



QUALITY OF DATA & COST OF BAD DATA

In today's cutthroat market, progress depends increasingly on analytical judgements and dynamic, data based decision making. This has created a desperate need for credible and prompt sources of data. As organizations begin to depend steadfastly on numbers, we take a peek at what importance the accuracy of data can hold and exactly how much bad data can cost a company.



IMPORTANCE OF DATA

With the increase of data analytics tools and software, ways of collecting and understanding data is also increasing. The spurt in the quest for accurate data can be traced to various reasons.



Both the government and corporates rely heavily on data analytics software for policy and critical business decisions.



Data transparency in a company can eliminate the 'Iceberg of Ignorance' to boost higher level involvement and **overall cost cutting by at least 30%.**



Data utilization and dependence has **increased by about 20%** In the last one year alone.



Accurate data helps companies **save billions annually worldwide** in terms of



**Customer
service outcome**



**Policy
making**



Hiring



**Productivity, sales
and engagement
enhancing**



**Executive
decision
making**



QUALITY OF DATA

Since businesses depend so much on data, making sure your data is credible is absolutely imperative. The problem of bad data though, is rather pervasive.



Around 56% of CEOs in a study^{*1} expressed concern about the integrity of the data they are using for decision making.



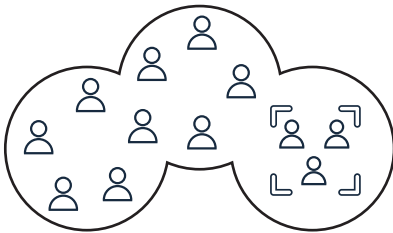
36% of CEOs feel that they are unable to make data-driven decisions until they have invested significantly in data quality.



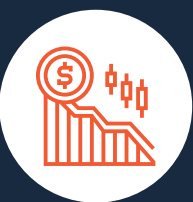
U.S. companies responding to a survey^{*2} felt that **32% of their data is inaccurate, a 7% jump from the same survey 1 year ago.**



On average, 47% of data records that are newly created, have at least one critical error.



Of **75** executives taking part in a study^{*3}, only **3%** found that their departments fell within the acceptable range of correct data records.



COST OF BAD DATA

Understandably, inaccurate data comes with enormous consequences to the future of a company. It is therefore essential to understand the veracity of your data.



A full 95% of companies want to spin their data into insight; if that data is faulty, it may keep them from generating useful insight and even guide them in the wrong direction.



Data Driven recommends calculating the cost using the 'Rule of Ten': **"It costs ten times as much to complete a unit of work when the data are flawed in any way as it does when they are perfect."** And those costs only continue to grow with the growing dependence on data.



A study indicates that bad data costs U.S. companies **\$3.1 TRILLION** per year.



Bad data weakens decision making, as the quality of decisions is directly correlated with the quality of the data. And it makes it difficult to execute any data strategy.



REASONS FOR BAD DATA QUALITY

Various studies conducted to find out the reasons behind the creation of bad data have unearthed factors which contribute most significantly to the dilution of the quality of data



By far the biggest reason is Manual Data entry. Accounting to human error and a lack of charge, data entered manually has the highest risk of being undependable.

About Sapience Vue

Sapience Vue is our automated Enterprise Work Activity Analytics, Insights and Productivity product that accurately captures effort data in a contactless manner and provides actionable insights for fact-based decision making by keeping employee privacy at its core.

Sapience Vue is a SaaS based product built from the ground up with latest technology stack and best-in-class security. The Sapience Vue product measures and analyzes work activity, effort and time productivity. It focuses on improving the revenue, profitability, and overall delivery capabilities of organizations. It is a truly domain and function-agnostic product that is delivering value to +90 clients in 18 countries and with over 1 trillion work hours analyzed to date.

With our actionable insights, self-reporting, and predictive analytics, you can build your new Way of Working (WoW) by streamlining:

- Remote working
- Outsourcing governance
- End-user experience management
- Workforce productivity and analytics
- IT software management
- Sales Workforce Productivity

Sapience is the recipient of several industry awards for its innovative product and fast growth, including Dun & Bradstreet, Frost & Sullivan, TiE50 – Bay area, NASSCOM, and IDG Channel World.

For more information, please visit www.sapienceanalytics.com

Study appendix details

1. According to KPMG study-

<https://www.financialexpress.com/industry/technology/how-trustworthy-is-data-that-analytics-throws-up-kpmg-rings-warning-bell/988608/>

2. According to Nielsen survey- <https://www.edq.com/globalassets/white-papers/data-quality-benchmark-report.pdf>

3. A study published by Harvard Business Review- <https://hbr.org/2017/09/only-3-of-companies-data-meets-basic-quality-standards>

