GETTING PAST THE BUMPS IN THE ROAD:

Five Profiles of Organizations on a Journey to Analytics-Driven Decisions

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Katherine Wood Lead Associate Booz Allen Hamilton With the explosion of data in virtually every aspect of society, a growing number of organizations are seeking to take full advantage of analytics to drive decision making. They are developing more sophisticated descriptive and diagnostic analytics to understand what has happened in the past, and why. They are poised to take analytics to an even higher level by using the new wealth of data to predict what will happen in the future, and to prescribe the best course of action.

No organization, however, instantly becomes adept at this next generation of analytics. It is a journey, and like any journey, there may be times when the way ahead is not clear, and it becomes difficult to move forward. Some organizations may be unsure of the best path to take. Others may hesitate because they are not convinced that continued investment in analytics will pay off. Still others may find themselves mired in data that is difficult to use.

Even organizations that are further along in the journey can find their progress slowed. It may be that they have achieved success in pilot and proof-of-concept efforts, but have not figured out how to translate that to a wider capability. Or, perhaps they have all the elements in place—people, processes, and technology—but the larger organizational culture still has not embraced the potential of analytics to feed innovation.

These kinds of obstacles are natural and should be expected. But they do not have to slow down an organization for long. There are a number of ways that organizations can restart their progress. Booz Allen Hamilton's work with organizations across the commercial and government sectors found that organizations on the analytics journey generally fit one of five profiles, each with its own set of challenges. We have identified techniques that can help all organizations move forward.

THE WILLING ORGANIZATION

CHARACTERISTICS

- + Beginning of the journey
- + Believes in the power of analytics, but overwhelmed with how to get

THE HESITANT ADOPTER

- + Beginning/middle of the journey
- + Analytics
 visionaries
 want to invest
 more heavily in
 analytics, but lack
 organizational
 support

THE DATA DISTRESSED ORGANIZATION

- + Beginning/middle of the journey
- + Organization
 wants to develop
 increasingly
 sophisticated
 analytics, but is
 stymied by an
 inability to get
 the underlying
 data in order

THE SCALING ORGANIZATION

- Middle/far along in the journey
- + Analytics have led to value in pockets of the organization, but leaders are uncertain about how to most effectively grow capabilities

THE EARLY ADOPTER

- + Far along in the journey
- Analytics generate insights, but not everyone has adopted analytics to drive decisions, nor do they look to analytics to answer new questions

WHAT TO DO

Chart a Clear Path: Explore data to help inform the organization's vision for analytics, and to chart a step-bystep path to achieve that vision Use Prototypes to
Overcome Doubt: Think
big but start small,
using prototypes to
prove the value of
analytics to end users
and help overcome doubt

Bring the Stakeholders
Together: Collaborate
and build relationships
between IT and analysts
to develop data that
can be used by both

Establish a Center of Excellence: Stand up a team dedicated to fostering collaboration, sharing best practices, and setting standards for analytics

Initiate a Culture
Change:
Begin by making the
analytic models easier
for the end user to
ingest and use

THE WILLING ORGANIZATION— CHARTING A CLEAR PATH

This organization recognizes the potential of analytics to create opportunities and solve complex problems, but does not know exactly how to proceed. Typically, the willing organization is early in the journey, and may be using basic descriptive and diagnostic analytics to investigate specific problems. Now, however, it wants to broaden that capability with analytics that can guide decision making, and more fully support mission and business goals. But what is the best approach? Without a clear direction, any organization—no matter how willing and able—may find itself in a holding pattern.

Willing organizations often let their enthusiasm cloud the need to fully map out all of the many elements of an analytics capability. An analytics blueprint can help organizations understand how those elements fit together, and what steps need to be taken in what order.

For example, the blueprint can guide one of the most effective steps: determining in advance where the value in the data might lie. What is the art of the possible? Instead of starting with a specific problem or goal, start with the data itself. Look for trends and issues that suggest how analytics can make a significant difference

in your organization. This insight gives the organization a picture of what its full analytics capability might look like, and sets the context for creating the path to get there.

THE HESITANT ADOPTER—USING PROTOTYPES TO OVERCOME DOUBT

This organization may be exploring more sophisticated analytics, but is less sure of how to define its value and so finds it difficult to move forward. While the analytics visionaries want to increase investments in an analytics capability, they have not yet gained the organizational support for doing so. The organization's leadership, for example, may not be convinced that analytics will really help the bottom line. Or, individuals in the organization may not yet recognize the value of analytics, and still prefer to make decisions based on their own knowledge and experience—despite mounting evidence to the contrary.

