2019 Predictive Analytics Symposium

Session 25: M/S - Why Your Company Needs a Data Strategy

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Why Your Company Needs A Data Strategy

SOA PA Conference – Session 25

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Agenda

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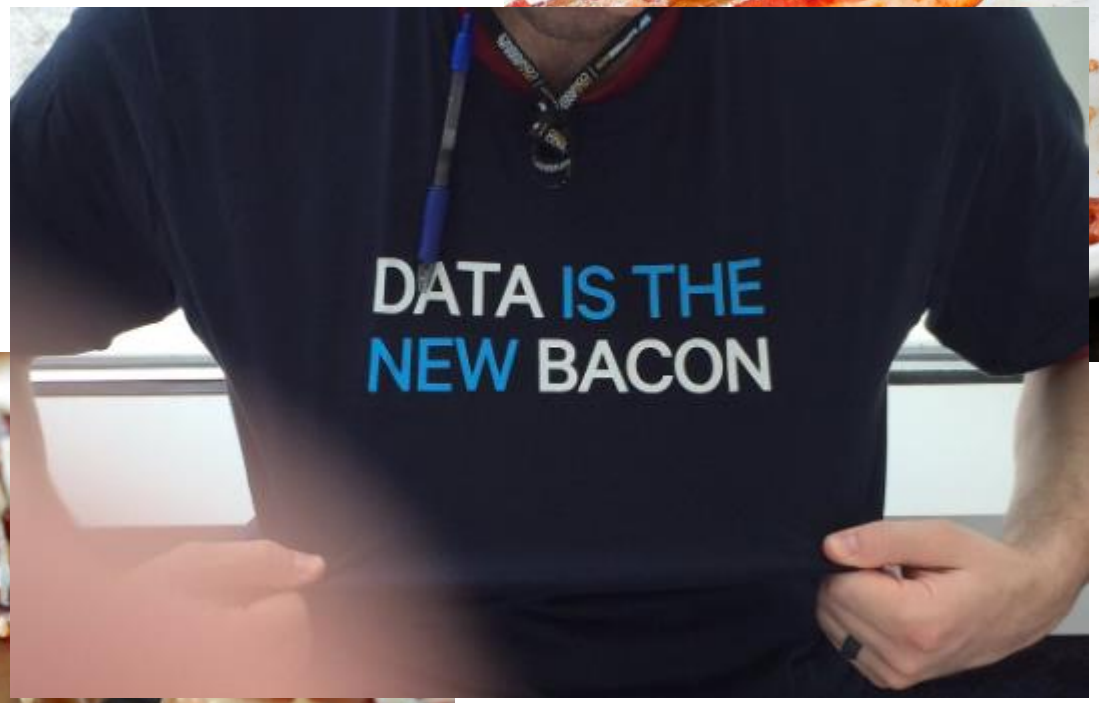
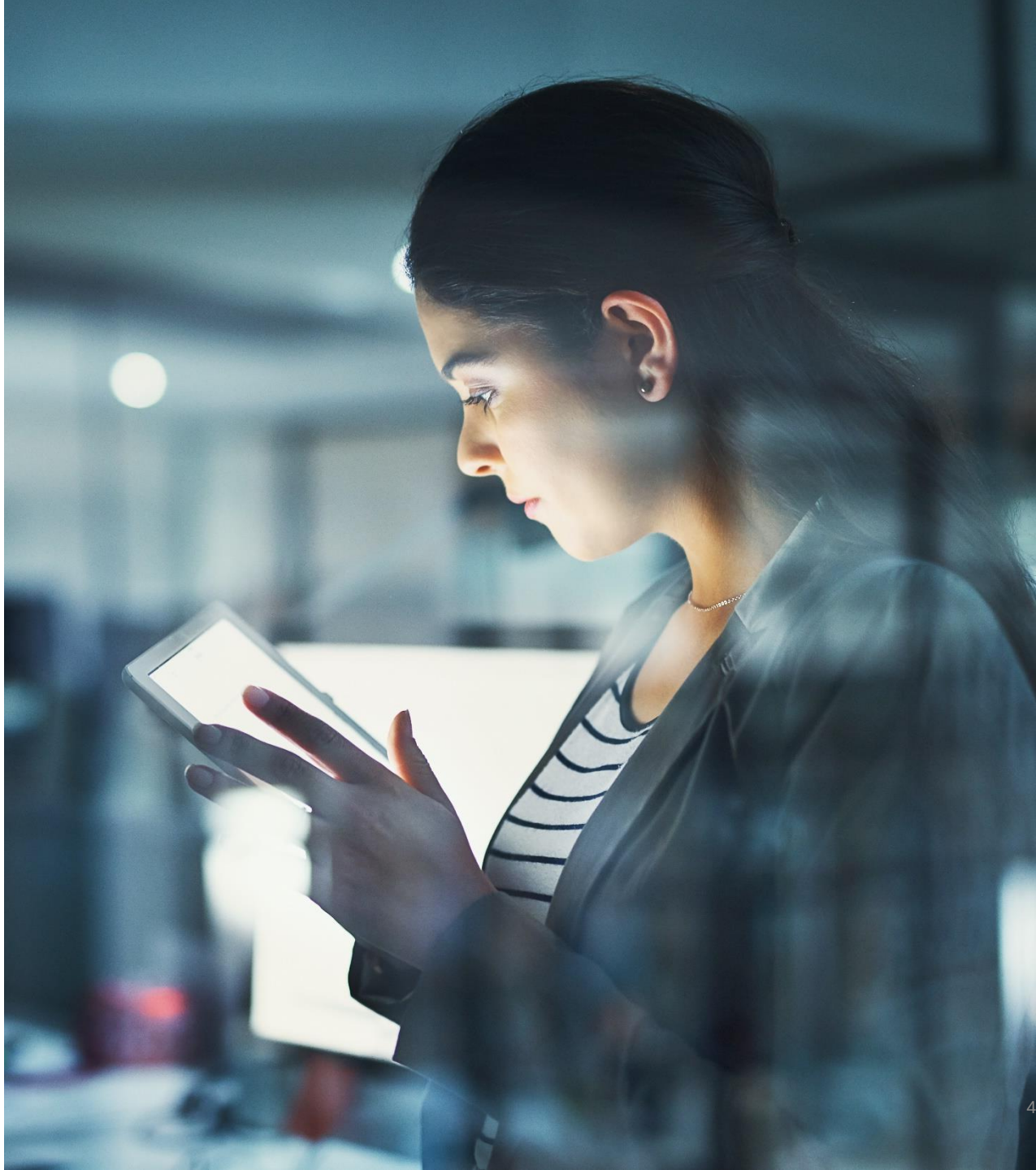
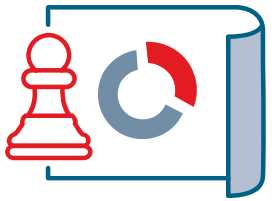

