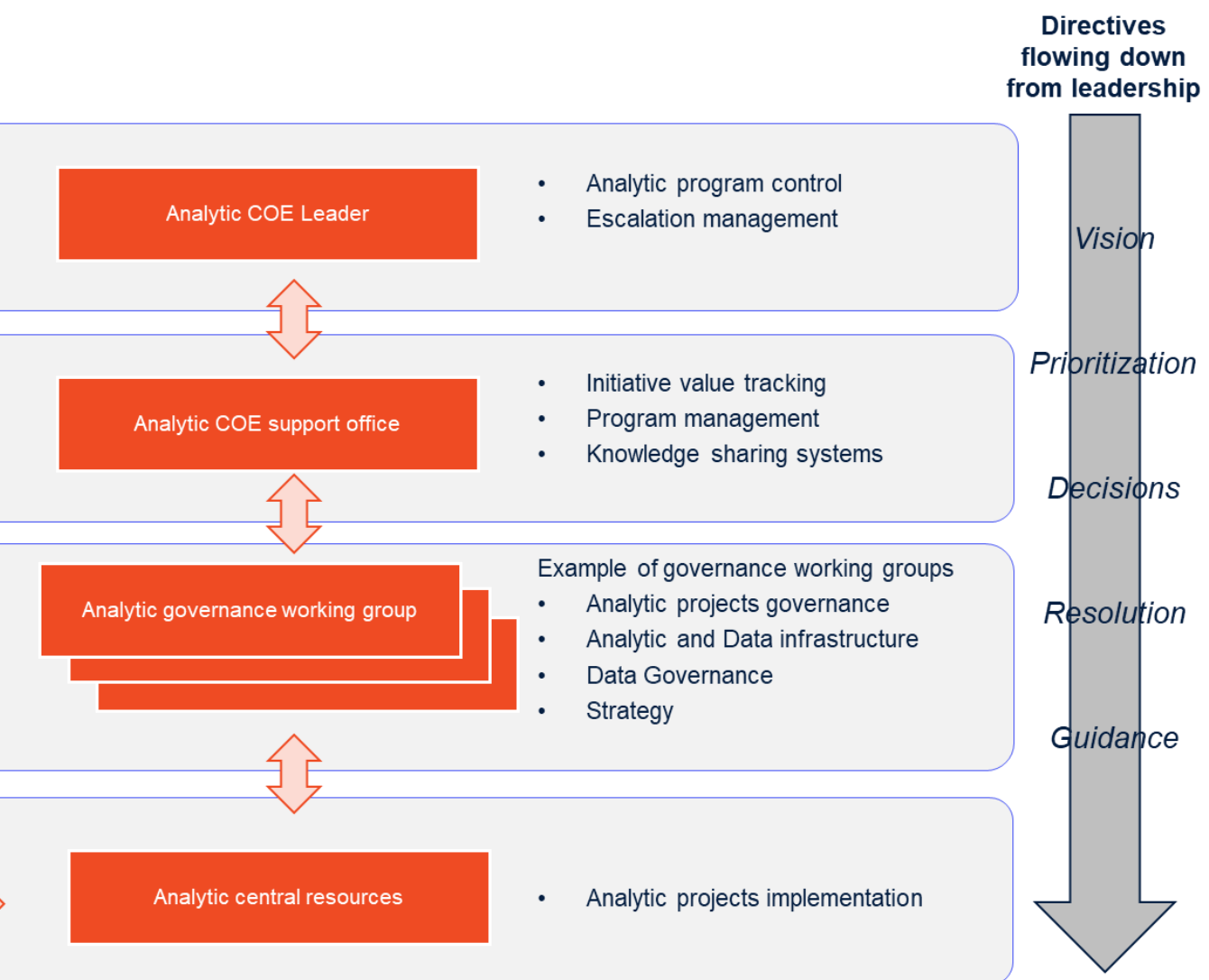
**Implementation & execution management.** Implementation of analytical projects. In the federated model, this activity is responsibility of the Bus.



