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2021 Data Strategy Benchmark Report

Data Strategy: What's the Score?

Big Data London 2021 attendees completed the Cynozure Data Strategy Scorecard, to assess the strengths (and areas to improve) of their Data Strategy. We've compiled the results in this benchmark report.



Data strategy is all about delivering business value through the application of data, and our data strategy scorecard is designed to help identify the strengths of your data strategy, and also understand where to focus attention to deliver real business value.

This year, we teamed up with Big Data LDN, a two-day data-focused conference and exhibition, and we're delighted that we're now able to publish the insights gathered from Big Data LDN participants when they completed our scorecard.

Respondents represented a variety of sectors including retail (9%), digital services (24%), public sector (7%), financial services (21%), media and telecoms (18%), distribution and logistics (6%), charity and not-for-profit (6%) and leisure and entertainment (9%). C-level executives made up 12% of respondents, Directors/VPs 16%, Managers 51% and Contributors 21%.

The quality research that we obtained from the scorecard data is important for the industry because it shines a light on areas of data strategy that businesses are struggling to implement, and enables us to hypothesise as to why this might be the case. We can also make suggestions on how best to move forward with data strategy in ways that will both benefit individual sectors, and also the industry as a whole.

We hope our research will help you recognise where you sit in relation to your own data strategy and provide you with some guidance on how to improve your ranking for each of our six pillars.



If you would like to see how your own data strategy scores in relation to our six pillars, and how it compares to this industry benchmark, you can complete the Data Strategy Scorecard at datastrategyscorecard.cynozure.com



The Six Pillars of Data Strategy

At Cynozure we know that building a data strategy is an important first step in moving business agendas forward, and we've developed our 'six pillars' to provide an effective roadmap which can be used as a framework to generate business value from data and analytics.

Our scorecard focusses on these six pillars and provides targeted advice based on how an organisation scores in each of the six categories. The score you receive for each pillar enables you to focus on the right outcomes, build the right capabilities and have clarity on the plan and actions you need to take in order to develop a sharp, adaptable and outcome-focused data strategy.



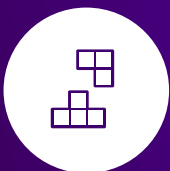
**Vision
& Value**



**People
& Culture**



**Operating
Model**



**Technology &
Architecture**



**Data
Management**



Roadmap



Overall Results

The overall results were very encouraging with a massive 82% of Big Data LDN respondents confirming that they had strong foundations in place upon which to build and improve their data strategy, and in addition, 10% reported that they were 'flying high' with a secure data strategy in place.

However, over half (51%) of those who responded admitted to not having a clear plan for improving their data capabilities, suggesting that there is a real need for further education around how to plan and scale a data strategy.

The results also indicated that C-level executives and those who were directly involved in business development thought that their data strategy was better defined than those in middle management roles, possibly indicating that those working hands feel there is more to do and understand the challenge more closely. We also found that businesses in the retail and digital services sectors scored more highly across all pillars than businesses in the charities and leisure sectors. In particular, there was a need for more work around the technology and roadmap pillars within the charities and leisure sectors.



