

Data and Analytics Strategy Explorations: Strategy as a Process of Continuous Learning

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THE ATTENTION TEST

Key Issues

- 1 Why is a different approach to strategy needed?
- 2 How can strategy as a process of continuous learning help?
- 3 How should data and analytics support this new style of strategy?

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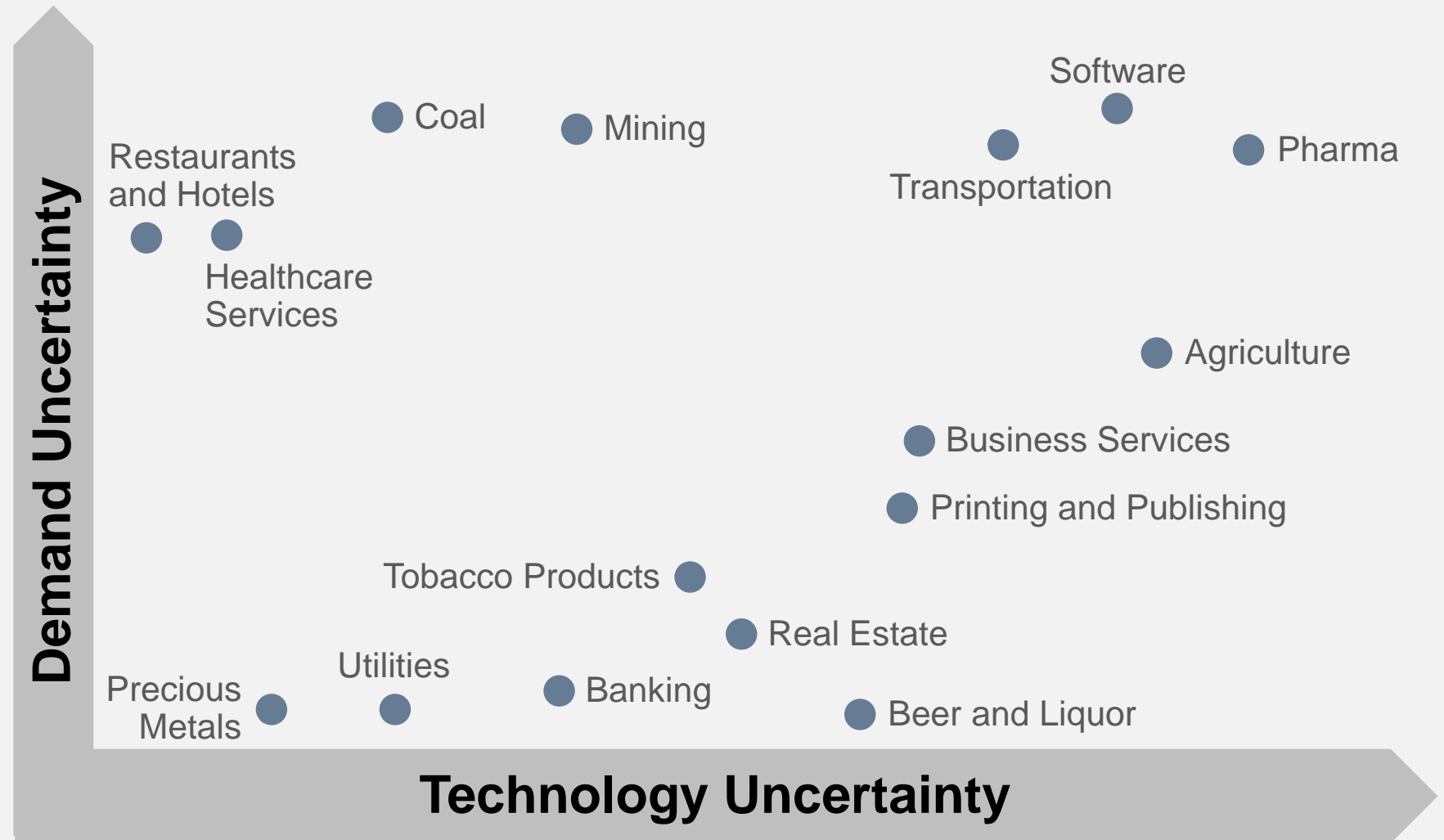
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A man in a red and blue plaid shirt is pointing at a wall covered with various charts, graphs, and sticky notes. Three other people (two women and one man) are standing next to him, looking at the wall. The scene is set in a modern office environment with large windows in the background.

