

THE USE OF DATA ANALYTICS IN DECISION-MAKING IN MID-SIZED COMPANIES

Sardorbek Yunusaliyev

Second-year MBA student, Turin Polytechnic University

sardorchasys@gmail.com

***Abstract:** This study examines the role of data analytics in improving financial decision-making in mid-sized companies. In modern business environments, organizations generate large volumes of data that can support more accurate and timely decisions when properly analyzed (IBM, n.d.; Davenport & Harris, 2017). The research adopts a qualitative approach based on existing literature to explore the application of analytics in budgeting, forecasting, and cost control. The findings show that even basic analytical tools can improve decision-making quality and business performance. However, challenges such as limited resources and lack of expertise still affect effective implementation.*

***Keywords:** Data analytics, decision-making, financial management, mid-sized companies, business performance, financial forecasting, data-driven strategy, business intelligence*

Introduction

In modern business environments, data has become a key resource for improving financial management and decision-making. The growth of digital technologies allows companies to collect and process large volumes of data. Data analytics helps transform this data into useful insights, enabling managers to make more accurate and timely decisions. However, while large companies widely use advanced analytics, mid-sized companies still face limitations related to resources and expertise (Shmueli et al., 2017).

Methods

This study uses a qualitative research approach based on the analysis of secondary data. It relies on academic literature, industry reports, and theoretical frameworks related to data analytics and financial decision-making (Provost & Fawcett, 2013). A descriptive and analytical method is applied to examine how data analytics is used in mid-sized companies and to identify key patterns, benefits, and challenges.

Results

The study shows that data analytics has a positive impact on decision-making quality in mid-sized companies. It improves financial planning, cost control, and forecasting accuracy (Brynjolfsson & McElheran, 2016). Most companies rely on basic tools such as spreadsheets and simple reporting systems. At the same time, several barriers are identified, including limited financial resources, lack of analytical skills, and weak data integration.

Discussion

The findings highlight that mid-sized companies can benefit from data analytics despite their limitations. Their flexibility and simpler organizational structures allow faster implementation of analytical tools (Davenport & Harris, 2017). However, to achieve better results, companies need to invest in employee skills, improve data quality, and adopt more structured analytical practices (McKinsey & Company, 2021).

Conclusion

The study concludes that data analytics plays a critical role in improving financial decision-making and business performance in mid-sized companies (Davenport & Harris, 2017). Even gradual adoption of analytical tools can create significant value. Strengthening analytical capabilities is essential for maintaining competitiveness in dynamic market conditions (Brynjolfsson & McElheran, 2016).

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