



Gaining the Competitive Edge: Data Analysis in your organization

Stanton Chase Technology Practice Group
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I. Introduction



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The Stanton Chase Technology Practice Group is a strategic partner to clients within all major market sectors and regions. Recently, in ongoing conversations with our clients, we have heard many executives voice concerns relating to the seemingly endless opportunities and overwhelming demands presented by big data.

- *How can we identify and acquire the best talent that will approach data analysis with ingenuity?*
- *Who will pioneer and evangelize the adoption of data analysis efforts in our organization?*
- *How can we, as an executive management team, harness the potential of our data and utilize it to gain a better comprehension of business processes, meet current objectives, and plan for future successes?*
- *How can we clearly understand and communicate our organization's proprietary data?*

By 2020, the number of internet-connected devices recording or generating information is expected to increase by 400% and the amount of data stored will grow 50-fold, transforming every business into a data-driven business.

In short, accumulating massive amounts of data is — or soon will be — commonplace for every major organization. Simply owning data will not be enough to differentiate your organization from its rivals.

To give your business a competitive edge, you must acquire creative, data analytically minded talent within every function and at every level of your organization.

In addition to utilizing our own expertise, we reached out to industry leaders and compiled the latest research regarding how the C-suite currently uses and would like to use data analytics to meet their business objectives, and how acquiring talent focused on data analytics beyond IT can give an organization a fresh perspective.

We hope you find this information insightful and valuable. We look forward to discussing it further with you. Should you have any questions regarding this white paper, please visit www.stantonchase.com or contact your local Stanton Chase office.

II. Executive Summary

In a time when many companies' reach spans countries and continents, clear lines of communication have become increasingly difficult. Rapidity and agility are defining characteristics of doing business in 2016, and it is crucial that executives across geographic locations and functions have an up-to-date understanding of where their team and the company stand in relation to business objectives.

Common Language

Data analytics has become the common language for clearly communicating across departments and locations, as quantifiable data leaves no room for misunderstanding. However, as static reports quickly become outdated and do not allow the flexibility that today's economy demands, the data dashboard is the most direct and powerful tool for CxOs to keep track of their key performance indicators (KPIs). To track metrics and KPIs, each executive needs a concise and customizable dashboard that offers a graphical, easy-to-read summary of relevant data within the appropriate historical, functional, and geographical context.

Data Agility

When it comes to data, quantity is not the problem; quality is. The majority of companies feel they have access to sufficient amounts of data. Unfortunately, they do not have the right resources to make sense of it. Many executives feel they are often presented with an influx of data so overwhelming it renders decision-making nearly impossible.

Data agility transforms an operational asset into a strategic one. The same set of data can be mined and reinterpreted multiple ways to be relevant to different functions within the same organization. Executives must approach this malleable mass of data and understand how to extract value that triggers actions.

Collaborative Data Analysis

Companies recognize big data as a top priority spend, but they struggle to find talent that can approach data analysis with creativity and innovation. However, despite this talent shortage, companies are hesitant to outsource their data analysis to third parties, instead preferring to keep their data analysis in-house.

“The solution? Identify, attract, and retain data-minded talent across functions, rather than limiting it solely to IT. Data analysis must be adopted as a collaborative, company-wide mindset in order to create the right environment in which data-minded talent can strive, prosper, and innovate.”

III. Findings

Common Language

Data analytics has become the common language for clearly communicating across departments and locations.

Communicating via quantifiable data leaves no room for misunderstanding. Numbers, charts, and graphs ensure that executives across functions and geographic locations have a clear understanding of where they stand in relation to their business objectives.

“Data really powers everything that we do.” – Jeff Weiner, CEO LinkedIn

Key performance indicators, or KPIs, are specifically selected metrics or blends of multiple metrics used to track business objectives. KPIs should be attributable to the actions of a specific group, and in order to be effective, they must have clear ownership and measure accountability.

Static reports quickly become outdated and do not provide the agility that today’s markets demand. The data dashboard is the most direct and powerful tool for CxOs to keep track of their KPIs. In a recent study conducted by Domo of over 1,000 business leaders across several industries, 72% of respondents wished they could view their business data in dynamic, visually appealing dashboards. At Salesforce, Chet Chauhan, VP Product Management for CRM Applications noted “The type of device displaying the dashboard is no longer as relevant. This is due to a seamless continuum with modern cloud software that works across all platforms such as mobile, tablet, desktop, even screen projection from mobiles.”

