Data-Driven Decision Making

Unit 2: Transforming to a Data-Driven Decision-Making Enterprise

Course Overview

► Unit 1: Introduction to Data-Driven Decision-Making

► **Unit 2: Transforming to a Data-Driven Decision-Making Enterprise**

► Unit 3: The Role of Leadership

► Unit 4: Types of Data

► Unit 5: Deriving Data Insights

► Unit 6: Creating Effective Visualizations

► Unit 7: Database Marketing and Customer Relationship Management

► Unit 8: Data-Driven Uses and Misuses

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Unit 2 Learning Outcomes

► differentiate between the continuums of the data-driven decision-making implementation process and recognize the milestones that must be completed along each continuum

► evaluate the critical success factors for building an analytics-focused organization

► examine how management uses data outcomes to guide organizational decision-making

Why are Learning Outcomes Important?

► Every learning outcome ties back to course materials and content.

► Assessments are tied to each learning outcome.

► Test preparation

Unit 2 Topics

► Data-Driven Decision-Making (DDDM) Analytic Mindset

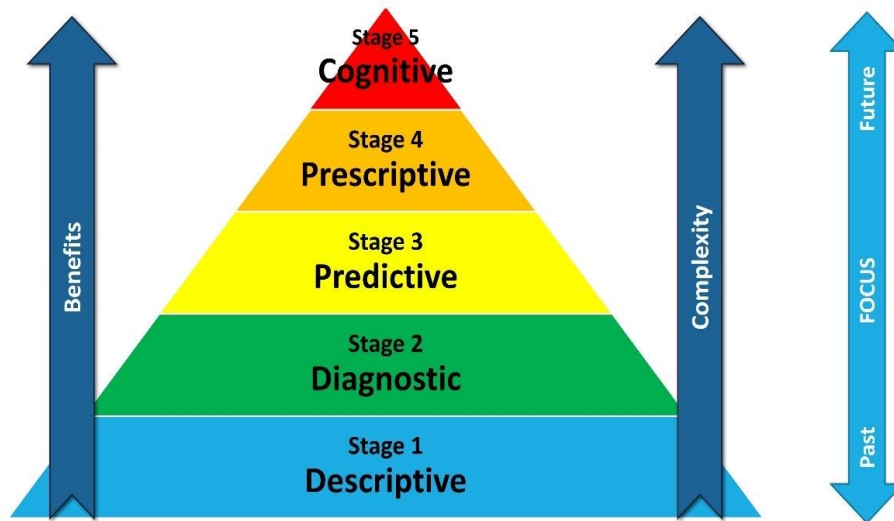► The 3 Continuums of DDDM Change Model

► DDDM Success Factors

Unit 2 Vocabulary

- ► analytical model
- ► analytics
- ► analytics mindset
- ► business challenge
- ► change model
- ► cognitive analytics
- ► continuum
- ► critical success factors
- ► data / technology

- ► descriptive analytics
- ► diagnostic analytics
- ► measurable
- ► organizational / people
- ► predictive analytics
- ► prescriptive analytics
- ► process / workflow
- ► repeatable
- ► specific time period
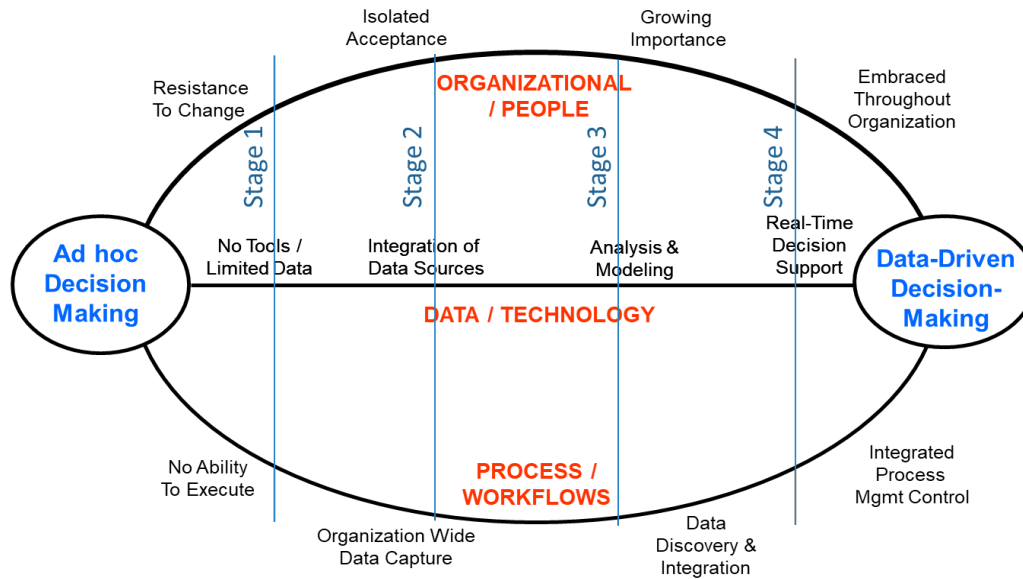
Data-Driven Decision Making (DDDM) Analytic Mindset

Stages of Analytics Development

Stage 5 — Cognitive
Stage 4 — Prescriptive
Stage 3 — Predictive
Stage 2 — Diagnostic
Stage 1 — Descriptive

Benefits

Complexity

FOCUS: Past — Future

DDDM Change Model

Data-Driven Decision-Making Change Model

Isolated Acceptance

Growing Importance

Resistance To Change

ORGANIZATIONAL / PEOPLE

Embraced Throughout Organization

Stage 1 Stage 2 Stage 3 Stage 4

Ad hoc Decision Making

No Tools / Limited Data

Integration of Data Sources

Analysis & Modeling

Real-Time Decision Support

Data-Driven Decision-Making

DATA / TECHNOLOGY

No Ability To Execute

PROCESS / WORKFLOWS

Integrated Process Mgmt Control

Organization Wide Data Capture

Data Discovery & Integration

3 Continuums of the DDDM Change Model

- ▶ Data and Technology

- ▶ Organization/People

- ▶ Process/Workflow

DDDM Success Factors

1. Executive support for the mandates required for the analytics, sponsors, and champions

2. A well-defined business challenge or query

3. Lots of data from internal and sometimes external sources

4. The right team and skillsets supporting the initiative, including a champion, technical resources, and subject matter expert

5. Integration into the organization's overall operations and processes to capture the right information

6. The ability to track results and update models to determine if predicted outcomes were supported by the analysis

Conclusion

Unit 2 Learning Outcomes:

▶ differentiate between the continuums of the data-driven decision-making implementation process and recognize the milestones that must be completed along each continuum

▶ evaluate the critical success factors for building an analytics-focused organization

▶ examine how management uses data outcomes to guide organizational decision-making

What's next?

Unit 3: The Role of Leadership