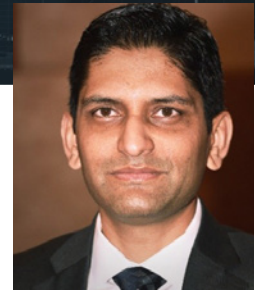# 7 Tips for a Successful Analytics Maturity Assessment

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Whether you are a marketing leader dealing with stunted customer growth, a compliance executive evaluating your organization's readiness to adopt data-driven risk assessment or a COO grappling with operational inefficiencies, chances are you have at some point contemplated an analytics maturity assessment of your department or organization. Are our data assets being sufficiently utilized? Are we technologically equipped to handle the volume, variety and velocity of data and handle critical use cases in real time? Are the teams and resources skilled appropriately to cater to the ever-evolving analytics needs? These are some of the questions you'd like answered to help you make strategic investment decisions in technology, talent, organizational structure, third-party products and services.

Regardless of whether you go with a DIY approach or hire an external consultant to do an outside-in assessment, following are some guidelines that will help make the assessment more comprehensive, accurate and meaningful.

1 Get senior management buy-in and communication upfront.

Resistance to scrutiny is natural, but clear messaging explaining that the initiative is a constructive introspection rather than a fault-finding mission is key and will help you avoid unnecessary confusion, conflict and indifference. Leadership should in fact position this as an opportunity for all stakeholders

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to candidly discuss success stories and challenges that have hitherto remained unnoticed. This is as much a forum to present new ideas and innovative workarounds that could be adopted in other parts of the organization, as it is a chance to open up about roadblocks and boondoggles they are living with.

2 Staff appropriately

Staff appropriately with a diverse, unbiased and trusted group of individuals including:

- A project lead (with the gravitas and experience of managing such initiatives)

- Industry and functional experts (who can keep the team honest about the over-arching business imperatives)

- Technology and platform expert (aka the IT guy)

- Data modeling and management expert (aka Data Engineer)

- Analytics process & delivery expert (aka the Data Scientist)

The exercise will inevitably involve a significant number of interviews, discussions and workshops with various stakeholders. You should always have at least one team member who speaks the same language as the interviewee and can empathize with their perspective and their pain points.

3 Don't try to force-fit a quantitative framework

Data, technology, analytics techniques and skills would often lend themselves to quantitative comparisons (with some maneuvering), but there are other dimensions that are best captured qualitatively e.g. **organizational structure & dynamics** and **appetite for innovation**.

It is important to understand the organizational and cultural elements that support/ impede analytics—centralized vs. federated structures, fiefdoms and siloes, state of knowledge management, extent of democratization of analytics etc. Do remember that the needs of

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Even within an organization or department you'd find pockets of innovation—teams that operate like "_skunk works_" and constantly experiment with new ideas—while the rest remain complacent with legacy systems and archaic processes. Such nuances can only be brought to bear through a qualitative profiling.

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every organization are unique. Structures and frameworks that work beautifully at one might bring dissonance to the other.

4 Use a 3-pronged approach for evaluation

While bulk of the data points will come from interviews, in order to truly understand the analytics DNA of an organization, one has to dig deeper to a tactical level. A triangulation approach is recommended to get a complete, 3D picture:

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(a) Top-Down Assessment—based on in-depth interviews with business leaders to understand end-user analytics needs, as well as technology stakeholders who could provide inputs on infrastructure and analytic capabilities.

(b) Bottom-Up Assessment—based on analytics workflow manifested through 8-10 key use cases that are representative of the analytics needs across the organization. The idea is to deep dive into the analytics development lifecycle from ideation to implementation for each use case and identify gaps and potential areas of opportunity that can be extrapolated to the departmental or organizational level.

(c) Industry benchmarking of key parameters— with similar sized companies in similar industries. Leverage publicly available data to compare across key dimensions, getting as granular as possible—data assets, platforms, technologies, tools, techniques, skills, compliance standards, organizational structures, roles, commitment towards innovation.

5 Assess for future requirements, not just current needs

For fast-evolving, highly competitive industries the ability to rapidly launch innovative products/ programs might be mere tablestakes. Is the organization agile enough to repeatedly identify new opportunities, break new ground, fail fast and course-correct? Are the leaders willing to invest in the future? Are the teams ready to risk trying new things? Is the analytics infrastructure equipped to handle future customer demand, vicissitudes of supply chain, regulatory landscape, fraud and data security risks?

Future-proofing analytics should be a key objective

of the exercise and something to be factored in during interviews, gap analyses, evaluation and roadmap development.

6 Prioritize outcomes and impact, not the sophistication of the process

In many use cases a linear regression model can provide about the same lift as more advanced machine learning models such as GBM (Gradient Boosting Machine, an ensemble technique) or a CNN (Convolutional Neural Network, a popular deep learning algorithm). So why bother with fancy techniques and lose the benefits of explainability, speed and lower infrastructure costs? Why recommend investing in an interactive dashboard if the report is simple yet impactful when hosted on a shared Google sheet? Why build pipelines for streaming data and event buses when all current

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It is easy to get carried away and lean towards complete overhauls but **"killing a mosquito with a Bazooka"** has cost, effort and cultural implications.

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and future downstream use cases rely on batch (not real time) data?

7 Don't forget the "what next"

A clear roadmap is an essential outcome of any assessment. The point of arrival should be realistic

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and achievable in a reasonable timeframe. An organization that relies on hard copy reports can't develop and adopt an AI-enabled chat bot for executive insights overnight. Lead with the overall expected ROI to grab everyone's attention before recommending the **quick fixes** (sprints) along with **long term transformations** that need further discussion and buy-in (marathons).

Analytics maturity assessments do not have to be painful, academic, meaningless distractions if structured, executed and communicated correctly. They often uncover blind spots and the 'not-so-obvious' opportunities that help organizations grow faster, be more efficient, more compliant and stay ahead of the proverbial curve.

About the Author

Paresh Chiney, a Partner with StoneTurn, brings more than 15 years of experience in the application of data science and analytics to deliver business value. He works with organizations—particularly in the consumer finance, technology and retail industries—to solve some of the most complex business problems related to sales, profitability, customer engagement, marketing effectiveness and operational efficiency by leveraging the power of data.

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