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The People Skills That Matter Most In Driving Actions From Data Analytics

Cinny Little, Senior Analyst

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We work with business and
technology leaders to develop
customer-obsessed strategies
that drive growth.

The job to be done: change the way we work

- *Use data to create insights about what matters most*

- *Understand and solve for what blocks us now*

- *Adopt & use a repeatable framework for alignment on goals*

- *Adopt & use a repeatable framework for data storytelling*

Source: https://www.commonlounge.com/discussion/317a12109a634fc1aa44150ea806bbf3

"We are drowning in data and starving for insight."
— Global Bank

42%

Are building cross-functional insights teams that collaborate and work with the agility to develop, test, and implement insights

But . . .

54%

of firms want to change their management culture to rely on more quantitative decisions.

But . . .

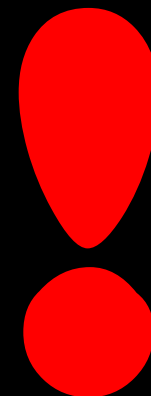# Big problem

In 2017 and 2018 . . .

45%

of decisions were based on data . . . as opposed to on gut feeling or opinion.

Base: 2,106 (2017) and 2,879 (2018) business and technology decision makers; Source: Forrester Analytics Global Business Technographics® Data And Analytics Surveys, 2017 and 2018

How does the data-to-insights-to-decisions gap happen?

Blocker No. 1 !

Lack of alignment in data → insights → actions process

Data-to-insights teams

Business and operations teams

Data and insights

Actions and outcomes
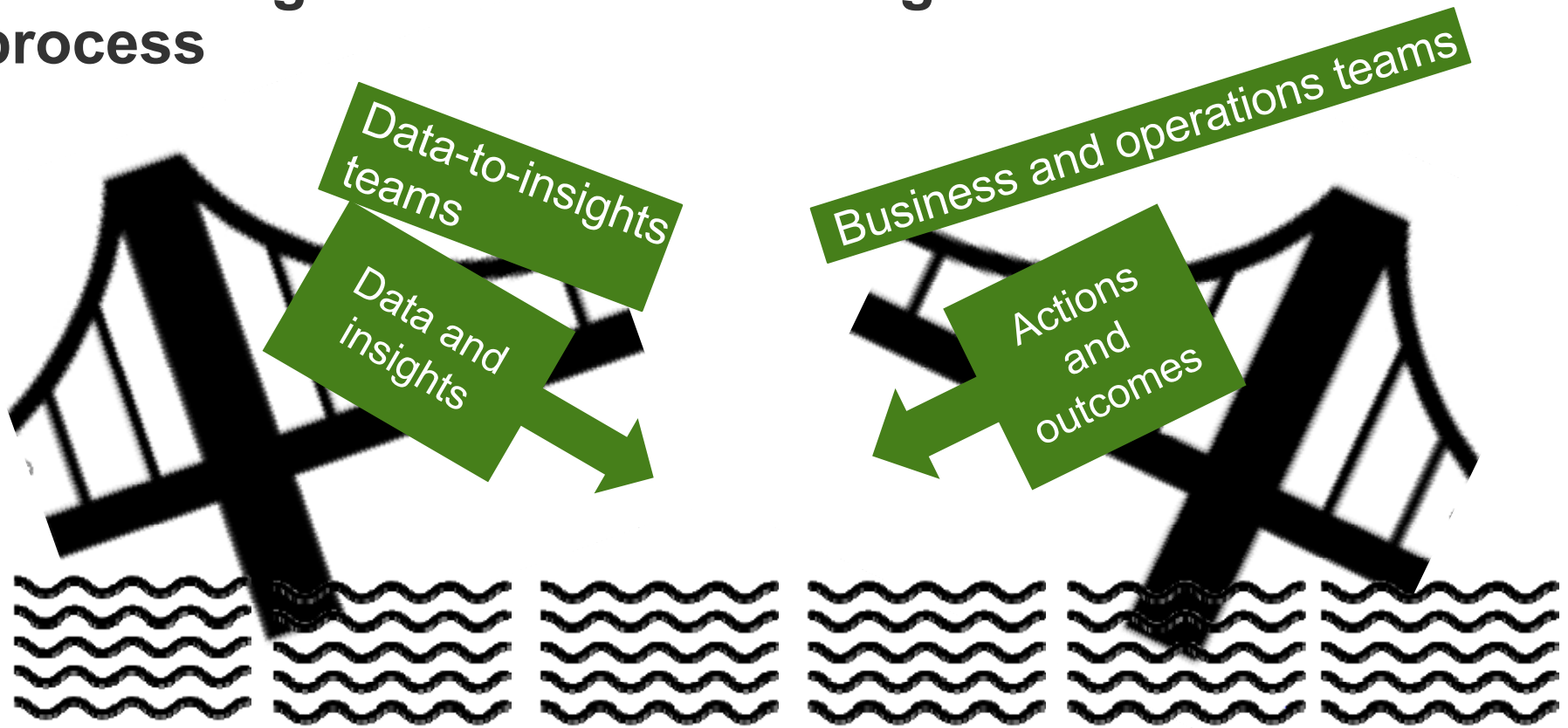
Note: "Data" can be any type or any source (research, customer, product, marketing, channel, digital, supply chain, service, competitive, financial, IoT, other operational types, etc.)

