

# Your Business Is Only As Fast As Your Data

## Executive Overview: The Data Management Playbook

by Michele Goetz

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### Why Read This Report

Today, what you know, and how well you use that knowledge, fuels your competitiveness and growth. You must change how your firm provisions and manages data to keep up with empowered customers and nimble competitors. This executive overview lays out the imperative for enterprise architecture (EA) professionals to enable self-service access to real-time data. It explains how you can use the 12 reports in the data management playbook to discover, plan, act, and optimize your data management practices.

This is an update of a previously published report; Forrester reviews and revises it periodically for continued relevance and accuracy.

### Key Takeaways

#### **Focus On Speed, Quality, And Self-Service: The New Data Management Mantras**

Replace old guiding principles, such as centralized control and rigid requirements, with agility and flexibility to enable business users to explore and find what they need.

#### **Tell Me How Good Your Data Is . . . I'll Tell You How Well You'll Perform**

There's plenty of available data. But how good is it? EA pros who concentrate on consistently building on data quality will bring the business and technology organization together. With high-quality data, executives are generating new business models to win, serve, and retain customers, not merely reporting on what already happened.

#### **Data Is The First Stop In Your Digital Business Transformation Journey**

Data builds a better picture of what your customers want across different channels, and it helps you understand how well you are serving them. Innovation within data management practices will make new insights possible.

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by [Michele Goetz](#)  
with [Gene Leganza](#) and Jeremy Vale  
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## Competitive Advantage Is No Longer First To Market; It's First To Value

Contemporary approaches to data require a new way of thinking about its value, one that requires new analytics and leverages new technologies. However, the early adoption of lower-cost, higher-performance data capabilities does not guarantee success — as we've seen with the first-generation implementations of big data and cloud platforms that languished in the pilot stages. Today, fast followers can take advantage of more mature, modern, and packaged data solutions that require less coding, less integration, and lower cost to performance.<sup>1</sup>

## Slow And Inaccessible Data Is The Kiss Of Death

In the age of the empowered customer and the cloud, executives, employees, partners, and customers are connected and encouraged to access information and communicate. This open, always-on, and always-ready ecosystem demands real-time access to trusted data.<sup>2</sup> As a result, enterprise architects must cope with complex requirements for users, applications, and processes regarding the availability of business data. Any data bottleneck in this digital network can mean millions in lost revenue due to missed sales opportunities, lost customers, inefficient supply chains, and uninformed strategic decisions. Forrester finds that:

- › **Businesses can't get the data they need fast enough.** The relevance and value of data are tied to how up to date it is and how available it is to use. A global food and beverage company uses data prep to accelerate the wrangling of data it uses to build customer forecasts from disparate systems and files. The firm converted its data-wrangling process to automated workflows, reducing runtime by 70% and build time by 90% while alleviating product data-quality issues across disparate systems.<sup>3</sup>

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- › **Data volume and variety are crushing business systems.** Global data and analytics decision makers grapple with the growing volume and variety of data when orchestrating their business intelligence (BI) strategies.<sup>4</sup> And Forrester clients struggle to know what data is available and how to wrangle different data from various sources. Today, enterprises build most big data deployments in silos, largely to address specific business needs: collecting sensor data to support smart metering, web clickstream data to support customer analytics, or geolocation data to support customer personalization. These silos create a major challenge for EA pros, especially when it's time to integrate them.
- › **The empowered customer requires a complete, single view.** Improving customer satisfaction, improving customer service, and acquiring new customers are firms' top priorities for customer engagement on mobile devices, according to global mobility decision makers.<sup>5</sup> To meet each objective, a marketer must know about customer needs, likes, and dislikes. Of course, digital engagement with customers creates an upsurge of metadata, which needs to be classified, linked, and exposed. At many organizations, a customer master omits the thousands of metadata attributes it takes to create mobile moments.<sup>6</sup>
- › **Rigid prioritization and planning processes meet yesterday's demand.** Long-term projects lag behind business demand, creating significant technical debt and ineffectiveness for the business.<sup>7</sup> Technology can partially provide fast data, but EA pros also need to change the way they develop data capabilities.
- › **An agricultural equipment maker pivoted from waterfall to Agile development for BI.** At this firm, the tech organization favored large architectural investments over time-sensitive needs; its response to business data needs tended to be "We'll slot you in." But the initial transition to Agile pushed off much-needed architectural building blocks and data governance requirements that dragged down the value delivered. In the end, the tech team had to adapt Agile development processes to account for both ad hoc and architectural requirements to again lower the time-to-value for tactical projects and deliver faster on foundational platform investments.<sup>8</sup>
- › **Tougher compliance requirements make a more secure data platform obligatory.** Amid an increase in both internal and external threat levels, enterprise architects are seeking new ways to enhance data security. Today, many mission-critical data management repositories are highly vulnerable due to poor security practices and weak access control measures.<sup>9</sup> Data privacy laws are getting tougher, and regulations, such as the EU's General Data Protection Regulation (GDPR), the payment card industry (PCI), the Health Insurance Portability and Accountability Act (HIPAA), and the Gramm-Leach-Bliley Act (GLBA), are requiring firms to implement stronger global data security measures.

