

Forbes
INSIGHTS

Digital Transformation: Empowering Business Leaders To Maximize Data And Analytics For Today And The Future

IN ASSOCIATION WITH



Deloitte.
Digital



Table Of Contents

3	Introduction
4	SECTION I Aspirations And Barriers
6	SECTION II Best Practices For Data-Driven Organizations
8	SECTION III Closing The Gaps Between Data And Analytics, Decision And Action
11	Conclusion

Introduction

An in-depth self-assessment of data and analytics priorities.

Armed with the right data, analytical tools and organizational discipline, leaders can turn insights into action. But how do global business leaders perceive the data, analytical tools and platforms currently available? What are their near-term goals for data-driven analytics, and are they on course to meet them? What challenges and barriers do they face to ensure data-driven collaboration and understand the customer journey through data and analytics?

This Forbes Insights report, prepared in collaboration with Tableau and Deloitte Digital, uses the real-world assessment and goals of 650 global business leaders to address these questions. The result is a road map to effectively use data to power analytics-driven decisions and action.

Insights Summary

Leaders acknowledge the central role data and analytics plays in achieving their digital transformation goals. For many organizations, data-driven decision making is seen as a competitive advantage that can lead to significant revenue gains. Trust and confidence, notably, are also seen as prominent benefits of

leveraging data and analytics. To capitalize on these opportunities, legacy processes must be overhauled and data transformation given a higher priority.

Regulatory constraints and privacy laws emerged as perceived obstacles to the comprehensive understanding of customer journeys. However, these barriers are surmountable, and the report encourages organizations to use customer interaction data to piece together a “coherent story.” Leaders who effectively engage with this process may unlock new areas of business growth.

Finally, the report finds a pressing need for better data skills. When asked what future developments would support data-driven collaboration aims, the top response was improved employee training. Only 36% of organizations currently offer enterprise-wide data literacy training, presenting a significant first-mover edge for companies that choose to create a culture of learning.

This report’s insights provide a detailed road map to effectively use data to power analytics-driven decisions and action.

Aspirations And Barriers

Leaders see benefits from data and analytics but lament legacy processes and government controls.

Business leaders sent clear signals that they see data and analytics capabilities as essential to standout business performance. Three-quarters of respondents agreed that using analytics consistently for data-driven decisions leads to significant revenue gains. Seventy-seven percent see advanced data and analytics capabilities as a competitive necessity.

The most common barrier to data-driven collaboration, mentioned by 51% of respondents, was legacy processes. Data silos (44%) and lack of time (41%) were also frequently mentioned barriers.

75%

of respondents agreed that using analytics consistently for data-driven decisions leads to significant revenue gains.



