



Kallan Sales
Development

UNDERSTANDING DATA LITERACY

A critical component in building a highly effective data driven organization is understanding the concept of data literacy. Before you look to develop reports, dashboards and establish performance metrics it is important to understand the difference in data types, the many ways it can be analyzed and the tools available for reporting.



So What is Meant by Data Literacy?

This is an organizations ability to collect, interpret and visualize data which can be communicated in a manner that allows your organization to based decisions around that drive action and outcomes. To be most effective, data literacy requires collaboration between all organizational departments. Most often, data is kept in separate departmental programs or databases causing information to be siloed. This can be challenging because it does not allow you to present a complete picture, in one common place, which will result in incomplete data that you are using to base your decisions on.

Common types of Data Analysis

Data analysis can be performed in several ways. Here we outline four of the most common types of analysis which you can use to begin your data literacy journey around.

Descriptive analysis will tell you what has happened. This is typically used to provide set data values such as monthly sales revenue, number of quotes completed or number of deals won. These data sets are generally a collection of numbers that provide a singular outcome.

Diagnostic analysis explains why something is happening. This can be used when researching trend data which might be done to understand shifts in an industry due to disruptive technology or changes in buyer behavior. These data sets can be a bit more challenging because it also required the user to understand what is behind the numbers as well.



Predictive analysis projects something that may happen. Typically a time based analytic, we use this to estimate future occurrences based on past behavior such as seasonal product demand or forecasted revenue based on past sales and/or order history.

Prescriptive analysis will determine a course of action that suggests an outcome. In manufacturing we see this with predictive maintenance. Generally this type of analysis will track multiple variables to correlate a trend between the data to suggest a required outcome, such as machine maintenance.

Data Visualization

Once you have collected your information using the techniques outlined above visualization plays an important role in making the data relatable to those who might not be data literate by helping to provide a more simplistic way to review the results of your overall data analysis to help draw conclusions from.

Generally found in the form of charts, tables and infographics as part of your [dashboard strategy](#), it is important to use tools that allow you to easily update or automate when viewing the data to ensure the accuracy of the information you are basing decisions on. There are a wide range of tools available to visualize your data ranging from Microsoft Excel to more comprehensive tools such as Power BI or Tableau.

Developing your Data Literacy

As data increases with its importance in making business decisions it will become critical that your team becomes more data literate. This will not only help you become more intelligent about your business, but it will also help your team members perform more effectively by basing decisions on data that will drive their actions, metrics and deliverables that will best impact your organizations overall revenue growth goals.



[Kallan Sales Development](#) works with manufacturing organizations to help them develop effective sales strategies to create sustainable pipeline processes and enablement solution that promote both internal business growth, as well as customer success.