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# *PwC's Data and Analytics Survey 2016*

## Big Decisions™

June 2016



# *Are executives using Data & Analytics to make big decisions?*

*In **May 2014**, we surveyed 1,135 senior executives on the ways they were making **big decisions**.*

*We learned a few things:*

- 1. The nature of decision-making is changing in the UK with new technology enabling insights to be shared more widely and more parts of the organisation becoming involved in decision making.*
- 2. Executives were relying mostly (41%) on their own intuition and experience when making big decisions.*
- 3. Executives were concerned about data quality and accuracy, access to useful data and felt that relying on data and analytics had had a detrimental impact on their business in the past.*

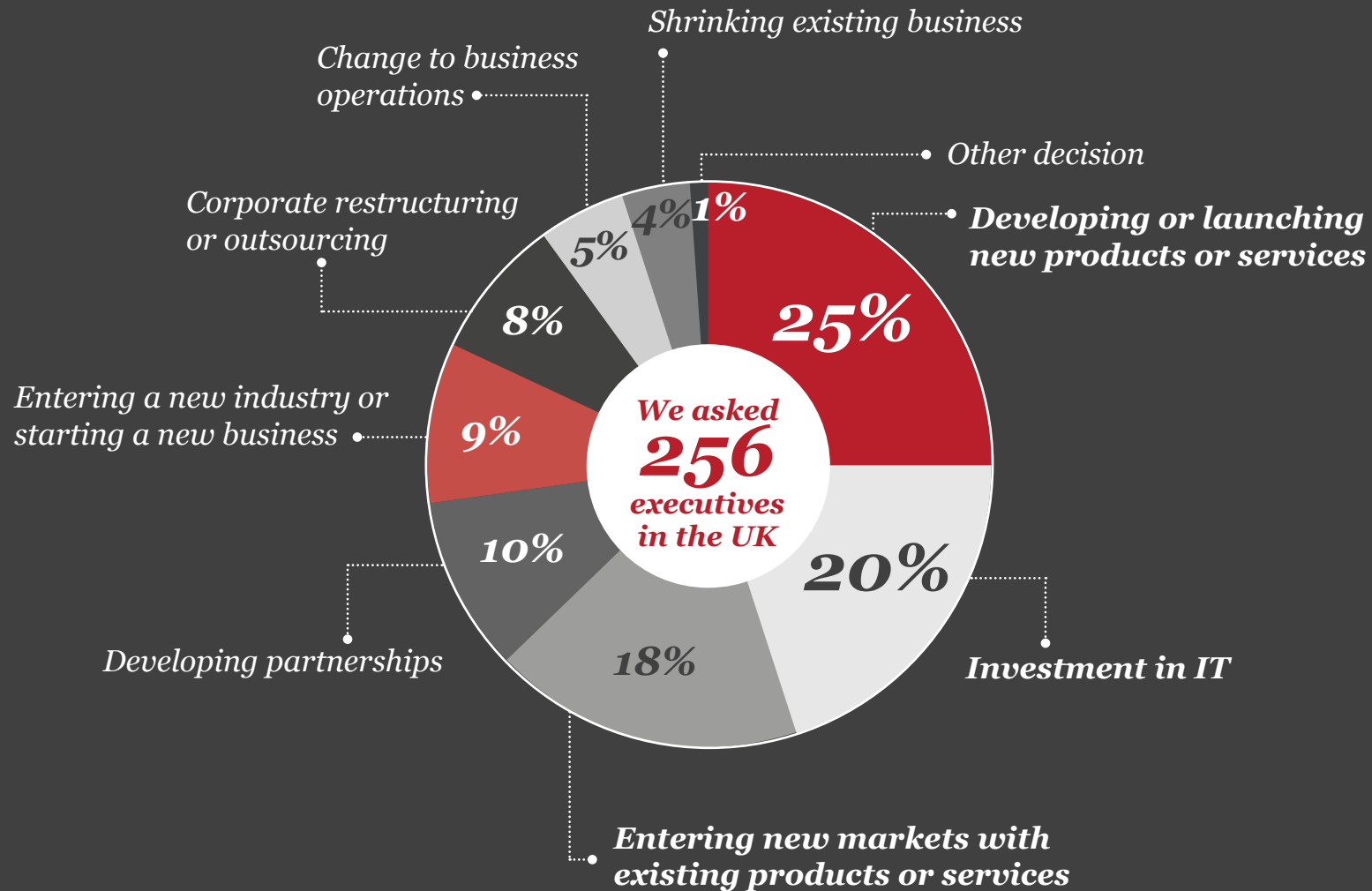
*Since then, the world has produced more data, computer processing power has continued to increase, and we have seen more significant data breaches. In our work with clients, increasingly data and analytics has become an integral part of many discussions.*

