8 TOP TIPS: HOW TO BUILD A DATA DRIVEN CULTURE IN YOUR ORGANISATION

Data is the new currency of the technological economy and many companies still haven't fully realised big data's potential. By driving a data-centric mindset into your staff, you can greatly improve every area of your business from product development to marketing. According to the "Insights Driven Business Playbook" by Forrester, data-driven businesses are "growing at an average of more than 30% annually and are on track to earn $1.8 trillion by 2021."

In an era where data-driven organisations win, enterprise-wide adoption of data governance and management frameworks is a strategic imperative and while there are many components of becoming a data-driven organisation, the most critical component is that of developing a Data-Driven Culture.

Your culture, after all, is what constantly reinforces and maintains your organisation's ability to use data to make better decisions. You can have the best technology available and even hire really smart people, and yet, still not be a data-driven organisation. Culture is the foundation that must be built to create a self-sustaining and lasting data-driven organisation.

A strong data governance program is designed to provide coordinated oversight of data-related decisions throughout an organisation. A data governance programme, supported by the right organisational culture ensures confidentiality, integrity, and availability and helps inform decision making – allowing your business to remain ahead of the curve in a competitive environment.

A number of obstacles exist in the way of achieving a data-driven culture however. For one, data-driven goals don't often align with executive decisions and short-term strategies. More than that, without experienced data scientists and guided organisational change, much of your IT staff and marketing department will remain woefully ignorant to their customer's needs.

With more and more companies dipping their toes in the 'big data' pool, the need to become data-driven has never been more critical, which is why we've compiled our **Top Eight Strategies to Effectively Build a Data Driven Culture.**

TOP TIP #1

BUILD TRUST IN DATA AND ALIGN TO BUSINESS GOALS

Trust in your data is arguably the most important tip as there's nothing more disastrous to your data culture than when people start to distrust the data. Building trust in data requires having quality data that is aligned to your business objectives.

It's very hard to analyse and extract something valuable from poorly organised, inaccurate, dated information. Therefore, you should develop clear mechanisms regarding the collection, storage, and analysis of data. Make sure all your data inputs are centralised in a single location for easy integration and regular updates. This way, your employees can gather the most recent information from a single place and make more accurate decisions.

Building an understanding of data and analytics among business users, and creating a team of data and analytics decision makers and IT and business leaders to collaborate on projects, allows your business organisation to make sure the purpose for collecting data and running analytics is clear for all involved.

TOP TIP #2

GAIN EXECUTIVE SPONSORSHIP

Your organisation must have executive-level sponsorship to foster a data-driven culture. The process of changing the culture is going to require massive transformations. There will be resistance and hurdles that buy-in from the executive team will help navigate much more smoothly than a grassroots effort. This top-down approach is the best because there are going to be silos within your organisation that might not see the value in the holistic effort of transforming to a data-driven culture.

An increasingly common executive position that is responsible for fostering a data-driven culture is the Chief Data Officer (CDO), but if your organisation does not yet have this position, another executive, such as the Chief Financial Officer (CFO) can also help sponsor this change.

TOP TIP #3

INVEST IN THE RIGHT RESOURCES

Data and analytics employees are critical for building understanding of data and analytics companywide, yet according to a recent report from the Institute of Management Accountants, the most frequently cited challenge to developing enhanced analytics capabilities, by far, is recruiting staff with the necessary skill set.

By developing an internal data and analytics culture and ensuring you have employees with expertise in analytics quality assurance you build a solid foundation for effective data management, use and future business growth.

TOP TIP #4

GET TO KNOW YOUR SILOS AND DESTROY THEM

Silos are groups/departments within an organisation that don't share data/knowledge with other parts of the organisation limit effectiveness. How can you have a data-driven organisation, and culture, when you have parts of the organisation that don't share and operate under the same processes as the rest of the organisation?

The most effective way to kill your silos is to leverage your executive sponsorship, but also to develop genuine relationships to understand their silo so that you can speak to the benefits of the change you are helping to drive.

