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Summer Playlist 2025 | Episode 1
Michelle Finneran Dennedy, Chief Data Strategy Officer, Abaxx Technologies

We kick off our *Summer Playlist 2025* this week with Michelle Finneran Dennedy, Chief Data Strategy Officer at Abaxx Technologies. David Greely sits down with Michelle to discuss why CEOs and organizational leaders are shifting how they view data from seeing it as a risky liability to potentially seeing it as their greatest asset – and what that means for the ways we measure and manage our businesses.

Michelle Dennedy (00s):
The fun in data is that like privacy, like culture, like technology, it's always a kaleidoscope of whatever human imagination has on deck for us.

Announcer (12s):
Welcome to SmarterMarkets, a weekly podcast featuring the icons and entrepreneurs of technology, commodities, and finance ranting on the inadequacies of our systems and riffing on ideas for how to solve them. Together we examine the questions: are we facing a crisis of information or a crisis of trust, and will building Smarter Markets be the antidote?
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David Greely (01m 00s):
Welcome to Summer Playlist 2025 on SmarterMarkets. I am Dave Greely, Chief Economist at Abaxx Technologies. Our guest today is Michelle Dennedy, Chief Data Strategy Officer at Abaxx Technologies. We will be discussing why CEOs and organizational leaders are shifting how they view data from seeing data as a risky liability to seeing data as potentially their greatest asset and what that means for how we measure and manage our businesses. Hello Michelle. Welcome back to SmarterMarkets.

Michelle Dennedy (01m 33s):
Thank you Dave.

David Greely (01m 34s):
Welcome to the summertime and thanks for kicking off our Summer Playlist for 2025. You know, every year we would like to take time to sit down with some special guests midway through the year and talk about where we are, where we might be and where we need to be heading next. It's our beach reading in a podcast is the way we like to think about it and so thank you once again for starting us off. I always appreciate catching up with you and from what we have discussed, I think this is a particularly good time to talk with you because you see us being at an inflection point in how CEOs and business leaders need to be thinking about the role of data in their organizations. In short, and I am sure you will be able to elaborate better than me on this, there is a shift from there seeing data as a potential liability to seeing data as perhaps their greatest asset and so just to get the rest of us who, who don't spend as much time as you, which is probably most people thinking about this, can you walk us through like the history and evolution of business leaders thinking about data? Like how did we get here and why do you believe that we are now at an inflection point?

Michelle Dennedy (02m 47s):
It's a great kind of walk through the through line of development of first a novel technology is introduced, everyone sort of falls in love with the idea. Everyone sort of gets excited on bandwagon ears and some go nowhere. Like I think we have done the Metaverse three times already and it's kind of not caught on and some are truly an inflection point. And my sort of three things that I have seen in the history of compute that have changed everything other than the advent of compute is payments. So being able to actually transact business rather than sort of doom scroll, the internet itself, the structure of having not everything in your own hands and the ability for even your dumbest employee to know everything in world history all at once, that changed everything. And there is other infrastructure things like cloud and IOT to gather data, but now with what we are calling AI and there's a category and a range of machine learning things and quantum processing, but think about AI not as the robots are coming for us, but think about AI as a

different way of processing data where you have a plethora of sources, you have stuff that you have that you own, that you have the right to either share or you will never share.

Michelle Dennedy (04m 16s):
And that is now sort of looking like a scarce resource, a commodity. I mean think about how real estate started out as like every man for himself then and we had ownership, then we had groups of owners and now we have whole commercial structures. That's really where data is at now because up until about maybe 2020, the question was can we and the question from now to whenever in the future will be, should we, and the question for business leaders is why how much and what is the balance between value creation and risk?

David Greely (04m 59s):
And I would love to dig into that because I am trying to get my head around what does it mean for a business leader to think about data as an asset, like on a practical level, like how should they think about valuing it? What sort of metrics should they be applying to it?

Michelle Dennedy (05m 15s):
Yeah, you said my favorite word which is metrics and we are going to have to start thinking of various models. So I will take you back in in the time machine again, back to the advent of intellectual property, things like trademark and copyright. They are not only rewarding the artist but they're also rewarding the marketplace. What do we know about something that's been created? What do we expect to have from that thing? That's a wall of intellectual property and data. It's not sampling and taking chemical tests of Coca-Cola. You see the brand, you know what you are going to get and it's repeated over time. We are already starting with that sort of construct of data. Then we moved into the sort of internet age and when executives were thinking about value, they were mostly thinking about advertising or intelligence. Look at the Bloomberg terminal, why would you spend so much time?

