



Overview

The combination of an increasingly complex world, the vast proliferation of data, and the pressing need to stay one step ahead of the competition has sharpened focus on using analytics within organizations. To better understand how organizations are applying analytics today, prioritizing their future investments, and transforming insights into action, *MIT Sloan Management Review* in collaboration with the IBM Institute for Business Value, surveyed a global sample of nearly 3,000 executive managers and analysts. Based on our analysis of survey results, combined with interviews with academic and subject matter experts, this study offers recommendations on how organizations can bolster their analytics capabilities to achieve long-term advantage.

IBM Institute for Business Value

Analytics: The new path to value

How the smartest organizations are embedding analytics to transform insights into action

At organizations in every industry, in every part of the world, senior leaders wonder whether they are getting full value from the massive amounts of information they have within their organizations. New technologies are collecting more data than ever before, yet many organizations are still looking for better ways to obtain value from this data and compete in the marketplace. Questions about how to best achieve value persist; it is no longer adequate to know what happened and why. Whether focused on growth, efficiency or innovation, organizations need to know what is happening now, what is likely to happen next and, what actions should be taken to get the optimal results. By embedding information and insights into every day operations, it is possible to provide that value.

Among our key findings: top-performing organizations use analytics five times more than lower performers. Overall, our study found widespread belief that analytics offers value. Half of our respondents said that *improvement of information and analytics is a top priority in their organizations*. And more than one in five said they were under intense or significant pressure to *adopt advanced information and analytics approaches*.

While our findings showed that organizations tend to wait until they have gained some experience before they apply analytics to growth objectives, this may be more a common practice than a “best practice.” Our experience indicates that analytics, applied wisely to an organization’s operational capabilities, can be used to accelerate a broad range of business objectives, even at the earliest stages of analytics adoption. Top performing organizations put analytics to use in the widest possible range of decisions, large and small. They were twice as likely to:



