The intelligent enterprise
Creating a culture of speedy and efficient decision-making

A report from the Economist Intelligence Unit
Sponsored by CSC and Oracle
Preface

The intelligent enterprise: creating a culture of speedy and efficient decision-making is an Economist Intelligence Unit report sponsored by CSC and Oracle. The Economist Intelligence Unit bears sole responsibility for this report. The Economist Intelligence Unit’s editorial team conducted the interviews and wrote the report. The findings and views expressed in this report do not necessarily reflect the views of the sponsor. Rob Garretson was the author of the report, and Debra D’Agostino was the editor. Mike Kenny was responsible for layout and design. Our thanks are due to all of the financial services executives who responded to the survey.

December 2009
Executive summary

In virtually every industry, success hinges not only on traditional competitive advantages such as a dominant market position, geographical penetration, or even proprietary technology. It also depends on the ability to improve business operations by making rapid, high-quality decisions based on the most timely, relevant and accurate information. An Economist Intelligence Unit global survey of more than 200 senior executives across a wide range of industries conducted in July and August 2009 found that accurate and timely decision-making ranked on a par with superior executive leadership and innovation as vital ways of creating competitive advantage. Yet this endeavour is more easily grasped in theory than in practice. Only 3% of respondents describe their companies as “experts” in using business data to drive better decisions, and only 27% agree that their company makes better, faster business decisions than their main competitors.

Business performance is increasingly dependent on a firm’s agility and its ability to generate insights regarding the business environment and the consequences of alternative actions. Companies that do this are more adaptable to market changes and thus have a better chance of gaining market share from their competitors.

The Economist Intelligence Unit survey polled business decision-makers from North America, Western Europe and Asia-Pacific across a wide range of industries and company sizes. Among the key findings:

- Decision-making is accelerating, and becoming centralised in the C-suite, rather than being pushed out to regions or business units.
- Despite the wide recognition that accurate and timely decision-making is crucial, most firms’ ability to make good decisions needs improvement.

About the survey

This survey included 208 respondents, 21% of whom were CEOs, presidents or managing directors, 45% held other C-level titles, and 23% were senior vice-presidents, vice-presidents or directors. Thirty-eight percent of respondents were located in North America, 27% in Western Europe and 23% in Asia-Pacific, while 29% worked at companies with annual revenue of US$10bn or more and 31% of respondents worked at companies with annual revenue of US$500m or less.
Customer service is a significant trouble spot. Information from customer service and support is ranked among the most critical to a company’s business strategy, yet it ranks poorly as a source of good business insight.

Although data-driven decision-making is espoused by the C-suite, formal governance policies or procedures to ensure the consistency, integrity and accuracy of the data are rare. Even fewer companies dedicate resources to information governance, which is key to ensuring that information is properly analysed and transformed into actionable intelligence.
High-speed decision-making

Despite the historical tendency for businesses to slow spending and weigh investment decisions more carefully during a recession, our study finds that business decision-making is actually accelerating. Nearly one-half of all survey respondents (48%) say decision-making has quickened slightly (34%) or significantly (14%) over the past 12 months, while only 23% say it has slowed slightly (15%) or considerably (8%).

Over the past 12 months, how has the speed of decision-making changed at your company? Decision-making has...

(\% respondents)

- Slowed considerably: 8
- Slowed slightly: 15
- Neither slowed nor quickened: 27
- Quickened slightly: 34
- Quickened significantly: 14
- Don’t know: 1


Such a dichotomy is the case at Boekhandels Groep Nederland (BGN), the largest book retailer in the Netherlands with more than 40 stores, 700 employees and around US$273m in revenue in 2008. Although recessionary pressures have made the firm more deliberate in its decision-making, “we have had to become faster because of competition and time-to-market pressure,” says Angélique Wouters, the company’s chief digital officer.