DATA IS THE
NEW BACON

Data Strategy Defined



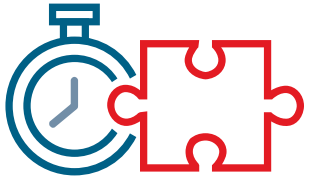
Data Strategy Defined

What it IS and what it is NOT



A Data Strategy in this context is not an IT function or project

- Not focused on traditional data processing or management
- Not to be lead by IT (but consulted)



A Data Strategy is a business-facing process to ensure value is created via data and analytics project(s)

- Smart way to balance risk/reward
- ‘Dip your toe in’

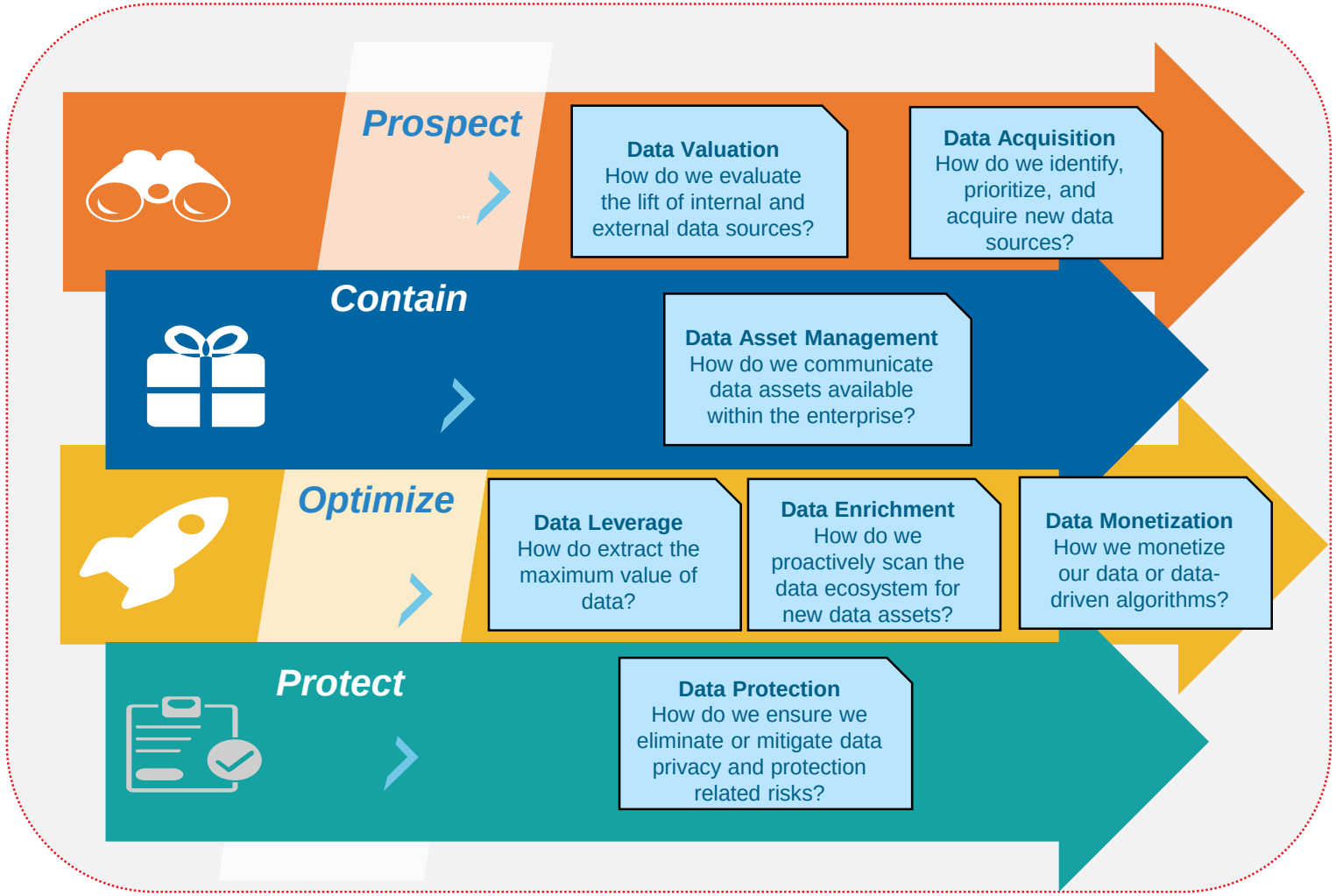
A Data Strategy is flexible and malleable

- Certain set of principles that must be adapted to fit your organization
- Different levers to be pulled where most appropriate/needed

A Process & System of Checks and Balances to Ensure a Positive, Measured Data and Analytics Program

