### Leadership Tips

**Doug Gray** 



Think:
GM (general manager)
(ideally BS/MS/MBA)
not (necessarily) PhD

1. Recruitment | retention | people development (supply - capacity)

## Applying Analytics Effectively Requires Unicorns

Domain (knowledge)

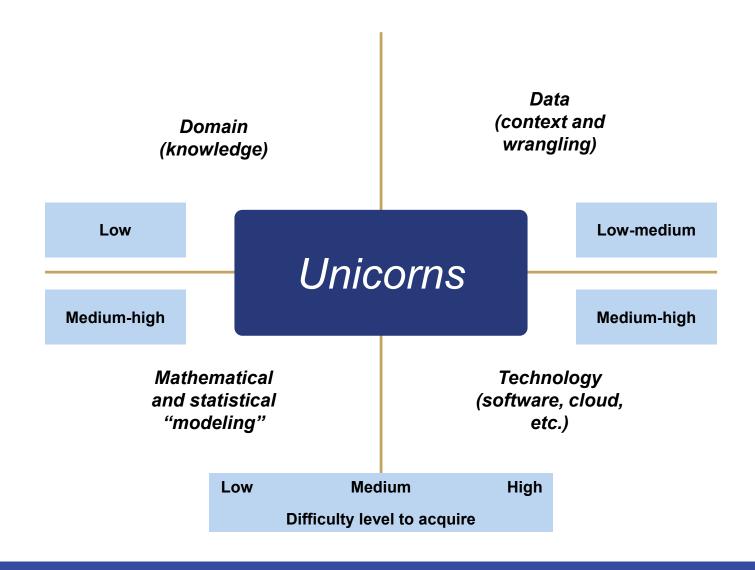
Data (context and wrangling)

#### Unicorns

Mathematical and statistical "modeling"

Technology (software, cloud, etc.)

# Applying Analytics Effectively Requires Unicorns



### Award Winning Case Study

Fuel supply chain and inventory optimization







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Fuel supply chain and inventory optimization







- 1. Recruitment | retention | people development (supply capacity)
- 2. Securing projects by domain area (demand)

# Departments and Domains Leveraging Analytics

"Nothing happens until somebody

sells something"; You = VP sales!

- Technology (advanced analytics\*)
- Corporate strategy\*
- Network planning
- Crew scheduling and crew training scheduling
- Revenue ma
- Marketing
- Customer rel
- Finance (treat
- Supply chain management
  - Fuel (SCM: purchasing, inventory management)
- Operations strategy and performance
- Network operations control (NOC)
- Technical operations
- Ground operations (starting on Provo!)
- People (starting on labor relations!)
- Safety and security
- \*Centralized enterprise-wide analytics service providers, primary thought leaders, and co-sponsors of *The Data Science Center*

- Customer self-service analytics solutions
  - Stand-alone analytics
  - Non-mission-critical business processes
- Third party partner-customer solutions

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- Mission-critical business processes
- Requires mutual engagement
  - Business customer
    - Leadership
    - Domain experts
  - Technology—all functions
  - ED&A

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- 3. Relationship building (benefactors | peers | customers | stakeholders | constituents)

## Relationship Building Across the Enterprise





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Data team

"Focus on business outcomes, not analytical techniques/technology."

**Analysts** 

leadership support

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### Change Management

"It must be remembered that there is nothing more difficult to plan, more doubtful of success, nor more dangerous to manage than a new system. For the initiator has the enmity of all who would profit by the preservation of the old institution and merely lukewarm defenders in those would gain by the new ones."

