



**Business Owner's  
Guide to Making  
*the Best Decisions*  
in 2022 & Beyond**

*Your role is **constantly evolving** as your business grows.*


Initially, you create a company based on your passion or area of expertise. Then along the way, there are more and more tasks, people, and areas of the business you need to handle.


In the beginning, when you're managing everything yourself, you can more easily keep track of everything.

As your business grows, you'll need to delegate responsibilities. With more people managing the business, you can put others in charge of parts of the company so you can focus on continuing to grow.

The more people you hire, the more your business changes. Things inevitably get messy, communication can break down, and it's too much to manage by yourself.

The more problems you try and solve, the more systems and tools you add to the mix because it makes the most sense.

 *Excel helps analyze and compare numbers*

 *QuickBooks is an easy way to keep track of accounting*

 *Harvest tracks the staff's time and projects*

The problem is that you can't manage the business with these tools because they don't connect. Because of that, you create a mountain of spreadsheets and manually connect the data.

This process will quickly become unwieldy, and with your business's data scattered between multiple systems, it takes more work to put it together and make sense of it. You have no single source of truth for your data or an integrated view of how it fits together.

To manage your data, you schedule regular meetings where you hunt data and figure out what the numbers tell you. These meetings leave you with more questions and uncertainty about how to make the best decisions for your business.

Then, you hire more people to manage it all. It doesn't feel like the right choice, but you try it anyway. Data managers don't have all the answers; all they have is disparate data. This leads to frustration between you and your team, nothing connects, and you're left paralyzed by uncertainty.

How can you make staffing decisions based on questionable data?

*How can you **plan for the future** when constantly reacting to the past?*

Eventually, growth slows, revenue slows, stress increases, and tensions mount. Blame gets passed around. People get fired, people get hired, and nothing changes. Tools get swapped out for newer and shinier ones, but none of them solve your data management problems.

*What if there was a **better way**?*

You need a way to connect seemingly disparate data and analytics into one cohesive story that enables you to cut costs and streamline decision-making.

The reality is that it's not the people or the tools. The tools do exactly what they are designed to do.

*What you have is a data problem—**an insights problem.***

Your data is only good if it tells a cohesive story that enables you to take action and make better decisions.

A system that tracks your data and provides accurate, real-time insights informs better business decisions. Then, you can spend less time hunting problems and more time being proactive about decision-making.


***The rest of this eBook*** will focus on the pain points that you face with your data and how to fix those so you can overcome them.

We'll explore what metrics and reports are the most valuable to track and how to use them more effectively. We'll also discuss the difference between data, information, and insights and why insights are one of the essential tools a business can have.

With this book as a resource, you'll get a chance to explore how improving your business's data management strategy will enable you to:

 *Organize and curate your data*

 *Improve your business decisions*

 *Plan for the future of your business like you never could before*



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# Tracking Your Data to Make *Better* *Business Decisions*

You don't want to waste time tracking data you don't need.

*Without a process to manage your data, it becomes **inconsistent**.*

Overcoming these data management pitfalls is possible if you have the right data management process and hone in on the right data points to track.

## Two Common Data Management Pitfalls



### *1. Too much data*

You create a spreadsheet to track clients and sales as you talk to prospective clients. When you have your first late delivery issues, you create another spreadsheet. This continues until you have too many spreadsheets and data in too many places to keep track of.

This isn't a sustainable process, especially as you scale.

With too much data and too many ways to look at it, things can get overwhelming.



### *2. Too many tools*

Data spread out between tools is disconnected and doesn't tell you a cohesive story.

The data might also be tracked in different time frames, making it inherently hard to connect and create a clear plan of action. More reports don't mean more answers.

When we're looking at the quantity and presentation of the data, less is more. The clearer it is, the less time you and your teams will spend analyzing and trying to find the answer. This frees up time to go and solve the problem.



## Overcoming the “Too Much Data” Problem

Instead of sorting through piles of data, start with the problem you are trying to solve. Then, ensure that you’re only looking at the data necessary to solve the problem.

By asking yourself these questions, you can figure out if your data is going to give you insight into how to staff upcoming projects or make decisions to hire. To do this, you need to be able to look at your utilization and your bench in one place to make it meaningful.



*Do I have enough work for my people?*



*Do I have enough people to staff upcoming projects?*



*Will this project generate profits?*

Then, based on projects you win, your plan for hiring, and expenses, you can look at how profitable you will be without sifting through unnecessary data.

You must have clear context surrounding the data. Just having numbers doesn’t tell you anything. You need to know what’s included in the numbers, what’s not, and why.

