CIO Challenges: Guesswork and Delay in Decision Making

OrbusSoftware

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Guesswork and Delay in Decision Making

What are the main concerns facing Chief Information Officers today? At Orbus Software we have identified 8 major issues that enterprises frequently encounter when it comes to meeting the demands of the digital age. In this eBook, we will explore the difficulty of making informed, data-driven decisions at pace.

The days of gut feelings and rolls of the dice driving business decisions are long gone, with every major enterprise now incorporating data analysis into short and long term decision making. However, good data analysis depends on having good data. Decision makers need visibility over the organization, and need to know the potential impacts of their decisions. In large, complex enterprises, this is easier said than done. Without fast and accurate data, guesswork or delays will foil a CIO's ability to enable informed decisions.

KEY STATS

What holds back decision making?

72% of companies have had at least one strategic initiative fail because of delays in decision making

In a poll of 200 business leaders in 2020, 60% say that since the pandemic began, they are forced to make faster decisions — and bigger ones

50% said they have to justify more of their judgments, and that they have to make more decisions overall

65% of business leaders in 2020 said the decision-making process has grown significantly more complicated

Data Officers identify lack of data understanding as the top obstacle to success

Only 20% of McKinsey respondents believe their organizations excel at decision making

Bad Decisions by Managers Cost Firms More Than 3% of Profits, according to Gartner

Gartner

The world is growing more complicated. Across business life and personal life, across nations, and across digital and physical barriers, leaders need to deal with more decisions, more moving parts, and more consequences. Unsurprisingly, this makes it harder for business leaders to make decisions and keep pace with their competitors.

And the modern enterprise can't just be worried about existing competition either. Unicorn start-ups can emerge almost overnight to take over entire markets. Major external disruptions like the coronavirus pandemic are becoming more frequent and a greater risk. Companies have turned to objective, data driven decision systems to try and maintain their positions, but problems still remain.

Poor Data Quality and Access Holds Back Decisions

First and foremost, the quality of information available to decision makers is simply not up to scratch in the majority of organizations. Simply identifying what data is relevant is difficult enough, but even if organizations know exactly what information they need, there will be problems finding or accessing it.

Data silos are a common problem, where enterprise data becomes isolated and inaccessible from other parts of the business. Even if we assume an organization has no data silos, can they trust that all their information is accurate or fully up to date? Problems with the governance of data collection and storage, or lack of visibility over data flows will heavily impact the reliability of business intelligence.

Complexity is Overwhelming

An enterprise has thousands of employees, assets, and applications; and dozens of products, locations, and functions. Even a relatively simple decision could have huge unforeseen implications on key parts of the business. This is particularly relevant for IT transformation, where systems are highly interconnected and reliant on each other. The inability to visualize the entire landscape of an organization and the relationships between parts greatly increases risk of decisions having unforeseen negative impacts on other part of the business.

Decisions do not Address Real Strategic Issues

Even with the many roadblocks that slow decision making, companies will still make hundreds of smaller decisions in their normal operations. However, decisions are often made that do not align with business strategy or generate long term value. Figuring out where a company needs to focus and invest resources is as important a question as how those resources are invested.

Cultural Barriers Add More Challenges

Decisions do not only rely on data. Human input is always going to be vital, which means that cultural and personal barriers will also disrupt rapid and accurate decision making. While personal (or personnel) issues are not the responsibility of CIOs, there are many ways in which the proper application of technology can augment human capability or resolve cultural problems.

Often, decisions are complicated due to the wrong people being involved. It can be unclear who has ultimate authority: there may be simply too many cooks, or key stakeholders may end up uninvolved. Lack of shared knowledge around business strategy is another common problem. The right tools can solve these problems.

KEY STATS

How to Drive Decision Making Forward

Companies that spearhead data-driven decisions are 77% more likely to achieve business goals

