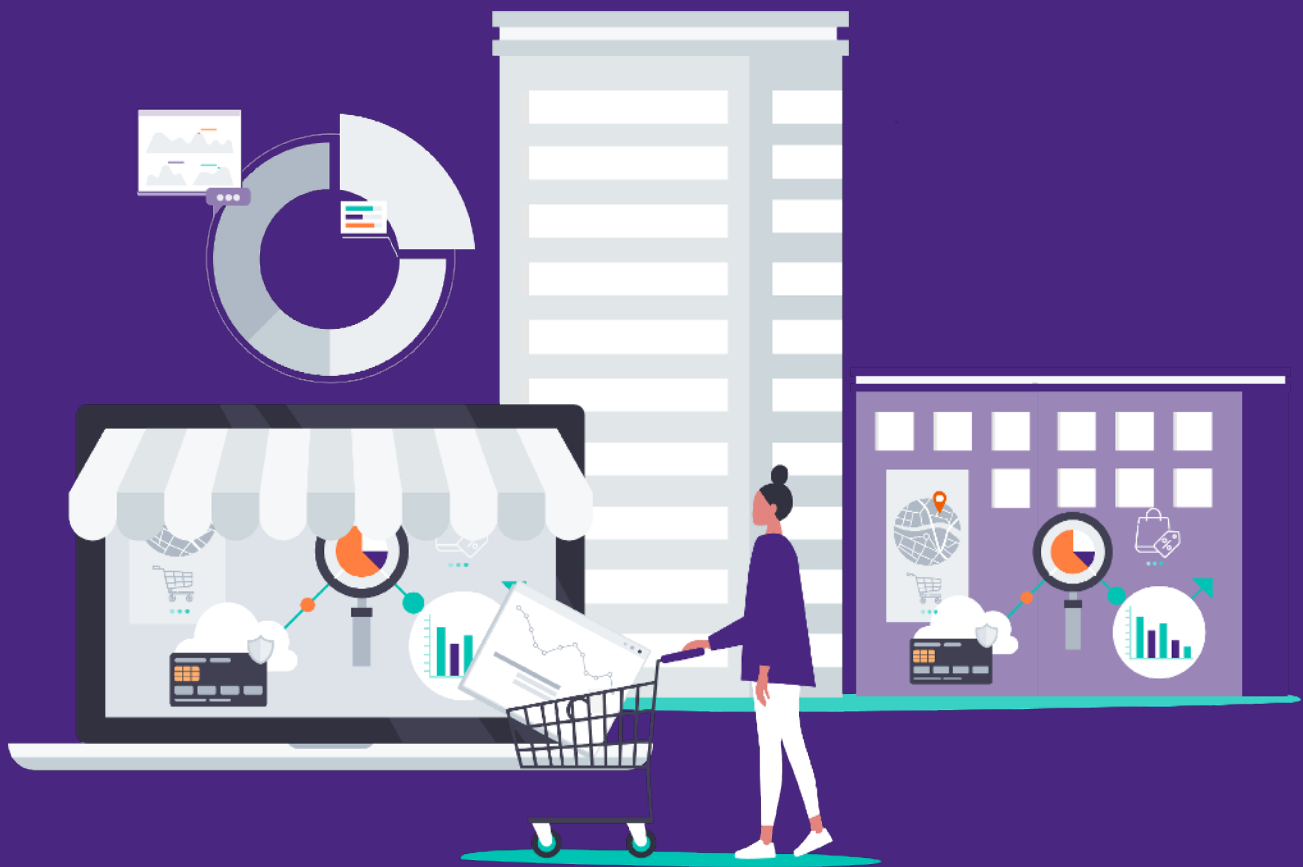


# The Data- Driven SMB

An **actionable guide** for **Small and Medium Businesses**,  
on how to become more data-driven,  
in an increasingly digitalised economy.



 **TRUECUE**

**BE DELIGHTED WITH YOUR DATA**



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How **data-driven** is your organisation?

[Complete our live data & analytics benchmark](#)



# 1. The critical role of data in decision-making

During what continues to be the most unprecedented period of uncertainty for the global economy in more than a century, the power of data is proving transformational for many organisations across the UK.

From accurate forecasting and scenario modelling, to understanding changes in consumer-behaviour and shifts in employee working habits, the way organisations manage their data has become a key differentiator between those who have remained operational during the pandemic, and those who have unfortunately succumbed to it.

