Growth • Innovation • Leadership Council
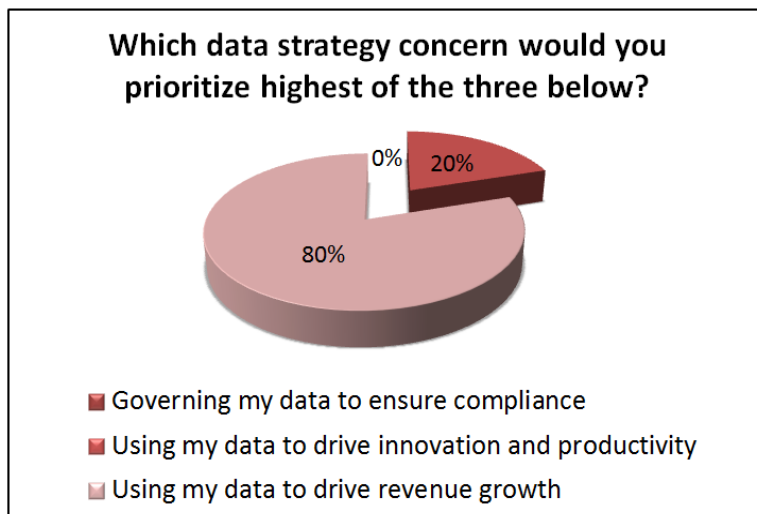
FROST & SULLIVAN

<u>**A Virtual Executive Assembly Brief**</u>

Data Strategy

Presented by Matt Coblentz, Data Scientist, Dell EMC

Recently, members of the Growth Innovation Leadership Council assembled for a Virtual Executive Assembly (VEA) on a very timely topic—*Data Strategy.* The VEA was led by Matt Coblentz, currently a Data Scientist at Dell EMC. Matt began his career as a System Engineering Manager for the Geodynamics Corporation where he worked on a government program in national security. Matt has over 20 years professional experience in information engineering.

The VEA began with Matt asking participants how their company or department defined data strategy. Most members agreed that their organizational data strategy is governed by achieving revenue growth and using data to do so. One member clarified that her organization seeks to leverage data effectively for both internal and external uses. The members were then polled about their data priorities, with the results below:

Which data strategy concern would you prioritize highest of the three below?

- 0%
- 20%
- 80%

■ Governing my data to ensure compliance
■ Using my data to drive innovation and productivity
■ Using my data to drive revenue growth

Matt reviewed data strategy and tactics, noting that it is often necessary to change or adjust tactics depending on what the data shows. He emphasized the importance of marketing leveraging data to convert leads to sales opportunities and noted the necessity of providing data to help the organization succeed.
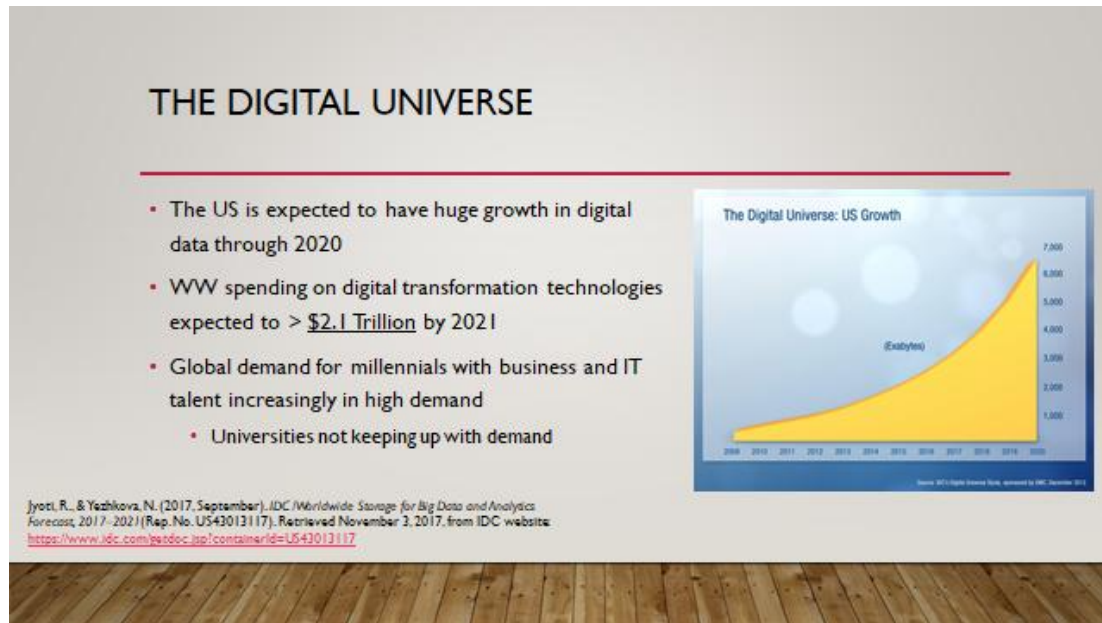
Next Matt discussed the growing digital universe. He indicated that the graphic above is probably on the conservative side as it pertains to the actual amount of data available today. He differentiated between Data Scientists who extract information and Data Librarians who manage and organize data. Matt predicted that moving forward, the ability to organize data for a strategy or tactic would become even more important than gathering or extracting the data.

