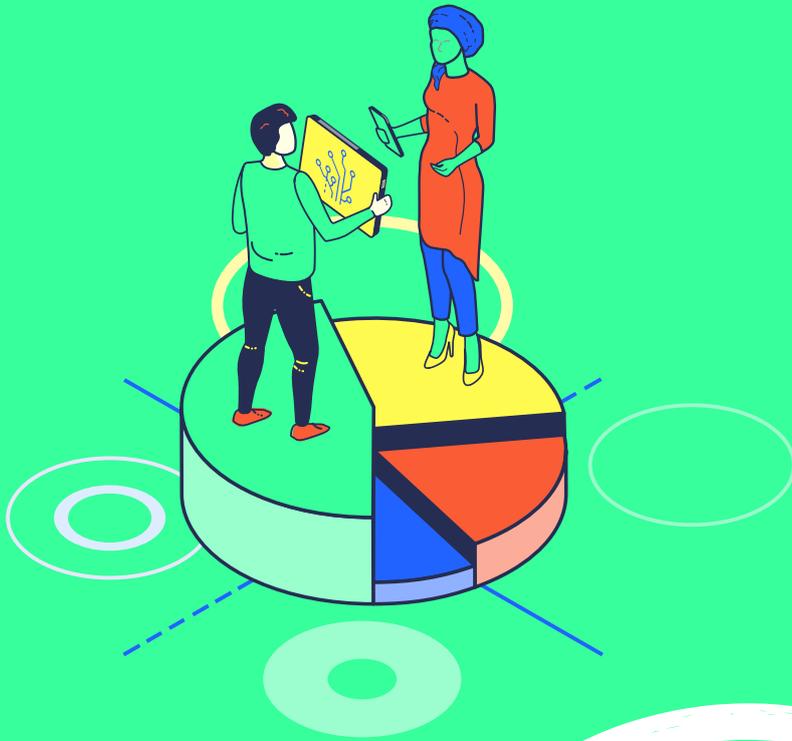


EQUANTIIS



How to Develop a Data Strategy

A practical 5-step guide for Charity
and Membership Organisations

**“If we have data,
let’s look at data.
If all we have are
opinions, let’s go
with mine.”**

James Love Barksdale



Introduction

A Data Strategy describes both the strategic and operation role of data for your organisation as well as the key enablers to supporting this. So firstly, what do we mean by this?

The charity and member sectors are in a state of constant transition and change. We are constantly having to make key decisions about how we best respond to internal and external challenges, seize opportunities, to allocate our resource in the best way possible and measure our impact.

Critically, in the absence of data, how do we know we are making the right decisions.

“If we have data, let’s look at data. If all we have are opinions, let’s go with mine.”

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So leading organisations are striving to become data-driven in how they think, operate and make decisions. Examples:

- Staff are being enabled to access data to support everyday activities equipped with the right tools and skills
- Supporters and members are receiving a data driven personalised experience
- Organisations are developing a better understanding of what data they have and its value
- Data compliance is deeply embedded in all activities
- Data is underpinning continuous improvement, service development and innovation

All these examples require organisations to develop strategic data capability covering how they better look after data through joined up policies and procedures, the right tools and training available to staff, a visibly engaged leadership adept at using data to make key decisions, and overall increased data quality, completeness and availability.



.. Introduction Continued

Organised, accessible, intelligent, predictive, and even prescriptive use of data, which supports charities and membership orgs deliver their strategic goals, whilst providing an enhanced experience for all touch points across the organisation is the holy grail of a data strategy. By working towards these principles, organisations can revolutionise the way they access and use data to inform their key decisions and operate more effectively.

However identifying the role and potential of data is not always an easy task. There are barriers to doing this:

- Multiple stakeholders, different needs and voices in the conversation
- Technology incorrectly being seen as the biggest challenge
- The concept of data ownership underpinning a data culture is not understood
- The size of the task and not knowing where to start

A common problem we often see is transformation programmes get overly focused on the implementation of new technology when they should be focusing on the data first. In fact many organisation replace their CRM system for example and actually reduce their data capability in doing so. We see this a lot. The reason is that despite not liking the old CRM, staff had actually developed many workarounds to satisfy their need to access data. Most commonly in the form of spreadsheets and local siloed solutions. While this way of working was not efficient or joined up it worked in a fashion because it had to. Introduce the new CRM and staff generally find access to data becomes harder, at least at first. The new CRM probably has brought together multiple data sets into a new data structure that no one really fully understands and cannot access in the way their were familiar with. Confidence drops and so does data usage. The alternative and better approach is to start with defining the data strategy. After all data access and use was probably one of the main drivers of changing the CRM in the first place.

