



Executive Brief
Determining an Effective Data Strategy

INTRODUCTION

Recently members of Frost & Sullivan’s Growth Innovation Leadership Council participated in a Virtual Executive Assembly (VEA) on Determining an Effective Data Strategy, one of the Council’s 2019 Critical Issues. Hosted by Mickey McPhail, *Director of Business Intelligence* at ManpowerGroup Solutions, the virtual meeting consisted of a presentation and interactive discussion. Key topics covered included:

- Developing New Management Practices to Use the Data Effectively, Ethically, and Morally
- Integrating Deep Consumer and Market Knowledge into Business Decision Making
- Efficiently Tapping into Dissimilar Data Sources to Produce Meaningful Analytics and Insights
- Building Ecosystems to Optimize Value in Data Collection and Mining
- Identifying Data Ownership and Closing Data Siloes

As described in the VEA abstract, ‘Big Data’ and ‘Data Science’ can be overwhelming, but data-driven decisions are necessary in today’s environment, and require the right approach and alignment of information. The assembly used simple and relevant examples to educate participants about which information is most critical, how it should be structured, and what to do with validated insights.

McPhail shared best practices for integrating deep consumer and market knowledge into business decision making and provided a framework to help participants understand how to efficiently tap into dissimilar data sources to produce meaningful analytics and insights.

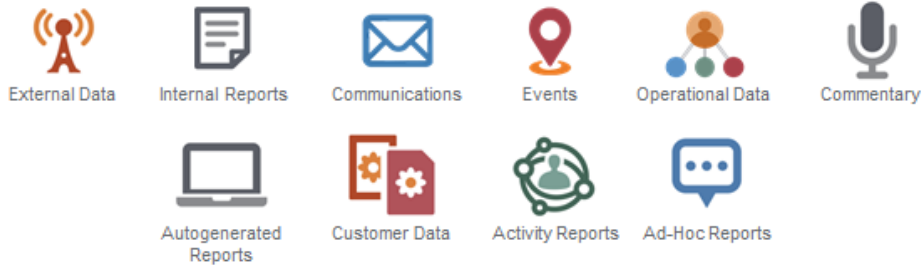
INTERNAL AND EXTERNAL DATA STRATEGIES

To open the discussion McPhail asked, “In your opinion, how effective is your company or your division’s data strategy?” Most of the participants responded that their external data strategy was better and more effective than their internal approach, which was described as “average” or even “so-so.” McPhail offered that, “Managing data gets you invited to a lot of meetings” (for better and for worse) and that his presentation would be philosophical in nature. He also shared that, like many of the Growth Innovation Council Members’ companies, his organization was more effective with external data analysis and strategy.

When it comes to data, “More isn’t always better.” McPhail noted the challenges of managing overlapping data across the organization and sometimes even across countries within an organization. He underscored the importance of centralizing and normalizing data throughout the enterprise. The risks of not doing this include missing key insights and market opportunities.

More Isn’t Always ‘Better’ - Be Careful With ‘Big Data’ Objectives

Data comes from many forums, and in many formats...



Overlapping datapoints need to be aligned

- ✓ All data should be centralized
- ✓ All data should be aligned to known audiences
- ✓ All data should be mapped and normalized
- ✓ All data should be validated and sourced
- ✓ All data should be aligned to known topics
- ✓ All data should be dated AND updated

CREATING A GLOSSARY OF DATA TERMS

It’s also important to know where your data comes from and what it means. Often, a data point is interpreted differently by people from different departments such as sales or finance, for example. To counteract this, it is essential to create a consistent glossary of data terms. When you are talking about data, everyone needs to be talking about the same thing.

Also discussed was the struggle with managing, sharing and leveraging internal data that many organizations experience. This was attributed to factors like departments working in silos and not sharing data, as well as organizational cultures that don’t encourage data transparency or data accountability, especially between departments.

McPhail believes that not everyone in the organization should have access to the data. He recommended that one person, ideally a strategic business leader, direct and control the dissemination of data from a central vantage point. Having efficient and centralized data mechanisms and communication about data can help organizations harness important information and trends and go to market faster and more intelligently.