**have room
to improve**

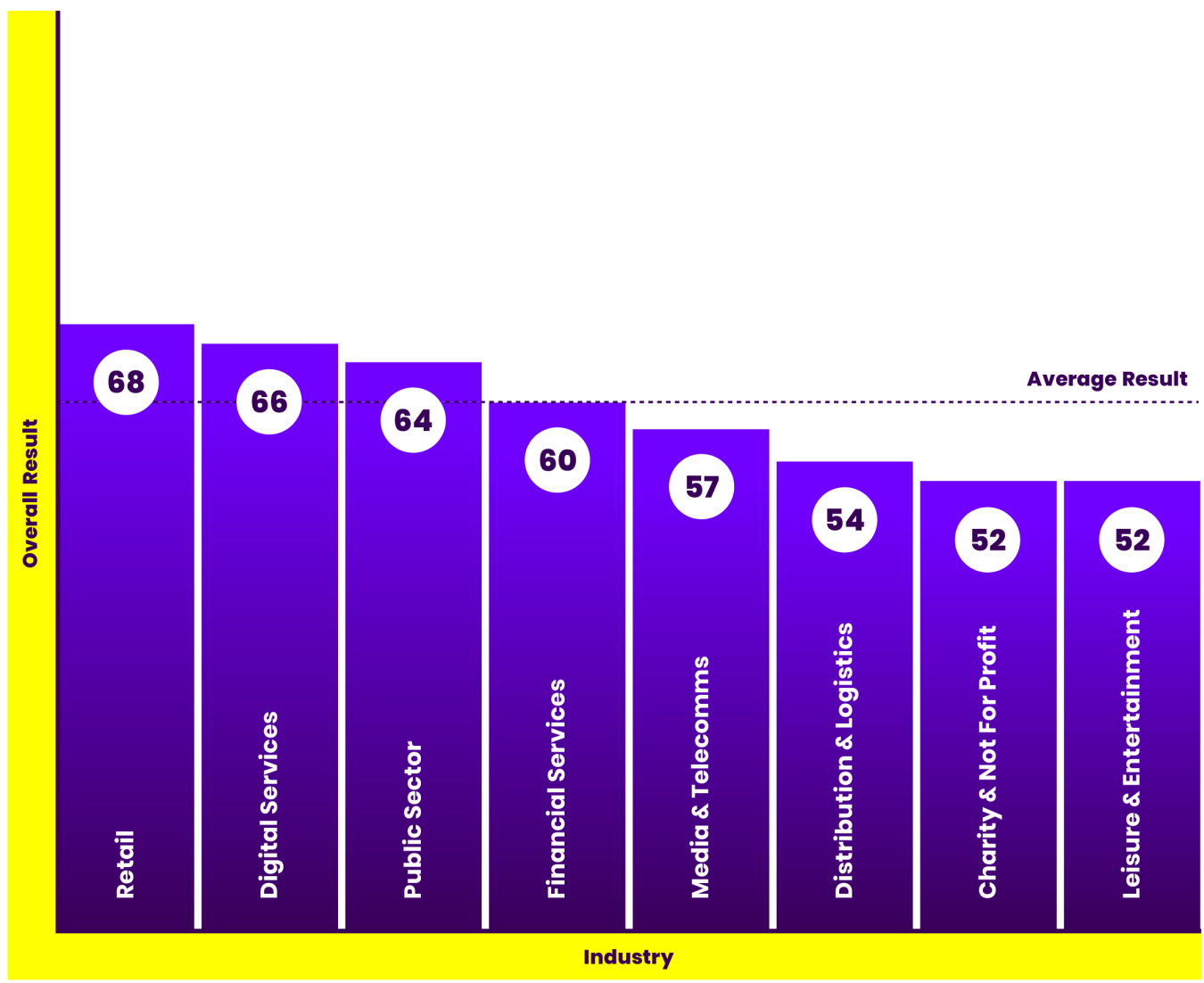


**have strong
foundations**



are flying high

Overall Results



Industry	Vision & Value	Operating Model	People & Culture	Data Governance	Technology & Architecture	Roadmap	Overall
Retail	71	61	64	77	67	63	68
Digital Services	71	68	66	67	56	62	66
Public Sector	63	67	60	70	67	60	64
Financial Services	67	57	61	65	54	50	60
Media & Telecomms	68	58	56	59	43	52	57
Distribution & Logistics	63	59	54	57	42	45	54
Charity & Not For Profit	57	54	50	50	54	45	52
Leisure & Entertainment	56	50	50	67	47	30	52
Average	67	60	59	65	53	53	60



Vision & Value

Our first data strategy pillar is all about aligning your data initiatives with business outcomes and so it looks at the big picture. Your vision should describe the important role data plays in achieving success for your organisation and the specific business value you are achieving by making decisions guided by data. Successful data strategies are purposeful, focused and restless in their attempt at delivering business outcomes.

Just 17% of respondents reported that lots of business value was delivered through the use of data.

83% were getting little value, or value only being delivered in pockets.

The fact that 83% of respondents believed that they were getting little business value, or pockets of value, from data is concerning and suggests that the majority of businesses represented have a lot of work to do around aligning their data strategy with their business outcomes. It can sometimes be difficult knowing where to start with this but our white paper provides a comprehensive guide to building and delivering your own data strategy. You can **download the paper here**.