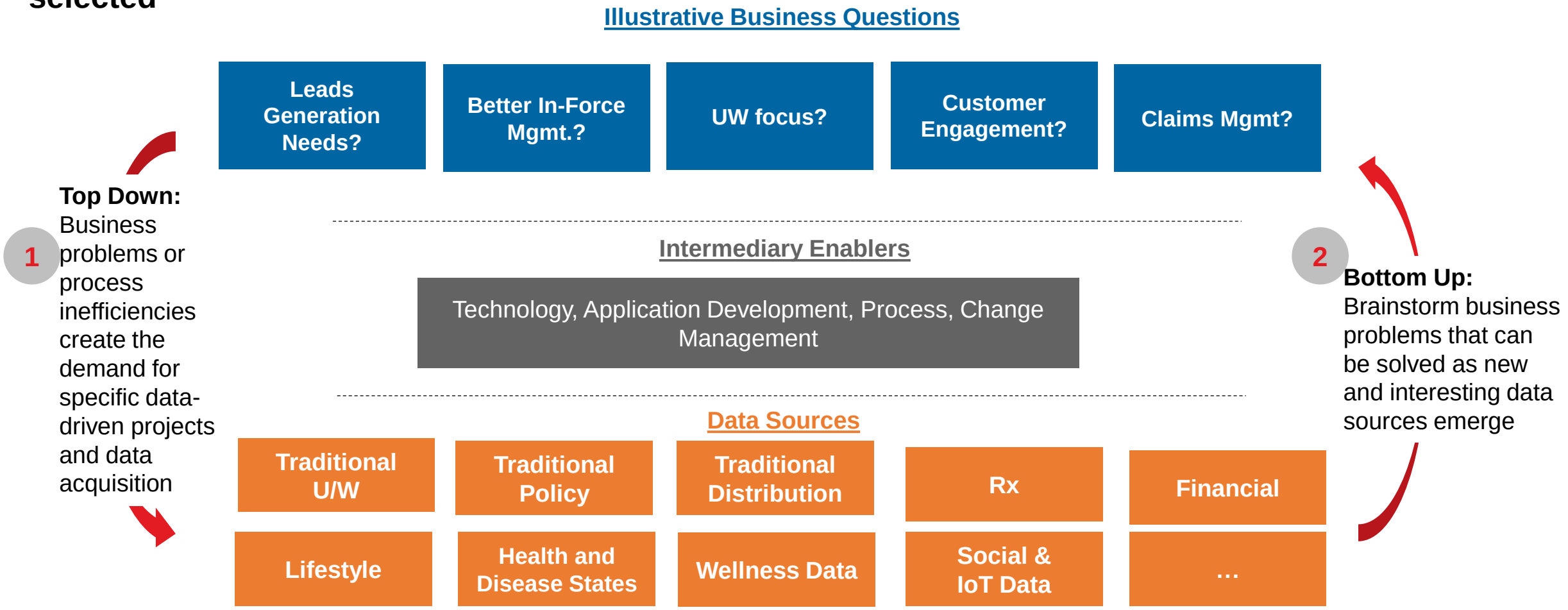
Data Strategy Defined

Maximizing value while mitigating risks throughout the entire data lifecycle.

