

Casebook: Cross-sector applications of data analysis

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Learning outcome:

LO3: Discuss managerial decision-making through the use of cross-sector illustrative applications.

1. Introduction

This casebook includes two examples of decision-making using data analysis that both highlight the disparity between the potential that data could hold for businesses and the extent to which businesses actually use data. The first case looks at the skills gap that makes analyzing data and then basing decisions on that analysis challenging. It also encourages decision makers to become analytical practitioners and, eventually, analytical innovators. The second case explores how the full potential of data-driven decision-making can be unlocked at an organizational level. Furthermore, it suggests a framework for businesses to change from being data analytics laggards to strivers and leaders.

2. Case 1: Minding the analytics gap

In this case study, Sam Ransbotham, David Kiron, and Pamela Kirk Prentice explain why executives are more frequently required to make critical decisions based on data and methods which they do not entirely comprehend.

Their research, based on the responses of 2,719 managers from around the world (a large sample size), indicates that the amount of data available to managers has continued to increase over the years, but their ability to make decisions based on this data has not.

Furthermore, they explore the main obstacles managers face when consuming data and identify five ways in which managers can become more comfortable with using data.

Case study 1

Access the "[Minding the analytics gap](#)" case study. (Access this casebook on the

3. Case 2: How well does your company use analytics?

In this case study, Preethika Sainam, Seigyoung Auh, Richard Ettenson, and Yeon Sung Junga encourage business leaders to take an honest look at how well their companies are utilizing data analytics. The expertise on this team of professors span the fields of marketing, brand strategy, and global management.

The case study recognizes that the promise held by data and analytics in business is largely unrealized in most businesses. The team surveyed over 300 business executives in B2B industries to investigate what distinguishes the truly data-driven companies from

those that have yet to tap into data analytics as a resource. During this investigation, three tiers of companies emerged: the laggards, the strivers, and the leaders in data-driven decision-making.

The survey revealed seven key dimensions of a business that need to be scrutinised if the business aspires to fall under the 'leader' classification.

Case study 2

Access the "[How Well Does Your Company Use Analytics?](#)" case study. (Access this casebook on the Online Campus to engage with this case study.)

4. Conclusion

You have explored two cases outlining the challenges of data-driven decision-making under uncertainty. Now that you've worked through these cases, join the small group discussion forum to unpack them further.

5. Bibliography

- Ransbotham, S., Kiron, D., & Prentice, P.K. 2015. Minding the analytics gap. *MIT Sloan Management Review*. 56(3): 63-68. Available http://ilp.mit.edu/media/news_articles/smr/2015/56320Wx.pdf [2018, June 21].
- Stahl, W. 2007. The fashion channel. *Harvard Business Review*. 2015. Boston, MA: Harvard Business School Publishing.