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A Game Changer for Small Businesses

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I have been working with 5 other MSBA students on a practicum project for 4 months now. Our industry partner is a Small to Medium Enterprise (SMEs) thriving in a very niche industry. The goal is to provide a toolkit of analytics to the Sales & Marketing team. The purpose of the analytics is enabling them to succeed in business deals. Charles Schwab once said, “either you are in sales or you are in sales support”. We are the latter in this case.

This industry is not usually known for utilizing trendy things like Analytics. While working on this project, I have been contemplating how SMEs and Analytics walk hand in hand. In particular, it might be a winning combo with merits. (Kudos to our industry partner.)



A picture containing laptop, person, computer, indoor

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What about Analytics?

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Analytics is a systematic way of analyzing data. The general public tend to misunderstand Analytics for a new hype. In fact, Analytics can date as far back as the 1880s. At the time Frederick W. Taylor was the father of Management Science. He suggested [managers make decisions based on analytics](https://www.amazon.com/Principles-Scientific-Management-Frederick-Winslow/dp/1614275718/ref=sr_1_1?crid=2PEKAZ6KHJ2XR&keywords=the+principles+of+scientific+management&qid=1580792071&sprefix=the+principle+of+scien%2Caps%2C211&sr=8-1)rather than abusing power. The origin of Analytics goes way back!

In modern corporations, analytics play pivotal roles in all disciplines of management. Thanks to technology innovation, statistical software and computational tools flourish. Analytics has become more and more handy to professionals. People can perform descriptive, diagnostic, predictive or prescriptive analysis every day on almost any subject.



A room filled with furniture and a large window

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What about SMEs?

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Small and Medium Enterprises account for the majority of business in the world. And they provide most of the jobs on the job market. According to the World Bank, [the SMEs create 7 out of 10 jobs and contribute up to 40% of GDP in emerging markets](https://www.worldbank.org/en/topic/smefinance). In United States, [there are 30 million SMEs. They provide 2/3 of the jobs in private sector](https://ustr.gov/trade-agreements/free-trade-agreements/transatlantic-trade-and-investment-partnership-t-tip/t-tip-12). The Office of United States Trade Representative call them “the backbone of the American economy”.

During my years of professional services, I have worked with companies of all sizes and forms. Among all my clients, it was the SMEs gave me the most inspiration. Most people would have guessed that SMEs are usually not innovators. Contrarily, SMEs rise to pursue an edge in innovation. With the support of expertise and tools, SMEs can differentiate themselves in the game. [Goldman Sach’s 1000 Small Business Survey](http://www.goldmansachs.com/citizenship/10000-small-businesses/US/program-impact/index.html) shows that 1) more than 30% of the SMEs engaged in Research and Development. 2) Nearly 50% of the SMEs are in the launch of new product or services. 3) About 60% of them are making incremental changes to improve products and services. SMEs are the true undertakers of innovation.



A computer on a table

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The Winning Combo

The Winning Combo

McKinsey & Company has developed a series of models called [Insights-based Value Creation](https://www.mckinsey.com/business-functions/mckinsey-analytics/our-insights/achieving-business-impact-with-data). There are 3 types of data-enabled use cases. Our practicum project falls into the category of Top-line use cases. Top-line use cases focus on improving customer-facing activities in companies.

[Sales team with better tools and resources will close more deals](https://www.hubspot.com/sales-enablement). This iterative process is Sales enablement. Sales enablement is not a new notion. But it will be more powerful with one more piece of ammunition. You guess it right. Analytics. This is where my squad come in and spread the magic.

Sales Success does not come from sheer luck. There is a comprehensive system behind the activities. For example, Brian Tracy introduced the famous “[7 steps in Sales process](https://www.briantracy.com/blog/sales-success/7-steps-to-successful-selling-by-building-trust-and-credibility-effective-listening-ask-questions/)” in 1980s. To improve our analysis and pinpoint our solution, we held information sharing session with the Sales & Marketing team. Thereafter we gained first-hand knowledge and valuable insight from the professionals.

To me, working on a sales enablement challenge is new and exciting. Moreover, having the opportunity to support an innovative SME is invaluable. We get to make impact not only to one team in one company, but to a coalition of businesses in the network.

Analytics has developed into a power house of empowerments. One day, we are going to stand on top of it, and move the entire business world.