Preconference III: Taking Data to the Next Level

Exploring the Analytics Maturity Model: Capitalizing on your Investment in Aggregate Spend

21 October 2015

Building a better working world

Agenda

Aggregate spend: History, challenges, opportunities

Analytics maturity model

Use case #1: Descriptive analytics

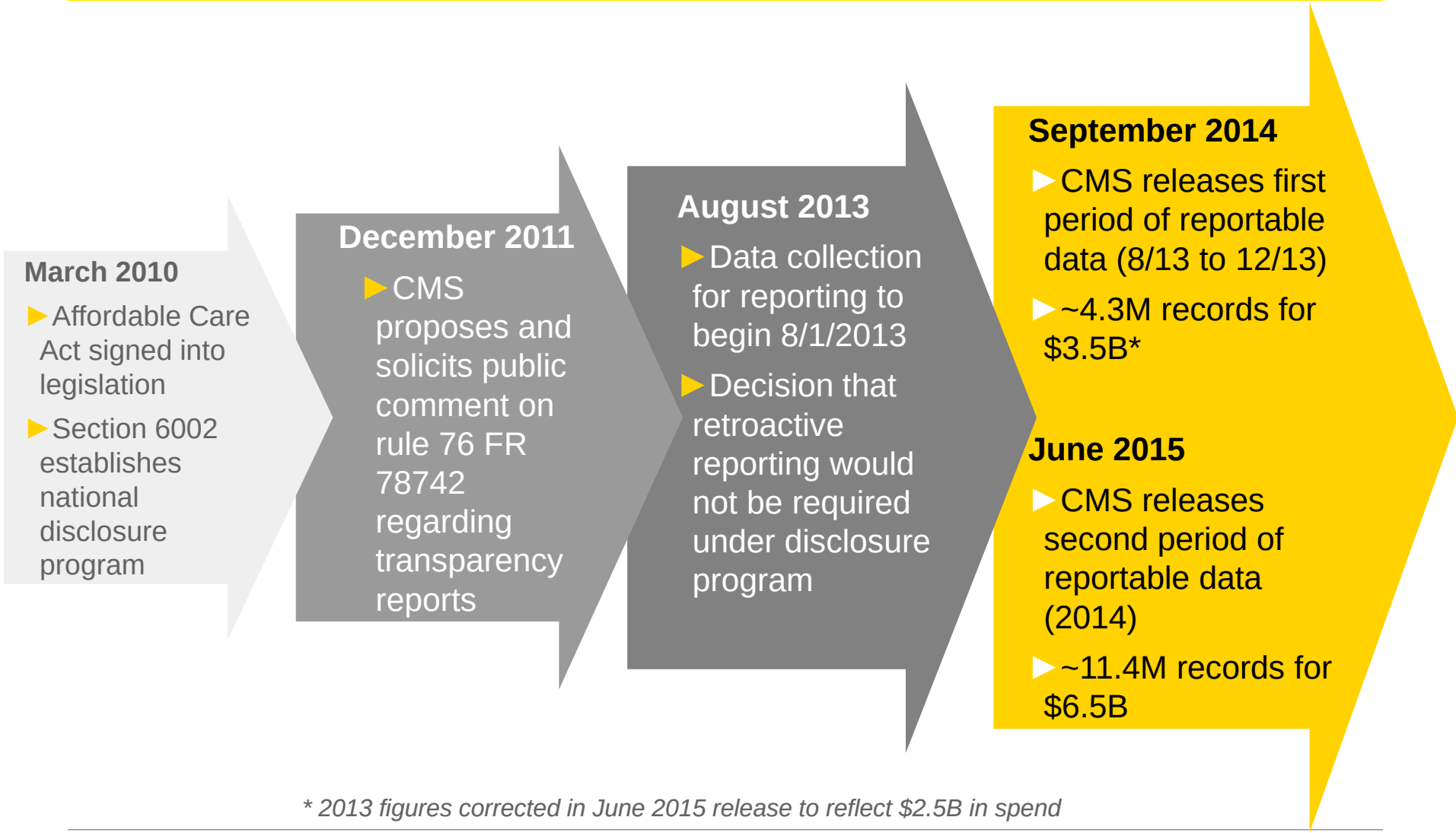
Use case #2: Predictive analytics

Use case #3: Prescriptive analytics

Establishing a framework for analytics

Aggregate spend: History, challenges, opportunities

A brief history of aggregate spend



** 2013 figures corrected in June 2015 release to reflect $2.5B in spend*

Implementation challenges for Life Sciences companies

- Disparate data systems and records used to support many facets of organization
- Sheer volume of data to be aggregated, cleansed, and prepared for reporting
- State by state variations in addition to federal disclosure requirements
- Substantial investments of time and money for both internal and external resources

