

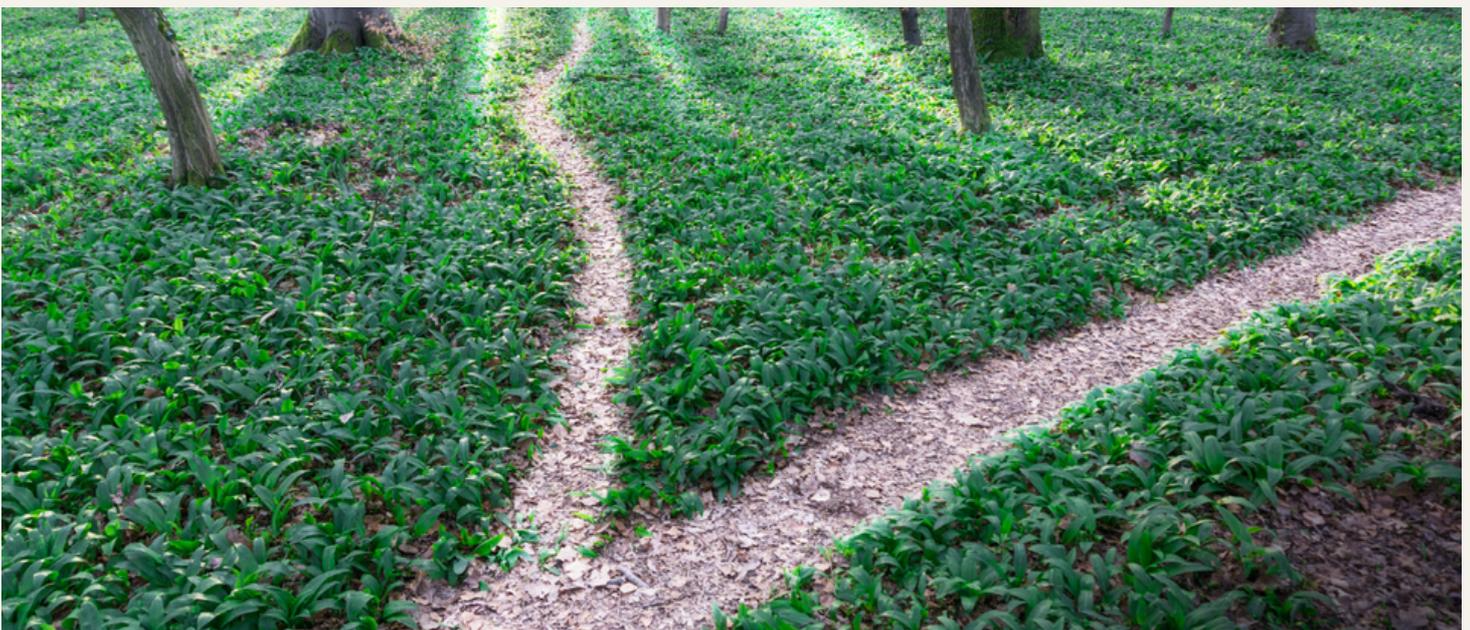
How data integration can support decision-making in the international business assessment process



Decisional business processes are facing several challenges coming externally and internally to the companies. Never mind if the subject to be evaluated is a customer or a supplier.

The market is required to be very quick in making decisions with the aim to meet economic targets. Strictly linked to this point, companies are obliged to define automatic flows based on pre-defined rules. In such a scenario, a specific challenge is how to guarantee accuracy combined with speed. There is of course a specific point related to technological tools that must be efficient but it's not enough. ERP can help in business processes if fed by a combination of internal data and data providers ones. Only in this way, the automatically generated decision can be based on inner experience and external and objective information.

This challenge is particularly complex if the subjects to be evaluated are located everywhere in the world. In fact, different local legislation can generate discrepancies in data availability and affect the overall process in terms of timing and effectiveness in a standard and automatic process.



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To summarize, there are some topics that must be in some way linked to each other: starting from market competitiveness and quick decisional processes, then efficiency and organization, data quality, automatization, and integration.

