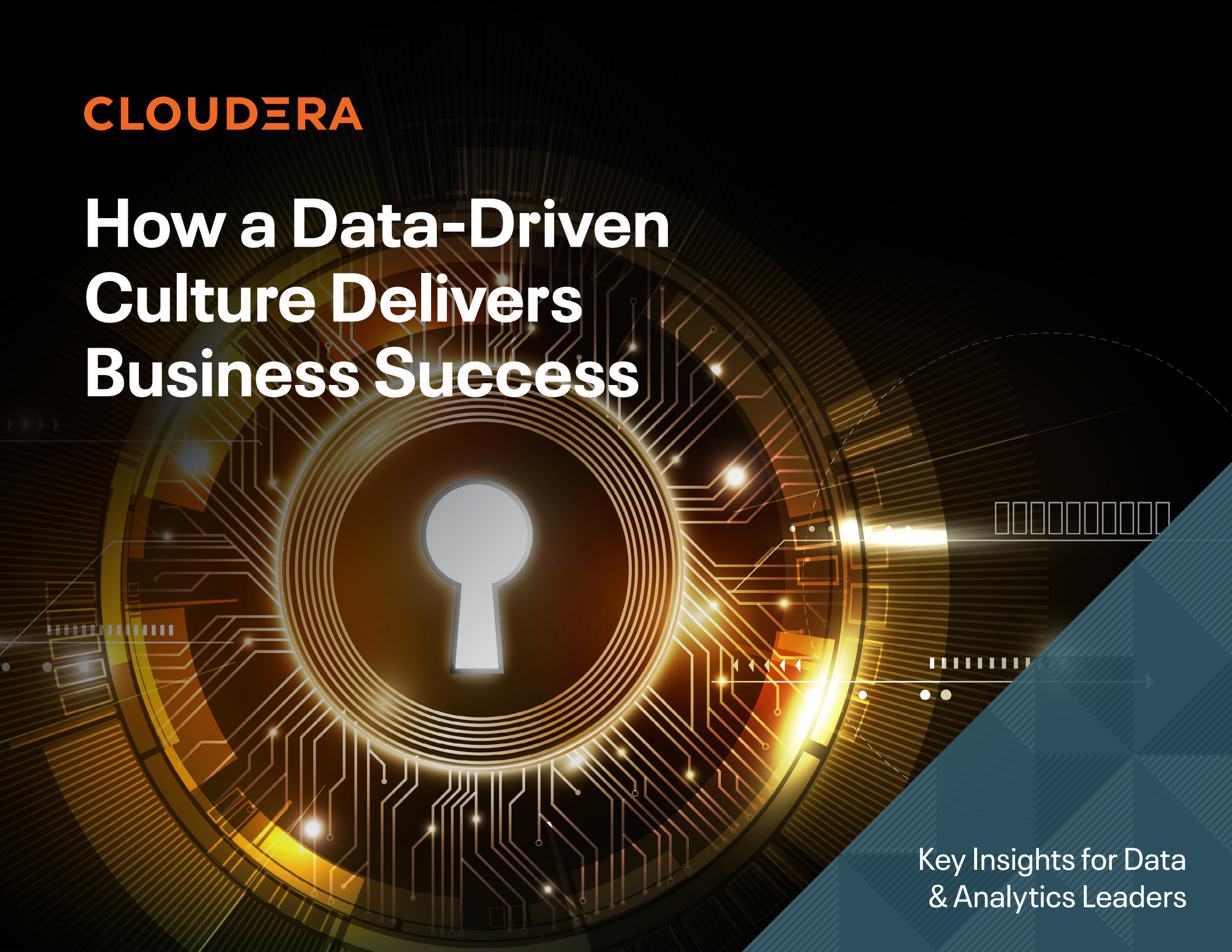
CLOUDERA

How a Data-Driven Culture Delivers Business Success



Key Insights for Data & Analytics Leaders

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Introduction

Organizations across industries must leverage their data in order to remain competitive. Yet, many struggle to transition toward companywide, fact-based, data-driven strategies. Too often, digital transformation efforts fall short—stymied by complexity, time, resources or other blockers. So, how can data and analytics leaders do things differently and deliver real results, quickly?