*You also need a **clear view of the data trends** to see what’s changing and why it happened.*

To make the best decisions possible and empower your people to do the same, it’s critical you can trust the data is telling everyone the same story.

You need to be able to solve problems fast when they arise. The more information you can build into your systems, the more easily you can look at your data anytime and make the best decision possible.



## Overcoming the “Too Many Tools” Problem

The most effective way to manage data is one tool that incorporates all your cross-cutting concerns like sales pipeline, utilization, projects, financials, etc. in one place.

*You need a **single source of truth** that provides an integrated view of your business.*

Variations, utilization, bench, open positions, staffed positions, and financial projections all affect each other, and you need to easily see the relationships.

You need to be able to generate actionable reports and select the information you need to see depending on the problem you are trying to solve. When you can compare what happened in the past to what’s happening today in real-time, you can use it to plan for the future.



# Building a Better *Data Management System*

Knowing your possible data management pitfalls, you can overcome them and get what you need from your data.

But you don't just want to grab the first tool you're sold that offers the world. What you want to ask first is, *Will this tool give me the ability to:*



*Create centralized visibility*



*Coordinate hiring & staffing decisions*



*Distribute data ownership*



*Localize decision making*

You need a straightforward data management process built into your business.



## Creating Centralized Visibility

Using spreadsheets or disconnected systems causes confusion between the people managing and tracking the data. It simply doesn't work at scale.

With multiple spreadsheets for different parts of the business, you end up with disparate data between markets, clients, projects, staff, etc. With data aggregated after the fact, you don't see these reports until 30, 60, or even 90 days later.

*How do you make **the right decisions today** when you are looking at data from the past?*

When you pull in data from multiple systems and spreadsheets and hand them off to your



team to analyze, they become static. This limits visibility and can cause mixed results, making for a confusing analysis that doesn't give you real insights.

Juggling many reports and systems becomes a full-time job you have to hire someone to do. Inevitably, they can't affect results without the right context. Then the data has to change hands again so someone can make sense of it.

When the time comes and something inevitably breaks, you realize everyone has been making subjective decisions in their own way from different data.

This can seem like a people problem. It is actually a data management problem.

Centralized visibility is the only way to overcome this.

## Centralized Visibility

When you scale and your business splits into different segments, each one will have its own data sets to manage.

*With multiple segments, it's essential to have centralized visibility that allows all the different market segments to input their data and have it roll into a **company-wide view**.*

*This visibility gives leaders the full story of what's happening in each area and across the company.*

To inform the right decisions for staffing, for example, you need visibility of staff, bench, projects, and how they all align. Then you can decide if you can move some people from another region to work on an upcoming client project or invest in hiring.

With centralized visibility and accurate data, you can trust that you have what you need to make the best decisions possible for the operation of your entire business, not just parts of it at a time. Visibility leads to better decisions regarding staffing and hiring across the company as it scales.



## Coordinating Hiring & Staffing Decisions

Whether you use a talent management system or a spreadsheet to manage staffing, typically, it sits apart from your financial management system.

This means you're consulting different reports or systems and potentially depending on word of mouth to figure out what decisions to make.

What you actually need is an optimally coordinated system that can house staffing and financial data, compile it into one story, and give you the best snapshot of the current reality.

## Optimal Coordination

*An optimally coordinated system gives you **visibility into all open projects**, how much staff each requires, and how many people are available. Then, it shows you the expected expenses and revenue.*

What if you could get quick insight on how to move people around on projects or if you need to do more hiring?

Coordinated data enables you to get the best people for the right projects with no guesswork.

Having the staffing and hiring pipeline connected to financial and sales data enables you to make proactive moves with data in real-time to back them up.

Managing the data in a coordinated way allows every segment of your business to operate on its own while staying connected to the overall data story of the company. This coordination will improve decision-making because while segments operate independently, they can share decisions, planning, and the movement of people to serve clients best.



## Distributing Data Ownership

Data management changes as you scale, often meaning you have to decide between handling it centrally or locally for each segment of your business.

The challenge with a centralized system is that a single spreadsheet or system means the people managing it don't have the context or experience of the people on the ground.

Without context, this becomes an uphill battle because they don't know the right questions to ask—all they do is input the data. With this process of handing off data, there is little to no accountability for who owns it.

Another common issue is centralized leaders managing the data. Teams passing off data



also creates a lack of accountability to the people on the ground.

If leaders' time focuses on data management, they don't have time to pay attention to managing their people and making the best business decisions.

