THE
POIRIER
GROUP

From Donuts to Data

ENABLING YOUR TEAMS FOR SUCCESS

1.

You can't see the donuts in the data— you need more than data to tell the story

2.

When telling a story with data, make sure it's not a fairy tale

3.

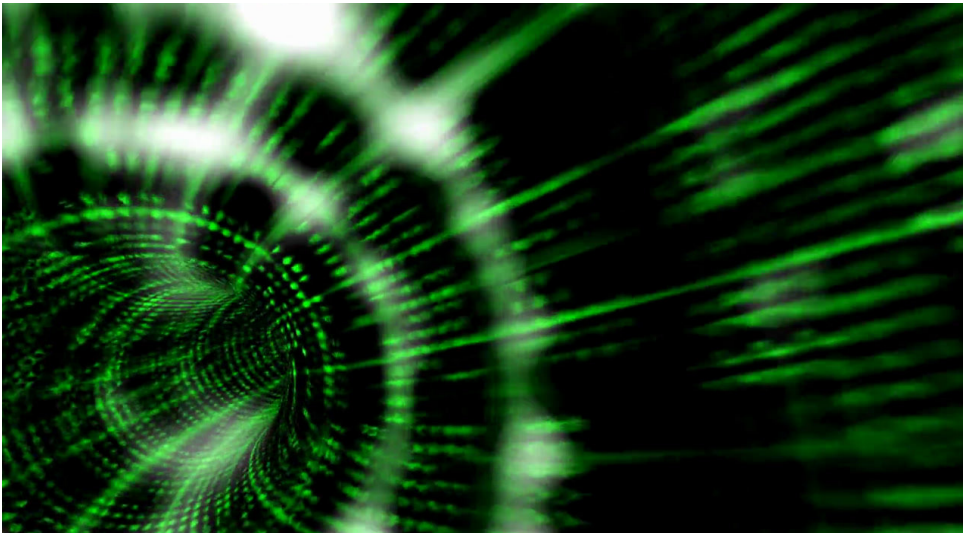Building trust in data means building data you can trust

FROM DONUTS TO DATA:

ENABLING YOUR TEAMS FOR SUCCESS

Peter Murphy, Consultant at TPG, provides a tactical guide into how to build data you can trust and then integrate it into your daily operations for sustainable success.


Data plays a nebulous role in the day-to-day management of most businesses. Some treat it as a silver bullet for all their problems, some fear it with a passion that only primary school math teachers can instill, and others view it with varying degrees of doubt and skepticism. A key factor driving these reactions? **Very few people know how to view, analyze, and apply data in a way that brings productive change to their organization on any scale.** As the film 'Moneyball' (2011) so eloquently put it:

"There is an epidemic failure within the game to understand what is really happening. And this leads people who run [Major League Baseball] teams to misjudge their players and mismanage their teams."

While that quote is in specific reference to Major League Baseball, it's arguably applicable to most industries, where managers unsure of or untrained on data analysis end up mismanaging their teams. As consultants and third-party service providers, we are familiar with and uniquely equipped to speak to the whole spectrum of comfort and knowledge of data analysis.

In short, companies suffer when their resources either aren't used to their full potential or are misused to their detriment....and data is one of the most valuable resources of the digital age.
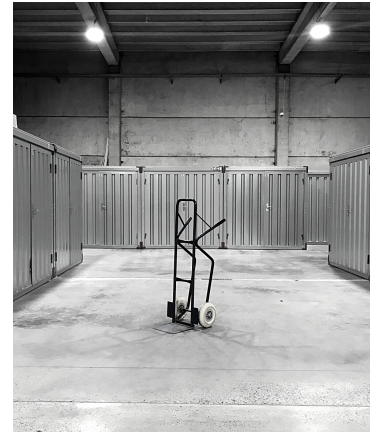
Examples of this type of well-intentioned mismanagement include:

- **A warehouse manager blocking their receiving doors to avoid scanning a product into their inventory, hoping this will prevent clutter**

- **Managers eschewing their own metrics to maintain their view of a favorite employee at the expense of other objectively higher performing ones**

- **People who are uncomfortable with numbers that have more than 5 digits, and;**

- **Others so focused on their spreadsheets that they begin to neglect any feature of their work not captured on them**

YOU CAN'T SEE THE DONUTS IN THE DATA

Call centers are an excellent example of data-rich environments that typically struggle to aggregate, analyze, and apply their data in an effective way. Data in call centers tends to be a combination of strict and murky. Agents are consistently measured by statistics related to tickets they take, how long they spend on calls, and service ratings. Entire centers are similarly held accountable to stringent and detailed metrics.

