

# Piloting business strategies with data

It's not just a data strategy

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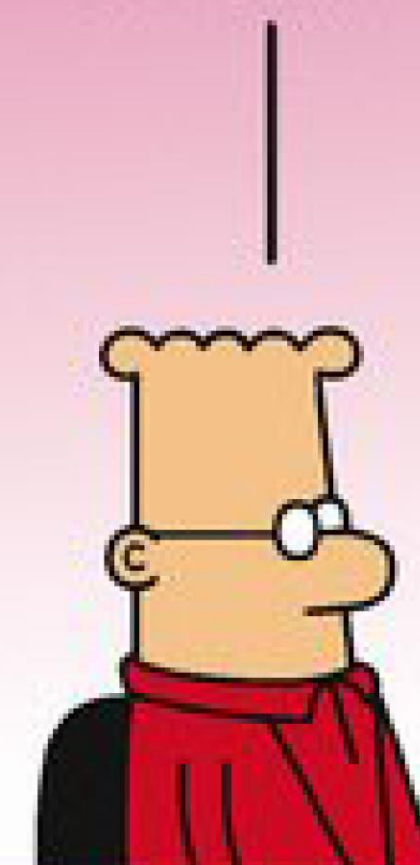
THE TEST DATA  
DOESN'T SUPPORT  
OUR PLAN.



WE KNOW OUR PLAN  
IS BRILLIANT, SO  
JUST ADJUST THE  
DATA TO SUPPORT  
IT.



YOU MEAN  
FALSIFY  
THE DATA.



LET'S NOT  
GET HUNG  
UP ON THE  
DEFINITION  
OF THINGS.





# What is Strategy?



- a. We know it gets eaten by culture for breakfast, but what is strategy?
- b. There are many definitions and it is a great topic if you want to argue over how many angels fit on the head of a pin.
- c. For me – it is how to get the best outcome delivering on the vision/mission from the limited resources available.
- d. It is about choices and in particular choosing what NOT to do.
- e. It is distinct from planning.

## STRATEGY

- Strategy is intent
- What needs to be done and why (prioritised)
- What will not be done (deprioritised) is even more critical
- Intentional, high-level thinking to define direction
- Focus on defining the future
- Relatively static compared to the plan
- Relatively long-term focus compared to plan
- Includes an outward facing perspective (TOWS)
- Typically formed by senior leadership and board
- Focus on effectiveness
- Does not include execution details

## PLANNING

- Putting actions to the intent
- How things will be done
- Concrete actions, sequential steps and resourcing
- Delivers the strategy
- Day to day execution
- Relatively dynamic compared to strategy
- More short and mid-term focus compared to strategy
- Inwards facing focus on delivery
- Typically defined and executed by wider team
- Focus on efficiency – doing more, faster with less resource
- Includes execution detail; dates, names, deliverables etc

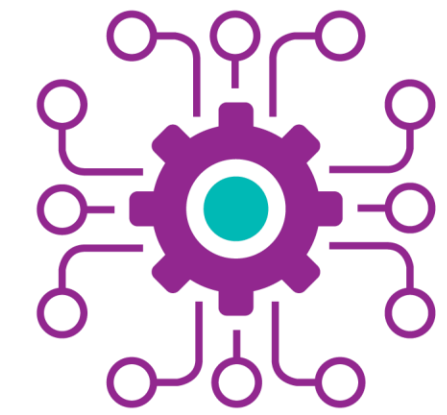
# Why humans aren't good with data

- We are designed to make fast instinctive decisions using heuristics (models) built on our experience
- This is very efficient and automatically users the older parts of our brain without conscious awareness
- We call these heuristics biases, but we shouldn't think of them negatively
- We don't like using the newer cognitive parts of our brain as they are inefficient and burn a lot of energy and time
- Especially when tired, we fall back on our intuitive thinking and our biases
- This does not bode well for us being data driven as it will not be our default approach





