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The "Must-dos" Of Datamining

by Sonya Crosby



Data can be one of your company's biggest assets – if you can make sense of it. Here's how.

- 1 BE VERY CLEAR ON YOUR OBJECTIVES** Hold the business question you are trying to answer firmly in mind before you even start. Understand what you are trying to achieve and how you want to then apply that insight. This will help you determine what sources you can use to meet your objectives and avoid heading off on interesting, but irrelevant tangents. This planning stage is crucial.
- 2 THINK OUTSIDE THE SQUARE IN TERMS OF SOURCES** There is a vast range of data available to enable you, as a manager, to make better decisions. Explore the use of external sources, and consider what other information you have within your wider organisation that you could leverage to complete your picture. Cooperation and knowledge-sharing across business functions will ultimately lead to a win-win for your company. Online data is another valuable source that can be leveraged and integrated into other sources.
- 3 UNDERSTAND YOUR POSITION WITHIN THE WIDER MARKET** There are a range of sources that can provide you with a clear picture of your specific competitive landscape. These allow you to assess your market share, in a particular region or at a point in time, and monitor how it changes over time. If you rely on the internal picture alone, you may be missing an important market risk or opportunity.
- 4 CENTRALISE YOUR SOURCES** For efficiency across the business, ensure your data is centralised in one location, where each department can easily access the information they need and provide succinct reporting, as required. Centralisation helps enable a 'single customer view'.
- 5 CONSIDER OTHER WAYS YOU COULD COLLECT DATA** If you don't have enough sources to draw on currently or could benefit from a more complete picture, identify where the gaps are and how you could fill these. Loyalty programmes and customer feedback

initiatives both provide means by which you can collect more information from customers or clients. Data experts also have a range of sources you can leverage, or can help you establish other systems in-house to meet your objectives.

- 6 TIE THE REPORTING FROM YOUR DATA TO KPIs** An important part of management is monitoring your department's KPIs and often reporting these back to a CEO or board. To avoid reworking data into several reporting formats, for ease of use, and to add real value to your data systems, make sure that the report feeds offered align to your reporting.
- 7 REVIEW YOUR DATA SYSTEMS REGULARLY** A solid data system is like that trusty old best friend, always there to dish out what you need. However, it is important not to take this for granted. Assess your data system regularly to determine whether the feeds you are receiving are still right for you.
- 8 AUTOMATION IS NOT ALWAYS THE ANSWER** While there is a range of automated datamining tools available on the market, the results they provide are often simple and narrow in scope. Human intervention goes a long way in aligning the outcome with your objectives.
- 9 ENSURE SOLID PROTOCOLS AROUND DATA SECURITY** Consider who can access your company's data and what would happen in a fire or technology breakdown. Files should be stored securely, with user access restrictions, and backed up in a secure location, preferably off-site. Independent auditors can assess the security around your data, if you have any concerns.
- 10 USE YOUR DATA TO MOVE YOU 'BEYOND GUESSWORK'** There is a wealth of insight held within your data. If you leverage this effectively, it can remove the guesswork from your business decisions, providing evidence to guide your business forward, down a well-informed and successful path. **M**

Sonya Crosby is CEO of Datamine.