Strategy Is

How We Succeed

Industry Uncertainty — And the World Changed Already!





Two Pathways to Success

1

Invent your way to success.
But you can't count on that.

2

Exploit some **change** in your
environment and ride that
change with **quickness** and **skill**.

Prof. Richard Rumelt, UCLA Anderson

Adapted from: **Strategy's Strategist**: An interview with Richard Rumelt, McKinsey Quarterly, 2007

From Classical to Modern Strategy

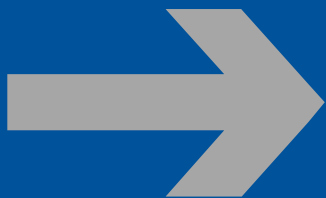
Classical

Make sure there is a **plan**

Make clear **choices** about what you do and what you don't

Have an overall **roadmap**

"Stick to the Plan ..."

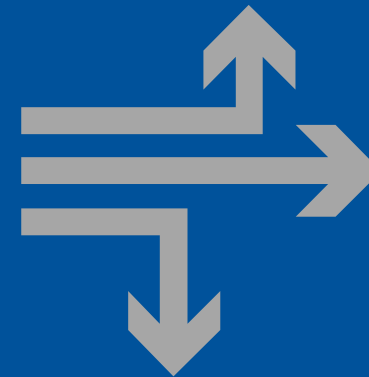


Modern

Make sure you can **sense** and **respond**

Can also be about **experiments**, creating **options** or even "sit and **wait**"

Build capabilities and **reconfigure** them



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Strategy as a Process of Continuous Learning

Process

Formulation, execution and feedback are a continuous process of "chatter."

People

The collective of stakeholders, inside and outside the organization.

When

Ambiguous, emergent, volatile and uncertain environments.

Advantages

Shared and consistent organization behavior is hard to copy, unbeatable.

Strategy as a habit!

This Is How All Children Learn ...

A photograph of two young girls in a classroom setting. The girl in the foreground, with dark skin and curly hair, is looking through the eyepiece of a microscope. The girl behind her, with light skin and long dark hair, is also looking at the microscope. They are both wearing light blue polo shirts. The background is blurred, showing other students and a window.

Observation

Collaboration

Communication

... Trying out things
and seeing what works

Analyzing Chatter Is the Essence of Intelligence Agencies — SIGINT



Algorithmic Trading

The background image shows a person's hands in a light blue shirt typing on a laptop keyboard. In the foreground, there is a desk with a bar chart printed on it, featuring blue and yellow bars. To the right, there is a stack of papers and a spiral-bound notebook. The overall scene is dimly lit, suggesting an office environment.

Mining social media, news, SEC filings

Based on processing speed and semantic discovery



Foot Locker®

"With constant access to new influences, trends, information and ideas ... we're seeing that consumers are moving from one style to the next faster than ever before."

— Dick Johnson, CEO of Foot Locker, 2017

Chances Are It's Out There in Your Organization Already

The image displays four overlapping screenshots of different communication and collaboration tools:

- Top Left:** A screenshot of the Salesforce Chatter user profile for Quinton Wall. The profile includes a photo, contact information (email: sbhanot@salesforce.com, address: 1 Market Street, San Francisco, CA 94105, US), and a bio: "Keeping my head in the Cloud and my feet on the ground".
- Top Right:** A screenshot of the Yammer interface, showing a search bar, a list of groups (Sales, Marketing, Annual Customer Conference, CSAT, New Products, After Hours, All Company), and a post by Sara Davis about "What topics are you working on?".
- Bottom Left:** A screenshot of a mobile app interface, likely for Yammer or Chatter, showing a list of groups and a post by Alex Darr.
- Bottom Right:** A screenshot of a Slack channel named "#z-seattle-washin-1366". The channel shows a conversation between John Eberly and Chatlio. A large black arrow points from the Slack channel to the "Current page" information box on the right, which displays the URL "http://localhost:3000/" and the IP address "174.24.129.67".

