Using Analytics to Provide Clues about Business Impact

By Susan Hanley

It confuses me when I hear people talk about page views and profile completions and even number of activities or documents posted and equate those metrics to the success of their SharePoint solution. Don’t get me wrong, these measures can be very important indicators of something positive. But even if 100 percent of your organization has created a user profile and 100 percent of your employees visit the intranet home page every day, that doesn’t mean that your solution is successful or even that it’s been “successfully adopted.” At the end of the day, the real goal for your solution is not adoption – it’s about meaningful business improvement.

The metrics we can easily capture from SharePoint, with or without third-party tools like Webtrends, do not typically measure what matters most. Employees care about working efficiently. Managers care about operating metrics. Executives care about financial metrics. Most organizations already have measurement programs in place to track these critical business metrics. But, the system metrics we can capture from SharePoint and third-party tools can provide us with some really great clues that can help get to the real business value of our SharePoint solutions. In this chapter, I’d like to explore a methodology to use to think about how you can use system metrics to provide clues to help identify and improve both the adoption and business impact of your SharePoint solution. There are five key elements to this methodology:

- Understand the business problem you are trying to solve
- Identify use cases that have meaningful impact
- Determine the metrics that align with each use case
- Understand your baseline and establish a target
- Measure and monitor: be prepared to change

Understand the business problem you are trying to solve

To get credibility in the organization, we need to ensure that the solutions we build with SharePoint demonstrate a positive impact on business metrics--and not just in a soft or indirect way. This means that we need a comprehensive understanding of the business problem we are trying to solve. This is especially true if we are implementing the social computing features of SharePoint. One of the reasons many “social” solutions fail to gain traction is due to the fact that they are disconnected from the key challenges that drive our organization. For example, they are not promoted as a solution or an enabler of a major organizational initiative. So, as a first step, we need to make sure we have a clear (and documented) understanding of the real business problems we are trying to solve.

If you aren’t addressing an important or valuable business problem with your SharePoint solution, you need to go back to the beginning to find that problem, as well as a business sponsor who is committed
to solving that problem. Be sure that you are tying your SharePoint solution to a key organizational initiative or goal. If not, you are working on a "side show" project—one whose funding is going to be at risk no matter what your measurement program concludes.

Another reason to have a clear connection to business goals is to help make decisions about which potential SharePoint project(s) to implement. All organizations have limited time, budget, and resources, and most find that there are more possible projects for the SharePoint team than can possibly be accomplished. Therefore, it's important to have a framework for differentiating among opportunities that are competing for scarce resources.

Identify use cases that have meaningful impact
Once you’ve identified the key business problem that you are trying to solve, the next step is to identify specific use cases where using your SharePoint solution can have an impact on those problems. The collaboration solutions you build with SharePoint can have a large impact on your business, but it’s important to be practical when you are choosing use cases – because you are not necessarily going to solve every issue with SharePoint alone. Be practical.

Use case example: Support call deflection
One association project I worked on had a goal of providing a self-service knowledge portal that would allow member organizations to share best practices and learn from others facing similar challenges without always having to depend on engaging with the headquarters team to get answers to simple questions. With limited resources at headquarters, they wanted to be able to focus on more complex issues for their members. One of the impact-based use cases they identified was simple support call deflection. In other words, the use case proposed that reducing the number of simple support calls directed to the headquarters support staff would free the HQ support team up to work on more complex requests because members would find answers to simple questions on their own via the knowledge portal.

This organization was also already maintaining a knowledge base of resources, but at a considerable cost. Another key business goal was to build an online, accessible, and searchable inventory of both curated and crowd-sourced practices. The measurable use case for this business goal was “knowledge resource ownership” to improve the quality of resources available while decreasing the cost of building and maintaining the knowledge base.

Determine the metrics that align with each use case
Each of your use cases should have at least two to three metrics that allow you to create a tangible target objective. For example, in the scenario above, we identified the following metrics for the support call deflection use case:

- Number of routine support calls
- Number of complex support calls
- Number of successful searches for online content by members (searches with at least one result)
- Number of “0 results” searches
The first two metrics were already being captured by the support team. If our solution was going to
demonstrate business value, we would want the first number to decrease. We might, however, expect
the second number to increase – and measuring the impact of that outcome might ultimately be tied to
an improvement in member satisfaction, yet another overall business goal. The second two measures
are system metrics that serve as proxies for business value. If users consistently get relevant results for
their queries, then the solution should be delivering value. The only way to know for sure, which is why
the system metrics only provide clues about value, is to explore search outcomes directly with searchers
to determine the specific business value of results found.

Tip: A very easy way to do this, by the way, is to include an opportunity for users to provide search
results feedback directly on the search results page. Another way to do this is to send out periodic
search impact surveys where you specifically ask users what they were able to find and what they did
with the results (i.e., how they measured the impact of what they were able to find).

For the second use case in the example above, to increase the shared ownership of knowledge
resources, we identified the following metrics:

- Number of assets contributed by the association: This metric was expected to decrease over
time, to demonstrate that the membership was actively engaged in building the repository.
- Number of assets contributed by members: This metric was expected to increase steadily over
the first year. An increase in member-contributed assets, especially if the contributions were
distributed across many members, is an indicator of engagement on the part of the membership
as well as interest in creating sustainable value, an important business goal.
- Number of members contributing at least one asset: The goal for this metric was to ensure that
at least 50 percent of the membership contributed something within the first year.
- Percent of registered members (users with a profile) who posted or replied to posts in an online
conversation: This metric was particularly important in this example because the solution that
SharePoint was replacing, a traditional listserv, was very active but tended to be dominated by a
small number of “loud voices.” The goal of this metric was to continuously monitor participation
to both ensure that the conversations weren’t dominated by a small group but also to identify
potential members who the association might want to pro-actively encourage to engage.