At the same time, companies’ decision-making processes have grown more centralised, defying the perception that faster decision-making stems from flatter, more decentralised organisational charts. Over the past 12 months, decision-making has become more centralised in the C-suite, according to 38% of respondents, while only 16% agree that it has shifted to business units. Asked how they expect the decision-making process to evolve over the next 12 months, the largest proportion of respondents say it will become even more centralised within the C-suite (32%). And at 37% of firms, significant business decisions are made mostly by C-suite executives. “We are absolutely centralising our decision-making processes,” says Ms Wouters, adding that in a recession investments and other decisions are scrutinised.
more carefully by senior management and greater emphasis is placed on projects that provide benefits across the enterprise rather than individual units.

BGN’s addition of Ms Wouters into the firm’s four-person executive board (its C-suite equivalent) is part of a broad restructuring to centralise decision-making. The move is both enabled by and a response to “the digitisation of everything,” she says, “whether it’s our core business processes, our systems or our governance.” Among the important decisions taken at the board level was the move to rebrand its once loosely coupled network of local retail stores under the Selexyz name and roll out its web-based “SmartStore” kiosks throughout the chain. More recently, the company has decided to consolidate management, previously decentralised to 15 geographical regions, into its four key market segments—consumer, business, education and digital.

It was an integrated team of senior management at Tata Motors that last year helped the giant Indian carmaker blunt the impact of the financial crisis that sent two of the US Big Three carmakers, GM and Chrysler, into bankruptcy. When senior executives first saw the indicators of a downturn in October 2008, they took steps quickly to conserve cash and reduce inventories, says Prakash M. Telang, Tata’s managing director. “We received feedback from the market pretty rapidly. So we put an integrated team together, and managed to do two things that seemed to be right.”

Those two steps included cutting production of medium and heavy commercial vehicles as demand fell by 33% and to align its inventory and dealer stocks with plunging demand. Tata also extended supplier payment terms from 45 days to 60 days. “We came to the conclusion that this was not a panic reaction on our part, just an extraordinary event that called for an extraordinary response,” explains Mr Telang.

He credits the dealer information systems the company has invested in over recent years with providing the critical distress signals from the Indian truck market last October. Without the early warning signals, the company’s senior management could not have moved so quickly to boost liquidity and communicate its crisis management plan across the company’s supplier and dealer networks.
A ccurate and timely decision-making is critical to creating competitive advantage, yet most companies acknowledge that their ability to make good decisions needs improvement. Only 3% of respondents describe their companies as “experts” in using business data to drive better decisions, and fewer than one-quarter (24%) rank their firms as “advanced practitioners”. Moreover, only 27% agree that their company makes better, faster business decisions than their key competitors. In fact, 55% say that too much operational information can unnecessarily slow down decision-making.

How would you rate your company’s use of business information to drive better and faster executive decisions?
(% respondents)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginner/laggard</td>
<td>17</td>
</tr>
<tr>
<td>Some experience, need improvement</td>
<td>55</td>
</tr>
<tr>
<td>Advanced practitioner, some room for improvement</td>
<td>24</td>
</tr>
<tr>
<td>Expert, very little room for improvement</td>
<td>3</td>
</tr>
</tbody>
</table>


But the benefits of having real-time information to drive decision-making are clear. BGN is known for its use of radio-frequency identification (RFID) to create greater visibility throughout its supply chain. The tags allow the stores to track the exact location of each book or item in its inventory. The ability to pinpoint product location anywhere along its pipeline and to analyse more precisely sales and customer preferences in relative real time have paid numerous dividends. In addition to shaving costs with better inventory management, improving marketing through the use of more timely customer-preference data and creating a more nimble supply chain that helps get high-demand products to market faster, the system has substantially improved customer service. Locating a particular book, which previously took five to six minutes on average, now takes seconds from a self-serve kiosk, improving the customer experience and boosting productivity of store personnel, notes Ms Wouters.

But BGN seems to be an exception to the norm. For most firms, traditional data hoarding and silos still present formidable challenges. Lack of collaboration among business units or departments across the
What are the biggest obstacles to successful decision-making throughout your organisation?

