

Analytical Organizations

Functions:

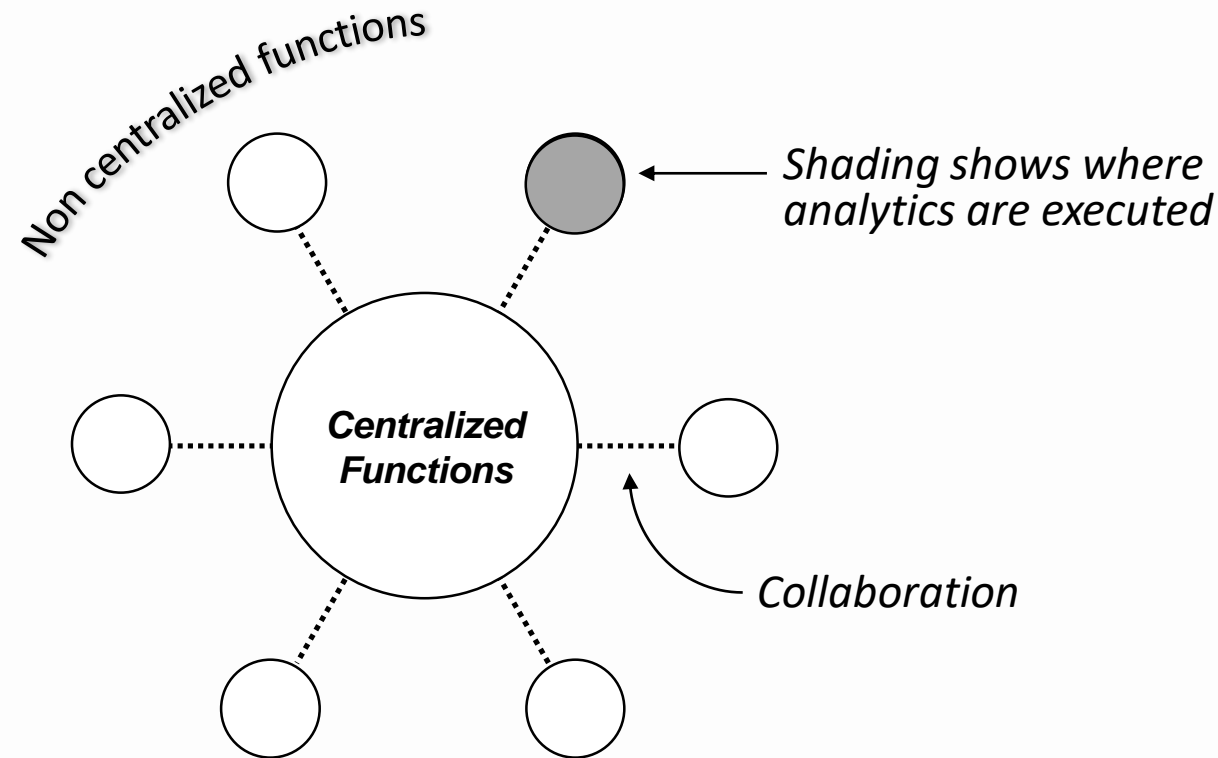
- Reporting
- Ad-hoc Analytics
- Modeling

Roles:

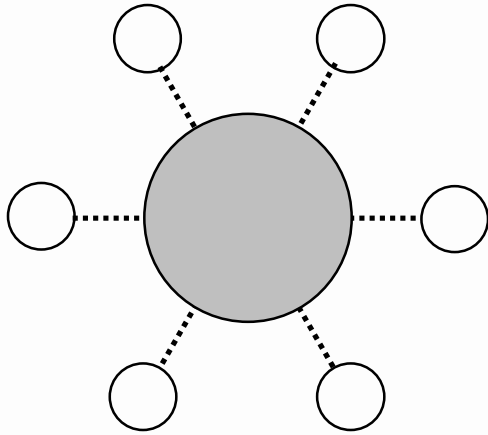
- Database Analysts
- Data Analysts
- Modelers
- Data Scientists
- Etc.

Analytical Organizations

How centralized or decentralized should these organizations be?



