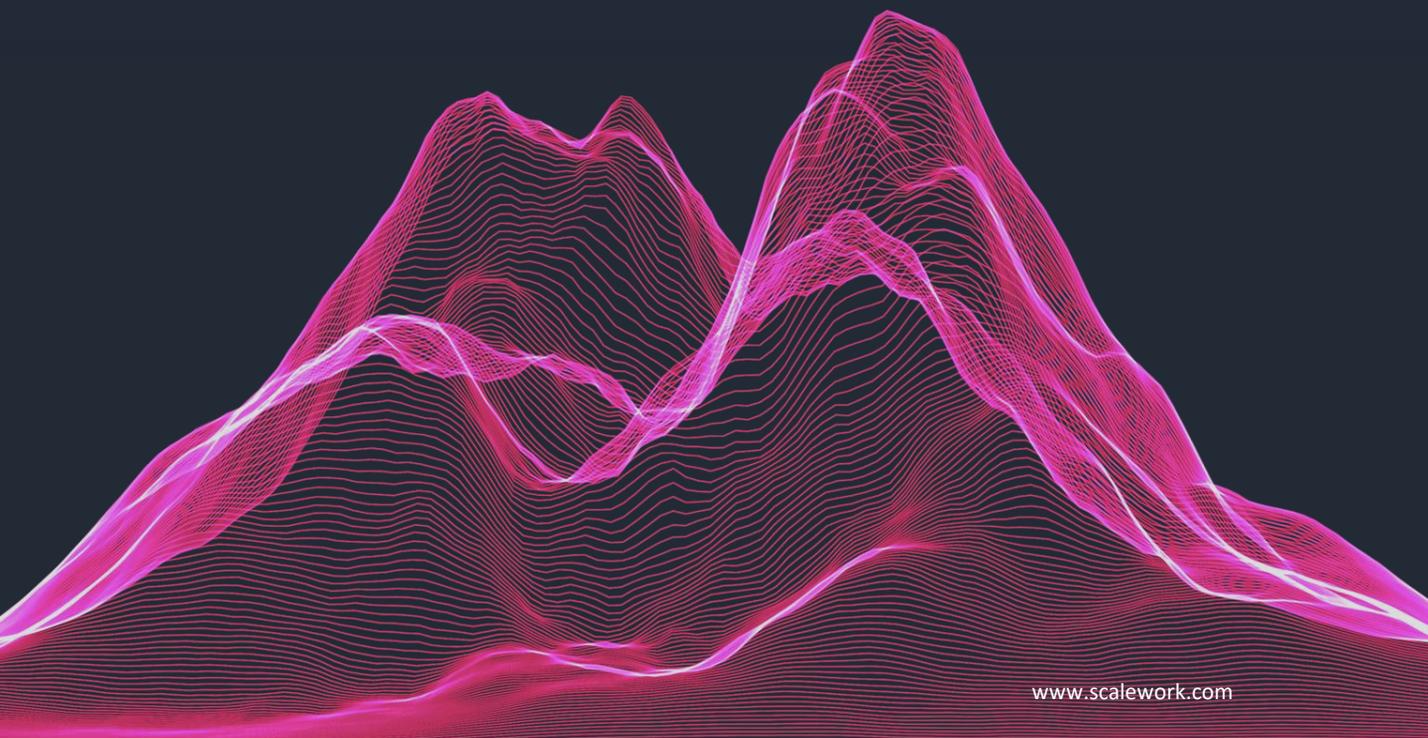




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CLIMBING THE DATA SUMMIT

A comprehensive study by **SCALEWORK**



Companies that systematically deploy analytics & data science methods in their operations, manage to grow faster and tend to be **19% more profitable than their competition.***

Moreover, decision-makers that are able to base their decisions on data are 77% more likely to significantly exceed their business goals and are also 59% more likely to derive actionable insights from the analytics they are tracking.*

Besides that, a lot of legacy issues that traditionally prevented companies from leveraging this proven value have disappeared – such as high cost of data storage, expensive proprietary software or the need to invest into expensive data centers to get started.

* Scalework research



Photo Credit: pexels.com

Despite many companies still use **Excel spreadsheets** as the most common tool to analyze data, they comply about data quality but rate their analytics capabilities at a low maturity level compared to what is possible. This contradicting signals led us to a quest for searching where companies really stand with their ability to deploy analytics in their business and why they struggle to capture the value that exists from applying state-of-the-art data science methods. **Therefore, we have analyzed more than a hundred projects that we have delivered in the past** from agile e-commerce start-ups to enterprise clients and interviewed thousands of decision-makers across several industries.