Creating a Data Strategy for your org might seem like a daunting task, but in this guide, we give you some tools and tips to get you started on developing a strategic data capability. Our methodology allows you to identify quick wins, and agree strategically important investments, and by following this you can start to map out your own data strategy.

Developing a Data Strategy

By following our proven 5 step process you will identify the strategic role of data aligned to your organisation goals, assess your maturity and identify key gaps, define the data capability solution and strategic approach to delivering the required changes.

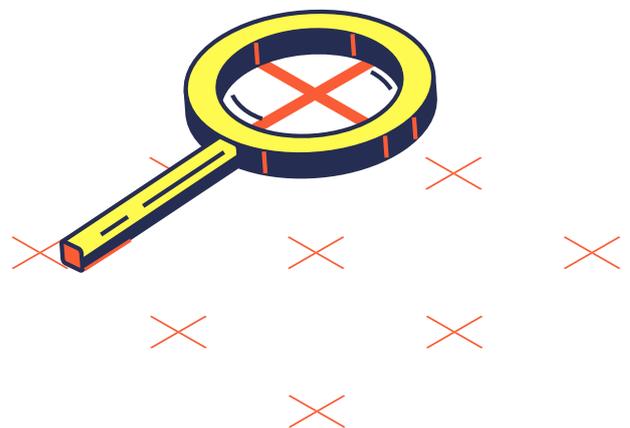
- **Data Vision:** What is the strategic role and opportunity of data
- **Data Maturity Assessment:** What is your current data capability
- **Data Capability Gap Analysis:** What are the key barriers to developing a strategic data capability
- **Data Capability Design:** What are the data capability enablers
- **Data Strategy & Roadmap:** How do you create a logical and prioritised approach to delivering change



Step 1 - Data Vision

We start by defining the future role of data in terms of a vision and set of principles to frame the required capability and changes you may need to make.

This is done within the context of your corporate strategy so that we begin to identify the enabling role and opportunity that data can perform in delivering your organisation goals. It is important to engage a cross section of staff in this stage and help them to step out of their day to day jobs and challenges to see the bigger picture and art of the possible. We have a range of techniques for doing this including 'postcard from the future' where we task staff in an interactive workshop to write a postcard to their present day self from the future. We generally get staff to travel forward in a time machine 5 years from now and to describe their experience after the data strategy has been delivered in terms of the experience of supporters and members, internal culture and ways of working, and anything specific in terms of how data is being used and the impact this is having. This provides a rich and compelling range of viewpoints and ideas and makes sure everyone is on the same page. It is easy to assume everyone has the same perception of why change is needed and what success looks like and this exercise is a great leveller to flush this out. From this you are able to develop a simple one-page vision and principles overview to guide the data strategy development and act as a north star for future change. We find that this is a valuable tool at the start of a project as well as during delivery as it can sometimes be easy to lose sight of what you are trying to achieve!