TOP TIP #5

ENSURE THAT DATA IS ACCESSIBLE

As you break down your silos, you will uncover hidden data that no other parts of your organisation knew of. With a well-planned approach to data governance, you can start to share much of this information in a way that is accessible and easy to use by other parts of the organisation. Data from different systems/silos/departments, when combined, can create better insights.

Data can be considered an asset when its accuracy is trusted, its provenance is well established, and its security is ensured. On the other hand, optimal utilisation of data requires governance and openness. To ensure this, you should consider a layered approach to make data available in a manner for which its security, governance and confidentiality is not compromised.

TOP TIP #6

GET YOUR BUSINESS DATA LITERATE

To become more data driven, CIOs and their staff need to become more data hungry. Opening up your tools to broader data pools can provide more insights for your business.

Yet, simply having this information at your disposal is not enough to become more data-driven. There's a reason that data science is one of the fastest growing fields in tech right now. Businesses need to create a glossary of metrics to track, that all members of an organisation can recognise.

Using a variety of tools, you may find that data will differ drastically among different sets, even if targeting the same users over the same period of time. Each API is different, which is why it's critical that staff members are aware of these nuances to create more cohesive strategies that reflect the data being shared.

TOP TIP #7

DEVELOP REWARD MECHANISMS

Sharing data successes is important to inspire others and develop a healthy, competitive, data-driven culture. To share the results achieved by a team or an individual, you can use different communication tools, such as videos and blogs, organise special gatherings, or share the results on your company portal. Make sure that you choose initiatives that are in line with your company's long-term strategy. For example, if your objective is to penetrate new markets or gather more information about your target customers, you should acknowledge and reward the initiatives that help you make progress towards these strategic goals.

Unless communicated across an organisation, data remains worthless. To extract the right information and insights from structured and unstructured data, it is important that you focus your efforts on cultivating a data-driven culture that empowers employees with the resources and skills they need to leverage data and obtain the right information at the right time to make more accurate decisions.

TOP TIP #8

MAKE THE RIGHT DECISIONS

Finally, harvesting all of this data is more cost than value if it's not being properly used to make decisions. CIOs need to lead the charge in a top-down approach to create a data centric culture by creating processes for decision-making that reflects data insights, as well as empowering analytics centers to provide automated insights and encompass data from a wider range of channels. Data without decisions is like burying your money in the ground.

As more individuals in your organisation are exposed to data, the governance around that data is a critical component of education. In a world of GDPR, CCPA,and other consumer privacy regulations, it is important that everyone (and yes, everyone) in your organisation have the right training around data privacy and security. A plan has to be developed around more sensitive data. Having a code of ethics that centers around customer privacy is not to be taken lightly; it is the right thing to do.

DATA GOVERNANCE & MANAGEMENT 2019

If you're interested in learning more about how to build a data driven culture, and exploring in more detail how you can improve the quality, visibility and accessibility of data through effective governance and management strategies, then join us at the **Data Governance & Management Summit 2019.**

The event, held in Sydney on the 19th – 20th of September brings together over 15 expert speakers who share their data governance transformation stories and delve into how they built their data culture. Speakers include Rest, Latitude Financial, ANZ, MinterEllison, Bupa, NZ Post, Veolia and RACV.

To learn more about the event check out the full event programme now.

View Event Guide

References
Blast Analytics & Marketing - https://www.blastam.com/blog/10-tips-to-foster-a-data-driven-culture
CIO - https://www.cio.com/article/3274561/5-tips-to-create-a-data-driven-culture-at-your-company.html
CFO - https://www.cfo.com/analytics/2019/02/6-tips-for-establishing-a-data-driven-culture/
Forrester - https://www.forrester.com/report/InsightsDriven+Businesses+Set+The+Pace+For+Global+Growth/-/E-RES130848#
Institute of Management Accountants - https://www.imanet.org/insights-and-trends/technology-enablement/how-to-embrace-data-analytics-to-be-successful?ssopc=1
Simpli Learn - https://www.simplilearn.com/ways-to-create-data-driven-culture-article