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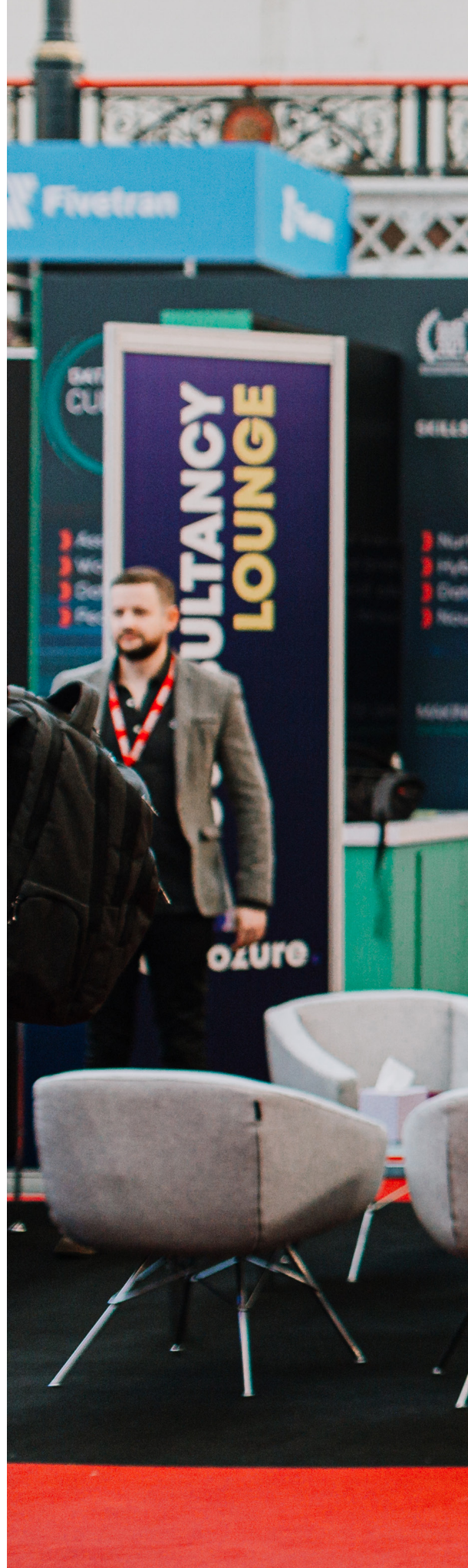
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Encouragingly, 79% of respondents felt that the benefits of using data within their organisation was understood, with 18% understanding the benefits very clearly. This indicates that for the majority of businesses, the value of data is understood and appreciated but that for some businesses there is work to do around communicating the benefits of using data within the organisation.

Interestingly, C-Level executives felt most clearly that the benefits of using data were understood which is perhaps an indication that communication between senior executives and their teams could be improved, or that there are gaps in training and literacy.

How to improve your score

Make sure you're clear on what you're trying to achieve and why. Spend time understanding what business outcomes will really make a difference and focus your data work on helping to achieve those outcomes. We would caution against doing too much more on the other pillars until you've improved this area as it's the area that will help direct what capabilities you need to put in place and for what benefit.





People & Culture

Making decisions guided by data is at its heart about your people and the culture of your organisations. This pillar looks at the skills needed to be successful at implementing your strategy and how best to organise them. This needs to be backed up by a culture of blending intuition, experience and insights that come together to help you make better decisions.

24% of respondents believed they had the necessary skills within their organisation to deliver strong value from data.

71% believed they had the right skills in some areas and 5% didn't think they had any of the necessary skills.

70% of participants felt that the benefits of using data within their organisation are partially understood with 4% stating that the benefits weren't clear at all.

How to improve your score

Invest in improving the capability of your teams to make decisions guided by data, and organise them in the best way to make that happen. As you mature as an organisation, and the data industry evolves around you, you'll need to keep an eye on whether the skills and structure remain the most effective for the next stage of your development.



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Operating Model

The way you operate can make or break your success and the business outcomes you deliver. This pillar helps to shape the approach you use for managing the implementation of your data strategy with pace and agility.

Scorecard results indicated a need for greater collaboration and co-operation within teams when building data solutions and delivering business outcomes. Unfortunately, only 10% of respondents felt that their teams always collaborated effectively which suggests that most businesses would benefit from having more robust communications strategies in place. When there is very little collaboration happening between teams, it almost always impacts on the success of the project.

Only 17% of respondents felt that the benefits of using data within their organisation are understood and this once again indicates the need for clear communication across all areas of the business. If the benefits of using data are not clearly understood by everyone in the business then it's going to be very difficult to get people on board with the implementation of your data strategy.

How to improve your score

You should look to put in place a pragmatic and progressive approach to prioritisation, treating data as a product, scaling ideas into working solutions and measuring the impact well-managed data is having on your organisation. Avoiding this pillar will have everyone pulling in different directions resulting in duplicated effort across multiple teams leading to frustration for everyone. In order to maximise the success of your data strategy and realise the full potential of your data projects, there's a real need for collaboration across the business.

13%

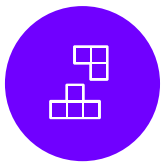
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71%

have strong foundations

17%

are flying high



Technology & Architecture

A critical element of your strategy is the technologies you select and the way you architect the solutions you develop. This pillar focuses on what tools you need in your end-to-end platform, and how to stitch them together. Crucially, this pillar also sets out how you will push insights out to the wider organisation. Often this covers technology including data ingestion, pipelines, modelling, visualisation, machine learning, and more components of your data platform.

69% of respondents reported struggling to manage data solutions because they lacked the technology to do so. This suggests that most businesses would benefit from selecting and implementing new technologies and that there is a need for businesses to provision data in a way that makes it straightforward to build the models, insights, dashboards and reports that it needs.