Disorganized Data Leads to Inconsistency and Inaccuracy

1. Sales, Business, and Operational Initiatives all rely on common data sets, despite needing different insights and structure
 - Lack of normalization results in conflicting strategies and assumptions
2. Too many 'cooks in the kitchen' can create a mess
 - Reliance on inaccurate or incomplete data can do more damage than a lack of data
3. Gaining leadership approval and business alignment is easier with shared data knowledge
 - Lack of data alignment will result in skewed perceptions and divisive strategies

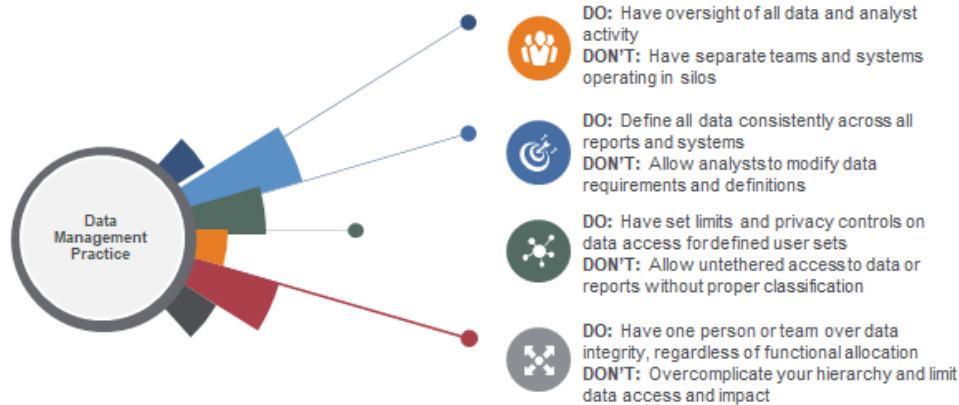


THE IMPORTANCE OF ALIGNING YOUR DATA

In addition, inefficient data practices can slow down time to market and affect a company's ability to compete and ultimately succeed. It was noted that compressing time and improving data dissemination and analysis could undoubtedly make an organization more profitable in the short and long run. Or, to put it another way, if different parts of an organization are at cross-purposes when it comes to data, going in different directions, aligning initiatives and getting products and services to market will take longer and cost more.

McPhail provided an example of how his company organized and improved their data management process internally. Essentially, they identified key stakeholders at every level of the organization and then identified key reports and information needed. Next, they mapped these data points to critical business questions and answers. They ultimately put together a schedule for daily, monthly or quarterly reports and implemented data protocol guidelines that included matching skills needed with organizational talent. Astute readers will note that this mostly did not include answering random, ad hoc data questions. His example highlights the importance of aligning data to solutions and organizing data internally, so leaders can make intelligent and profitable business decisions.

Data Science isn't a Science, it's a Practice



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TECHNOLOGY AND MEASUREMENT

No data discussion would be complete without factoring in the importance of technology. In this case, it was recommended that companies carefully vet partners to be sure they have up-to-date technology and/or a plan to upgrade systems as needed. This type of due diligence will pay off. Another common challenge examined was the difficulty of measuring results. McPhail shared that many struggle with measurement and cautioned against making assumptions about data or building in a bias. Letting the data speak for itself is not always easy, even for the specialists. He also reminded council members of the tried and true adage, “Data is not meaningful if it’s not actionable.”

The VEA ended on a somewhat celebratory note as McPhail used the metaphor and visual of a wedding cake to illustrate a final key concept: All data should come from the same source, i.e. one type of cake, not different cakes (or data sources) put together. He also reminded participants to “Make data their windshield” -- to look carefully and leverage key insights as they move forward.

In conclusion, McPhail underscored the necessity of educating employees--from all departments--about the insights that can be gained from the numbers and the importance of that “aha” moment that shows a key trend or business need. Employees need to understand that data does indeed tell an important story...if they know how to “read the book.”

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