

Building and Maintaining a Data-Driven Culture

Everyone would agree that "Data is the new Oil", but the figures stating data adoption by companies would state otherwise. Data has become a normal asset for companies as even small businesses have access to the most advanced data analytics and processing tools.

Even with such widespread development in the field of technology, what is stopping companies from leveraging its power and making decisions based on data?

This is the question we answer in this post!

You can witness companies and professionals making most of their decisions based on gut-feelings. The thing to understand here is that the human brain works in very mysterious ways and the subconscious mind processes the same amount of information as the conscious one.

We do not realise, but almost every decision we make is biased because of the inputs from the subconscious brain. Decisions in business taken by the gut feel often backfire, which is the biggest reason to adopt data as the crucial decision-making factor.

Although we might not realise, there are some challenges which are faced by companies which prevent them from becoming a data-driven company and adopt the data culture.

Data-Driven - A Quick Definition

The basic definition of a data-driven company is a company that makes most of its crucial business decisions based on data and data insights.

It analyses trends and finds insights in data to guide the future steps to be taken by the company.

Some of the benefits you get by being a data-driven company are -

- Have an unfair edge of insights over your competitors who do not leverage the data
- Data-driven companies are more customer-focused and can visualise the complete customer interaction process and improve it over a particular period
- Early detection of new opportunities or changes coming in the market
- Cost-effective over all other sources of information and insights
- Prevent making hundreds of mistakes and the ability to optimise every section of your business

Overcoming Common Hurdles to Become a Data-Driven Organisation

Among various challenges being faced currently, we are listing the common hurdles which almost every company faces so that you can understand and follow on the solutions for these.

1. Overcoming cultural resistance

Cultural resistance remains to be one of the topmost barriers in making a company data-driven.

Companies still maintain the culture of following the conventional methods of decision making, and new ideas are often not encouraged.

- In fact, this [survey by the NewVantage Partners](#) and also quoted in thousands of studies found that 69% of the participants could not build a data-driven culture in the company.

The only solution to this is encouraging data-driven decisions and empowering the employees to make decisions based on the insights they find without consulting their seniors.

2. Lack of proper skill sets

Another reason is the lack of proper skill sets. Buying subscriptions for data analytics software is in the range of every business, but the problem lies in the optimum usage.

Companies do not have expert professionals who can use all the advanced features of these software to get insights and make decisions.

The best solution for this problem is to get expert help and get the workforce trained so that you can manage everything in house eventually.

3. Fighting the problem of poor data governance

Dealing with data is like any other source of information in your company. Unlike other sources of information, you have to be extremely careful with data and constantly monitor the sources.

Governance of data is critical as you will find a lot of inaccuracies in every form of data. A specific portion of your employees will have to consistently work on this aspect as a small mistake can cost you a lot.

This process might waste a lot of time mostly but is one of the most crucial parts of a data-driven organisation.

5 Steps to Become a Data-Driven Organisation

Now, let's jump straight to the hacks to implement in your business and become a data-driven benchmark in your niche.

1. Define your strategy

Like every other department in your company, you have to start by making a strategy for your approach.

Take a holistic view of your organisation and focus on the things that you think need the most attention. For example, a service-based company would focus on improving customer service and work on increasing the lifetime value of a customer.

Whereas a product based company would work on improving the product. You can then work on various metrics related to these and work on the most important sections.

Some of the metrics which will help you analyse growth are -

- Website traffic
- Landing page views
- Social shares
- Conversion rate
- Time spent on your website
- Product-related tickets
- And several other metrics

2. Identify Key Opportunities

After you have a strategy and know the areas which you need to work on, you have to identify the key areas which can bring in significant improvement.

There can be various issues in your business including -

- You are not getting enough sales for your product
- The customer service division is not up to the mark
- You are not growing consistently on social media
- You are getting a lot of refund requests
- And many others

The problems for every business would vary, and you have to find the exact area of your business that you need to work on with data.

3. Data Targeting

After analysing the right questions, you have to figure out the data metrics, which will help you solve problems.

If let's suppose you are looking to increase the sales of your product, there are various opportunities you can work on -

- Test different campaigns and study their data to understand what works and what doesn't
- Do A/B testing on landing pages and look for areas to work on
- Study the data of visitors on landing pages and work on it
- Get sources of traffic and look for the best ones

Similarly, if you are having good sales but think of improving the support system to increase customer satisfaction, you can work on similar sets of data.

4. Data collection

Next step in line is collecting the data, storing it and analysing it with the right resources for insights.

Some of the best sources of data are -

- Social Media
- Website traffic and other data
- Data from marketing campaigns
- Sales data
- Data from the support division of your company
- And a few others

Make sure to build a hierarchy and a specific system in your company so that you can overlook each process.

5. Data Analysis

The last and most important step is data analysis.

It is imperative to understand that having data and not using it is like wasting cash that your business has generated.

Data analysis is visualising your data and looking for trends, patterns and other insights which will give you information to work on in your business.

You can use tools like Microsoft Power BI, which is a robust software which will give business insights directly after you feed it with any form of data.

The analysis is also the section which will boost a data-driven culture in your organisation, so this should be properly worked on.

What about Your Data-Driven Culture?

Your key takeaway from this article should be the steps you need to take to leverage the power of data.

The most common mistake done by professionals is gathering data from every source that they can and randomly working on it. You will end up having a lot of data and confusions.

Start by defining a small goal and work on it specifically. After you have a plan and goal in mind, make sure to promote a data culture in your company and promote new ways suggested by your employees.

For example, start by linking every client email to a client profile which you can analyse at any time and improve on your customer support and interaction division efficiently.

Start Now and start with small goals while slowly aiming towards building a holistic data-driven business model!!!