

# Executives fail to manage data

A KPMG capital study reveals that 96% of businesses say they are not managing data effectively and though executives see value of data and analytics, 85% face challenges in analysing their existing data.

The recent data and analytics (D&A) report reveals a stark disconnect between C-suite executives who realise the value of big data, but are unsure of how to effectively implement and manage their existing resources.

The survey, which interviewed 144 CFOs and CIOs from multinational companies with annual revenues of US \$1 billion or more, also discovered a large majority of executives (75%) find it difficult to make decisions around D&A, even though 99% consider it to be important to their business.



## Data-driven world

"We live in an increasingly data-driven world where D&A has the potential to revolutionise the way we conduct and manage business operations across the entire enterprise," said Mark Toon, CEO of KPMG Capital. "From CEOs, to CFOs, CIOs and CMOs, the challenge for today's executive is in understanding how to draw actionable insights from data and turn them into tangible, genuine results. This report demonstrates not only the hunger to harness new D&A capabilities, but also the greater level of support that's needed to operationalise these insights."

"Equally, in Africa, advances in technology and the accessibility to data, means that organisations can now do more," says Frank Rizzo, Africa Lead for KPMG's D&A practice. "The success of MPesa, a mobile payment solution in Kenya, is a great example of how technology can be used to unlock significant value for users and businesses alike. It is the same with 'Big Data'. Now that organisations have access to so much data, they must determine how to use it in a transformative way."

"Fortunately, in Africa, many organisations are not burdened by massive legacy systems like those in the developed nations which must now grapple with adapting their systems and processes to take advantage of the move to D&A."

In November 2013, KPMG International announced the launch of KPMG Capital to accelerate innovation in data and analytics services and solutions. With the vast majority of executives (85%) struggling to accurately analyse and interpret their existing data, it is time for business executives to consider new approaches to D&A.

"The company recognises that business leaders need better tools and processes to uncover valuable business insights," added Toon. "Our mission is to fulfil this unmet need in the marketplace and accelerate D&A innovation to help unlock tangible value for KPMG member firms' clients."

### Additional survey findings:

- 80% of executives agree speed is a key benefit of using D&A
- 69% consider D&A to be crucially or very important to their current growth plans
- While the majority of respondents (56%) changed their business strategy to meet the challenges of big data, 42% of executives admit integrating data technology into existing systems and/or business models is their greatest challenge
- More than half of all respondents (54%) identified their greatest barrier to implementing a successful D&A strategy was an inability to identify what data to collect
- 85% consider their biggest challenge with analytics to be implementing the right solution to analyse and interpret data

"Similarly, in Africa, organisations are grappling with the issue of what data to collect and how to extract the value out of that

data," continues Rizzo. "But skills development is by far the biggest challenge facing organisations on the continent.

"In South Africa educational institutions have started to develop courses around data science but we will only see the benefit of this in years to come. Right now decision-makers in boardrooms must come to terms with the value of data, particularly in light of privacy legislation.

"In most of the developed markets, privacy legislation has been in place for at least 20 years but on the continent there has been very little. South Africa recently enacted the Protection of Personal Information Act. Organisations will need to factor this legislation into their planning if they wish to harness the power of data effectively."

"From social media-based analytics to predictive modelling, the available solutions are endless and so are the applications - from risk management and cost optimisation to identifying new revenue streams," concludes Toon.

For more, visit: <https://www.bizcommunity.com>