Michelle Dennedy (06m 09s):
And the answer was you are getting the best up to date fastest data and we couldn't even put the data centers in Chicago to support New York because that minuscule nanosecond of delay was a differentiator. So again, we are thinking about what we know, but we are thinking about what we know applied to buying things, selling things, attracting customers. Now when you look at data itself, we have the technology to let it flow. We have some technologies, we are building some of them at Abaxx so that you can actually get to granular insight but be able to operate at scale. And so now we can actually think what do we need to know as a package that formerly was done by hand. We used to have human calculators, used to have humans plugging in phone A to phone B with a physical cord. Now we can think about what is the package of information that is so routine that I can ask an automated system, a data system to perform that the next level up.

Michelle Dennedy (07m 15s):
And that's really kind of where we are now. A lot of the ChatGPT kind of land, it's kind of sexy search if we are really honest with ourselves. Are we really replacing stuff? No. Are the drafts really good enough to replace a person? No. But they are capable of doing really routine things very quickly so that the human can edit and add knowledge on top of that thing that will evolve and those packages of data will get better. But when you think about an asset, just the basic definition of an asset, what are the things within your control that you can add or detract motions and metrics to or add or detract resources to create value for your organization? And value doesn't just have to be spitting out your brand to the world of advertising. It can also be how do I really look at my employee base and judge who's being the most productive?

Michelle Dennedy (08m 12s):
What are my missing gaps? That's data being leveraged and when you're actively looking at that data and then taking action on that data, you are treating it like an asset. You are thinking about it like think about the tangible factory world. How many products should I be getting out in which scale am I using the right materials where our raw materials now are precise, accurate, or relevant data sources? So now we have got a marketplace, we've got source materials, people gathering and creating data. We have got other makers combining data, assessing data and this is the most important thing about this particular class of asset like any other type of intellectual property, particularly when it's about human beings. So when data describes a person, whether it names them or not, we are in privacy. Land privacy is the authorized processing of this data according to moral community standards, legal stuff that's written down and commercially sustainable practices.

Michelle Dennedy (09m 15s):
So if you are doing something so risky that it will cost you a ton of money to do that thing or the liability in getting caught doing that thing is so great. Obviously a business person looking at data as an asset would say no. If instead you say this is data that I can control and understand and document to prove myself in front of a regulator, a customer or a litigator and I am still getting value that either creates a story about my brand, I am a great engineering firm, I am a great financial firm, I know the data first. That's your business outlay. The asset to get to that differentiation is data. So as we start to really peel back and say we don't necessarily need gurus, there will always be a place for gurus and people who understand how to interpret things, but where are we really relying on the data source itself and spending money so that an asset that is out of control is defined as a liability.

Michelle Dennedy (10m 12s):
So instead of just looking at, we have to be compliance first all the time when we are looking at an asset in this way, I am shy to say this in front of you 'cause you're an economist, but the way I have always thought about this is that data is actually not the new oil. It's not the new oil. Oil is great but it's a commodity. It's dead plankton, right? It's a dead dinosaur. It's like kind of like measure it and I know there is differences but data is very different. Data is more like currency. So my reputation in the niche, what my kids call nano famous world of privacy is a much greater story than my name in the chief marketing officer community where no one would ever think to know my name. That difference of that data and the data asset value is different. If I hand a dollar to someone like Jeff Bezos, even though it still is technically the same piece of currency in my hands and in his hands, the value of that data story that that little green piece of fabric tells is inherently different because of the person who actually has possession and control over that data story, that single dollar bill.

Michelle Dennedy (11m 27s):
And you would probably want the dollar bill from Jeff Bezos a lot sooner than you would want it from Michelle Dennedy for a lot of different reasons and that's how we start to think about data as what do we need to know? What do we need to do? When do we need to protect to go bigger, faster, stronger, more detailed, more luxurious, whatever we are trying to aim at as a competitive edge will be backed by, supported by and accelerated by data. That was a very long-winded answer Dave. I know I am supposed to do 30 seconds but that wasn't it.

David Greely (11m 57s):
Even go as long as you like. I love listening to it. It got me thinking though. Thinking about like I know I think the last time we talked we were talking about like markets and data and so I am curious when it's CEOs business leaders thinking about data as an asset, there is the data that they collect in the course of their business and then there's data that maybe they want to go out and acquire from a third party. How do you think about those two? Should they be thought about differently or is it kind of the same mindset being brought to both?