The Slack channel conversation includes the following messages:

- John Eberly 3:45 PM: joined and left #z-seattle-washin-1366. Also, @chatlio joined.
- seattle-washington-us BOT 3:45 PM: Is this showing in a single channel in Slack?
- Visitor information: Location: Seattle Washington United States, Browser/OS: Chrome 48.0.2564.48 Intel Mac OS X 10_11_2.
- John Eberly 3:45 PM: joined #z-seattle-washin-1366.
- Chatlio BOT 3:46 PM: "seattle-washington-us" did not receive a reply within 30 seconds!
- John Eberly 3:46 PM: Yes, each visitor gets a dedicated Slack channel all messages you type in that channel go directly back to that visitor.
- seattle-washington-us BOT 3:47 PM: Can you invite other Slack users?
- John Eberly 3:48 PM: Yes, you can. Multiple people can chat with one visitor at a time.

The "Current page" information box on the right also includes a "How can we help you?" dropdown menu with the following options:

- John E. 3m ago: Yes, each visitor gets a dedicated Slack channel all messages you type in that channel go directly back to that visitor.
- Me 2m ago: Can you invite other Slack users?
- John E. 3m ago: Yes, you can. Multiple people can chat with one visitor at a time.

At the bottom of the Slack channel, there is a text input field with the placeholder "Type message here..." and a "Powered by Chatlio" logo.

A blurred Formula 1 car, primarily red and black, is shown in motion on a grey asphalt racetrack. The car is angled towards the right side of the frame. White and black checkered markings are visible on the track surface. The background is a dark blue gradient.

Formula 1 — And Everything Gets Instrumented

200
sensors

1,000s
of channels

30-40
people involved in
analysis in real-time

120-150GB
of data over the course
of a race weekend

Speakers Are Online — Product Strategy



Online speakers can learn, for instance for auto calibration and presets.

What do you do when you find out your speakers are often used in the bathroom?



