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Breaking Down Silos: The Importance of Creating An Open Data Organization

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The value big data and analytics can bring to an organization is clearly understood by executives today, and it has become a significant area of investment for most global enterprises. A recent GE/Accenture study found that 88% of executives view big data analytics as a top priority, and senior level management know it can be an asset in the areas of customer analytics, operational analytics and fraud and compliance. Yet, even as organizations recognize and invest in this area, the more meaningful outputs of big data analytics - insights and understanding - remain elusive.

One of the common misconceptions is that companies fail to make the jump from data and information to meaningful and actionable insights because they lack the correct type or the correct amount of data. This is not the case. Rather, we believe these companies fall short because they are unable to break down silos in their data and in their organizations.

This stops organizations from gaining a holistic view of their business and their customer. It also prevents them from understanding the why and what now questions, and inhibits findings that can allow the organization to anticipate and proactively respond to market and customer needs. Without access to multiple data sources across business units, it becomes difficult to achieve intended goals: becoming more nimble, responsive, and finding new ways to grow both the top and bottom lines.

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Why the Old Way Isn't Working

If you look at the data within an organization, you will see that it is rarely housed in a central, easy to access space. In many instances, it is scattered throughout the organization. This type of structure emerged over time as various business units implemented their own platforms and data repositories. These systems were built to do one thing well (CRM, ERP, finance, etc.) but not necessarily designed to integrate well with other platforms an organization had in place. Over time, as the volume and type of data grew, it was easier for organizations to keep information siloed within these specific systems.

In some organizations, data and systems are clearly "owned" by various business units or reside in various locations (inside the enterprise, in the cloud, on the web, owned by customers and partner companies). In other organizations, there exists a lack of clarity on the ownership of data, lack of access to data, lack of trust regarding the quality of data, or multiple disparate systems that have to come together through consolidation or acquisition that make using data difficult.

In these types of situations, business units often work with data in silos, use the data they have on hand or turn to the usual data sources they are comfortable with to address issues in their department, without looking at contributing factors outside their area. While this may be useful for some types of narrowly focused activities, for example tracking sales or delivery of goods, it generally only offers a limited view of the problem or situation.

In order to quickly see benefits from their big data investments, companies must change the way they approach data. They must break down silos and make data more transparent and usable by taking a strategic approach to data integration, data management and data governance. Additionally, they must shift their organizational culture and mindset to one based on rapid experimentation and borderless sharing of information.

BREAKING DOWN SILOS

In order to uncover rich information and insights, organizations need to break down walls that keep data segregated, and take a systematic approach to data integration. This often requires the company to invest time developing a big data analytics strategy, planning/outlining/implementing data governance policies, evaluating technical needs and technology capabilities, and establishing change management policies that allow new insights to be put into action. Organizations must also invest in an end-to-end big data analytics platform that can handle a variety of requirements, ranging from seamless integration of data from internal and external systems to advanced analytics.

BUILDING A SOLID FOUNDATION

When companies begin to aggregate their data, they often see it is messy and incomplete. As a result, organizations need to first build data sets that are solid, trustworthy and useful. In many cases, this requires implementing a well thought out data governance process and structure. This entails defining data standards, identifying the right data sources, ensuring the data and metadata is clean and of good quality. Data governance activities should also give definition to how data will be managed, and address data infrastructure elements such as security, storage and archiving. Finally, data governance structure should also take into account needs of various stakeholders that will be utilizing the data, and promote collaboration and sharing of information.