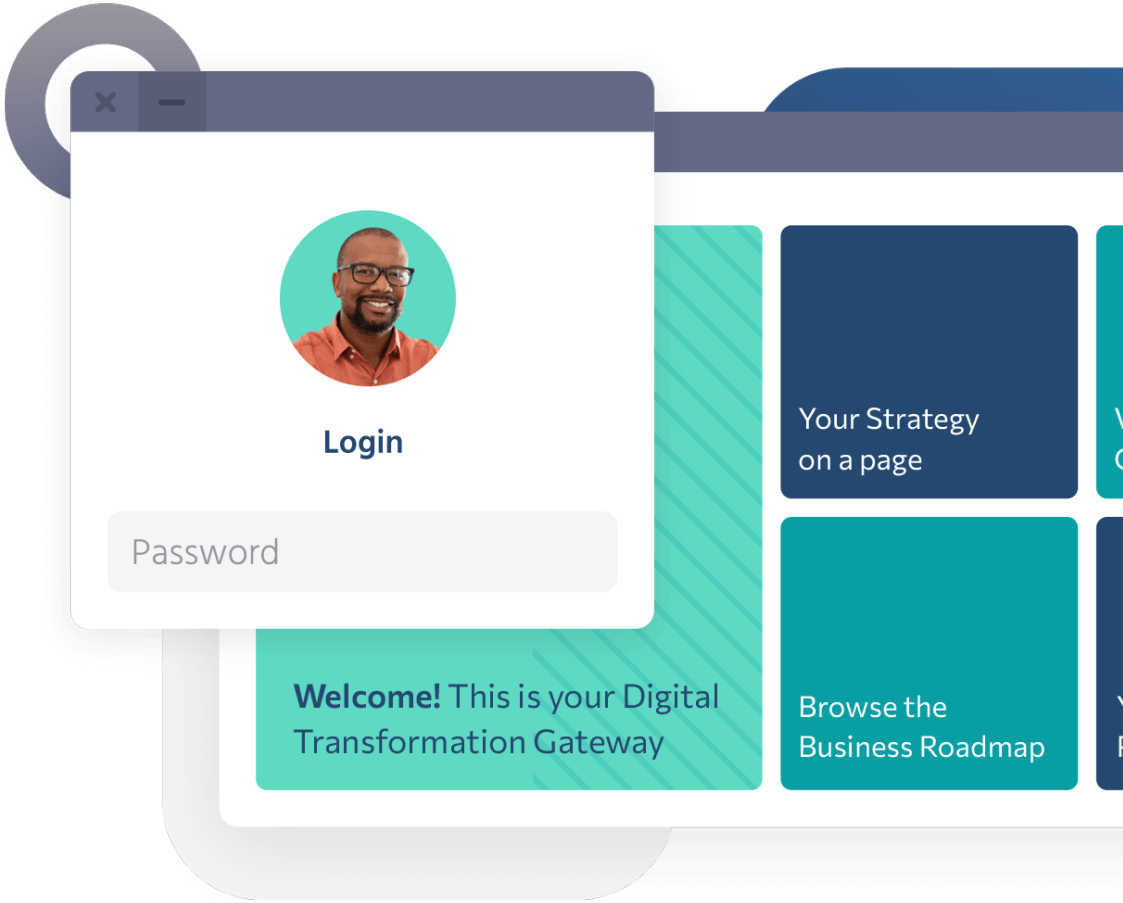
Forrester found that EA significantly increases collaboration with business strategy (73%) and business intelligence (71%) stakeholders

52% of respondents to Gartner identified smarter decisions and investments as a top benefit of outcome-driven Enterprise Architecture

They are also 59% more likely to derive actionable insights from analytics results

In 2019, 64% of users reported that BI data and analytics helped improve their efficiency and productivity

Meanwhile, 56% believe it has allowed them to make more effective decisions faster and 51% think it has led to better financial performance



The question of how to make the right decisions is perhaps the most important one in business. No solution can ensure that a business always does the right thing, but there is no excuse for not having all the information needed to make the right choice. An enterprise should have access to up to date, accurate data from every part of the firm. It should know how changes will affect every part of the firm, how they will address gaps in capabilities and how individual decisions help organizations to pursue their overall strategy.

Enterprise Architecture Unlocks the Power of Data

In order to deliver the right information to the right people at the right time, enterprises need a serious understanding of their organization and infrastructure. Enterprise Architecture (EA) is the most powerful method for CIOs to understand the enterprise landscape and create a sustainable organization. Properly implemented, EA will portray every aspect of a firm's technology and strategy, as well as the relationships between these different elements, enabling impact analysis. EA is also ideal for the governance of data, ensuring that data collection and processing has standard rules and procedures, providing a single source of truth for all enterprise data.

Understand the Impact of Changes Before They Occur

Organizations understand the need to complete an Impact Analysis before making a change, but most analyses fail to deliver effective and timely results. A good analysis needs to understand the enterprise, visualize links and disseminate results effectively. These challenges can be solved through EA which illustrates the components and dependencies of the enterprise, making it easy for an analysis to evaluate an impact for every relevant part. What is more, EA tools provide attractive visualizations which engage key stakeholders with easily digestible information.