# How do we make data a core part of strategy development



- So how do we allow for our brains preferences and bring data into the decision making
  - First thing – the Heuristics (biases) aren't bad, don't ignore a hundred plus years of experience sitting around a table and remember that your data is likely incomplete and biased as well
  - Use the scientific method – it was built for this purpose
  - Create hypotheses based on only the data
  - Sense check these against instinct and experience
  - Explore further where data and instinct contradict – this is not a problem, it is a sign to explore further
  - Setup experiments to **disprove** the final hypotheses
  - Remember all data models are wrong – but some are useful – don't mindlessly follow the data (or the instincts)
  - Look to merge the two synergistically with a 1 plus 1 equals 3 model



# But how do we do it?

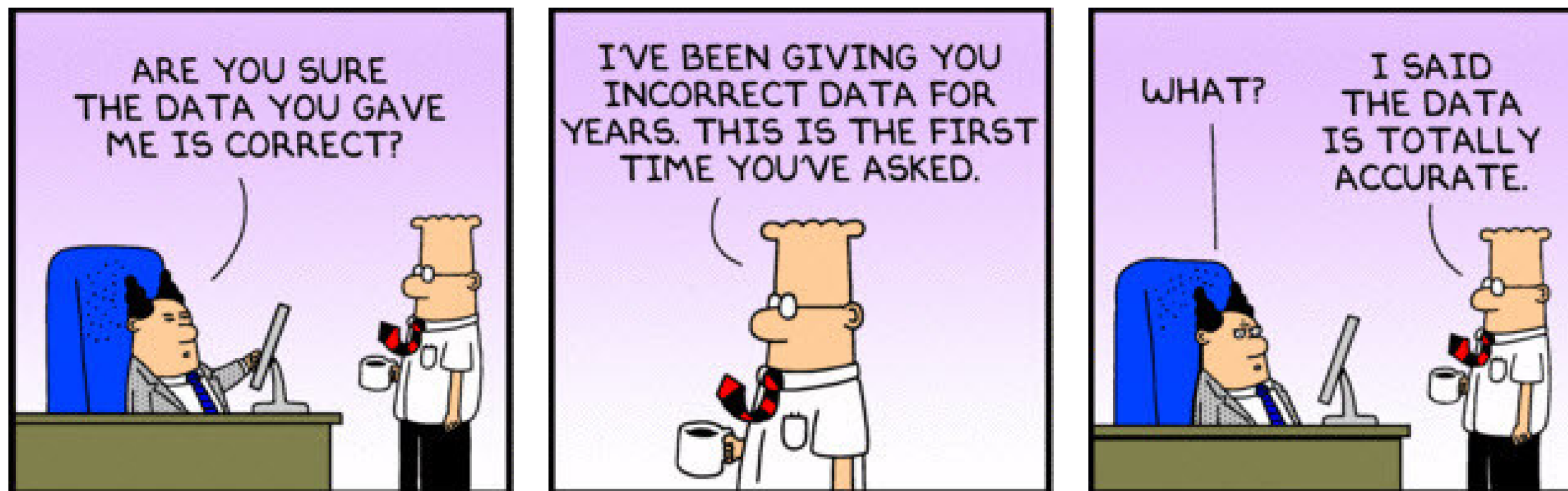


- The bad news is that it doesn't really work if you are only using data driven decisions in your strategic conversations
- This needs to be part of a broader data literacy and data driven programme
- This is part of being data driven, holistically, rather than doing data driven
- Internal data used must be normal enterprise operational data
- External data must be good quality and able to merge with internal data (TOWS)
- Key enterprise data foundational elements are required to make this work



# Key foundational requirements

- Aligned vision/mission – not today's topic, but can't be underestimated in importance
- Understand the limits and boundaries of your data
- Data quality
- Data ownership and aligned data definitions
- Accessible enterprise data assets (data platform)
- Data literacy
- The right culture – A high trust environment where assumptions can be safely challenged with data

