What’s your Data Strategy? By Leandro DalleMule and Thomas H. Davenport

Discussion Questions (give succinct answers of 3-5 sentences)

\*1. After reading this paper, what are your initial thoughts regarding the scope and complexity of Data Management?

* In my opinion, the scope of Data management is very wide involving various aspects such as decision making for strategy selection, formulation, execution, and governance. There are other aspects as well such as data management orientation, enabling architecture and data function, all of which in themselves involve a lot of work. Data Management is very complex as it can always change based on evolution in technology or the strategy the company intends to adopt. This means that there is no one single right way to approach data management questions, they can only be answered based on the factors present at that given point of time.

2. In your opinion, what should determine whether a company has a defensive or an offensive strategy?

* To determine the strategy a company should adopt, between offensive and defensive, following are the some of the factors that should be taken into consideration in my opinion:
  + The company’s overall strategy – An offensive or defensive strategy should align with the company’s business strategy.
  + Regulatory environment – If the company follows strict policy guidelines for their data, they should stick to a defensive strategy. Eg. Hedge funds.
  + Data capability of competitors – If the competitors have adopted an offensive strategy, it might be necessary for a company to adopt the same in order to not lose to them.
  + Maturity of data management practice – Maturity indicates how well is the company’s capability to operate in each strategy.
  + Size of data budget

\*3. In what situations will companies need both an offensive and a defensive strategy?

Companies that to operate in dynamic markets which seek to increase their visibility and value of data but at the same time operate with sensitive data need a mix of offensive and defensive strategy. Banks are a great example of the same. Banks require strong data defense as they operate with sensitive data, but at the same time, they also operate in dynamic markets where they increase the value of their data. Hence, they need specific tradeoffs between the two strategies to be able to maintain a balance.

4. How would you use a company operating model to determine data strategy?

* The operating model of a company consists of 4 components: Organization, governance, stewardship, and performance management. The data strategy would have to be formulated in accordance with these 4 components.
* Furthermore, the appropriate strategy would be chosen based upon the answers to questions such as whether the company intends to have a centralized data function or a decentralized data function, what is the budget preferred by the model, various roles and responsibilities of the team involved in data management and the funding framework or philosophy in place.

5. What technologies does a company need to adopt to support both a SSOT and an MVOT? Please explain your thinking.

* To support both a SSOT and MVOT architecture, the company needs processes to ensure that enterprise source data and transformations are aligned and the MVOT data originates from SSOT. This requires robust data controls, standards, governance and technology.
* In order to create a scalable and economical SSOT-MVOT architecture, companies employ a **data lake,** which can store unlimited amount of structured and unstructured data, from databases to spreadsheets to free text and images.
* A **data lake** can house the SSOT till the granular level of transactions and at the same time perform aggregations for MVOTs that also reside within the lake. It comes with storage and security of the data.

\*6. Let’s say you end up working in one of the following companies. List whether you think they will have a defensive or offensive data management strategy based on what you have read in this article and why.

a. Dell Seton Medical Center at the University of Texas – **Defensive**. Hospitals operate in highly regulated environment where they prioritize defense of data over offense. As patients’ data needs to be protected by law, a defensive strategy is more suitable.

b. Amazon – **Offensive**. The data is less regulated, and the company must be able to react rapidly with market changes. Amazon already uses their data in a mix of defensive-offensive method using their Vendor Central portal.

c. Chase Bank- **Mix**. Banks operate in dynamic markets where they devote attention towards increasing value of their data, but at the same time require strong data security. Hence Chase bank would need a mix of defensive and offensive strategy.

d. Anheuser-Busch Companies – **Offensive**. A CPG company like Anheuser-Busch would always seek to increase its value in comparison to its competition. For such companies, an offensive strategy is more well suited.

e. Dell – **Offensive**. The business Dell is primarily involved in is products and have many competitors. Dell’s data can have MVOT’s depending upon who the recipient of data is. Hence an offensive strategy is more suitable for Dell