Gaining a Competitive Advantage with Data

Jim Harris, Data Quality Expert and Blogger
We hear a lot about Big Data. There are many choices as to where to put data and how to go about organizing it. Of course, it’s so important that we do it right. Making these smart decisions upfront provides a lot of great leverage for a successful long-term business.

Recently, OCDQ Radio interviewed William McKnight, an internationally recognized authority in information management, author of *Information Management: Strategies for Gaining a Competitive Advantage with Data*, and President of *McKnight Consulting Group*. During the interview, Jim Harris of the OCDQ Blog asked William about the importance of data, specifically in the area of competitive intel. This ebook will discuss the insights.
No matter what business you are in, you are in the business of information. Today, all organizations compete for information. As McKnight shares, “It has to do with more information and having better information and more well performing information than the competitors.”

McKnight frequently looks at company strategies, and there’s hardly an element of a company strategy these days that doesn’t have to do with give me more or better or quicker information in order to make the best decisions. “It’s truly where companies are competing today,” says McKnight.

If you think about telecommunications and social networks within telecommunications, there’s a lot of information to gather. Collecting that information enables you to make smart decisions about your customers. That is truly what companies are competing on today.

Information is the value associated with data. Information is data under management that can be utilized to achieve your goals. It’s important to bridge that divide in order to solve business problems.

The data flowing through your organization is useless if it’s not picked up and utilized. You need to turn data into active

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information that helps you achieve real business goals. If you don’t do that, your information management efforts are ultimately wasted.

McKnight encourages companies to embrace information, and to keep moving forward.

Information is the modern gold of an organization. There is a bridge between data and information that has to be architected so that we can journey across and achieve our business goals. According to McKnight, “Information management is nothing more than the continuous activity of architecture.”
Information management is not a speculative exploration. It is about your business, your goals and it has to have a well-defined, deliverable ROI.

When you’re working with data, you’re working with something that the business cares about. In order to have those real results on the business, you’ve got to impact the business in a certain way.

Use data and information to move forward in directions that will ultimately result in more sales for your business or reduce costs. If you don’t speak that language, you’re hamstrung.

Big Data is very susceptible to the ROI way of thinking. There’s value in Big Data projects that can be plugged in with the goals of your business. It can take your business in new directions that will ultimately lead to your success.
BIG DATA
Now is the time to exploit Big Data to the very best of your abilities. Big Data is going to be with us for a while. It is lasting. Believe that the notion of “Big” versus “not Big” will go away soon because it’s all data. And it’s all begging to be turned into information.

Big Data projects that originate in a pocket of IT will grow and grow. At a certain point, data needs to be integrated with the rest of your business. At that point, the data accumulated over years and years is very accessible, and it’s very clean. That’s the data that we need to utilize.

According to McKnight, “It’s not just spitting out information for the sake of it, it’s actually trying to connect the dots between previous transactions, current transactions, and potential future transactions.”

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-- William McKnight
Think big about mastering data management. This is a very strong play within information architecture today, and it’s where you can have a multi-faceted profile of your customers. There is a tremendous long-term benefit to companies that can get it right.

Information by itself cannot think, and even though we have access to more information and can continue to provide good information to the business, data is not going to take the place of the skills and experience of the business analyst. If anything, it’s actually going to make the business analyst even more necessary.

Your data will be taken a step further for you as time goes on. And so, you’re going to be asked to do more with that information, take it further and analyze the data more than you ever did before. In the past, the focus was gathering the data, not analyzing it. Today, gathering the data is an automated process, and business intelligence is coming in as the knowledge worker.

While we cannot all be data scientists, we have the opportunity to do enormous things with data and take the business in a far grander direction. That is data science. The responsibility of data science is on everybody in the business ecosystem.

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In the past, information, and the technology that supported it, was the purview of a centrally located IT department responsible for managing the technology and the information. Other departments throughout the organization weren’t as focused on data, but nowadays, everyone is using information. Everyone is using technology regardless of their job title or their company division.

Now that information and technology are no longer considered alien concepts to anyone, we’re all responsible for it, and we’re all expected to do our jobs better on a daily basis by using information and technology more effectively.

Therefore, information management needs to be distributed throughout the organization because everywhere is where the decisions are made.
“Data quality is the absence of intolerable defects,” says McKnight. It’s all up to the stakeholders of your organization to forge a program of data stewardship to define the stakeholder and to define the level of data quality.

Data standards come in various forms, and every organization is going to be a little bit different. We all start with wanting 100% perfect data quality, but there’s a value proposition to data quality.

We all have intolerable defects, and your job is to find out what they are. Go through 10 to 12 different categories of where these data quality defects may come from. Map that against your real data to determine where you’re at and how you want to move forward.

Sometimes data quality is too disconnected from business context. For example, if someone runs an analysis on a database and finds that 50% of the postal addresses are invalid, you might think you have a data quality problem. However, if no one is using that particular data source of postal address, it’s not a data quality problem at all. Be aware of where your data quality issues reside and focus on solving the problem.
Big Data is no longer an opportunity. It is an asset that your organization must use. Use your data for a better understanding of your customer, your market, your products, your services, your employees, and any and all aspects of your business. The more you become a data scientist, the more likely you’ll crush your competition. Big Data is your weapon and you are today’s data scientist.

This ebook is based on a podcast with Jim Harris and William McKnight. You can listen to audio podcasts by Jim by visiting the OCDQ Radio page.

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Conclusion

Jim Harris is a recognized industry thought leader with more than 20 years of enterprise data management experience, specializing in data quality, data integration, data warehousing, business intelligence, master data management, data governance, and big data analytics.

As Blogger-in-Chief at Obsessive-Compulsive Data Quality, Jim Harris offers an independent, vendor-neutral perspective and hosts the popular audio podcast OCDQ Radio, syndicated on iTunes and Stitcher SmartRadio. He is an independent consultant and freelance writer for hire, regularly contributing to Information-Management.com, DataRoundtable.com, and a number of other publications.

William McKnight has worked with 17 of the Global 2000 and many others. McKnight Consulting Group focuses on delivering business value and solving business problems utilizing proven, streamlined approaches in information management. His teams have won several best practice competitions for their implementations.

He is the author of Information Management: Strategies for Gaining a Competitive Advantage with Data, and 90 Days to Success in Consulting.

William teaches Business Intelligence Principles, Data Quality, Project Management, Data Governance, Data Architecture, Data Modeling, Data Integration, Data Return on Investment, Agile Methodology, Big Data, Organizational Change Management and Master Data Management for the Data Warehousing Institute.