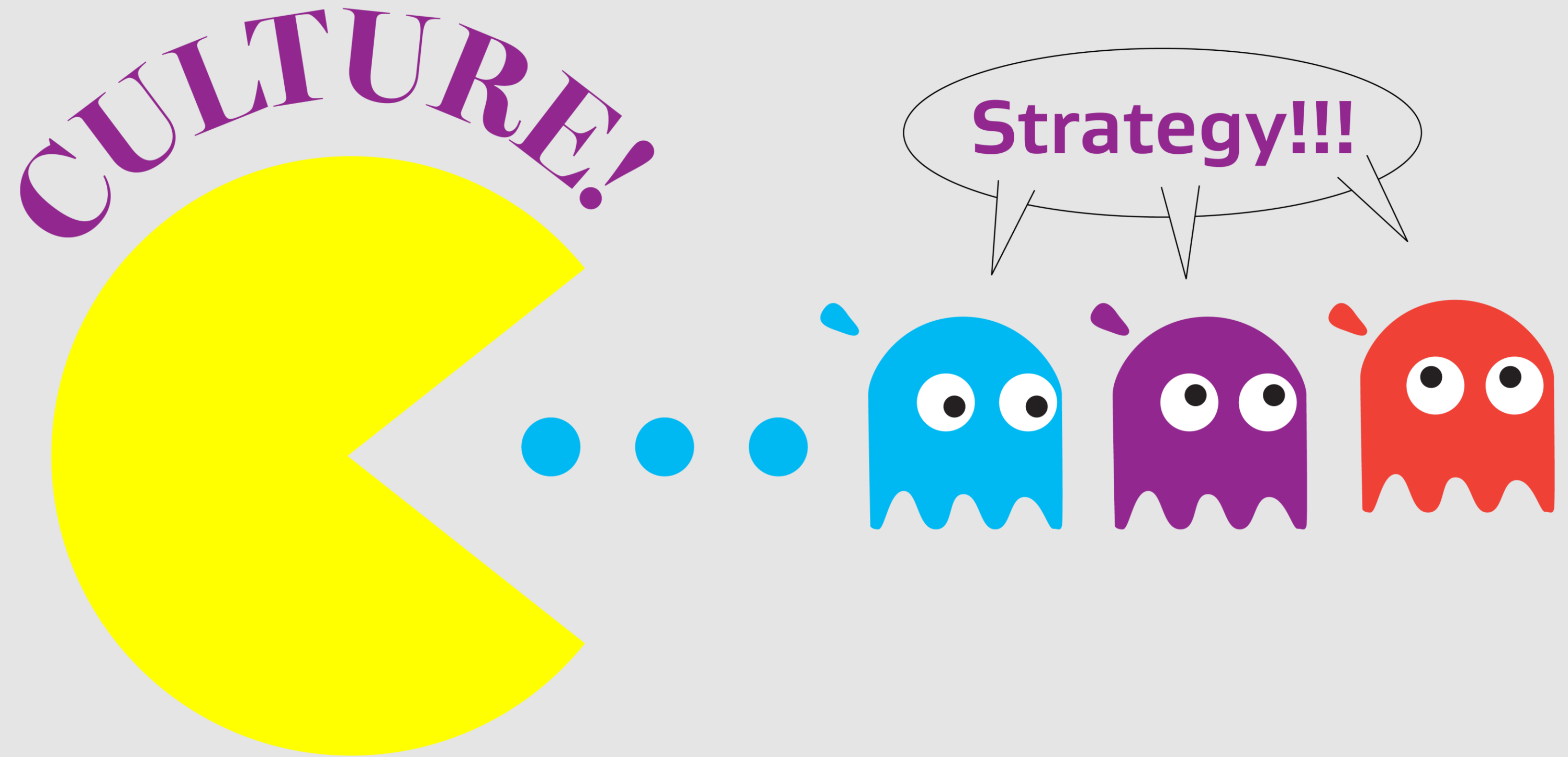




# Culture is key

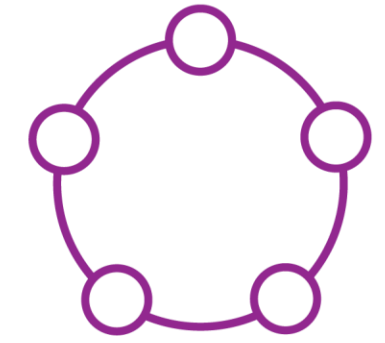


- It eats strategy for breakfast
- Data is useless if it is not safe to challenge assumptions
- This is a separate topic in its own right but a high trust, growth mindset culture where radical candour is the norm is a key enabler