Market competitiveness is marking the current economic scenario with challenging targets. Win a new customer or having on board a new supplier, require a decisional process in which efficiency and speed are playing a very important role. How to achieve this ambitious target? Having an efficient decisional process requires a robust rules definition in which different market requests are satisfied. Decisions are different from one to another but at the same time is possible to create common guidelines that can be followed achieving a high automatization level where possible. Automatization is connected to speed as decisions can be taken very quicker if based on manual processes.



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It's not a simple matter of identifying the tool for automatization, it's a matter of re-organizing internal flow, deciding how to face different scenarios, and understanding which ones can be standardized and which ones must be fully analyzed. If a company is acting in different countries, means also understanding the type of model to follow: centralized decision or de-centralize decisions using common rules. It's clear that is also a governance decision in which companies have companies with branches in different countries in the world. At the same time, being able to answer as quickly as possible to market requests is a key critical success factor. Then, of course, being efficient and effective must consider a focus requirement in every organization all over the world.

It's a fact that companies based in multiple countries are organized with department located in more than one nation and not only in one of the headquarter. In this case, it is necessary to guarantee at the same time market proximity and consider cost control thinking to de-localization in countries where labor cost pressure is low. In such a model, there is a presence of different local competence centers or specialized departments with central management in one country and operational staff in other countries. It's clear that in these cases, despite the fact that the same process involved professionals located in different countries, to implement the same business model, it's required to follow the same decisional steps. The assessment of a customer or a supplier must follow the same criteria despite who and where the decision is taken. It's not an easy exercise, but can be put in place if the information available and tools available are homogenous. If complex structures located in different countries, and not only big businesses, are using common IT solutions to help in the management of customers or suppliers, it's very often an open point how to guarantee a similar flow in identifying and using external information to apply in decisional processes. In fact, if it's years and years that companies are using ERP to standardize the assessment process, they're facing difficulties in having a high-quality set of external evaluation information embedded in their own ERP.

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Different priorities inside the company generate very often a very low focus on finding out high-quality business evaluation data ready to be embedded in IT systems allowing to take a robust decision. Having an efficient ERP system is mandatory, but if the decision is to exclude external data, or the system is showing some issues in integrating internal information with external information regarding a business, it's not achieved the target of having a strong, shared, efficient and common system everywhere in the world process.

Reliable business decisions can be taken only if based on high-quality data. It's not simply a matter to have the same information for different countries that in any case an aspiration not achievable for different legislations and real data available, but the challenge is to identify the best data available. Only in these cases is possible to have the right confidence level. It means being in the position to access not only historical and internal information but also independent, external, and objective data.

Too often companies regarding a decisional flow underestimate how important the availability of best-in-class quality information related to their business partners is directly integrated into their own IT systems achieving higher efficiency.



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Considering this last point there are two aspects to consider. The first one has been already partially discussed and it's related to the aim to guarantee the same evaluation process despite where the decision is taken to follow assessment policies defined at the central level. The second one is related to how the decisional process can be organized. If a common ERP system is available at a worldwide level, if there is a well-structured and shared evaluation policy if internal information related to a business partner is available when possible and finally there is integrated access to external information, it's easy to move forward to the automatization of the overall flow. Pre-defined decisional rules related to business partner profiles combined with both internal and external information allow defining how to proceed regarding a particular decision. The aim isn't simply automatizing the process for all decisions but to use automatic rules for cases simple enough to get the answer from the system. It means saving time and resources for those cases that are requiring more attention and are not eligible for an automatized decision. This approach has as a final result being more efficient in concentrating with higher attention on cases that are requiring additional evaluations and avoids spending time on cases very easily with a simple outcome. This an exercise that companies everywhere in the world must consider very seriously as the results are also related to a quicker response to the market with connected better competitiveness.

As response time, both in terms of approval of a new customer or a decision related to a supplier with the introduction in the supply chain as quickly as possible, is more and more a critical point, a system able to optimize decisional processes is one of the key factors regarding companies working with different countries.