(\% respondents)

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of collaboration among business units or functional departments</td>
<td>51</td>
</tr>
<tr>
<td>Inadequate tools for gathering, integrating, or analysing operational information</td>
<td>39</td>
</tr>
<tr>
<td>Inconsistent reporting of information among business units, geographies or functional operations</td>
<td>36</td>
</tr>
<tr>
<td>Lack of accurate, timely or relevant data from across the business</td>
<td>30</td>
</tr>
<tr>
<td>Inadequate training or quantitative expertise among executives and support staff</td>
<td>26</td>
</tr>
<tr>
<td>Insufficient support from C-suite executives for business intelligence as a key component of corporate strategy</td>
<td>21</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
</tr>
<tr>
<td>Don’t know</td>
<td>5</td>
</tr>
</tbody>
</table>


enterprise is cited by the more than one-half of respondents (51\%) as their biggest challenge, followed by inadequate tools for gathering, integrating or analysing operational information (39\%), and inconsistent reporting of information among business units, geographies or functions (36\%).

Another challenge is the palpable gap between the need and quality of customer service data. When asked which areas of the business produce the best business insight, customer support and service is cited by only 10\% of respondents, compared with 28\% who rank sales and marketing as the best source. Yet when asked what type of business information is the most critical to their company’s primary business strategy, customer service ranks second (34\%) only to market research (36\%). Particularly in a weakened economy, when customer loyalty becomes paramount, this signals a call to action for companies to improve the quality of insights gleaned from the customer service function.

Netflix’s success is a case in point. The California-based DVD rental company ships 2m DVDs to its rental customers each day, 5\% of whom receive a delivery survey gauging how quickly they received their new DVD after returning the previous disc, helping Netflix to measure customer satisfaction with its delivery speed. “We don’t just collect the data and let it fall on the floor,” says Andy Rendich, the firm’s chief service and DVD operations officer. “It is scrutinised, analysed and checked six different ways to determine how can we keep improving.”

Finally, inadequate predictive analytics and proactive scenario planning also affect decision-making. Only 22\% of respondents say they do rigorous and timely scenario planning across the organisation, which helps them be proactive in addressing market changes. Retail giants such as US-based Walmart and Tesco in the UK are well known for using predictive analytics to do precise inventory management up and down their supply chains, for example stocking up on popular non-perishables like Pop-Tarts at stores in the path of a hurricane. Just this month Netflix month famously awarded its US$1m Netflix Prize to a team of researchers who were best able to improve on the company’s predictive software, which recommends movies to subscribers based on their stated preferences. Yet most of those surveyed admit that their firms still rely on transactional and historical information to make strategic business decisions (33\%) or the experience and business acumen of key executives (31\%) rather than modelling to predict the impact of key business decisions (12\%).
Effective governance

Key to using operating information effectively to drive decision-making, say executives, is to ensure the consistency, integrity and accuracy of the operating data. In general, respondents to the our survey feel that the information they are getting to make decisions is adequate, although there remains substantial room for improvement. Only 16% say their companies have a dedicated information governance office in place, while more than one-half (54%) say information governance is a shared responsibility between information technology (IT) and business functions. More than one in five (21%) have no formal policies or procedures for information governance at all.

At Netflix, data governance is the dedicated responsibility of its financial planning and analysis team. “I want operations people concentrating on operations, and customer service concentrating on customer services,” says Mr Rendich. “I don’t want them distracted by the collection of data. We have people who are experts and live and breathe data every day—they know where to look for all the holes, and they help us get great insights from the data, which helps us drive towards success.”

Yet as our survey bears out, Netflix is in the minority. Although data-driven decision-making enjoys solid C-suite support—84% of survey respondents identify the CEO (55%) or the CFO (29%) as the primary driver of information-based decision-making at their companies—data governance is not a priority at most, even when the value of good operational data is recognised. Tata Motors is a prime example. “In a large organisation like ours, which is operating in many countries and many geographies, many product sizes, etc., unless we have good-quality data coming in, it’s not going to be easy for us to make the right
CASE STUDY  Netflix: a data-driven success story

The most severe recession since the Great Depression has yet to be felt at Netflix. The Internet-based DVD rental company added more than 1.2m subscribers during the first half of this year, and grew revenue and earnings by 21% and 37%, respectively. The 12-year-old company now boasts 10.6m subscribers and takes a US$1.5bn bite out of the business of the still larger, but money-losing video rental giant Blockbuster.

