

# Technology is not enough to unlock the power of data

The businesses which will be able to count themselves amongst the most successful in the coming years will be those that have succeeded in fully harnessing the power of data. But while you'd be hard-pressed to find many businesses that are not currently building or acquiring systems and technical resources aimed at unlocking the value of data, the same priority does not appear to have been given to embedding data-driven organisational cultures.

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This failure to focus on culture in parallel with technology not only reveals a lack of understanding of the symbiotic nature of the relationship between the two, but also presents a real risk that the massive investments being made into data might not deliver the returns that companies are hoping for.

## Understanding a data-driven culture

The problem lies in the fact that while data analytics and processing are relatively exact sciences, a data-driven culture is significantly more difficult to define. So while company owners, managers and executives may not be able to tell you exactly how data analysis works, they can tell you what they want to get out of it. The same isn't true of their understanding of a data-driven culture, and so the creation of such a culture is either assigned a lower strategic priority, or simply handed off to the organisation's chief technology officer, chief data officer or HR executive.

This approach is very unlikely to unlock the full value of being data driven. To do that, every person in the organisation has to recognise the importance of being fully data-driven as a competitive differentiator and embrace the need to build a data-driven culture within that organisation.

This is by no means a small ask. Apart from the significant challenges - both technical and human - that a business is bound to face en route to becoming truly data-driven, it's likely that every person in a company has little to no idea of what the concept of 'culture' actually means in a company, let alone what a data-driven culture looks or feels like.

## What is a data-driven culture?

And that's why the process of transforming a culture to be data-driven must begin with the end in mind. That, of course, brings the question: What is a data-driven culture? Unfortunately, there is no simple answer as every business is different and will have different culture parameters. However, it is relatively safe to say that, irrespective of how businesses look or work, the data-driven cultures will have a few things in common.

For one, a data-driven culture will be built on the broad recognition of data as a vital, strategically essential business asset, one that allows the business to make well-considered decisions based on facts and figures rather than on intuition or past experience.

Having a data-driven culture will also mean that the business fully recognises and embraces the ability of data and its application to empower all employees to perform their functions much more effectively. And lastly, a business will know that it has completed its transformation to a data-driven culture when it is able to identify and align its technical and business challenges and leverage data to solve both together.

### **Not just a technical strategy**

When you consider these factors as characteristics of a data-driven culture, it becomes obvious that being data-driven is not solely a technical strategy. So, while it is important to recruit skilled and talented data scientists and technology professionals to give physical effect to the data-driven vision, trying to become data-driven in isolation from the business and all its other employees is almost certainly a recipe for failure.

Which brings me to the second obvious question that will, or at least should, be asked by every business that wants to be able to unlock the full potential of data as a transformative, business-building asset. And that is: How do we do it?

This, too, is a simple question without a simple answer. Most of the global organisations that are considered to have succeeded in becoming data-driven still admit to being in the learning phase when it comes to embedding a data-driven culture. FNB is no exception. But we remain committed to the process and, I believe, have gained some valuable insights into the steps that businesses, and especially financial services organisations, need to take to move closer towards achieving a data-driven culture.

### **How do you move to a data-driven culture**

The first of these is to start by transforming thinking. You need to get the entire leadership body to commit to supporting and promoting a data-driven culture. Even if very few of them understand what that means, a good first step is to simply get board and executive management agreement to be willing to embrace a culture of openness and collaboration.

Then, with that leadership support, start to communicate with the entire organisation to create an understanding of the meaning and value of being data-driven, both for the company and its employees and customers. Ultimately, any shift in culture is only possible when culture is mainstreamed. It cannot be the domain or responsibility of HR. So, an organised and strategic education campaign is essential to explain the benefits that embracing a data-driven culture will provide.

The next step is to commit to democratising data. When employees have access to data, its impact becomes obvious. Break down silos and protectionism. Make data, and its analyses, readily available, understandable, and transparent across the organisation.

### **Use the data wisely**

Obviously, it's dangerous to just give everyone in the organisation unfettered access to all its data, since they probably do not have the skills or tools to make use of that data. And that's where the real culture shift happens, or must happen. Businesses need to focus on building collaborative, multi-functional teams. While tech experts may understand the technology and systems, data is first and foremost a business asset.

So a data-driven culture has to be driven by the business. And since it's unlikely that you're going to find too many employees with a balanced combination of business and data skills, you need to build your data-driven culture on

collaborative teams in which every team member is willing to acknowledge what he or she doesn't know and work closely with teammates that do. This approach should also inform all future recruitment decisions. In a data-driven culture, you don't recruit just for a vacancy, you recruit to make teams stronger.

Finally, be patient. Changing a company's culture takes time, effort and commitment. Even when the leadership sets the example, the shift only happens through organic growth and evolution.

### **Embrace data**

Realise that there are legacies that have to be changed. The technology legacy systems are actually the easy part because you can throw money at those. But human legacies around how things have always been done in the past are much more difficult to shift. But it must be done because it is impossible to change to a data-driven culture if all your people are not willing to recognise and embrace data as a key success facilitator.

While the need to build these types of data-driven cultures is becoming increasingly obvious, the unexpected, and valuable side effect of achieving such a culture is that it has the potential to massively enhance employee morale and productivity. That's not just because data-based decisions are infinitely more effective than those based on hunches. It's also because employees grow as people when the work they do has meaning.

Data has the ability to quantify the impact that each employee is having on the customers and the business. And when staff see the tangible value of the contributions they are making, they become far more connected to the company values and their own professional goals, and the result is incremental improvements in personal performance and, of course, bottom-line results.

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