DECISION MANAGEMENT SOLUTIONS

Analytics Teams: 6 Questions To Ask Your Business Partners Before You Model

Analytics Teams know that one of their biggest challenges is effective communication and collaboration with their business partners. Analytic projects are often plagued with too many iterations to get to a solution, too many detours responding to unfocused requests, and final model results that are accurate but address the wrong problem.

What can you do? Ask your business partners these six questions before you start modeling:

1. How will we measure success?

Understanding how to measure success in business terms, not just analytic ones, is critical. Make sure both the business and analytics teams know which business metric needs to be improved and how it can be measured.

For instance, a project might be focused on retaining more customers but does this mean improving the overall retention rate or the improving the save rate for those that call to cancel?

2. What decisions does the organization make that have an impact on this measure?

The good news is that using analytics can really make a difference to business metrics. The bad news is that you can't apply analytics directly to a metric. What you can do is use analytics to improve decision-making. Understanding which decisions will make a difference is key step to linking business metrics to analytics.

Decisions are the best practice for linking analytics to business objectives. Asking what decision the model should be improve helps your business partner frame and express their request rather than just asking for a pre-conceived answer.

If the focus is on the overall retention rate, then decisions from retention offer made to original discount, from renewal price calculation to service terms offered might all make a difference. If the focus is on the save rate, then only the "retention offer" decision will matter.

3. What question has to be answered to make a decision?

Identifying decisions is necessary but not sufficient–you need to make sure everyone agrees what the decision involves. The best way to do this is to write down the question you have to answer to make the decision and what the possible answers are.

For the retention offer decision, for instance, the question is "Which offer should be made to this customer who has said they want to cancel their service in order to retain them?" and the possible answers would be any valid marketing offer that customer is eligible for.

4. Who makes these decisions and when?

There's a big difference between an analytic designed to support an expert making a monthly decision and one designed to be embedded in a call center application for use during a call. Who's making the decision, where they are when they make it, how often they make and how much time they have all make a difference. A really great analytic that takes too long to calculate won't get used by a call center rep trying to save a cranky customer.

5. Which decision(s) are we going to change?

If there is have more than one candidate decision, then you will need to pick a focus. It's rare that the same analytic can be effectively used for multiple decisions. Even if it can, having a clear focus often makes it possible to build a better analytic, one very targeted on the specific decision in question.

Knowing which decision is the focus also makes it clear if the business team have the power to change the decision or influence the decision-makers. If our call center reps behave the way they do because of their incentive plan, then the business team had better be able to influence that plan if they want to change the reps' decision-making.

6. What are the side effects of changing these decisions?

One final question. The reality of most decisions is that they don't only influence one metric. If we change the decision-making to focus on one thing we run a risk of unintended consequences. So what else might be impacted by the decisions we are going to change with our analytics? How would we detect this impact? What other metrics or measures should be considered? Figure this out now so your business partner and your analytic team knows what the trade-offs are.

We might, for instance, be mostly focused on improving retention but we probably don't have an infinite budget for retention offers so it's not just going to be about finding the best offer, it's going to be about finding the best offer we can afford.

What Next?

The best way to build a shared understanding of the problem or opportunity with your business partner is with decision modeling using the Decision Model and Notation (DMN) standard. Starting the conversation by talking about decisions rather than the data or analytic techniques avoids overwhelming your business partner with technical jargon. It also helps your analytics team avoid jumping to conclusions about the analytic problem to be solved.

Decision modeling is easy to learn and quick to implement and complements analytic methodologies like CRISP-DM.

▸ Decision models bring value quickly.
▸ Decision models focus new projects and get lost projects back on track.
▸ The simple diagrams built through decision modeling simplify complex problems.

Learn More

Here are a few ways to learn more or get started with decision modeling:

▸ Download our white paper Framing Analytic Requirements
▸ View the companion presentation with webcast.
▸ Try it! Sign up for DecisionsFirst Modeler
▸ Contact us about a decision modeling pilot – we work with analytics teams on integrating decision modeling into their analytics program.

So, 6 questions to ask your business partner before you start modeling:

1. How will we measure success?
2. What decisions does the organization make that have an impact on this measure?
3. What question has to be answered to make each decision?
4. Who makes these decisions and when?
5. Which decision(s) are we going to change?
6. What are the side effects of changing these decisions?

And a decision model will capture all these answers in one place.

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