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## Leverage Data Management To Meet The Demands Of Digital Disruption

For an organization to delight its increasingly empowered customers, it must rethink its approach to data. Rigid, centralized data management practices won't work. To remain competitive, organizations must have flexible data management practices that provide the business with answers to strategic questions. Forrester's data management playbook provides a fresh approach that helps enterprise architects build a next-generation data management practice (see Figure 1). To succeed, enterprise architects should:

1. **Discover how to use data to win.** Envision a next-generation data management practice designed for agility and context. The main priority? To keep up with your customers' needs by enabling business users to explore data to fuel innovation. Adopt data capabilities that help unify the front and back offices and flexibly link with a variety of information channels. Build the business case with business metrics like revenue and profitability rather than total cost of ownership. Employ design thinking to narrow the gap between business priorities and data capabilities.
2. **Plan with the intention of fueling a digital business.** Collectors, investors, and innovators are useful archetypes against which organizations can measure themselves. Once an organization knows its archetype, it can lay out a strategic plan that mirrors its business plan. Plan for the fact that modern data strategy and architecture mature in stages. Build a road map that will take you beyond maintaining systems of record.
3. **Act to build an agile, elastic data management practice.** Successful firms have frameworks to understand how data management capabilities map to organizational resources. Agility, however, doesn't mean skipping over data governance. It means investing in data governance to more closely measure and drive performance. In this light, enterprise architects should evaluate tools and technology on proof of capability first, rather than features and functions.
4. **Optimize by spreading trust throughout the business.** Untrusted data drives business users away. Managing data quality consistently unites the tech organization and the business. Data can influence business processes and the business strategy. Forrester's data management capability model helps create an environment that fosters continuous improvements. The goal is to help EA pros meet compliance regulations; make faster decisions; and adopt new, increasingly sophisticated customer experience management practices that fix what's broken and prevent future problems.

**FIGURE 1** The Data Management Playbook

DISCOVER	PLAN	ACT	OPTIMIZE
Vision	Assessment	Organization	Performance Management
Landscape	Strategic Plan	Processes	Benchmarks
Business Case	Road Map	Tools And Technology	Continuous Improvement

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## Endnotes

- <sup>1</sup> See the Forrester report "[Data Technology Pathfinder](#)."
- <sup>2</sup> For more information on empowered customers and the technology they use, see the Forrester report "[The Rise Of The Empowered Customer](#)" and see the Forrester report "[The Consumer Tech Stack](#)."
- <sup>3</sup> Data preparation tools have emerged as a vital method for analysts to quickly source, blend, and wrangle data independent of EA's data management processes. See the Forrester report "[Now Tech: Data Preparation Solutions, Q3 2018](#)."
- <sup>4</sup> In 2018, 37% of global data and analytics decision makers ranked "sourcing, gathering, managing, and governing the data as it grows" as their firm's biggest challenge when using systems of insight, second only to building a cross-functional team to develop, test, and implement insights. Base: 2,364 global data and analytics decision-makers whose firm is adopting "systems of insight." Source: Forrester Analytics Global Business Technographics® Data And Analytics Survey, 2018.
- <sup>5</sup> Source: Forrester Analytics Global Business Technographics Mobility Survey, 2018.
- <sup>6</sup> The challenge these days isn't the data; the challenge is ensuring data has the right context. When it comes to insight, the semantics provided by metadata is everything. See the Forrester report "[Reclaim Your Semantic Desert To Monetize Your Data](#)."
- <sup>7</sup> See the Forrester report "[Digital Transformation Requires Development Transformation](#)."
- <sup>8</sup> Enterprise architects can use data to transform their organization from tortoise to hare and keep pace with the speed of business if they adopt agile processes. See the Forrester report "[Create A Road Map For A Real-Time, Agile, Self-Service Data Platform](#)."
- <sup>9</sup> See the Forrester report "[Protect Your Intellectual Property And Customer Data From Theft And Abuse](#)."

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