# The risks of a standalone data strategy



- Having a standalone data strategy can be a trap
- Ideally one unified enterprise strategy with cross functional strategic initiatives
- Siloed strategies tend to drift apart over time
- The data strategy can end up competing with Business Units for investment, rather than being a BU enabler
- Don't do data driven, be data driven
- The effective use of data needs to be designed into all initiatives from the start (including strategy) – not bolted on the side



# The benefits of making data a core component of strategic decision making

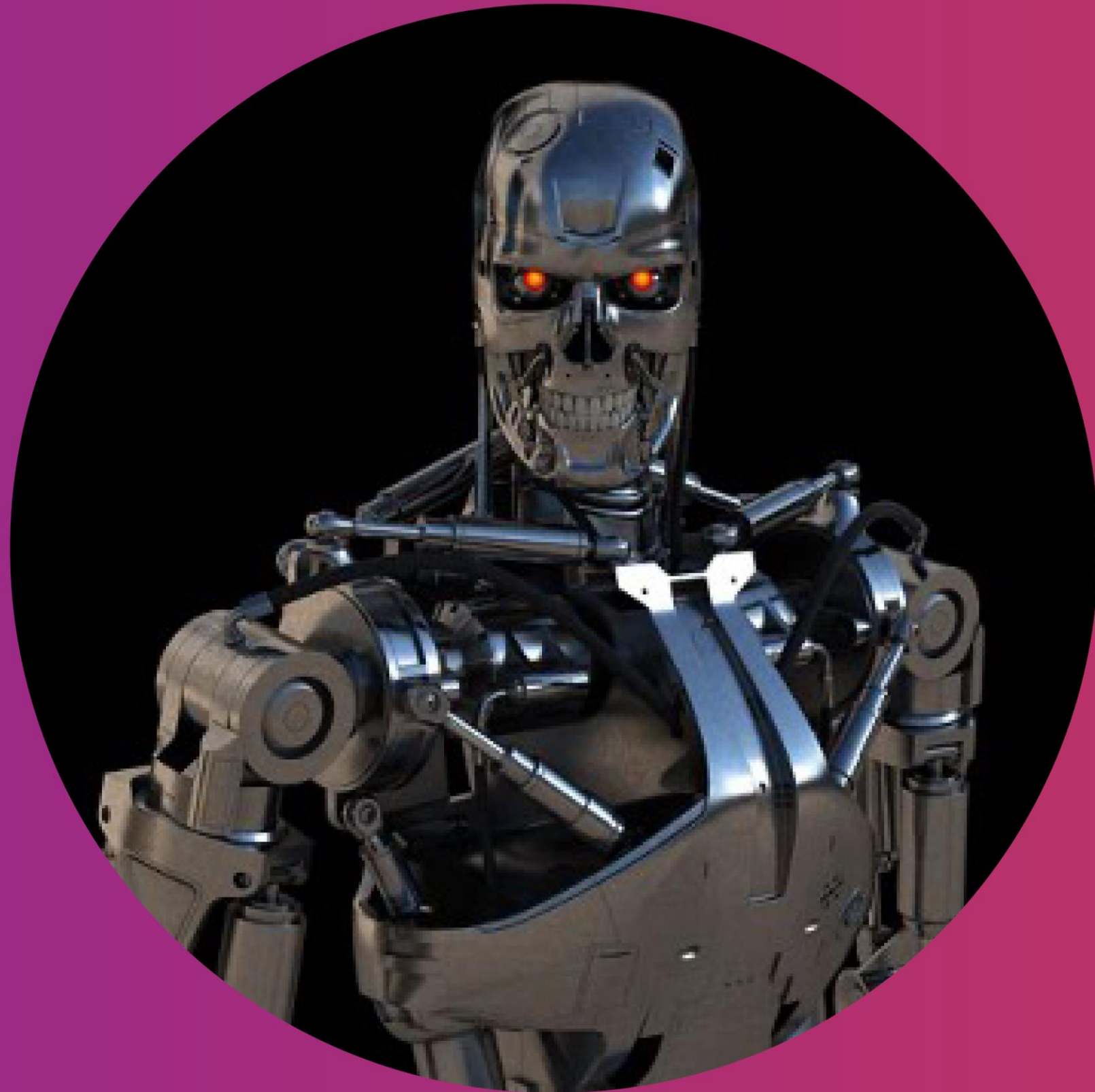
- Hippo defence
- Depersonalise disagreement
- Breed livestock not pets
- Encourage collective commitment
- More successful strategies





