

Being a Data-first Leader Continues to Matter

Research Reveals Significant Payoffs from
Addressing the Complexities of Data Management

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Research Introduction and Objectives

Introduction

In the digital era of business, data creates competitive success. The expectation is that the organizations that better leverage their data can and will experience transformation benefits to nearly every aspect of their business, including improved efficiency of operations, superior insights for better decision-making, and superior levels of innovation. But how much of an advantage can the effective usage of data create?

As data volumes grow at an unprecedented rate to keep pace with demands, can organizations still achieve superior business results by optimizing the usage of data? And if so, should businesses prioritize addressing the complexities of data management? Does taking a strategic data-first approach to IT and operations improve the ability to eliminate application disruptions, mobilize data across clouds, unlock value from data, and have meaningful impacts on outcomes? Will the benefits be material to the business, or is data management complexity simply an inescapable cost of doing business in this digital age?

In 2023, HPE partnered with TechTarget's Enterprise Strategy Group to conduct third-party research among 750 IT professionals to explore the following: How are organizations tackling data management complexities, and what benefits do the best performing organizations achieve? The results were eye-opening. The leaders in addressing the complexities of data management, referred to as data-first leaders, are transforming their businesses to a much greater degree than expected, accelerating operations and new product delivery, beating their competition to market, and generating more revenue.

Objective

This eBook will discuss how, and to what degree, data-first leader organizations are improving IT and business results and outperforming their peers in terms of both technology and business outcomes. This eBook will also present the burden that data management complexities create for contemporary organizations, highlight the characteristics that are more prominent in data-first leader organizations, and explore why a cloud operational experience is the single most important step to eliminate complexity.



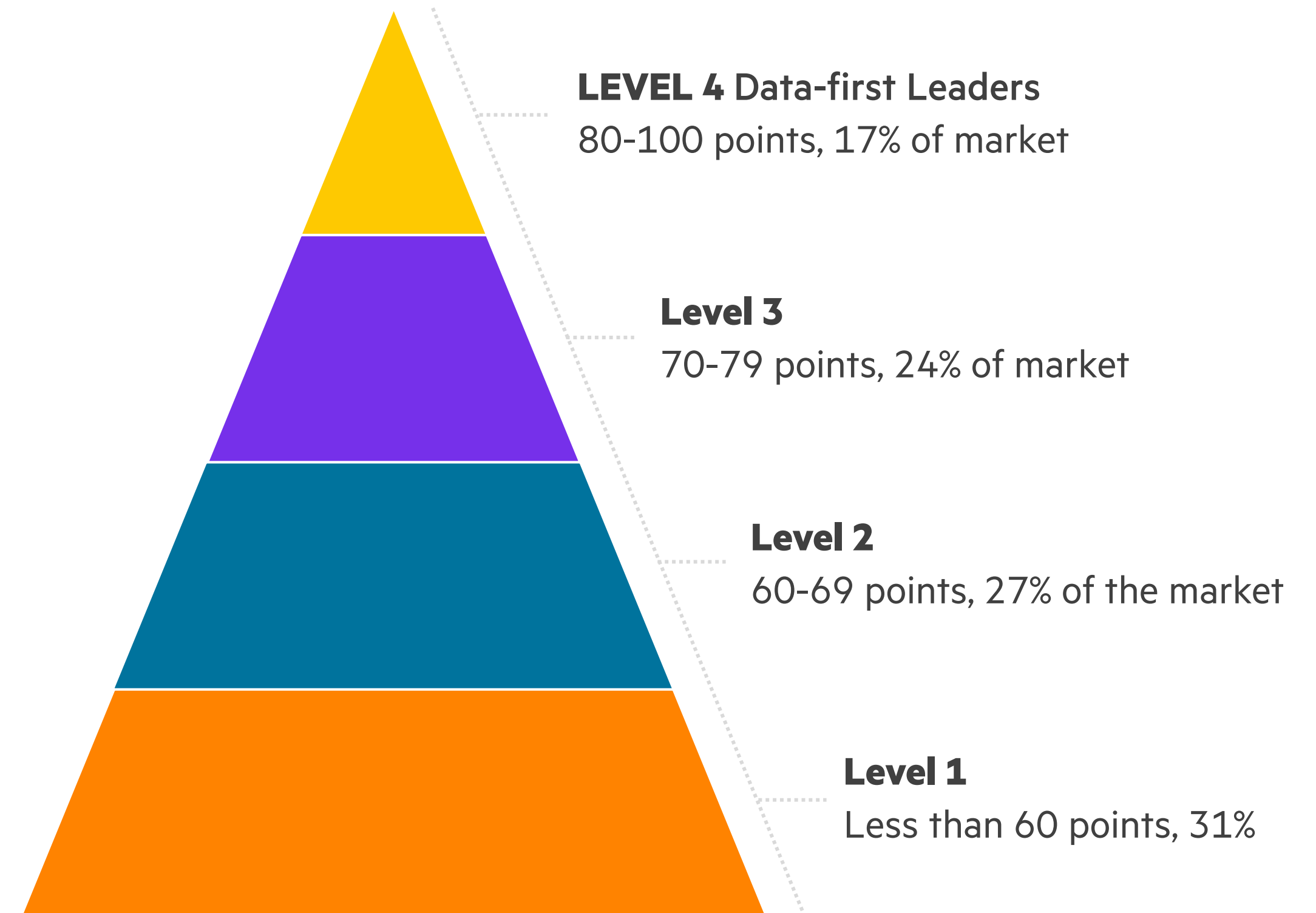
Enterprise Strategy Group Research and Maturity Segmentation Methodology