A better option is to give data management responsibilities to local leaders and teams but ensure that it is still rolling up to a centralized view.

## Owning Data Locally

With local ownership, the leader of each segment has responsibility for the data management within their team, market, or region of the business. They handle gathering and entering the data into one system that provides owners with centralized visibility.

*When the responsibility is local, that team can be held accountable for knowing the most about the data and make more informed decisions.*

Having the data visible centrally to the owners allow them to understand what's happening across the company and make quicker decisions.

Locally managing data can empower your employees to make local decisions.

## Localized Decision Making

When you can't empower leaders to make decisions on their own, your attention will constantly be pulled in different directions. This leads to burnout and chronic decision-making struggles.

If you can't spread out ownership of the business or develop leaders, then every decision goes through escalation, and it doesn't create an empowered team.

As you scale, you need the ability to bring other people on board and a system that makes it as easy as possible. With a local and centralized view, you can split your company any way you want. You can view by market, region, or roles like talent, sales, or finance. All of your data connects, and you can see the holistic view.

By giving sole ownership, your leaders are accountable for their data management.



## How Managing Data Centrally Makes Scaling Easier

*When you don't have to spend as much time on data management, you'll have more time to **develop your leaders.***



### *Enable Leadership Growth*

One-on-one mentoring allows you to give people more responsibility and train strong leaders. More responsibility provides them with an opportunity for personal, career, and financial growth. Providing opportunities like this for your employees will create a culture where they know you value them.



### *Decrease Financial Variances*

Seeing what's happening over time helps decrease financial variances. With the ability to continually curate and manage the data, it's possible to get variances under 1%. With a transparent system, everyone works the same processes with the same data.



### *Catch & Prevent Errors Early*

Consistently and proactively managing your data all in one place means you will be alerted much quicker when there is an error in the system. Significant variances will be a red flag that something went wrong along the way and alert you to fix it before there are consequences. Being able to trust your data also means you know it well enough to decipher when things aren't adding up.



### *Increase Revenue*

Making informed decisions based on predictable data gives you an advantage with your clients and can boost revenue. Then you can continue to scale with increased revenue and predictability without experiencing substantial growing pains.



### *Give Clients More Value*

Most importantly, the value and work you provide your clients will improve. You'll be able to offer them a better experience because you can focus closely on what they need.

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## Attributes of Highly Ineffective Data

Before we get into what highly effective data looks like, let's establish what ineffective data looks like.

-  *Inability to separate the impact of your business segments from the overall organization.*
-  *Inability to adapt and slice organization & data in new ways as the market and organization change.*
-  *Difficult or impossible to see what the data used to look like, not optimal to analyze trends over time.*
-  *Designed for the company you are today: one spreadsheet that only one person knows how to manage.*

-  *Multiple systems only work if the company has enough staff for management.*
-  *Everyone has their system: finance, talent, projects, clients, etc.*
-  *Analyze and build the data story only when you need it.*
-  *Data is disconnected in multiple systems.*
-  *Traditional historical reporting: 30+ days later.*
-  *Forecasts are based on mood and intuition—not actual data.*

Any of these ineffective data points will make scaling your business difficult for you and your employees. You need a high-functioning data management process that you can share with your teams and know that you are all able to trust the data and make the best decisions possible.



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## Attributes of Highly Effective Data

An effective data management system is cross-disciplined, future-focused, traceable, scalable, and sliceable.



### 1. Cross-Disciplined

- *One highly effective system with all disciplines in the same place*
- *Easy to see the data*
- *Understand the whole story*
- *Project information is tied to time and finance information*
- *Visibility of relationships between projects, clients, employees, etc.*
- *Consistent granularity across the data*
- *Similar time frames*



### 2. Future Focused

- *Forward-looking to see where your business is going*
- *It empowers you to make decisions that can change reality*
- *Not a report on what happened yesterday or in the past*
- *Understand current reality*
- *Determine the likelihood of projections coming true by using data history*
- *Proactive decision-making instead of reacting in crisis mode*



### 3. Traceable

- *Understand trends and what has changed*
- *See how you got to the current state*
- *Data path you can follow that leads to current reality*
- *Visibility of any moment in time along the data path*
- *Ability to understand the history to predict the future*
- *Can see trends per employee, client, project, etc.*



### 4. Scalable

- *The best understanding of where we are today*
- *Don't have to wait weeks or months for historical data*
- *A quick assessment of the impact of potential decisions*
- *The system will grow with the business*
- *Multiple people can have different levels of access, visibility, and ownership.*
- *Real-time data is coming in as it's happening*
- *Elastic scalability: works with small and large businesses*



### 5. Sliceable

- *Different people can have accountability for other parts of the business*
- *People can see their data without the influence of the other parts*
- *Sliceable by region, offer, internal department, employee type, etc.*
- *Central business and startup arms can have different operating parameters set in the system*
- *Ability to look at only the portion of the business you're interested in*

# How a Single Source of Data *Helps Your Business Grow*

With one system that has these attributes, there are many business benefits.

