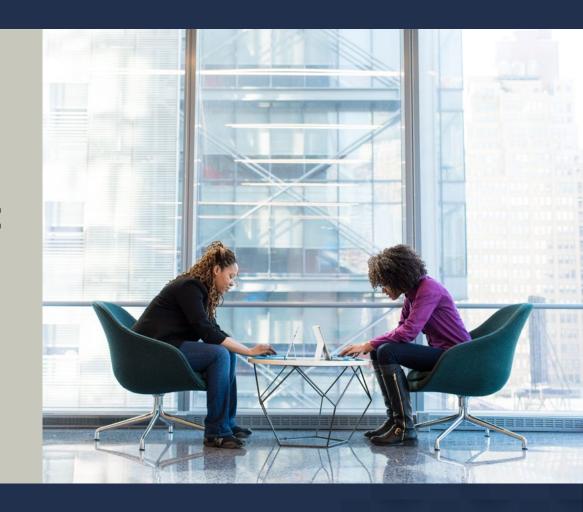# incorta

Top 5 Reasons Your Analytics Project is Guaranteed to Fail

Why a misunderstood definition of "failure" and outdated, inadequate approaches jeopardize critical data insight initiatives.

DIRECT DATA MAPPING
incorta.

incorta

FAIL•URE

noun
Commonly defined as nonperformance of something due, required, or expected; a subnormal quantity or quality; an insufficiency.

What does "Failure" Really Mean when It Comes to Analytics Projects?

Gartner estimates anywhere from 70 to 80 percent of business intelligence (BI) initiatives end up failing.[1] But what does this really mean?

Many companies can overlook intermittent failures if the end result exceeds expectations. How often does this actually happen when it comes to BI, though? After all, what's deemed a success from a technical perspective still can fail miserably if it doesn't meet the expectations of business users.

Depending upon how long the project takes to complete, there's also the opportunity cost paid by the company while it waited for critical insights to be delivered. The longer the project takes to

complete, the higher that opportunity cost. Taking this pain point into account, at what point—or at what dollar threshold—does an active analytics project fail?

Yet, at its very essence, the failure of any analytics or BI project comes down to one thing: an inability to deliver critical, up-to-date business insights in a timely manner any user can leverage to take immediate action that positively impacts the business.

There are many factors that contribute to this deficiency. In this ebook, we identify the top five reasons analytics projects "fail."

1. CIO Magazine, "4 Reasons Most Companies Fail at Business Intelligence." Sept. 17, 2017.

incorta

Knowledge is Power—Understand the Top 5 Reasons Analytics Projects Fail

Reason #1

People underestimate the value of analytics because they don't understand its true business value.

Reason #2

Business users don't trust the data delivered by the analytics project.

Reason #3

Users have to decide the questions they want to ask before they have any insightful answers.

Reason #4

Project leaders prioritize technical skills over business acumen.

Reason #5

The analytics is too heavily customized—and without enough documentation—to maintain over time.

Let's discuss each reason in more detail.

REASON #1

People underestimate the value of analytics because they don't understand its true business value.

In organizations lacking business insight, finally getting ready access to a visually appealing dashboard—instead of receiving yet another Excel spreadsheet or PowerPoint graph—may seem like progress. But does it really move the needle for your business?

Asked another way: *what exactly does that visualization tell you, and what specifically are you going to do differently or better because of it?*

If you can't answer these two key questions, you can bet you're not asking the right questions with your analytics projects. And you're not alone. For the most part, people still haven't fully figured out how to use data to make timely and actionable business decisions. Despite referencing many parameters and a lot of data points, the majority of decision makers still rely upon gut feelings and instinct. Often, they take this approach because they were burned before by making a purely data-based decision using information that turned out to be inaccurate, incomplete, or out of date. Because of this past betrayal, they're reluctant to disregard their intuitions completely despite what the data may tell them.

Which leads us to our second reason analytics projects fail...

incorta

REASON #2

Business users don't trust the data delivered by the analytics project.

Most enterprise analytics projects summarize data in aggregates and present the information via dashboards and visualizations. As a result, a large part of the BI market focuses on the visualization side of the equation: presenting complex information in a visually appealing and easily digestible manner.