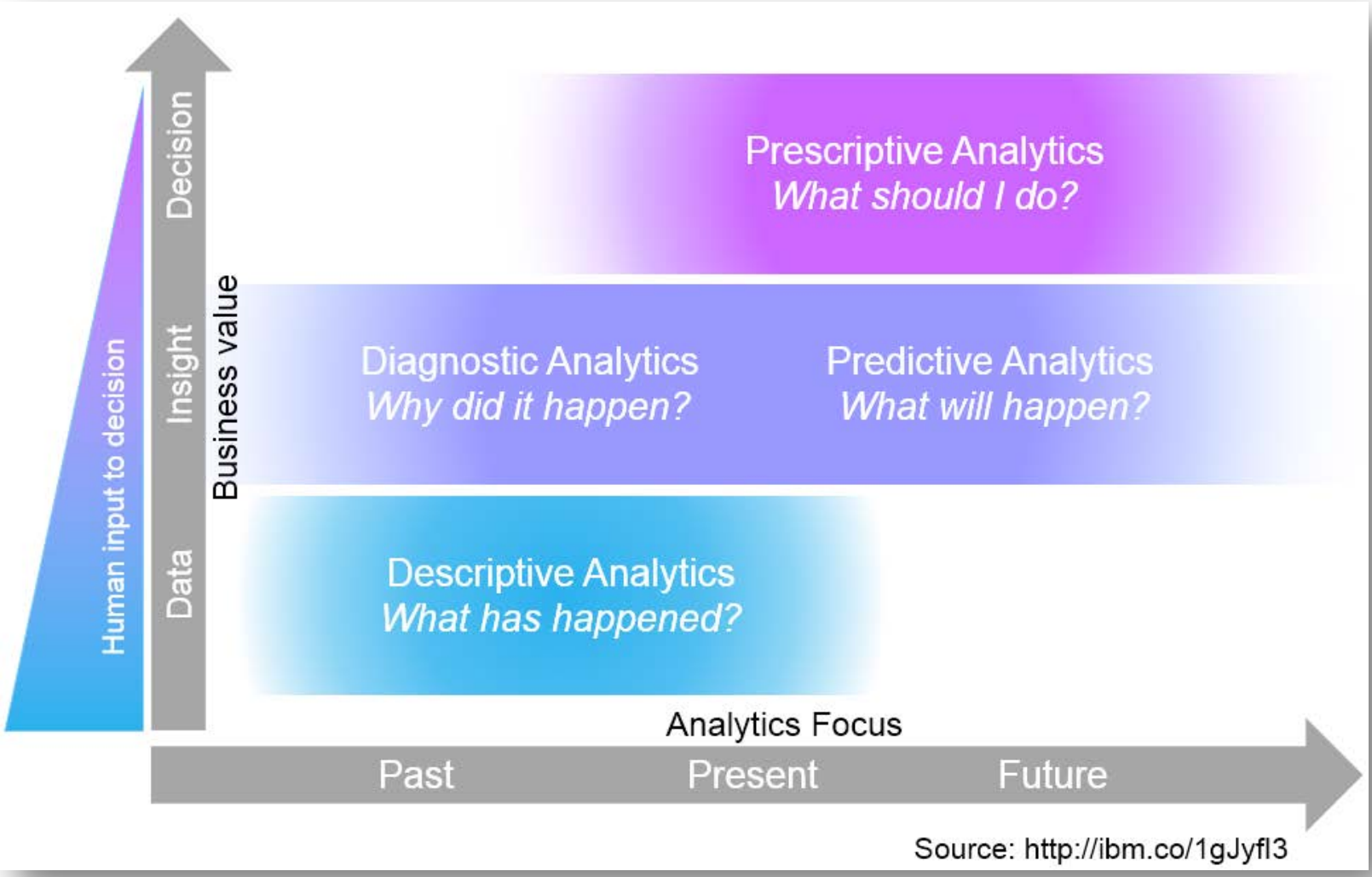
Capitalizing on your investment

- Data is now more accessible than ever before, allowing Life Sciences organizations to:
  - Manage public perception and protect themselves from reputational risks
  - Benchmark with their peers and learn about their competitors
  - Partner with business stakeholders to bridge the gap between compliance concerns and business insights

  - ***More efficiently and effectively predict, detect, and mitigate risk across the organization***