Much of Netflix’s success is attributable to a data-driven, collaborative approach to decision-making. The company famously captures mountains of data on customers—such as movie preferences, rental patterns and feedback—and analyses that data against information on its inventory and operations to inform decisions ranging from delivery priorities for the most sought after new releases to how many copies of a little-known documentary to buy to match customer demand. Its “Cinematch” movie recommendation algorithm not only improves customer service by helping subscribers to discover unknown movies they might like based on their past preferences, but also helps to steer customers to titles that may otherwise remain idle in its distribution centres.

“We’ve been very sincere about our desire to collect the right data,” says Andy Rendich, chief service and DVD operations officer at Netflix. “One of the first departments created here was data warehousing, because we knew information was going to be critical to making decisions in the future.”

Yet there is more to Netflix’s success than just number-crunching. The company’s collaborative executive culture has helped to prevent the departmental silos that often hinder effective decision-making at so many companies. From its monthly day-long executive staff meetings on strategic issues to the lunch it brings in daily to encourage interactions across departments, Netflix fosters a culture of open and honest debate and collaboration, Mr Rendich says. “We are loosely coupled, but tightly aligned.”

There may be no more critical example of Netflix’s collaborative decision-making than its aborted effort to introduce a set-top box that would stream movies and TV shows over the Internet onto TV sets. The pet project of Netflix’s co-founder and CEO, Reed Hastings, a former engineer, was launched shortly after the company introduced a service in 2007 to stream video from its website to subscriber’s PCs. But the project was spun out of Netflix just before its planned introduction in early 2008, largely because of misgivings about entering the unfamiliar hardware business expressed by other C-suite executives, including Barry McCarthy, the company’s CFO. Mr Hastings now acknowledges that he was fixated with Apple Computer’s success in selling devices that drive online content, and that getting into the hardware business could have distracted Netflix from its core service. “I can’t say that throughout our entire history we’ve always been this good,” says Mr Rendich. “But we’ve strived continuously to improve and look in the mirror when we think we’re making a mistake.”

decision,” explains Mr Telang. Yet the company has no dedicated governance function, relying instead on IT personnel working collaboratively with business managers to ensure that data are accurate, timely and complete—as do more than one-half (54%) of the companies surveyed. “We don’t have an ombudsman whose job is overlooking everything,” adds Mr Telang.
Conclusion

The ability to make rapid, high-quality decisions based on the most timely, relevant and accurate information available is critical and a common characteristic of the world’s leading companies. Yet as this survey shows, few have developed the necessary processes for sharing and analysing critical operational information across the enterprise. To create a culture of effective, intelligent decision-making, executives should:

- Develop a more collaborative business environment. Bottlenecks can be removed by simplifying corporate structures and fostering the flow of information among departments.
- Emphasise information governance as a way to ensure the consistency, integrity and accuracy of data. If resources or personnel are not sufficient to create a dedicated data governance function, then managers should focus on implementing policies and procedures.
- Improve the quality of insights gleaned from the customer service and support function, particularly in a weakened economy when customer loyalty is paramount.
- Foster a culture of speedy and efficient decision-making throughout the enterprise. This can be done by encouraging all corporate functions to use accurate and timely data from all parts of the business through the adoption of appropriate tools and processes.
Appendix: Survey results

Percentages may not add to 100% due to rounding or the ability of respondents to choose multiple responses.

Which of the following do you feel are most important to create competitive advantage for your company? Select up to two.