Michelle Dennedy (12m 30s):
I think it's a slightly different mindset only because your supply chain looks a little bit different but I think just like any vendor, when you're looking internally at data sources that you already have or you need to have, the first question I always ask when I talk to a board or C-suite person is why and they will say, well what do you mean why we are getting this off the website and we need to know this and this. Well if what you need is precision because you are a healthcare provider, you need to know all the way down to the individual and trends matter to your researchers but not to the individual prescribers. It's really high fidelity, highly secured information with a lot of confidentiality and secrecy engineered into that privacy transaction. A lot of people are over collecting things because they keep thinking if they dig deep enough into a pile of pony poo, they are going to find a pony.

Michelle Dennedy (13m 26s):
What they're finding is cholera. So the internal look at what data are we processing, the mindset shift is to look at it like it's on a supply chain as we do with our external friends as a vendor. When you are looking at a vendor, it used to be the thing that would protect you and have that control over that data is a contract that you sort of wave on a lovely piece of paper and yet is that strong enough to follow the beginning, middle and end time period of that context driven asset. It's so similar to what we're trying to do with commodities at Abaxx. What happens if you add this simple fidelity of price, got a new piece of data and now you are opening it up to a wider circle of person but you still have to build that fidelity in and yes, contracts are great but there is also other indices to know that that data hasn't been altered, someone hasn't spoofed or faked that information.

Michelle Dennedy (14m 25s):
So it actually takes something that was once a rather static commodity in a third party and creates utility around that thing. I think data sets are very similar beasts. So if you have the right to have collected information or if you say an educator or a doctor or a bank, you have the right and the specialty to understand the quality, fidelity and movability because you are under compliance restrictions and ethical, which always comes before law, there is always ethics first. Then that person can help commoditize that data to not just dump it over the wall and sell it to people on the black market, but to really understand are there data products that we're missing? Is our expertise more valuable, shared in a different region, expanding on our product base, expanding on our brand? Is there a lower level cheaper something for people that can't afford the premium product? All of those things are data transactions. And so when you're looking internally or externally, the mind shift should be everything is on a data supply chain, whether I already have it, it might need deleting, you might need fresher ingredients to bake your cake or its external and I don't want to just rely on a singular contract. I want to understand the process and the flow over time.

David Greely (15m 48s):
I don't want to get lost in the metaphor of whether or not data's the new oil, but I think there is the sense that it's an extremely valuable resource that's important to everything we do and to give some sense of scale like the how valuable is valuable piece. Could you walk us through some examples of how valuable, like whether it's increased revenue, cost savings are being driven by data at businesses today? Are there some like different companies we can look to?

Michelle Dennedy (16m 20s):
I will selfishly look back to my old company Cisco for an example and this is both a privacy engineering example and a leveraging of data. So the task at the time was we had about 18 months to get ready for GDPR and show, you know, compliance readiness. I never say that you are compliant but you have to be ready and have the systems in place for compliance. So the question at hand was how do you take a 30-year-old hardware selling company and get into a data mindset about what is different about data that puts you into this whole new world with proliferating new regulations without stopping the business. So you are not going to cheat the regulators and you're not gonna stop the business? Well we went to the heart of the beast. We actually pulled out the data of who was saying yes to buy things that were data enriched, which in our case happened to have things like pictures and names of people.

Michelle Dennedy (17m 16s):
So it was privacy inclusive and how do you handle that if you spend the time and money to anonymize that internal to the company, it could be that you can expand your reach and move over that supply chain hump of legal and IT approval and security approval if you do need to identify that data set. Understanding on our part of flow was really critical to our customers. So we produce these subway looking maps, they are still up on the site, they are called data maps at Cisco and they look literally like an underground and you can see what the customer has, what the entity has and what a third party has and then a little teeny picture of the world and see where our data sets are. That simple change of having a non-interactive kind of toughie like display, we measured what the reaction in the market was.

Michelle Dennedy (18m 11s):
We went from about six to nine months of negotiation over legal terms to try to protect a technical and flowing live asset to about a two week SLA where attorneys and buyers and our sales team really deeply understood where the data was going, what the data was, and they are communicating and selling based on fact. So having that increased group of data and having the marketplace understand what and how they are buying and why the risk was better because this had the time and fidelity baked into the product, now they are willing to not only sell more, they're also willing to buy more non-sensitive data inclusive products, almost 10 x what we were selling in advance. So by us checking what was the reason for no by supplying more data and understanding, getting it from the right engineering teams and the QA teams and consolidating that data in a process and then having a standardized way of discussing that data product in a visual way.