The Need for Information Barriers and Chatter Doesn't Always Work

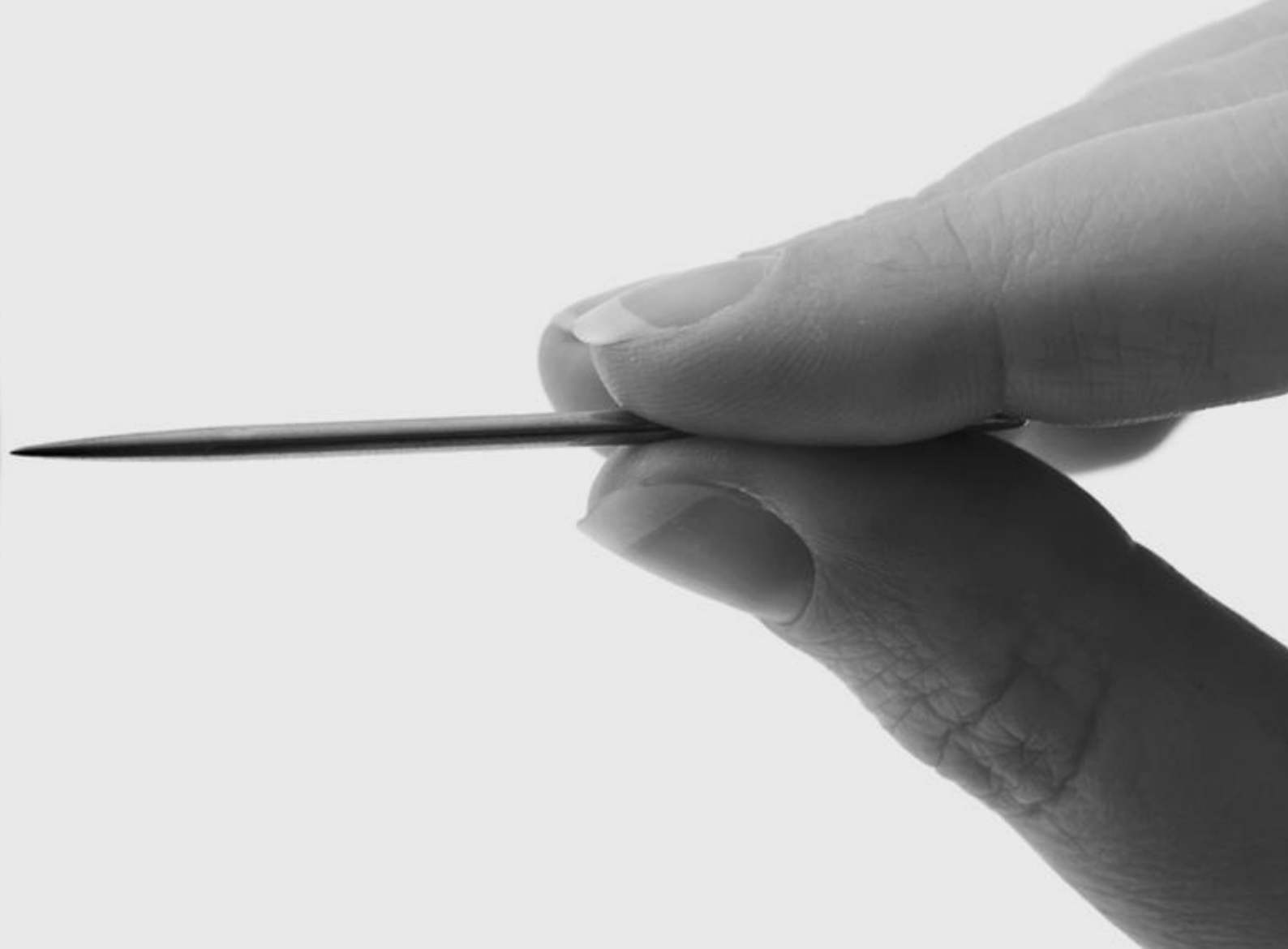
theguardian

Disadvantages

Strategic drift

Can you be aware of your own beliefs and biases?

Overcome biases, and don't resist change!



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Shared Context
(Introduce CDM*)

Shared Language
(Promote Data Literacy)

Shared Data
(Create Transparency)

* Collaborative Decision-Making

Shared Data: Increase Transparency and Data Access



Connect, not collect

Treat access profiles as
"minimal viable functionality,"
default is "open"

Integrate content
and structured data

Shared Language — The Data Is the "Chatter"

75%

of Americans
view "fake news"
as accurate
(BuzzFeed, 2016)

60%

of organizations
say their employees
need to develop
"big data" skills
(Harvard Business
Review, 2012)

4.3x

Demand for analytical
skills in non-IT job
descriptions than in IT
(CEB, 2016)

Data Literacy

Shared Language — Data Literacy

ABC

A Base Vocabulary:

- Managing Information
- Analyzing Information
- Applying Information and Leading Change



A Set of Dialects:

- Industry Vertical Domains
- Business Process Domains
- Technical Domains



Levels of Proficiency:

- Conversational
- Literacy
- Competency
- Fluency
- Multilingual



Language Development:

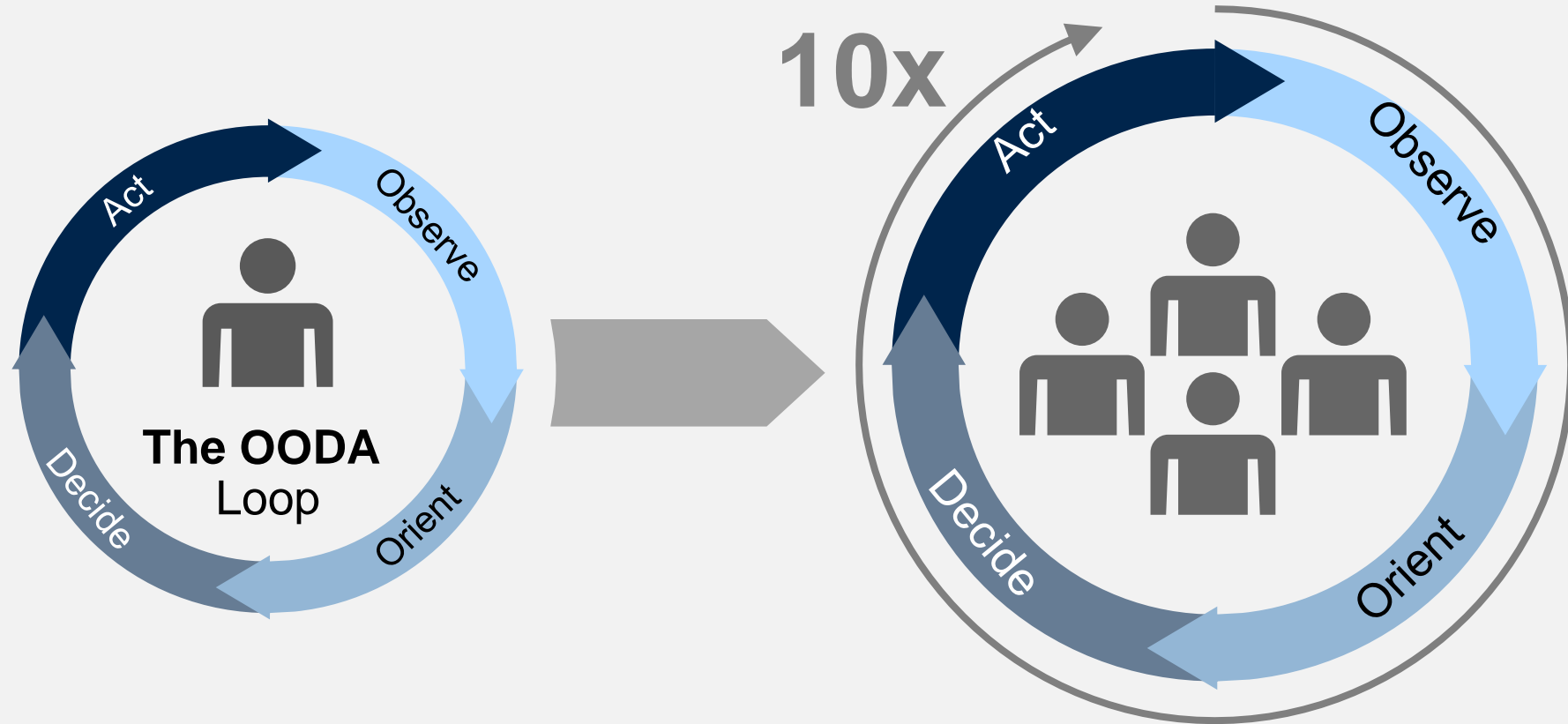
- Getting Started
- Assessing Data Literacy
- Proof of Concept
- Training and Development
- Leading by Example