A 2020 Gartner report found that **65% of business decisions being made today are significantly more complex than they were two years ago**, with expert analysts warning that the current state of decision-making is unsustainable.<sup>1</sup>

The harsh reality of this has hit few harder than small and medium-sized businesses (SMBs), many of whom have been forced to accelerate their digital transformation initiatives as a means of survival. As a result, many business leaders have had to rethink their approach to decision-making, in a more contextual, connected and continuous manner, driven by data.

## Why is this?

Historically, decision-making among many business leaders has been based on gut feeling, with two-thirds of organisations

stating their decision-making process is rarely data-driven.<sup>2</sup> This has stemmed from multiple factors, ranging from a lack of data literacy and in-house expertise, to limited investment into new technologies, which effectively manage the proliferation of data – with the C-level preferring to allocate resources elsewhere.



<sup>1</sup> Gartner Research Circle, “Reengineering the Decision”, 2020

<sup>2</sup> State of Data Science and Analytics Report. IDC, 2019



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“80% of data-driven businesses have had a critical advantage during the pandemic” - YouGov

Complete our live data & analytics benchmark

The pandemic, however, has raised the expectation for decision-makers to be able to explain or justify their decisions. This has exposed the vital need for business decisions to be re-engineered, if significant improvements in critical, contemporary measures of performance, such as business value, cost, quality, service, and speed, are to be achieved.

More importantly, it has amplified the critical role data plays in rethinking the way decisions are made, whether this be human-led, or machine-led.

An advanced level of data maturity, for example, can generate greater actionable insights which, when used correctly, can help businesses become nimble and responsive. Businesses with lower maturity will lack the foresight to make faster and smarter decisions in an increasingly digitalised economy, which demands more inclusive, transparent, personalised, flexible and trustworthy business outcomes.

Many business leaders of small and medium-sized organisations could be forgiven for thinking that an advanced level of data maturity is only achievable for larger enterprises, i.e. those with deep pockets and plentiful technical resource.

However, with the advent of modern analytical technology, that is most certainly not the case. As we enter a new era, powered by cloud, AI and automation, there is no better time than now for small and medium-sized businesses to pivot their priorities, and become a **“Data-Driven SMB”**.



## 2. What does it mean to be a data-driven organisation?

In a data-driven enterprise, data and analytics are no longer afterthoughts — they are fundamental to driving business value and digital business transformation. Yet the ability to “think in data” is difficult for most organisations, especially SMBs.

Why? Well, building a data-driven enterprise is not just about encouraging the use of data in decision-making. Organisations must develop the appropriate competencies and align these with the business’ ambitions for generating information value.

An organisation who treats their data and analytics as supportive and secondary to their business initiatives, will never become data-driven, rest-assured.

In fact, an organisation’s data and analytics initiatives are essentially meaningless unless there is a clear understanding of who will be using the information, what decisions are being made, what business outcomes will result, and how those outcomes will advance organisational goals.

So, if what we just said isn’t how you’re approaching your own initiatives, then you should probably reassess your approach.

Unfortunately, this is the case for most small and medium sized businesses across the UK, with the vast majority of SMBs operating without a data and analytics strategy, and for those organisations who do have a data strategy, only 30% align this with their broader corporate strategy.<sup>3</sup>

Furthermore, on average, **organisations are only analysing about a third of their data**, with between 60 and 73 per cent of an organisation’s data never analysed.<sup>4</sup>

<sup>3</sup> Global AI Survey: AI proves its worth, but few scale impact. McKinsey, 2019

<sup>4</sup> State of Data Science and Analytics Report. IDC, 2019

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See how your organisation’s data and analytics maturity compares with your peers

Complete live benchmark



## The Data-Driven SMB

What does it mean to be a data-driven organisation?

This presents a serious problem, with organisations that rely on opportunistic, ad-hoc practices unlikely to ever emerge from their low data maturity rut and be able to make truly informed decisions.

In contrast, those organisations that can define themselves as having greater data and analytics maturity, recognise and value the potential of being data-driven in an increasingly digitalised economy, which thrives on data and the analysis of data.

For these organisations, data and analytics have become a primary driver of their business strategy. It has become the fabric of everything they do.

### How do they differ?

They create a vision of a data-driven enterprise, which captures the aspirations of every senior stakeholder in the business.

They ensure that authority and accountability for data and analytics are in balance with the organisation's data-driven ambitions.

They change and adapt their data and analytics operating model to account for data and analytics competency gaps.

They diffuse these competencies throughout the organisation to develop the data-driven culture which is so fundamental for achieving the success of their vision.