These types of concerns can be overwhelming, stopping an organization in its tracks. One effective solution is to think big, but start small. Organizations sometimes believe that they must jump into the next generation of analytics all at once. But if they experiment with a limited number of prototypes, they have a chance to see what analytics can do. This approach does

not require a major investment in technology or people, and positive results from prototypes will help build the business case for new types of analytics and demonstrate its potential value.

THE DATA-DISTRESSED ORGANIZATION— BRINGING THE STAKEHOLDERS TOGETHER

This organization is ready to develop more, increasingly sophisticated analytics, but finds it difficult to get its data all in one place in a form that is usable. Perhaps the data is of poor quality, filled with errors or incomplete. Or, there may be a reluctance to share data across the organization. The data may not be collected in a consistent way, or it might be locked in rigid data silos that are difficult to connect. The list goes on.

Organizations can help get their data in order by making sure that analysts are included in the data management framework and design. Although an organization's data usually belongs to IT, the analysts are the users—and data problems can arise when their point of view is not taken fully into account.

A second method is to encourage collaboration and relationship building through technical, organizational and physical structures, such as new governance policies, or activities in which teams from across the organization work together to achieve a common goal. Such structures help break down the barriers to information sharing, which is the largest obstacle to analytics at many organizations.

THE SCALING ORGANIZATION— **ESTABLISHING A CENTER OF EXCELLENCE**

This organization has achieved success using sophisticated analytics to drive decisions in a number of isolated efforts, but may have difficultly effectively growing an organization-wide capability. For instance, the organization may not yet have figured out how to achieve economies of scale. Or, it may have difficulty prioritizing—if several stakeholders are competing for limited resources, for example, how does the organization choose which analytics efforts will best advance the interests of the mission or business? These and other challenges often arise because

organizations typically expand by simply doing more of what they are already doing, rather than leveraging their knowledge through collaboration, and the sharing of best practices and lessons learned. Establishing an analytics Center of Excellence is one of the most effective methods of achieving this task.

This Center of Excellence consists of a team that sets standards and promotes collaboration throughout the organization on a wide range of topics, such as training. The team also collects and disseminates best practices, such as analytical approaches, tools and techniques. It also shares lessons learned—typically, knowledge that is applicable from one effort to the next. With a Center of Excellence, an organization can steadily grow its analytics capability in an organic, efficient manner.

THE EARLY ADOPTER— **INITIATING A CULTURE CHANGE**

This organization is well established in delivering predictive and prescriptive analytics, but it is still trying to reach its ultimate goal: creating a culture of analytics-driven decision making. The organization wants to use data and analytics to encourage curiosity among all its employees, not just in its analysts. It hopes to inspire its entire workforce to imagine how analytics might create exciting new opportunities for the enterprise, and solve its most difficult business and mission problems.

A particularly effective method of achieving this goal is to put data and analytics in the hands of end users from across the enterprise so they can see the possibilities for themselves. Some advanced technologies have visualization tools that enable this kind of direct interaction and give end users the flexibility to freely explore the data, following their ideas and hunches wherever they may lead.

Such direct interactions will encourage end users to think about how analytics might solve any number of problems. This approach also increases the transparency of the analytics, so that people understand and trust them more.

It gives end users throughout the organization a greater sense of ownership of the analytics and inspires them to use data and analytics to help drive their decisions.

MOVING FORWARD ON THE JOURNEY

Data, like any resource, exists only as potential unless it can be tapped. Organizations that can best capture the value in their data—and use it in decision making—will be the ones that thrive.

Analytics is a rapidly expanding and dynamic field, and there is no single tried-and-true path to success. Every organization will encounter bumps in the road as it finds its own way. But no matter where an organization is on the analytics journey, it should think through where it is trying to go and why. What does the next step look like? What does the end state look like? By focusing on these kinds of questions, organizations can break free of their current constraints and continue on their path—from whatever point they may be along their journey.

FOR MORE INFORMATION

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This document is part of a collection of papers developed by Booz Allen Hamilton to introduce new concepts and ideas spanning cloud solutions, challenges, and opportunities across government and business. For media inquiries or more information on reproducing this

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