Zeroing-In on Big Data ROI

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Businesses embark on big data projects for all sorts of reasons, including building productivity, enhancing efficiency, improving customer/supplier relations, and increasing revenue. The bottom line, however, always boils down to just three little words: "return on investment" (ROI).

ROI suffers when planners and managers neglect to pay close attention to the obstacles that can turn even the most well-intentioned big data project into little more than a very deep and seemingly bottomless money pit. Maximizing big data ROI ultimately hinges on recognizing challenges, understanding them, and then overcoming them.

Talent shortage
One of the biggest barriers to maximum ROI is a lack of people who know how to squeeze the greatest value out of big data tools and resources. The persistent data scientist shortage is well known and likely to continue for many years. During the interim, businesses need to look inward to see which of their employees possess the skills and curiosity necessary to help the company push its big data resources to the sky. Such people are likely there, one just has to make the effort to find them.

Incomplete tools
Big data tools are just beginning to live up to their potential, and usability-oriented features are often rudimentary or even non-existent. Businesses can overcome this ROI obstacle by understanding that big data ROI relies on software that delivers value, not just brute strength. Project planners should look for offerings that balance power, convenience, accessibility, and intuitiveness, and urge vendors to pay more attention to the needs of everyday business workers, not just highly-trained data scientists.

Inadequate training
Even when adequate end user tools are available, expecting ordinary employees -- sales team leaders, customer relations supervisors, logistics managers, and the like -- to suddenly become big data experts is kind of like shoving someone into an airplane cockpit and shouting, "Take off!" The result isn't likely to be pretty.

Without adequate end user training, the goal of getting maximum ROI out of a big data deployment becomes little more than a faint dream. As big data gets embedded in the business mainstream, more vendors and third party providers are offering high-quality end user training programs. Take advantage of these resources.

Lack of focus

Businesses often pursue big data projects without linking the initiative to specific and measurable business goals. A report issued earlier this year by McKinsey & Company, a global management consulting firm, noted that most budding big data adopters fail to spend the time needed to create a simple plan, one that shows how data, analytics, frontline tools, and people will come together to create business value.

"The power of a plan is that it provides a common language allowing senior executives, technology professionals, data scientists, and managers to discuss where the greatest returns will come from and, more important, to select the two or three places to get started," the report observes.

The essence of a good strategic plan is that it highlights the critical decisions, or trade-offs, a company must make, and defines the initiatives it must prioritize, notes the report.

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