There are a few important success factors, spanning people, process and technology. Transformational leaders must instill a culture that enables teams across the organization to make strategic and tactical data-driven decisions more easily, regardless of their place on the data competency spectrum. Within such a culture, forward-looking executives drive initiatives to identify and organize data assets, increase data literacy, remove data silos and leverage technology in support of more effective analysis. They must also support a wide variety of data and analytics use cases across their organizations, and get good at exploring and operationalizing new datasets and ideas.

In this ebook, we'll discuss the importance of developing a data-driven culture and the key role data and analytics leaders play in empowering their organization for better business outcomes.

The Data Landscape

The opportunity for data and analytics leaders has never been greater. Data volumes continue to grow at exponential rates. New methods of measuring value are putting real dollar figures on the value created—or lost—by effective use of analytics. Current statistics underscore the need and potential for strong leaders to make an impact.

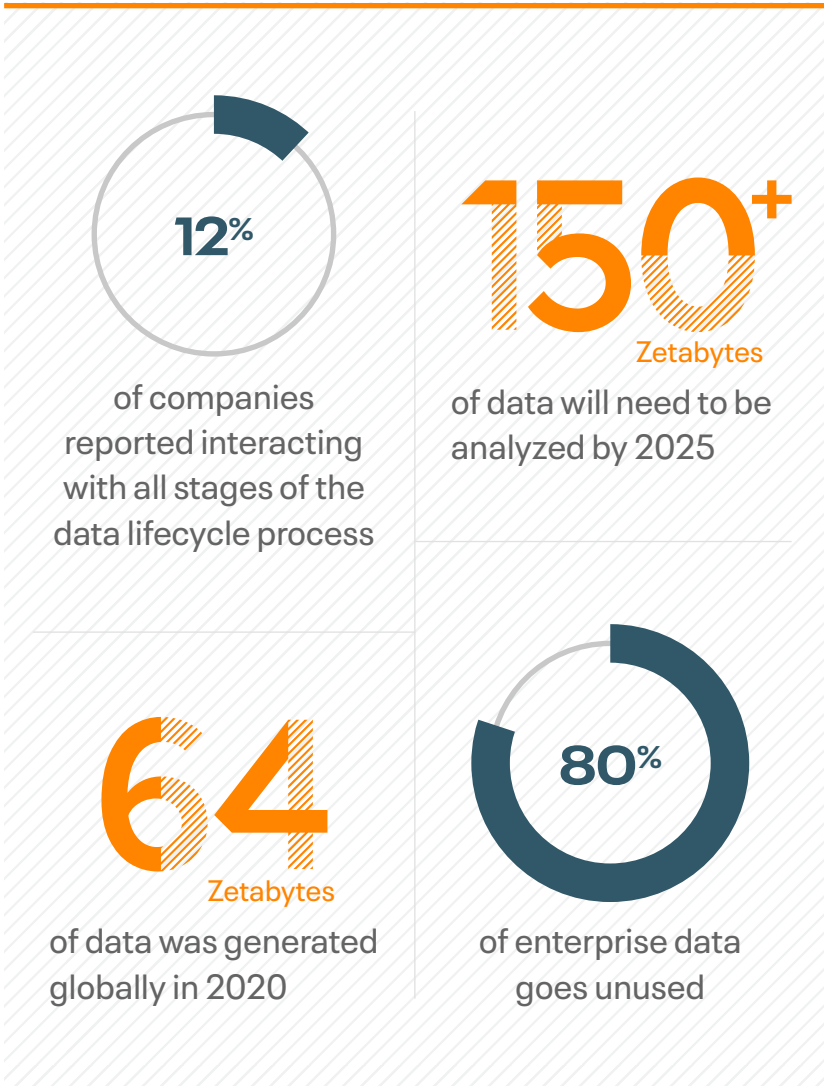
Data is exploding: IDC reports[1] that in 2020, 64 zettabytes of data were generated globally, with the rate of creation and replication expected to increase 23 percent a year through 2025.

Need for analysis: All that data will need to be analyzed if it is to yield business insights. Cumulatively, more than 150 zettabytes of data will need to be analyzed by 2025, IBM reports[2]. Researchers at Global Industry Analysts, Inc. predict[3] the Big Data market will top $234 billion by 2026.

Data is underutilized: Data education and research provider TDWI estimates[4] that roughly 80 percent of enterprise data goes unused. In a Cloudera survey[5] of senior business decision-makers, only 12 percent reported that their organization interacts with all stages of the data lifecycle process.*

Hybrid cloud is key: Nearly all senior business decision-makers (92 percent) believe that making sense of all data across hybrid, multicloud and on-premises architectures is or would be valuable, Cloudera found.

