

# think fast!

THE INSIGHT YOU NEED TO  
COMPETE AND WIN WITH  
**self-service analytics**

GREGORY P. STEFFINE

FOREWORD BY BORIS EVELSON

*Sanderson™*

*Sanderson*<sup>SM</sup>

Published by Sanderson Press, LLC  
P.O. Box 1373, Aliquippa, Pennsylvania 15001-9998  
United States

Think Fast! The insight you need to compete and win  
with self-service analytics

ISBN: 978-1-7320108-0-2

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Some content that appears in print may not be available in the electronic book. For simplicity, this book follows the tradition of using masculine pronouns to represent both male and female subjects.

# PRAISE FOR THINK FAST

"The use of data is defining new business models, disrupting industries and creating valuable experiences for consumers. While the outcomes can be transformative, the journey requires more than technical proficiency. Think Fast! can position your organization's operating model to scale its analytic driven transformation and compete against the next generation of disrupters."

**Paul Hlivko**

VP & CTO at Wellmark Blue Cross Blue Shield

"This book is the go-to bible in demystifying data analytics. I left reading this book with concrete, distinguishable takeaways in implementing a comprehensive BI environment for my clients' businesses. It is an easy read for even the busiest IT executive."

**Robert Stein**

Executive Director, Institute for Entrepreneurial Excellence at the University of Pittsburgh

"The technical skills needed to extract actionable insights from massive amounts of data are only one dimension to the analytics puzzle. In an increasingly competitive world where data science and analytics are being utilized across industries and platforms, Steffine re-introduces us to the peripheral skills that set apart the

winners from the losers. Buy-in from the line of business, agility in development, making sure you meet the needs of the client (internal or external) are all key components that decide the success of a given analytics project, and this author does a fantastic job of identifying each component in the process. Think Fast! is an essential sidekick for any analytics professional looking to gain an edge above and beyond the tech stack."

**Amir Biagi**

Director of Data Science, AF Group

"Think Fast! sets early expectations and more crucially, stays true to them throughout, as an eminently-practical, conventional wisdom-challenging guide through the complexities and ever-shifting landscape of self-service analytics. Greg and his 'Perspectives from the Pros' colleagues cut to the core issues and tear down supposed "truisms" found in many other analytics books that simply don't hold up to the realities of modern business. Particularly valuable to data-driven practitioners will be Think Fast's recognition of the people elements of the analytics equation, the oft-unrecognized linkage point between data and execution, as well as its well-integrated advice about the service models that make analytics sustainable and with optimized impact. Throughout the book, the context for analytics execution is never disconnected from the technical details of data science work. Technology receives a balanced treatment, with foundational definitions of key data concepts (including very timely themes of data privacy) reviewed, yet adeptly avoiding the trap of recommending technology that isn't firmly grounded in business purpose and company culture."

**Evan Sinar, Ph.D.**

Chief Scientist and Vice President, DDI

"Data is one of our most valuable assets, and self-service analytics can quickly get data into the hands of the people that can gain the most value from it. Think Fast! is a quick read that provides a lot of value on all aspects of what is needed for a successful self-service analytics ecosystem. I fully expect I will be referring to it often with my team."

**Lisa Gardner**

Data Analytics Architect

"In a new data world where even business executives are able to do their own analysis from complex company data, this book provides insight into all aspects of the people, processes, enabling technologies, and data and does so in a meaningful, easy to read format. Business intelligence professionals and partners are encouraged to rely on Think Fast! to help guide them to create higher value-driven programs using self-service analytics."

**Alan Aguais**

Global Program Manager, eBay, Inc.

"Think Fast! functions as a great self-service analytics primer for anyone – whether you are simply curious, tangentially involved, or responsible for creating and/or executing an enterprise strategy and looking for how to and how not to guidance."

**Ian Gordon**

Senior Vice President Operations, Regence Insurance  
Holding Company

"We have entered an era where immediacy is quickly becoming table stakes, technology is re-inventing industries and every company will be judged against the capabilities of all companies. Steffine's Think Fast! is a resource for leaders looking for best practices based on collective experiences and observations as to why organizations will succeed or fail in delivering meaningful insights that drive value and why it matters in this era of disruption."

**Laura Gorry**

Healthcare Executive, IBM Global Markets

"Think Fast! provides powerful guidelines that help IT eliminate the barriers that often hinder business analysts from achieving real results from data."