A vast majority of CxOs feel having greater access to crucial data is vital to their success. According to a 2015 study conducted by the Economist Intelligence Unit of 395 C-level executives, 67% said their department’s business functions would be substantially enhanced by improved access to big data. This sentiment was echoed this year in a NewVantage Partners survey of Fortune 1,000 executives in which 70% of respondents considered big data as very important or mission critical to their business success.

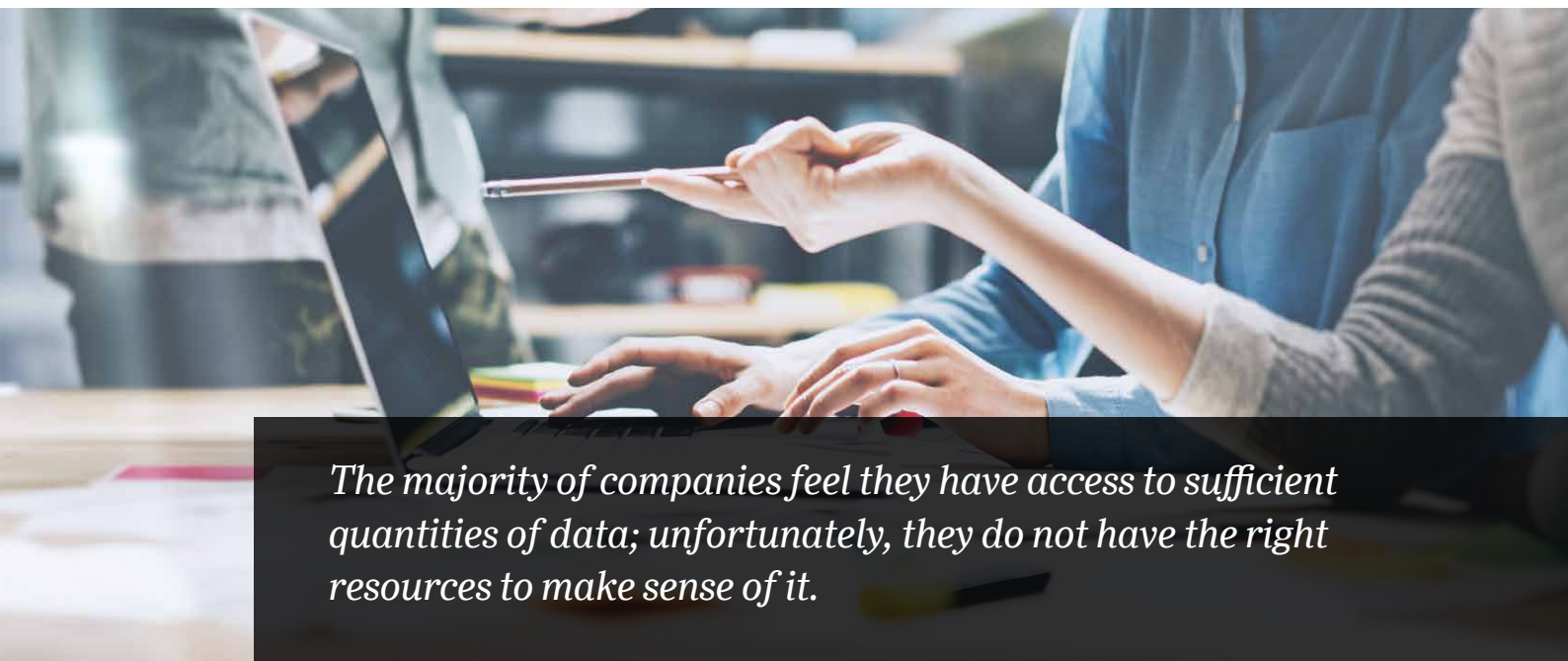
To track key metrics and KPIs, each executive needs a concise and customizable dashboard that offers a graphical, easy-to-read summary of relevant data within the appropriate historical, functional, and geographical context. If a set of data is not directly connected to a CxO’s proprietary KPIs, then it should be considered unneeded for the time being.