Blocker #2
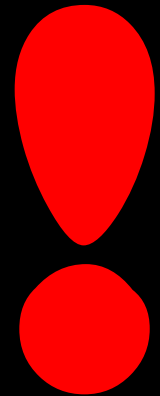
Organizations' data and insights teams' success requires added focus on "soft skills" in the talent mix

Talent mix for driving data-to-insights-to-actions

| Data, analytics, and/or technology expertise | Business expertise | Soft skills |
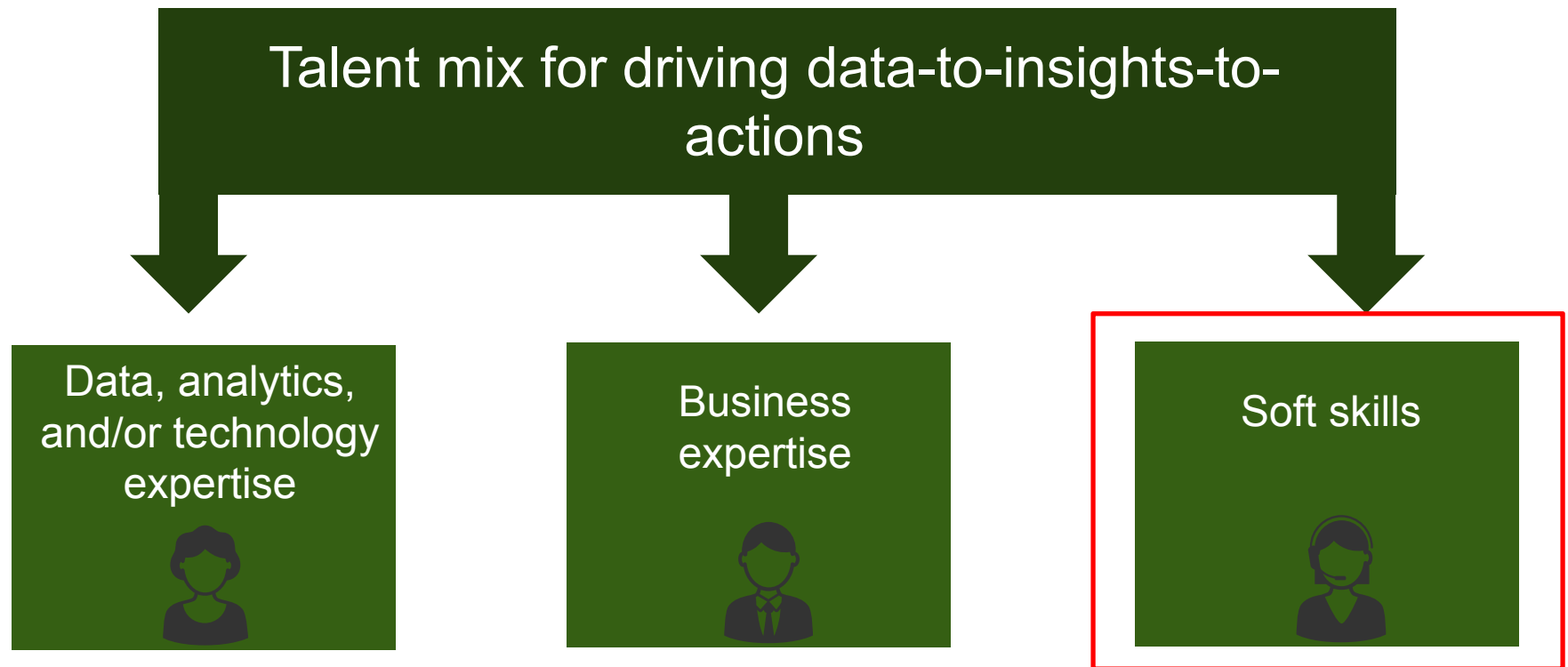
Critical soft skills for data-to-insights pros

Resilience

Soft skills

Active learning,
Learning strategies

Creativity,
Initiative

Persuasion,
"Translation"

Customer, not internal
silo, orientation

Storytelling,
Visualization

Source: The Future Of Jobs Report, 2018-2022. World Economic Forum, Centre for the New Economy and Society, 2018.