*Read the Enterprise Data Maturity Index to learn more.



The Data Promise

If businesses could make effective use of all of their data, they could drive better business outcomes. Researchers at the University of Texas, Austin found that just a 10 percent increase[6] in data usability could increase the average Fortune 1000 company's revenue by over $2 billion.

Wide-ranging impacts

Cloudera research[4] has found that organizations with mature enterprise data strategies in place for at least 12 months report higher profit growth, and 96 percent of them said that the way data is handled and managed has positively impacted their organizations' performance. Close to two-thirds (64 percent) reported stronger levels of resiliency thanks to a mature data strategy, and most of those using enterprise data strategies for more than a year (63 percent) reported those strategies to be very effective overall.

Better decisions, more control

Among organizations that leverage their data, 69 percent report making better strategic decisions, 54 percent see enhanced operational process controls, and 52 percent have a better understanding of their customers, the Business Application Research Center (BARC) reports[7].

Organizationwide orientation

Better use of data benefits not just strategic thinkers in the C-suite, but teams at all levels. Some 87 percent of business executives say frontline staff would benefit from improved insights, Harvard Business Review[8] reports.

> "A 10 percent increase in data usability could increase the average Fortune 1000 company's revenue by over $2 billion."
>
> - Researchers at the University of Texas, Austin

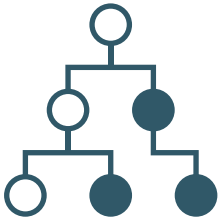
The Role of the Data and Analytics Leader

Data and analytics leaders play a pivotal role in the pursuit of a data-driven culture. These individuals understand the power of data, set precedents and demonstrate by example the ways in which data can drive specific business outcomes. Additionally, they must hold teams across the organization accountable, ensuring the lens of data is applied to any significant decision-making process.

Whether an organization has a "Chief Data Officer" or "Chief Analytics Officer," or the role is filled by the Chief Digital Officer, CTO, CIO, CFO, IT leaders or aspiring directors, it's a critical role. To achieve business transformation goals, a strong leader must be selected to champion the effort. Whatever the title, this lead executive will set the tone and be a motivational force for data literacy.

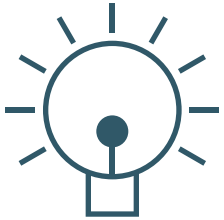
The specific goals of data and analytics leaders vary, but most share one big one: Gartner researchers have found that 72 percent[9] of data and analytics leaders are deeply engaged in driving digital transformation initiatives. They describe[10] five additional key functions for the data and analytics leader:

IDENTIFYING
what decisions to reengineer, and why



PRIORITIZING
decisions, analytics and data

INTEGRATING
artificial intelligence into decision making



RETHINKING
your data and analytics architecture

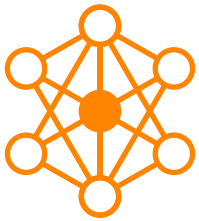
BUILDING
skills, habits and teams geared for effective decision making

Toward a Data-Driven Culture

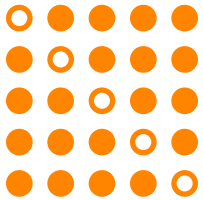
Many organizations already acknowledge the need for a data-driven culture, yet face challenges with implementation. Respondents to a recent BARC survey, for example, rank the need for a data-driven culture as one of the top three[11] most important business intelligence trends. But what, exactly, is a data-driven culture?

In the simplest terms, a data-driven culture means that most, if not all, employees use data and analytics to make decisions, measure impact and do their jobs effectively. "By making better-informed decisions with data, companies can grow revenue quickly and efficiently," according to the Digital Strategy Institute[12]. To that end, "everyone in an organization should have access to as much data as possible. This data should be presented in a straightforward and easy-to-understand format so that people who aren't familiar with the ins and outs of finance—such as product managers—can still use it to inform their decisions."

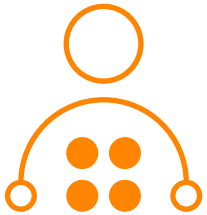
In a data-driven culture...



...data is treated as a strategic asset of the company. From ingest to insights, data is viewed as an opportunity to gain a competitive advantage.



...data is readily available. Rather than only focusing on isolated, project-oriented use cases within the data science team, the organization emphasizes "data democratization" – putting key information in the hands of the average user.



