Are you prepared to make the decisions that matter most?

Decision making in banking & capital markets

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Results from PwC’s Global Data & Analytics Survey 2014
Digital. New payments ecosystems. Regulatory reform. The way you navigate risk and deliver services is changing rapidly. Are your analytics set up to help you quickly spot and evaluate new possibilities and impacts?
Big decisions in banking & capital markets

Big decisions change strategy and long-term course. Few feel fully prepared to make big decisions.

Should we...

- Rethink which markets and customers are right for us?
- Lead the industry in changing the customer experience?
- Partner outside of our industry?

Few see their senior management as fully prepared to make the most important decision they need to make in the next 12 months.

Source: PwC’s Global Data & Analytics Survey 2014
Where speed and sophistication count

The bigger the stakes, the bigger the difference that sophisticated analytical capabilities can make.

Among banking & capital markets executives

Top goals for big decisions, next 12 months

- Grow an existing business: 52%
- Corporate restructuring: 45%
- A major investment in the business: 42%
- Enter a new industry or start a new business: 36%
- A change to an existing business model: 33%
- Collaborate with competitors: 32%
- Corporate financing: 32%
- Brand positioning: 31%

Source: PwC’s Global Data & Analytics Survey 2014
No time for indecisiveness

Among banking & capital markets executives, next 12 months

38% expect to make a big decision at least once per month

32% say their most important decision will be based on a new opportunity they simply can’t ignore

49% plan to revisit their most important big decision within 3-6 months to adjust for new information

22% estimate the value of their most important big decision as US$1 billion or more in future profitability

Source: PwC’s Global Data & Analytics Survey 2014
Both intuition and analytics matter
It's no longer good enough to make decisions based on intuition alone.

Among banking & capital markets executives

Which did you rely on most for the last big decision you made?

- My own experience and intuition: 32%
- Relevant experience of others: 24%
- Data and analytics inputs: 42%

Source: PwC’s Global Data & Analytics Survey 2014
What prevents you from making greater use of data and data analysis when making big decisions?

**Senior management lacks the necessary skills or expertise**
- 21%

**There is a limited direct benefit to my kind of role**
- 27%

**It's difficult to assess which data is truly useful**
- 22%

**The quality, accuracy or completeness of the data isn't high enough**
- 42%

**Seeing limits:** Banking and capital markets executives will need convincing to make greater use of data and analytics when making big decisions.

**Why it matters:** There's so much data that information overload is a real problem. Analysis can be both difficult and time-consuming. It needs to be streamlined.

**Deciphering data:** Until there's a practical and affordable breakthrough in data collection, existing, imperfect data will be the rule, not the exception.

*Source: PwC's Global Data & Analytics Survey 2014*
We've changed the way we approach big decision making as a result of big data or analytics

Top three changes, last 24 months

- Made greater use of specialised analytical tools (66% Yes, 22% No, but plan to do so, 12% No, or don't know)
- Relied on enhanced data analytics such as simulation, optimisation, or predictive analytics
- Changed the way data or analytics is presented to management

Source: PwC’s Global Data & Analytics Survey 2014
Some decisions you need to make are big enough to change the course for your business. And decision making ‘as usual’ may not be right for the task. More data are within your reach to understand what was previously unknown. Sophisticated analytical tools are available to you to ‘see’ a wider range of possibilities and evaluate them quickly. Now is a good time for an upgrade in your decision making capabilities. Where should you start?

Source: PwC’s Global Data & Analytics Survey 2014
To explore the data and more: www.pwc.com/bigdecisions