Chapter 6

Data Management Maturity for Knowledge-Based Decision-Making: Case of Polish Third Sector Organizations

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ABSTRACT

Nowadays, information has been recognized as a strategic asset of an organization. There are numerous best practices for ensuring good quality data and establishing data management frameworks that are required to provide quality information for the management decision-making process. Unlike most data management studies, which focus on large enterprises and SMEs, this study deals with organizations from the third sector in Poland, comprising e.g. associations, foundations, faith-based organizations, etc. The aim of the chapter is to determine the organizations’ maturity level of data management for decision-making processes in management. A survey was conducted to gather data from the organizations. The chapter utilizes samples that were collected from Slaskie Voivodship. The conclusions of the present research can help in creating and implementing a model of the data-driven decision-making process so that the operations of these organizations can be enhanced and improved.

INTRODUCTION

We live in an information-driven society, in which information has been recognized as a strategic asset of an organization. The basic component of information is data which can be produced either by processing or analysis. Data are numbers, words or images that have yet to be organized or analyzed to answer a specific question. Information is produced through processing, manipulating and organizing data to answer questions (Alavi, Leidner, 2001), adding to the knowledge of the receiver.
Nowadays, opportunity for timely access to necessary data is the most important factor of the decision-making process and organizational success in the market (Galup, Dattero, Groll, 2013) and should be deeply considered by every executive, manager or even employee.

Managing the organization and the decision-making process are not possible without high quality data and information (Marshall, De la Harpe, 2009). These processes must be properly prepared and carried out by using information and information and communication technologies (ICTs) (Kisielnicki, Sroka, 2005). Managers can also use various IT systems to accomplish these tasks. However, the choice of a suitable tool is still difficult because of the diversity of functional and technological IT systems.

Many organizations now consider information to be a strategic capital resource that must be properly managed if they are to achieve and sustain competitive advantage (Sadiq, 2013; Todorova, n.d.). Today, information can no longer be treated as a source of competitive advantage, but a competitive necessity. Successful organizations are those that are learning and adapting, have a flat simple structure, and treat information as an inseparable part of their activity.

The study conducted by the author in 2015 (Palonka, 2015) on the contemporary organizations’ data management maturity in the decision-making process indicates that organizations from the private and public sectors of the Polish national economy have an increased awareness in this regard. However, no similar studies have ever been undertaken among organizations belonging to the third sector of the Polish national economy and therefore it is difficult to estimate what their level of data management maturity is. It can be assumed that such a situation results from a specific character of their statutory activities as they are not-for-profit organizations, which are not subject to the same regulatory regime as organizations from the public and private sectors (Lyons, Duxbury, Higgins, 2006). It is the Constitution, as a legal document of special political significance, that sets out the rules for the non-governmental organizations (Lustig, Staneck, 2017; Słobodzian, 2012).

The study carried out by the Central Statistical Office of Poland on the socio-economic potential of the third sector and its role in social services and in the creation of social capital indicates, however, that the situation is likely to change in the near future (Trzeci, 2014). There is a growing interest in the issues related to civil society, which means that it is necessary to improve its functioning, provide data that allow assessment of the impact of the implementation of public policies on the promotion of social economy and social capital and enable monitoring organizations of this sector. The task is going to be difficult to tackle if appropriate IT tools are not used (Gillingham, 2017). This chapter presents the importance of data and information analysis in the decision-making process. The aim of the study is to verify a hypothesis that organizations from the third sector have reached the highest maturity level of data management for decision-making in management. The chapter is structured as follows: Section 1 is an introduction to the subject, based on a literature review. Section 2 looks at the characteristics of the third sector, modern management decision-making process, data quality and rules that should be applied when preparing high quality information for the decision-making process, as well as data management maturity model assumptions. Section 3 describes the research methodology. Section 4 presents the research findings on the maturity level of data management for the decision-making process in Polish organizations belonging to the third sector. The chapter concludes with a discussion of the research findings, implications and limitations of this research, and avenues for further studies.