Trust Tops Business Leaders' Benefits Of Using Data And Analytics

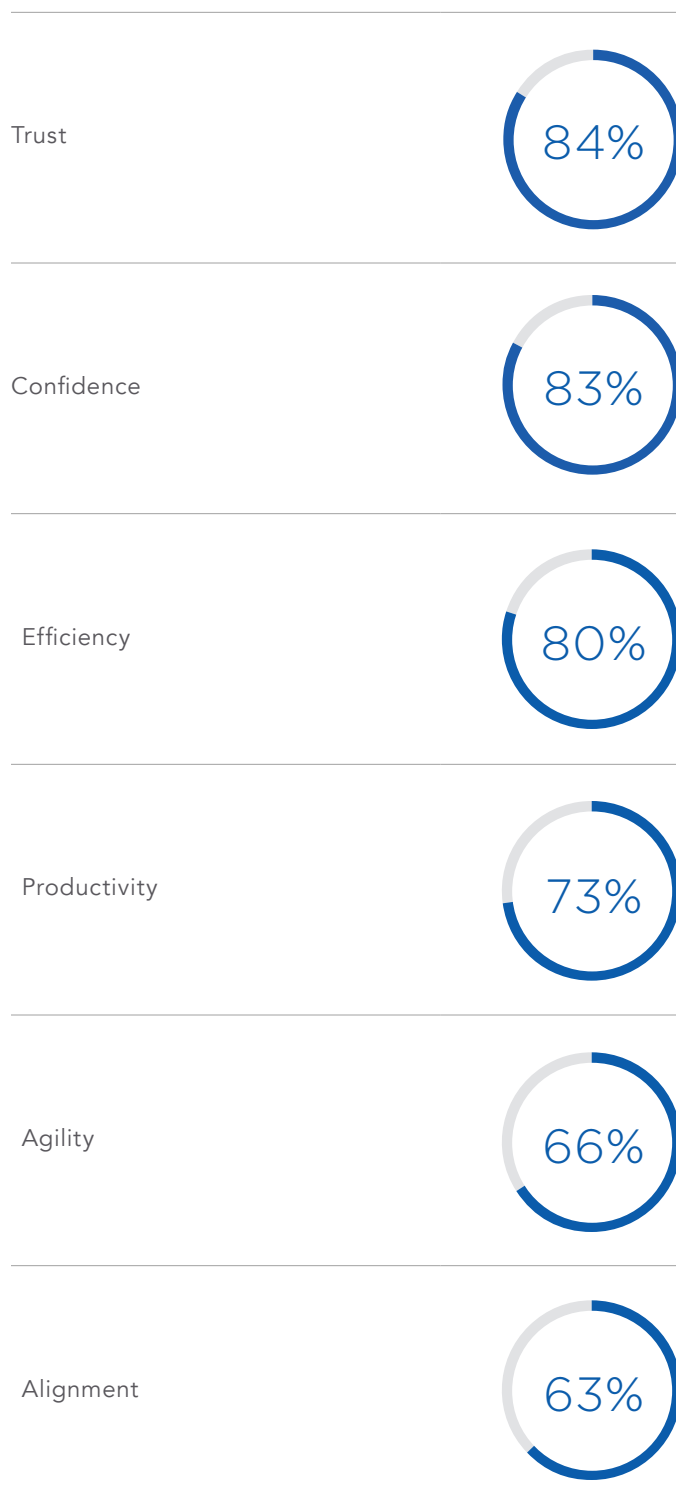
A strong majority (78%) of respondents agree that their team regularly uses data and insights to inform their work. Yet Figure 1 shows how leaders were even more convinced of the *qualitative* business benefits of data and analytics than *quantitative* benefits. Trust led the list of benefits (84%), followed closely by confidence (83%). "It jumped out at me how highly rated data and analytics are to drive trust," said Richard Starnes, Principal in Deloitte's Strategy & Analytics practice. "Clients are often so focused on tangible outcomes and efficiencies that it was great to see responses so positive about a qualitative outcome that is foundational to analytics adoption."

Francois Ajenstat, chief customer officer of Tableau from Salesforce, said the lower endorsement of agility as a benefit (cited by 66% of respondents) may be a sign that some companies still limit access to the data tools that could turn insights into action. "Some agility comes when you expand the population that is able to drive analysis of data," he said. "So if you need agility, you also need empowerment to make that happen."

Respondents said that privacy laws (54%) and regulatory constraints (48%) inhibit their understanding of the customer journey more than poor customer journey mapping (37%), data quality (28%) or journey modeling know-how (22%). This may signal that some companies are uncritical of their own processes and missing out on business opportunities. "Very rarely is it due to regulation or privacy laws. Those [obstacles] are well known and can be addressed," Starnes said. "The issues are with piecing together a coherent story from your data of customer interactions and understanding how to provide that data to the enterprise."

FIGURE 1.

To what extent does leveraging data and analytics drive the following across your team?



*Percentages represent the number of respondents who said data and analytics drive each factor (4's and 5's on a 1-5 scale, where 1 = Not at all and 5= Completely).

Best Practices For Data-Driven Organizations

Data-driven collaboration is necessary for long-term digital transformation efforts to succeed.

The survey shows just how important digital transformation is to modern enterprises. When asked about their organizational priorities for the coming year, 60% of respondents cited accelerating digital transformation as the most important. The perennial goal of increasing growth and profitability came in second, cited by half of respondents. That digital transformation beat even profit pursuit was no surprise to Ajenstat. “Fundamentally, data and analytics is about helping you improve all business outcomes, no matter what they are,” he said. (See Figure 2 for the full breakdown of priorities.)

Data and analytics will play a crucial role in these multi-phase transformation initiatives. Nearly half (48%) of respondents said increased budgets would support their data-driven collaboration goals the most. “That speaks to the silos of legacy data that haven’t yet been touched by the transformation agenda,” Starnes said. He noted that budget increases alone will not solve the problem and that many organizations need to give data transformation higher priority in order to reach collaboration goals more quickly.