We must remember that … peoples' perspectives differ.
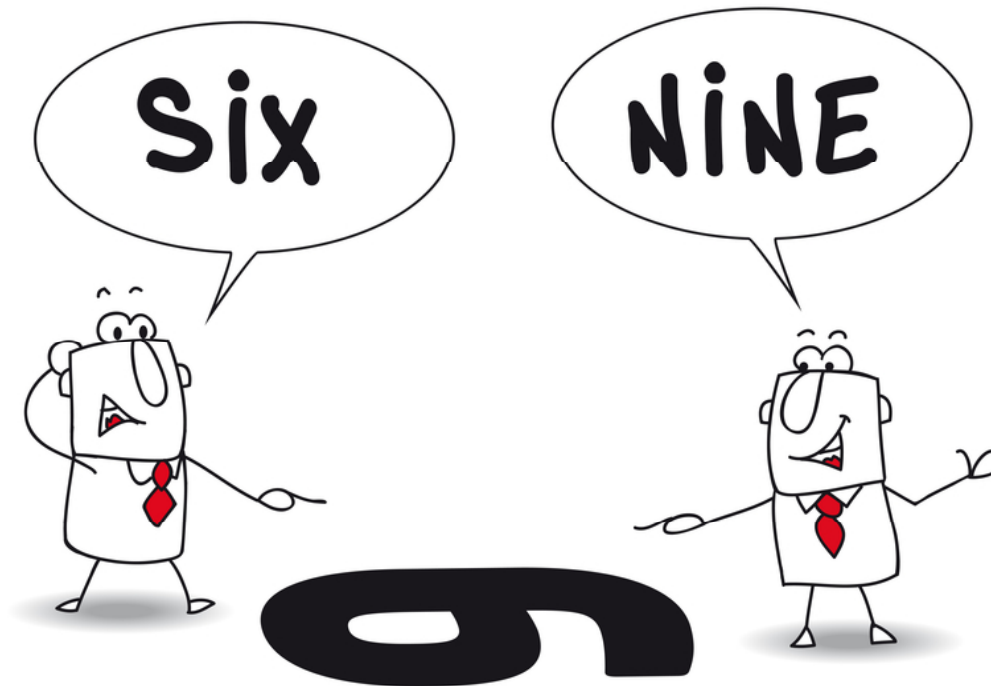
Research shows that data storytelling gets results

Firms that performed better than their competitors over the previous 3 years:

1. Activate data <u>across</u> organizational silos at a higher rate
   - 67% of outperformers vs 34% of their competitors (underperformers)

2. Use data storytelling that
   - Embeds business sense + context in reporting data + insights: 75% of outperformers vs 50% of lower performers
   - Addresses "wholebrain thinking": 61% outperformers vs 37%

Source: Insights2020 study, led by Kantar Vermeer with multiple partners, 2015. Study is based on interviews with 350 business, marketing, and insights and analytics leaders and surveys of 10,000 practitioners in 60 countries. For a description of this study, see "Building An Insights Engine," Harvard Business Review, September 2016 and http://www.mbvermeer.com/insights2020/

1. The Goal-KPIs-Action-Data Framework: A repeatable framework to activate data

"Teams most successful in driving more actions from data-to-insights use a specific framework to set goals and KPIs.

"The framework must drive clear alignment on a tight set of goals — no more than three to five."

VP of marketing,
business intelligence tech firm

Use the Goal-KPIs-Action-Data framework with stakeholders to align on goals.

The GKAD process — expect it to be iterative

Goal
- Step 1: Define three to five goals to monitor.

KPIs
- Step 2: Define and select the metrics and KPIs that matter most.

Actions
- Step 3: Define and align on the actions to measure and improve.

Data
- Step 4: Identify the data needed to make the measurements you've defined.

Source: Use The Goal-KPI-Action-Data (GKAD) Framework To Align, Measure, And Act Forrester report

The GKAD process — expect it to be iterative

Goal
- Step 1: Define three to five goals to monitor.

KPIs

Actions

Data

Source: Use The Goal-KPI-Action-Data (GKAD) Framework To Align, Measure, And Act Forrester report

Definitions

Term	Definition	Example
Goal	A **quantitative** outcome that a team is accountable for	The question we're answering: What are we accountable to achieve? **Answer:** Increase eCommerce revenue by 10% this year.
KPI	A team's most important metrics – the metrics it uses to track progress toward goals it's accountable for	The question we're answering about an important metric: At the end of Q3, what's our progress toward our annual eCommerce revenue goal? **Answer:** We achieved a 12% increase in eCommerce revenue in Q3 versus Q2, resulting in an 8% increase year to date.
Metric	A reliable and valid calculation between two measurements that a team uses to track progress toward a goal	A metric's calculation is typically a division calculation, resulting in a percentage, ratio, or fraction.
Measurement	A count of something a team is tracking	In our example, the eCommerce revenue metric is calculated from the measurements of Q2 and Q3 eCommerce revenue.

