

SODA 

Digital transformation is happening rapidly

8%

of companies believe that their business model will remain economically viable through digital transformation

Source: McKinsey

1.5M

Data-savvy managers needed to take full advantage of big data in the United States alone.

Source: McKinsey

**Yet many companies
still struggle to...**

**Provide digital
products & services
that leave a mark.**

Customers are demanding a more personalized, digital service. Business that are not able to adapt to this will lose significant market share.

**Create a data-driven
culture that fuels
growth.**

Creating a data-driven culture that empowers cross-functional teams to build and ship digital products is key to the company's survival.

**In order to solve these problems,
companies have to develop **new
competencies** for the digital age.**

“Business Intelligence tools are not enough to make real time decisions.
Thus, the type of tools we need now are operational intelligence.”

Frank Chen, Partner, Andreessen Horowitz (a16z)

<https://a16z.com/2019/04/13/re-tooling-how-organizations-make-decisions/>

Real-time Business Intelligence

Data intelligence (DI)

Data democratization & cataloging
Data ownership & approvals
PI data detection



Operational intelligence (OI)

Self-service data monitoring
Real-time data event gathering
Immediate action/response

This might seem obvious to you but how do you convince the rest of the organisation?

Build a **Business Case!**

3 steps to creating a business case for Operational Intelligence (OI)

- 01 Find the right team**
- 02 Link OI to the success of your data strategy**
- 03 Estimate risk, cost, and value**

Step 1: Find the right team.

Building a team with the right stakeholders is an essential step in building a case

A lot of different teams across the organisation can benefit from improved operational intelligence, however, the ongoing strategic data initiatives are typically the best place to start. The best teams bring together people from diverse backgrounds, like data stewards/owners, -engineers and -scientists, and focus on pressing issues that leaders are facing.

Never waste a good (data trust) crisis.

Roles and responsibilities, an example:

Activities	Data Stewards	Data Engineers	Data Scientists
Answer questions that data consumers have	✓		
Document data usage expectations			✓
Build reliable data infrastructure & pipelines		✓	
Find an executive data owner for a dataset	✓		
Resolve pressing data quality issues	✓	✓	

Step 2: Link Operational Intelligence to the success of your data strategy.

Does your organisation already have a digital strategy?

If you do, that's great, if you don't, the next slides will help you define a first draft.

Six Questions for **Digital** Business Leaders

1. **Threat:** How strong is the digital threat to your business model?
2. **Model:** Which business model is best for your firm's future?
3. **Advantage:** What are your competitive advantages going forward?
4. **Connection:** How will you use mobile and IoT?
5. **Capabilities:** Are you buying options for the future or preparing for organizational surgery?
6. **Leadership:** Do you have the leadership at all levels to make transformation happen?

Step 3: Estimate the risk, cost and value associated with operational intelligence.

Calculating risk

There's many **types of risks**. The three most common ones operational intelligence impacts are:

Reputational: a competitor's digital experience is perceived to be better, resulting in outflow.

Operational: the confidence that employees have in data is low, resulting in a lot of overhead.

Regulatory: the fines and press associated with a bad regulatory report (e.g. CCPA, GDPR, ...).



Risk Severity = Likelihood x Consequence

Likelihood is simply how likely the risk is to materialise.

Consequence is the impact on the organisation.

Value

Maturity in operational intelligence can create significant value for companies, for example:

- Help speeding-up the development of new data products using self-service capabilities. Example value metrics are: time-to-market, # of certified datasets, # of re-active data incidents, ...
- Help make your organisation's culture more data-driven by define the roles & responsibilities around data as well as the expectations on data when it's used. Example value metrics are: time to resolve critical issues, number of pro-active insights provided that were marked as valuable by the business.
- Attracting better talent.

Cost

Development phase first key deliverables			
Role name	Hourly rate	Hours	Total
Business analyst	130	200	26,000
Project manager	160	200	32,000
Data engineer	200	80	16,000
Organisation change	180	120	21,600
Project costs sub-total			95,600
Project costs incl. 10% contingency			105,160

Ongoing / Recurring costs			
Description	Quantity	Cost	Total
Product owner	.5 FTE	120,000	60,000
Licenses	20	8,000	140,000
Recurring costs sub-total			200,000

Summary

Digital transformation continues to sweep through the business world. In order to compete, your business needs to enhance their capabilities in three core areas: business intelligence & advanced analytics, data intelligence and operational intelligence. Need to convince your organization that this is essential? Then we suggest building a business case!

**Need help in building your
business case ?**

Contact us!

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