An effective dashboard should clearly show the directionality of every KPI within a predetermined, relevant timeframe. How does this figure compare to last week? Last month? Last quarter? Last year? For a company with multiple locations, geographic comparisons are also important to show regional variations. How does this data compare to other locations with similar economic or demographic factors? To other domestic locations? To international ones? This contextualization adds a narrative to what would otherwise be purely quantitative facts that paint a one-dimensional picture.

Data Agility

The majority of company leaders feel they have access to sufficient quantities of data; unfortunately, they do not have the right resources to make sense of it.

The Internet of Things currently allows companies to gather an unprecedented volume of data. In fact, by 2020, the total amount of data stored is expected to be 50 times larger than it was in 2015.



The majority of companies feel they have access to sufficient quantities of data; unfortunately, they do not have the right resources to make sense of it.

“Data is the new science. Big Data holds the answers.” – Pat Gelsinger, CEO VMware

The pendulum has swung from one extreme to another. In the past, executives were frequently faced with a data deficit that left them ill-equipped to make well informed decisions; today they are often presented with an influx of data so overwhelming that it renders decision-making nearly impossible. The challenge is to find a balance where executives have access to accurate, relevant data.

“At its core, data is an operational asset. But through analysis, it can become a strategic one,” explains Jan-Bart Smits, Global Technology Practice Leader at Stanton Chase. “The same set of data can be mined and reinterpreted multiple ways to be relevant to different functions within the same organization.” Executives must approach this malleable mass of data and understand how to extract value that results in actionable steps towards improved performance. Contextualizing the information can greatly increase its relevance: historically, geographically, functionally, and within the context of external economic and social factors.

The NewVantage Partners study reveals that when it comes to data, it is not a problem of cost or quantity, but of agility and variety. Only 9% of respondents are focused on reducing data storage and analysis costs and only 13% are focused on integrating greater amounts of data. However, 31% are concerned with greater data agility and 40% with greater data variety.

In the same Domo survey mentioned above, an overwhelming 93% of respondents indicated they rely on business information to do their jobs well, but only 43% report they have access to the information they need, and 68% regularly have difficulty making sense of the information that they do have access to.

Organizations are less concerned with increasing the amount of data they have or reducing the cost required to obtain it, but rather with how to effectively interpret it.

Additionally, a 2015 survey of over 1,100 managers and executives conducted by IDG Enterprise reiterates this trend. 56% of respondents say they frequently feel overwhelmed by incoming data and information, and 53% say the influx of large quantities of data has delayed important decisions.

All of these surveys come to the same conclusion: Organizations are less concerned with increasing the amount of data they have or reducing the cost required to attain it, but rather with how to effectively interpret it.



Collaborative Data Analysis

Companies are willing to invest resources in data analysis but want to keep it ‘close to home’ with in-house teams.

“Companies recognize that investing in the resources needed to capture and analyze big data is a top priority,” says Mickey Matthews, International Chairman of Stanton Chase. “But there is a veritable disconnect between a willingness to invest in data analysis and acquiring the human capital to do so.” In fact, a recent survey by Forbes Insights of 316 executives of large global companies found that a staggering 90% report medium to high levels of investment in big data analytics. But regardless of their willingness to spend, 46% of the executives surveyed reported that acquiring talent that can recognize opportunities for optimization and innovations in data is a challenge.

“With too little data, you won’t be able to make any conclusions that you trust. With loads of data you will find relationships that aren’t real... Big data isn’t about bits, it’s about talent.” – Douglas Merrill, CEO Zestfinance.com

Similarly, the 2015 IDG survey found that the primary challenge facing respondents (48%) is the shortage of employees with data analysis and data management skills. The 2015 MIT Sloan Management Review had similar findings, with 40% of companies surveyed struggling to find and keep data analytics talent. According to research done by Tech Crunch in December 2015, some industry experts expect matters to intensify in coming years, with the global demand for data scientists projected to exceed supply by more than 50% by 2018.

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However, despite this talent shortage, companies are hesitant to outsource their data analysis to third parties. The Economist Intelligence Unit's study found that using technical advisors was the least popular strategy amongst the executives surveyed for getting value from big data tools, with only 19% of respondents endorsing such programs.

The solution? Attract and retain data-minded executives across all top-level functions, rather than solely within IT.



“Data analysis must be adopted as a collaborative, company-wide mindset.”