Source: Use The Goal-KPI-Action-Data (GKAD) Framework To Align, Measure, And Act Forrester report

Success factors for selecting GKAD goals

Align goals on what the stakeholders are measured on.

Ensure that goals are at the right "altitude" for measurability and actionability by those stakeholders.

Example: Align goals on what teams are measured on

GlaxoSmithKline's global rollout of web/digital marketing analytics

Source: Brief: Organizing For Customer Insights — And What Matters More Forrester report

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Source: Use The Goal-KPI-Action-Data (GKAD) Framework To Align, Measure, And Act Forrester report

Example: Maintain positive sentiment in real time

Source: [Build The Digital Intelligence Strategy That Will Match The Speed Of Your Customers](#) Forrester report

Success factors for defining and selecting KPIs

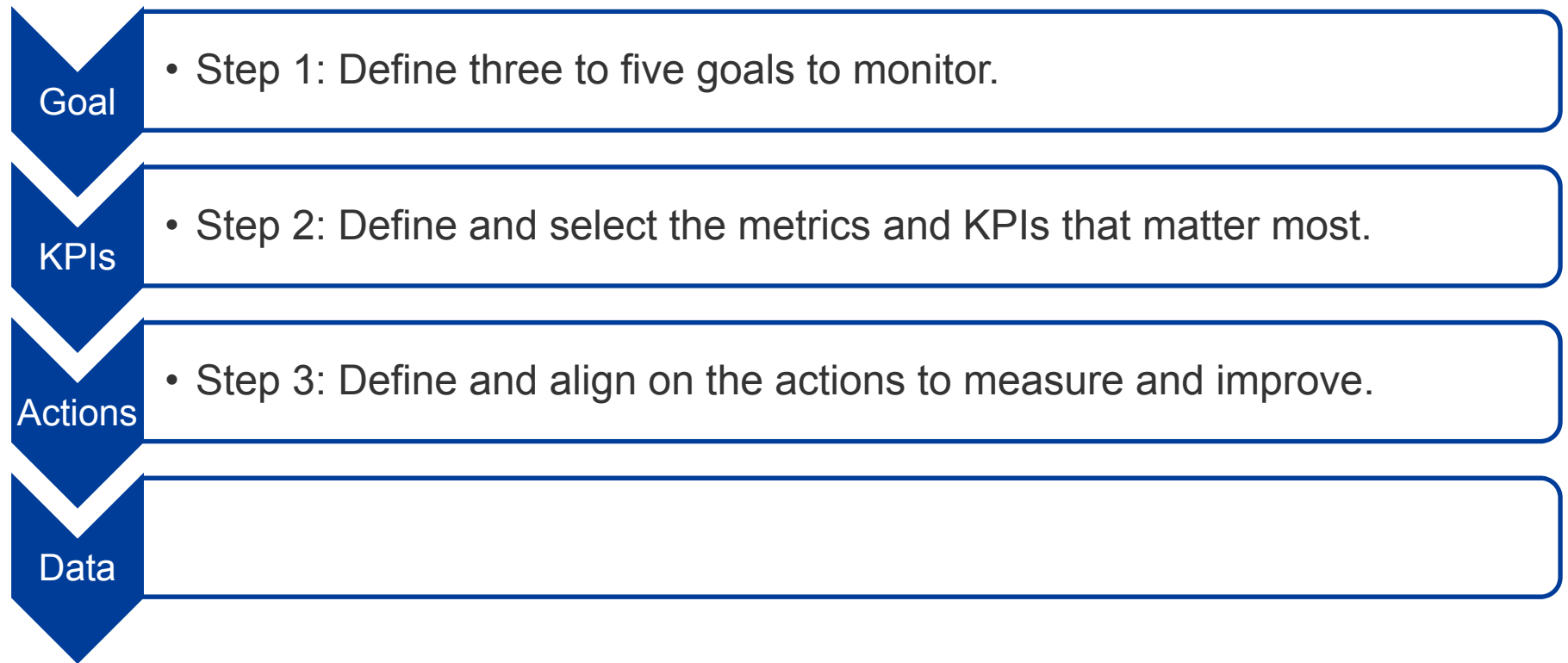**KPIs, not just metrics that are easily available**

Focus on KPIs that cover not only lagging but leading metrics.

Example

SEPHORA

The GKAD process — expect it to be iterative

Goal • Step 1: Define three to five goals to monitor.