If you're finding it difficult to identify which tools you need in your end-to-end platform, you can **access our on-demand webinar here.**

How to improve your score

Make sure you understand all the components of an end-to-end technology platform, assess whether you have these already or need to procure them and work with your technology strategists to design a platform that will meet your needs today and in the future.



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Data Management

This pillar will ensure you have clarity on what data you have, where it is and how best to manage that data so that it's 'triple A' - available, accessible and actionable, and ultimately, trusted by the people interacting with it. Data governance is key among these six data strategy pillars, as it defines how you will keep your data secured and managed. Now these practices are more important than ever, particularly considering recent news around personal data, General Data Protection Regulation and the Information Commissioner's Office watchdog.

70% of respondents believed that the data in their organisation was clean, accurate, secure and well-managed but a concerning 14% of respondents did not trust the data held by their organisation. This suggests that some businesses have work to do around their data management processes, specifically making sure that data is made available in a controlled manner to all the teams that need it.

19% of respondents indicated that their organisation has not yet fully adopted an approach and mindset which enables them to deliver value with pace and certainty, suggesting that for some businesses there is a need for more secure data management strategies.

How to improve your score

The problem is that data strategies are complex and this is why businesses need a data strategy framework. A framework simplifies data collection and helps businesses use the data they collect in an intelligent way. Set policies and standards that are aligned to the use case and not one size fits all. Also, if buy-in is a challenge then remember the first rule of data governance is to not talk about data governance and ensure the conversation is aligned to strategic and operational business challenges instead.



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Roadmap

This pillar brings together the other pillars to create a pragmatic roadmap. A vision or strategy without a plan is just an idea and your data strategy is not complete without a clear picture of the stages you will go through to deliver business value and build out the necessary capabilities. You need an agile and adaptable plan that allows you to communicate the journey and improve at pace.

It's very concerning that 51% of scorecard respondents are not clear on the plan for improving their organisation's data capabilities and the benefits they get from data. The majority of respondents who felt that there was a need for a clearer strategy worked at management level, whereas C-Level executives and directors felt that data strategy was clearer.

This indicates that for the majority of businesses there is a strong need for a clearer data strategy, and for this strategy to be clearly communicated to everyone within the business. If managers are not well informed about data strategy, it is very difficult for them to train their teams and business outcomes will be negatively impacted as a result.

How to improve your score

Make sure your roadmap includes how you will address capability gaps and what the business focus will be. Agree funding to move you to the next stage and ensure that you're communicating and tracking progress.



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Conclusion

It's clear that the majority of participants who completed our scorecard felt that there was a fairly effective data strategy in place within their organisation, but in almost all of the pillars there is significant room for improvement. It's worth noting that of the respondents questioned, those working at management level had a less positive view of data strategy than c-level executives.

We also found that of those questioned, 29% stated that they didn't make decisions based on data. This is really surprising to us as it's clear from our own experience working with a wide range of organisations that the businesses which harness the power of data effectively and use it to drive business decisions grow much more quickly than those which don't. We're hopeful that with better data strategies being implemented in the future, we will start to see this number increase.

Next Steps

It's important to establish the fundamentals of how to create a data strategy early on. If you can nail each of the six pillars, your data will have the best possible foundation to generate business value from analytics.

If you've not yet completed our scorecard, you can find it [here](#)



How we can help

Good data strategy is something we're passionate about at Cynozure, and we'd love to share further insights with you. Our ambition is to improve the general level of knowledge of data strategy within industry, and also help make practices and processes within data management more effective.

If you need advice about data strategy, or need some support getting things off the ground, there are a number of ways we can help, please **visit our website to learn more.**



About Cynozure

Cynozure is a data and analytics strategy consultancy and we're on a mission to change the way business is done through positive use of data. In collaboration with forward-thinking organisations, governments, and individuals we advise – and deliver on – all aspects of data and analytics strategies.

This is achieved through advisory services, coaching and mentoring, solution and organisational design, technology implementation, business change programmes, and on-going support services.

Organisations that have benefited from our approach include Penguin Random House, British Red Cross, English National Opera, Greenpeace, HSBC and Knight Frank.

About Big Data Ldn

Big Data LDN is a free to attend two-day combined conference and exhibition focusing on how to build dynamic, data-driven enterprises. Delegates learn from pioneers, experts and real-world case studies, and discover new tools and techniques, which enables them to deliver business value from successful data projects. In 2021 Big Data LDN returned to Olympia London after going virtual in 2020.

The event provides delegates with the opportunity to discuss their business requirements with leading technology vendors and consultants and hear from expert speakers.

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Download our Data Strategy white paper for a more comprehensive look at how to build and deliver your own strategy.