We observed that companies climbing the Data Summit typically go through 6 stages to unlock the potential from data science. Each of those stages have hidden signals that help to identify most relevant challenges and offer the right set-up of actions to move on.

This eBook introduces you to the 6 stages required to climb the Data Summit.

From this you will be able to assess your current analytics journey and what you need to do in order to climb to the next level.



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Before we step into the 6 stages, the immediate feedback we usually get from decision-makers is that they discover 3 or even more challenges their organization is working on.

This absolutely makes sense, particularly for larger organizations it is not uncommon having different mountains to be climbed at the same time.

However, our evidence clearly shows that the journey is most likely to result in success if taken in a bottom-up approach - it all starts with a rock-solid foundation.

Let us start staging on Level 1.



Photo Credit: pexels.com



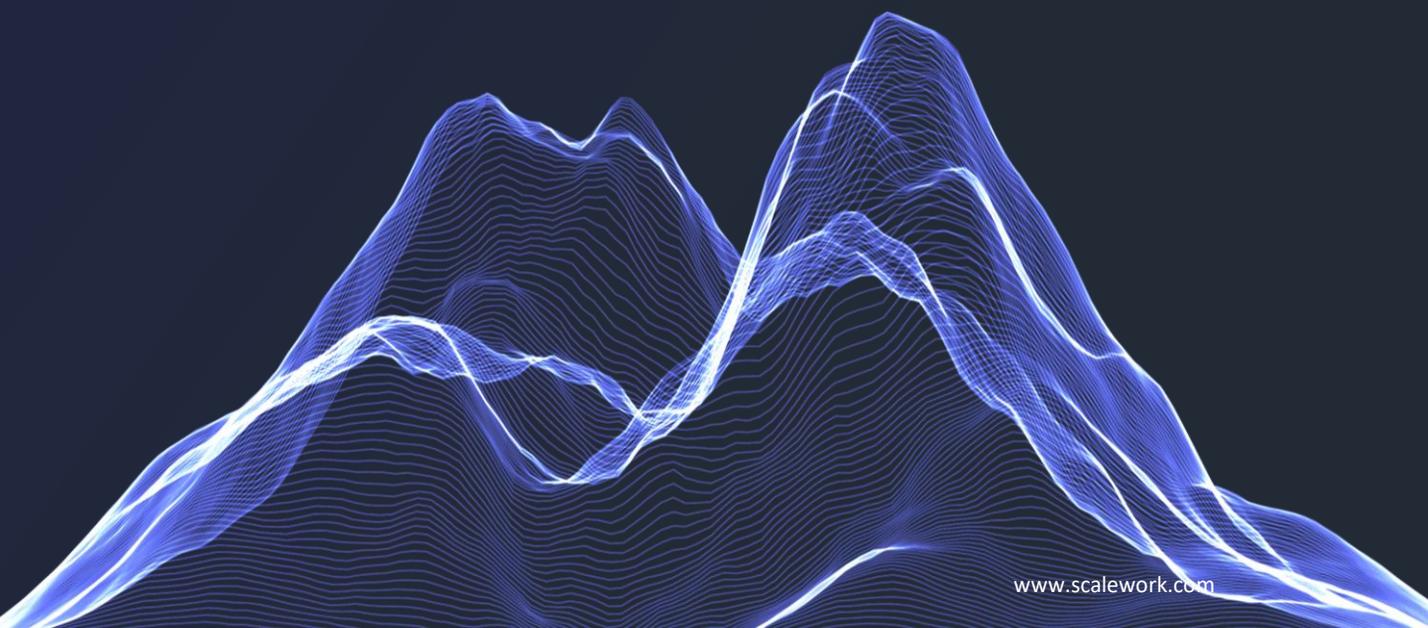
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6 STAGES TO CLIMB THE DATA SUMMIT



#1: STAGING IS ALL ABOUT CLARITY

Staging is all about clarity of what value analytics can generate for a business. A good data strategy always starts with a clear vision which can be defined as the business value that data and analytics can deliver. We recommend engaging with both IT and business leaders to develop a holistic vision. Then create a short-term roadmap with achievable goals, clear milestones, performance measurements and monitoring.

