Management Summary

What barriers do companies face on the path to becoming a data-driven company? This study explores that question. Most companies invest in data and AI projects, but many also report that the potential of these projects is only partially exploited at the company level. Based on our experience from over 100 data and AI projects, we identified five typical barriers that companies face on their path to becoming a data-driven company. For the study, we queried more than 70 Swiss companies about these obstacles and identified the following underlying causes:

1. An inactive data innovation pipeline

Continuous, integrated planning and implementation of data and AI projects is absolutely key for a data-driven company. When this doesn't function – because the projects are focused too heavily on the technology and too little on business requirements, for instance – the innovation pipeline remains inactive. The most important tool for overcoming this barrier is active project portfolio management, by which the value-adding data and AI projects are defined, planned and conducted in accordance with the company's overarching data strategy.

2. Proof-of-concepts falling by the wayside

A large number of projects never make it past the 'proof of concept' stage. There can be two reasons for this: the PoC shows that the project is not feasible, or the transition from prototype to operational solution fails. The survey results show that both causes are relevant within companies.

3. Technically perfect solutions are not used as planned

Often, AI-based solutions are not adopted or used as planned by the user group. According to the respondents, the main reason for this was a lack of integration of the solution into existing infrastructures.

4. Competencies in the field of data

Personal skills in the field of data are a fundamental factor for the success of data and AI projects. Surprisingly, most companies already have them on hand. However, the study shows that interdisciplinary collaboration represents the greatest challenge in data projects.

5. The data itself

Naturally, the issue of data also plays a key role in data and AI projects. The most commonly cited causes for problems in this area are a lack of easy access to data and insufficient data quality.

In further analysing the study, we identified three levels of maturity in companies on the way to becoming data-driven.

1. The first company type is faced with challenges at all five barriers.

2. The second only experiences challenges in the last two fundamental themes.

3. The third type can already be described as data-driven. It is striking how many of these are small businesses.

For a successful transformation into a data-driven company, we recommend a threefold approach.

1. **Determine the vision at the C-level**

2. **Define the data strategy and establish AI portfolio management**

3. **Create the foundations on an ongoing, incremental basis and, at the same time, implement value-adding solutions. These can be used to test and readjust the corresponding foundations if necessary**