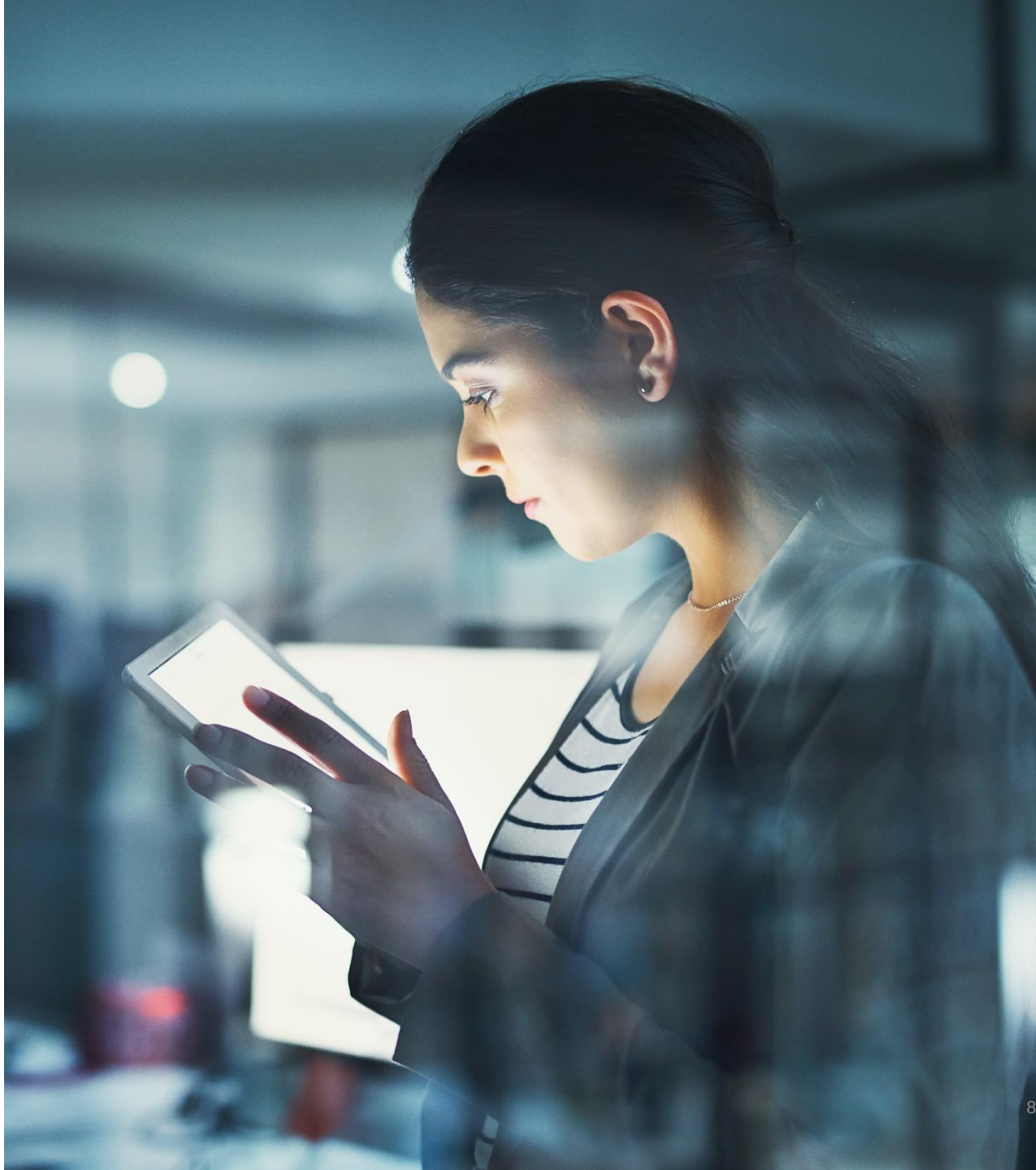


Data Strategy Approach Options

Based on your organization's needs, either a top-down or bottom-up approach should be selected