Furthermore, these organisations will be asking themselves thought provoking questions, such as:

- “How can we treat data as an asset?”
- “With this data, or this type of insight, how could we fundamentally change the value propositions for our customers?”
- “How can we create new information products and services?”

Conceiving and answering these types of questions requires an expanded set of data and analytics competencies, as well as an organisational culture that embraces data literacy.

The success of any organisation's data and analytics initiatives, is therefore very much dependant on having a much more expansive and open-minded approach to their role in business value generation. It requires business leaders to embed data and analytics into everything their organisation thinks, says and does.

This is not a simple exercise, and to achieve success, business leaders will need to address the depths of the challenges as much as they realise the heights of the opportunities, appreciating the myriad of work required to truly become a data-driven organisation.





## What are the main challenges preventing SMBs from becoming data-driven?

### Data Literacy

Always topping the list as one of their biggest challenges, **4 out of 5 (86%) business leaders report serious difficulty in hiring data literate talent**, with almost half believing that skills shortages pose the greatest challenge to delivering value from their organisation's data within.<sup>5</sup>

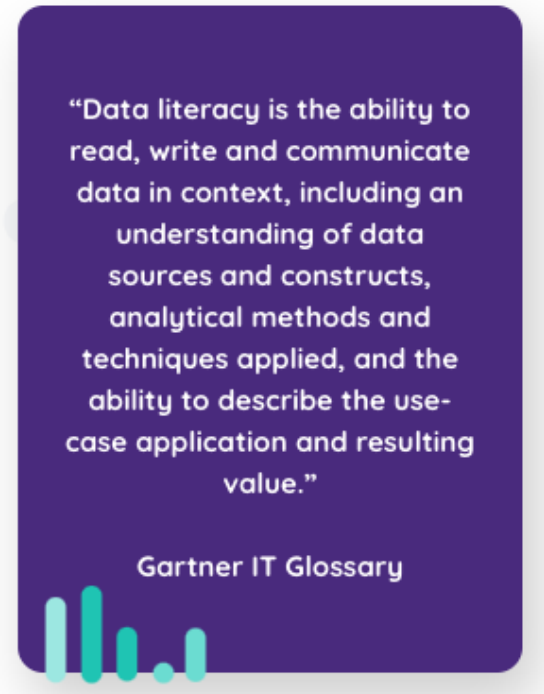
### Data Quality

A 2018 survey indicated that organisations believe poor data quality cost them an average of \$11.8 million per year. Needless to say, data quality issues still haunt most SMBs, with many issues often lost within reports, leading to a lack of trust in the numbers. However, without a systematic way of gathering the facts about the state of their data, the challenge of knowing the quality of their data or the costs associated with poor quality, continue to persist.<sup>6</sup>

### Manual Dependencies

A resounding **44% of an analysts time is being wasted every week**, as they spend almost half their working hours searching for, preparing and integrating data.<sup>7</sup>

The continued manual dependency on 'humans' to manage such tasks, results in the loss of invaluable time, which smaller organisations simply cannot afford to waste, with their already limited data and analytics resources. It can also create a culture of uncertainty around data accuracy, given the likelihood of human error, making data analysis even more challenging than it already is for SMBs.



<sup>5</sup> The Data Debate: A Forward View of Key Trends for 2021 and Beyond. Experian, 2021

<sup>6</sup> Drive Data Quality Improvement From a Foundation of Metrics. Gartner, 2019

<sup>7</sup> State of Data Science and Analytics Report. IDC, 2019



#### Lack of Data Governance

Most small and medium businesses struggle to address exactly what aspects of their governance to improve and how much to invest, because they don't have a clear benchmark for best practice in key governance areas.