In the second quarter of 2023, Enterprise Strategy Group conducted a research study of 750 IT decision-makers around the world to understand what organizational and business benefits were possible for organizations with the most sophisticated data and infrastructure management capabilities. Organizations represented spanned multiple market segments, from large midmarket businesses (500 to 999 employees) to large enterprises (1,000 or more employees), and multiple industry verticals such as manufacturing, retail/wholesale, technology, and financial, among others. Enterprise Strategy Group ranked participant organizations based on their maturity levels in addressing the complexities of data management for their organizations and found that the best performers, the data-first leaders, which comprised 17% of the sample, significantly outperformed level 1 organizations in multiple key business metrics.

Respondents were placed into one of 4 groups based on their organization’s level of progress toward achieving cloud operations for data management on premises. Enterprise Strategy Group employed a point-based scoring system in which organizations could earn (or not earn) up to 100 maturity points based on their usage of advanced capabilities for on-premises data management and infrastructure operations, including:

- Cloud operational experience (both for IT and end users).
- Modern data protection and recovery capabilities.
- An effective and efficient data management strategy and approach.

Data Management Maturity Model¹





Four Ways Today's Data-first Leaders Transform Their Businesses

1.

Data-first Leaders Move Faster and Create Healthier Businesses

By recognizing, prioritizing, and addressing the complexities of data management, data-first leaders move much faster than their competition, which creates stronger, healthier businesses. When we asked organizations to consider their last few major product launches/releases and compare their pace with that of their competitors, **we found that:**



Data-first leaders are

13.5x more likely

than level 1 organizations to **beat their competitors to market** by multiple quarters.

Level 1 organizations are

2x more likely

than data-first leaders to **struggle** to keep pace with the competition.

2.

Data-first Leaders Deliver More Innovation and Exceed Business Goals

When a business is built on data, addressing the complexities of data management and accelerating operations can, and often does, create new revenue opportunities. When an organization can move faster than its competition, it can deliver more products to market and exceed revenue goals much more easily.

When we asked approximately how many new products and services organizations had developed in the last year, **we found that:**



Data-first organizations drove
37% more innovation
in the last year than level 1 organizations.

3.

