

Life Sciences Industry

Getting medical devices to surgeons faster and identifying new markets with smarter analytics

When a surgeon needs one of The Company's medical devices for an urgent case, the company may need to move inventory from one hospital to another in a matter of hours – or risk losing the sale to a competitor. By providing instant insight into operational data, IBM Analytics is helping The Company solve this and other key business challenges, fast.



Business challenge

The Company wanted to be able to seize sales opportunities in new territories, improve inventory management, and increase control over its data with a more comprehensive analytics platform.

Transformation

Cresco International helped The Company build a centralized analytics solution that provides instant insight into financial, operational and market data, helping users make smarter, faster decisions.

Results

The solution boosts inventory visibility, helping to deliver products faster and lift sales, while market insight reveals new sales opportunities, and better data governance facilitates compliance.

Taking a proactive approach

The medical devices industry can be a particularly challenging environment to succeed in. Device manufacturers not only need to invest in continuous innovation to keep their products ahead of the competition; they also face significant operational challenges.

Director, Reporting and Analytics at The Company, gives an example: “When a patient needs urgent surgery, there is no time to waste: if a surgeon can’t obtain the type of device they need from their preferred supplier within hours, they are likely to order from a competitor instead.

“At The Company, we keep our devices as close to the end-user as possible, by storing inventory at each of our client’s hospitals. If one hospital runs out of

stock, we need to find the next nearest hospital that has spare inventory, and send the required device as quickly as possible.”

To respond to these types of inventory management challenges effectively, The Company needs good visibility of where its products are, how many units each hospital has in stock, and what the use rate is. However, until recently, a lack of real-time insight into inventory made it difficult to manage.

“When we needed to get a particular device to a hospital quickly, our customer service team had to call nearby hospitals to check whether they had spare inventory that we could move,” explains the Director of The Company. “It might take hours to find the right consignment, and up to three days to deliver it to the surgeon who needed it.”

He continues: “In addition to inventory management, we also saw a number of other areas where greater visibility would give us a significant advantage. For example, we had a clear view of our existing customers and their needs – but what about other hospitals? Were they doing the types of surgeries that could benefit from our devices? Who were they buying from, if not us? Where were the opportunities for us to win new business?”

The Company decided to rationalize and centralize its analytics landscape, replacing a number of desktop-based tools with a single platform that would increase operational visibility, while also enhancing data governance and facilitating compliance with Sarbanes-Oxley (SOX) and other regulations.

Building a comprehensive analytics platform

One of The Company’s key requirements was to build its new analytics environment on a platform that was easy to integrate with its main operational systems, which include Microsoft SharePoint for sales management, Oracle E-Business Suite for enterprise resource planning (ERP), Vertex for tax management and Concur Expense for expenses management. IBM® Cognos® Business Intelligence proved to be an ideal solution from this perspective.

“We had been using Cognos as one of our analytics tools for some years, but this project was the first attempt to harness it as a truly comprehensive central reporting platform,” says the Director. “We were impressed by the efforts that IBM has made to work with other vendors and support most of our key business systems out of the box.

“In particular, SharePoint integration was crucial for this project: to help our sales and customer service teams adopt the new analytics tools we were developing, we needed to make them available within the SharePoint portal that they use every day. Now they can seamlessly click through from SharePoint to Cognos and see a range of vital reports, dashboard and metrics instantly.

“We are also keen to use Noetix to accelerate the development of reports from our Oracle ERP system in Cognos – the ability to use best practice reporting

templates instead of building everything from scratch will be a major time-saver.”

To deliver the project successfully, The Company needed to upgrade its existing version of Cognos, and leverage several of the new features of the latest version. Cresco International, an IBM Premier Business Partner, was chosen as implementation partner.



“We had met Cresco at a Cognos user group meeting, and we were impressed with their attitude, knowledge and approach. We initially engaged with them for technical support, and when the migration project came up, we asked them to help,” says Director. “They have been fantastic – they really helped us understand the new features available in the new version, and how to get the maximum benefit from both the software and our data.”

For example, The Company is now using the Cognos Event Studio to deliver alerts to users when specific metrics hit important thresholds or particular events occur. This helps to make The Company more proactive, and also helps to automate tasks that previously required

manual intervention from the company’s analysts.

With Cresco’s help, The Company has also been able to leverage new mobile capabilities with Cognos – enabling its sales teams and executives to access interactive reports on their smartphones and tablets while they are on the road.

Director adds: “We are now working with Cresco on a project to add mapping capabilities to some of our dashboards, via integration with Esri software. Cresco is an Esri partner too, and they have shown us some impressive demos of what can be achieved.”

Smarter inventory management and new sales opportunities

With the new Cognos solution in place, The Company has transformed the way it handles inventory management at its clients’ hospitals.

“Instead of calling a dozen hospitals to find a spare device that we can send to a patient who needs it, our customer service team can instantly see the stock levels of each product at each hospital, updated every 30 minutes,” says the Director. “They can make the right decision immediately, and generally deliver the device to the surgeon within a few hours.

“That means we avoid lost sales, surgeons can go ahead with their operations sooner, and patients can be confident that they’re getting the best possible care – it’s the best outcome for everyone.”

From a sales perspective, The Company has also been able to use the IBM analytics platform uncover new opportunities for its sellers. By combining its own historical sales data with new sources of external market data, the company can not only gain deeper insight into the purchasing patterns and trends of its existing clients, but also see which other hospitals and health systems are good prospects for new business.

Director comments: “The use of market data has really expanded our horizons: we can see where we’re not currently selling our products, and identify opportunities to win new clients. This is going to be even more powerful when we integrate the Esri mapping tools – they will give us a very intuitive way to visualize both the U.S. and international markets, spot gaps in market penetration, and help our sales teams beat their targets.”

Finally, by imposing a more rigorous approach to data governance, the Cognos solution also makes it easier for The Company to audit its reporting processes and demonstrate compliance with SOX and other regulations.

“We can be fully confident that our reports define all the key

with the data or accidentally introduce errors during the reporting process,” says the Director of The Company.

“Our sales and customer service teams can now seamlessly click through from SharePoint to Cognos and see a range of vital reports, dashboard and metrics instantly.”

To build on the successes it has already achieved with this project, The Company is already planning its next move.

“My background is in data science, and I see a lot of potential to use predictive analytics not only to increase operational efficiencies, but actually to grow the business,” concludes The Company Director. “IBM’s roadmap with Cognos Analytics seems to be moving in the same direction, which is very exciting. We are also talking to Cresco about other IBM technologies such as CPLEX for inventory optimization. Now that the business has found its appetite for analytics, we want to maintain the momentum and really transform the way we operate.”

About The Company

The Company is a Publicly held Dallas, Texas based Life Sciences Company. It is a diversified, global medical device company focused on improving patients' lives by providing superior reconstructive and regenerative orthopedic and spine solutions to physicians worldwide. Headquartered in Texas, the company has four strategic business units

that include BioStim, Biologics, Extremity Fixation and Spine Fixation. Its products are distributed in more than 50 countries around the world via The Company sales representatives, stocking distributors and subsidiaries.

About IBM Business Analytics

IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

Take the next step

Cresco International, headquartered in Dallas, TX, is an IBM Premier Business Partner with deep technical and functional skills in IBM Analytics technologies. Cresco acts as a trusted advisor, complementing its clients' business knowledge with the technical know-how, industry expertise and global reach required to take their businesses to the next level.

To learn more about services and solutions from Cresco International, please visit www.crescointl.com.