<table>
<thead>
<tr>
<th>Category</th>
<th>(% respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superior executive leadership</td>
<td>42</td>
</tr>
<tr>
<td>Innovation</td>
<td>41</td>
</tr>
<tr>
<td>Accurate and timely decision-making</td>
<td>41</td>
</tr>
<tr>
<td>Leading-edge technology</td>
<td>20</td>
</tr>
<tr>
<td>Lean operations</td>
<td>18</td>
</tr>
<tr>
<td>Increasing market share</td>
<td>12</td>
</tr>
<tr>
<td>Geographic penetration</td>
<td>10</td>
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<tr>
<td>Other</td>
<td>4</td>
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</tbody>
</table>

Which of the following best describes decision-making at your company today? Select one.

<table>
<thead>
<tr>
<th>Description</th>
<th>(% respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significant business decisions—shifts in strategy, new products/service introductions, new external partnerships, etc. outside of routine operations—are made mostly by C-suite executives</td>
<td>37</td>
</tr>
<tr>
<td>Strategic direction is set in the C-suite, and tactical business decisions are delegated to individual business units or lines of business</td>
<td>23</td>
</tr>
<tr>
<td>Decision-making is organised primarily by individual business units or lines of business with coordination and oversight from the C-suite</td>
<td>22</td>
</tr>
<tr>
<td>Strategic direction is set in the C-suite, and tactical business decisions are delegated to regional units or other geographies</td>
<td>16</td>
</tr>
<tr>
<td>Decision-making is organised primarily at the regional level, with lines of business heads reporting to regional executives and oversight from the global C-suite</td>
<td>8</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
</tbody>
</table>

How has the decision-making process at your company changed...

( % respondents)

...within the past 12 months?

<table>
<thead>
<tr>
<th>Description</th>
<th>(% respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision-making has become/will become more centralised within the C-suite</td>
<td>38</td>
</tr>
<tr>
<td>Decision-making has shifted/will shift to business units</td>
<td>16</td>
</tr>
<tr>
<td>Decision-making has shifted/will shift to regional locations</td>
<td>8</td>
</tr>
<tr>
<td>Decision-making has stayed the same</td>
<td>35</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2</td>
</tr>
</tbody>
</table>

...over the next 12 months?

<table>
<thead>
<tr>
<th>Description</th>
<th>(% respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision-making has become/will become more centralised within the C-suite</td>
<td>32</td>
</tr>
<tr>
<td>Decision-making has shifted/will shift to business units</td>
<td>23</td>
</tr>
<tr>
<td>Decision-making has shifted/will shift to regional locations</td>
<td>9</td>
</tr>
<tr>
<td>Decision-making has stayed the same</td>
<td>29</td>
</tr>
<tr>
<td>Don’t know</td>
<td>7</td>
</tr>
</tbody>
</table>
Has your company implemented technology in support of decision-making, and has it had an impact on operations?

Select one.

(% respondents)

- Has implemented technology and seen a positive impact: 37
- Has implemented technology and seen no impact: 10
- Has implemented technology and seen a negative impact: 4
- Is in the process of implementing technology to support decision-making: 21
- Has not implemented technology, but plans to do so over the next 12 months: 11
- Has not implemented technology and has no plans to do so: 16
- Don’t know: 4

Over the past 12 months, how has the speed of decision-making changed at your company?

Decision-making has...

Select one.

(% respondents)

- Slowed considerably: 8
- Slowed slightly: 15
- Neither slowed nor quickened: 27
- Quickened slightly: 34
- Quickened significantly: 19
- Don’t know: 1

Which statement best matches the way your organisation measures its execution against strategic objectives?

Select one.

(% respondents)

- Operational metrics are monitored at individual business units, lines of business or geographical divisions within the company, and the C-suite looks primarily at top and bottom line performance in measuring strategic execution: 42
- We have one or more sets of operating metrics tied directly to every strategic objective, and they are reviewed by C-suite executives frequently at regular intervals: 31
- Line-of-business management and C-suite executives monitor a range of operational metrics, but they are not well mapped to broader strategic objectives: 16
- Other: 2
- We do not measure execution against strategic objectives: 2
- Don’t know: 11

Which statement best describes your organisation’s policies and controls for information governance? (eg, data definitions, access controls, and other procedures intended to ensure the quality, integrity and consistency of information across the enterprise) Select no more than two.