Analytical Organizations – Centralized



In a Centralized model, a set of analytical activities are accomplished through a central clearinghouse

Example: An enterprise analytics team serves the needs of marketing, finance, operations, customer care, etc. with respect to reporting, ad-hoc analysis, and statistical modeling

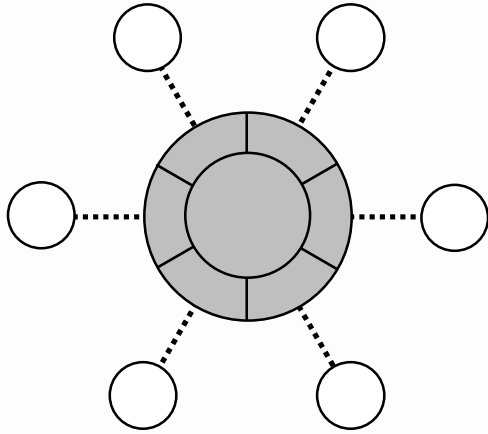
Key Advantages:

- Consistency
- Optimal management of bandwidth & focus on enterprise priorities
- Maximum efficiency in low-level tasks

Key Disadvantages

- Responsiveness
- Lack of context / expertise can limit effectiveness in more complex tasks
- Requires large group and consistent overall loading

Analytical Organizations – Allocated



In an Allocated model, analytical activities are accomplished by a common team, but specific capacity is reserved for each functional area served

Example: In the same enterprise team, at least one resource is “assigned” to each functional area, and takes priority from that group

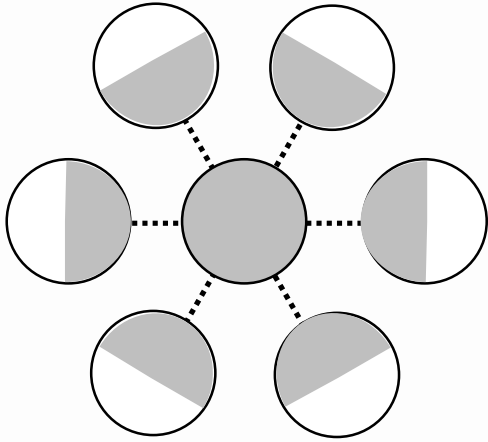
Key Advantages:

- More responsive
- More context and accelerated development of domain expertise
- Consistency
- Some load balancing possible across needs

Key Disadvantages

- Difficult to match allocation with enterprise priority
- Requires large central group and consistent overall loading

Analytical Organizations – Coordinated



In a Coordinated model, analytical activities are accomplished by teams in each functional group, but those groups use centrally defined processes & methods

Example: Analytics teams located in Finance, Marketing & Operations regularly convene in a users group and participate in an enterprise-level Data Governance program

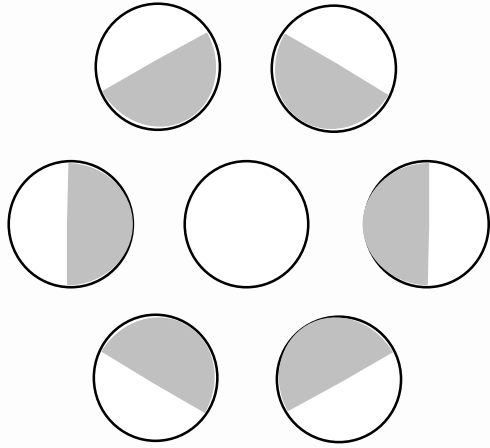
Key Advantages:

- Highly responsive
- High degree of context and expertise attained
- Some degree of consistency maintained

Key Disadvantages

- Coordination difficult
- Effort & data duplication more likely
- Requires a larger overall number of resources, and harder to adapt resource levels to enterprise needs

Analytical Organizations – Distributed



In a Distributed model, analytical activities are accomplished by separate teams in each functional group, with little or no coordination

Example: The Business and Consumer divisions of a large bank each have their own independently managed analytics function(s)

Key Advantages:

- Extremely responsive
- High degree of context and expertise attained
- Efficient localized use of contracting resources

Key Disadvantages

- Lack of consistency in methods and sources
- Effort & data duplication very likely
- Requires largest overall resources, and can be expensive, esp. when contractors used

Analytical Organizations – Degree of Centralization

