

# **MAPPING DATA STRATEGY AND DATA GOVERNANCE TO BUSINESS VALUE**

**Presented by:  
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# **AGENDA**

- About Me**
- Challenges We're Facing**
- My Connection of Strategy and Value**
- Understanding Business Value**
- Strategy Observations**
- Governance Observations**
- Where to Start**

# ABOUT ME



# CHALLENGES WE'RE FACING

85% of big data projects fail (Gartner, 2017)

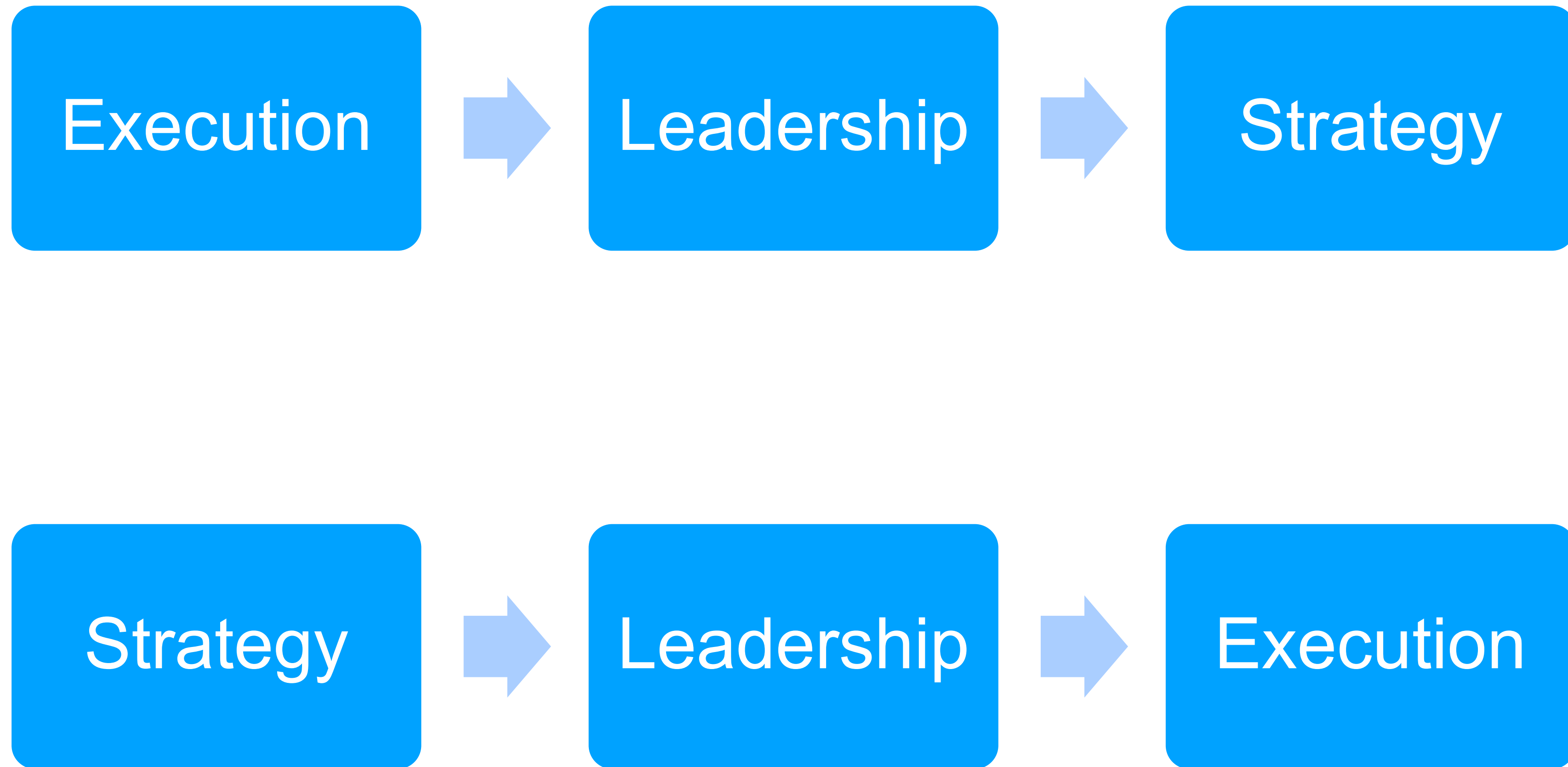
“Less than half of data and analytics teams effectively provide value to the organization” (Gartner, 2023)