FIGURE 2.

What are your organization’s priorities in the next year?

60% Accelerating digital transformation

33% Improving employee experience

50% Increasing growth and profitability

30% Strengthening sustainability efforts

46% Improving customer experience

25% Increasing cross-company efficiencies

39% Enhancing supply-chain strategies

21% Expanding Diversity, Equity and Inclusion (DEI) initiatives

35% Increasing data analytics capabilities

FIGURE 3.

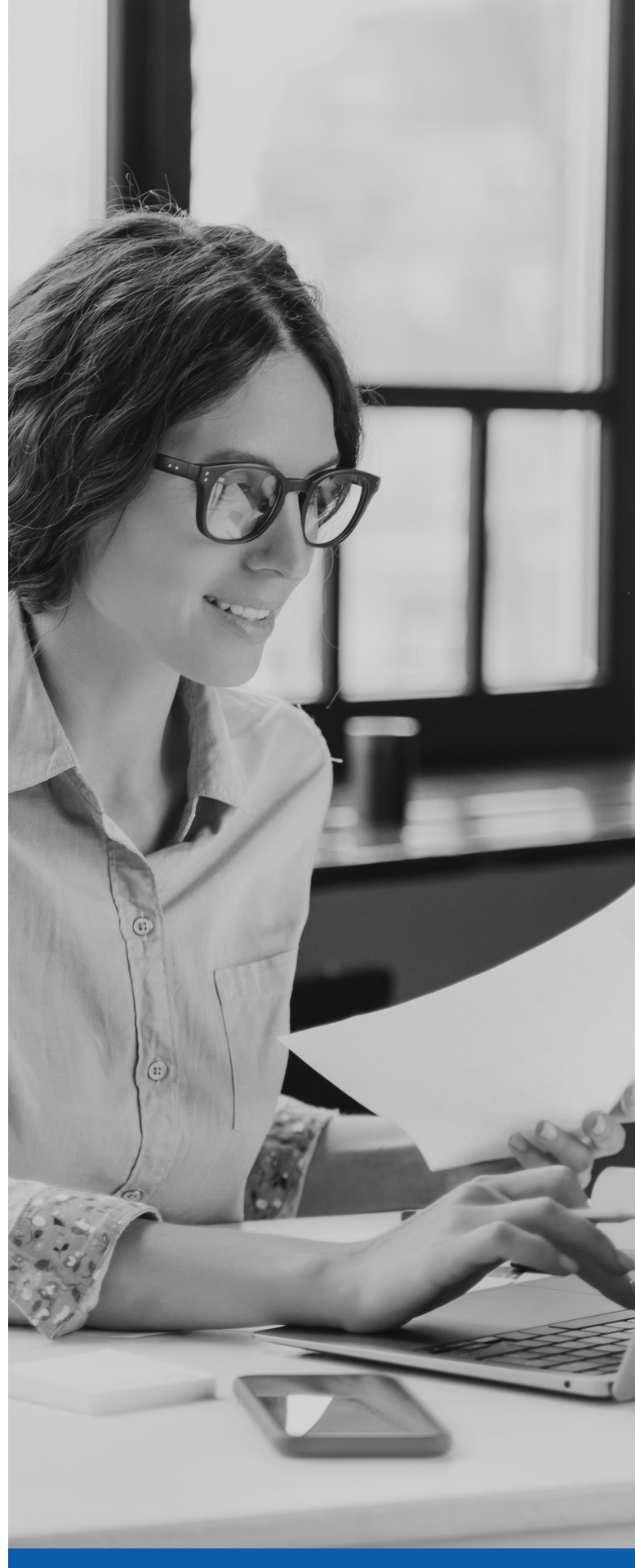
Top 3 Uses For Data And Analytics

- 1 Optimizing operations and increasing efficiency
- 2 Monitoring and improving financial performance
- 3 Improving customer satisfaction and retention

A majority of respondents said their organizations currently optimize operations and improve financial performance using data and analytics. Lesser-cited priorities—including risk mitigation and employee productivity and performance — present opportunities for growth as leaders learn to apply analytical tools to additional external and internal processes.