Data Strategy Components



Data Strategy Components

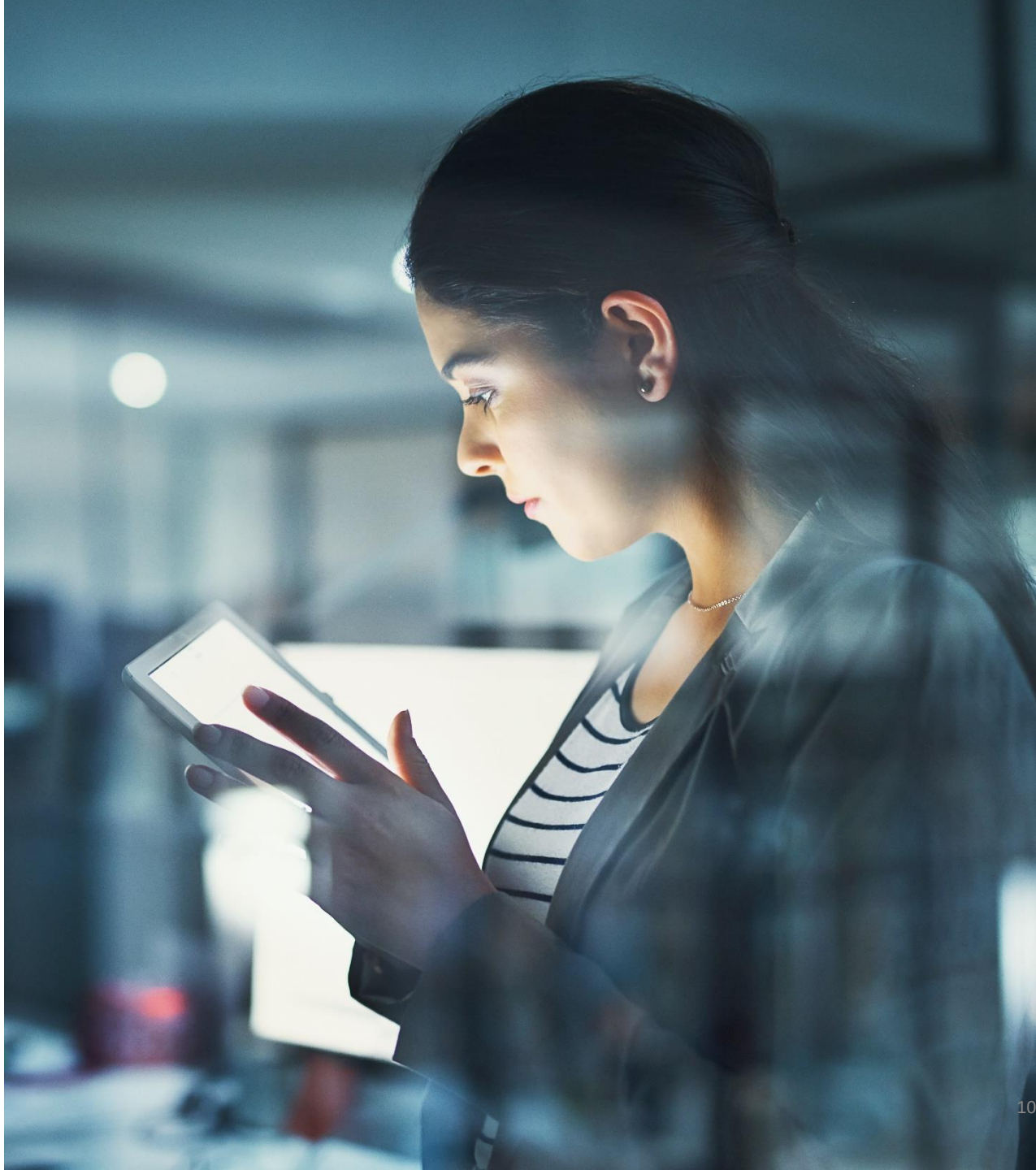
These are the 3 key components; some may not be applicable given your situation

1. Current Legal Landscape Snap-Shot
2. Current-State Data Inventory
3. Target List

What you HAVE, What you NEED, What you CAN DO

RGA

Data Strategy Explained



Current Legal Landscape Snap-Shot

Why it's important and how to create…

Legal and Regulatory Framework

- Most important consideration
- Hearsay reigns…
- A changing landscape
- Business Application
- Data Granularity

Guidance Map

- Typically one large piece of legislation covering the use of data
- A lot of legislation 'in process'
- Choose biggest piece of legislation to create guidance map
- Not to be viewed as comprehensive or approval, but guidance

Guidance Map – Illustrative Example

Data Level	Applications					
	Pre-Sale	Underwriting Triage	U/W Decline	Risk Classification	In-Force Management	Claims Investigation
Individual: Actual Responses			✓			
Individual: Modeled Responses			✗			
Household			▲			
Geo:Zip+4, Census Block, Groups, Tracts						
Group/Affiliation (e.g., Employer)						