(% respondents)

- Information governance is a shared responsibility among the IT organisation and business functions, and is implemented collaboratively: 54
- We have a dedicated information governance office established to address data issues of quality, consistency, data sharing, etc: 14
- Information governance is strictly an issue for our IT organisation and rarely addressed by line of business management: 10
- We have no formal policies or procedures that would constitute information governance: 11
- Don’t know: 9

How long has your organisation’s information governance been in place?

Select one.

(% respondents)

- Still under development: 12
- 0 to 6 months: 6
- 6 months to 1 year: 10
- 1 year to 3 years: 24
- 3 years to 5 years: 15
- More than 5 years: 21
- Don’t know: 11
With regard to corporate data, how would you rate the business information used to make decisions at your company?  
Rate on a scale of 1 to 5, where 1=Extremely good and 5=Poor.  
(% respondents)

<table>
<thead>
<tr>
<th>Attribute</th>
<th>1 Extremely good</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 Poor</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accuracy</td>
<td>14</td>
<td>42</td>
<td>30</td>
<td>7</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Completeness</td>
<td>8</td>
<td>35</td>
<td>34</td>
<td>16</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Quality</td>
<td>12</td>
<td>35</td>
<td>36</td>
<td>11</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Access (the right decision makers have access to the right data)</td>
<td>14</td>
<td>37</td>
<td>29</td>
<td>12</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Don't know</td>
<td>2</td>
<td>9</td>
<td>14</td>
<td>5</td>
<td>5</td>
<td>65</td>
</tr>
</tbody>
</table>

In your view, how effective is your organisation’s information governance function in producing accurate and timely business information?  
(% respondents)

<table>
<thead>
<tr>
<th>Effectiveness Level</th>
<th>% Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very effective</td>
<td>12</td>
</tr>
<tr>
<td>Somewhat effective</td>
<td>50</td>
</tr>
<tr>
<td>Neither effective nor ineffective</td>
<td>10</td>
</tr>
<tr>
<td>Somewhat ineffective</td>
<td>10</td>
</tr>
<tr>
<td>Very ineffective</td>
<td>9</td>
</tr>
<tr>
<td>Not applicable/Don't know</td>
<td>11</td>
</tr>
</tbody>
</table>

Which of the following statements best describes your company today?  
(% respondents)

<table>
<thead>
<tr>
<th>Statement</th>
<th>% Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>We use transactional and historical information from most functions of the company to make strategic business decisions, but do very little predictive analytics or automation to improve decision-making</td>
<td>33</td>
</tr>
<tr>
<td>We make decisions based on the experience and business acumen of key executives and rarely rely on anything other than transactional data</td>
<td>31</td>
</tr>
<tr>
<td>We have accurate business information informing decision-making at the functional level throughout the company, but little or no information exchange among business units or functions to inform decision-making</td>
<td>20</td>
</tr>
<tr>
<td>We do extensive modeling, leverage automation, and can drill down into our business environment to help predict the impact of key business decisions and speed decision-making</td>
<td>12</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
</tr>
</tbody>
</table>

Which of the following statements best describes your company...  
(% respondents)

...today?

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<tr>
<td>Don't know</td>
<td>3</td>
</tr>
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</table>

...in three years?

<table>
<thead>
<tr>
<th>Statement</th>
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</tr>
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<tbody>
<tr>
<td>We use transactional and historical information from most functions of the company to make strategic business decisions, but do very little predictive analytics or automation to improve decision-making</td>
<td>21</td>
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<td>15</td>
</tr>
<tr>
<td>We do extensive modeling, leverage automation, and can drill down into our business environment to help predict the impact of key business decisions and speed decision-making</td>
<td>44</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
</tr>
</tbody>
</table>
Appendix
Survey results
The intelligent enterprise
Creating a culture of speedy and efficient decision-making

How would you rate your company’s use of business information to drive better and faster executive decisions?
Select one
(% respondents)

- Beginner/laggard: 17
- Some experience, need improvement: 55
- Advanced practitioner, some room for improvement: 24
- Expert, very little room for improvement: 3