...the focus on data as a strategic asset is supported by key leadership and a well-developed enterprise data strategy that is communicated and understood by the entire organization.

Why Developing a Data-Driven Culture Matters

The right culture provides the organizational underpinning that supports the efforts of data and analytics leaders. Ignore culture at your peril. Many reference the famous quote attributed to management guru Pete Drucker: "Culture eats strategy for breakfast." Without attention to culture, enterprise data strategies may not deliver expected results – or make an impact fast enough.

Identify and remove potential barriers, for faster, bigger impact.

By establishing a culture that recognizes and values the significance of data and analytics, leaders empower an organization wide approach that ultimately leads to a greater impact and faster transformation. Many executives have pointed to lack of alignment within the organization as a barrier to adopting big data, according to the Harvard Business Review[13]. By focusing on culture, data and analytics leaders put themselves in a position to leverage data more fully and effectively, as they seek to drive organizational change.

Foster faster, easier collaboration and innovation, enterprise-wide.

In a data-driven culture, a shared language around data and a mutual understanding of its importance together can drive enhanced collaboration. With everyone "working from the same playbook," the shared use of data as a business driver occurs more easily and organically. Data literacy expands beyond the advanced mathematics of the data science team to all employees – from executives to operations to a new breed of "citizen data scientist," on the front lines of the business. Self-service access to data can also play a big role, users at all levels are invited to explore data for analytic purposes — a vital first step toward turning mere data into interesting, actionable business insights.

Reduce risks.

A data-driven culture focuses on minimizing risk as a key piece of its value proposition. When an organization better understands the value of its data and analytics, all employees can support improved security and risk reduction. Beyond data security, embracing data-driven culture also reduces other organizational risks, such as losing top talent or falling behind competitors.

3 Practical Steps to Take

Given the high intrinsic value of data that is un- or underutilized, many if not most organizations face an urgent need to embrace a data-driven culture. It may take a while, but transformation depends on leading this shift.

Data and analytics leaders can start with three practical steps:

1 Find internal champions and fans

Identify and connect with people who are passionate about the potential for data and analytics to drive more meaningful outcomes at your organization. Listen to them. Get ideas about what a data-driven culture could look like at your company. In the process, learn about potential use cases, available budget and business champions. Build a strong internal network.

2 Follow the data

While it may sound obvious, get curious about how data flows through your organization. What are the core datasets? Where does data presently circulate, and how? What's working? This exercise can uncover existing groups with a strong data-driven culture (that could be expanded), as well as where to focus next for greatest impact.

3 Use the right tools

Fundamental to a data-driven culture is data that is accurate and accessible. With a data management and analytics platform, organizations can effectively manage and secure the data lifecycle, seamlessly connecting on-premises environments to public clouds in order to make data manageable, governable and readily-available.

How Cloudera Enables a Data-Driven Culture

Data-driven culture implies shared beliefs and values around data, with employee perceptions and behaviors all in sync. A unified data platform is the operational nucleus of that strategy—it's the backbone that supports faster time to insight, easier global access and makes it possible to leverage data in across the organization.

Cloudera empowers data and analytics leaders to transform their businesses faster and more efficiently than ever before. Now, data-driven executives can deliver more innovation, more business use cases and more impact across the organization.

The Hybrid Data Cloud helps organizations unify data from many sources in a secure environment, along with the tools and access needed to bring a data-driven culture to life. Cloudera offers a modern stack for analytics, machine learning and AI that includes a robust data platform, security and governance capabilities.

With the Hybrid Data Cloud, enterprises have a seamless experience across public clouds or datacenters.

This radically accelerates the "innovation to impact" cycle for data and analytics leaders, enabling faster data ingest, testing, development and deployment to production.

Cloudera enables organizations to make sense of all of their data, wherever it resides, delivering real-time insights to make smarter decisions for greater business agility and sustained business growth.

Now, companies can apply analytics, machine learning and artificial intelligence technologies to virtually any dataset—and drive lasting, transformational impact.

Learn More

About Cloudera

At Cloudera, we believe that data can make what is impossible today, possible tomorrow. We empower people to transform complex data into clear and actionable insights. Cloudera delivers an enterprise data cloud for any data, anywhere, from the Edge to AI. Powered by the relentless innovation of the open source community, Cloudera advances digital transformation for the world's largest enterprises.

Learn more at cloudera.com | US: +1 888 789 1488 | Outside the US: +1 650 362 0488

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