Peer Review Assignment 2.1: Creating a Data-Driven Culture in Your Organization

**Assignment: Creating a Data-Driven Culture in Your Organization**

In this module, you learned how to leverage AI and big data to inform business decision-making. You also explored strategic considerations to keep in mind when implementing AI initiatives. In this assignment, you will discuss, at a high level, how to start creating a data-driven culture in your organization.

In a written submission of 3–5 paragraphs, respond to the following questions:

* What initial problems would you like to solve using AI and big data?
* What data would you need? How would you source, clean, and process these data?
* What would the data-driven decision-making process look like?
* How would you create trust and build a suitable talent base for your AI initiatives?
* What initial problems would you like to solve using AI and big data?

As we are providing payroll solutions to our small business clients, one area we want to focus definitely be is “Payments”. This means, how the customers will pay and how are they will be paid. We may want to offer them a solution like “Pay with ease” and “Get Paid Faster”. These would make their life better and boost their customer relations. We can offer them platforms like “Payables as a Service”, “Payroll and HR”, “Security and Protection” maybe more and on the other side services like “Receivables as a Service”, “Merchant”, “Lockbox” services.

* What data would you need? How would you source, clean, and process these data?

We would need the customer sales/receivables data which will be generated by daily transactions recorded per trade.

Data cleaning is one of the important processes involved in data analysis after data collection. It is a very important step in ensuring that the dataset is free of inaccurate or corrupt information. Although the issues with the data may not be completely solved, reducing it to a minimum will have a significant effect on efficiency. Some of the data cleaning steps are removing unwanted observations such as duplicates and irrelevances. After removing unwanted observations, we need to fix the data structure which is mostly concerned with categorical data. Correcting the misspelled words or category headings. Then filter out the outliners which are data points that differ significantly from other observations in a data set. Also handling missing data is another aspect of this process. In the end, we are aiming for the data which has validity, accuracy, completeness, consistency, and uniformity.

We want to process the data set our plans first, our goal is to create a predictive model, then we need to understand the past activities, recognizing the risks then data segmentation comes to the picture to categorize the data. Another step might be detecting the anomalies, meaning sorting the customers into different groups. In the end, we would like to examine the data to discover patterns that mark all 3 types of demographic, data sales/receivables demographics, applicant demographics, and risk factors.

* What would the data-driven decision-making process look like?

Data-driven decision-making is defined as using facts, metrics, and data to guide strategic business decisions that align with your goals, objectives, and initiatives. We need to appreciate the full value of data as an organization since this will empower all of us to make better decisions with data, every day.

At this point, the organization needs to make “data-driven decision-making” to create a culture that encourages critical thinking and curiosity. People at every level - business analyst, sales manager, or human resource specialist – will have conversations that start with data and they will develop their data skills day by day through practice and application. Of course, this requires reaching the data they need which should be balanced with security and governance. People in this environment need the training to learn new data skills and also need some time to digest it and getting used to this culture.

Establishing these core capabilities that encourage data-driven decision-making across all job levels will take the business groups to next level where they will regularly question and investigate information to uncover powerful insights that drive action and achieving desired objectives.

* How would you create trust and build a suitable talent base for your AI initiatives?

First and foremost, this requires strong leadership, but this leadership should be a shared by business and technology executives for AI initiatives. Trust is the social glue that enables humankind to progress through interaction with each other and the environment, including technology, therefore this needs to be achieved by creating meaningful value chains among managerial teams that will then be adopted by followers. This movement requires successful talent hiring and management which is also one of the key factors before achieving the victory. Before starting the hiring track, we need to define what would be the right team look like? You want people with depth and variety of skills, experience, and have diversity. Of course, we have to think about the package that will attract those talents into our company. Then we need to think about how we can get the best benefits from these talents to reach our strategic goals which will be initiated with AI? One solution to this might be to establish a “Center of Excellence (COE)”. Because COEs are designed to drive innovation and improvement, they also create an organizational structure that encourages the different members to measure, experiment, and push each other forward. By promoting more transparency and more shared results, they can be a powerful way for the organization to align around business goals, rather than individual departmental metrics.

This assignment will take approximately 30 to 45 minutes to complete. After you submit your response, offer feedback to two submissions by your peers. Your peers’ responses will become available to review after the due date of this assignment.

**Instructions for Peer Review:**

The assignments for peer review will be assigned to you on**September 16, 2021.**

1. After submitting your response, select the Peer Reviews button that appears on the top-right of the page. Your peers’ responses will be displayed.
2. Select any response to begin your review.
3. After reviewing, add your comments in the Add a Comment box.
4. Once done, select the Save button.

It is recommended that you share at least one positive point they made, as well as one suggestion you have. When you give feedback to your peers, note whether they have fallen into the following common pitfalls, and share your suggestions on how they can better avoid these pitfalls.

1. Are they too content with their current data analysis, meaning that they don’t know where they are in data maturity?
2. Do they overlook the importance of the culture and processes having to change? Do they realize how much confusion and noise that can be created if they are not consciously changing their organization?

Please complete the two peer reviews assigned to you by **September 30, 2021** to earn full points for this assignment.

I received below feedback;

Very well written Yavuz. You seem to have a good understanding of the AI data sources and the importance of analyzing the data across the entire enterprise. Are your sales and receivable systems connected so you can easily mine the data? I have found that one of the biggest challenges is working across disparate and unconnected systems to gather all the data required. I also like that you focused on the leadership as key to creating the trust and driving the AI initiative across the business. I like to use the term "empower" which really gives that sense of ownership to your teams and builds that trust. You may want to also consider leveraging outside firms to help coach, mentor, and help your business get up the AI learning curve quickly. They can augment your skills while you execute on your HR plans. I enjoyed reading your paper.

Scott Roosa, Sep 23 at 3:42pm

The idea of using AI and big data for Payments is great. This will definitely make the payment transactions more efficient on both the clients and their customer's side. Everything mentioned on the process of making data driven decisions and on creating trust for the organization are right as well, hence will definitely help for the organization's goal of utilizing AI for "Payments". If I understood it correctly, I think AI may not be used directly for the payment transactions, but indeed more on the customers' payment behavior as emphasized in the answer for question #2. For that, I think the process for creating a predictive model must be related on the computation of Expected Credit Losses of banks, which is used to determine how much they might lose in lending money to people. This involves computing the Probability of Default which considers past behavior of customers and based on that classifies the customers according to how high their chance of not paying are. The computation also involves Loss Given Default where the amount that the bank will lose if ever the customers will not pay.

Luis Silvestre Jr., Sep 25 at 8:37pm