IDG found that when it comes to making strategic decisions around data-driven initiatives, CIOs or top IT executives have responsibility for these projects only 30% of the time, with CEOs, CFOs, and CMOs also playing key roles. The Economist Intelligence Unit's study supported this finding, as well, with 56% of CEOs confirming that big data requires collaboration among C-suite executives.

“A single executive or even a single team within a company will never be able to identify all of the potential opportunities for data analysis to effect change within an organization,” Smits confirms. “Data analysis must be adopted as a collaborative, company-wide mindset.”

IV. Recommendations

In many ways, business decisions are harder today than in the past. The different types and combinations of data offer a nearly infinite choice of what to analyze. “Selecting the right factors can solidify your organization’s place in the market with a clear competitive edge,” states Matthews. “But selecting the wrong ones can have you fall behind competitors or, worse yet, institute strategies that are destructive to your business.”

As the types of data available become more varied and tangential to your core business, executives need the right balance of logic and creativity to understand how employees within every function of an organization can utilize data analysis to spur strategic changes.

Based on our extensive experience with organizations across all sectors and markets worldwide, we offer the following recommendations for acquiring, nurturing, and further encouraging data analytically minded talent across every function of your organization:

Prioritize Data Accessibility

After an organization’s talent, data is its most valuable asset. Make sure it is accessible to key decision makers. Dashboards must be clean, clear, and easy to read. In order to be relevant, data must be current and readily available from anywhere at any time via any device, not just from the office computers at predetermined intervals.

Be Selective About KPIs

With the overwhelming amount of data available today, it is essential to remember that all metrics are not equally important. Your company may have access to hundreds or thousands of metrics, but no single executive has the time or the need to review them all. When deciding which information to extract and analyze, follow the guideline that every KPI should link directly to a specific business objective, should be attributable to the actions of a specific group, have clear ownership, and measure accountability. A tiered KPI structure with drill-down analytics is particularly important.

Encourage Creativity in Operations, Not Just Efficiency

Historically, Operations has been largely responsible for monitoring processes for accuracy, speed, and efficiency. These duties are still at the core of Operations’ role; however, the phenomenal increase in available data can empower Operations to be an innovative force for every function of the organization. Today’s COOs need to approach data analytics with creativity, not only to root out inefficiencies, but to devise ways for their organization to revolutionize their processes, both in concept and execution. This can enable the role of Operations to transform from a reactive one that solves problems post mortem to a proactive one that originates and initiates improved processes.

Acquire HR Talent That Understands Contextualization

Perhaps more than any other function, Human Resources faces the challenge of translating quantitative measures into qualitative feedback by blending a multitude of metrics and examining those metrics on several different levels. Contextualizing KPIs is especially relevant with Human Resources, since identifying, obtaining, and retaining the right mix of top talent requires an integration of both objective and subjective factors. Candidates must have the required skills, but personal and cultural elements can vary widely from team to team and location to location. Examining KPIs on historical, geographical, and functional levels will enable an organization's Human Resources team to hone in on the challenges unique to each subset and adjust their expectations and processes accordingly.

Look to Sales and Marketing to Construct a Narrative

Sales and Marketing is faced with a dilemma based on the magnitude and variation of data relevant to their business objectives. Although many sales and marketing KPIs are actionable, or able to be directly controlled by an organization, more so than any other function, Sales and Marketing strategies can be affected by external factors, such as the state of the economy, trends within the industry, changes within the population of a targeted market, or even significant weather. Many of these are difficult to predict and impossible to control, but can directly affect Sales and Marketing efforts in significant ways.

The CMO needs to be cognizant of which external factors and drivers are pertinent to their objectives and incorporate these into their proprietary metrics, blending these together to create a narrative of the customer experience. Sales exceeded expectations in one region but fell short in another — what external factors may have contributed to this? A new competitor targeting the same area? An increase or decrease in the population of a particular customer demographic? A marketing campaign was less effective than anticipated — what outside factors might have impacted to this issue? A misconception within the industry? A supporting technology did not perform as anticipated? How can these factors be recreated or avoided in the future? Sales and Marketing needs to maximize the capabilities of big data to analyze and interpret not just their organization's own metrics, but external ones, as well.



Utilize Finance as a Predictive Force

The biggest challenge facing today's CFO is selecting the appropriate metrics to monitor when presented with the sheer volume of data available. With so many measureable factors contributing to financial business objectives, Finance faces a significant challenge in successfully identifying which metrics are relevant to strategic objectives and which can be considered ancillary.

