



ENABLING A DATA-DRIVEN CULTURE

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Why enable a data-driven culture?

Over the last decade we have seen organisations collecting increasing amounts of data without unlocking the enormous value contained in that data. That value can include:

- better understanding of the drivers of key outcomes within the organisation
- improved marketing or more focused funding discussions
- much stronger evidence-based business planning and advocacy
- Improved business performance over the long run

Many of the above are particularly valuable in organisations where there are funding cross-subsidies, typically subject to government funding agreements.

Intelligent analysis often supports existing practical intuition but quantifies and evidences it in a way that allows Organisations to better understand the real value of the data they collect and use that data to improve business performance.

Increasingly, new insights are being found and ways to extract value from data with insights able to be delivered with more certainty as more data is collected. Even using the same data, new processing power or new ways to construct analytics can enable organisations gain new and increased value from their existing data sets and data holdings.

What is a data-driven organisation?

Put simply, being data-driven means driving informed decisions based on real-world, accurate data as opposed to relying on intuition, ideology or over-reliance on recent history. Often data analysis will provide evidence that backs existing intuition or ideology and can put recent history in context. This itself has value, making it possible to support intuition with objective facts and to gain support.

There are four key hallmarks for data-driven organisations:

1. Creating a culture and structure that uses data and analytics to drive change and make better decisions
2. Moving beyond descriptive and diagnostic analysis to become predictive and prescriptive
3. Using subject matter experts, particularly in the finance, data analytics or actuarial fields
4. Relying on fewer metrics and more effective prioritisation based on business needs

Why should organisations become data-driven?

The benefits of being data-driven include:

- smarter, faster and clearer decision-making with a basis for any decision reduced costs over the medium to long term
- improved productivity
- increased competitiveness

How can we become data-driven?

Understanding the value of data is the first step towards becoming a data-driven organisation. Putting data at the centre of the organisation requires a strong top-down leadership approach. It can sometimes be important to get quick wins on the board that can be easily attributed to the use of data which can demonstrate that a data-driven approach works. There can be value in putting the right tools at the fingertips of decision-makers so that they can act on the insights that data analytics delivers. This includes frontline staff who deal with customers and partners, as well as back-office staff in finance and operations.

While there is no question that many organisations have already found value in their data, some others benefit from an independent review or expert advice. PFS Consulting count among our core strengths: data analytics, and actuarial predictive modelling. We combine this technical expertise with industry leaders in the fields of healthcare, finance and insurance, and not-for profit organisations and build deep relationships with our key clients.

Case study:

CHANGING LIVES WITH BARNARDOS AND PFS CONSULTING

Barnardos Australia had implemented a case management system aimed at capturing data for vulnerable children entering the care system under the age of five years. They had several case management practices based on social research and decades of experience.

Using the expertise of PFS Consulting, Barnardos Australia were able to change their service agreements with the NSW government. There was a focus on better funding their key strengths leading to significantly improved outcomes for many children in NSW Out of Home Care. It was believed that government funding of their programs was poorly targeted with significant cross subsidies across their practice areas. PFS Consulting therefore looked at the requirements for issuing a social bond, which involves a return to an investor based on the government's acceptance of the lifetime benefits of a child being adopted.

The Barnardos 'Find a Family'(FAF) program has grown significantly. As of June 30 2017, FAF has 248 children in care. During 2016/17, FAF facilitated 43 adoptions with these arising from younger-aged placements since funding arrangements were changed in 2012 to focus on children under 5 years of age. Of the 186 entrants to the FAF program aged less than 5 years old at entry since 2012, 63 have subsequently been adopted, with early years tracking upwards of 60 per cent of entrants having been successfully adopted.