Data-first Leaders Achieve Higher Levels of Efficiency

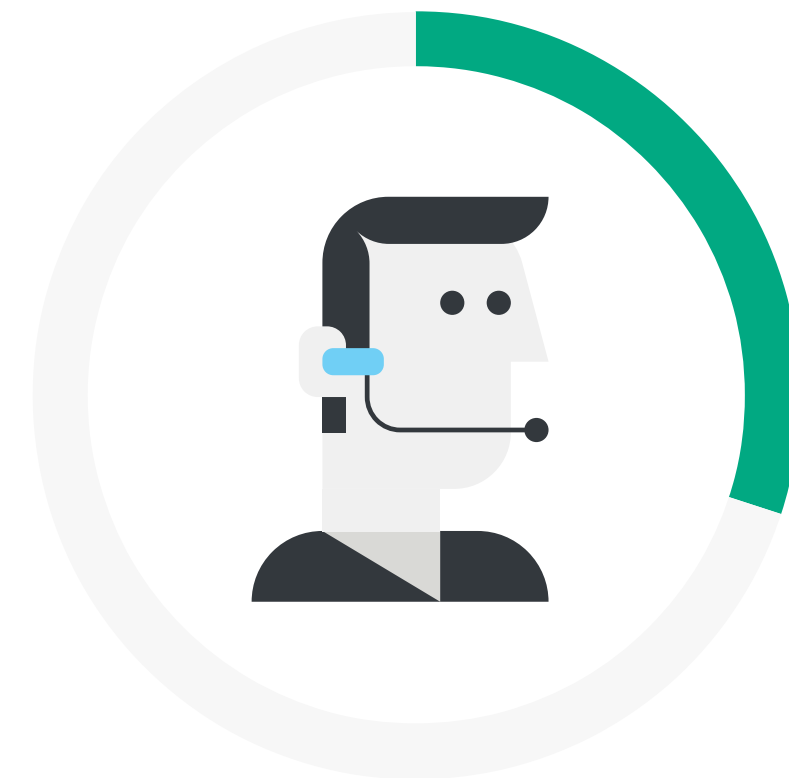
As data scales with the needs of the business, high levels of efficiency are essential to ensure costs stay under control. Data-first leaders were able to better control the cost of infrastructure and optimize operations while also reaping the benefits of accelerated time to market with increased levels of innovation.

Then we asked respondents how much they thought support time had been reduced in the last 12 to 24 months, and data-first organizations had achieved 30% greater management time savings.



Data-first organizations achieve

31% greater reductions
in infrastructure costs.



Data-first organizations had achieved

30% greater
management time savings.

4. Data-first Leaders Have Happier Stakeholders

The effective use of data requires close cooperation between IT teams and the professionals whose jobs depend on that data (e.g., users, data science teams, developers, business continuity and disaster recovery (BC/DR) stakeholders, and other line-of-business professionals).

Data-first leaders better serve their consumers and have happier stakeholders, which creates a more productive, stronger, and more successful business atmosphere. As a result, data-first leaders empower their businesses with a faster time to value. We asked respondents if their IT organization had accelerated the time it took to deliver data and infrastructure to developers, data analysts, and business continuity planners when requested and **found out that:**



Data-first organizations are

2x more likely

to accelerate data delivery to their data analyst/data science teams.



Data-first organizations are

2.2x more likely

to accelerate data delivery to their development teams.



Data-first organizations are

1.8x more likely

to accelerate data delivery to their business continuity planners.



Accelerating Data Delivery to Stakeholders Improves Business Outcomes

Accelerating data delivery translates into positive impacts to application functionality, speed and volume of analysis, speed of development, and business risk. When asked if they had achieved positive impacts as a result of accelerating data delivery to development, analyst teams, and business continuity planners over the last 12 months, **respondents reported the following:**

73%
Improved application functionality.



70%
improved speed of application development.



67%
reduced overall business risk.



72%
improved speed of analysis and analytics generation.



68%
increased the number of insights generated by analysts.