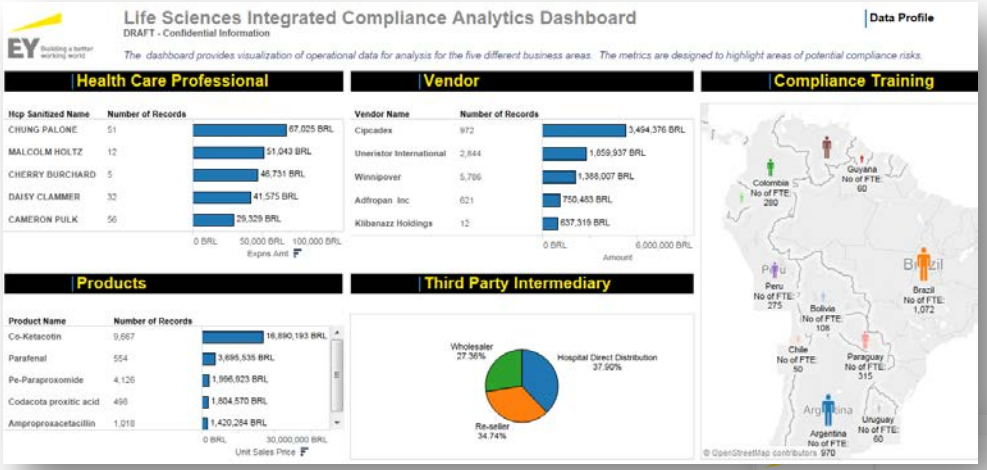
Analytics maturity model

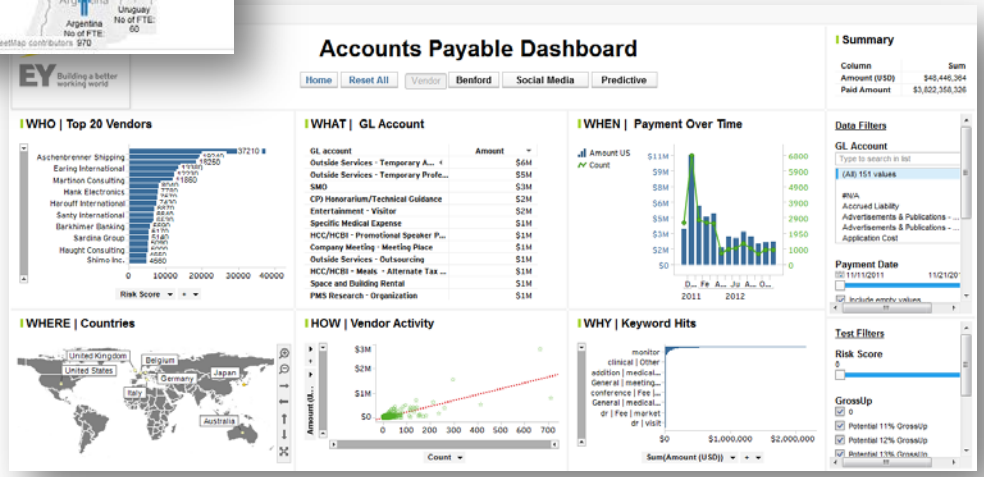
Analytics maturity model



Use case #1: Descriptive analytics

An effective descriptive analytics deployment typically will result in the consolidation of large, disparate data sources in a manner that provides Compliance and business stakeholders a clear line of sight into how transactional activity is distributed by entity over geography, time and other categorical dimensions.