✓ OK ▲ Might be OK ✗ Likely not OK

Current-State Data Inventory

Why it's important and how to create…

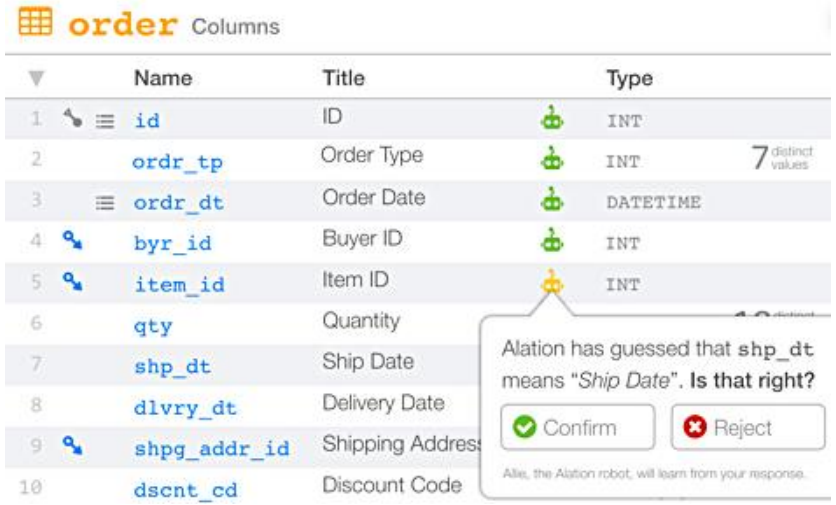
If You Don't Know What You Have…

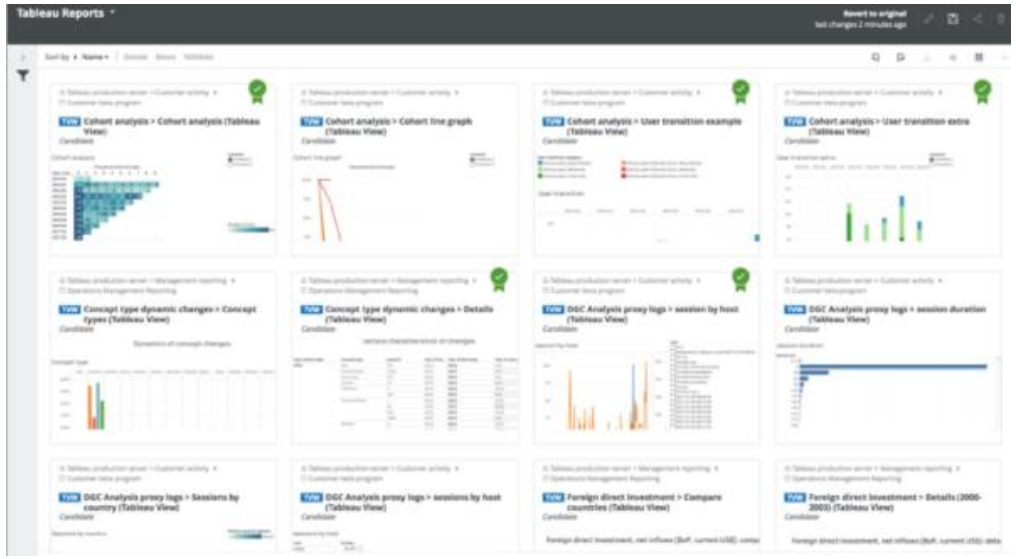
- …How can you know what you need?
- Critical step in establishing your 'ground truth'
- Not an insignificant LOE but a very important step

