





DATA & ANALYTICS

The Analytics Talent Dividend

A presentation of the findings from the 2014 Data & Analytics Global Executive Study and Research Project

About the Authors



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Analytics is pervasive and growing

"It's not just high-tech. It's going to be every kind of business."

-- Hal Varian, chief economist, Google

... contingent on people

"The shift from looking backwards versus prescriptive and predictive analytics is also a shift in people's thinking."

-- Mathew Chacko, director of enterprise architecture, The Coca-Cola Company

... earning dividends for new approaches

"A new space and a new way of looking at things ... it's drawing people to come together.

The silos of the past aren't holding us up."

-- Vince Campisi, CIO, GE Software







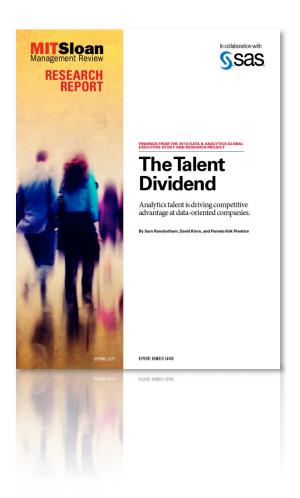
Data and Analytics Global Study



5-year research program

 Annual reports, surveys, interviews and case studies

- Input from more than 10,000 executives, managers and thought leaders
- 100+ countries

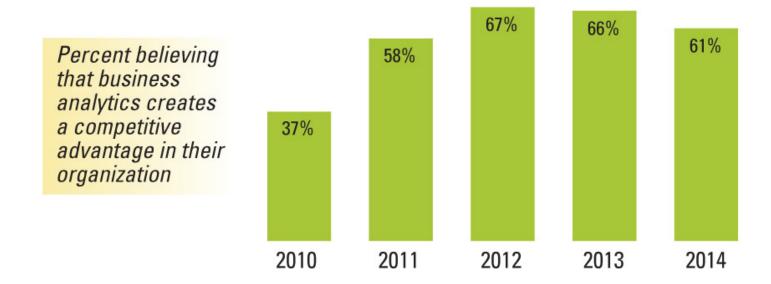








Gaining competitive advantage from analytics is more difficult



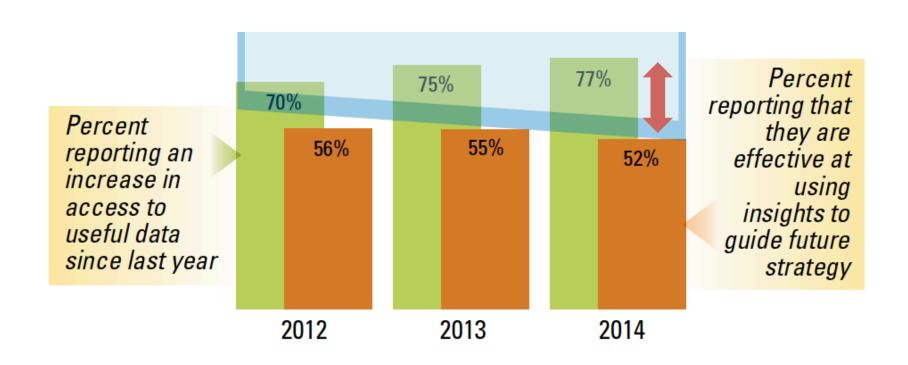
This year we see the first real signs of diminishing return