By 2020

Eighty Percent

of organizations will initiate deliberate competency development in the field of data literacy, acknowledging their extreme deficiency.

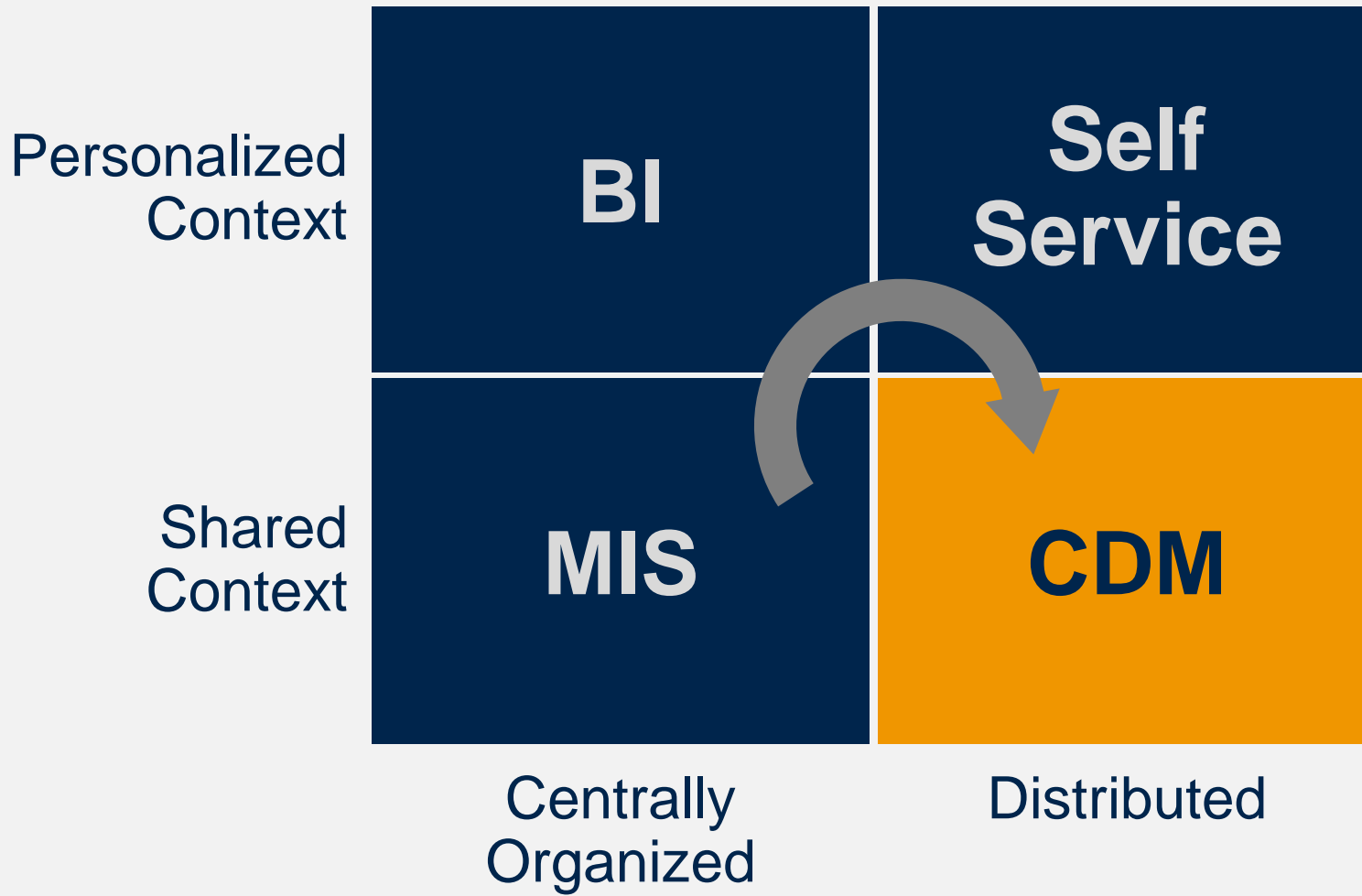
Shared Context: Sensing and Adapting to Change