While these tools are helpful snapshots of data, they typically don't enable business users to easily drill down into the data—from top level all the way through to transactional details—to verify the information or understand additional context when needed.

And that's a nerve-wracking proposition for a business user making a critical business decision based upon the limited data they receive from that analytics project.

That's why many analytics projects that fail are the ones that focus too heavily on the visualization component— the analytics designers focus on the visual appeal of a dashboard, for example, instead of ensuring the actual business criticality of and easy access to the analytics, data, and insights delivered by it.

incorta

REASON #3

Users have to decide the questions they want to ask before they have any insightful answers.

Using the traditional, data-modeling approach to analytics, business users need to provide their business requirements and define the questions they want analytics to answer at the beginning of the project. Yet many business users are new to analytics; at the beginning of the project, they can't articulate their business requirements, and they don't know which questions they want to ask. They struggle to understand what data can do for them—they simply don't know what's possible.

In addition, because they're forced to decide the questions they want to ask before they have any insightful answers

from their data, the dashboards, reports, and insights they receive often are insufficient and quickly become outdated. The business evolves, and the data evolves, but the dashboards, reports, and insights built with rigid, inflexible tools become stagnant and are difficult to modify—and impossible to update without heavy involvement from technical resources already buried by other priorities. As a result, users rely upon these once-valuable tools less and less, and the tools' relevancy quickly dwindles.

incorta

Project leaders prioritize technical skills over business acumen.

Analytics projects powered by data warehouses and data modeling require the involvement of technologists who know how to design and implement these complicated components. As a result, many companies tend to prioritize technical skill sets over business acumen when putting together the analytics project team—but successful analytics projects need technical skill sets and business acumen to be on equal footing when setting the vision for the analytics project.

That's because technical resources rarely comprehend the business context of what users are trying to understand or achieve with the data. Only the business side of the equation understands the compelling questions, problems, and challenges the analytics project needs to answer—and more importantly, *why* they need to be answered.

incorta

REASON #5

The analytics is too heavily customized—and without enough documentation—to maintain over time.

In many cases, the analytics is too customized and lacks the support documentation needed to maintain it properly over time. The people who built the complex analytics model are no longer with the company, and no one who remains knows how to modify or update it.

Also, because it's so complex, proper documentation is rarely completed, so those who inherit the difficult architecture are left with an ugly, misunderstood mess to try to manage and maintain. Often, they decide ramping up a new analytics project is easier and faster than attempting to dissect and understand the convoluted one they inherited.

incorta

Modern Analytics Platforms—
Solving the Previously Unsolvable

The promise of modern analytics platforms is that they overcome these reasons analytics projects currently fail.

Unfortunately, any analytics vendor can *claim* to be "modern." But to truly be modern, the analytics platform—at a minimum—must:

- ✓ **Clearly, quickly, and consistently demonstrate business value to the people who need it most—the business users.**

- ✓ **Deliver up-to-date, accurate data that's a "single source of truth" all stakeholders can trust.**

- ✓ **Liberate users from having to decide the questions they want to ask at the onset of the analytics implementation, before they've even received any insights.**

- ✓ **Provide fresh user dashboards, reports, and insights featuring current data, whenever and wherever they're needed.**

- ✓ **Prioritize ease of deployment and implementation so much that business acumen becomes as equally coveted as a prized skillset for analytics project leaders as technical know-how.**

- ✓ **Ensure the data, analytics, and insights delivered are not only presented in a visually pleasing manner, but are ones that matter to the business and help drive critical decisions made by management.**

- ✓ **Not require heavy customization, intensive resources, and complicated documentation in order to properly support and maintain it over time**

By mandating that any new, "modern" analytics platforms you consider meet these seven key requirements, you'll avoid the failure and lingering pain so common to legacy analytics projects, and instead exceed the high expectations of your business users while gaining the respect and trust of the C-suite.

**Find out what every analytics project needs to answer and why—
read The 3 Questions Every Analytics Project Needs to Answer ebook.**

incorta

The Data Direct Platform™