Analytical Gambling

This week's learning journal is based around the idea that analytics are the key aspect that organisations today are competing on, this is believed to be due to the high similarities between the various offerings that organisations provide (Davenport, 2006). From the reading of Davenport (2006) and my experience of the mikes bikes simulation, I have identified the issue (positive) to be competing on analytics is highly emphasised by not only this course, but the university at large and potential employers. However, the utilisation of analytics comes into question with regards to my experience of mikes bikes. How do I use the various reports to render our company to be more successful?

My analysis of this question, has led me to believe that the reason why I have come across this issue is because as a chief financial officer in mikes bikes, not only does the simulation provide me with income statements, but also cash flow statements and balance sheets, plus more. Because I am not intending on becoming a finance or accounting major graduate, these reports can at times provide me the exact same information. With regards to Davenport (2006), these analytics are useless if I am not able to comprehensively gain the greatest aspects of them in order to make decisions for the next rollover.

From consultation with my other team members, and working directly with our research & development executive (essentially my mentor for mikes bikes), I have realised that analytics are key to our team's success. Towards the start of this simulation, most of our decisions were on a hit and miss technique. From this technique I felt like we were gambling and every Thursday night was the results if we won the jackpot or not. This process relied heavily on luck, I suppose we were very lucky for most weeks until last week when our luck turned. From reflection on last week's results and incorporating my hypothesis last week to investigate more in the reports, our SHV is now back on the right track. From this experience, I have learned the importance of number crunching, and the importance of relying on numbers rather than luck when making executive decisions.

My hypothesis for this is that, by using the reports and the previous decisions we have made in mikes bikes, we can increase our SHV and success by determine what we did right, what we did wrong, and what needs to be done for the next rollover.

My testing of this hypothesis is the results we gain from the future rollovers, my hypothesis will be correct if continued success and continuous increasing of our SHV occurs. However my only criticism for this hypothesis, is that there is going to be a serious limitation to its effectiveness. I propose that once we hit a certain SHV, it will begin to stagnate. The reasons for this belief, I am not sure of, but I believe that if or when this occurs, I need to know if analytics is still the best influencer to use when making future decisions.

Davenport, T. H. (2006). *Competing on analytics.* Harvard Business Review, 84(1), 98--107.