From experience **only 4%** of decision-makers rate their company to this stage – not necessarily because they do not leverage data & analytics in their business, but because this happens mostly opportunistically.

Even though this group of companies are at an early analytics stage, decision-makers rate the level of business success as high for their company.



The main reason why these companies are at such an early stage might be that their motivation for embracing analytics has been relatively low in the past.



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#2: BASECAMP FOR BUILDING MOMENTUM

In Basecamp, companies main challenge is to build traction in their organization. The most promising strategy to accomplish this, is to identify use cases where data science methods can relatively quick and easy add value to the business. These low hanging fruits are usually a great way to build proof and to get recognized from key decision-makers across different business functions.

From our experience, 22% of decision-makers rate their company in this stage.

The most common use cases to get started with are cost optimizations or process improvements by focusing on pricing or inventory levels.

This is not surprising as most of the companies at this stage rely on structured data from existing internal systems.

Usage of analytics for monitoring of competitors or to guide product & service development typically require less structured data types and consider external data sources – as a logical consequence we tend to see those use cases rather at higher analytics maturity levels.



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#3:

CLIMB TOWARDS A STANDARD OF DATA, TOOLS & CAPABILITIES

Graduating from Basecamp requires decision-makers from key business functions as well as proven potential of analytics delivered through executed pilot projects with impact being measured and monitored afterwards. At the climb, those early successes need to be translated into operations and scaled across the business.

To achieve this, organizations should start early to draft a standardized framework to work with the data – this is often referred to as “Data Governance” and can also be considered as defining the rules of the game.

It is meant to help your organization to balance opportunities and risks in the digital environment and it is okay to draft quickly in the first place. You can start by creating an inventory of your information assets, where they are located and who uses them. In addition, you can establish an agreed-to framework for working with the data and focus on a standard set-of tools around which you start to build capabilities.

At early stages of the climb, it is difficult for organizations to already have a streamlined set of tools and methods in place – especially as there is a lot of exploration taking place while internal competencies are mostly built inconsistently by following ad-hoc demand of projects. This comes at the cost of complexity and is signaled by observations from data articulating they do not think the tools available to them are easy to understand for others.

Arriving at this stage, companies have typically established dedicated units responsible for adopting analytic tools, building competencies and articulating analytics strategy to a specific group of decision-makers. Having different tools and systems in place with relevant capabilities being established is already adding value to the business: 60% of companies from our survey that have different tools and systems across different teams or business units in place, exceeded their goals last year. This is only topped by organizations that use a common set of methods and tools across the enterprise for analyzing data with over 80% of decision-makers exceeding their business goals last year.



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#4: CRUX IS ABOUT TRANSFORMING FROM SILOS INTO CORE BUSINESS

The absence of a common enterprise approach to find insights is a common barrier to effectiveness. But entrenching analytics into mainstream business functions and specific company groups is most definitely the Crux of successfully climbing to the top of the Data & Analytics Summit. At this stage momentum often slows down and results in a lack of consensus on how to use analytics moving forward. At this stage almost one third in respondents report that the maturity level in analytics has stayed about the same compared to last year.

Data is telling a clear story here – almost 80% of companies that we have investigated state that they only train selected employees in analytics.

It may sound too easy but democratizing data by training all your employees on applied analytic tools & methods is your only way to graduate from this stage.

On the other hand, companies that train their whole staff on applying analytics in daily business are **44%** more likely to exceed business goals than their competitors.



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#5: CREST BRINGS YOU INTO ANALYTICS AT SCALE

Moving past the Crux, your biggest challenge will be finding analytics driven minds at scale to satisfy the demand of business functions across the company – the people you hire at this stage will come with a diverse set of skills and take on a lot of different roles in your organization. Their main job is to act as a translator between business requirements and analytics/ data science methods.

The average employee that made it to the Crest does not only tend to be more data-savvy but is also more confident about his or her personal skills and the tools available.

No surprise that those companies are likely to have detailed and specific usage for analytics insights and tend to take advantage of more advanced analytics such as working with unstructured data which is often more challenging to interpret. This leads to better insights for the world outside the own organizations. As a reward decision-makers of organizations that walk this distance are 24% more likely to exceed their business goals than their peers.



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#6:

ARRIVING AT THE DATA SUMMIT

Having data & technology in place as well as solid statistical and machine learning capabilities developed across the entire organization will bring you far – however, moving on top of the Data Summit is only feasible with a data-driven culture in place.