Turning data into strategic insight is challenging



Only 40% feel they frequently have all the data to make key decisions





Lack of appropriate analytical skills is a key inhibitor



Turning analytical insights into action: 50%



Aggregating multiple data sources: 48%



Lack of appropriate analytical skills: 43%

Technology is no longer the primary roadblock





Biggest skill gaps are not quant related



Translating analytics into business strategy or specific actions: 51%



Asking the right questions: 30%



Knowing what data to analyze: 28%

Analytics "translation" is by far the biggest deficiency

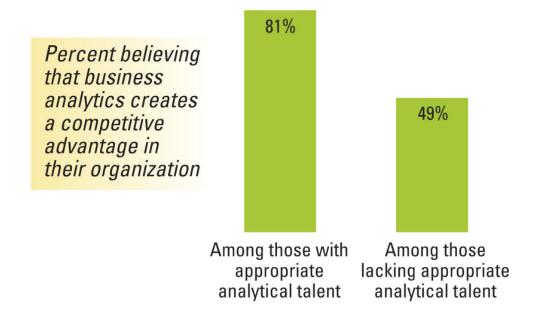






Analytics talent fuels competitive advantage

Appropriate talent creates a huge premium



Companies with the right analytics talent outperform others financially as well







Analytical maturity changes the equation

34%	54%	12%
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Analytically Challenged	Analytical Practitioners	Analytical Innovators
Rely more on management experience than data analysis	Working to become more data driven	Analytics culture driven by senior mandate
Focus on cost reduction in use of analytics	Primarily operational in their application of analytics	More strategic in their application of analytics
Suffer from data quality and access issues	Have "just good enough" data	Place a high value on data
Lack appropriate data management and analytical skills	Have more of the information they need to make decisions	Have higher levels of data management and analytic skills
Simple approach to analytics, mostly descriptive applications	More complex approach to analytics, some predictive applications	Sophisticated approach to analytics, focus on prediction and prescription

Analytically mature companies use more sophisticated techniques



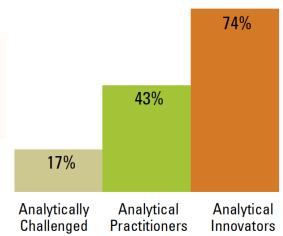




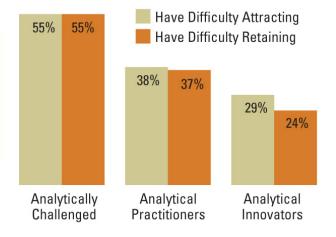
Analytical talent is at a premium

We know talent drives success with analytics









But it's not always easy to get and keep

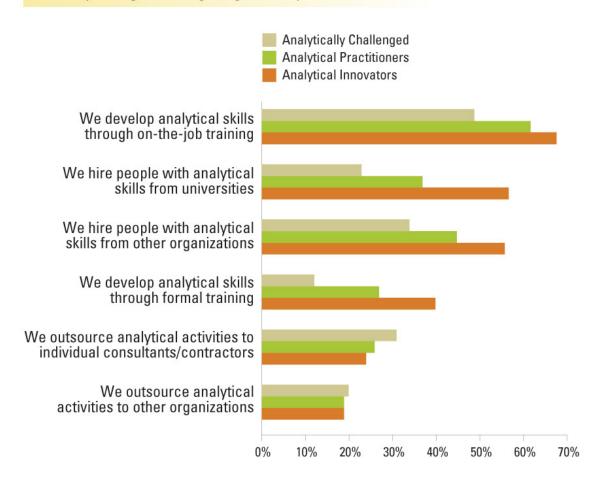






Analytical skills come from different sources

"How is your organization getting the analytical skills it needs?"

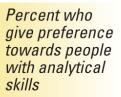


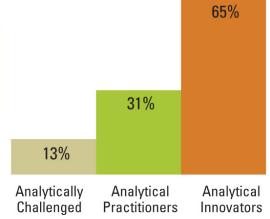






A different talent mindset yields more success

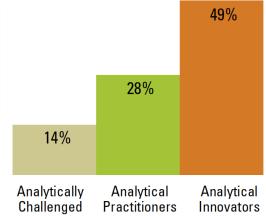




Preference for analytical skills is a key differentiator

Integrating the talent is important to success and retention





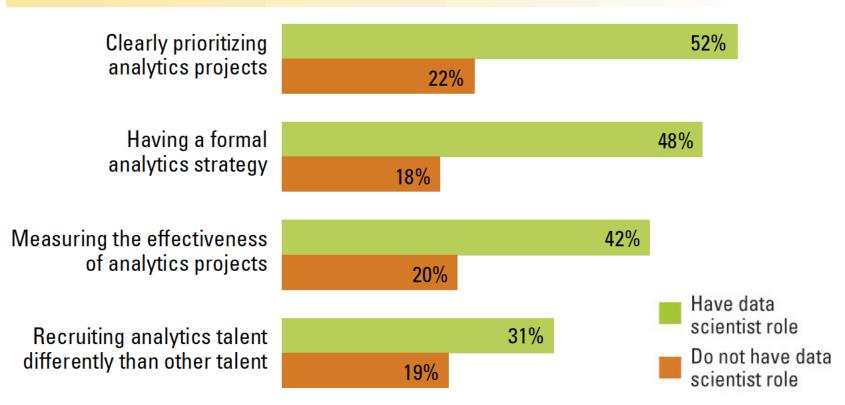






Data scientists are impacting the organization

Percent who describe their organization as...









Data scientists are changing the world







What We Recommend



Look inside to tap internal talent



Focus on talent integration, not infusion



Set up a buddy system



Build a common core







Read the full report at: sloanreview.mit.edu/analytics2015

For more on data & analytics, please visit: sloanreview.mit.edu/data-analytics

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