—Niccolo Machiavelli, *The Prince* 

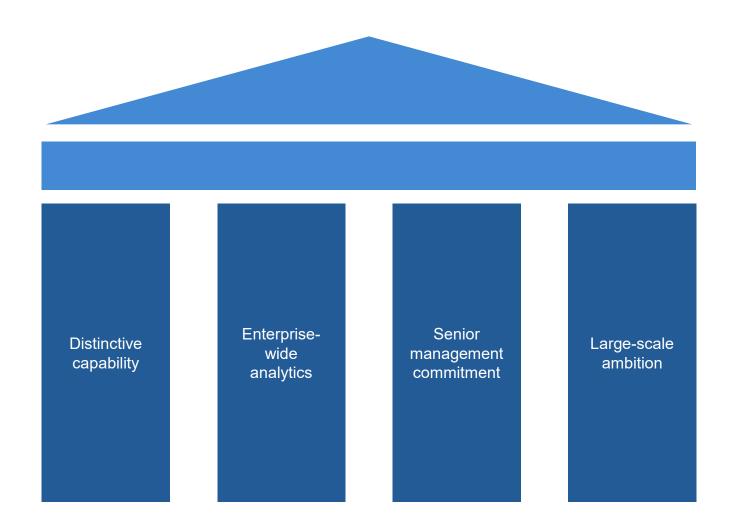
## Obstacles to Change in Implementing Analytics

- "I make decisions by gut instinct alone, based on "rules of thumb" and 30 years of experience!"
  - HiPPOs\* rule!
- "We don't have the data!"
- The business *must* believe that the *new and improved* analytics-based process is *their* idea and is in *their* best interest; and they get all of the credit!
- vviiato iii it ioi me:
- "That can't be right?!" "Prove it!"
- "You can't get a computer to <fill in the blank>!"
- "I hate math, especially Algebra 2 word problems!"
- "What's luv got to do with it?"

<sup>\*</sup> HiPPO: highest paid person's opinion

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#### Four Pillars of Analytical Competition