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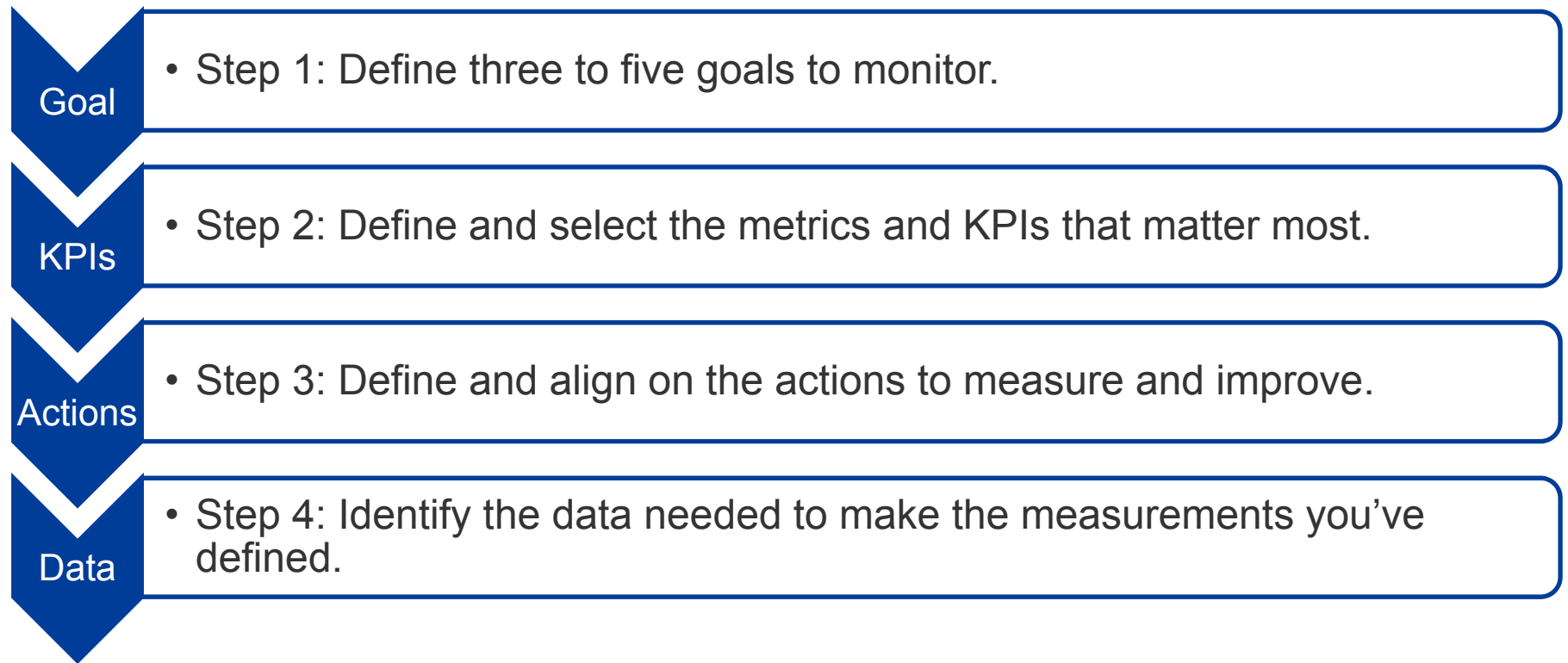**Challenge: Participants in the GKAD approach aren't familiar with this way of working.**

Example of what helps: Put yourself in the stakeholders' shoes to find value prop that resonates.

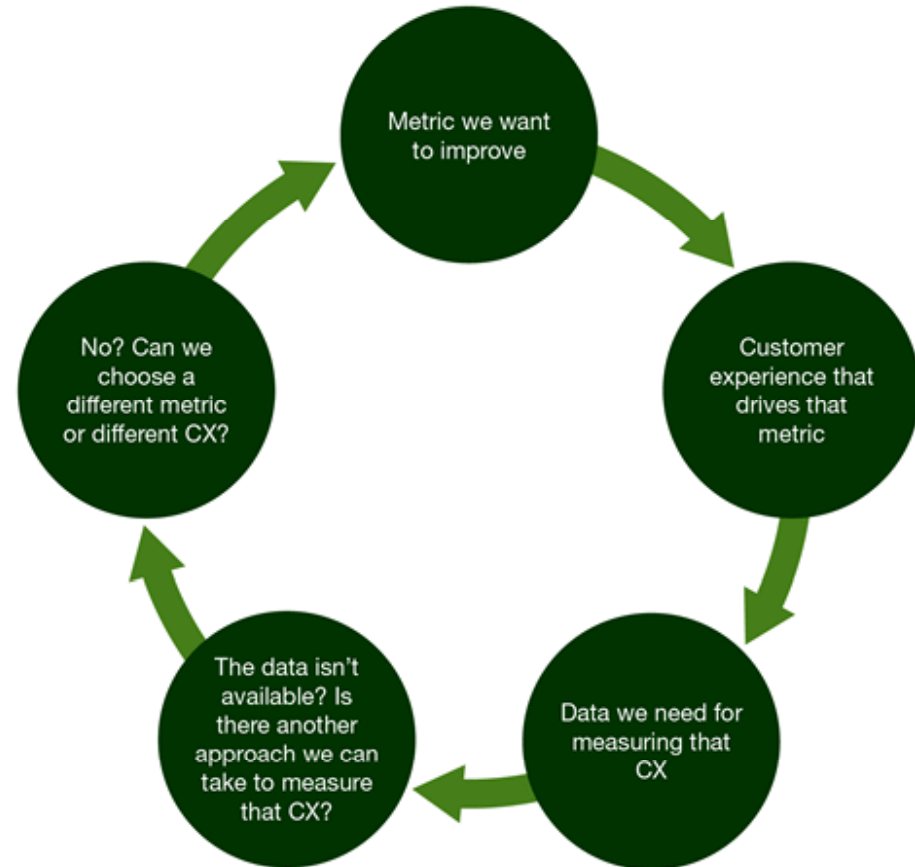# Example: Value prop for stakeholders = "Get time back"