Which areas of your business produce the best business insight?
Select one.
(% respondents)

- Sales and marketing: 28
- Strategic planning/strategy formulation: 23
- Finance: 16
- Operations: 11
- Customer support and service: 10
- Research and product/service development: 6
- Supply chain management/logistics: 6
- Managing talent/HR: 4

What type of business information is the most critical to your company’s primary business strategy?
Select up to three.
(% respondents)

- Market research: 36
- Customer feedback/support and service: 34
- Demand modeling and forecasting: 33
- Current sales data: 31
- Specific financial or ROI analysis: 21
- Customer metrics: 20
- Research and development: 15
- Product/component/raw material costs: 13
- Supply chain/logistics: 13
- Human resources/productivity measurements: 7
- Competitive intelligence: 23
- Other: 2
- Don’t know: 1

Where within your organisation are most business analytics performed?
Select the one that best describes your company.
(% respondents)

- Centrally by a corporate department that maintains the tools and expertise: 30
- Throughout the company at the departmental or functional level: 30
- Geographically by region or country: 6
- We have analytics capability at both the corporate and functional/departmental levels and perform comprehensive analytics across all available business data: 21
- We lack good business analytics capability: 11
- Other: 2
- Don’t know: 1
Do you agree or disagree with the following statements? (responses)

- Our company’s departments and business units use operational information to make better decisions (demand modeling by sales, supply chain optimisation, etc.) but are typically isolated and not integrated into a comprehensive competitive strategy: Agree 43, Neither agree nor disagree 37, Disagree 20
- We make faster, better business decisions than our key competitors: Agree 50, Neither agree nor disagree 23, Disagree 27
- If we improved the speed of our decision-making, our company could make measurable improvements in business performance and competitiveness: Agree 44, Neither agree nor disagree 31, Disagree 5
- Our ability to predict the likely outcome of business decisions creates significant competitive advantages for our company: Agree 43, Neither agree nor disagree 39, Disagree 18
- Our lack of timely, accurate information on operations puts us at a competitive disadvantage: Agree 35, Neither agree nor disagree 32, Disagree 33
- The ability to use business information to inform decision making is a core competency for our company: Agree 43, Neither agree nor disagree 43, Disagree 24
- Our ability to make speedy and efficient business decisions allows us to outperform our competitors: Agree 44, Neither agree nor disagree 35, Disagree 22

What are the biggest challenges of sharing information across your company? Select two. (responses)

Business organisation: Operations exist in silos: 39
Cultural: We do not share data well between business units or across regions: 33
Technical: Systems do not connect well: 25
Managerial: Managers do not want information to be shared or are worried about too many people having access to the data: 22
Business process: Ineffective information governance: 19
Training: Employees do not know how to interpret data: 18
Risk: Legal is concerned that sharing too much data across the company puts us at risk for data breaches or errors that could jeopardise our business: 11
Don’t know: 4

Who within your organisation are the primary drivers in the use of detailed business information to improve decision-making? Select up to two. (responses)

- CEO: 55
- CFO: 29
- Chief information officer (or equivalent): 23
- Chief marketing officer: 19
- Chief operating officer: 17
- A senior corporate development executive: 17
- Business unit leaders: 33
- Functional leaders: 9
- Other: 4
- Don’t know: 3

With regard to your company’s overall strategy, which statement best describes your company? Select one. (responses)