However call data is extremely subjective. One caller speaking to two agents can count as one or two calls, depending on how it's measured, and queried. Moreover, different topics and queues can be weighted differently depending on their purpose. That's setting aside the fact that call center call metrics (wait time, talking time, hold time, call volume, etc.) don't follow normal distributions which create considerable complexity in modelling and general analytics.

This article is focused on an anecdote from a large modernization project The Poirier Group undertook at a call center. A year's worth of data was analyzed and processed , revealing a pattern: every Tuesday at 10 am, the call wait time at one of the call centers rose by a full minute (quite a lot for a call center as efficient as they were). While the initial focus was on seasonal trends, further investigation into the data was required.

"Why do call wait times go up every Tuesday at 10 am?"

Equipped with all of the data available on the call centre performance, a detailed analysis was done to cut the data every possible way. It was found that there were 30% more asset management calls from Texas on average with a 20% increase in left over emails from Monday plus one less person in the morning shift. It was solid analysis and well presented, but there was one crucial step missing.

A call was set up with the manager of this call center to gain any additional anecdotal evidence not captured in the spreadsheet.
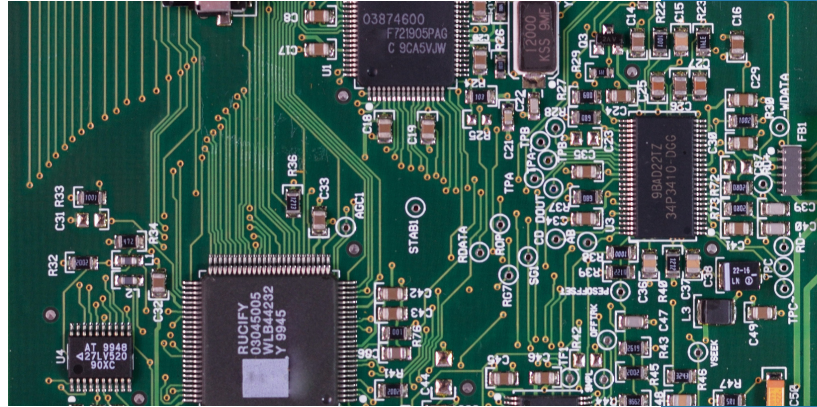
The donuts can't be seen in the data— which is why you need more than just data to get the whole story.

"What happens on Tuesdays?", they were asked. The manager brightened up and said "Who told you about the donuts?"

Every Tuesday morning, she brings in donuts for her team, and every Tuesday morning, around 10, the whole team gets up and has a donut, and callers wait an extra minute.

Those donuts played an important role in building team morale and culture and are certainly worth a minute on a Tuesday morning, but those donuts would have never presented themselves in the data.

This story offers a valuable insight— **it is not enough to have siloed data analysis teams poring over data by themselves. It is essential for important for management teams to also be involved in data analysis as a holistic process, and to receive appropriate training to help enable this analysis.**

TELLING TALES WITH DATA

Data dashboards play a powerful role in quickly and easily informing management teams of the health of their business. **We often expect data to tell a story, but what does this really entail?**

Generally speaking: different aspects of displayed data need to come together to form a cohesive narrative. **A dashboard should intuitively answer the question, "So what?"** However, setting up a dashboard has pitfalls. A common, but deeply inaccurate phrase, is: "Numbers never lie." The full phrase should be "Numbers never lie, but people lie with numbers".

Intentionally or otherwise, **misleading data representation can turn a story from non-fiction to fiction without ever lying**. Percentage margins can be through the roof while sales plummet. Volume can be at all-time high as the company hemorrhages cash-flow. Productivity metrics can be high without anything of value being accomplished. A customer service agent at the top of their division on a ticket/call basis can be toted as a top performer, when in reality their average call time is only 15 seconds (just enough to instruct the caller to retry before hanging up). Warehouse managers can stack product on the floor of their receiving area and only scan in products that they could outflow that day to keep their passthrough numbers high.