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Use these success factors for defining GKAD data

Metric we want to improve

Customer experience that drives that metric

Data we need for measuring that CX

The data isn't available? Is there another approach we can take to measure that CX?
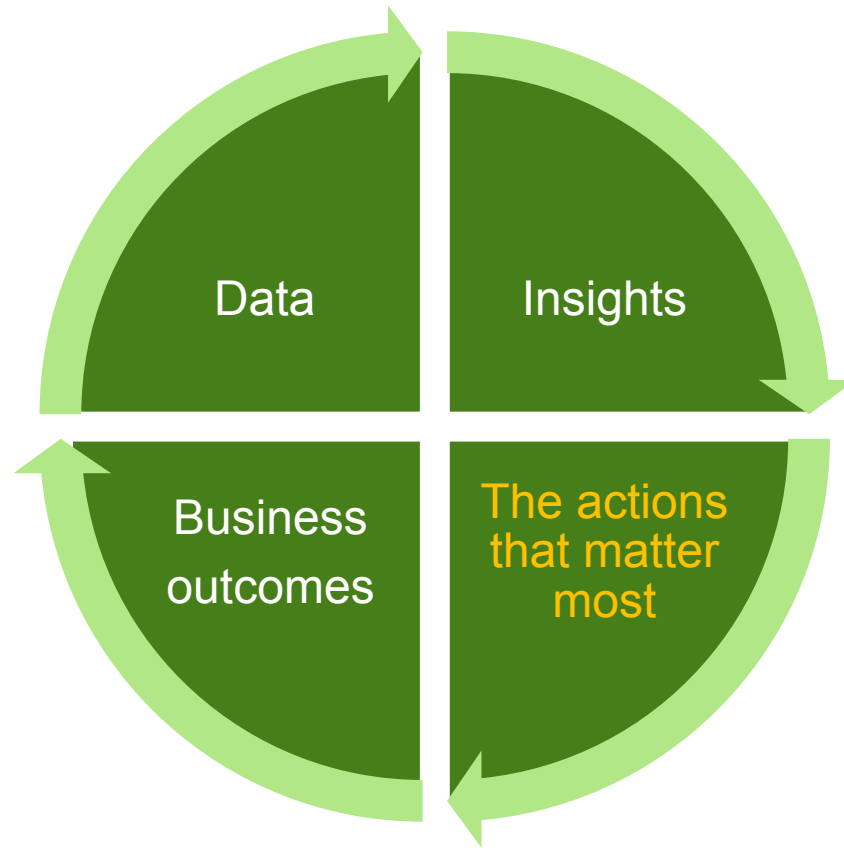
No? Can we choose a different metric or different CX?

Source: Storytelling And Data Visualization Will Turbocharge Insights-Driven Action Forrester report