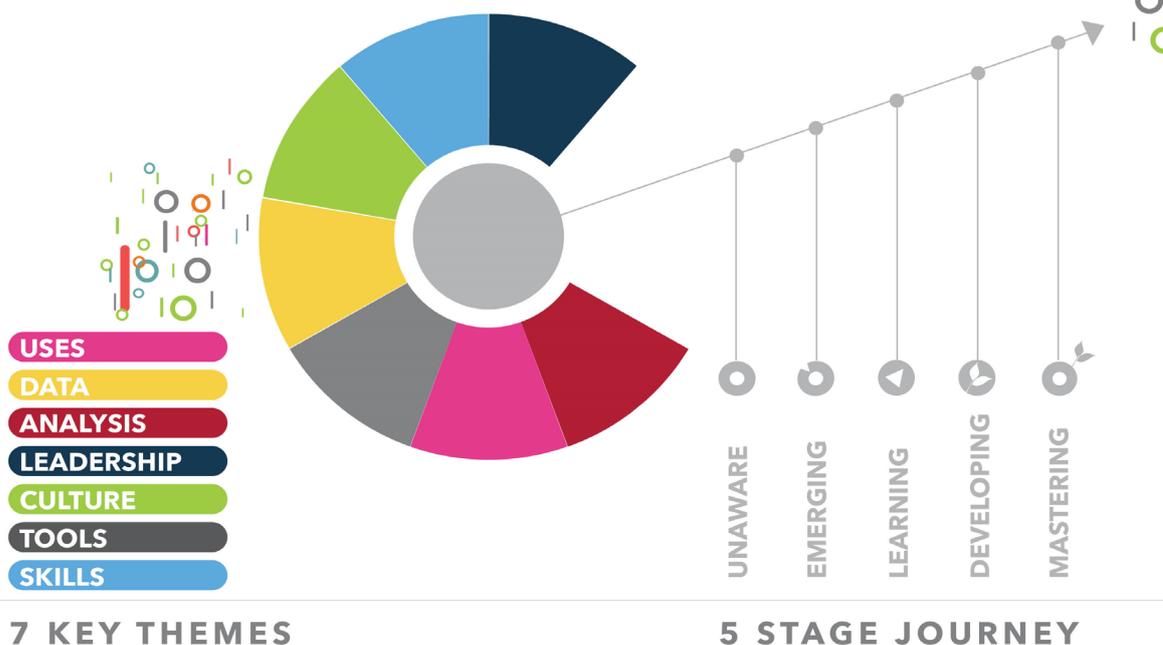
Step 2 - Data Maturity Assessment

Armed with a compelling vision for the future role of data at your organisation is a great start to developing your data strategy.

The next step is to fully understand where you are now and what your current data maturity looks like. The best way to do this is a data maturity assessment. We have several ways of doing this ranging from simple stakeholder interviews through to an all staff survey. We use Data Orchard CIC's data maturity framework which describes five stages of data maturity across seven themes (Uses, Data, Analysis, Leadership, Culture, Tools and Skills).



The Data Maturity Framework



Data Orchard's Data Maturity Framework. © Data Orchard CIC. Used with permission. This work is also available under a Creative Commons Licence ([CC BY-NC-SA 4.0](https://creativecommons.org/licenses/by-nc-sa/4.0/))

We find a popular activity to run a senior stakeholder Data Maturity workshop where we have 'a conversation about data'. We know that not everyone feels comfortable talking about data. This can be a bigger challenge for more senior staff and so we start by providing a simple language to talk about data; starting with 'what do we mean by data!' This conversation very quickly progresses to the importance of data and relative maturity and ambitions versus the maturity model.



.. Step 2 - Data Maturity Assessment Continued

As a Data Orchard partner, we are able to provide our clients with a customised data maturity assessment and sector benchmarking. This enables us to run a full staff survey exploring questions across the maturity dimensions which takes about 20 minutes to complete. Not only does this help validate the perceptions from the data maturity workshop, we can also drill into differences between departments and roles providing detailed insights into data maturity across the organisation. In addition we can offer benchmarking against hundreds of validated non-profit sector organisation data maturity assessments Data Orchard's database. This gives a powerful snapshot of where you are versus peer organisations.

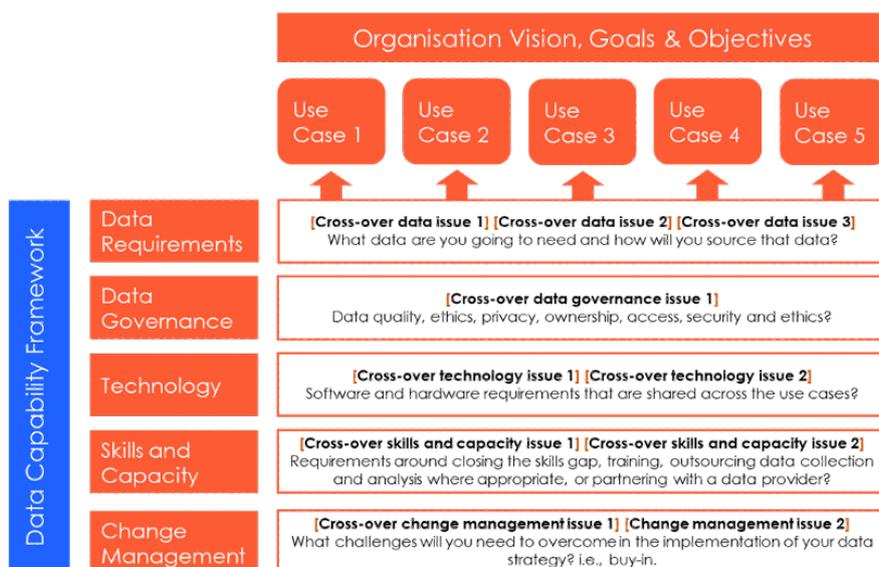
Something else we recommend doing at this stage is to develop a data asset register if you haven't already got one. Most organisations may have a personal data inventory linked to their data governance and GDPR compliance. If you haven't then you really must do this. It is a great tool to make sure you understand what data you have and where it is. Linked to GDPR it records the purpose for personal data processing and the legal basis for doing so. As part of your data strategy development it really helps surface our current issues, risks and opportunities that need to be addressed.