*“You need to be more strategic.”*



# CHALLENGES WE'RE FACING – NEW ADD



# MY CONNECTION OF STRATEGY AND VALUE



# **UNDERSTANDING BUSINESS VALUE**

**WHAT DO YOU CARE ABOUT?**

**WHY IS IT IMPORTANT?**

**WHAT DECISIONS DO YOU HAVE  
TO MAKE?**

**HOW ARE YOU INCENTIVIZED?**

✓ Given These Questions, How Do We Provide Value?

# **UNDERSTANDING BUSINESS VALUE**

**DO YOU KNOW HOW YOUR ORGANIZATION CREATES VALUE?**

**DO YOU KNOW HOW YOUR ORGANIZATION MAKES MONEY?**

**DO YOU KNOW YOUR OPERATING MODEL?**



# WHAT DO CEOs CARE ABOUT?

## High-impact issues and top internal focus areas for CEOs in 2023

Select the **external factors** or **issues** that you think will have the greatest impact on your business in 2023.

### HIGH IMPACT

- Economic downturn/recession
- Inflation
- COVID-19 related disruptions
- Global political instability
- Supply chain disruptions
- Labor shortages

### LOW IMPACT

- Corporate tax rates
- More agile competitors
- Industrial policy in your region
- Lack of infrastructure investment in your region
- Global rise in authoritarianism

Select the **internal factors** or **issues** that your company will focus on in 2023.

### HIGH FOCUS

- Attract and retain talent
- Drive revenue growth
- Modify business model
- Drive profit growth
- Accelerate pace of digital transformation

### LOW FOCUS

- Overhaul supply chain
- Accelerate shift to renewable energy sources
- Rethink corporate real estate/space needs
- Improve board governance
- Expand talent pools to include underrepresented groups

# STRATEGY SIMPLIFIED

*“Application of strength against weakness”*

*“What we’re going to do and what we’re not going to do”*

*“A mix of policy and action designed to overcome a significant challenge”*

*“How you allocate limited resources to unlimited opportunities”*

*“Designs of coordinated actions aimed at overcoming specific challenges”*

**Top Line Growth**

**Expansion of Bottom Line**

**Reduction of Risk**

# STRATEGY EXAMPLE FROM NIKE

We delivered another strong quarter in Q3, with revenue growth of 14% on a reported basis and 19% on a currency-neutral basis, exceeding our plan.

Our growth this quarter was broad-based across our brands, channels and geographies. We had strong digital growth of 24%, which once again was fueled by double-digit increases in traffic on mobile and our apps. While Direct, led by digital, remains strong and will continue to drive our growth, our wholesale channel continues to be an important part of our strategy as we access key consumer segments and achieve distribution scale across the marketplace. Wholesale grew 18% in Q3, reflecting strong retail sales, with growth that over-indexed across our strategic partners.

This quarter continued our positive currency-neutral growth in all four of our geographies. North America, EMEA and APLA all delivered double-digit revenue growth. Greater China grew 1% despite a very challenging December following the shift in the country's COVID policies.

And we are making great progress on inventory, with our inventory dollars down sequentially vs. last quarter. In Q3, we had inventory growth of 16% year over year. Our decisive actions are enabling us to navigate through shifting dynamics with continued improved efficiency.

# GOOD STRATEGY VS. BAD STRATEGY

## Good Strategy

### Diagnosis

- Problems
- Challenges

### Guiding Policy

- Specify approach to dealing with obstacles called out in diagnosis
- Signpost marking direction forward but not defining detail

### Coherent Action

- Feasible coordinated policies
- Resource commitments
- Actions designed to carry out policy