Example: Show value with data you have *now*

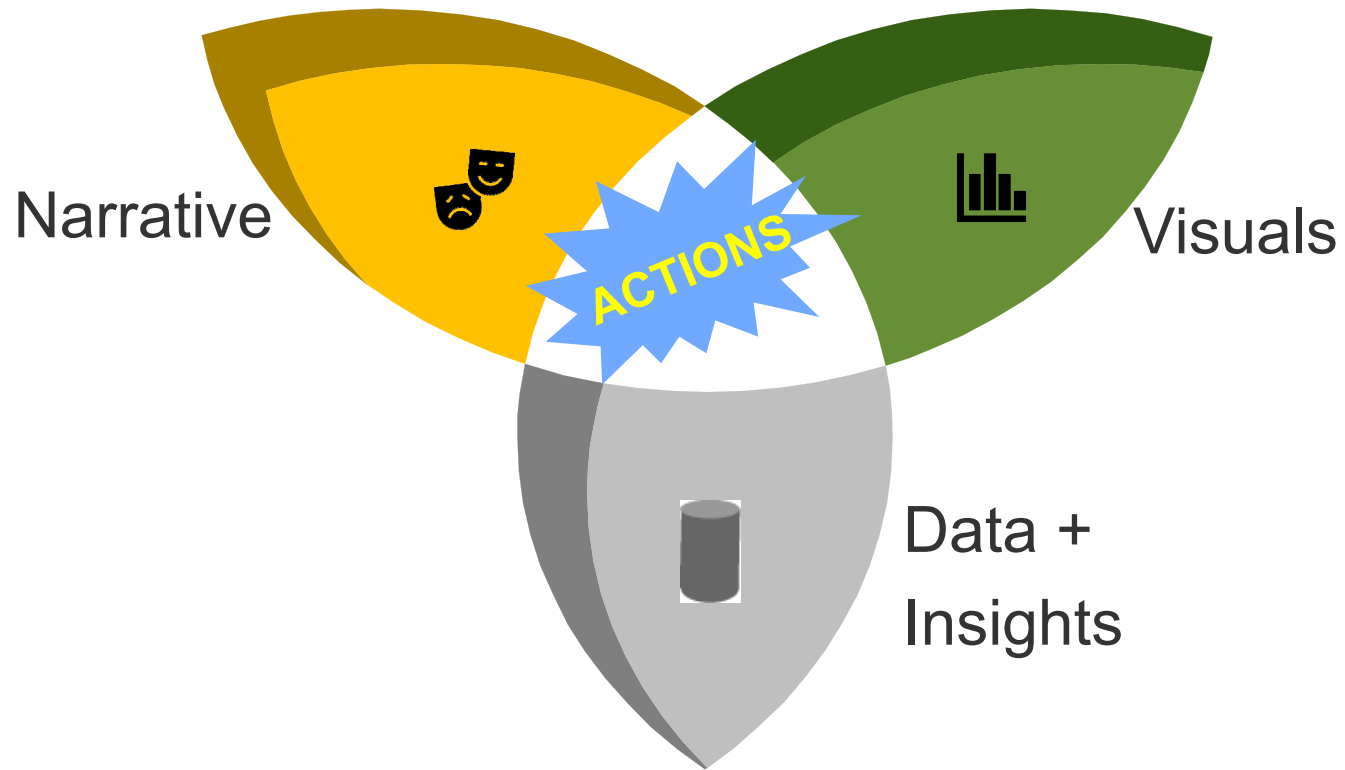Source: Storytelling And Data Visualization Will Turbocharge Insights-Driven Action Forrester report

The job to be done

1. Data Storytelling
Present data in ways that align with stakeholders' accountabilities

What is a data story?

Narrative

Visuals

Data +
Insights

ACTIONS

A **story** turns an idea into a listener's **own experience**. Literally.

How does data storytelling get the job done?

"Many analysts and insights pros assume that the data we provide speaks for itself. It doesn't.

We bring data, facts, and measurements to our stakeholders, but what's missing is the bridge from the data **to the emotional engagement that actually drives decisions**.

We drive that emotion through storytelling."

--- *Brent Dykes, Director of Data Strategy, Domo*

The 5-step Playbook for a story that drives action from data and insights

1. Define your story's purpose: the <u>action</u>(s) you are working to drive.

2. Analyze the audience setting and frame of mind.

3. Structure your story with a simple 3-part outline.

4. Rehearse your story with colleagues. Take and give supportive feedback from / to colleagues.

5. Always have a "speedthrough" version of a key story ready.

Source: "Storytelling And Data Visualization Will Turbocharge Insights-Driven Action" Forrester report

Step 1: Define the purpose: the <u>action</u>(s) you are working to drive.

The statement should be as few words as you can make it.

Your statement <u>must</u> include these elements:

1. The <u>specific action(s)</u> you seek that your story will drive
2. The reason(s) the time is right now to apply these insights

Step 2: Analyze your audience's frame of mind

Every audience member <u>always</u> has these 2 questions. You must answer them - indirectly.

1. What's in this for me?
2. Why do I need to care?

Step 3: Structure and craft your story in three parts

1. Set it up

2. Convince the audience

3. Agree on next steps

The problem that needs solving (or opportunity we see)

Why do we need to care about this <u>now</u>

The insight or recommendation for action

The evidence you have about the problem / opportunity

What will convince <u>this</u> audience of your vision?

What we need to do about it

Provide the conclusion, the ask: what do we agree needs to be done, by whom, and when?