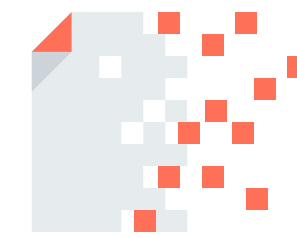
Accelerating Data Delivery to Stakeholders Improves Internal Perception of IT

Accelerating data delivery also improves the reputation of IT teams to internal stakeholders. When teams have better access to the data they need, they can succeed, and the perception of internal IT teams improves.

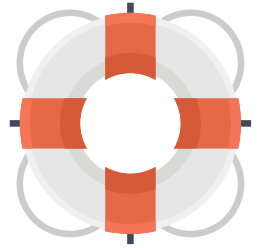
When asked how satisfied respondents believed development teams, data analysts, BC/DR planners, and line-of-business teams were with their IT team's ability to quickly provide access to data and infrastructure, we saw that data-first leaders have much more satisfied teams in each case. In evaluating this data, Enterprise Strategy Group leverages a net promoter score-style methodology (NPS). That is, respondents could rate their teams' satisfaction from 0 to 10. Those who believe their teams are highly satisfied (responding with a 9 or 10) are said to have teams that are "promoters" of the IT organization. Those reporting a 6 or lower are said to have teams that are "detractors" of the IT organization. **As a cohort:**



Data-first organizations earn a **4.2x higher satisfaction/NPS rating from their developers** related to data/infrastructure access, with 75% of data-first organizations identifying their development/DevOps team as promoters.



Data-first organizations earn a **4.8x higher satisfaction/NPS rating from their data analysts/scientists** related to data/infrastructure access, with 77% of data-first organizations identifying their data analysts/scientist teams as promoters.



Data-first organizations earn a **5.5x higher satisfaction/NPS rating from their business continuity/disaster recovery planners** related to data/infrastructure access, with 61% of data-first organizations identifying their business continuity/disaster recovery teams as promoters.



Data-first organizations earn a **5.5x higher satisfaction/NPS rating from their line-of-business teams** related to data/infrastructure access, with 64% of data-first organizations identifying their line-of-business teams as promoters.

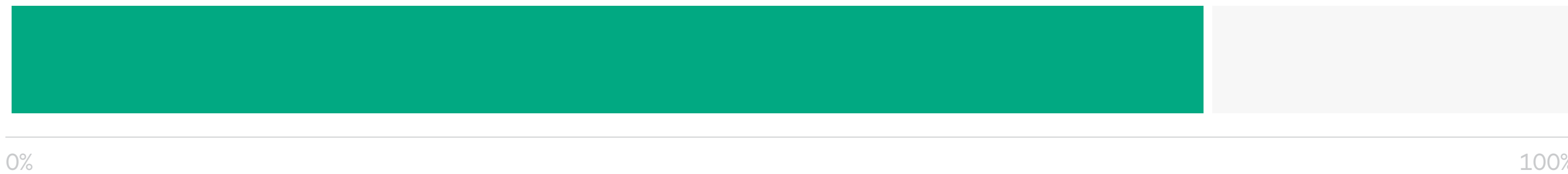
Why Now?

Now is the time for organizations to focus on increasing their maturity. For the majority of organizations, the current state of data management can't keep pace with business demands. Infrastructure provisioning takes too long and is often inefficient. There are too many tools and too much complexity, which slows down initiatives and increases cost and risk.

Findings:

76%

of respondents indicate that their current data management capabilities **cannot keep up with their business demands.**



Organizations leveraged an average of

19 tools

in use across the entire data and infrastructure environment.



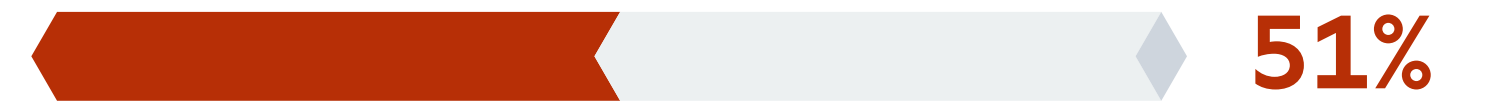
66%

of respondents agreed hybrid **IT complexity is slowing down digital initiatives.**



67%

of respondents said refactoring for cloud **drives cost, complexity, and risk.**



Respondents reported that 51% of infrastructure provisioning requests **take longer than expected to fulfill and that...**

51% of fulfilled requests result in over-provisioned infrastructure (relative to actual need).