- Point-in-time
- Need to know
- Instantly stale

- Shared understanding
- "Live" feedback loops
- Collaborative decision-making

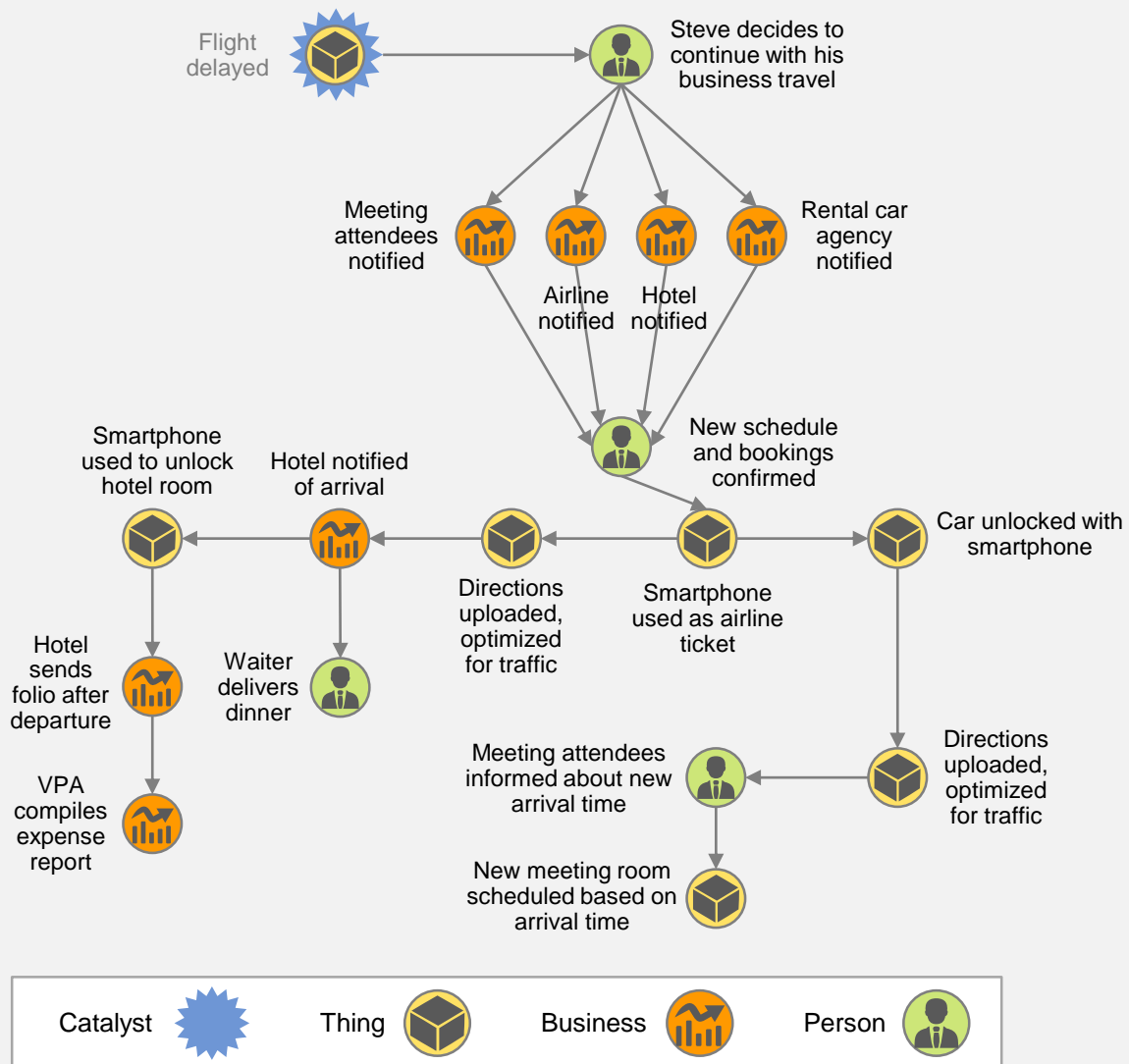
Shared Context: Collaborative Decision Making