## Bad Strategy

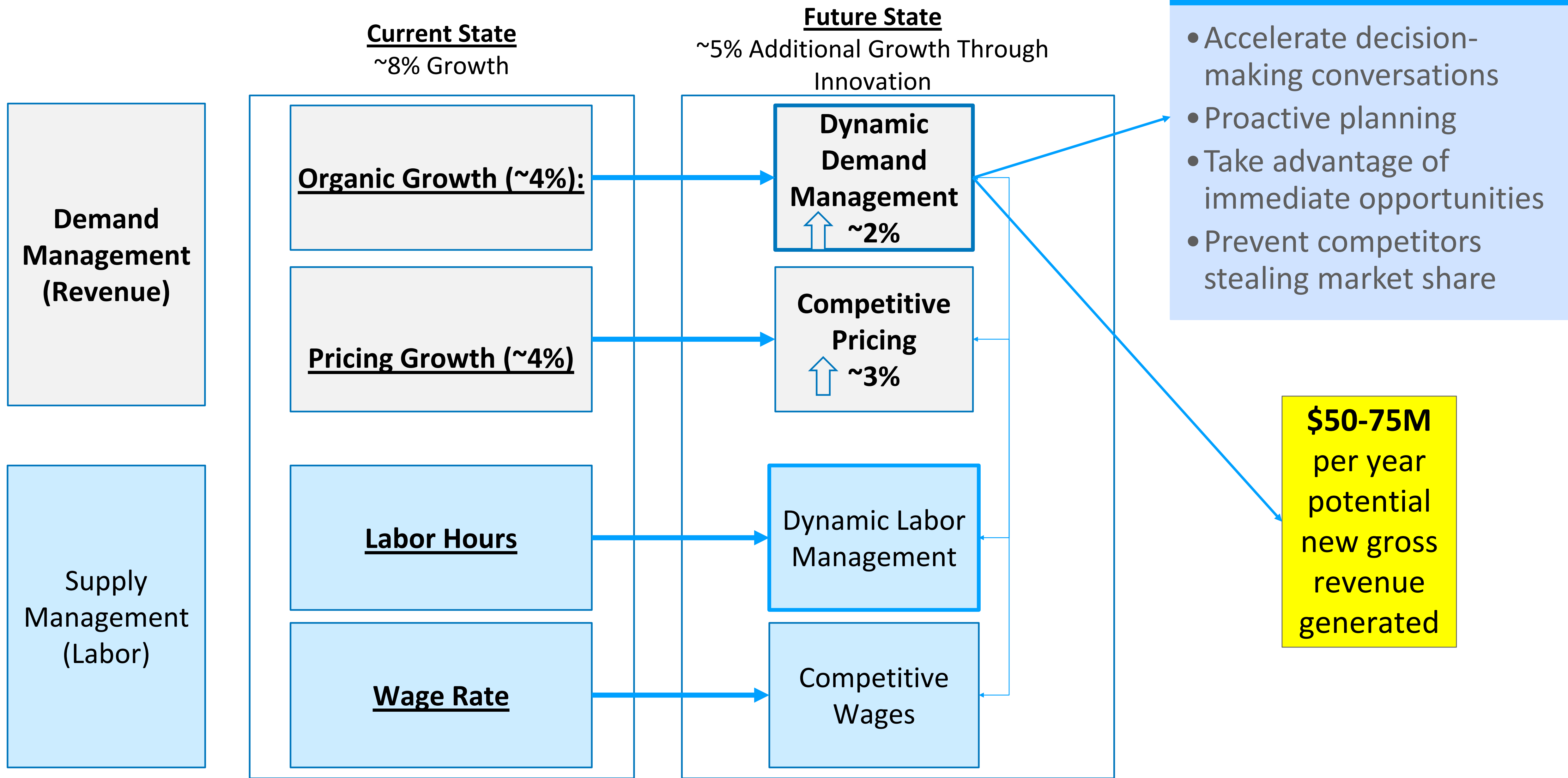
### Goals/Targets

### Project Lists

### Vision/ Hopes & Dreams/Wish List

VS

# Growth Opportunities: *Visibility Through Data* Real-Time Decision Making - Supply & Demand



# How is Data Positioned to be an Asset of Innovation?

**Organizational  
promise:**

We aim to make people happy.

**Data Value  
Proposition:**

Enable the business to tell great stories that give our customers great experiences.

