# How to determine your focus towards becoming a more data-driven company?

## Introduction

Most entrepreneurs that start the transition towards a more data-driven company, immediately face a problem on their journey, namely: 'Where do I start?'

To help you determine your starting point we have created this small guide containing the following steps to help you define your starting point:

1. Company domain mapping exercise
2. Understanding my main motivation
3. Defining ambition & challenges
4. Prioritization of challenges to tackle

Ready to get started? Check page 2 for the company domain mapping exercise!

# 1 Company domain mapping exercise

Use this table to get a better overview of the data usage, possibilities, and challenges within the different domains of your business. Mark the empty fields below with a **"yes"**, **"sufficiently"** or **"no"**. This table helps you get a quick overview of your company that can support you in the next steps.

| | Is this area important for our business (sustainability for our business)? | Is our data digitized? | Is our data clean and ready for analysis? | Can we derive information from our data to help our decision-making process? | Can we use our data to make predictive analyses? | Can we automate our predictive analyses in our decision-making process? |
|---|---|---|---|---|---|---|
| Financial administration | | | | | | |
| Marketing | | | | | | |
| Sales | | | | | | |
| Staff (e.g. recruitment, absence) | | | | | | |
| Logistics/ capacity, planning | | | | | | |
| Maintenance | | | | | | |
| Other, namely ……………..... | | | | | | |
| ……………..... | | | | | | |
| ……………..... | | | | | | |

# 2 Understanding your (underlying) core motivation

Before we continue with the definition of your ambition, it is important to understand the main driver of why you want to become more data-driven. There are many reasons that might make you want to start making more data-driven decisions within your organization. Understanding your main motivation can give you some guidance in the definition of your ambition later on. Which of the reasons below best reflects your motivation? Tick the box.

- ❏ **Customer demand** Do your customers communicate a clear need for specific insights?

- ❏ **Competitive advantage**: What distinguishes you from your competitors? Do you want to strengthen this distinguishing factor through the use of new technologies?

- ❏ **New legislation** or reporting for industry standards compliance. What data do you need to store and report on towards regulatory bodies in your country or industry?

- ❏ **Market and technology developments**  Are there any threats that you see within your industry from the larger companies or from newly established firms using new technologies? Are there any opportunities that you see in the applications of new technologies within your business?

- ❏ **Current challenges**  Are you facing any difficulties at this moment in your business? Are there activities that are too costly, cause frustrations, or take up too much time?

- ❏ **Future ambitions** as a company. Where do you want to stand with your business in 5 years? Does there have to change something within your company and what is the role of technology in this change?

- ❏ **Other: …**

# 3. Defining your focus

## 1.1 Formulating and prioritizing ambitions and accompanying challenges

1. You have gotten a better understanding of your main motivation to get started with data and the context of data in the different domains within your company. The next step is to formulate what your long-term ambition is with your company:
   *e.g. We want to deliver our products within a day, We want to excel on my online customer service, We want to predict the maintenance of our machines, etc.*

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2. Rephrase your ambition as a challenge, starting the sentence with "How can we….."
   *e.g. "How can we deliver our products within one day?"*

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3. Brainstorm (preferably with colleagues) about all tasks and actions you could possibly do within your company to use data to solve (part of) the formulated challenge:
   *e.g. Creating insight into past sales, collecting the data via your IT systems, making someone responsible for data insights, finding factors influencing revenue based on data, etc….*

# 4. Prioritizing challenges to tackle

Plot the answers of the brainstorm in step 3 on the effort/impact matrix below, by filling them into one of the quadrants (preferably together with your colleagues)

