



# 2013 SURVEY OF USE OF DATA IN BARBADIAN ORGANISATIONS: THE RELATIONSHIP BETWEEN DATA PRACTICES AND FINANCIAL PERFORMANCE

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*It has been said that whoever has the data has the power. This is perhaps most evident today with the current offering of almost homogenous products and services. While we have been taught that our products and services should be designed to meet consumer demands, and that our analysis of our environment should consider all of the external factors impacting our business, we often fall short of this ideal. Our survey results suggest that these failings have a bottom-line effect and that improving our access to and usage of data can improve our performance.*

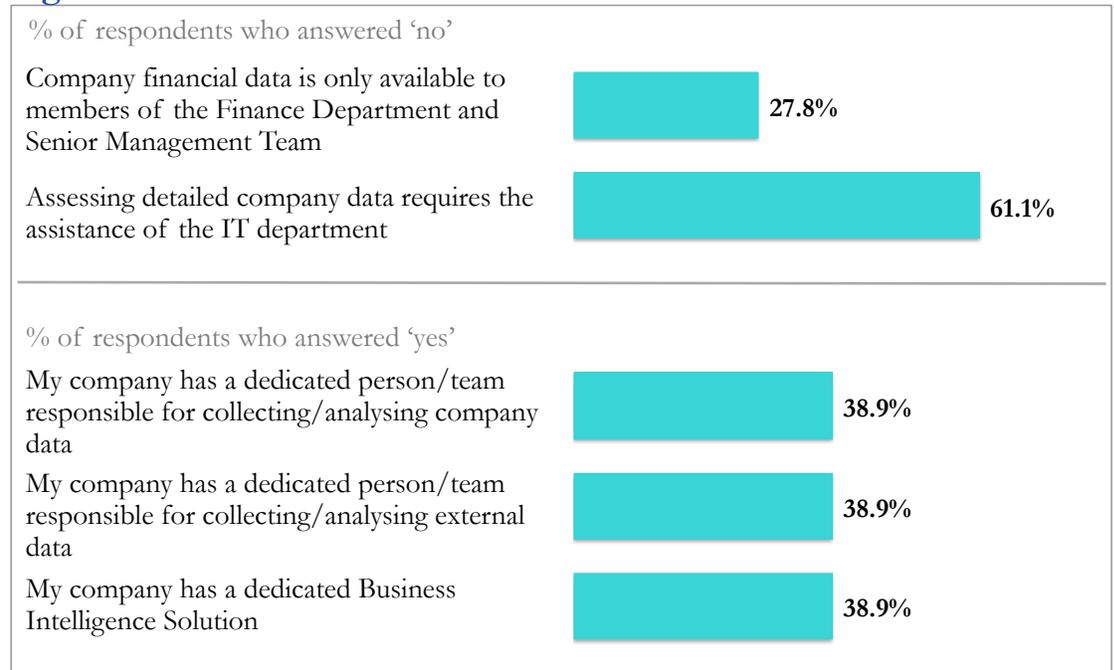
During the April-June quarter of 2014, Antilles Economics conducted its inaugural Survey of Use of Data in Barbadian Organisations and uncovered relationships between aspects of data practices and financial performance. These insights emerged when we asked respondents about their current data and information practices and satisfaction with data access and availability. Overall, participants were not satisfied with current data availability from external sources and did not feel that they had access to all of the information needed to make informed decisions. As expected, the three business functions with the most intense use of data were the CEO's office, finance and marketing.

## **Data Systems and Financial Performance**

We asked participants a number of questions regarding the systems and processes they used to disseminate and analyse data in order to gain insight into the level of difficulty users would encounter when trying to access data (Exhibit 1). Generally, users throughout the organisation have access to company data, suggesting that the some technological resources may be in place. At the same time, however, fewer organisations admitted to having Business Intelligence Solutions or dedicated persons/teams analysing either company or external data. This suggests that companies have not yet placed data analysis at a high enough priority to warrant dedicated analysts

### Exhibit 1

## Complex data systems and trained analysts still not prevalent in most organisations



or more complex systems, despite the fact that 53% of respondents stated that data collection is a high priority within their organisation.

Probably due to this disconnect, it is not clear from the data whether companies with more sophisticated data systems recorded better financial performances than those with simpler systems. It does seem, however, that organisations with basic systems fare worse, with 67% reporting lower revenue in 2013.