***Problem we're trying to solve using data:***

- A
- B
- C

***Embedding Data into the Value Stream and Business***

***Operating Model:***

- A
- B
- C

***Strategic Pillars***

**People**

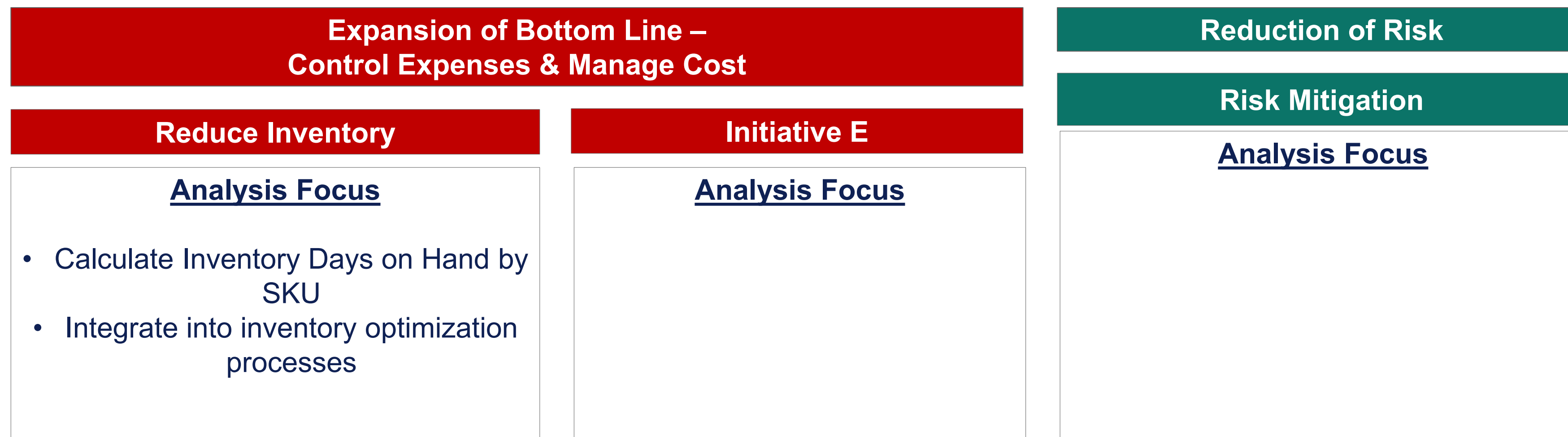
**Process**

**Technology**

**Data**

# Framework for Data Value Creation

## Optimized Decision Making and Risk Mitigation



# GOVERNANCE SIMPLIFIED

*“Formal execution and enforcement of authority over the management of data and data-related assets.”*

*“Formalizing behavior around the definition, production, and usage of data to manage risk and improve quality and usability of selected data.”*

*“Formalizing and guiding behavior over the definition, production, and use of information and information-related assets.”*

**Top Line Growth**

**Expansion of Bottom Line**

**Reduction of Risk**



# GOVERNANCE EXAMPLE FROM FORD

## **Jim Farley**

Thanks, Lynn, and hi, everyone. We appreciate you all joining us. I'll start by addressing the obvious. Our fourth quarter and full year financial performance last year fell short of our potential. And while we generated record cash flow, we left about \$2 billion of profit on the table due to cost and especially continued supply chain issues. These are the simple facts and to say I'm frustrated is an understatement because the year could have been so much more for us at Ford.

Bottom line, in a double transformation, we must significantly improve our cost and our quality, but at the same time, grow to fulfill that huge promise in Ford+. And frankly, the first part of the transformation has not moved fast enough.

# MAPPING DATA GOVERNANCE TO VALUE

## FORD EXAMPLE

bad quality -> broken vehicles -> warranty repairs -> dealer reimbursements -> higher costs  
-> reduced profit

## DATA GOVERNANCE EXAMPLE

bad data quality -> broken process -> product/service issue-> higher costs/reduced revenue  
-> reduced profit



# **WHERE TO START**

**IDENTIFY THE CURRENT PROBLEMS YOU'RE SOLVING AND WHO YOU'RE SOLVING THEM FOR**

**ASK FOR A BUSINESS STAKEHOLDER MEETING**

**LISTEN, UNDERSTAND, PLAYBACK WHAT YOU HEARD IN THE LANGUAGE OF THE STAKEHOLDER**

# NEXT STEPS/RECAP

1. Be curious!
2. Get ready to talk to people
3. Figure out what people care about
4. Learn your business
5. K.I.S.S.
6. Rinse and repeat

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