- Some parts of the business have good data and do rigorous scenario planning, but while others don’t; we generally stay ahead of the curve but are sometimes caught off guard: 53
- We do rigorous and timely scenario planning across the organisation, which helps us be proactive in addressing market changes: 72
- We are slow to anticipate market changes and frequently operate in reactive mode: 56
- We spend too much time over-analysing possible scenarios and not enough time preparing for market changes: 45
Do you agree or disagree with the following statements? (\% respondents)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a trade-off between the speed with which we make some decisions and the quality of those decisions (e.g., negative or unanticipated outcomes)</td>
<td>49</td>
<td>31</td>
<td>19</td>
</tr>
<tr>
<td>Too much operational information — too many data points to analyse ‐ can unnecessarily slow down decision-making</td>
<td>55</td>
<td>28</td>
<td>17</td>
</tr>
<tr>
<td>We often have conflicting information from different business functions or geographies which is difficult to reconcile</td>
<td>33</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>My company errs on the side of caution and thorough analysis rather than speed in making key business decisions</td>
<td>36</td>
<td>36</td>
<td>28</td>
</tr>
<tr>
<td>We apply metrics to track the success of decision-making and accountability for decisions</td>
<td>34</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>Our company has an overabundance of tools that makes analysing data difficult at the enterprise level</td>
<td>18</td>
<td>31</td>
<td>51</td>
</tr>
</tbody>
</table>

What are the biggest obstacles to successful decision-making throughout your organisation? Select up to three. (\% respondents)

- Lack of collaboration among business units or functional departments throughout the organisation 51
- Inadequate tools for gathering, integrating, or analysing operational information 39
- Inconsistent reporting of information among business units, geographies or functional operations 36
- Lack of accurate, timely or relevant data from across the business 30
- Inadequate training or quantitative expertise among executives and support staff 18
- Insufficient support from C-suite executives for business intelligence as a key component of corporate strategy 21
- Other 4
- Don’t know 6

What does your company perceive as the greatest potential advantages of faster decision-making? Select up to three. (\% respondents)

- Better customer service/support/satisfaction 59
- Increased speed to market for new products/services 52
- Ability to trim costs/increased margins 51
- Increased marketing effectiveness 50
- Improved regulatory compliance or reduced regulatory risk 17
- Other 4
- Don’t know/Not applicable 3
### Which of the following best describes your job title? (% respondents)

- Board member: 2
- CEO/President/Managing director: 21
- CFO, Treasurer, Comptroller or equivalent: 6
- CIO/Technology director: 9
- Other C-level executive or equivalent: 7
- Senior VP/VP/Director: 23
- Head of business unit: 5
- Head of department: 9
- Manager: 13
- Other: 8

### In which region are you personally based? (% respondents)

- North America: 38
- Western Europe: 27
- Asia-Pacific: 23
- Latin America: 5
- Middle East and Africa: 4
- Eastern Europe: 3

### In which country are you personally located? (% respondents)

- United States of America: 34
- India: 9
- United Kingdom: 6
- France: 5
- Germany: 4
- Canada: 3
- China: 2
- Mexico: 2
- Singapore: 2
- Spain: 2
- Australia, Austria, Brazil, Czech Republic, Netherlands, Belgium, Denmark, Italy, Japan, Nigeria, Philippines, Switzerland, Thailand, United Arab Emirates, Vietnam: 1

### What are your main functional roles? Please choose no more than three functions. (% respondents)

- Strategy and business development: 39
- General management: 36
- Finance: 21
- Marketing and sales: 19
- IT: 18
- Operations and production: 13
- Risk: 10
- Customer service: 8
- Human resources: 7
- Information and research: 6
- Supply-chain management: 5
- R&D: 5
- Legal: 4
- Procurement: 3
- Other: 3
What are your company’s annual global revenues in US dollars? (½ respondents)

- $500m or less: 47%
- $500m to $1bn: 11%
- $1bn to $5bn: 16%
- $5bn to $10bn: 9%
- $10bn or more: 17%

What is your primary industry? (½ respondents)

- Financial services: 25%
- Professional services: 13%
- IT and technology: 10%
- Manufacturing: 8%
- Consumer goods: 7%
- Healthcare, pharmaceuticals and biotechnology: 7%
- Telecommunications: 5%
- Energy and natural resources: 5%
- Retailing: 3%
- Chemicals: 3%
- Construction and real estate: 3%
- Education: 2%
- Entertainment, media and publishing: 1%
- Government/Public sector: 1%
- Aerospace/Defence: 1%
- Logistics and distribution: 1%
- Agriculture and agribusiness: 1%
- Automotive: 1%
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