These numbers are true, but their stories are lies when you see them as a whole. **That is why it is so important to measure what matters.** Sales and volume numbers need to be contextualized by margin. Calls and time tickets need to be contextualized by quality surveys. Time metrics (or any hard piece of absolute data) needs a context that grounds it in the reality of the whole. Doing so is hard and requires both strong data analysis skills and in-depth business knowledge.

Many teams don't have these capabilities in-house and turn to third party consultants to set them up for success. This enables them to move quickly and efficiently while gaining a 30,000-foot view of their organization from an objective third party. This can be the best path to stop a business from flying blind.

> "NUMBERS NEVER LIE, BUT PEOPLE LIE WITH NUMBERS."

> "WHEN TELLING A STORY WITH DATA, MAKE SURE IT'S NOT A FAIRY TALE."

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IS YOUR SYSTEM A WORKHORSE?

An old technological system in a small to mid-sized business is **commonly referred to as a "workhorse."** Management teams are reluctant to move away from it because of **cultural inertia, difficulty with change management, and high capital costs.**

However, computers age faster than horses. They get slower, make mistakes, and require more upkeep both in general maintenance and emergency "medical" issues. Still, the "horse" is an excellent metaphor for proper ERP or data management systems. **Make sure you have a healthy horse to pull your business into the future, and if need be, hire an external trainer to get your stable set up properly.**

It needs to be fed and its diet monitored. Bad inputs lead to bad results.

It needs minders who know what they are doing to take care of the beast, and end users who at least have a cursory knowledge of the same.
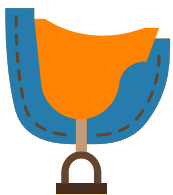
The horse itself is a starting point— you need the right sized bridles, saddle, hitch as well as any other accessories required to make sure that the horse can connect to anything it needs to pull or push.

It can't keep racing once its health starts to seriously deteriorate. There is no shame it in being put out to pasture once its time is done.

BUILDING TRUST IN DATA MEANS BUILDING DATA YOU CAN TRUST

Building a solid foundation of data means creating alignment across three things: People, Process, and Technology.

→ **Hire and train "People" who know not only how to handle, store, gather, and interpret data, but also people who understand the business and what data will be used for, now and in the future.** Managers need to be trained to understand the value of data, and data analysts need to be trained in the needs of the business.

→ "Processes" for data gathering, storage, cleaning, and analysis should be structured, documented, and consistent. **Creating standard operating procedures and process maps is a key first step in ensuring that data remains useful, consistent, and trusted from the beginning.** Consultants are an excellent choice for companies beginning their data journey because they specialize in creating thorough documentation for your data needs.

→ "Technology" ages quickly, and needs to have specifications that allow for growth and flexibility. System architecture is complex and challenging, and layering systems without proper planning can exponentially increase your spending, and make every acquisition that much harder. **A trustworthy system deserves a trustworthy base and the infrastructure grounding the entire system can make or break a company's capacity to measure and apply their data.**

At TPG, our business is based on trust and we carry that through to everything we build. Businesses need to trust what will bring them to the future, be that data, processes, or the right people, and that trust is hard-earned.

An investment in data is an investment in the future. It is an investment in your own business, and means investing in your capacity to grow. Remember: data is more than numbers on a spreadsheet. Companies that understand and integrate data into their day-to-day work thrive. They know where they are going, where they've been, and where they are. Far too many companies have trouble knowing where they are, let alone where they are going. Bringing in help and focusing on a strong foundation can right the course.

Learn more about how data improvement can help your business.

ABOUT US

The Poirier Group (TPG) is a Toronto-based boutique management consulting firm focused on strategy execution, with specialty in process improvement, cost optimization and operational efficiency. We differentiate on being operational experts, meaning we don't just figure out what to do, but guide you through how to do it for the long term.

Learn about how you can unlock more value for your organization and get more data management tips **here.**

GET IN TOUCH

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