To summarize, data integration into an international decisional process means taking into account several aspects, apparently independent ones of each other but with a better analysis strictly interconnected.

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First of all, have a very clear decisional policy for both customers and suppliers. Decide when a case can be approved, when rejected, and when further analysis is required. The decisional policy must consider several aspects related to the business itself but, in any case, must be applicable to all bodies required to take a decision, despite location. A good decisional policy must have mechanisms able to alert if a revision is required. A decisional policy it's necessary for every company, but it is mandatory if the management of the decision is central but the operational side is de-centralized. And it's the only method to guarantee a homogeneous outcome.

The decisional policy is the main pillar: without it, IT solutions itself, even if very sophisticated, cannot drive an efficient assessment process.

Combined with the decisional process, adopt the right ERP system able to deal to customers or suppliers from the acquisition, to the management, to assessment policies, to development.

In a business partner evaluation process, ERP must combine decisional policy rules and information related to a business partner. If the customer or supplier to analyze is already in the portfolio, past history can be a good starting point for the assessment. But it's not enough: external information is crucial in take a decision based on the profile of the company. Starting from firmographic information, moving to assessment, financial indexes, company structure and management, and negative events. Described information is crucial for businesses located everywhere in the world, both for existing partners and new ones. Even if data availability is strictly linked to local availability and legislation, to take a safe decision is crucial to have access to this information.

Having a robust decisional policy process embedded in the ERP system allows take a great part of the assessment automatically and a small part of them with further analysis.

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Again, decisional policy process availability is something that companies have in place, ERP systems are accessible in great parts of the companies with different levels of sophistication, performance history of a partner already in the portfolio is stored. But external business information isn't something used by all companies and then is less frequent that this information is embedded in ERP. Without a robust system of external business information, it's clear that also the implementation of an automatic decisional system isn't reliable as too much is affected by opinion instead of facts.

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Thanks to SkyMinder it is possible to embed best-in-class business information at the worldwide level into ERP systems. SkyMinder is CRIF platform for in-depth credit and financial data on companies all over the world. API capabilities allow access to SkyMinder solutions coming from 40 providers in the world and are able to cover every assessment need. From credit and financial risk to company structure and ownership definition, anti-bribery, corruption and financial crimes assessment, and cyber risk attacks. Solutions available via SkyMinder are:

Full Report and Slim Report: Information, with different levels of detail, related to all companies in the world, including firmographics, credit limit, risk indicator, management, shareholders, negative events etc.

Full Monitoring: Detailed information about changes affecting a company as soon as happened. Combined possibility to request a free updated report.

Alert: Information related to the area involved in a change as soon as an event happened.

Planned Revision: A scheduled revision with an updated report including the company's changes if applicable

Verification Report: List of shareholders to understand the company's structure

Compliance Report and Extended Check Report: Anti Bribery and Money Laundering lists checks related to financial crimes.

Cyber Risk Report: Assess the level of risk related to a business partner being involved in a cyber attack

Thanks to SkyMinder API capabilities, SkyMinder solutions are available in the most popular ERP systems in place for credit and financial evaluation like SAP/4 Hana Cloud for Credit Integration, Dynamics, Salesforce and Ready4 Credit Management Integrated in SAP, Credity.

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SkyMinder API is designed to support interoperable machine-to-machine interaction, where a client can access the company data in a fully integrated mode. API can be called by various programming languages and provide flexibility to get information, import, edit, and represent data based on client needs.

API is available in two different web service technologies, one SOAP XML and one REST JSON, both covering all services. The client is free to choose who better fits with its local framework.

API functions are designed to provide a simple and standard integration experience across countries. Normalized domains and online configurations provide the client a full set of instructions to support the different countries' specifications with low implementation impact on the client side.

Web documentation, accessible via secure authentication, provides use cases and collection projects ready for download and use in most common webservice formats (swagger, SoapUI, Postman) and speed up the analysis and integration process.

API services allow optimizing elaboration time, supporting dedicated tasks to deliver structured data and PDF generation, with final result of better user experience.

