

How to realise the value in your data



The situation

Every decision starts with data, whether quantitative and/or qualitative. Information is created that builds into intelligence and intelligence leads to decisions that can make or lose companies millions. The speed and accuracy of intelligence for those decisions is changing in the market with new start-ups embracing AI to drive to faster and more reliable intelligence, even utilizing decision-making algorithms to remove a large majority of human interaction between initial data creation and decision.



The challenge

Mature organisations often don't know where to start with their data, while younger companies aspire to the volume of data 'unused' by the more mature ones. Typically, many will start with their dashboard and reporting, but this is not usually the area that will create the most value.



The key question

Are you falling behind your competition due to an absence of or stagnation of your data strategy and management?

What do the experts say?



Gartner states that “fewer than 50% of documented corporate strategies mention Data & Analytics”¹ as key components for delivering enterprise value, yet executives perceive information as a critical asset:

Leading organizations in every segment are wielding data and analytics as a competitive weapon, operational accelerant and innovation catalyst. Yet even digitally agile organisations remain inhibited by outdated notions that information doesn't need managing to the same degree as traditional balance sheet assets. As the role of the Chief Data Officer takes hold, gaining authority and influence on a par with other executives, we expect to see organizational shifts.



Utilising data and analytics to achieve new growth.

KPMG believes this is imperative to drive profitable growth² as:

- Increased volumes of data give you the opportunity to find new insight if you know what to do with it.
- Few businesses have the right insights or confidence in their data to make reliable or even well informed decisions.

1. <https://www.gartner.com/en/newsroom/press-releases/2019-10-23-gartner-says-traditional-data-and-analytics-strategies-cannot-satisfy-digital-business-demands>
 2. <https://home.kpmg/uk/en/home/insights/2015/01/data-and-analytics/grow-your-business.html>

Case study



From its inception in 1999 Alibaba did not truly evolve into a worldwide success until it decided to “foster the development of an open, coordinated, prosperous e-commerce ecosystem”³ in 2007.

Alibaba attributes its success, in large part, to “greater capabilities in network co-ordination and data intelligence”, which Ming Zeng titled in the Harvard Business Review as “Smart Business”. Utilising the Smart Business methodology, Alibaba founded Ant Financial Services in 2012, an SME loans business that has grown to a market capitalisation of \$150 billion in just 7 years; bigger than Morgan Stanley and Goldman Sachs combined.

Ant uses that data to compare good borrowers (those who repay on time) with bad ones (those who do not) to isolate traits common in both groups. Alibaba’s data scientists are essential to identifying and testing which data points provide the insights they seek and then engineering algorithms to mine the data. As the recalibrated algorithms produce increasingly accurate predictions, Ant’s risk and costs steadily decrease. All of this with only 1/10th the employees of other financial services companies.



Key takeaways

- Building a data strategy that drives innovation and empowers insight will lead to creating a foundation for accelerated growth and increased efficiency.
- Historical issues, such as multiple data sources and information silos are no longer the greatest obstacle in a co-ordinated network. Culture and mind-set are a key focus to unlocking value as part of a digital transformation.
- Fostering a data culture will help align employees, move to decisions much faster and release capacity to become more customer centric.

For more information on this and our wider capabilities, please do not hesitate to contact us.



Jason Roofe
Director, Transformation & Change
The Barton Partnership
jason.roof@thebartonpartnership.com



Matthew Small
Managing Director
Data Value Creation Ltd
matt@thedvc.org

The Barton Partnership represents an extensive network of former top tier consultants with subsequent industry experience across the UK, Europe and internationally. We mobilise individuals and teams to solve your business problems, from advisory through scoping and problem solving to vendor selection and implementation.

Data Value Creation Organisation (thedvc.org) is a consultancy business that leverages executive subject matter expertise in data and analytics to help plan, design and unlock critical business value across the globe and all sectors to create the right data strategy.

3. <https://hbr.org/2018/09/alibaba-and-the-future-of-business?autocomplete=true>