Business Capability Management Focuses Decision Making

Delivering value in an organization means identifying areas which need support and investment. A powerful method for achieving this is to create a business capability map that demonstrates what a business does at an abstract level. Individual capabilities can then be linked to business strategy and practitioners can create a list of capability gaps, illustrating where current capabilities are insufficient. From here, business leaders can start making decisions that address capability gaps while remaining in line with their overall strategy.

The Right Mix of Human and Artificial Judgment is Essential

The sheer number of decisions required in a modern enterprise means that the automation of some aspects drastically reduces the time required to make a decision. But there are only a handful of areas where you can completely trust artificial intelligence. For the majority, there will need to be a mix between human input and technology assistance and this requires a combination of colleting the required date in one place and visualising that data in a way that provides clear insights for decision makers.

How to Drive Decision Making Forward

Enterprise Architecture, Impact Analysis, Capability Management and Strategic Portfolio Management offer a powerful set of methods to simplify and improve decision making, providing fast, informed decisions. However, these are complicated methods that will typically require specialist teams, and more importantly, a specialist tool. The iServer Suite offers the solution.

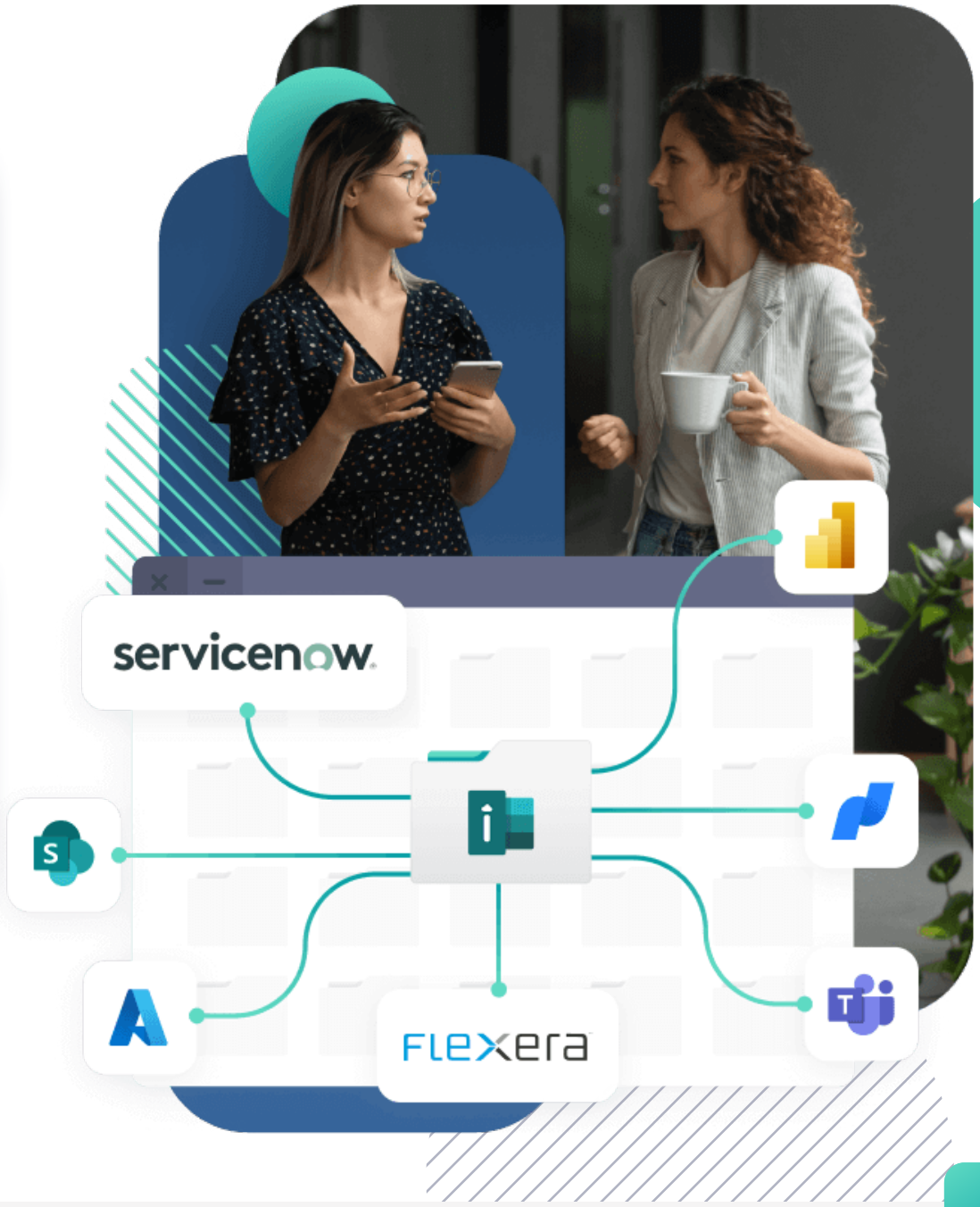
Make Smarter, Faster Decisions

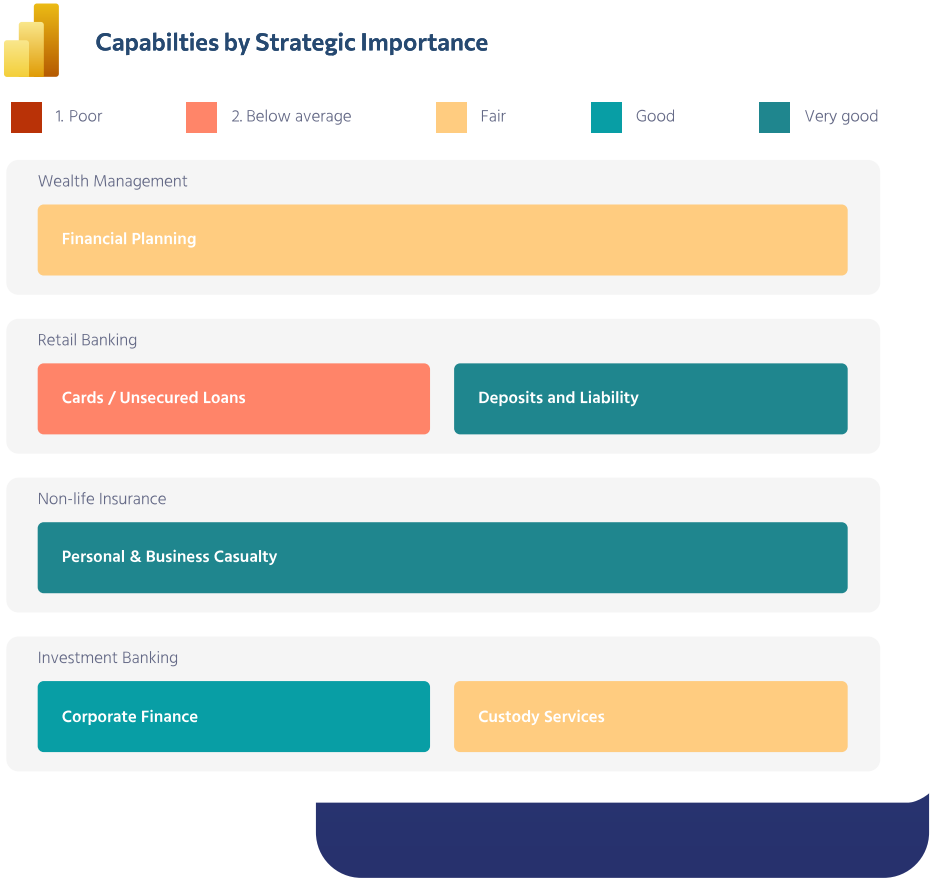
Connect EA with the Business

EA is a key function to align technology with strategy and deliver the insights needed to make the right decisions, but it can often end up disconnected from organizations. iServer365 makes it easy to involve stakeholders throughout the business thanks to out-of-the-box integrations with collaborative applications such as SharePoint and Teams.

Centralize Data through Integrations and a Single Source of Truth

Make real-time decisions with iServer365's dynamic heatmaps, data-driven graphics and 5 roadmapping capabilities. Deliver attractive, engaging roadmaps that gain buy-in from key stakeholders. Align technology with strategy to ensure the right cloud migrations take place at the right time, across the organization.





Decision Analysis and Reporting

An array of pre-built views, dashboards and visualizations dramatically simplify the process of analyzing data and communicating results. Produce real time capability models and navigable impact analysis reports that address business questions and solve the major problems facing decision makers.

Enhance Decision Making with Strategic Portfolio Management

Strategic Portfolio Management drives operational efficiency and alignment of people, process, information & technology 'portfolios' with business strategy. Only iServer365 provides the comprehensive reporting and 360-degree analysis required to bring this data to life and address the business questions across these portfolios to drive strategy to execution.

Transform your Decision Making Ability

Book a tailored demo today to find out how the iServer Suite delivers faster, smarter decisions that enable transformation

Book a Demo

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