



# Business Intelligence

## Assembling and applying vast data and knowledge sources effectively

### How to develop effective business intelligence that leadership and employees can use to drive success

Despite—and to an extent, because of—unprecedented availability of business data knowledge from both within and outside the organization, enterprises struggle to develop and sustain business intelligence systems. Business intelligence systems too often do not answer the really important questions for business executives, are not reliable, and especially after an initial push with employees and business partners, prove difficult to maintain and manage.

The business intelligence system must be designed strategically, with a clear understanding of who will use the system and how, what analysis and decision support capabilities it must provide, where the data and knowledge will come from, and how the system (not just the technology, but the processes, agreements, and support capabilities) will be built and maintained sustainably.

Privatin has helped organizations throughout the entire process of building a useful and sustainable business intelligence system and using that system effectively. Privatin's business intelligence services enable enterprises to build and use spend data for meaningful analysis, decision support, and management systems. Because data is collected from a variety of business systems, service providers, and suppliers, it is often inconsistent, missing key descriptors, or has data placed into a single text field making automated analysis impossible. Privatin starts by helping clients to refine and augment data through a series of automated and manual processes. General steps in the process include:

**Data Collection and Validation** – Data often resides in a variety of internal and third-party systems and must be extracted, aggregated, and validated. We support customer data extraction and collection activities and train clients on how to prepare data for further refinement.

**Data Enrichment** – Data can be used more effectively augmented it with additional details that were previously unavailable not directly associated. This includes normalizing nomenclature, mapping parent-child relationships (e.g., enterprises and subsidiaries), and appending related details (e.g., socioeconomic designations, bundled products or services, etc.).

**Data Transformation** – When necessary, data can be transformed into a different schema. Common transformations may include conversion from a Federal Supply Code to a SIC, NAICS, or UNSPSC code schema.

---

#### ***Goals of Business Intelligence***

---

*Capture the data that business leaders and managers need to guide decision-making*

*Put data analysis and findings in the right context—how they reflect or differ from market dynamics, competitor performance, etc.*

*Establish credibility and buy-in to the business intelligence across stakeholders (internal, customers, suppliers, etc.)*

*Embed business intelligence in day-to-day decision-making*

*Make the business intelligence (data, analysis, and tools) easy to access and use*

---



## About Privatin Consulting

Privatin is a consulting firm that focuses on driving extraordinary client outcomes in government and non-profit environments. We enable our clients to achieve unsurpassed results by increasing productivity, reducing costs, and improving efficiencies through our strong subject matter expertise.

### Our Consulting Focus

- Category Management and Strategic Sourcing
- Supply Chain Management
- Procurement Management
- Business Transformation
- Organizational Design and Alignment
- Business Intelligence Capabilities
- Program Management
- Capability Development Programs (incl. training and knowledge systems)
- Total Cost Analysis & Management
- Outsourcing Services

---

***SBA Certified Small Business***

---

## Past Performance - Federal Government

A federal agency established its Strategic Sourcing program in response to Office of Management and Budget (OMB) mandates and agency executive priorities. In order to achieve the desired outcome, it was critical to analyze the spend and using this information make business decisions on acquiring commodities and services more effectively and efficiently.

In order to achieve the mandate, the client organization needed to first understand their entire spend. The legacy systems where the procurement and payable data was captured was never intended to provide spend visibility. In addition, the legacy data sources provided little data on what was purchased in each year.

Privatin assessed the current data and provided guidance on data fields that to be exported from legacy systems. The purpose of this export was to work with Ariba and enrich this data to provide visibility and ability to analyze the spend data. We worked closely with Ariba through the data enrichment process.

The data fields were first cleansed through Ariba's spend analytics tool. The enriched data classified every contract line to a UNSPSC category. Any remaining data was reviewed by the team and feedback was provided to Ariba on the right classification.

The project resulted in a complete analysis and segmentation of multi billion in spend and a re-categorization of spend into market-aligned sourcing categories rather than internal supply codes. By realigning the spend into market-aligned sourcing categories, each commodity team had a better picture of which spend was able to be consolidated and leveraged when competing in the marketplace.

The enriched data was evaluated to gain understanding of the spend by category, by vendor, and by business unit. The reports were able to provide insights on potential savings opportunities with actionable recommendations. With new visibility into each sourcing group the strategic sourcing team was better positioned to perform a more thorough analysis based on factors affecting savings potential and factors affecting ease of implementation which resulted in a wave plan that compares the savings that could be quick wins versus the larger but longer-term opportunities in more complicated categories.

Privatin Consulting, LLC

[www.privatin.com](http://www.privatin.com)