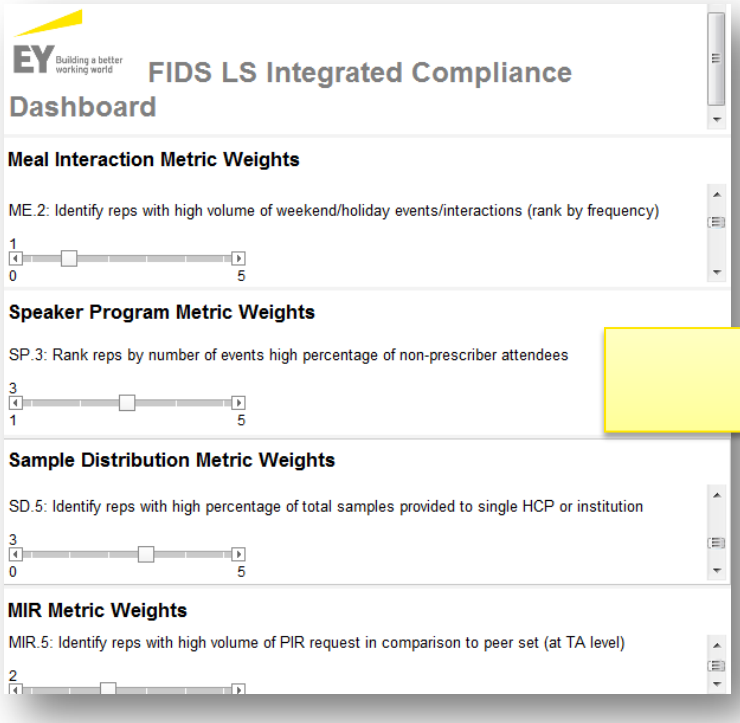


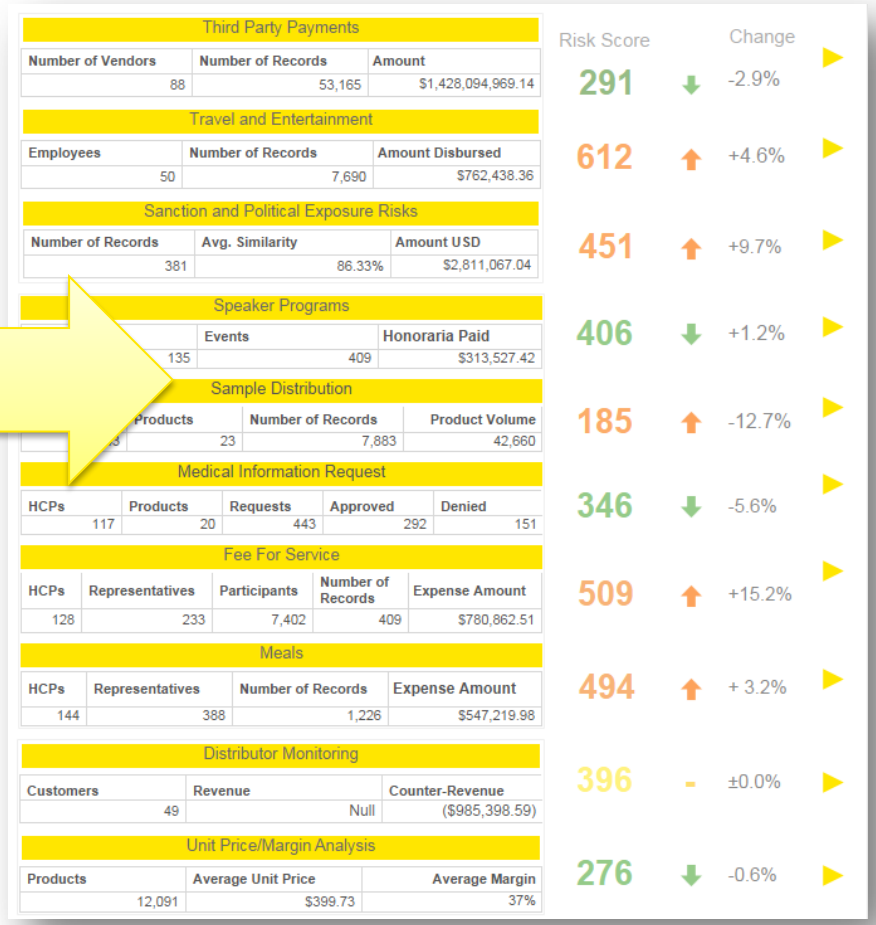


Typical descriptive analytics deployments will aggregate multiple data sources across the business , while also providing the ability to drive down into the details of a single data source.