Once goals for data and analytics outcomes are in place, organizations need to take an intentional approach to structuring and implementing their analytics operations. In financial services and insurance, for example, the most prevalent structure is a centralized analytics team. These teams can ensure greater oversight of the standardization of data preparation, governance best practices and quality assurance.

Nearly a quarter (22%) of technology, media and telecom organizations lean toward decentralized, embedded analytics teams. This may be due to their diverse mix of products and services, though a corporate development or operations team is the most common conduit for analytics in these sectors. A decentralized analytics structure allows analysts to be closer to the business needs of their stakeholders and iterate quickly through formal and informal requests for information.



Closing The Gaps Between Data And Analytics, Decision And Action

Leaders are satisfied with data quality and are focused on training to embrace the benefits of analytics.

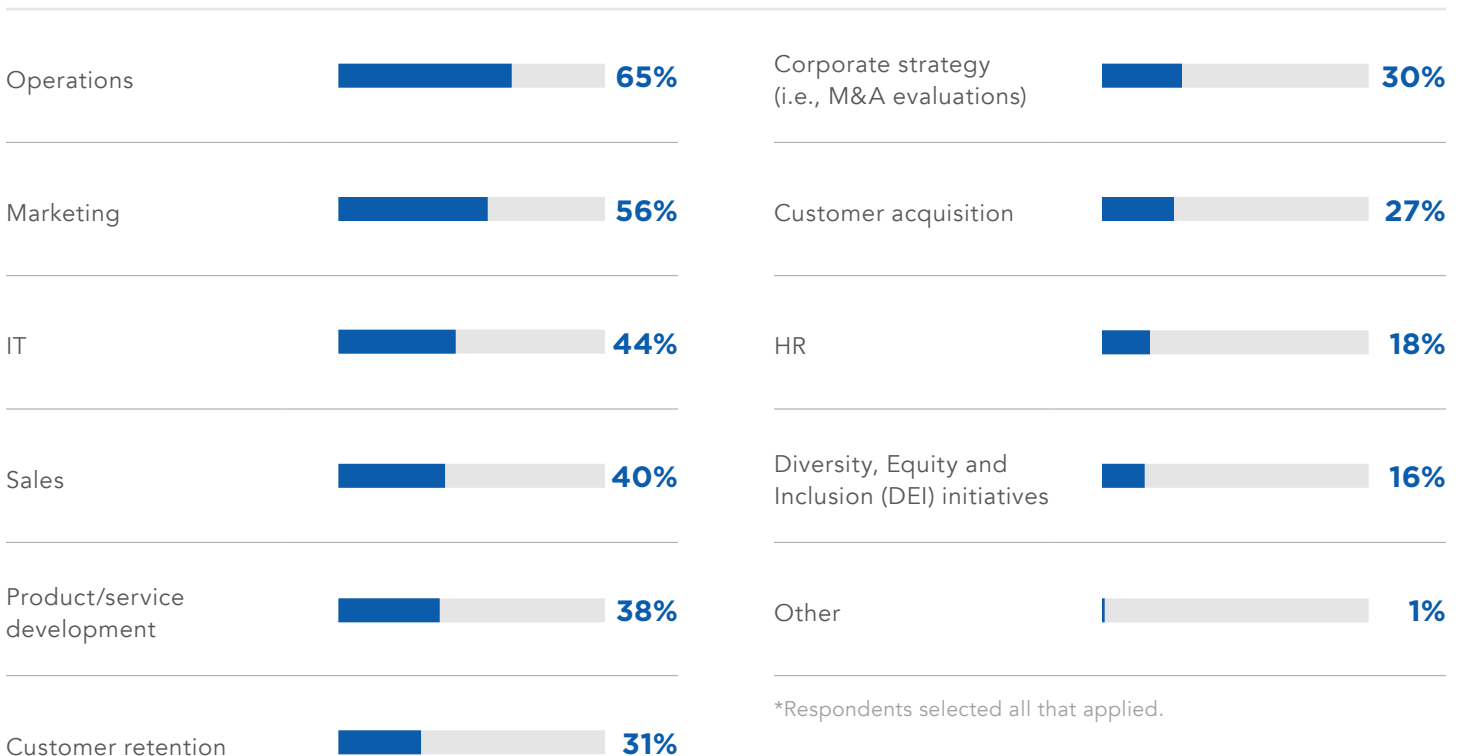
Responses from global leaders revealed opportunities to both close data literacy gaps and invest in overlooked analytics-driven opportunities.