Step 3 - Data Capability Gap Analysis

At the heart of the 5 step approach is the part when you identify all the things that are stopping you using data better. What are the barriers that are preventing your organisation from developing the data capability and culture that it need?

The best way to do this is to identify about 5 data Use Cases aligned to the data vision. A data use case simply describes the desired use of data to achieve a certain business goal or outcome. It is something that is strategically or operationally important and cannot be achieved today to the degree that you would like. These uses cases generally percolate quite naturally to the surface during the previous steps and can include themes like the use of data to measure performance or impact, using data to automate and personalise user journeys, and everyday access to data to answer questions about the success of activities.

Once you have defined the data use cases you can bring together the most appropriate stakeholders to discuss what is preventing the use case from being delivered today. We use a strategic data capability framework as shown in the following diagram which ensure you think about the full breadth of challenges and cross organisational issues related to governance, technology, skills and staff capacity, as well as culture and the data availability and quality itself.



We run data use case workshops which successfully identify the key gaps and issues and starts to draw out a complete set of the key enablers and detailed recommendations.

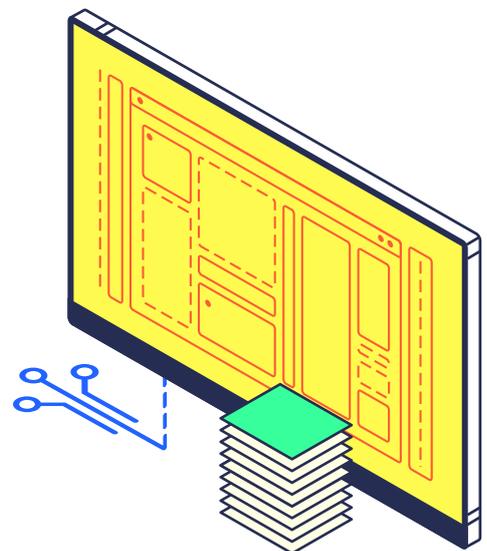
Step 4 - Data Capability Design

Having identified the barriers and gaps to developing your strategic data capability in Step 3, it is time to define the critical enablers.

Referring to the data capability model above these enablers are directly linked to the cross-cutting issues you have identified. Examples include:

- **Data Requirements:** A logical Data Model that describes the primary data entities and their relationship guiding all data capture and system change activities
- **Governance:** Key Data Policies and Procedures; for example, for the retention and secure disposal of data
- **Technology:** A data warehouse that brings disparate data sets together for reporting
- **Skills and Capacity:** Data owners who have the skills to perform their roles to look after data assets
- **Change:** Defined behaviours that describe the required data-driven culture

The important part here is to make sure you have captured all enablers and linked them back to the data vision via the use cases. Remember the use cases describe your desired strategic and operational use of data so you now essentially have the Why, What and How defined which takes us to the final part of the process.



Step 5 - Data Strategy & Roadmap

If you have successfully arrived at this final step then it will be clear that you will not be able to deliver all of the data strategy enablers overnight. You will need to develop a strategic approach and a roadmap for their implementation.

The strategic approach depends on your current level of maturity but it is probable that you will first need to focus on developing some foundational capabilities and maybe even define and resource some key roles in the organisation. Any sustainable change requires solid foundations so it is wise not to go too fast. In our experience another foundational enabler is to form a data strategy governance group who can own the strategy and oversee its implementation successfully. It is critical that the momentum generated during developing the data strategy is not wasted and we are always keen to see the proposed changes quickly put into action and this requires a clear mandate and ownership of the change. Another foundational focus maybe to review some key data policies and procedures to put you on firm footing.



It may take 3–6 months to get the foundations in place after which you can turn attending to developing and growing the new capabilities which of course depends on what you are trying to achieve. Some of the activities could including developing the data model and ensuring all data collection activities are aligned to this, defining requirements for new technology tools and solutions to better join up and access data, and developing the behaviours for using data to answer everyday questions. A recent project we worked on has defined and rolled out the concept of a 'data lab', the core tenet being that all staff should be able to access the data they need with confidence rather than being reliant on others to do this for them.



.. Conclusion

Increasingly organisations are realising that they are not maximising the potential of their data. They do not understand what data they have or could access, and do not know how to improve this situation.