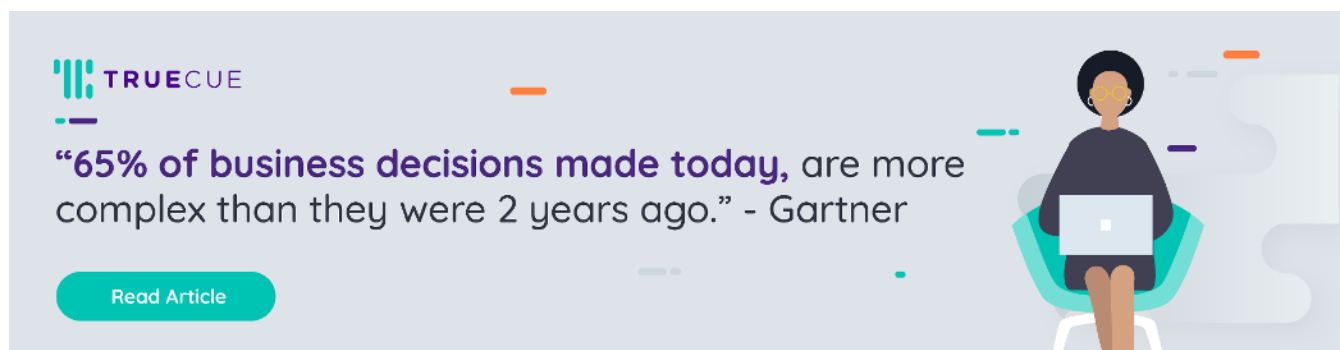
Ask yourselves, if current governance activity in your organisation is not directly connected with achieving specific business outcomes, then what exactly is the point of doing it?

#### Data Silos

Data silos increasingly slow the transformation of an organisation into a data-driven, digital business, by limiting information's discovery and access. By overcoming these silos, through developing a culture of data-sharing, organisations will increase access for the right people, to the right data, at the right time, producing the necessary insights to accelerate digital business objectives.

#### Inaccessible Data

Analysing data is easy. Accessing and integrating the right data is the hard part. With the proliferation of data from more sources than ever before, SMBs are faced with the arduous task of consolidating their data from disparate sources to create a single source of the truth, from which to generate their insights.







## What are the benefits of becoming a more data-driven organisation?

There is no denying, that data-driven organisations are more competitive, more resilient to external threats and better positioned to achieve their strategic objectives.

In fact, **a recent YouGov survey found that 80% of data-driven businesses claim they have had a critical advantage as the impact of the pandemic** continues to disrupt the global economy.<sup>8</sup>

When asked how being data-driven during the pandemic helped, business leaders acknowledged multiple benefits, including:

- more effective communications to employees and customers (42%)
- the ability to make strategic business decisions faster (40%)
- increased collaboration across teams for decision making and problem solving (36%)

Furthermore, business leaders are increasingly reliant on their data and analytics resources and expertise, within the lines of business, in order to help them make more informed decisions supported by data.

Whether this be marketing using cross-channel customer analytics to understand and improve the customer experience, HR using people analytics to address key talent risks while improving recruiting and retention, or the revenue department leveraging sales analytics to provide insights into which leads are the most likely to convert, while creating the optimal B2B customer, the use cases for maximising your data assets to drive business value, are endless.

### Transform your organisation's Data and Analytics into value as a utility, business enabler and business driver



<sup>8</sup> Data Driven Companies are Resilient Companies. Tableau, 2020



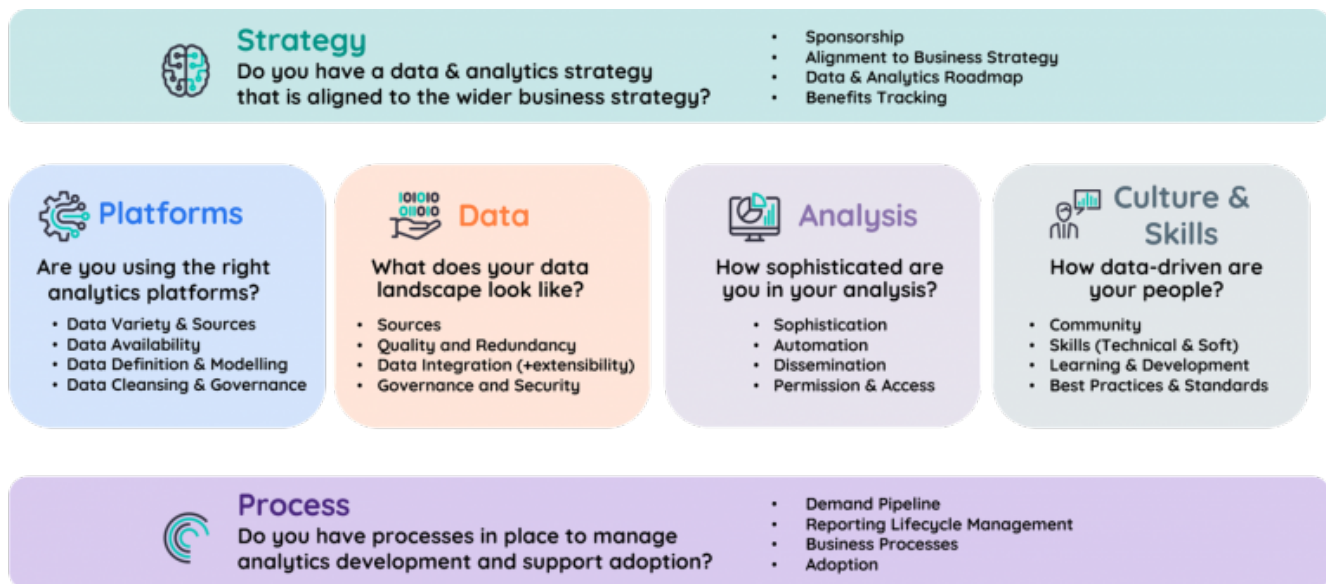
### 3. How do I know whether my organisation is data-driven?