When asked which areas of their organizations benefit most from data and analytics, most respondents cited operations

(65%) and marketing (56%). Benefits to customer acquisition and retention were each named by fewer than one-third of respondents. Only 18% of organizations prioritize the use of data and analytics in HR, which suggests there's a huge opportunity for data-driven organizations to optimize hiring and retention.

FIGURE 4.

Where is data and analytics most important in your organization?



*Respondents selected all that applied.

A Growing Need For Data Literacy

The need for improved data and analytics training is clear from this survey. Just 36% of respondents said they have enterprisewide training on data literacy and data-driven decision making. When asked what future developments would support data-driven collaboration goals, their top response was improved employee training, selected by 60% of respondents. This gap highlights the growing need for data literacy. Demand for this training is already being met in part by programs like Tableau's vendor-agnostic [Data Skills 10 Million](#) training initiative.

Transforming operating models and expanding the use of decision-making tools are among respondents' data and analytics priorities in the next year. "Analytics is not just a report factory anymore. It's an idea, creation and exploration factory," Ajenstat said.

Despite conventional wisdom that noisy data is a constant and widespread challenge, respondents seemed confident in organizational data quality, as only 20% ranked improving the quality of data as a top-three priority for data and analytics in the next year. (See Figure 5 for full results.) "This is very surprising," Starnes said, "because the number-one discussion I have with business and IT stakeholders, particularly for customer data, comes down to barriers created by their data quality, [including] misalignment and decreasing velocity to decision. I would caution executives not to overlook this data quality and governance as a key enabler for analytics transformation."

These responses may also indicate that leaders understand that while data quality is important, perfect should not be the enemy of the good. "I take the optimist's view on this," Ajenstat said. "The biggest barriers are things like data skills and data literacy, so don't wait for data quality to be completely solved. Start engaging in data as quickly as possible."

60%

of respondents believe employee training is the top future development to support data-driven collaboration goals.



FIGURE 5.

What are your organization's top priorities for data and analytics in the next year?



*Respondents selected their top 3 priorities.

Conclusion

Data-powered digital transformation can create a competitive edge for leaders who overcome barriers.

Data and analytics are key elements of the digital transformation agenda. Leaders recognize that a strong data and analytics function holds the key to their digital transformation goals. More than three-quarters of respondents cite the competitive advantages of advanced data and analytics capabilities, and 51% realize that legacy processes are barriers to data-driven collaboration.

Commonly perceived barriers, such as regulatory constraints, are surmountable. The tendency to blame regulatory constraints and restrictive legislation for being stuck or lagging behind on customer journey mapping is obscuring areas of potential growth and maturity. "It's not regulators standing in your way," Ajenstat said. "You have to understand the customer experience and how they engage with you and look for ways to optimize and personalize those experiences."

Organizations rightly prioritize putting more data and analytics tools into knowledgeable, trained hands. Most leaders view improved employee training as a key part of achieving their data-driven collaboration goals. Given the limited number of companies currently providing enterprisewide data literacy support (36%), further investment could have a transformative impact. As leaders invest in better processes to ensure data and tools are readily accessible to skilled individuals, the role of data in high-level enterprise decision making is likely to grow.

Learn more about Tableau from Salesforce:

<https://www.salesforce.com/products/data/>

Learn more about Deloitte Digital:

<https://www.deloittedigital.com/us/en/about/alliances/Salesforce.html>

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Methodology

Forbes Insights surveyed 650 business leaders around the globe.

Specifically, 20% of respondents were from Australia, 20% from India, 20% from Germany, 20% from the United Kingdom and 20% from the United States. Respondents came from the following industries: automotive (9%), consumer packaged goods (12%), financial services and insurance (13%), government and public sector (9%), healthcare and life sciences (10%), manufacturing (11%), retail (11%), technology, media and telecommunications (14%) and transportation, logistics and supply chain (11%). They represented to an equal extent marketing, sales, customer service, HR, finance, operations, product development and corporate strategy functions. A quarter of respondents were C-suite executives, 26% were EVP/SVPs, 26% were VPs and 23% were directors. All respondents came from organizations with at least \$100 million in annual revenue.

