



Analytics and Collaboration

Overview and Guide

Two of today's biggest drivers of new business value through information technology are business analytics and collaboration. Putting them together can maximize the discipline, foresight, and expertise applied to business decisions, processes, innovations, and customer relationships. This Outcome Project explored how to use analytics in business collaborations and how to analyze their effectiveness. The project featured the participation of Dr. Thomas Davenport, the President's Distinguished Professor of Information Technology & Management at Babson College.

The *Analytics and Collaboration* research report is in five sections plus an appendix, published both individually for focused distribution and in consolidated format. Here is a brief overview and key points of each section.

Business Analytics Basics

Provides a brief overview of the key concepts of business analytics – definition, opportunities, applications, success factors, and management techniques. For more detail, please see *Competing on Analytics: The New Science of Winning* (Davenport and Harris) and *Analytics at Work: Smarter Decisions, Better Results* (Davenport, Harris and Morison).

- What are analytics? The extensive use of data, statistical and quantitative analysis, explanatory and predictive models, and fact-based management to drive decisions and actions.
- Analytically successful businesses marry technical capability with organizational and behavioral capability.
- There are analytical opportunities in every industry, not only to improve decision making and business performance, but also to use analytics at points of marketplace differentiation and to become an analytical competitor.
- Five key elements need to be in place for analytical initiatives to succeed and need to advance as the organization matures analytically: good data, enterprise-level management, analytical leadership, target applications, and analyst talent.

Business Collaboration Basics

Provides a brief overview of collaboration, how to distinguish among kinds of collaboration, and how to design more purposeful collaborations.

- Business collaboration means working together to achieve a level of performance, or to create something new, that is superior to what any individual entity could do alone. It's about getting useful work done.
- You can think of business collaboration as an imperative in today's organization and marketplace, but you should also view it as an opportunity to revisit activities and processes and capitalize on ways to improve them via collaboration.
- The most common barriers to effective collaboration involve measures and rewards, attitudes and behaviors, and structure and infrastructure.
- In designing collaborations, pay attention to collaboration type, scale, scope, intensity, and duration.

The Analytics of Internal Collaboration

The first of two major sections of the report, this explores approaches to encouraging collaboration, the elements of a collaboration strategy, and how to measure the impact of collaboration on the organization.

- Internal collaboration is increasingly important. It is how new products and services get developed, how strategies are defined, how important customer relationships are improved, and how many important decisions are made.
- Given the global spread of many large organizations, internal collaboration increasingly happens through information technology, and electronic collaboration can almost always be measured. We can learn who is collaborating with whom about what.
- Despite the opportunity to measure and analyze internal collaboration, it's not done very often. Measures typically center on technology usage more than business results.
- A business strategy for collaboration should include specific business objectives and how to measure them; the organizational scope of target collaborations; how collaboration can improve productivity, work effectiveness, and employee engagement; and how the information technology platform enables all those things.

Collaborative Analytics Outside the Enterprise

The second of two major sections of the report, this explores the emerging landscape of applications of collaborative analytics at the boundaries of the enterprise, including with business partners, consumers, and the “crowd.”

- The combination of collaboration technologies, advanced analytical methods, and the Internet as shared infrastructure open new opportunities for improved performance and innovation in how businesses work together and work with their customers.
- Who works with and for an enterprise? *Partners* including business customers and suppliers, channel partners, service providers, and industry consortia. *Consumers* whenever they utilize self-service, participate in loyalty programs, or participate in the creation and manage the consumption of products and services. And the (sometimes anonymous) “crowd” of experts and individuals who perform Internet-mediated tasks.
- Collaborations with all these parties are shaped by whether the business intent is to *operate* efficiently or *innovate*.
- Companies have the most experience collaborating with established partners that have operational intent. There’s opportunity to leverage these relationships for business innovation.

Conversations with Practitioners

Captures highlights of the discussions during two member teleconferences exploring how to measure and improve the business performance of social networks and social media initiatives.

The first teleconference featured a discussion with Dr. Rob Cross of the University of Virginia, one of the world’s leading authorities in the analysis and improvement of social networks. He discussed how to be analytical, tangible, and pragmatic in assessing and improving organizational collaboration through social networks, including when to streamline networks and how to reduce information and connection overload.

In the second teleconference, Tom Davenport led a discussion of social media analytics with three practitioners, covering what’s measured, what tools are used, the challenges of measuring the business impact of social media initiatives, and some future directions.

Appendix: Technology for Collaborative Analytics

Provides a brief overview of collaboration technologies categorized by business purpose: file sharing and project collaboration, connection and communication, innovation, group polling and decision making, and collaborative content management.