## Free Up Time

You'll spend less time collecting and analyzing data and more time making critical business decisions.

## Pivot Easily

*When you can stop making guesses and truly know the current reality of your business, you can pivot on the spot or persevere more effectively.*

When you have all the data at your fingertips, you can react faster in times of crisis and trust your decisions—because you can trust the data.

## Solve Problems in New Ways

When you have the insights and understand the why behind what's happening, you can use your creativity and problem-solving skills to see how your decisions will impact your business.

*This foundation will build a culture where you:*



*Mentor strong leaders*



*Trust in your data*



*Make informed decisions*

This will give you an advantage that will continue as your business grows.



# Who's *Responsible* for Your Data?

How you make decisions and analyze data makes a difference. Getting answers from your data should be as smooth and painless as possible.

As you scale, you will need a process and system that makes data management seamless rather than an extra task to weigh you and your leaders down.

It should enable your leaders to make confident decisions and delegate to their teams.

You also need a regular cadence for managing the data daily, weekly, and monthly. With a regular cadence, when there is an issue, you will see it right away or, even better, before it happens.

*When the data management is ingrained into the core of your business operations, it becomes like breathing.*

When you have a cohesive data management strategy in a single-source system, leaders can easily delegate responsibilities. Then you will know that things are being actively managed by the right people who can see the whole picture.

As you scale, one of the most important things you can do for your people is to create a healthy and trustworthy environment that you can delegate into. When you're choosing your data management system, it should help make that a reality.

# The Differences Among *Data, Information, & Insights*

You need more than data to scale your business. You must have business insights that allow you to act in ways that help you serve your customers better, provide better overall value, and continue to grow.

*If you don't have the **5 Attributes**, what you have is a pile of information.*

Instead of having a mountain of data, charts, queries, and so forth, what you need is to understand your current reality—the data to support your decisions and show the impact potential choices may have.

When a single system has all your data aggregated in one place, it can provide you with what you really need: insights. When you turn data into insights, your data becomes truly powerful.

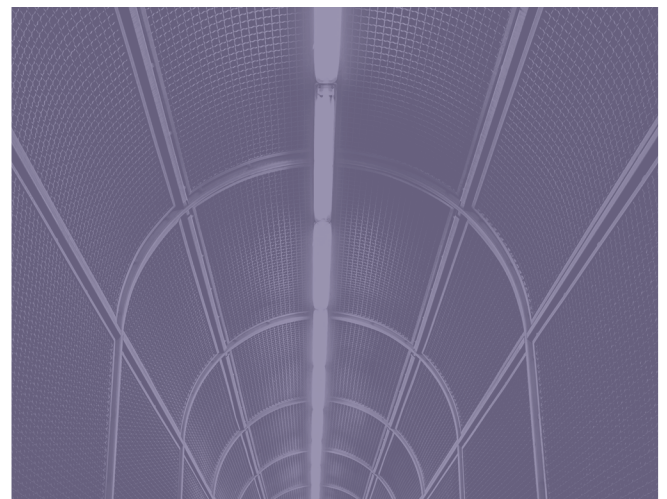
## Data, Information, or Insights?

Using the analogy of a GPS system, here's how we define these terms.

### Data

*Data is **everything you track** about your business but provides no context about what it is or its impact.*

Data is facts and figures about something. It tells you coordinates, where roads go, stop signs, etc.



## Information

*Information uses the data to **form a story to show you the connections between your data points.***

You can use the information to make decisions or plans.

This is the same way that GPS uses data to create a map of a city and helps you get from point A to point B.

Most data management tools give you access to your data and information, but it's not actionable.

What good is data and information without any insights?

## Insights

*Insights enable you to **connect data to action.***

Just as GPS knows that you want to go from point A to point B, and shows you the best route, you need a trustworthy way to glean insight from your data and find out what actions to take.

You must consider where your insights are coming from. Can you trust a gathering of multiple spreadsheets with data from 30, 60, and 90 days ago, analyzed by three different people? Or would it be better to have a single tool that can analyze it all in one place from your data in real-time?

*You need **actionable answers, not just data and numbers. Then you can truly make the best business decisions.***