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# Why Business Leaders Must Take Data Seriously

There has been an explosion in the amount of data businesses can collect. Data was once scarce since businesses had to spend a lot of time and effort to collect it. Mobile phones, social media and many other developments have increased the number of data sources businesses have access to. Data is driving everything from business decisions to innovation and these are just a few of the reasons we will look at that explain why business leaders need to take data very seriously going forward.

## Data is Causing Industry Disruption

Information fuels innovation and the data businesses can now collect is giving them lots of information and insight into areas they previously did not have access to. Because of this, data is being used to disrupt whole industries and create new opportunities in others.

The two areas where data is being used in this way are manufacturing and retail. In manufacturing, managers and business owners are using data to improve quality, increase productivity and decrease costs that are then passed on to consumers to make these businesses even more competitive. Marketers have been using data from mobile devices to [show personalized offers](https://www.sheerid.com/business/resources/personalized_marketing_communication_and_promotion/) to people depending on their past behaviours and purchases as well as their locations.

In healthcare, we have already seen facilities use data to increase capacities and staffing levels. In areas where certain keywords, flu symptoms for example, were searched, hospitals were alerted and thus given enough time to prepare for an influx of patients.

As you can see, there are a lot of opportunities for businesses that have the right data at the right time. Those who can take advantage of the data will thrive while those who do not will be left behind.

## More Business Leaders are Acquiring Analytical Skills

As technology has advanced, businesses have acquired new tools, techniques, and methods of collecting data. However, businesses could not fully take advantage of this data in the past because there was an analytical skill gap among managers. Even in cases where businesses hired statisticians and analysts, business leaders still needed data analytics skills to understand the data for themselves.

Because of this, the number of business leaders who have acquired data analytics skills has increased. Analytically-savvy business leaders are now capable of finding relationships and discovering patterns in complex sets of data without help.

Advanced in data visualization and analytical tools has also closed the gap in operations research and predictive analytics. Business leaders with the right knowledge and tools can now analyse data, drill into detailed sets of data and use the insights they get to make business decisions.

Business leaders who do not want to be left behind have to keep up and the best way to do so is to understand business analytics. The [business analytics program at Aston University](https://studyonline.aston.ac.uk/programmes/masters/msc-business-analytics-suite), for example, equips business leaders with the skills needed to analyse data and use predictive and prescriptive analysis in various areas.

A business that has both data scientists and data-savvy business leaders will thrive in the coming years as data becomes even more important.

## Data Allows You to Be Proactive

In today’s fast-paced world, businesses cannot afford to be reactive. Responding to customers, answering questions, handling returns and improving products are all great, but they are all reactive actions. The best businesses are always looking forward, in a way creating their own futures because they already know what their customers will want before the customers know.

Gathering the right data and analysing it the right way can help businesses anticipate and predict trends. If a business can do this accurately and consistently, it can have a massive advantage over its competition. Additionally, such businesses can come out ahead as far as innovation is concerned and capture a large market share before their competition knows what is going on.

## Improve Future Outcomes Predictively

Analytic business leaders know that data is an important component of improving future outcomes and predictably assuring them. They understand the difference between causality and correlation and know they cannot rely on anecdotes and intuition when making business decisions. There is no certainty or predictability when using these as a basis of decision-making but there is in using data.

Analytic business leaders understand the value of hypotheses, scenarios, and tests that show them the likely outcomes of their decisions. They then use the results that come from all these to improve their organizations and their own decision-making processes.

These repeatable processes help ensure predictable future outcomes, making sure that these leaders know exactly what will happen if they change one part of their businesses.

## Improve Productivity and Output

Every business leader knows they have to [operate lean](https://bizfluent.com/about-6666969-definition-lean-operations.html) and keep fluff out of their operations. They want to ensure higher productivity while keeping costs low and their employees happy.

Certain metrics obtained from data analysed by a business can help reveal areas where there is waste or where improvements can be made. Figuring this out helps businesses know how best to assign and utilize the resources available to them.

The most successful businesses and business leaders understand that data should be treated as a priority when creating a productive business. As the business environment becomes even more challenging, businesses will rely on data to find areas of improvement.

## Pivoting into Customer-centric Models and Operations

Businesses that want to thrive in the long term understand profit cannot be their only driving force. They understand that listening to customers and understanding what they want or need and giving it to them is the best way to be successful. After all, we all love to be heard and have our needs met.

As customers discover more businesses where they can spend their money, business leaders must learn how to leverage data to ensure customers choose their businesses. With the many options for collecting data, businesses can figure out precisely what their customers want and need as well as how best to serve them.

## Conclusion

Businesses are getting better at collecting data and the avenues that allow them to do so are also increasing. Businesses will continue to face challenges, many of which can be solved by having and leveraging the right data at the right time.