# 3 Steps to Developing a Data-Driven Investment Process

When managing an investment portfolio, it is critical to support decisions with verifiable data. Data-driven decision making consists of integrating considerable amounts of data to formulate an action plan. Implementing the right strategy, finding valuable opportunities, and navigating risks requires experience and knowledge. Yet, just as important is the capability to access and utilize relevant data.

#### Stage 1: Data Gathering / Assessment

The financial markets are riddled with a plethora of data points. There continue to be more dimensions of data as products become progressively more complex.

The most important aspect of the initial stage is the ability to narrow the data selection to the most relevant and accurate data points possible. The data collection process sets the stage for meaningful analysis.

### Stage 2: Data Interpretation / Analysis

Data should be seen as an unrefined resource, not necessarily useful until assembled into a more functional form.

This vital stage makes data consumable. It transforms a strictly quantitative set of data points into a considerably more serviceable form of evidence. The resulting product should "tell a story" or reveal a trend that ultimately supports a strategic decision.

## Stage 3: Determine Conclusions / Execution

Once the analysis is digested and reviewed, an action plan should be set in place. Whether that action plan consists of a single decision or a complex process, there should be an effective framework constructed by the data-driven decision making method.

Following the execution of the action plan, it is critical to continue to evaluate the results and adjust, as necessary.

#### Sound Onerous?

Accurately analyzing data is paramount in providing both business insights and a foundation for strategic decision making. With an inherent fiduciary responsibility, the guidance Detalus provides to its clients must be well-informed, and most importantly, accurate.

Detalus recognizes the importance of the data-driven decision making process and utilizes data on a daily basis to alleviate this responsibility for its clients and to make knowledgeable decisions and recommendations. Detalus accesses a variety of tools, including Bloomberg, BondEdge, Black Diamond, and SNL Financial to gather, assess, and analyze data.



T: 314.997.3191 383 Marshall Ave., St. Louis, MO 63119

F: 314.997.3358 detalus.com