Michelle Dennedy (19m 23s):
In that case we were actually able to influence the market and demonstrate that over time that stick only went up with both the data inclusive data sets as well as the anonymized just sort of system flow data sets. That's just one example. I have got another quick one for you. I rarely have quick but I will make it quickish. Working with a compliant a consulting company a few years ago and they thought that they had a marketing problem. They were getting about five to 10% click through on their e-mail that we would call spam these days, but they have the right to send it. They are sending out this email and so they brought us in to look at their data flows and

see how they could purge their data of old bad data. In talking to the other data stewards across the business, we ran into this, this happens to be a stuff company.

Michelle Dennedy (20m 16s):
So they deliver stuff and they repair stuff. So the person who is actually doing delivery, we said what do you need to know? What is stopping your business and he said, well I have union guys that have to go out and fix stuff. I have to get specific parts, the complicated stuff company and I have to get the right thing from the right warehouse to delivery and I need to send a bill. The marketing data set, which was the golden data set for the business, had everything in it. We have to collect everything, we don't know what's going to be good or not and as it turns out, a lot of times we would be sending out repair guys to the billing address or to the franchise address and so we are paying that guy, he's on a union contract because he has gone out to the place that you told them to go, it's the wrong place now we are losing money, we track that money.

Michelle Dennedy (21m 10s):
What happens to that contract? Well we have a service level agreement that says three days now we are taking 6 to 10 days. There is a penalty more liability cost from the asset. Now we are figuring out how are we getting billing and now we are spending a lot of time. So I am tracking people's salaries for how many people need to get engaged. Sometimes you are getting your expensive employees, your lawyers and people involved. How much does that drag you down? Turns out that by having low fidelity data that seemed like an e-mail problem, we actually had an $8 billion problem over time that spread across the business. The origin was too much data, too many people touching it and low quality. So by spending time in quality, we not only amped up sort of nuisance suits in privacy, we lowered our risk of security breaches and we smoothed that supply chain of both data so we could see what was selling and when and stuff. So the old meets the new, the Adams meet the bits as Josh likes to say at Abaxx and really looking at things as a flow through model. Having that data is if data's the oil that I would say it's the grease that drills the wheels.

David Greely (22m 29s):
I think we are accustomed to thinking of data in advertising and marketing and getting people to watch something or buy something. But what's been really interesting to me is kind of the increased penetration and value of data in what would be considered traditional companies. Like I saw some statistics, you can correct me if I am wrong, but that John Deere where they use precision agriculture, those services generate over a billion dollars each year from the equipment data and UPS its root optimization system saves something like a hundred million miles a year which translates to $300 to $400 million. Like these are very, I don't think you come with more traditional companies than John Deere and UPS, like those are real dollars. Are those the exceptions or is that increasingly the rule?

Michelle Dennedy (23m 22s):
I think it's increasingly the rule and it doesn't shut out. The boogeyman is we will all be replaced by the robots. It doesn't shut out people that have specialty knowledge or understand what it's like. So for the UPS model, I think that's such an interesting one and there's the corollary at sea where you have automated little vacuum cleaners going around the hull of these very large ships and it may not sound like a lot to say a 5% fuel savings, but when you are shipping large basically skyscrapers across the ocean, that 5% savings is a multimillion if not billion dollar savings. Similar to the UPS routes, getting people to the most optimized routes, not having your drivers sitting in traffic, you are saving on fuel, you are saving on frustration and probably turnover of your employees and you are getting the goods to where they need faster and more efficiently.

Michelle Dennedy (24m 16s):
Now it's probably better if you are someone who knows the towns, knows how drivers work, understands they need things like bathroom breaks. That just building that into the model also is a huge, not just cost savings because no one saved their way out of a economic crisis. You got to grow and accelerate in smart ways and the most irritating thing you ever hear from a boss is like do more with less. You are like yeah thanks bud. There is only so much more you can do by following sort of the traditional tome. You have to at some point say, do I need to know more? Do I need to know better quality stuff? Is it worth paying a premium for quality stuff? So like getting a better lawyer to save yourself the time of losing a lawsuit for example is kind of the most extreme example but also figuring out spending time in getting your employees to have the right data.