Use case #2: Predictive analytics

Predictive analytics will leverage insights, for example those identified during descriptive analytics, to define and test against specific metrics that allow end users to predict outliers and items for further review in an automated and repeatable fashion.

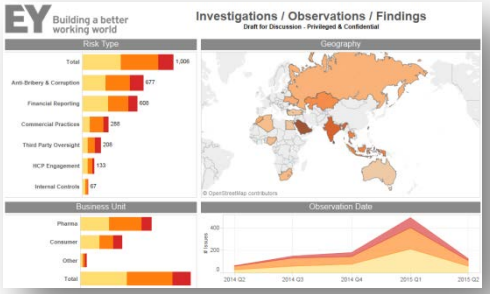




Defined metrics are weighed in terms of significance to the overall model to develop and trend risk profiles across activities over time.

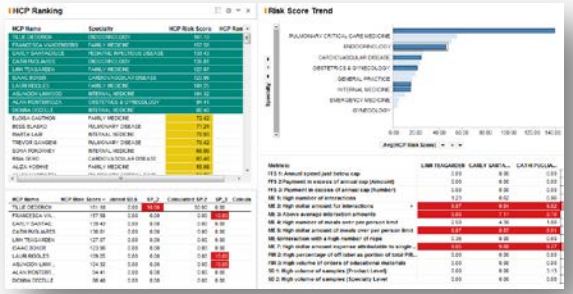
Use case #3: Prescriptive analytics

WHAT HAPPENED?



Descriptive analytics used to understand what historical issues are most prevalent within the organization. For example, in Q1 of 2015, customer interaction violations represented the highest number of observations for your field force.

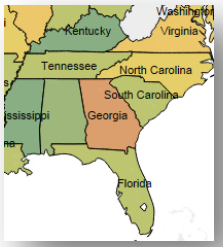
WHY DID IT HAPPEN?
WHO WILL BE NEXT?



Predictive analytics developed to flag interactions between employees and customers that have higher probability of violation. For example, employee's who sample Obesity related products and have two or more incomplete training courses represent a higher risk of violation.

WHAT ACTIONS SHOULD WE TAKE?

Outcome #1: Predictive analytics overlaid with sales territories indicating who should receive training