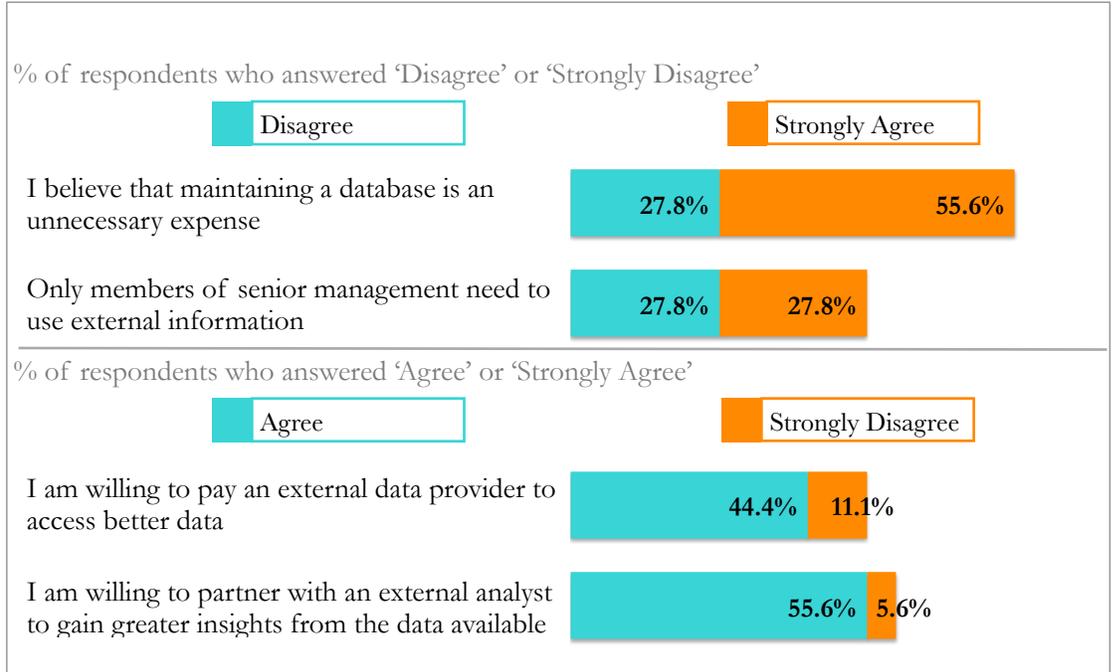
## Attitude Towards Data and Financial Performance

Generally, respondents were in favour of improving data access and availability (Exhibit 2). All respondents believed that databases are necessary expenses and almost two-thirds agreed that not only senior management needed to use external information. Furthermore, 56% and 61% of respondents, respectively, are willing to pay to access better data and gain greater insights from available data.

When we examine the attitudes of respondents from medium and large enterprises towards data and their financial performance, the data shows that respondents that are more supportive of improving data access and availability within their organisations performed better than their peers. In fact, the respondent with the best attitude also reported the best financial

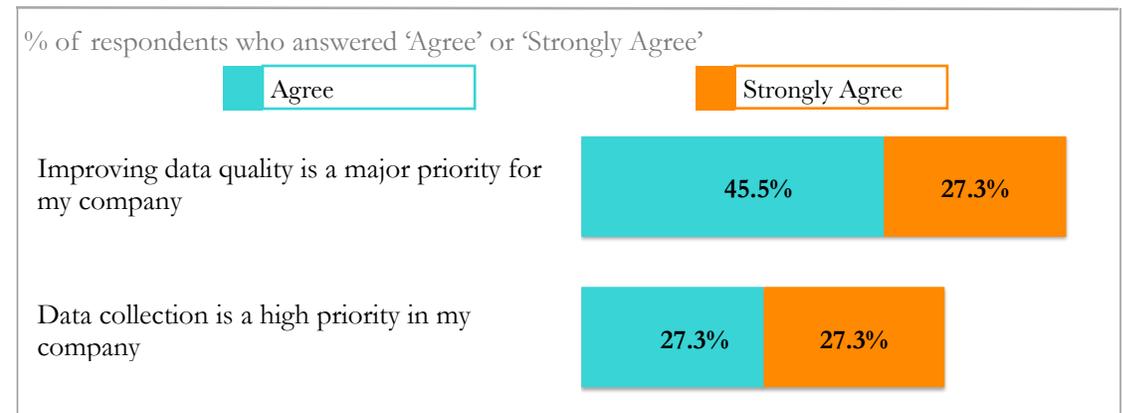
performance. Those respondents that were the least supportive performed either worse than or on par with their peers.