Michelle Dennedy (25m 12s):
How do they use data better? They are all using AI whether you are sanctioning it or not they are sneaking it at home if they are not doing it at work. So figuring out so that you keep your intellectual property within your organization and you are also optimizing on how people know things, how much it costs for them to know things and how does that knowledge really impact the root of everything

which has to start with a business case. So often we are like look there is a new AI compliance law and there is, and it's not just GDPR or the standard OECD privacy principles. There is more involved in it. But if you always start with your business rule and outcome, you are looking at how do I best get that information? So I am checking for bias not because it's a goody two shoes thing I am looking for what's going to have the most impact on that delivery I'm looking for Model creep is that model not serving a proportion of my customer base or giving me new ideas because it's sort of self-circling on mediocrity and mediocre data. So as you work things through from a business angle and really speak the language of the C-suite, you start to recognize that that leadership really permeates the organization and it's a, it's exciting. B, you get to use AI out loud instead of sneaking it under your desk and C, you get to really experiment in this new age and see what works and what doesn't. And that's really important too. We have to fail more in business and be proud to fail more.

David Greely (26m 46s):
I want to come to the C-suite with you in that like what I'm hearing is that if we really want to capture the value that data has for us for businesses, it really requires kind of a fundamental change to the way your business operates. That having this data allows you to operate your business fundamentally in a new way. How willing and how prepared are CEOs and the rest of the C-suite to embrace that kind of change?

Michelle Dennedy (27m 17s):
It's a very good question and I think part of the fun in doing this for so many years and I am sure you find the same thing, is like every time you think you've got like the root because nailed, you are completely wrong because everyone talked about IOT and digital transformation, la da da da da and really they were kind of like, hmm, does that mean like another firewall for security? Does that mean like changing my email or forcing everyone on a different CRM? And that was a lot of people's digital transformation when really what needs to happen in the most prepared companies are really starting business first. I will give you another concrete example but I don't have insider information so I may have some stuff wrong but I don't think I do. Kellogg's had a really interesting sort of digital transformation public moment during the pandemic they used to deliver everything on a pallet to big box stores.

Michelle Dennedy (28m 15s):
And so all the machinery was big palette and especially in America we lack things big and chunky and in big ultra-sized boxes. Well if you are delivering to someone's home because it's the pandemic, you are actually spending time and hardware on getting two sticks of deodorant in a little pack and figuring out how to do a whole direct mailing thing or figuring out that your cereal needs to now go to a bodega rather than a superstore. So in doing that, they actually took a two steps back, which you love to see and they really looked at their digital map, you know, what would be the impact to spend a very big capital to outlay, to literally retool a whole line so that you could shrink wrap two items and two cereal boxes rather than just the pallet. And in doing so, they not only were able to differentiate their business, they were able to really understand their customer in a much more kind of strategic way.

David Greely (29m 20s):
And Michelle, I find I am really enjoying this conversation sometimes in the past our conversations have been characterized as perhaps a bit doomy or gloomy and this one feels a lot more, a lot more positive. It's better to talk about assets rather than liabilities but there still are risks with data and it can still be a liability to a business. Has your thinking on that piece of it evolved?

Michelle Dennedy (29m 44s):
It's interesting. It has but really it has and it hasn't. I will say that I am sort of representing and I find myself continuing it and I actually felt this to be true when I wrote the privacy Engineers manifesto, the most stable answers that I got when I had a hard compute problem were my calling home and talking to my dad who was an architect, you know starting in the 1950s and it turns out that a lot of the things that have been tested and there have been failures in the past and still are working are the things to reach to. So it's really kind of getting first principles going. So yes it's evolved in that. The good news is on the good guy side we have AI too. So we can look at huge attacks of threat data. We can use vector databases to come up with contextual training sets for the LLMs to talk to.

Michelle Dennedy (30m 41s):
We have those advanced tools. But the basic principles and why you see COBOL running in a lot of financial government absolute necessary systems is because they started with that base principle is what is the outcome and back in that time when you were in the punch card era you had a one shot to get it right. So you really had to think about your contingencies before you started grabbing code. Now we are not even just grabbing tangible blocks of code. There are times where just asking AI to sort of magically write that and so yes there is some good facility but like everything else, if you don't know what good tastes like, you are not going to even know how to

go shopping. But what I think is still absolutely steady is to really push people into thinking about things like successful marketing campaigns, successful efficiency plays, successful reporting of new metrics that actually matter to new boards and really saying I want to reintroduce you to data because it really is first principle because it's not just the brand you trust Bloomberg, if you're a trader, it's not just the die you trust Dave Greely.

Michelle Dennedy (31m 55s):
If you're an economist, it's a combination of source materials, expertise and consistent delivery. Even the smartest guy when he goes off the rails is useless. Even the best machine if it's not put to solve your problems is useless. So when I start to like drag people back, they start rolling their eyes a little bit of like, well yeah I know how to be a good business guy, but are you really thinking about how to empower and re-empower and differentiate with data and this comes back to what we love to talk about all the time. A smarter market is not just one with more information, it's the right information, trusted information, fidelity of information that has a known or expected utility. So we can look at ingredients and we can be much more creative with outcomes in that way and that's really where my thinking has evolved more in how do we actually sell these old principles, make them seem fun 'cause they can be fun and then show how they directly lead to winning.