He further hypothesized that in the next five years the focus will shift from extracting data to effectively *managing* the data and noted the need for smart management practices and data cataloguers. Doing so will require savvy policies for people *and* data.

Members were then asked about their organizational challenges around data management with results below:
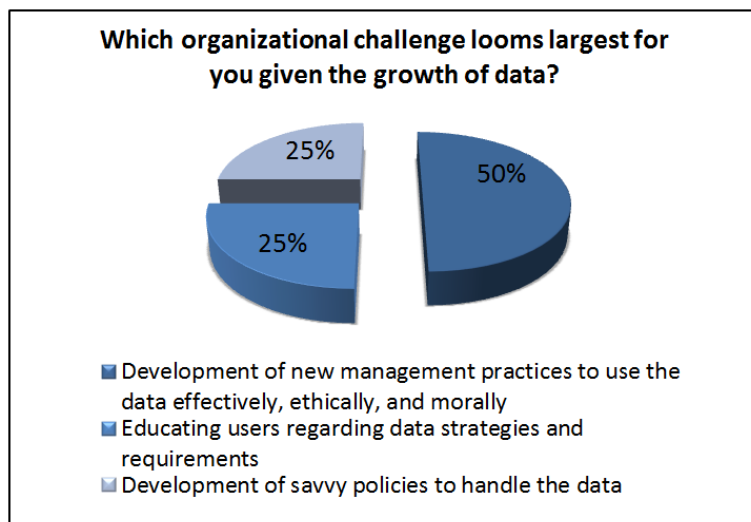
The discussion then veered towards Open versus Closed Data Policies. For the purposes of this VEA, the following basic definitions were provided:

Open Data Policy – Access for all (generally) used to make decisions or become more informed

Closed Data Policy – Access to data/information only on a need-to-know basis

Regarding open and closed data policies, Matt indicated that open data policies are ideally used to foster innovation, productivity and performance. He noted that to really succeed, open data policies must be combined with the right organizational culture.

Closed data policies mean limited data access and tightly controlled data. As Matt noted, some data needs control, i.e. financial records and data that may unduly influence business or other transactions. Matt also reminded council members that until recently, many companies had closed data policies.

Throughout his presentation, Matt expressed that if you can't answer a question with data, or if the data does not change behavior, it is a waste of time to gather and share it. He also discussed the downside of a concept called "data liberalization," which he briefly described as "Just because you can, does not mean you should." He provided a few examples, namely the Uber phrase, "Rides of Glory" explained below:

- "One of the neat things we can do with our data is discover rider patterns: are there weekend riders that only use Uber post-party? …the Ride of Glory (RoG). A RoGer is anyone who took a ride between 10pm and 4am on a Friday or Saturday night, and then took a second ride from within 1/10th of a mile of the previous nights' drop-off point 4-6 hours later. (i.e. a likely "hook-up.")
- It's one thing to find patterns. It's another to publish them

In closing, Matt observed that data analytics can go too far and that ethical and moral boundaries must be set by the business community as a whole. He reminded participants that the data policy their organizations choose should reflect what they need to achieve, or the overall organizational strategy. The need for an overarching moral or regulatory framework to harness data and the speed of decision making in the digital age is critical. As today's business leaders know, the massive amounts of data now available must be thoughtfully managed.   7/18