# The impact of AI

- AI Directors
- AI strategy definition



or



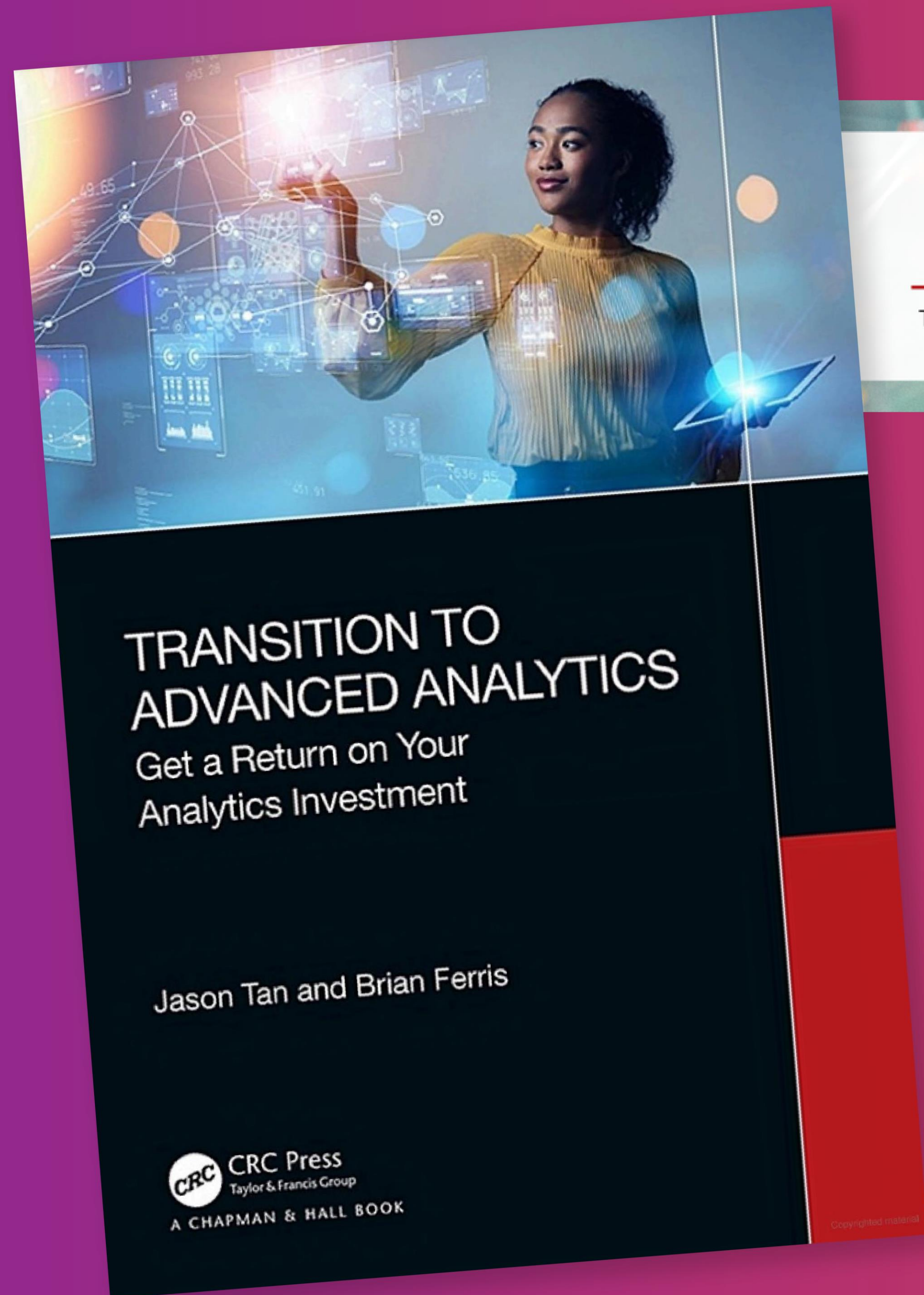


# Summary

## Key take aways

- BE data driven, don't DO data driven
- Recognise our cognitive strengths and weakness and be intentional
- Get the foundations right
- Culture is key
- Data literacy is a key enabler
- Experiment with AI tools as they come available (cautiously)



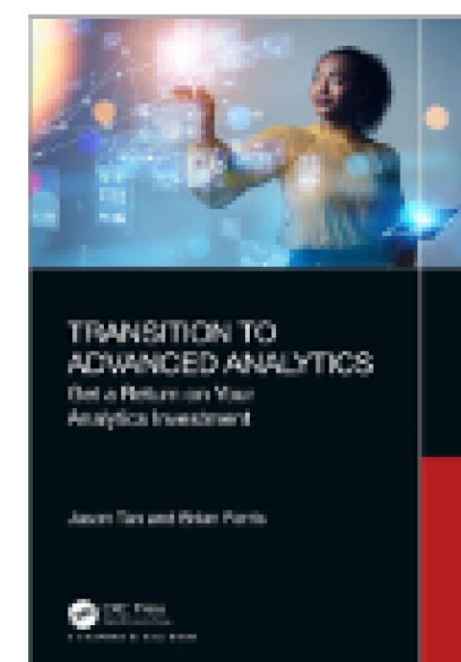


## Transition to Advanced Analytics

*Get a Return on Your Analytics Investment*



This book focuses on how to embed advanced analytics directly into daily business operations and complement an enterprise system.



### Transition to Advanced Analytics Get a Return on Your Analytics Investment

Jason Tan, Brian Ferris

This book focuses on how to embed advanced analytics directly into daily business operations and complement an enterprise system. The title also provides a step-by-step implementation framework for CDOs to develop their advanced analytics capabilities and in tandem with legacy IT systems.

"As a Chief Enterprise Architect with decades of experience steering technology strategies for industry giants like Intel and Verizon, I found this book to be a trailblazing compass for traditional companies and modern startups alike. Its insightful navigation through the evolution of data, AI and advanced analytics, combined with actionable frameworks for technical and organizational implementation to embed advanced analytics, comes together seamlessly as a strategy playbook for cultivating a culture of data-driven excellence. A must-read for any leader harnessing the dynamic potential of advanced analytics!"

—Geeta Pyne, Chief Architect at TIAA

"This is a timely guide that deeply aligns with my own experience with technology and software business. As the CEO and co-founder of Vitavaro, I've witnessed firsthand the pivotal role that data, AI, and analytics play in guiding informed decision-making and shaping the trajectory of businesses. In an era where AI and machine learning are increasingly integral to most businesses, this book couldn't have come at a more opportune moment. Many would stand to benefit from the clear roadmap that Ferris and Tan have laid out to navigate the complexities of modern analytics!"

—Rob van Lier, CEO and Co-Founder of Vitavaro

"I loved this book. It covers the whole gamut from describing what advanced analytics is through to how to drive value from your analytics investment. It also talks about the more defensive parts of a data strategy—building firm foundations and governance and ethics. It's essentially a playbook for building a data strategy and culture in a modern but traditional organisation."

—Andy Satten, General Manager, Advanced Analytics, Endeavour Group

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# Want to know more



If you have any more questions or want to have a chat:

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