*In **January 2016** we wanted to check how things have changed, so we surveyed 2,100 executives, including 256 in the UK. We wanted to understand:*

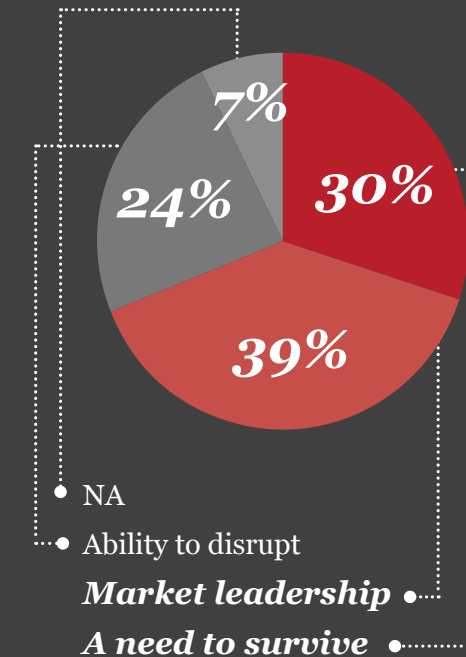
- 1. The degree to which they see themselves as data-driven.*
- 2. Their needs around speed and sophistication in making decisions.*
- 3. The limitations they face in adopting data and analytics.*

# What will be your next big decision?

UK executives will make big decisions on developing new products and services (25%), investment in IT (20%) and entering new markets (18%).



Strategic decision is motivated by:



What impact is this decision likely to have on shareholder value?

**50%**  
said 5-50% increase in value

**20%**  
said 50-100% increase in value

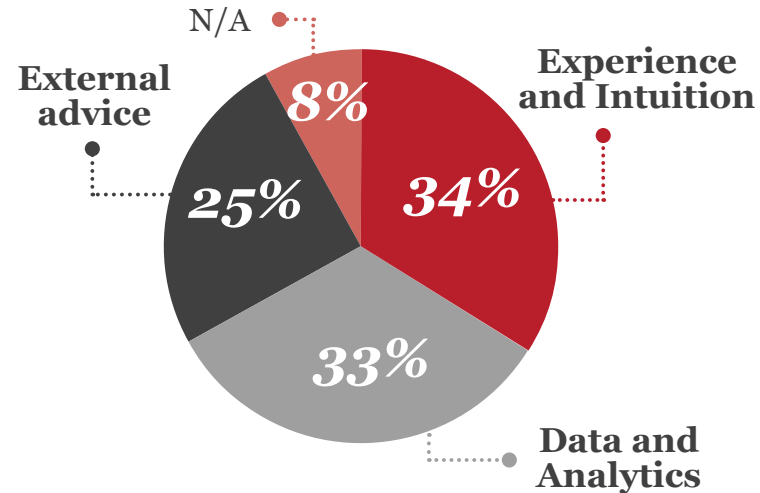


# How do you make big decisions?

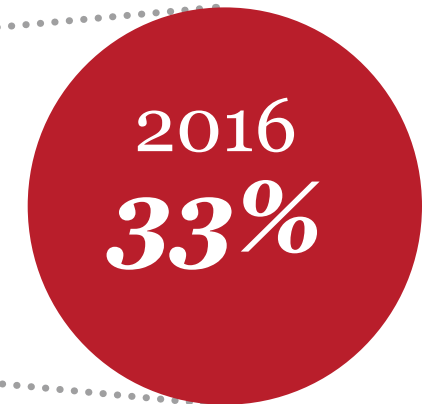


The majority of organisations are “data focused but not data centric” as one respondent describes it. While the results reveal a greater importance of data and analytics in decision making compared to two years ago, only 24% use predictive analytics.

