How to Use Real-Time Data to Fine-Tune Your Business Decisions

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When it comes to decision-making, timing is essential. Recent research from KX confirms that businesses miss out on the full return on their investments when they don't think fast enough. How do they do this best? Data.

Although nearly two-thirds of organizations agree that real-time data is needed for decision-making in business, companies often have access to plenty of data from different channels that don't integrate and "talk" to each other. This makes it incredibly difficult to translate information into action.

In my own business, I've had to hone in on what data and tools gave me information that was easy to gather and easy to use. Once I understood which numbers were important to the success and growth of my company, I made decisions faster and with greater clarity. The impact was tremendous.

Understanding what data we needed to make decisions gave my business an edge and allowed us to gather real-time data insights. I made decisions more quickly, which solved problems before they became distractions and reduced expenses. The result? Improved confidence in decision-making in business — which is crucial to success.

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How data and analytic tools promote growth

Data analysis is important in business because it informs decision-making and predicts which course of action might create the most traction. For example, surveys, user testing, test markets and analysis of demographic data shifts can help companies make better predictions for the future marketability of their products.

According to a survey conducted by PricewaterhouseCoopers, businesses that make data-driven decisions are three times more likely to significantly improve their decision-making process than organizations that do not. For example, Netflix leverages massive amounts of data analysis on the behaviors and preferences of its client base. Netflix's recommendation system predicts what customers want and is powered by data that influences nearly 80 percent of the content that is streamed.

For data analysis to be beneficial, though, companies have to understand the fundamentals and how data analysis tools work together. I had to take a realistic look at our own tools to understand whether we could meet our goals or even exceed them. I dove into understanding what areas needed improvement in efficiency or cost and, most importantly, looked at areas the data said most needed to improve.

A secondary concern was making sure all of my company's tools were able to integrate and share information with one another. I wanted data analysis tools that carried on a conversation and were not just a one-way information dump. Humaxa, for instance, is a human resource software tool that integrates with a company's conversation platform. It pops up throughout the workweek to gather information on how individuals are handling their workloads and engagements. It provides real-time data insights that help managers understand the people

issues they need to address.

By integrating data-driven tools into a system that promotes collaboration and problem-solving, real-time data insights can be used to find innovative solutions that add traction and elevate development.

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Promote growth by integrating strategy and data

To start harnessing the power of data, you need to truly understand the fundamentals of how to unite the data, analysis tools and people. Here are four building blocks of data analysis integration that helped me do the same:

Develop clarity on what data is needed and why

Gaining clarity is not an easy task. It takes self-reflection and seeking the advice of peers in the industry. I wanted to know what other companies were tracking and why. It was also important for me to bring in knowledgeable partners in accounting and finance to help strategize. I needed to know how to best approach understanding the market and how to succeed in using that data.

Amazon did this when it began working with Whole Foods. By leveraging data through analysis, Amazon moved into a larger market with an experienced partner. It understood how clients, groceries and suppliers interacted with the grocer, and this drove how it implemented its product development and systems.

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Understand how business tools integrate

I developed a true understanding of how each of our data

analysis tools worked and how they did or did not integrate with one another. Focusing on tool integration when first deciding which ones to use for a business creates a solid foundation. It’s more of a challenge to upgrade tools later to achieve better integration.

In 2018, a study from Blissfully revealed that the average company spent $343,000 on software services – a 78 percent increase from the previous year. With the growth of remote work, these numbers will only increase. Understanding what tools are needed, how redundancy can be decreased and where integration increases growth is necessary for a healthy organization.

Involve all department leaders

Each department has different needs for tools and systems, so I made sure to involve all of my department heads in deciding which ones the company would use. I asked these leaders, from customer service to operations, what metrics were important for their teams and which tools both made sense to use for performance tracking while helping their department best align with company goals.

By providing department heads a seat at the table, we created space for innovation to drive our decisions. How? Because the more perspectives there are, the better. My leaders were engaged, and the people implementing the tools and analysis had a voice in the discussion. In the end, these dialogues were incredibly valuable in the decision-making process.

Seek feedback from customers

Ultimately, what a company produces can only be successful if it meets its client’s needs. With this in mind, I seek customer feedback by asking them what type of experience they want and how our company can improve in that area. I also discuss with our leadership team what metrics we need as a company to make sure we have consistent improvement based on

the real needs of our clients.

Coca-Cola has a similar approach to customer input. In an interview, the beverage brand’s director of data strategy explained that the company uses the concept of having two ears and one mouth as a guide. Coca-Cola believes it’s better to listen than to speak. By listening to what different customer demographics want, they’re able to create user experiences that are personable and align with people’s passions.

Decision-making in business isn’t easy, but it can be easier with integrated data analytics tools. Real-time data insights enable a company to drive innovative solutions that ultimately allow it to achieve its goals – and then some.

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