Importantly developing a strategic data capability will not happen by chance. It will definitely not happen if your primary focus is on technology to solve your problems as this will eclipse what you are really trying to achieve. We help many organisation for example replace their CRMs or Membership Management Systems but we always start with the key question of what are you trying to achieve. The answer to this question is most often that organisation are trying to increase access, understand and use of data and therefore this must be the primary driver for the programme of change.

By taking a structured approach as we have outlined here you will be able to clearly identify the changes you need to make to develop your data capability and grown to be a data driven organisation.



.. The Author

Equantiis hopes you have found this [How to Develop a Data Strategy – A practical 5-step guide for Charity and Membership Organisations](#) useful. If you would like our help in facilitating or formulating your Data Strategy, please get in touch.

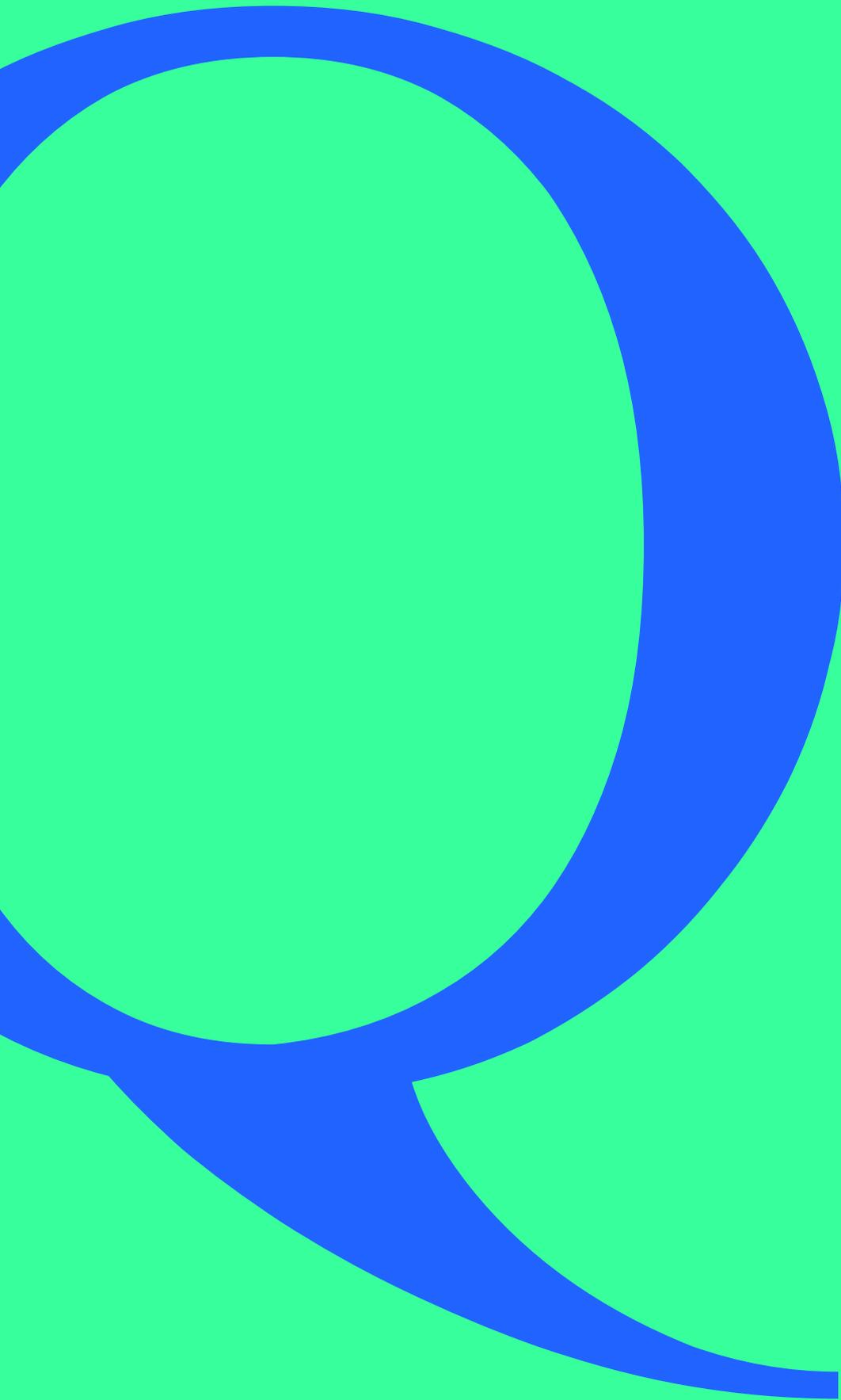


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