

Organisations Setting up to Fail as They Struggle to Maximise Value from Their Data

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74% of organisations acknowledge that data is a critical business priority, yet 80% still potentially see data accountability and management as just a technology problem.

Businesses are not exploiting the potential of ML, AI, NLP and Automation capabilities

LONDON, UK 4th February 2020 – Coeus Consulting (<http://www.coeusconsulting.co.uk/>), an award-winning independent IT advisory, today announced new research into the approaches organisations are using to drive value from their data. The report – Beyond Technology: How can Organisations drive Sustainable Value from Their Data Investments?

(<https://cdn2.hubspot.net/hubfs/3969064/Coeus%20Consulting%20-%20CIO%20and%20IT%20Leadership%20Report%202020>

- highlights that many organisations are potentially failing to realise the potential value of, or monetise their data, despite 74% acknowledging it as a key priority.

The survey found that 80% of the large organisations surveyed, believe accountability for data strategy rests with technology leaders such as IT Directors, CIOs or CTOs. Additionally, only a quarter of organisations currently elect to have a Chief Data Officer, and even less place accountability with others in the C-suite. Emphasis is being placed on speed (32%), cost (28%), and competition (30%), but less so on more fundamental underlying value, the insights it offers, or decision-makers' ability to develop new products and services from those learnings.

According to one source, DATAVLT

(<https://cointelegraph.com/news/data-research-firm-96-percent-of-companies-that-exist-today-will-fail-in-10-years>), only one per cent of the data companies collect is currently analysed, and they expect as many as 96% of businesses that exist today to fail in 10 years.

“Many investments in data and analytics have been started from a technology perspective with little alignment to business value or desired outcomes that can be measured against a business strategy. Businesses need a change of mind-set and approach right across the organisation, and the challenge is more than simply collecting data and making it available”, commented Richard Graham, Associate Director, Coeus.

However, the survey did find that 66% of respondents are actively trialling the use of machine learning (ML), artificial intelligence (AI), natural language processing (NLP) and automation capabilities. Yet, only 39% admit to widely using data lakes and warehousing, suggesting that organisations have either not completed these activities or are not placing enough importance on them.

“Being data-driven is an imperative for most organisations and there is a growing trend to incubate and deploy advanced analytics, but organisations need to ensure they have certain fundamental capabilities in place before trying to achieve digital transformation.

There seems to be a motivation to be ‘AI first’, perhaps driven by the perception that most organisations are already ahead in using these capabilities, rather than getting to grips with untapped

value in existing data, and how best to make use of it” noted Graham.

The survey results highlight that there are many obstacles to overcome before companies can begin to see meaningful benefits from the data available through technology-led investments such as AI. Of the top five enterprise data bugbears, the majority are business-related: the scale and complexity of data sets (27%); governance and ownership (24%); the lack of a data operating model (19%); regulatory compliance issues (19%); and difficulty in integrating new technologies.

Organisations are facing tougher regulatory environments and when asked to express their concerns about data regulations, compliance with ethical and moral requirements was the biggest, cited by 49% of respondents. This has obvious implications for data management, analysis, and technology buying decisions, and the potential reputational and financial repercussions.

Sixteen per cent of respondents also stated that a lack of expertise and skills is a major obstacle. Whilst companies are investing in foundational skills, moving skills in-house and introducing new roles, third parties and external contractors play a key role in enabling and supplementing these organisations and will continue to do so.

When asked where organisations are seeing the biggest benefits from their data initiatives, 43% of respondents said they are in ‘improved customer insights’, while 41% identified an improved ability to take proactive, predictive decisions. Improved reporting’ also scored highly, along with better management of risk and regulatory compliance (37%). However, only 24% cited an increased ability to meet customer needs, with 20% citing a greater ability to spot future business opportunities.

In contrast, just 12% identified attracting new customers as a core motivation – the least favoured option on the list, this is despite the realisation that improved customer insight could be the biggest benefit.

“This is surprising given it’s so important in markets that are becoming hyper-competitive. Nearly every type of business is being disrupted by new players and a lack of customer loyalty, especially on new digital channels. Investing in customer insights and new product development ought to be a high strategic priority alongside consolidating market position”, said Graham.

“Being able to seamlessly integrate data and analytics into standard business and IT operations should be the goal of all organisations, to unlock value in your data and information. Businesses need to create an aligned data and business strategy that positions data as a strategic asset, and prioritises resources to integrate data management and analytics effectively”, Graham concluded.

You can view the full report - How can Organisations drive Sustainable Value from Their Data Investments? here

(<https://cdn2.hubspot.net/hubfs/3969064/Coeus%20Consulting%20-%20CIO%20and%20IT%20Leadership%20Report%202020>)

About Coeus Consulting

Coeus Consulting is an award winning IT consultancy that empowers IT leaders to deliver more. By standing alongside our clients to create, execute or manage tailored and strategic change, drawing upon our truly

independent and unique experience to exceed expectations. Coeus provides the capabilities and insights required for the application of rich and deep expertise to the three phases of the project life cycle (Strategy, Execution, and Optimisation). Coeus helps clients evaluate technology innovations against the needs of their business (such as RPA, AI and Customer Experience Management).

Coeus Consulting's client base are large organisations, particularly in highly-regulated industries.

About the survey

This white paper was informed by a survey of 123 senior IT and data leaders from large organisations (£500m+ revenues), with key roles including CTO, CIO, CMO, CDO, Director or Head of: IT; IT Transformation; Innovation; Applications; Strategy; Digital; Technology Services; Infrastructure; Architecture; and other senior managers. The survey was conducted in October 2019.

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