David Greely (33m 05s):
Well let's get into the fun part and talk about some of the winners and this idea of like what does good look like? Are there some CEOs and companies that are getting it right? What are some of the success stories that you see out there, Michelle?

Michelle Dennedy (33m 18s):
So my privacy people will probably roll their eyes hard at me, but you do have to look at some of the fangs. So I am going to look at Amazon as an example of winning some things like the privacy stuff. They have got some work to do. But one of the things that Jet Bezos insisted on probably in the 2010s period going back to principles was to have a service oriented architecture where every system had access and alacrity with all the other systems. So he really thought about the data as a differentiator. It wasn't just selling cheap books, it was really the idea of buying and selling in this different way, this more efficient way, this more personalized way and in thinking about data in that way, they've been able to add billions to the recommendations, not just tricking people to buy stuff and they do send me a nice look and pair of shoes that sometimes I fall victim to, but also really understanding and being able to morph these recommendations to sort of fit the marketplace and understand their customer and who they are as a business. When are we gonna be ready for them to add on different, sometimes alarming services? And as I say, the risk and the asset growth sometimes has been uneven with them, but when I look at their pure strategy around data, they don't just think of it as a liability. They think about it truly as the core asset of their business and machines will be replaced and software will be replaced and executives will be replaced. But the core is really understanding a whole new market disruption through data.

David Greely (35m 02s):
And now you got me thinking because I feel like there is so many traditional retail stores we go to now or fast food restaurants and everybody's got the app that you can order on ahead of time and at first it's like, oh, is that convenient? Oh is it much more convenient than going to the drive-through? I don't know. But like if you look at companies like McDonald's, Starbucks, whoever, like is part of this like increasingly interacting with a company through the app even when it's a physical transaction, is that about the data and how does that help them operate better?

Michelle Dennedy (35m 42s):
Yeah, it's a great example and look, look at our old Fred Starbucks again. Like it may not be your favorite cut of coffee, but that trademark is emblazoned in your mind. You know what it tastes, you know what your drink is, you even know their dumb language for the sizes that should be small, medium and large and part of what they have done with the online app, which has increased their revenue by something like 34%, it's a huge increase. That's not just capturing more data about a person with a limited menu of coffee beverages. It's really helping to cement that identification of brand of I am the convenient brand or I'm the always every morning brand, this is what I do every day brand. And what they've done is really create culture around a truly commodity product of coffee and even down to making the active decision of are they gonna have Wi-Fi and comfortable seats?

Michelle Dennedy (36m 40s):
McDonald's made the opposite decision with their form factors. They want it cold they want the plastic seats because they want to move people through. They don't want you hanging out. Starbucks did the opposite because by enabling and particularly escalating through the mobile app when they started reporting these differences in their 10K reports, you start to see it's really like there is only so

much you can know about a person in their coffee, but the bond and the trust that you create with someone who says, I always go to Starbucks because it's part of my routine to get in my car, punch in my order, and then go to this shop, you are going to cement a habit and a culture that is increasing your business.

David Greely (37m 25s):
So I was curious, like if you were to imagine that you were sitting with a CEO right now, I will let you pick the industry, what would be your practical advice to them to help them seize the moment, seize the opportunities that the moment provides, and what do those opportunities look like? Like how big an opportunity is this?

Michelle Dennedy (37m 45s):
I like using some of these manufacturing examples where they are selling stuff because you would think that's the last place. You know the, the sort of easy money, if you will, is looking at meta and Google and some of these other places. And actually if you look at asset versus value for those guys, billions of dollars of fines which escalates if you had a Tuf D design of that, it explodes like the big bang theory of how much personnel disruption, how much they are spending on lawyers, on and on and on. It's a very disruptive event to be looking backwards at a compliance event rather looking forward. So you might think that the ones to look at value and to compete with are these giant advertising data brokers like the Facebooks and et cetera. But I think the scale is in at least the billions for these large companies that are healthcare providers.