**Exhibit 2**  
**Generally, respondents supported improving data access and availability**



73% of respondents agreed that improving data quality was a major company priority, while only 55% agreed that data collection was a high priority (Exhibit 3). Companies that placed a high priority on improving data quality and collection outperformed their peers, while those companies that placed a lower priority on data quality and collection earned lower revenue than their peers. This finding reinforces the previous observation that attitude towards data collection is reflected in financial performance.

**Exhibit 3**  
**Improving data quality was considered more critical than data collection**



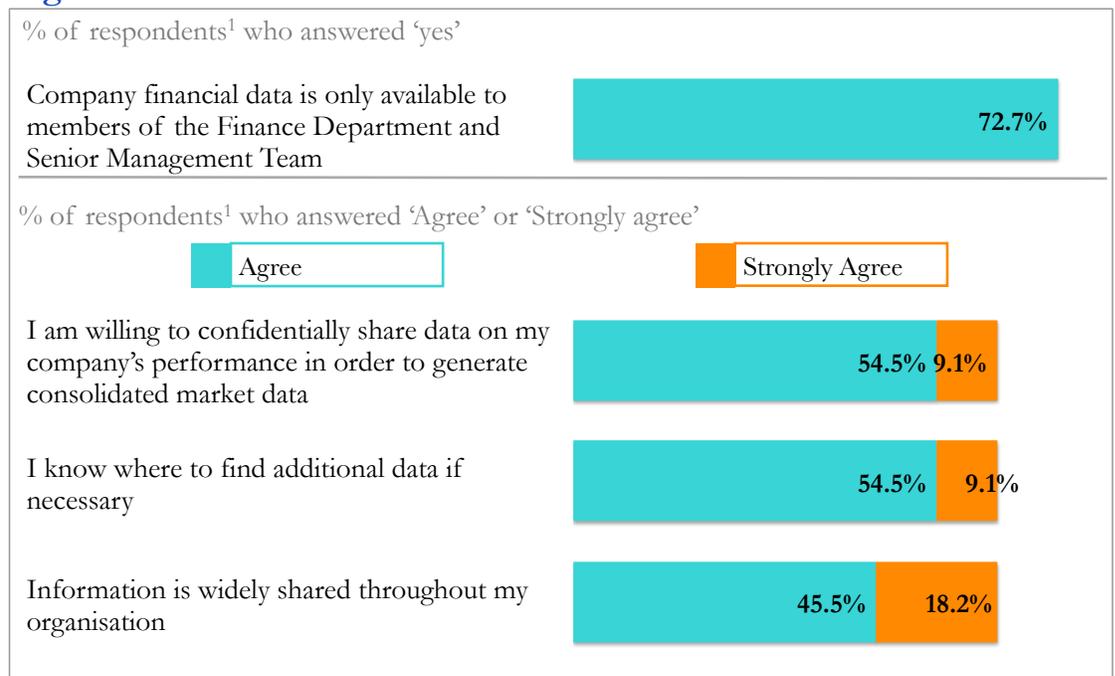
## Data Access/Sharing and Financial Performance

Respondents from medium and large companies not only shared data within their organisation, they were also willing to share data outside of their organisation to generate market data (Exhibit 4). This is an important finding because it demonstrates that respondents generally have a mature outlook towards data generation and usage. It was also interesting to note that most respondents knew where to find additional data if necessary

The companies that reported the most positive results for data sharing also generally reported the best revenue results in 2013, while those that were the most negative reported lower revenue in 2013. This result confirmed our expectations since we assumed that those companies that ensured data was available to decision-makers at all levels of the organisation would perform better.

### Exhibit 4

#### Respondents were willing to share data within and outside of their organisation



## Next Steps

Good information is the key to corporate success and data access, availability and sharing is the foundation to generating good information. Furthermore, competitive dynamics demand that companies increasingly compete on information. Looking forward, companies should focus on upgrading their data collection, storage and dissemination systems and processes as well as addressing talent gaps.

**Upgrade data collection, storage and dissemination systems and processes.** The results showed that most respondents operated with basic data collection, storage and dissemination systems. Not only is this practice time consuming, it is also inefficient and results in an increased probability of the right data not reaching the right decision-makers. Companies should invest in systems and processes that facilitate the consolidation of data from all areas of the organisation and allow users to perform more complex queries.

**Address talent gaps.** Not only must systems and processes be upgraded, companies also must ensure that they have access to a talent pool that can conduct the type of data analysis that leads to new insights. Whether through hiring dedicated analysts or outsourcing this function to a data analysis company, closing talent gaps will be a critical step in improving data usage.

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