Despite the obvious benefits of becoming data-driven, according to a 2019 report by Accenture, only 32% of companies are realising tangible and measurable value from their data <sup>9</sup>, whilst research from Gartner last year, found that an overwhelming 73% of midsize organisations are classified as having low data and analytics maturity.<sup>10</sup>

So, for business leaders who are committed to becoming more data-driven, the starting point must be to first understand what the necessary competencies are for achieving greater data and analytics maturity, and to then understand how to advance these.

With this in mind, TrueCue has designed a [data and analytics maturity framework for small and medium businesses](#) (figure. 1). Comprised of six pillars (strategy, process, data, platforms, analysis and culture and skills), our framework has been engineered to guide organisations through the necessary competencies to become more data-driven.

Figure 1. TrueCue's Data and Analytics Maturity Framework for SMBs



<sup>9</sup> Closing the Data-Value Gap. Accenture, 2019

<sup>10</sup> How to Craft a Modern, Actionable Data and Analytics Strategy That Delivers Business Outcomes



Our framework evaluates the current level of data and analytics maturity across each of these six competencies, based on four dimensions that are unique to each competency and scored between 1 (low) to 5 (high), based on the current level of maturity.

For example, an organisation may score highly for analysis in the dimension of 'sophistication', but also score on the low-end of the scale in relation to its analytics automation capabilities.

As the competencies are interdependent on each other, to improve an organisations data and analytics maturity, a holistic approach should be taken whereby all key areas need to be improved relative to one another.

By doing so, businesses can ensure there is a seamless alignment between data and analytics initiatives, its people and the corporate strategy.

Once an organisation has a clearer understanding of its maturity level within each of these key competencies, it will be able to start prioritising the areas that require immediate improvement.

Our framework offers small and medium sized businesses a simple way to achieve this, enabling them to logically navigate to the next-level, on their journey to becoming a more data-driven organisation.





# How can I accelerate my organisation's data and analytics maturity?

As part of our ongoing efforts to empower business leaders with truth and certainty from their data, we've designed an **interactive benchmarking tool**, that allows business leaders to compare their current level of data and analytics maturity with their industry peers.

Everyone who completes the assessment will receive a free personalised report, which provides insight into their organisation's current level of maturity and how this aligns and compares with the wider SMB market.

TrueCue will then provide actionable next steps on how each organisation can improve their data and analytics maturity.

To compare your approach to data and analytics with your peers, please complete the free benchmark via the link below.



In Partnership with Business Reporter

Compare your approach to data and analytics with small and medium businesses from across the UK

[Start Live Comparison](#)





## About TrueCue

TrueCue's mission is to empower business leaders with truth and certainty from their data. They provide high-impact consultancy and data-driven solutions underpinned by their cutting-edge technology platform – a SaaS data warehouse automation platform built for the Microsoft Azure Cloud.

Combining analytics, consulting and technology expertise to create data-driven solutions, the TrueCue team supports organisations on their end-to-end data and analytics journey – covering data management, visualisation, operational reporting, advanced analytics and data science.

Their solutions are widely used across the public, private and third sectors, with clients including the NHS, Nuffield Health, Imperial College Health Partners, Local Government, EDF, HSBC, and GlaxoSmithKline, to name but a few.

So, whether its understanding patient care to optimise treatment strategies, driving customer insight to create the next sales campaign, or understanding donations across a charitable trust, their solutions have lasting value which drive performance improvements, so that you can take action on what matters most, with confidence.

TrueCue are a Microsoft Gold Partner, Tableau's-longest standing EMEA Partner, and were the Alteryx EMEA Partner of the Year in 2019.



# THE TRUTH IS WHAT DRIVES SUCCESSFUL DECISIONS.

But, most businesses have no idea what that truth is.

