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The business of analytics

Posted online: Monday, Apr 21, 2014 at 0000 hrs

“Analytics and Big Data” is increasingly becoming a key skill-set in every manager’s arsenal. Over the past few years, we have been witnessing a steady increase in interest in analytics from all quarters. CEOs and business leaders want to understand what they can do with data, organisations want to know how they can train and recruit people with relevant analytical skill-sets and, finally, candidates want analytics to be a game-changer for their career.

But are there enough skilled analytics professionals to support the growth in this industry? The answer is a resounding “No”.

This gets factually corroborated by a McKinsey study that has estimated the global requirement of analytics professionals to be 250,000 by 2015, while the total number of analytics professionals in 2013 was 50,000. As analytics continues to embrace businesses of all kinds and scales, this staggering void in supply and demand of talent presents a dichotomy of a challenge and an opportunity. Put simply, with companies competing with one another to recruit from the small pool of analytics professionals that exists today, there has probably not been a better time to be a ‘skilled’ business analytics professional.

The operative word in the previous sentence is “skilled”. Before analytics aspirants jump into the bandwagon of analytics training and certifications, it would do them a world of good to understand what are the skill-sets one needs to develop to build a successful career in analytics.

To define in layman terms, analytics is the study of analysing data to derive business insights and tangible action steps. Contrary to what most analytics aspirants believe, it is important to realise that not all analytics professionals are statisticians and that the field of business analytics is not limited to tools and technologies.

Three key skill-sets

Business and managerial professionals constitute a significant portion of the analytics workforce and there are three key skill-sets that organisations look for while recruiting for business roles in analytics.

The first is a good domain exposure and business foundation. Analytics is often pitched as a service that caters to the business needs of a certain industry; for instance, using analytics to understand customer spends on credit cards and thereby creating customised offers to drive usage. This needs a conceptual understanding of consumer behaviour and a domain expertise in credit card industry.

The second key skill-set is thorough knowledge of analytical tools and techniques, more importantly from an application perspective. It is a no-brainer of sorts to realise that you have a better chance of building a career in analytics when you know analytics as a field of study. However, the value addition is in learning analytics from a hands-on perspective through case studies and relevant data-sets and not as a purely pedantic exercise. It is also important for candidates to realise not to lose themselves in the quagmire of not knowing enough tools such as SAS, R, SPSS, etc. As aspiring business professionals in analytics, it is imperative to familiarise oneself with relevant tools used by the industry but it is also equally important to keep in context that tools are only the means and not the end in itself.

The last key skill-set is industry exposure. While this term in itself is all-encompassing, it always helps if you have some kind of exposure to analytics in one domain or the other. You could gain

exposure by working on projects or seeking an internship, but the value of getting your hands dirty cannot be understated. Keeping yourself updated about how leading companies from your industry are using analytics to drive their businesses could be a start in this direction.

Convergence of education and analytics

Fuelled by the shortage of business professionals in the analytics industry, some of the leading business schools in India and even across the world are now offering a one-year executive management programme in business analytics.

While these programmes vary in their coverage and learning outcomes, they are designed to enable working professionals transition their careers to analytics.

Analytics is an exhaustive and elaborate field of study and, hence, it is important to realise that such career transitions are possible only when the candidate has gained the requisite skill-sets built on a strong foundation and has had multiple avenues to apply his/her learnings. These objectives are better met through one-year programmes than short-term certificate programmes. As a candidate interested in analytics, it is important to evaluate the various programmes offered by business schools to decide which are the ones that can help you build your career in analytics.

There is no doubt that the analytics industry is witnessing stellar growth and presents a wonderful career path for business professionals skilled in analytics. However, transitioning one's career to analytics necessitates acquiring relevant skill-sets and an industry-oriented business analytics programme from a leading business school could be the right launchpad that your career needs.

Bappaditya Mukhopadhyay

The author is professor, Great Lakes Institute of Management. He is also visiting professor, University of Ulm, Germany; SP Jain, Mumbai; IIM Kolkata; and MDI Gurgaon