### Analytics Strategy Incorporated with Corporate Strategy



**Data** 



Leadership support



Enterprise view



Facts, test, and learn

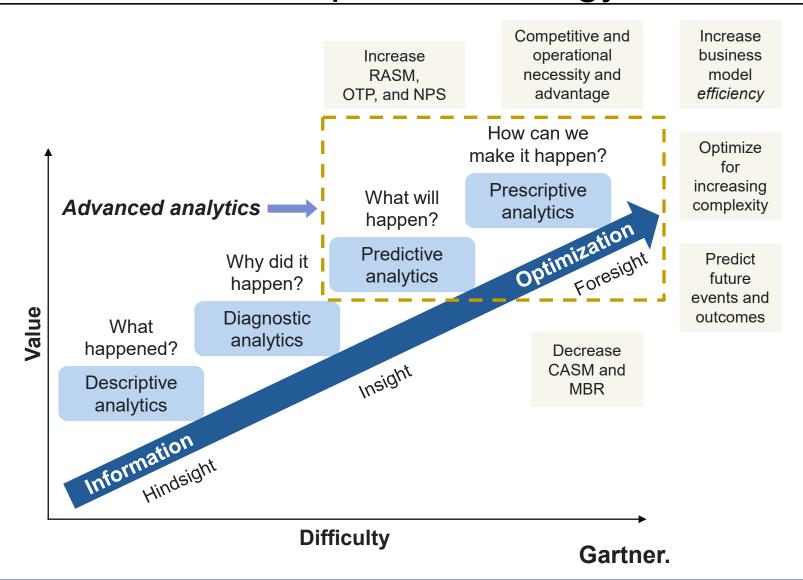


**Analysts** 

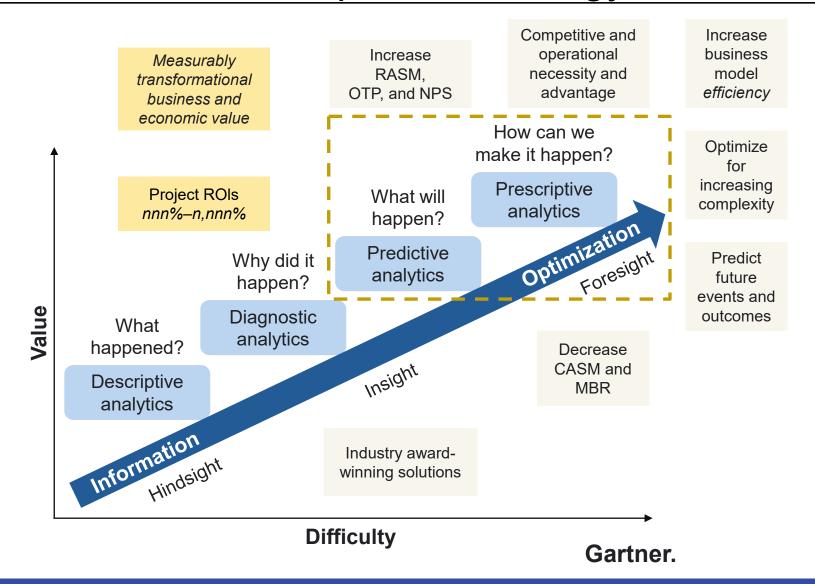


**Targets** 

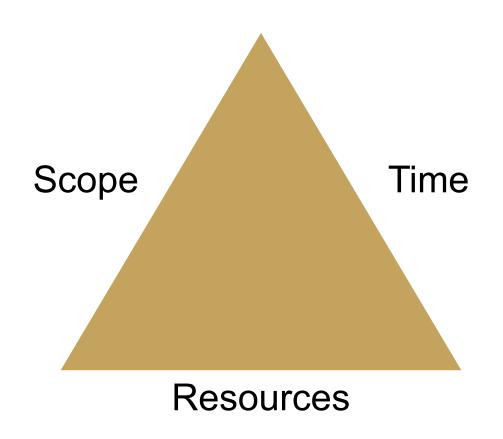
### Analytics Strategy Integrated with Corporate Strategy

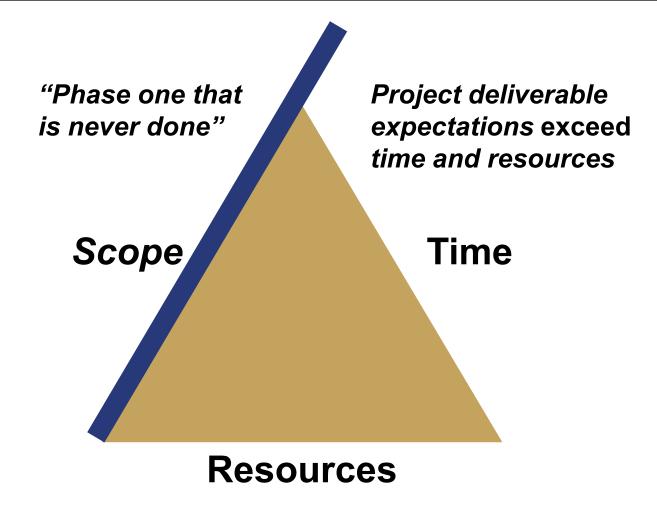


# Analytics Strategy Integrated with Corporate Strategy

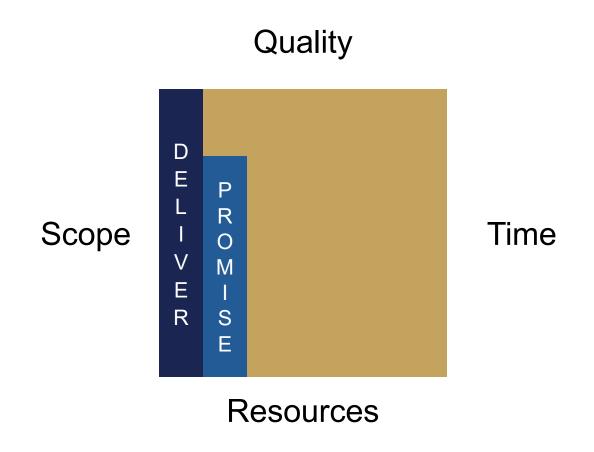


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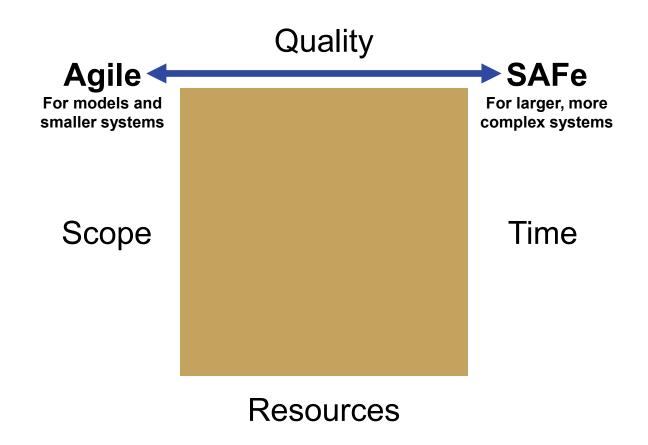