# ANALYTIC FEDERATED ORGANIZATION MODEL GOVERNANCE

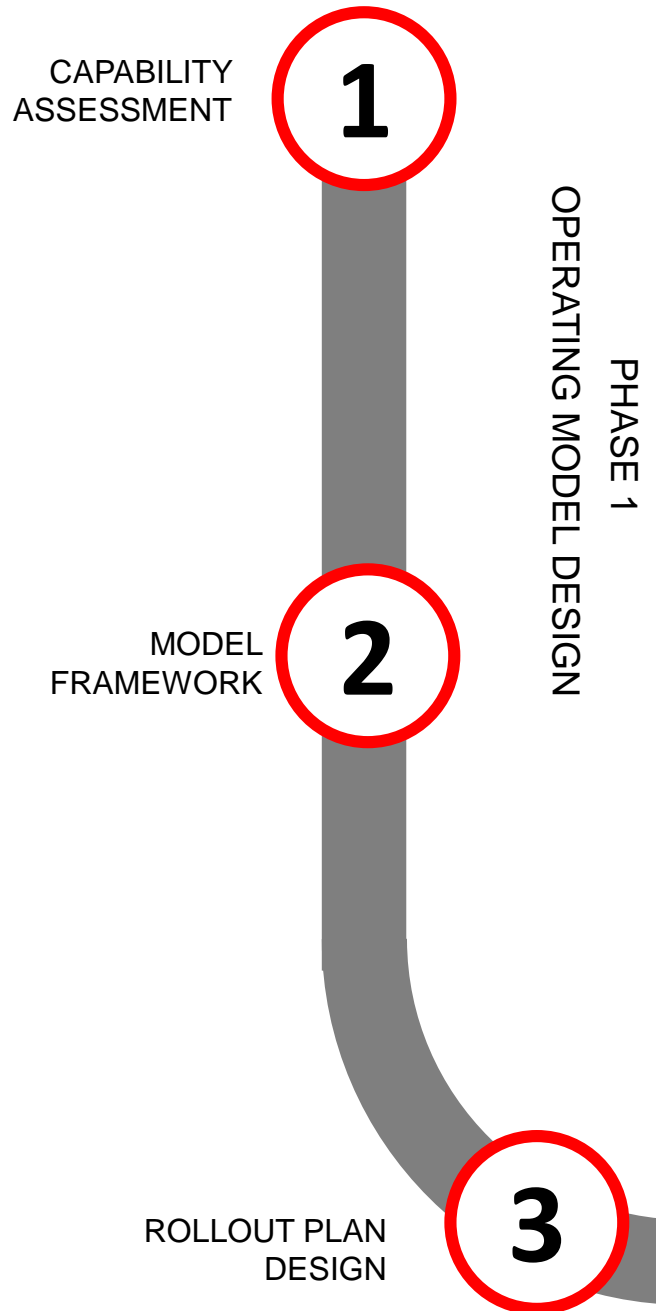
THE FEDERATED COE ORGANIZATION SHALL PROVIDE ROBUST GOVERNANCE MODEL TO BUILD CONFIDENCE FOR STAKEHOLDERS AND ENSURES THAT FOCUS IS ALWAYS ON ENTERPRISE TOP PRIORITIES





# ANALYTIC FEDERATED ORGANIZATION IMPLEMENTATION ROADMAP

“The implementation plan for the central analytical governance must be practical, start small, demonstrate value, and build a case for change and buy-in”



PLAN AND MODEL  
READY FOR  
ENTERPRISE  
ROLLOUT

7

SEQUENCE  
MODEL  
ROLLOUT

8

PHASE 2:  
INITIAL ROLLOUT AND STAKEHOLDER BUY-IN

INITIAL ROLLOUT AND STAKEHOLDER BUY-IN

6

MODEL  
REVIEW

9

MODEL  
DEPLOY-  
MENT

5

INITIAL  
ROLLOUT

PHASE 3:  
IMPLEMENTATION AT SCALE

IMPLEMENTATION AT SCALE

4

STAKEHOLDER  
BUY-IN PROCESS

10

MODEL FULLY  
DEPLOYED INTO  
ENTERPRISE DAILY  
ACTIVITIES



## ABOUT THE AUTHOR



**Andrea Fabrizi**, M.S. in Physics, is a senior BI and Analytics strategist and expert. Andrea comes from a long career (more than 25 years) in analytics, project, program and product management and telecommunication.

In the last two years, Andrea has worked as analytic strategic consultant for several large US corporations. Prior he was responsible of BI and Analytics solutions for telecommunications market at Capgemini US. Prior to joining Capgemini, Andrea was responsible of HP analytics solutions practice for the telecommunications market..

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