This implies important decisions are always made based on data & analytics (assuming that data is available).

Only 9% of organizations make it to the Crest or even the Summit, but this is where the biggest transformational benefits of analytics & data science methods can be captured.

Therefore, it does not come surprisingly that decision-makers of these stages rate the level of business success the highest amongst all participants and that decision-makers that operate in organizations with a strong data culture are twice as likely to exceed their business goals than other decision makers.

Further it is interesting to note, that most companies at the Summit already apply AI successfully to add value to their business. In addition, nearly all decision-makers state that their analytics capabilities have significantly improved over the last year and is expected to increase moving forward. Furthermore, three out of four organizations at the Summit report that all current employees at their organization have been trained in analytics.



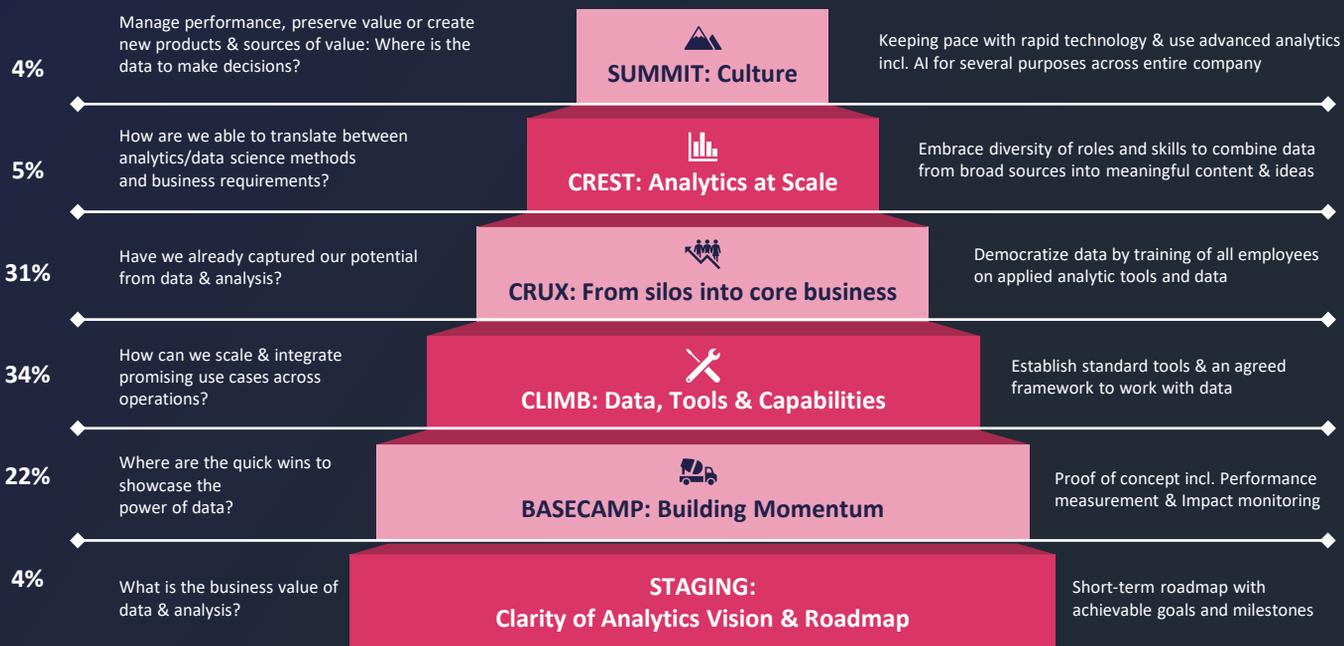
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6 STAGES

TO CLIMB THE DATA SUMMIT

- The overview -

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About Scalework

SCALEWORK helps companies to effectively **build** and **integrate** custom **analytics, data science and machine learning solutions** in their daily operations.

Throughout our careers, we have helped many companies scale their data-driven organizations, but we also came across limitless companies who struggle to create sustainable impact from data. **This has several reasons:** Inexperience to anticipate potential impactful data science solutions; inability to translate project ideas into requirements; limited access to data experts and overly expensive and frustrating service providers on the market – just to name a few.

With **SCALEWORK**, we want to offer all companies the chance to realize the power of data, irrespective of their internal level of digitization or analytics capability. We make data impact as simple and cost-effective as possible.

Contact us to learn more!



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