**Andrew P. Hornyak**

Sr. Business Intelligence Developer, University of Pittsburgh

"We all know how important deriving timely and actionable intelligence from data is for the success of any organization. Think Fast! introduces you to a simple but powerful business intelligence tool—self service analytics—that does the job magnificently. The book helps you to think through all the critical nodes in its implementation to ensure its successful adoption at any organization."

**Amit Marwah**

Finance, Analytics and Risk Management Leader -  
Technology and Financial Services Industries

"At a time when analytics buzzwords and innovations are utilized regularly without thorough understanding of the concepts, Think Fast! helps leaders decipher the fundamentals of analytics with a simple approach to generating, evaluating, implementing, and maintaining sound strategies and offerings into varied organizations. This book navigates through the essentials to understanding data, provides a simplified mechanism to creating an analytics culture, and shares the principles for integrating analytics processes and tools. Steffine delivers insightful knowledge in an easy to read narrative while the inputs from experienced pros add relevant expertise and useful insights. Now more than ever, leaders need to leverage knowledgeable data and reliable business intelligence to ensure sound decision-making for staying current and successful. An excellent resource to keep on hand, Think Fast! will help any leader be more effective in their analytics endeavors."

**Era Prakash**

Product Leadership and Strategy Consultant

"Think Fast! presents invaluable insight into delivering effective analytics capability to the end user. I'm using Greg's methods and suggestions on my next BI project."

**John Zeiner**

Manager Risk Analytics and Payment Innovation, Gateway Health

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## **ABHI SINDHWANI, MHA, MCSD**

Abhishek (Abhi) Sindhwani has been a healthcare analytics visionary since 2006. For more than 20 years he's focused on the use of business intelligence and analytics to address the shifting business paradigms that impact the bottom line. Abhi helps healthcare insurers improve their clinical operations, network management, and consumer engagement while minimizing provider abrasion. You can connect with him on LinkedIn at [linkedin.com/in/abhisindhwani](https://www.linkedin.com/in/abhisindhwani).

# **SECTION I**

## **UNDERSTANDING SELF-SERVICE ANALYTICS**

# INSIGHT [1]

## VALUE ATTAINMENT

THE POINT: ORGANIZATIONS EXIST TO CREATE VALUE

Every organization today, regardless of industry or company size, faces the challenging mandate of competing more effectively. "Sell more, spend less" is the business edict, and the process of working smarter is more important now than ever before. That's why for the last 11 out of 13 years now, business leaders have consistently ranked business intelligence (think reporting and analytics) as their top investment priority. They recognize the instrumental role information plays in helping drive innovation. They understand the significance of information in creating differentiation. And they know the importance of information in monitoring and managing performance. In short, they rely on information to compete. For these business leaders and the firms they manage, reporting and analytics enable value creation.

Creating value is taking what you know and turning it into action in order to achieve a desired business outcome. Value outcomes often take the form of action words like increase, reduce and strengthen; grow, shrink and improve; maximize, minimize and revitalize. Creating value, says author and business advisor Jill

Konrath, is all about movement<sup>9</sup>. In one of its recent market reports,<sup>10</sup> E&Y states that high-performance organizations share something in common when it comes to creating movement, and that something is accelerated decision-making. Value creation depends on it. When the process of moving from great idea to actionable insight is fast and focused, it represents one of the most significant differences between top performing organizations and those who want to be. Results-based leaders see information as the lifeblood of business, and they recognize the instrumental role insight plays in delivering high-performance.

As you work to create value, keep in mind three Value-Enabling Rules:

**Value-Enabling Rule #1 - Data must be relevant**

Effective analytics begins with the identification of data that helps to strengthen the decision-making process. That said, we live in an era of information overload. Don't flood business users with useless data.

**Value-Enabling Rule #2 - Information must be meaningful**

Meaningful information is useful information because it's accurate, consistent, and relevant to business need. Information that doesn't impart knowledge is just noise.

**Value-Enabling Rule #3 - Insight must be actionable**

Information becomes actionable when it imparts important knowledge and provides an opportunity for decision-makers to act in a way that makes an impact.

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<sup>9</sup> Konrath, Jill. *Value Proposition Generator*. (<http://goo.gl/3BYFCM>).

<sup>10</sup> Ernst & Young. "Lessons from Change: Findings from the Market." *EYGM Limited*, 2010. (<http://goo.gl/g73XMR>).

Impact is the objective.