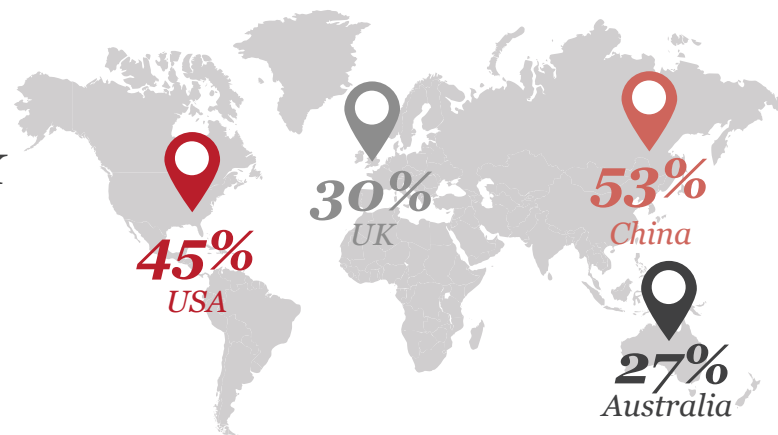
When making their next big decision, executives told us they will rely on:



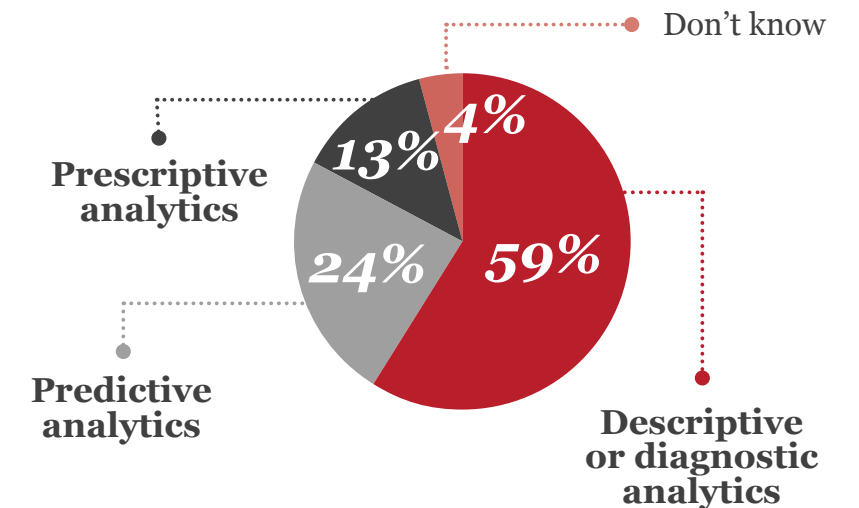
Even though we can see greater importance of data and analytics in decision making in 2016 vs 2014 we would have expected more due to the amount of technological development.



Only 30% of UK executives describe their organisation as highly data-driven. Does the UK risk falling behind other countries?



59% of UK executives say they are using data and analytics to look back and describe what happened and why. 24% are using it to predict what will or could happen, and just 13% are using prescriptive approaches to make automated decisions.



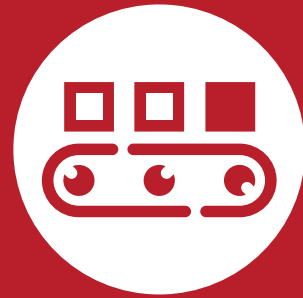
# *What's holding organisations back?*

Executives acknowledge they feel limited in using more data and analytics to support their big decisions by several factors: availability of resources, budgetary considerations, issues with implementation, leadership courage, operational capacity to act, policy constraints, and poor market responses.



*Leadership  
courage*

**23%**



*Availability of  
resource/manpower*

**18%**



*Budgetary  
considerations*

**17%**



*Operational  
capacity*

**14%**

*To become a data-driven organisation, leadership needs to set the tone and deliver. There has to be acceptance of experimentation and a bigger shift towards using predictive analytics to support strategic decision making.*



# Next? Increase speed and sophistication

Executives want big decisions to be made faster and in more sophisticated ways. Adopting a data and analytics culture to support big decisions is critical to achieve 2020 expectations.

*UK organisations have high needs for increasing speed and sophistication of their analytics capabilities over the next 5 years.*

*However, they don't expect to get to where they want to in this time period. And, they want sophistication over speed.*

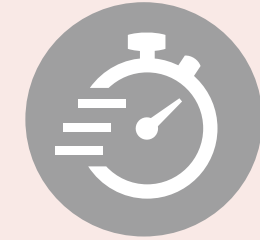
Sophistication

100%

50%

0%

Speed



2020 expectations

2020 needs

2016



To find out more: [pwc.co.uk/big-decisions](http://pwc.co.uk/big-decisions) #BigDecisions

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