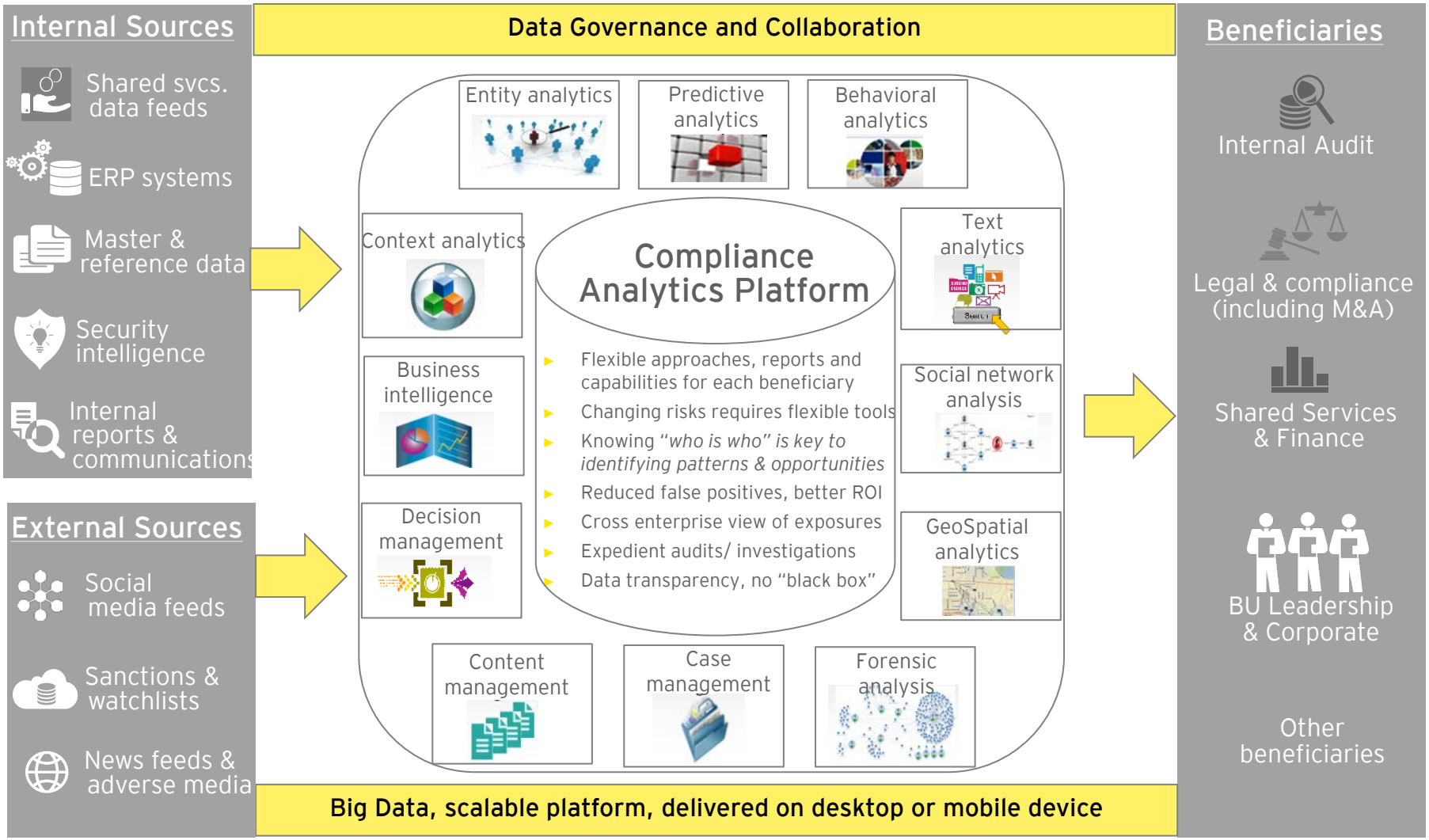


Outcome #2: Employees tiered by level of risk with corresponding controls implemented, i.e. top tier of employees placed on close monitoring plans.

Representative Full Name	REP Risk Score	REP Rank
VICTORIA GIBSON	161.97	1
GLENDA FRAZIER	156.49	2
MARCELLA LINDSEY	148.84	3
GABRIELLE LOWERY	147.29	4
SUSANNE ROBLES	143.49	5
URSULA HENSON	117.08	6
BROOKE MALONE	115.90	7
ELVA MCCLAIN	113.71	8
SALLY PIERCE	111.16	9
CAROLYN PEREZ	110.83	10
AVA BLANCHARD	107.82	11
ADA HARDY	106.68	12
MARSHA DOUGLAS	104.08	13
MARGO KENT	103.76	14
MARIE TURNER	99.71	15
CORINNE FISCHER	98.42	16
SHELIA STRICKLAND	98.02	17
COLLEEN BURTON	97.19	18
LEANN BLEVINS	96.56	19
PRISCILLA LOWE	95.76	20

Establishing a framework for analytics

Putting the appropriate approach in place



Components of a successful compliance monitoring program

CONSISTENCY

Develop a consistent monitoring approach

FOCUS

Improve the depth and breadth of monitoring with a forensic perspective and risk-based targeting (*beyond just policy compliance*)

GOVERNANCE

Establish a governance model to identify issues, report results and track remediation across the business, ensuring the appropriate actions are taken

SPONSORSHIP

Partner with the business to solicit sponsorship at the onset and drive value beyond the Compliance organization

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