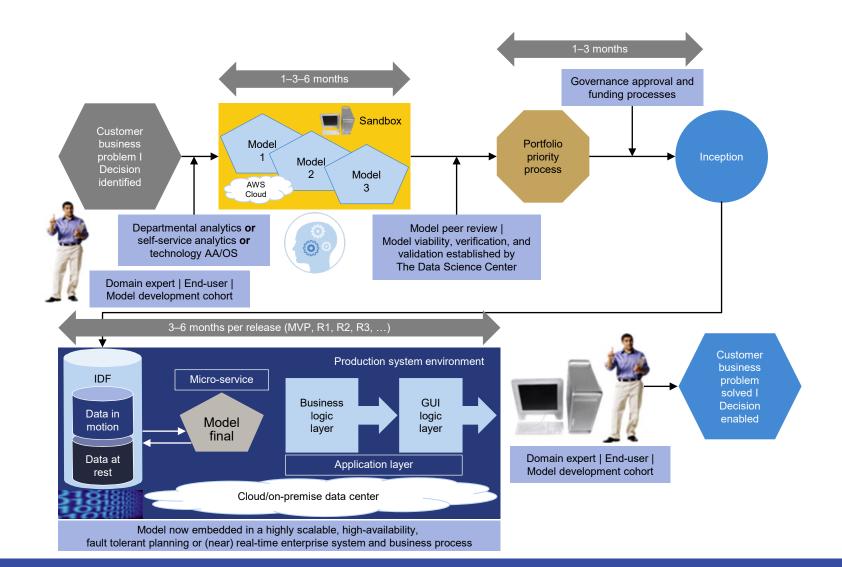


<sup>\*</sup>According to *The Standish Group Chaos Report*, the large majority of software development projects fail to deliver on one or more of the project management KPIs.

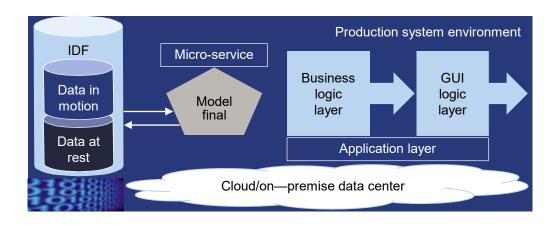


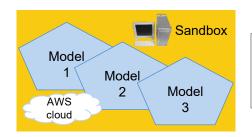
#### Analytics (Software) Development Life Cycle Methodology





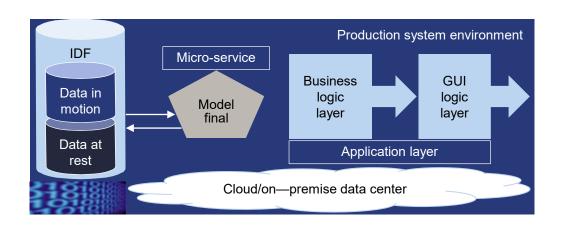
Relatively difficult





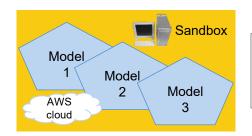
Relatively simple

Relatively difficult



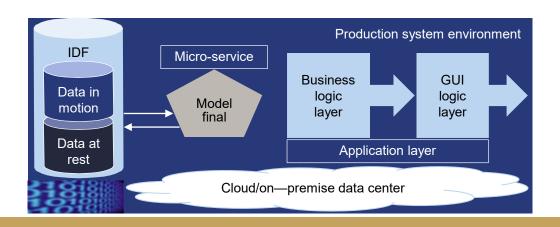
"Models make the enterprise smarter; models embedded in production systems that enable business process make the enterprise more efficient"

—Tom Davenport, author of Competing on Analytic



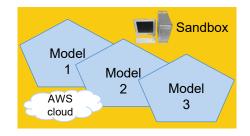
Relatively simple

Relatively difficult



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The project is not finished until you measure the business benefit and communicate and act on the results



Relatively simple

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- 7. Communication (oral (formal and informal) | written | nonverbal)

#### **Analytical Approach**

- Frame the problem/decision/question
- Analytically "model" and solve for the
  - pro The most advanced analytical model without
- Co appropriate communication throughout all project phases will not have the desired business value impact

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 Embed models in enterprise business processes and systems

- 1. Recruitment | retention | people development (supply capacity)
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- You will be judged on the **business value** that your Team delivers, which requires you to manage your team/organization like a business

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Analytica project (delivery execution) management

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- Imagine running your own auto repair garage without ever having been an auto mechanic!

