Insights from Data Vs Cognitive Abilities

What is the issue?

\n\n

\n
- In recent times gleaning insights from vast arrays of data will be a key business differentiator in the coming decades.
\n
- But there is a huge gap in reliability of such source when compared with cognitive decision making by mankind.
\n

\n\n

What is the status digitization across the globe?

\n\n

\n
- Due to digitisation most of the processes like social network platforms, adoption of hand-held digital devices, wearable devices has been rapidly increased.
\n
- According to IBM, the world’s population collectively generates 2.5 quintillion bytes of data every day.
\n
- Anything and everything “smart,” from smart homes to smart grids, means greater data volumes at exponentially accelerating speeds.
\n

\n\n

How data is used in doing business?

\n\n

\n
- There is a growing belief that gleaning insights from vast arrays of data will be a key business differentiator in the coming decades, and can lead to better decision-making.
\n

- Thus promoting growth and popularity of business analytics, and demand for data scientists.
  \n
- Now, more than ever, managers are asked to know how to tease insight from data to understand where they come from, make sense of the numbers, and use those findings to inform their toughest decisions.
  \n
- Undoubtedly, increased availability of data (so called ‘big data’ ultimately) can work as raw material for business intelligence.
  \n

\n\n

What are the concerns with depending on Data?

\n\n

\n
- Datafication is an information technology-driven sense-making process, while in organisational literature, sense-making refers to processes of organising using the technology of language.
  \n
- This creates a gap because technology-driven sense-making in itself is not enough, although those engaged in data analytics seem to strongly believe it is.
  \n
- The algorithms that clean data at the point of capture, find patterns, trends and relationships in its volume, velocity and variety are closed in their nature.
  \n
- Fact of the matter is so much data come from so many sources that ambiguity, inconsistency and contradictions abound.
  \n
- This evolution of the model illustrates it is a mistake to think of a model used mechanically to develop strategies as “free of human judgment”.
  \n

\n\n

What is the reality of data dependency?

\n\n

\n
- In reality, torrents of data, reams of analysis, and piles of documents can be more distracting than enlightening.
  \n

- No analytical tool can do more than augment or complement what is a cognitive and sometimes social process.
  \n
- Investments in analytics can be useless, even harmful, unless employees can incorporate that data into complex decision-making.
  \n
- Also, numbers cannot nail every nuance of a decision, thus generating insight is an inherently human trait and strategy is a way of thinking, not a procedural exercise or a set of frameworks.
  \n
- Therefore, leaders need to ensure that their processes and human capabilities keep pace with the computing fire-power and information they import.
  \n
- To overcome the insight deficit, Big Data no matter how comprehensive or well analysed needs to be complemented by big judgment.
  \n

\n\n

\n\n

Source: Business Line

\n

