

JCURV PERSPECTIVES**EXTRACTING VALUE FROM DATA ANALYTICS:
FOCUS ON PEOPLE, NOT DATA**

Over the past few years, organisations have invested millions of pounds in their Big Data strategy; analysing massive data sets to reveal patterns, trends, and associations, especially relating to human behaviour and interactions, in order to understand their customers, products and processes better.

Many organisations are now asking whether these investment decisions have or will ever deliver against the business case, particularly those companies dealing with significant run costs in maintaining their data landscape. Chief Executive Officers (CEOs) and Chief Finance Officers (CFOs) are questioning what data insights have been revealed that can actually be utilised to expand product offerings, enhance efficiency, drive profitability, and discover new business models?

German software company [SAP found that 86% of organisations believe there is further value to be extracted from their data](#); but 74% of the organisations surveyed believe it's too complex to monetise this value. It makes for bleak reading for the boardrooms that were persuaded to make these investments. So how can Chief Data Officers (CDOs) turn this ship around?

Missing out on data insights

While investments in technology have delivered some benefit, they haven't been a golden bullet. In fact, JCURV has found most of the value from data is being left on the table.

As part of our work with several FTSE 100 organisations, we have found that the lack of focus on people capability and ways of working is failing to unlock the value of data. This results in organisations having:

1. Long lead times to turn analytical insights into actionable strategy, leading to high levels of frustration and recruitment and retention problems
2. Siloed analytical teams which sit outside or away from core business activities
3. Teams focusing on tactical internal tasks rather than working on the highest value business priorities
4. Low engagement levels in the data teams as they become frustrated at fixing the basics rather than delivering business value
5. Analytics leaders and data scientists that are over focused on technical capability instead of translating insights into actionable strategy and decision-making.

Machine output, human interpretation

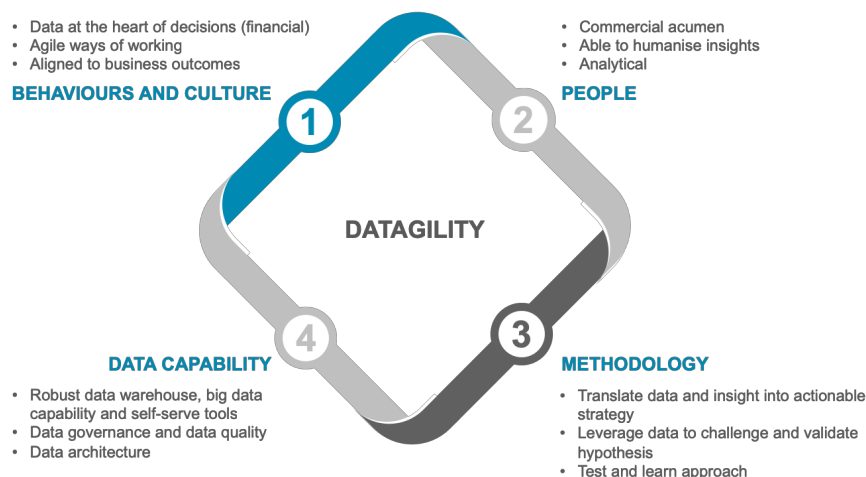
As AI, robotics and machine learning outpace human capabilities, there is a greater need for humans to understand and interpret data patterns and outputs and link this to the desired business outcomes. We believe the role of data leaders and analysts is to be more human. After all, data is only the underlying story of what humans do. It's not about data, it's about people.

But for some organisations, however, this transformation is such a big and complex leap from how they currently work, they don't know where to make the first change.

Datagility – building blocks to insights

At JCURV, we believe the building blocks for an effective data analytics function are a powerful combination of the right behaviours, culture and people, coupled with the right methodology and technical data capability. We call this Datagility (see Figure 1).

Figure 1: Datagility



So what does Datagility mean? It means that the core principles for data and analytics functions are:

- They are engaged and aligned with business goals and priorities
- Organised by customer and business outcomes instead of by functional expertise
- Using agile ways of working where teams can:
 - operate in a safe environment to test and learn
 - deliver value early
 - break down complex challenges into smaller tasks
 - review outcomes and continually look for ways to improve
- Cross-functional and co-located, as well as fully embedded in the business.

And as teams are aligned to business outcomes, the analytical community needs to be sustained through a Community of Practice; where they are encouraged to share best practice on analytical techniques, create job families for career progression and create a forum where cross-business data investments are evaluated and prioritised.

Datagility case study: FTSE 100 Retailer

One of our clients, a major retail brand, knew that it needed to utilise data and insight to drive optimisation opportunities and customer-level decisions. Through our work with the company, we helped establish a need for a consistent approach to group-wide data, which would be met by building a Group Data Dictionary.

The team initially forecast that it would take two years to build, test, and then implement before the business would see a return. However, a two-year delivery time would have pushed back the benefits of other initiatives and be out of date by the time the dictionary launched. The executive was not happy with such a high-risk approach and wanted a viable alternative.

The team went back to the drawing board, and re-evaluated their task using Datagility principles, breaking down the challenge into components that could be released to priority business areas at the end of each two-week sprint.

This allowed them to iteratively learn the most effective approach by obtaining end-user feedback every two weeks rather than at the end of a two-year marathon. As well as delivering immediate business value, the team's engagement levels went up by 15%.

A datagility approach can boost income by at least 20%

From our experience, when clients begin to embrace datagility, the results are tangible – translating into annual income growth of at least 20%. That's not all. Datagility also supports cultural changes. These include:

- Breaking down large complex problems into smaller challenges
- Experimentation by testing and learning ideas to problem-solve
- Reduced delivery risk through early and effective testing

- Faster speed to delivery
- Increased employee engagement as teams are empowered to create value and see the impact of what they deliver to the business.

Focus on people not data

To extract genuine value from data and analytics teams, the teams' purpose needs to be defined, and their focus needs to be on people not data. Data leaders need to collaborate with the leadership team and key areas of the business to experiment with new ways of working, and then run the experiment. Celebrating progress and success along the way will also ignite a change in culture.

This approach will give CDOs an effective way to prove the value of data and monetise previous investment decisions, allowing companies to use their insights to maintain a competitive advantage.

JCURV is a London-based management consultancy working with FTSE 100 organisations, with a mission to increase the agility of UK PLC.