What will you give in return?

Step 4: Rehearse your story with colleagues

› A self-explanatory step – but a critical one!

› Ask for and respond to feedback

Source: Storytelling And Data Visualization Will Turbocharge Insights-Driven Action Forrester report

Step 5: Prepare a "speedthrough" story

SPEEDTHROUGH STORY = A 1-MIN. OR LESS VERSION OF YOUR FULL DATA STORY

› Use cases for speedthrough stories:
  • Planned: Exec: asks for a briefing on a project; agrees to attend a "presoak"
  • Unplanned: You meet an exec / key stakeholder by chance (e.g., hallway)

› Use the same process: audience analysis, rehearse . . . to the point of memorization

Source: Storytelling And Data Visualization Will Turbocharge Insights-Driven Action Forrester report

The three key takeaways

1. Many analysts and insights pros assume that the data we provide speaks for itself. It doesn't.
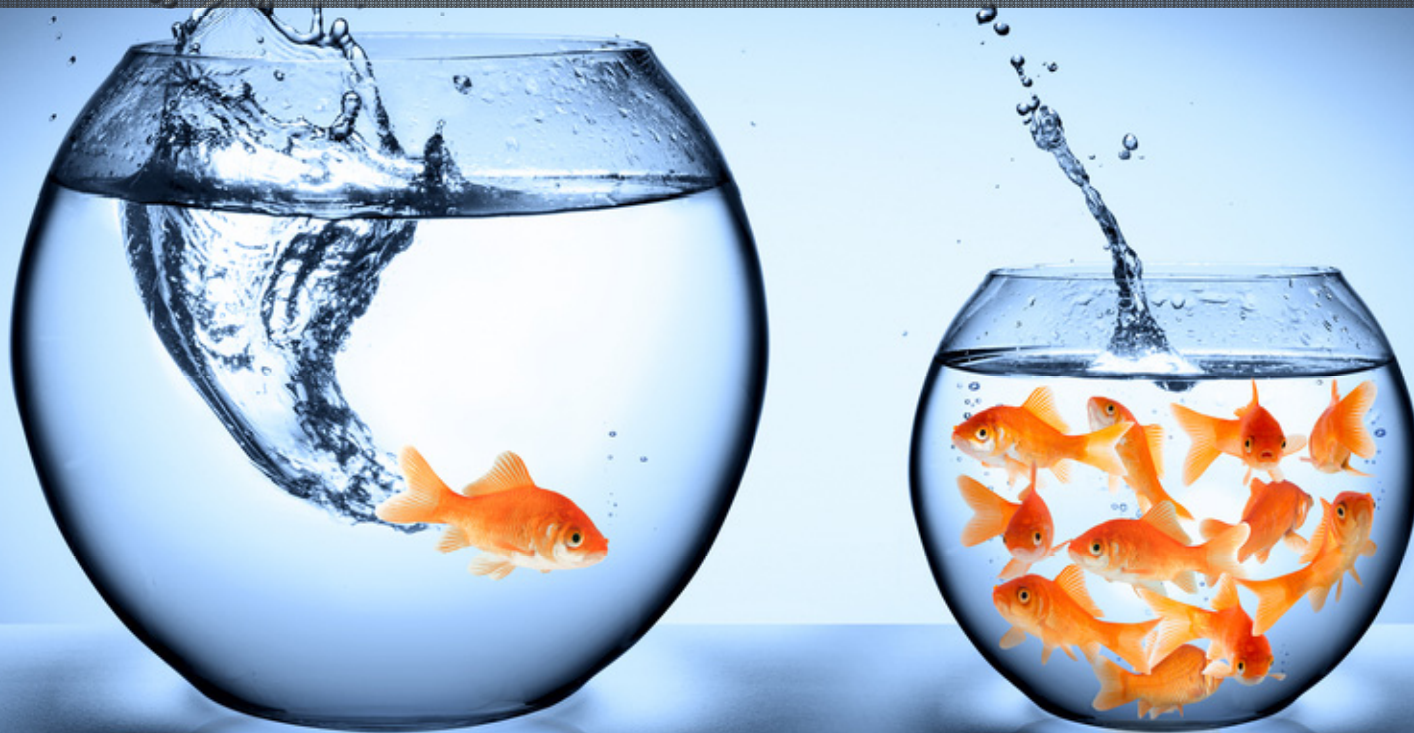
2. Every stakeholder <u>always</u> has these 2 questions when you are presenting. Answer them.
  A. What's in this for me?
  B. Why do I need to care?

3. Use these repeatable processes to solve for the blockers:

  A. Goal-KPI-Action-Data to align on what matters most
  B. Data storytelling

Leaders use repeatable frameworks to drive actions from data and insights.

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Cinny Little
clittle@forrester.com

Thank you

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