

Solve Complex Business Problems Faster with the Power of Analytics: 6 Steps for Extracting Value Faster

Manufacturing strategies, network design, and inventory management are complex issues that present a myriad of choices and tradeoffs. Developing models and running scenarios can help leaders make smarter decisions. But they need better, faster ways to analyze and understand their data.



Prescriptive analytics provides those capabilities—and the technology is not nearly as daunting as many business leaders believe. TBM uses the following step-by-step process, based on the expertise of our analytics partner, River Logic*, to help companies make more informed decisions. Suggestions from prescriptive analytics shed light on the best course of action in multiple scenarios and help identify the most profitable outcomes. When companies act on those suggestions, the typical value realized is 10-20x ROI.

Here's how you can get started using analytics to make smarter decisions and transform into a more efficient, more profitable enterprise.

1

Define the Problem & Articulate the Desired Outcome

The value statement informs the overall vision for the project. To develop it, plan to interview and/or conduct workshops with subject matter experts in order to:



Define the problem



Estimate the value opportunity



Envision the solution

2

Understand Constraints & Gather Data for Modeling

When you have a clear understanding of what you hope to gain through analytics, you can begin creating a plan for mining the data needed to build an effective problem-solving model. This model will allow you to:



Identify the drivers that affect performance



Identify where that data lives within your business system



Determine what data exists related to those drivers



Identify the parameters or constraints that limit your ability to access data and move forward

3

Run a Proof of Concept

A proof of concept, which typically takes about two to six weeks to complete, firms up the value proposition and provides clarity around full implementation requirements. During this step, you will:



Identify a subset of the problem and develop a high-level model to test the value proposition



Map out planning and performance management processes to support the initiative



Complete a test run to analyze scenarios and interpret results



Develop a solid understanding of effort, cost, and target ROI for implementation

4

Implement the First Application

Leveraging the work accomplished during the proof of concept, you are now ready to put prescriptive analytics to work on your larger business issue. Power users and subject matter experts should be very involved in this step, during which you will:



Design the full scope of the application, including the business planning process



Run selected scenarios to demonstrate value



Build out the model and validate against a relevant time period

5

Configure the Solution

Using the model completed in the last step, the team can now flesh out the solution and fine-tune the user experience. During configuration, the team will:



Develop and integrate data from other systems



Complete technical testing



Establish business processes and workflow



Train key users



Develop the user interface



Fully implement the solution

6

Make Bolder, More Confident Business Decisions

Once your model has been validated, your leadership team can confidently make strategic decisions and pursue the best possible course of action. With the help of a new analytics platform, leaders can more easily guide your business in new directions that will ultimately optimize performance and value, allowing you to:



Capture learnings



Create a go-forward improvement plan



Quantify breakthrough opportunities revealed by the model



Identify the next area of need and start modeling

*River Logic is a solutions partner for TBM Consulting Group. The company's prescriptive analytics and planning platform allows organizations to reveal undiscovered insights across all silos with prescriptive analytics. We like River Logic's easy-to-use interface and blend of operations and financial insights to help our clients make better and faster decisions.

Ask better questions to get better answers. See how prescriptive analytics combined with process rigor can inform your most critical business decisions.

DISCOVER THE POWER OF "WHAT IF..."

SPEED WINS EVERY TIME

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We push the pedal down in your operations to make you more agile and help you accelerate business performance 3-5x faster than your peers.