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#### **Analytics Technology Platforms**











FICO® Xpress Optimization Suite









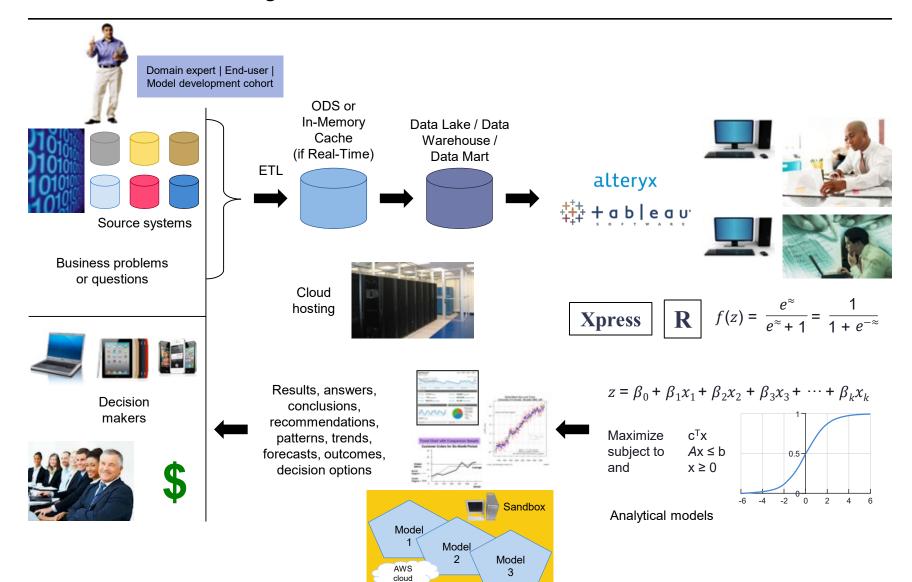




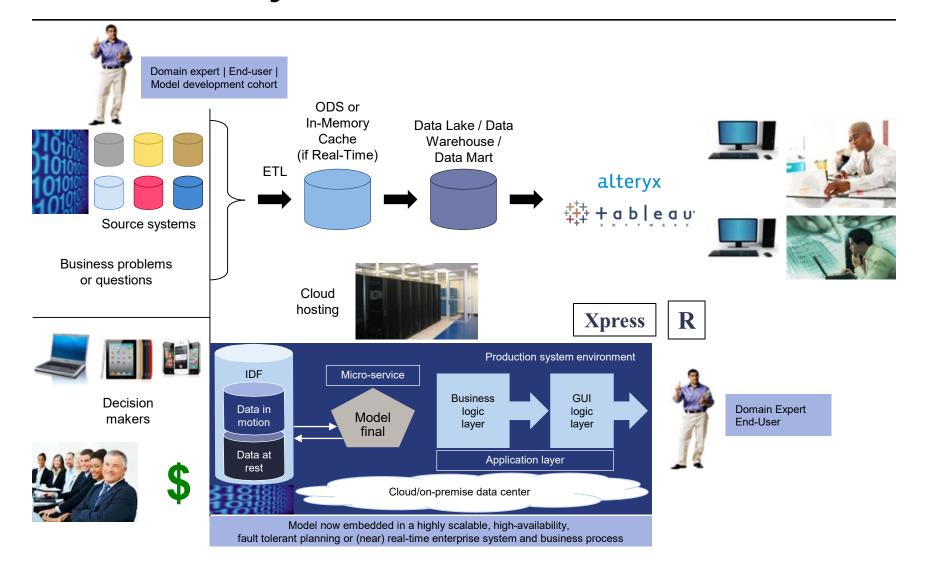




### Analytics IT Architecture



#### Analytics IT Architecture



## The Top Ten Analytics Leadership Skills...in Closing

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### DataScience@SMU