It is critical for Finance executives to possess the skillset that enables them to identify the 'bigger picture' metrics and review historical highs, lows, and patterns to create predictive measures – an invaluable tool when developing and forecasting future KPIs.

Build an Innovative IT Department

Although research shows that adopting a data analytical mindset throughout the organization is important, the foundation of big data will for the time being remain within the realm of IT. The Chief Information Officer holds a unique and important role that requires they build a team with a particular blend of operational knowledge and strategic understanding.

The operational component may be seem a bit more straightforward: the IT department must have an extensive understanding of the organization's proprietary data and secure that data's integrity. Beyond that, they must implement the interconnectivity of internal and external data sources across all departments and third-party service providers.

The strategic component requires a bit more creativity, as well as collaboration between the CIO and other CxOs. Your organization needs a Chief Information Officer that demonstrates an understanding of the inner workings of each of the organization's functions. The CIO must work closely with his or her peers in other departments to explain the different types of data available, determine the data factors that are relevant to their business objectives, source that data, and present that data in such a way that it can easily be incorporated into company KPIs.



V. Conclusion

Data touches every aspect of an organization. It allows a deeper understanding of how a company conducts itself and is a powerful tool in developing, meeting, and exceeding relevant KPIs.

Each CxO has unique opportunities and challenges when looking to apply data analytics to their business objectives in a meaningful way. Every executive, regardless of their function, must understand and expect a higher level of data analysis from themselves and from their team.

At every organization in every industry in every location, big data holds the enormous potential to revolutionize business practices and progress.



VI. About Stanton Chase

Founded in 1990, Stanton Chase is your global leadership partner, recognized for exceptional results around the world. Stanton Chase is unique in the executive search industry, offering clients the expertise and global reach of one of the world's ten largest executive search firms complemented by the service, industry expertise and personal relationships usually reserved for small, boutique practices.

Stanton Chase at a glance

75
offices

45
countries

350
consultants

9
global practice groups

- Consumer Products and Services
- Financial Services
- Government, Education, and Non Profit
- Industrial
- Life Sciences and Healthcare
- Supply Chain, Logistics, and Transportation
- Natural Resources and Energy
- Professional Services
- Technology

5
specializations

- Directors and Chief Executives
- CFO and Financial Executives
- Diversity Recruitment
- Human Resources
- Private Equity

Stanton Chase is proud to offer our clients a complete suite of executive search and consultancy services:

Executive Search

A successful and rapid project methodology for search and recruitment of the best leaders worldwide.

Candidate Assessment

Using the latest methodology for the identification, motivation, and assessment of competencies and personality profiles.

Leadership Consulting for Boards and C-Suite

Recognizing the unique challenges of CEOs, Boards, and the C-Suite and counseling our client partners on a breadth of corporate, governance, and strategic imperatives.

Diversity Search

Committed to and embracing the global reality of diversity and inclusion.

For further information about Stanton Chase, please visit www.stantonchase.com.

VII. About the Author



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Kevin joined Stanton Chase in 2012 based in Istanbul and is now a Partner in the Amsterdam office. He is active in three Practice Groups: Technology, Professional Services, and Industrial.

He joined the search industry in 2005 in Toronto, Canada, where he conducted technology searches for organizations with highly specialized requirements. By carrying this experience to the Europe, Middle East, and Africa (EMEA) Technology and Telecommunications sector, Kevin covers positions in all functions from Senior Manager/Director to C-Level roles. His core focus is in E-business, Telecommunications Operators and Carriers, and Technology Consulting Services Providers. At Stanton Chase, Kevin is a global key contact for Telecommunications.

In the Professional Services Practice, Kevin has a focus on senior level Director/Principal and Partner (non-equity and equity) positions. These assignments have been across all Industry & Service lines with specializations and based in a broad range of locations. He is a Lead Client Partner and team member for Big4 & Strategy Consulting firms.

For the Industrial Practice Group, Kevin brings his experience in managing Industrial and Manufacturing search assignments in areas such as Automotive and Manufacturing Technologies, Plastics and Packaging, Heavy Equipment, and Electricity Generation. These assignments have been across EMEA, assisting clients with hard-to-fill roles.

Kevin graduated with a B.A. in Law and Political Science from Carleton University in Ottawa, Canada. He has also completed the Co-Active Coach Training Program.

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