Choose the metrics you want to capture in terms of the use cases that are of highest interest to your
stakeholders and their business objectives. The metrics in my examples may be completely irrelevant in
your organization – especially if you don’t share the same business goals. It’s also important to pick a
small number of metrics that are both relevant to the business and have a more direct relationship to
business outcomes – and can be collected at a relatively low cost.

Understand your baseline and establish a target

One major mistake people often make in documenting their measures of success with SharePoint is that
they try to demonstrate business impact without knowing where they started. This approach is doomed
to failure. You need to have a good baseline (starting point) or you will have no ability to measure
progress. If you don’t have a great baseline measure—or it’s too late to get one— capture you initial
metrics when you launch your solution.

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In addition to a baseline measure, you also need a target! Make sure that you get agreement from your stakeholders regarding what the target should be. In other words, you want to try to get agreement on the definition of success – if we hit this target, then the system is successful. I can’t emphasize the importance of this step enough: make sure that your stakeholders agree on the definition of success. In fact, I often start stakeholder interviews with these questions:

- How will you know if the solution we are building is successful?
- What specific measures will you use?

If I ask these questions up front, I have a pretty good clue on what I should be counting!

Here are the some of the targets we used for the support call deflection use case:

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of routine support calls to the HQ support team</td>
<td>10% reduction within 6 months after launch</td>
</tr>
<tr>
<td>Successful searches of online content by members</td>
<td>95% of searches return relevant content after 6 months</td>
</tr>
<tr>
<td>Number of “0 results” searches by members</td>
<td>Number of “0 results” searches trends lower and reaches less than 1/week within 6 months</td>
</tr>
</tbody>
</table>

Measure and monitor: be prepared to change

Metrics are just a tool. The entire goal of your measurement program is to get better – to make changes to your solution or even your metrics program so that you can make better decisions and have a bigger impact on organizational results. One thing is certain: the complex and dynamic nature of pretty much all organizations means that the SharePoint solutions we build are going to have to be flexible enough to change in order to continue to provide value. The only way to understand what changes you need to make is to define and execute your measurement plan.

Use your measurement plan to assess how users are taking advantage of the solution and let it act as an early warning system to identify both new metrics and new capabilities that can help achieve your business objectives. In other words, use it to provide clues about what you need to change.

When a metric shows an unexpected result, try to find out why the result occurred. Is it due to a one-time event or it is an indicator of a trend? Ask yourself if the result you are seeing tells you that you may be measuring the wrong thing or whether there is something fundamentally wrong with the way the solution has been developed or deployed. At the very least, metrics will help you get ideas for how to improve your solution. Collect and prioritize these new ideas and go back to your original plans and assumptions to see if they need to be changed. Then, build consensus on what needs to be changed, how to make the change, and when and how to introduce the change to your users.
The following table presents a format that I have used to help gain consensus about prospective measurement plans. This format can be used to both create and document the plan and to provide a report card of progress once your solution is implemented.

<table>
<thead>
<tr>
<th>Business Goal</th>
<th>ROI Use Case</th>
<th>Metric</th>
<th>Baseline</th>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Help members to share best practices and learn from others facing similar challenges without always having to depend on engaging with the headquarters team to get answers to simple questions</td>
<td>Simple support call deflection – reduction in the number of simple support calls to HQ</td>
<td>• Number of routine support calls to the HQ support team</td>
<td>•</td>
<td>• 10% reduction within 6 months of launch</td>
<td>•</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Number of searches of online content by members</td>
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</tbody>
</table>

Key points to take away

Perhaps the most important thing to take away from this discussion is that the only metrics that count are the ones that provide clues, either directly or indirectly, that describe how your solution is delivering meaningful business impact. It’s not always easy to get this information from system metrics, which is why you should not be afraid to do periodic user surveys to try and draw out stories that describe how the solution has delivered business value. Stories are how humans communicate and qualitative stories supplemented with meaningful system metrics are the best way to communicate the value and impact of your SharePoint solution.

For more information and additional examples of both quantitative and qualitative approaches to capturing business value metrics, please check out my white paper, A Practical Framework for SharePoint Metrics, available to download on www.susanhanley.com.

About the Author

Susan Hanley is an independent consultant and expert in knowledge management and the design, development and implementation of successful portal solutions, with a specialization in Microsoft SharePoint. Her areas of expertise include information architecture, user adoption, governance and business value metrics. Sue’s client list includes many of the Fortune 500 along with some of the world's leading academic, professional services, and not-for-profit organizations. Immediately prior to establishing her own firm, Sue led the national Portal practice for Dell Professional Services.

Sue is a frequent writer and speaker on the topics of governance, user adoption, information architecture, and measuring the value of knowledge management investments. She is the co-author of Essential SharePoint 2007: Delivering High Impact Collaboration Solutions, Essential SharePoint 2010 Overview, Governance, and Planning and Essential SharePoint 2013: Practical Guidance for Measurable Business Results. She blogs about SharePoint for NetworkWorld.com.