KPMG

Boardroom Questions

Data & Analytics and Artificial Intelligence
Staying ahead as the world advances.

Digital disruption has redefined what it takes to survive and thrive in today's fast-moving business environment. Big data is not just huge – it's fast. And artificial intelligence isn't just smart – it learns deep. Recent advances in data-driven technology are enabling companies to handle information in a way that would have been inconceivable just a few years ago. For Boards and C-level executives, the question isn't whether they can turn data into value into insights at their organization, but how?

It takes deep insight, smart decisions and practical confidence to catalyze sustainable growth in today's increasingly digital world.

Data-driven technology helps organizations improve their performance, compliance and results - from business development and innovation to compliance monitoring, risk anticipation, data security and governance. Data & Analytics (D&A) and artificial intelligence (AI) use advanced analytical techniques and algorithms to support and accelerate informed decisions, automate tasks and unlock business insights.

But realizing the data analytics and artificial intelligence promise takes more than just technology.

As today's leaders strive to convert challenges into opportunities, the analytical enterprise of the future needs to:

- Establish a digital strategy
- Nurture and embrace decision-making supported by Machine Learning and Advanced Analytics
- Increase trust in data-driven technology by cultivating a sound data culture
- ensure it has adequate in-house expertise or external support

Why should this topic be on your radar?

- The pace of technological development in recent years has been phenomenal – and it continues. Companies that fail to embrace the digital changes risk being left behind.
- Regulatory scrutiny continues to increase, driving a more complex and demanding business environment. D&A helps organizations identify, predict and mitigate their risks – especially relevant as many authorities increasingly have already discovered data-driven technology themselves.
- The explosion of customer and market data creates enormous opportunities for organizations of all types.
- D&A's greatest value over the next decade will likely come from the efficiencies and productivity it unlocks

What should the board be asking itself?

- Do we have sustainable, data-driven control processes in place?
- Is the customer at the heart of our D&A strategy? How are we using data-driven technology to retain and acquire customers?
- Could we be missing out on key business insights that would support innovative product development?
- Do we need to reduce or eliminate bias in decision making?
- Do we use data-driven tools to support risk mitigation?
- Do we have adequate in-house expertise and resources to deal with this topic? Have we explored outsourcing or support options?
- Are we ready to manage the new range of risks which the more and more widespread use of artificial intelligence algorithms entails? Do we have the right governance in place?

What should the board be asking its management team?

- Do we deal with high volumes of data containing very little insight?
- Can we trust our data as a decision-making basis?
- Do we use information to predict future behaviors at expected levels of confidence?
- Are we able to analyze/combine information from across functional areas to gain full process insights?
- Can we measure in real time how the business is performing against its goals? Are we able to benchmark performance effectively and based on facts?
- Is the quality of data and insights consistent across stakeholders, regardless of where/how they access the information?

Harnessing data-driven technology at your organization

Assess	Design	Address	Enforce
Review opportunities to leverage internal and external big data sources, artificial intelligence algorithms and identify where the insights produced challenge the prevailing wisdom within the business.	Establish a governance and control environment that enables the production of trusted analytics drawing on external multidisciplinary expertise if necessary.	Address different needs, recognizing that the CFO typically focuses on financial information, the CMO on sales and market data and the CIO on the systems that manage data and deliver analytics.	Enforce a culture of use of data analytics and artificial intelligence as pivotal elements to provide the management and the board with the insight they need in order to address the key growth, risk and cost issues of the business.

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