4 Requirements to Become a Data-first Leader – cloud operations is key

To get the value and agility from your data, the cloud operational experience on-premises is the real game changer. Here are five requirements to becoming a data-first leader.

Requirement 1. A mature cloud operations model for on-premises infrastructure is key.

Cloud operations for on-premises infrastructure is seen as vital to minimizing complexity and increasing agility.



89%
of respondents agree
that achieving a mature cloud operations model for on-premises infrastructure is key.

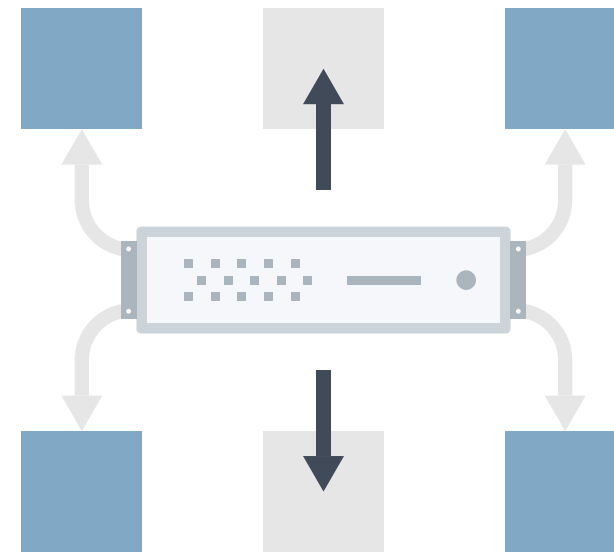
Data-first organizations are
3.6x more likely
to strongly agree that mature cloud operations for on-premises IT infrastructure, data management services, and applications **are critical to minimizing data management complexity.**

Requirement 2. Automate on-premises data management services and associated IT infrastructure.

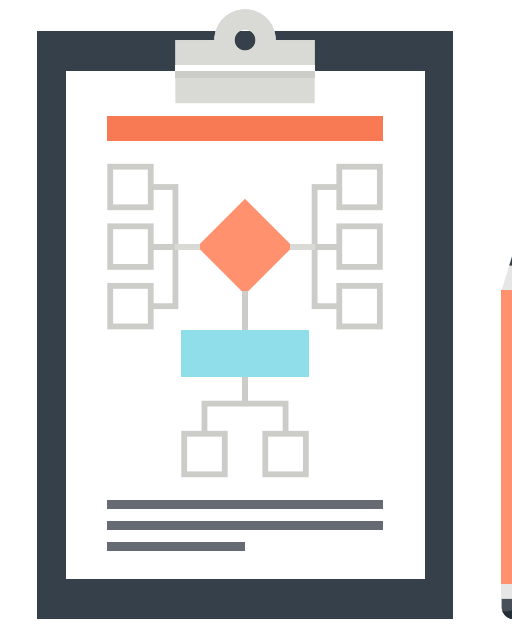
When we asked how automated IT tasks like protection, infrastructure selection and provisioning, and ongoing management are in respondents' organizations, we found that:



Data-first organizations are
3.5x more likely
to entirely automate
data protection.



Data-first organizations are
3x more likely
to entirely automate
infrastructure selection.



Data-first organizations are
2.3x more likely
to entirely automate ongoing
management tasks.

Requirement 3.

Understand and prioritize application requirements when deciding where to deploy applications.

