

Achieving success with big data

The topic of Big Data is gaining greater coverage and the September issue of *PM* included thoughts about the technical challenges involved. But what are appropriate aims for data management and how can success be achieved? Robin Dicks gives his view.

This article originally appeared in *professional marketing* magazine. For further details go to www.pmforumglobal.com

Unless your firm has unlimited resources, you're faced with choices and opportunity costs when trying to get value from data. It's worth thinking about the philosophy that will work for you – ranging from working with structured data to inform known questions and specific decisions, all the way to working with whatever data can be accessed to produce new insights and ideas, or somewhere in between.

Many, including fee earners, are intellectually attracted to the open ended approach. However most firms still focus on gathering data to answer specific questions or inform specific issues – I've heard this expressed as "You can gather loads and loads of information but (it's no good) if you're not good at "what does that mean"... This is seen as more likely to drive economic value to the firm or clients. The key is generating the most value from data that the firm has or can reasonably access.

Different sources and the connection with the firm's aims

1 Internally generated data

This is about gathering comprehensive and reliable data in the firm's own systems, based on leveraging off efforts that would otherwise happen anyway. One of my contacts describes "taking a workflow that happens... ensuring that every time a matter is incepted, the right data is logged which contributes to the firm's knowledge".

It's critical to clearly define the data which is important, given the sheer amount that could be captured, to map

the right processes, and to define the right level of person to provide this. The most critical issue here is the human aspect – everyone needs to believe that data is their responsibility.

Fee earners are unlikely to directly gain more value from their data input efforts than they put in. The message which drives success is: "you need to input this information for the good of the whole firm... if you don't there will be an impact on how your performance is appraised".

Visible accountability for the provision of accurate data is important. It's also clear that educating people on what to do and how they will be judged if they don't do it is a bigger driver of success than accessing leading edge technology. But the balance must be right. Asking



In one firm, partners lose the responsibility for managing client relationships if they do not share insight about those relationships.

people to input lots of data leads to greater inaccuracy and ensures diminishing returns.

2 Integrating data from different internal sources

One of my contacts describes this as: "(For data) to become a strategic asset there is an overall need to consolidate, manage, edit, and validate data from different systems." One example is ensuring results from client feedback surveys are visible via the firm's CRM system.

Often different systems don't "talk to each other", which also causes the problem of conflicts between different sources of data. Some firms have lessened this problem by ensuring there is only one entry point for each item.

3 Third-party, open source and social media data

Those providing enhanced insight about clients and markets for the firm's own management are often uncomfortable with the ambiguity in data from these sources. Those who are more comfortable are aiming to use qualitative data and interpretation to bring new insights – and more direct additional value – to external clients. Some are beginning to use inputs from social media as fuel to provide additional insights and equip thought-leadership efforts.

Enriching data through adding the firm's own interpretation can directly add value to the client over and above the technical or traditional aspects of what the firm does. One firm gathers data about public liability claims and analyses



correlations with other factors, thereby providing added insight to clients about their own business. As those involved say: “Clients expect you to get the litigation piece right, that is a satisfier... surprise and delight is where you start giving clients insight they didn’t have”.

More strategically, some firms are aiming to use insights gained from social media and open source data to assist their clients in their own service development, strategic investment decisions and even to help them evolve business models.

4 Analysis, interpretation and presentation

There is no value in gathering and reporting data if it does not become insight, to help the user’s decision making and to improve the value that the person or the firm provides as a result.

Users of the insight must trust the analysis and interpretation. If people are unwilling to make decisions as a result, the insight has not done its job (even if it is of very high quality). This is of course why analysis by third parties are sometimes viewed as more credible. The accessibility and clarity of presentation is critical.

Overall lessons

Ignoring any of the four factors below – which I call the SECT factors – jeopardises the resulting value of any insight gained.

1 Strategic vision, programme management, sponsorship, accountability

You must have a clear message about why the firm needs data and insight. You need senior buy-in and a managing partner (or

similar) who can help set and drive a coherent vision. Effective governance through a strategy board and programme sponsor matters.

There needs to be unequivocal accountability. One firm has achieved substantial results by having a partner whose sole focus is driving commitment to better business intelligence for the firm and its clients. If you’re aiming at a step change in what the firm is doing, a multi-disciplinary team including marketing, finance, HR, IT and other functions and players with influence definitely increases the chances of success.

2 Education and engagement aids execution

Like most things in professional services firms, when push comes to shove, it is about what people do and how they behave. It’s easy to forget the need to listen to people, but removing the frustrations your colleagues have builds credibility and commitment.

There is no substitute for effective communication on the value that the firm as well as the individual gains. Training sets expectations about ‘what we do here’, and should include clarity about staff responsibility to accurately provide the data they are expected to contribute.

Effective carrots and sticks work too. The judgment of partner performance in one firm is influenced by whether they achieve a ‘green’ score on the management information they provide. In another, partners lose the responsibility for managing client relationships if they do not share insight about those relationships. There is a real implication if people do not ‘do the right thing’.

The more visible and well publicised expectations on individuals, their

performance, and outcomes from data management are, the better. Aligning this with the performance management approach of the firm, and KPIs, or a balanced scorecard approach, drives results.

3 Clear definition of data and how it connects with the vision and marketplace

Some firms have diligently worked through the definition of data that would provide value to them. They have considered the different scenarios that fee partners or clients would face and worked back from there. They have defined what makes a difference and what aids decision making.

A focus on what drives value for clients and being able to ‘delight’ the client and add something unexpected has paid dividends. There is an added-win here. It is easier to gain buy-in and commitment from fee earners when they clearly see the benefit that their clients can receive. It becomes more real.

4 The right choices about data items, processes and people

Building the gathering of accurate data into processes that already happen helps. So does defining the right person to capture the right data item. Think diligently about the cost benefit of items of information. There are diminishing returns; expecting colleagues to provide massive volumes of data has a negative impact on accuracy and commitment. Ensuring data is only captured in one place – while it can be shared across systems – is also advisable.

What should you do now?

Consider each of the four SECT factors above. How do you believe you perform on them? Score your efforts out of 10.

Are there areas where – if scored honestly – you would rate less than 7/10? What aspects should you improve?

Can your data management and analysis efforts add more value to your clients or your markets? Do you have a clear sense about the things that your clients value, where you could drive added value to them through providing and communicating insight?



Robin Dicks is the founder director of The Thriving Company, a consultancy which helps firms improve performance and grow revenue and profitability. Contact: robin@thrivingcompany.co.uk