In the late 90s, Richard Connelly, Robin McNeill, and Roland Mosimann—pioneers in the development of business intelligence technology and applications—authored a small paperback book distributed by Cognos called, *The Multidimensional Manager: 24 ways to impact your bottom line in 90 days*. The book provides practical insight into the critical importance of mastering information in order to make an impact. “Unlike many ideas for improving performance,” the authors write, “the 24 Ways do not require you to declare a revolution in your company, change your leadership style, foster a new culture by edict, or consciously set out to reengineer the way people behave.” Rather, the authors understood the significance of data and the role analytics plays in changing the way corporations operate and create value. See Figure 1.1 for an overview of the 24 Ways.

In its Total Economic Impact™ framework for BI, Forrester calls out 6 categories of potential value you should consider:<sup>11</sup>

- Cost savings (from automating manual processes)
- Top- and bottom-line benefits
- Increased value of assets
- Decreased capital requirements
- Risk avoidance
- BI as a profit center

Deloitte's *The Value Habit*<sup>12</sup> discusses the value-creating behaviors that close the gap between what you know and what you do. Test your organization's passion for value creation by pondering the five key questions they pose:

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<sup>11</sup> Evelson, Boris and Martha Bennett. “Quantify The Tangible Business Value of BI.” Forrester Research, Inc. 10 Jan. 2018. (<http://goo.gl/9qzMrH>).

<sup>12</sup> “The Value Habit: A Practical Guide for Creating Value.” Straight Talk Book No. 6. Deloitte Development LLC. (2005).

FINANCE	HR/IT	SALES	MARKETING	PURCHASING	PRODUCTION	DISTRIBUTION	SERVICE
Multidimensional Income Statement	HR Administration	Sales Analysis	Strategic Marketing Analysis	Inventory Turnover	Capacity Management	Carrier Scorecard	On-Time Delivery
Profit Drill-Down Analysis	Core Competence Inventory	Customer and Product Profitability	Tactical Marketing Analysis	Supplier Scorecard	Standard Product Cost & Quality		Complaints, Returns and Claims
Multidimensional Balance Sheet	BI Deployment	Sales Plan vs. Forecast			Cause of Poor Quality		Cost of Service Relationship
Key Financial Ratios	24 Ways ROI	Sales Pipeline					
Cash Flow Analysis							

Figure 1.1 - 24 Ways to Impact Your Business

1. How do you define value in your company?
2. How do you create value for your stakeholders?
3. How do you manage the value-creation process?
4. How well do you align business strategies and initiatives?
5. Do you reward value-creating performance?

Gartner summarizes it this way: your analytics strategy must evolve from being just a *contributor* to business change to something that actually *provokes business transformation*.

## PERSPECTIVES FROM THE PROS

### **Mike Sargo**

Organizations produce more data today at faster rates than ever before. The resulting “data explosion” is creating incredible opportunities for forward-thinking leaders to create value by literally transforming the way they do business. That’s important because disruption—from market volatility to regulation and security threats—is wreaking havoc on business. Leaders need to figure out how to better compete. Those who invest in analytics find ways to differentiate their organizations, create strategic advantage, and ultimately deliver value.

### **Sri Seepana**

The ability to create demonstrable value is the driving force in most analytics efforts. In my experience, value often takes the form of cost avoidance, real cost reduction, or revenue enhancement. Value can take the form of productivity gains or process efficiencies, too. The important thing is to define an expected measurable return that can be used to help establish

the right priorities when you inevitably encounter competing interests for limited investment dollars.

**Abhi Sindhwani**

Healthcare is one industry where value creation is increasingly dependent on putting the right information into the right hands at the right time. Historically, business intelligence and analytics platforms created artificial barriers between insurers, providers, and patients by delivering insights tailored to their individual needs. Healthcare insurers focused on their financials. Providers focused on quality of care and outcomes. And patients often relied on disparate data from whatever source to help make decisions about their care. Today, we're in an era of collaboration across the entire healthcare continuum, and that collaboration is delivering unprecedented value for all three stakeholder communities.

**THE TAKEAWAY**

Remember that the value of any analytics initiative is ultimately determined by the insight it provides and the impact it helps create. Building a report, a fancy dashboard, or a sophisticated model is a waste of valuable time if it doesn't generate actionable insight. Your job is to help your organization create value. Think of ways to turn data into information and information into actionable insight. Understand the process your business leaders go through to make decisions, and work overtime to support them with the insight they need when they need it. For help establishing expected outcomes and measuring value creation, consider the 24 Ways. And turn to tools like Forrester's Business Intelligence Playbook, Deloitte's Enterprise Value Map, or the Gartner Business Value Model.