Michelle Dennedy (38m 43s):
They are, you know, they are squeezing margin out. The insurance companies and the healthcare are doing this sort of awful dance together. If we had better data and better data management, a couple of great things could happen. I have talked to a couple CEOs of healthcare, I will call them empires, you know, rather they are not just a hospital, but they're a place of insurance, they're a place of political negotiation, they are a place of research grants. So the money's coming in from all sorts of places. The service sometimes gets distracted from health outcomes as it should do. So thing number one, what are your metrics? How are your patient outcomes tied incrementally to data? Does that mean getting people out of their hospital beds as quick as possible because you are not going to have that fight with the insurance company? Or is it preventative care through an app or some other digital transformation?

Michelle Dennedy (39m 39s):
What are the things that are impacting the entire industry that absolutely don't need to be intellectual property, but will instantly increase your outcomes? Fighting things like MRA and staph infection. These are the things that are literally killing patients that are coming in for routine services. So by thinking about something that, it used to be that every dollar you had would go onto a new gadget or an MRI machine or a more expensive prestigious surgeon or something. Now when I see the really advanced hospitals and ethics people, they are starting to look at what data do I naturally and organically have the right to have and how would I increase the value of that and the utility of that and the leverage of that across the empire. Then I look at them and I say, I am going to give you the hard news, hard news is because this is what philosophical brand of problems, wicked problems, they are not stopping, they are multi-stakeholder, they don't have a stopping point and they're always a multimodal system and problem that creates new problems.

Michelle Dennedy (40m 53s):
So you solve MRSA, now you might have an overpopulation or a real estate problem. That's how, that's the nature of a wicked problem and privacy's a wicked problem. One of the ways you can actually work for constant solutions, which means non-working solutions and excellent solutions, is to really look and have some sort of a data committee. We used to call them privacy councils and we would suck in all the other data people. There's some IP that goes into that that's beyond licensing the creation of new ideas and then promoting and commercializing those ideas. But it's really at its core by creating a data council is how we unearth that $8 billion of value by quote unquote fixing the CMOs click-through problem and solving a very expensive, delivering to the wrong place and off customer problem. The reason that gets unearthed is we have a data council that understands what their metrics are.

Michelle Dennedy (41m 52s):
What do I need to know better? How fast do I need to know it? Not every fact needs to be this verified Blockchain carried fact, but what does, and who needs to be involved in verifying and cleaning that data and spending that time and attention. So I would start with having this cross-functional sort, wicked privacy come to Jesus and say, what is your discrete metric? And it can't be privacy, it can't be security, it can't be filling out a form for a privacy impact assessment. It must be what is the data that is mission critical to my business unit and how do I share that information or how do I prevent that information from being shared while still delivering what my

colleagues around this table of HR, marketing, production engineering, et cetera. All these folks have to be enmeshed to work for that common goal and that common brand.

Michelle Dennedy (42m 53s):
So even if you have a plethora of different kind of heterogeneous products, they still will have similar metrics if you start to take that abstraction layer and create some sort of a data council. And that could be a monthly situation, it could be a biannual situation depending on who you are and how advanced you are or you know, the types of personnel you have as a privacy officer who is already moved into AI, chief data officer who cares beyond analytics, preparation and fidelity of databases and data systems. So figuring out that piece is first of all, I think one of the a number one jobs of A CEO, you're the number one salesperson and you are the number one fidelity person. Is the machine working? You are not a specialist at that point. As painful as that is for many of us who grew up as specialists, when you are the CEO, you are a system specialist.

Michelle Dennedy (43m 47s):
So creating a data system at the top and understanding even beyond that, what are you going to say to your board and I actually interviewed board members, including chambers when I worked for John Chambers back in the day and Paul Delini at Intel. And I said, what do you need to hear from, you know, little peons chief privacy officer me? And I was really surprised by the answer because I was preparing all of this data of percentage of forms filled out for the regulators country analysis. Oh, there is this new boogeyman law that's coming down, it's going to impact us and I need more money. I always need more money. Instead, what they said is at the board level, so that at the operational level, when I'm acting as an operator, as a CEO, you do need all of that and you need to make sure everybody's got the right tools to get the job done or your metrics have to change at the board level. You need time and trend. So that's what all of them have said to me over time is that singular black swan case, I can't really do much about that. That one giant 16 billion password breach that happened just this week, it's scary. But what do I need to do? The metric I would use to understand those types of black swans is how fragile is the trend that we have. Are we able to recognize when we've got a problem and course correct?

