

# Data is not the new oil, it's just data!



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## 'The belief that the more data you collect the better the decisions you will be able to make in the future is a lie'

Tony Fish. (hey, Google it)

I'll put my hands up and say this kind of statement speaks to my confirmation bias. I've listened to organisations for years, in and out of the sector, preach about how data drives their business. Google reckon 80% of company decisions are made using just 3% of company data - and that's largely financial data.

Get behind closed doors and you'll hear companies say they are incapable of making a decision about something as they don't have enough data, the right data, or because the data they have is of poor quality.

And poor quality it often is, with reports saying only a tiny amount of company data meets basic quality standards. Far from data being the new oil, data has a credibility problem.

The problem is that we need to alter our idea of what data even is, never mind how it is used.

As Andrea Jones-Rooy has written, data only exists in the first place because humans chose to collect it, and they collected it using human-made tools. Therefore data is as fallible as people. Data is an imperfect approximation of some aspect of the world at a certain time and place. As long as data is considered a cold, hard, infallible truth, we run the risk of generating and reinforcing a lot of inaccurate understandings about the world around us.

So although we can't equate data with the absolute truth we still need to have some belief in data. Data is necessary for us to understand the problem and to begin asking questions about it. It is only through asking those questions that we find a pathway towards a solution. It's the questions that our data prompts that are important - and the decisions we make based upon those questions.

As Tony said in the session: data does not explain the why. We have to look closer at the unsaid and the unseen to make better decisions.

Let's also recognise that the world is a complex place and it's only getting more so. Our senior leaders and boards must embrace complexity and become system thinkers. This goes beyond just looking at some data and making a quick decision. It requires a different mindset.

We have trained people to look for "hard facts" and to "know your numbers". Unfortunately, our numbers are nearly always wrong and are often backwards looking.

It might be useful to think of our data in three ways.

### Paul shares how a recent DIN event has developed his thinking about social housing's attitude to data

- 1. Lag data:** information about what has already happened.
- 2. Current data:** where we are right now at this minute.
- 3. Lead data:** projections about where things could go and how we might respond to a range of possibilities.

Too often all our decisions are based on lag data. The necessary task then is for us to shift our organisations data focus from a rear view mirror approach to a broad view of the future - taking in new data from different sources. Rather than collecting data for the sake of it, you identify why you need data and then go get the data to answer the questions.

These different sources may be more qualitative, or based on much smaller samples. As Tony has written - leadership often does not know what to do with critical and challenging small data, especially when it challenges easy assumptions that the bigger data justifies.

As he says - digital transformation has built a dependence on data, and the bigger the data set, the more weight it is assumed to have. We all know of the high failure rate of transformations - so in no way is there any evidence that the more data you have the better your approach is to risk.

Data probably is the new language for disruptive innovators. We need to get better at 'data storytelling' that gives anyone, regardless of level or skill set, the ability to understand and use data in their decision making every single day.

However, organisations must start evaluating data strategies and re-examine the vast stores of data they have no idea what to do with and no hope of learning anything useful from.

We probably all need a lot less data. Just data of better quality and from new and unusual sources.