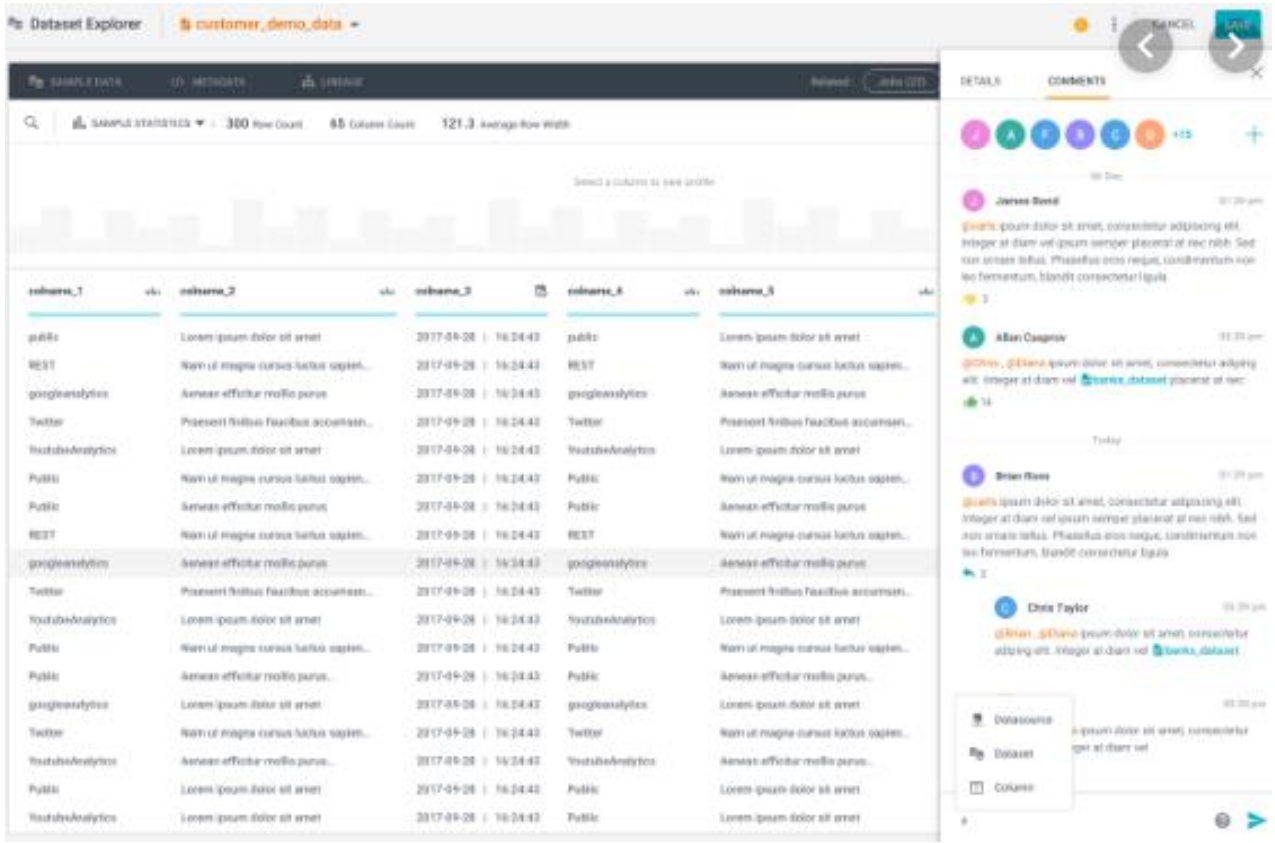
Home-Grown or Full-Service

- 2 different approaches
  - Less expensive option: Manual 'Fact-Finding' Effort
  - More expensive option: Automated Technical Tool
- Data catalog one of the hottest topics in the data landscape
- A worthwhile investment
  - Democratization of dataset awareness
  - Crowd-sourcing
  - Removes 'tribal knowledge' cultural requirement

Full-Service Catalog Solution – Illustrative Screen-Shots







Target List

Why it's important and how to create…

Bottom-Up Approach

- Best suited for a mature organization with a centralized pool of resources
  - Requires dedicated resources to focus on dataset scans
  - Most successful with seasoned resources who understand market conditions and landscape
  - Requires resources to understand business needs and key business leaders
- **Key Steps in Target List Creation**
  - Centralized resources scan for datasets
  - The fold in their business understanding
  - Reach out to business leaders when a potential fit is identified
  - Ingest sample dataset to see if it provides lift
  - Monthly reoccurring meeting with business leads and exec team to update on # sources identified, explored, matched with use-case.

Top Down Approach

- Best suited for maturing organization without a dedicated centralized pool of resources
  - Only requires 1-2 part-time resources to facilitate process
- Provides a 'playbook' for how to approach new data initiatives while limiting risk exposure
- **Key Steps in Target List Creation**
  - Interviews with key business leaders (all functions)
  - Understand, from 'the horses mouth', the key business problems (e.g. top 5)
    - Ignore the how/likelihood of solvability
  - Synthesize and combine all like project ideas
  - Understand which of the business problems CAN be aided by a data solution
  - Which of the business problems, that CAN be aided by a data solution, are MOST LIKELY to succeed
  - Agree on top 1-2 ideas
  - Ingest sample dataset to see if it provides lift
  - Ad hoc updates meetings with business leads and exec team to update on key initiatives explored

Summary

Highlights

- A data strategy is a critical, value-adding framework for how your organization approaches data and analytics projects
- It turns ‘a collections of projects’ into a ‘true program’
- While the legal snapshot, internal inventory, and target list are the 3 essential components, other pieces of collateral may assist
  - Data Acquisition Business Case Template
- If data is indeed the new bacon, develop a data strategy to ‘make it part of complete breakfast’

Q & A

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