



BBBT Podcast Transcript



About the BBT

The Boulder Business Intelligence Brain Trust, or BBT, was founded in 2006 by Claudia Imhoff. Its mission is to leverage business intelligence for industry vendors, for its members, who are independent analysts and experts, and for its subscribers, who are practitioners. To accomplish this mission, the BBT provides a variety of services, centered around vendor presentations.

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Claudia Imhoff: Welcome to this special edition of the Boulder BI Brain Trust podcast. I'm Claudia Imhoff, and I'm here in Grants Pass, Oregon, at the Humphrey Strategic Communications annual Pacific Northwest BI Summit. I'm pleased to have the opportunity to interview each of the vendors attending this event.

With me is Michael Whitehead. He's the CEO and the cofounder of WhereScape. Welcome, Michael.

Michael Whitehead: Hi, good to catch up again.

CI: Oh, it's wonderful having you. I love talking to you. We've had a wonderful three days here in Grant's Pass, I have to admit. One of the topics that came up, one of the discussion topics was all about the return on investment and the total cost of ownership of these types of projects. BI, data warehousing; projects versus programs.

What were your thoughts around that?

MW: I have to say it wasn't one of the topics I was looking forward to. I thought it was going to be very, very dry. Especially looking around the room to see if there were accountants in the room.

CI: Exactly.

MW: But it actually turned out to be, what I thought, one of the best topics and best conversations. It was good, disciplined, and a good approach to talking about the concept of ROI. Which, while we don't necessarily care about, someone does care about. Someone has to justify that spend.

CI: Your customers care about it, and that's why you need to care about it. Don't you think?

MW: Yeah. There was a good differentiation between the idea of ROI and TCO. A lot of the things that WhereScape gets involved in, we're not actually at that project level. We're providing an infrastructure. We're supporting a whole lot of projects. It was good to see that recognized, and that talked about as more of a TCO-style discussion.



CI: Yeah, I thought it was really interesting. William McKnight was the one that introduced the topic. He did a good job of differentiating, if you're talking about a project, then return on investment is probably really important. But if you're talking about a program that is made up of multiple coordinated projects, then it's not so much of the return on investment as it is the total cost of ownership of this overall environment. I found that to be quite interesting, as well.

MW: Yeah, because then you're talking about... already made the decision that you need... In our case, you need a data warehouse, it's no longer the ROI on that. It's, "We need it, what's the most cost-effective way to do it?" It ties into a lot of the things that WhereScape talks about. When you look at total cost of ownership, what can we impact? We can impact the cost part of it, and that's fantastic discussion for us. If we can say, "While we're not accountants, we can certainly impact your project by reducing the cost on it," and that's got to be good in anyone's language.

CI: It's such a hard number, too. Cost. Cost is something you can put a stake in the ground and say, "Here's how much it's going to cost."

MW: Yes.

CI: If we can reduce it by 10 percent, 20 percent, 50 percent, that's a real tangible benefit to this overall discussion.

MW: When you widen out the cost part of it as well to look at not just the initial cost but the ongoing cost. We talk a lot about data warehouses and data warehousing being processes, not projects. This aligns... you're looking at the cost of it to what actually happens. You are going to modify it constantly. If it's going to keep relevant as your business conditions change, as people change, as the market changes, you're going to have to make changes. So it is a much better way of looking at it.

CI: That's cost. I loved it. I thought it was terrific. The other thing that we did talk about as well -- I presented an architecture that Colin White and I have been working on for, gosh, 18 months now. We call it the Extended Data Warehouse Architecture. It really consists of three pretty big



environments. The first one is the more traditional one that we're used to when we think of data warehousing and the corporate information factory environment -- data warehouses, data marts, all of the ETL and underpinnings that go into creating that data warehouse.

The other environment is the operational environment. Within that, not only is it the operational systems, which of course are the source of data for the data warehouses and data marts that we build, but it's also the operational analytics, the real-time analytics on real-time data. That's a whole environment separate from the data warehouse -- not disconnected from it. Obviously, there are tremendous integration points across the board there.

Then the third environment is this new one. We haven't quite settled on a name, but we're thinking of calling it the "investigative computing environment", which is really the world of these non-relational and relational databases -- appliances and so forth. But it's more that kind of experimental, big data, what do I do with it, what kinds of analyses do I have there.

These three pretty big environments coming together would extend the data warehouse, extend analytics into operations and also into this Hadoop "thingy", if you will. What were your thoughts about that?

MW: That actually really resonates with me because if you look at the DNA of WhereScape, why we started off, we have always believed that data warehouses are a great answer to a set of business problems, but they take far too long to build, and once they're built they're far too hard to change. That's where we started from day one, but for us, and we've been seeing it happening over the last little while, this definition of that data warehouse has been changing. There really hasn't been a formal architectural description of it, but it's certainly been changing. When we first started, your data warehouse was a SQL Server data warehouse, or a Teradata data warehouse, or Oracle, or DB2, or whatever.

CI: Fill in the blank, yeah.



MW: Fill in the blank, yeah. Now, your data warehouse is a, we call it, "data warehouse landscape." It's got still very much a Teradata or SQL Server in the middle of it. It's got an appliance on the side of it, whether that's Aster Data or Netezza or whatever. It's got Hadoop within there. For us, that's your data warehouse, and the core basic concepts still hold, that's still of value, and it still takes too long to build, and it's still too hard to change, but the thing has changed. It was great to see an architectural description down on paper, and see that what we were thinking and what we were experiencing was also what you as analysts were thinking about. It was great.

CI: To that end, one of the things that I think WhereScape brings to the table, that is so critical in this environment, is the automation of the creation of these different environments. If you don't mind, spend a little bit of time, not a lot, but a little bit of time talking about the automation process.

MW: I could spend all day.

CI: I know you could.

MW: People latch onto automation for the upfront speed, that if I automate something, I can build it faster. While that's important, it's actually the change that is the most important. It is the refactoring. It is the ability to come and hear, the ability, and say, "Something has changed, I need to take account of that change." That's when automation pays for itself 10 times over. As a data warehouse automation software vendor, we have the advantage of being able to go in there and blow people away with how fast we can build something to start off with. That's cool. That's great. That's the buzz. That's the excitement.

But the best thing is that, ongoing, they're going to see actual more and more benefit, ongoing and ongoing and ongoing. As long as the data warehouse stays relevant within the organization, which we all have to do by changing it and modifying it and adjusting it, we can help with that process.

CI: Yeah, and I think it's so true. Certainly there's a huge win upfront of being able to automate the first project, but it really is the incredible benefit of



being able to automate every change. You bring in a new source of data, it's so much easier to drop out the old source and bring in this new one if you've automated the process. So much of that stays in place. You've just simply changed the source.

MW: It's all there, the things you get for free, like the documentation. Every time you make a change, your documentation is then outdated. You should go back and update your documentation so someone else coming in can see what's there. It never gets done. It never gets done properly. It's always one of those things you can push off. When you're looking at automating the environment, it's not just the build. It's everything around it. It's impact analysis. It's documentation. It's workflow. It's the entire process that you can look at. It's a lot of fun.

CI: It is, and a tremendous opportunity for you and for WhereScape.

MW: Absolutely.

CI: Unfortunately, we're out of time. Again, I'm with Michael Whitehead. He's the CEO and Co-Founder of WhereScape. It's been delightful talking to you, Michael.

MW: Thank you. It's been great.

CI: Thank you for listening to this special edition of the BBBT podcast, and thanks to Scott Humphrey for giving me this opportunity and for hosting the Pacific Northwest BI Summit.