CDM Combines:

- Analytics (Predictive/Prescriptive)
- Business Rules
- Social/Collaboration
- Business Process Management
- Content Management
- Monitoring

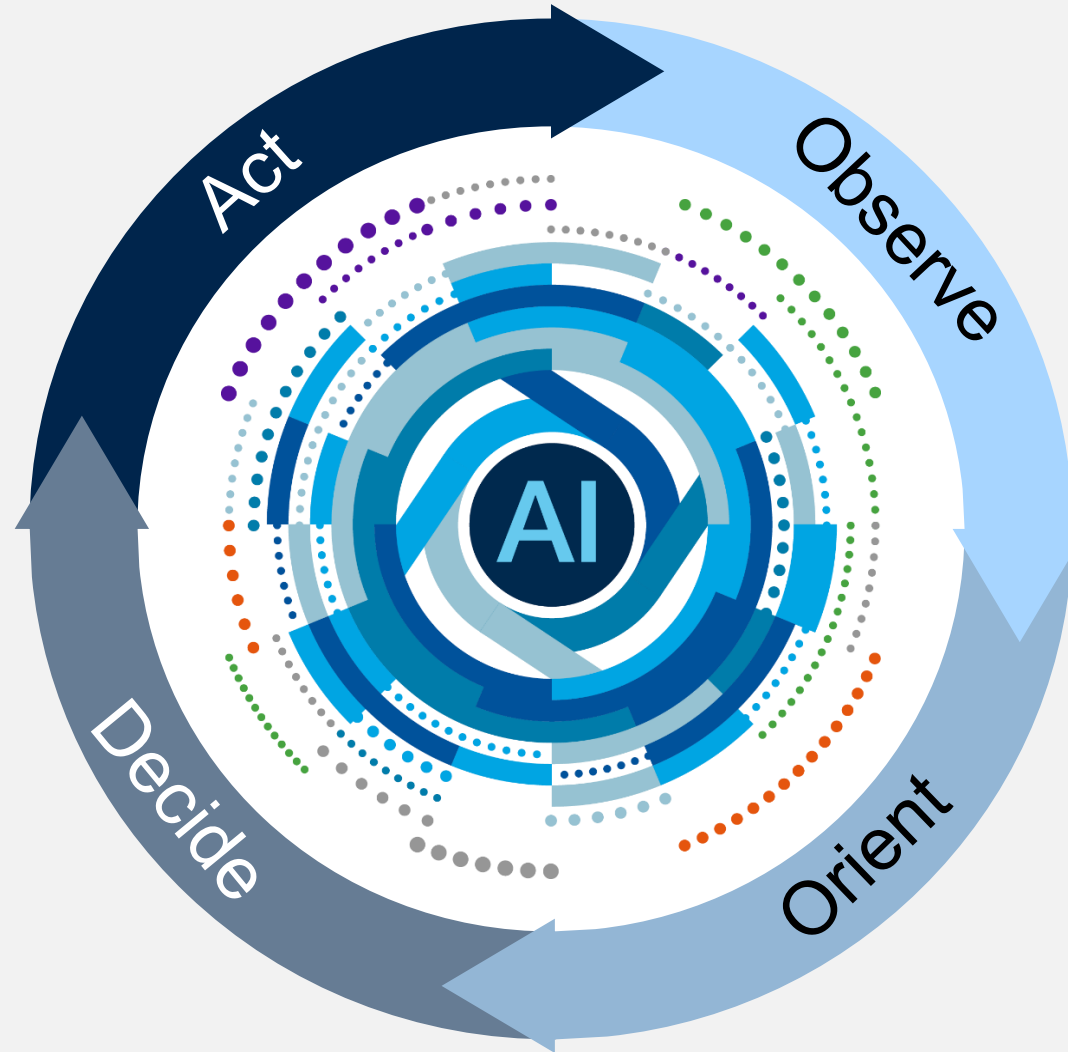
Shared Context Is Foundational to Business Moments