Michelle Dennedy (45m 26s):
How long does that take? How many people are taken offline from our core mission to do that? Those are the metrics. Metrics that you start to think about. And some of them will be garbage, some of them will not move, they will always stay the same and they are always good enough or industry good enough. So that's not really a metric you care about. You discard that one and try on a new one. You know, is it efficiency time to close a contract? Is it getting better fidelity of understanding the information questions you're gonna have in your data supply chain to either take in and buy more training sets or share more information out to the marketplace or change prices in a more timely fashion? So do you need more time? Do you need better facts? Do you need smaller facts but attached to experts, these are the kinds of things. I have a conversation with people at that level because that's the stuff that changes your entire business, the operations people. We have a very different conversation about how to get our nails dirty on operational excellence but at the very top, getting those metrics right and continually trying to figure out what the right metrics are with the changing complexion that AI brings to the table. Those are the companies that we are going to know the names of in 10 years from now. The rest will go down. I don't care how big you are, if you're not looking at data right now as your core asset, you are going down doom and gloom again. Hey look, I brought you down again.

David Greely (46m 52s):
Well, and that's really the revolution, isn't it? Because we talked about how it's really about transforming how your business operates and you can have the metrics that you apply to the data, but also the data changes, the metrics you can collect. I think we have all been in large companies and you realize that the metrics and the KPIs historically have been blunt instruments and then people feel like, well that metric doesn't really apply to the way I need to actually run my group or department or team and so you get the behavior nobody likes. But if we're able to collect more of the right data that's more reflective of how the people who know how to do the job, do the job, that can really change the whole nature and quality of work right?

Michelle Dennedy (47m 37s):
Absolutely and I will give you a concrete example of this in the HR context. I once had a group where we had to report whether we liked something or whether we loath something. And first of all, I don't loathe anything. I, you know, like I don't have that much passion for the task at hand. I am here to do a great job and I will run through walls for you, but I don't really loathe stuff. So already I was like, that changed the metric to an emotive metric to me of kind of like, it wasn't like what's bothering you? What rocks are in the way? So having that like or loath, what I noticed over time because I am a data girl, is, and it's, this is at a very high level, these are VPs and above and we proliferated this throughout the systems. But in asking people how those metrics started to shift, you know, when it first started it

was like, yeah, I really think about like that one a plus moment this week and here's something I really load. And then they all normalized to bland. And meanwhile the real metrics of why is everyone sending their resumes out at scale? Why is everyone running for the doors? Why doesn't anyone trust anyone in this organization? That all became a lie because you were actually asking the wrong question in the wrong way of very sophisticated people. So by getting the data wrong, you actually exacerbated a really important problem that ended up being extremely disruptive for the business. So it really is like interrogating, not just are you getting the metrics, how much work? You know, like asset versus my scale is ethics, legal and commercial sustainability. If I have to spend a week out of my month getting the metrics for my QBR for my business leader, you're wasting a lot of cash. I'm not a cheap gal. Like you are hiring me for a reason and I am spending a week coming up with things that I like and loaf. No, that's not really going to. But for other groups where you, you have a different culture that may be something that's like people are very open and trusting and kind of funny and fun and that creates a bonding. So I think figuring out what are the metrics as you're exactly right, as they evolve once everybody is measuring gold bullion in the kilo bar, I guess if every single person on the planet is doing that, that no longer becomes a calculus of how many bars are we exchanging that are measured in this increment. And so the measurement would shift for now having that precise and high fidelity calculation so that people can trade the same physical deliver. Good is mission critical and then ounce here and there matters. So that's where I think the fun in data is that like privacy, like culture, like technology, it's always a kaleidoscope of whatever human imagination has on deck for us.

David Greely (50m 45s):
Well thank you for a, a fun and thought provoking conversation. Before you go, I wanted to collect one more piece of data from you and that's because it's been our tradition on the summer playlist to ask each of our guests what is on their personal beach reading list this summer. So before you go, what are you reading this summer, Michelle?

Michelle Dennedy (51m 01s):
Well, I just finished a book. I actually thought about this because I thought, oh, last time I came with some nerd book, how to measure anything, which I still recommend, but I just finished a whole series actually by a guy named David Osmond called the Thursday Murder Club and it's basically four pensioners set in a rural village in England and they all turns out have very interesting life backgrounds before they ended up in this home and they solved cold cases together and his writing like every now and again, like I will read crap just to read something funny or thrill of the chase kind of stuff. The writing is crystal. So if you are a PG Woodhouse fan or some other sort of light, fluffy, but multidimensional humorist, this is the book for you. It's super fun, super easy to read. I have already blown through the first four and I'm waiting for his next book to come out in September.

David Greely (51m 57s):
Thanks again to Michelle Dennedy, Chief Data Strategy Officer at Abaxx Technologies. We hope you enjoyed the episode. We will be back next week with another episode of Summer Playlist 2025. We hope you will join us.

Announcer (52m 15s):
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