**high**

**Impact**

**low**               **Effort**              **high**
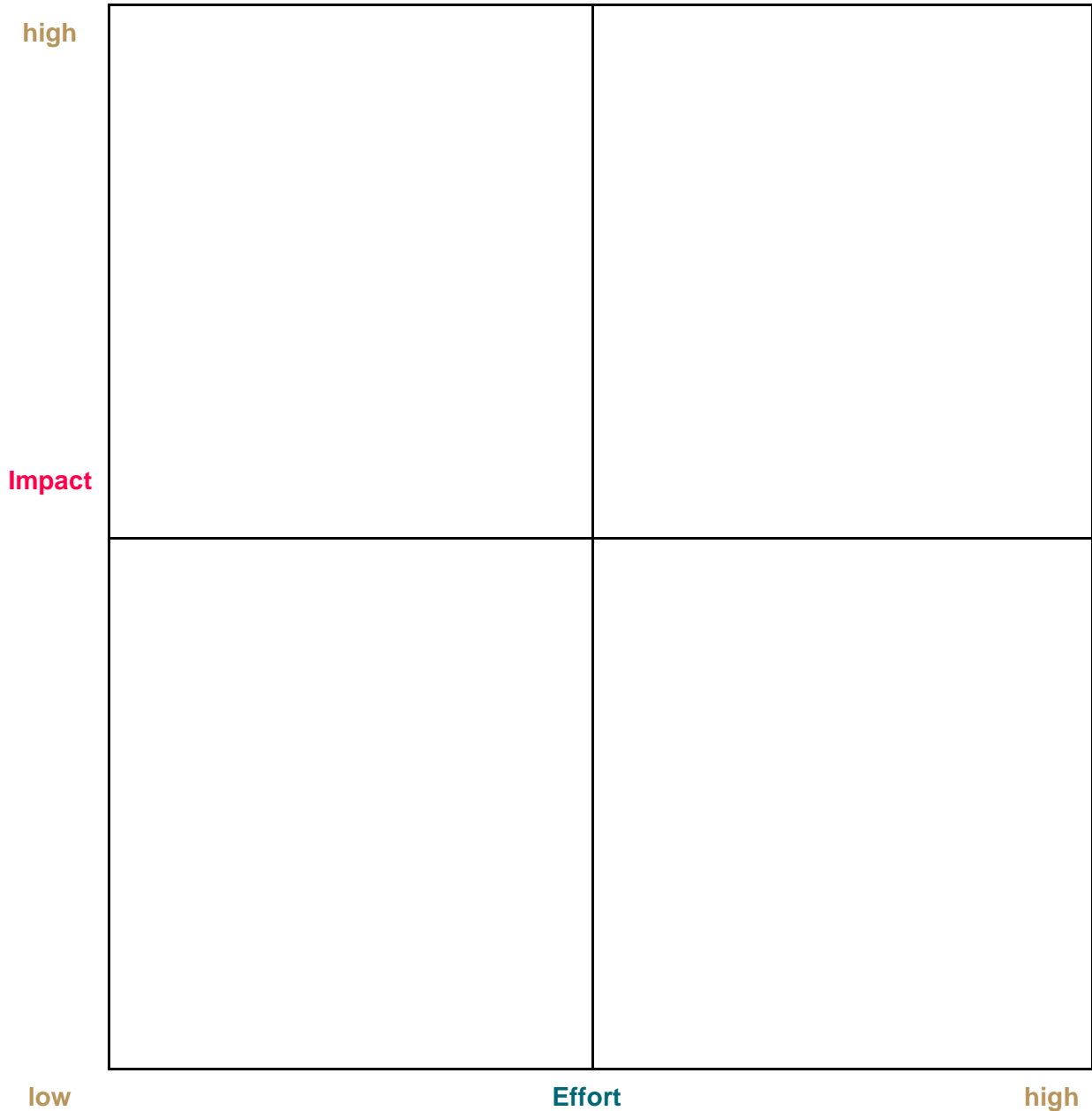
When you have plotted all the tasks and actions to be done, you have made a clear division of what tasks/actions you can forget about for now, which actions can go to the backlog, which actions should be the starting point and which actions are important to start working on for the longer term.

| | | |
|---|---|---|
| **high** | Quick-Wins: Do It Now | Long-term wins: Make A Project |
| **Impact** | Backlog: Make A task | Low impact-high effort: Forget For Now |

**low**            **Effort**            **high**

Pick one of the jobs to be done form the top left corner in the impact/effort quadrant from step 4. Try to choose an attainable job that has an immediate positive impact on your business and write it down here:

| |
|---|
| |

# The outcome

You have worked very hard to get to a more specific focus for your company in creating value for the data within your company. You have formulated your data ambition and accompanying challenges and even defined your first step. This functions as a good starting point to eventually reach your long term ambition. You have brainstormed about ways in which you can tackle the challenge by the use of data and prioritized these actions This is a great starting point on your journey to becoming more data-driven! So what's next?

# Next step

Fill out your ambition, challenge, and first step in the 'Data Brainwave tool' and start discovering the relevant data context within your company in relation to your first step.