- Business moments are "transient opportunities, exploited dynamically"
- A set of interactions towards a negotiated outcome
- A collaboration between people and things

Next: AI Augmenting Decisions From Chatter

- ▶ Prescriptive analytics
- ▶ Reinforcement learning
- ▶ Suggest decisions
- ▶ Extract decisions from chatter
- ▶ Test decisions



- ▶ Weak signals
- ▶ Monitor chatter between people and things
- ▶ Build scenarios and simulations (deep learning)
- ▶ Predictive analytics and projections
- ▶ Find comparable situations

Influence Scales, Control Does Not

From:

To:

Content creator

Orchestrator

Enforcing uniformity in
tools and data

Embracing pluriformity

Collecting requirements

Setting context

Being an analyst

Becoming a synthesist

Providing dashboard and reports

Teaching information as a
second language

Recommendations

- ✓ Make transparency the default option in all systems and modes of communication (instead of access profile).
- ✓ Identify the areas in the business with the highest level of uncertainty. Ask if they have different strategy needs. And offer to support.
- ✓ Show, don't tell. Start a POC around surfacing and analyzing the chatter within your organization. Most likely, the data is there already.
- ✓ Create a data literacy program. Teach people how to speak, write, hear and read data.

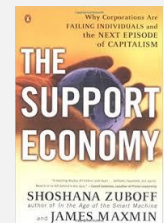
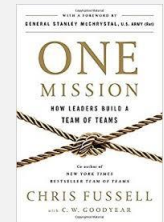
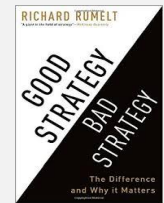
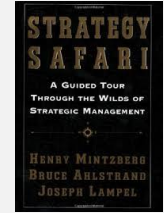
Recommended Gartner Research

- ▶ [Information as a Second Language: Enabling Data Literacy for Digital Society](#)
Valerie A. Logan (G00300137)
- ▶ [Find the Best Approach to Decision Management](#)
W. Roy Schulte, Teresa Jones and Lisa Kart (G00257676)
- ▶ [Use the Gartner Business Analytics Compass to Drive Strategy](#)
Thomas W. Oestreich and Neil Chandler (G00274759)
- ▶ [Master Four Types of Strategy to Perfect Your Digital Transformation](#)
Frank Buytendijk, Mike Rollings and Thomas W. Oestreich (G00326340)
- ▶ [Open Data Is Coming to the Enterprise](#)
Svetlana Sicular (G00258726)
- ▶ [Building a Digital Business Technology Platform](#)
Hung LeHong, Chris Howard, Dennis Gaughan and Debra Logan (G00297286)

For information, please contact your Gartner representative.

Recommended Reading

- ▶ **Strategy Safari: A Guided Tour Through the Wilds of Strategic Management**
Bruce W. Ahlstrand, Henry Mintzberg and Joseph Lampel (2005)
- ▶ **Good Strategy, Bad Strategy: The Difference and Why It Matters**
Richard P. Rumelt (2013)
- ▶ **One Mission: How Leaders Build a Team of Teams**
Chris Fussell and C.W. Goodyear (2017)
Foreword by General Stanley McChrystal, U.S. ARMY (Ret.)
- ▶ **The Support Economy: Why Corporations Are Failing Individuals and the Next Episode of Capitalism**
Shoshana Zuboff and James Maxmin (2004)



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Create the foundations for
chatter and foster strategy as a
process of **continuous learning**