They know the threads which will lead them to the truth are out there somewhere, but they're muddled, hard to find and often contradictory.

We provide a single source of the truth to business leaders craving certainty.

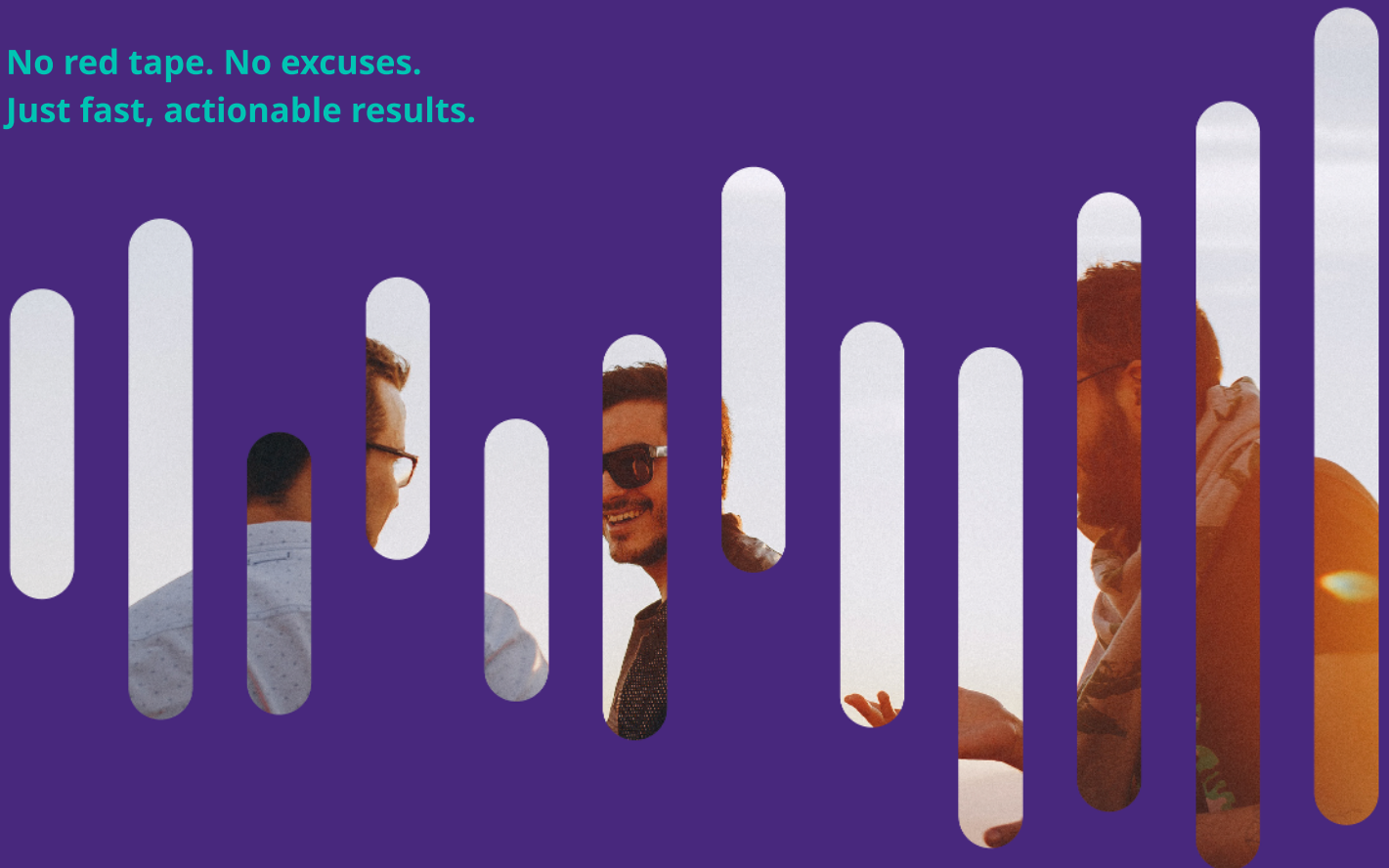
We do this by providing best-in-class technology to filter out the noise and untangle the knots.

Our people help companies identify the right questions and work with them to find the long term, sustainable answers.

Our philosophy is about providing real value, so that working with us isn't a flash in the pan, but something that is as useful today as it will be in a decade.

And this all happens at the speed of modern business.

**No red tape. No excuses.  
Just fast, actionable results.**



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