We also asked respondents to describe their organization’s process for selecting the infrastructure to run new workloads on and found that:



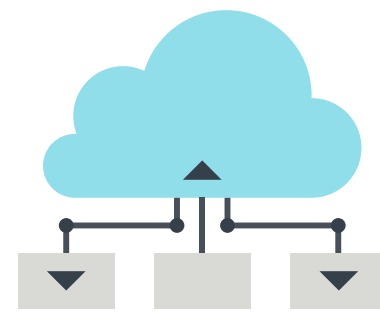
Data-first organizations are **1.8x more likely** than level 1 organizations to **prioritize requirements when deploying applications.**

Requirement 4. Build out an on-premises as-a-service/cloud service portfolio for new and existing workloads.

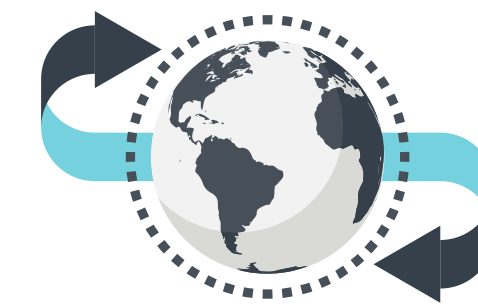
Respondents were asked about their organization’s build-out process regarding its on-premises “as-a-service”/“cloud service” portfolio. The research shows the following:



Data-first organizations are **2.7x more likely** than level 1 organizations to **focus on delivering cloud-native workloads as a service.**



Data-first organizations are **3.3x more likely** than level 1 organizations to **modernize existing workloads and deliver cloud-native workloads as a service.**



Level 1 organizations are **13.6x more likely** than data-first leaders to **focus solely on their legacy footprint.**

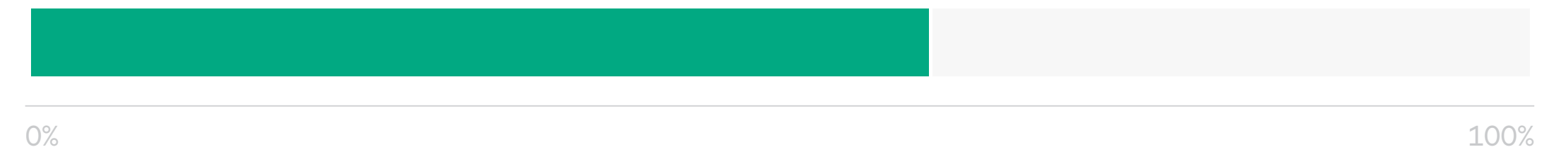
Requirement 5. Enable self-service provisioning on premises.

We also asked respondents approximately how much of their on-premises data management services and associated IT infrastructure is currently provisioned “as-a-service”/ as a “cloud service” by line-of-business end users.

Data-first organizations have enabled self-service provisioning for

60% more

of their data environment than level 1 organizations.



Conclusion

The results of this research were eye-opening. Data-first leaders move much faster than their competition, are better able to mitigate risk, and have happier and more capable users. In other words, data-first leaders create stronger, healthier businesses. And with data at the heart of transformation, taking the steps to become a data-first organization has a meaningful impact.

Through this research study of 750 large midmarket and enterprise organizations around the globe, it has become apparent that companies that are further ahead in their data-first achievements are reaping benefits and transforming their businesses for the better. Do not wait to solve the complexities of data management. Creating a cloud operational experience is an essential piece—if not the essential piece—to addressing these challenges and capturing these rewards.

Take the time to evaluate the state of your data management environment and see what actions you need to take to become a data-first leader. Organizations should look for a partner who can help them achieve a cloud operational experience on premises and propel their business forward.

Hewlett Packard Enterprise

HPE is helping customers accelerate data-first modernization by simplifying data management with a cloud operational experience everywhere. Through a portfolio of cloud data services, cloud infrastructure services, and cloud-native data infrastructure, powered with data-driven intelligence and delivered as-a-service, HPE is there to help customers every step of the way.

To see where your organization falls within the Maturity Model—and whether it is a data-first leader—take a five-minute survey and get a customized report to explore ways to advance your organization's maturity even further.

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