

RSM'S GUIDE TO ADVANCED DATA ANALYTICS

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

CONTENTS

1 Introduction

2 Business use cases for advanced data analytics

3 Advanced analytics success stories

4 Telecom: CellSite Solutions

5 Food and beverage: Bare Snacks

6 Financial services: Argo Group

7 The future of analytics

8 Conclusion

› Advanced data analytics: A new frontier

Before deep-sea exploration, our vision of the world was limited. We only knew what we could see or experience, yet an entire ecosystem lived beneath us with the promise of new medical therapies and vaccines, food, energy and more.

Today's modern equivalent of deep-sea exploration is advanced data analytics.

Advanced data analytics applies intelligent statistical methods, such as machine learning and predictive modeling, to data. This application enables people to uncover new insights and market trends that improve business performance.

Data has become an incredibly valuable asset because of advanced analytics, and the availability of data grows with every digital transaction, action, interaction and record. While using cloud services and the Internet of Things (IoT) networking, just about any type of operation can collect relevant, real-time data for advanced analysis or sell through syndication to others who want to analyze it.

In a virtuous cycle, with more data and more types of data come more meaningful analysis and new opportunities for discovery.

> BUSINESS USE CASES FOR ADVANCED DATA ANALYTICS

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

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Product development and personalization



Product-centric companies are using advanced data analytics to help create new products and services, as well as improve product performance through proactive predictive maintenance. For example, in retail, businesses use **behavioral analytics and automation** to optimize customer experiences in real time with personalized content and offers.

2

Product tendency



Advanced data analytics applications can consolidate and analyze customer data from multiple sources, such as syndicated data, customer relationship management and enterprise resource planning systems, social media and marketing campaigns. Businesses can use these insights to refine customer segmentation and channel distribution, which in turn can boost product performance, improve sales and manage production costs.

3

Automated detection and prevention



These advanced capabilities are now embedded in **cybersecurity products and services** to help fend off hackers; supply chain management applications to diagnose bottlenecks; and physical security services, such as drones, to provide building monitoring or to reach dangerous areas safely in the event of a disaster.

4

Intelligent forecasting



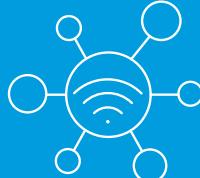
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Site and capacity planning



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Emerging risks



Many organizations use advanced analytics to analyze their past opportunities, successes, misses, win rates and other criteria to create a recommended forecast and provide insights that help their sales teams take actions that improve sales strategies and increase wins. Applying advanced analytics to supply chain data can help a business forecast trends and model scenarios that optimize resilience.

Capital-intensive companies, such as industrials and retail chains, can achieve the right balance of demand and supply by considering the relevant aspects of production, including workforce, local regulations, infrastructure and suppliers. This can be particularly important as remote work becomes more common and as more weather-related events unexpectedly disrupt operations and supply chains. Understanding the right balance of physical assets for current demand—and making decisions that enable agility for changing demand—simply can't be effectively achieved without advanced analytics.

Risk management, compliance and audit functions use advanced analytics to identify emerging risks or changes to existing risks. This identification can come from internal sources, such as challenge models applied against risk self-assessment programs, or external sources, such as text analytics against data scraped from an internet site. Ultimately, such procedures allow organizations to identify, quantify and manage these risks more quickly before they snowball into more serious issues.

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- 3
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- 5
- 6
- 7
- 8

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- 2
- 3
- 4
- 5
- 6
- 7
- 8

Previously, only large enterprises could afford the people and technology resources needed to harvest the benefits of advanced data analytics. Today, middle market companies can use advanced data analytics as part of their core business applications, such as ERP and CRM and even tax data platforms.

For example, users of the Microsoft Dynamics 365 customer data platform can access Microsoft Dynamics 365 Customer Insights. This solution enables business users who aren't developers to easily tap into artificial intelligence (AI) and apply data analytics to discover new insights about customer behavior, predict customer outcomes and then optimize responses. It can also accelerate the sales cycle as customers are more informed and can make faster decisions.



ADVANCED ANALYTICS SUCCESS STORIES



TELECOM

CellSite Solutions



FOOD AND BEVERAGE

Bare Snacks



FINANCIAL SERVICES

Argo Group



1

2

3

4

5

6

7

8

Telecom

CellSite automates analysis of equipment's lifetime value

CLIENT

CellSite Solutions is a leading provider of used telecom equipment, products and services. The company purchases used and surplus shelters that house telecommunications equipment for towers from a variety of sources, refurbishes them and then resells them at a fraction of the cost of new hardware.

THE CHALLENGE

Prior to the pick-up process, CellSite auditors would have to travel to each of the shelters and manually input information on available equipment in a spreadsheet template. But employees weren't filling out all the fields consistently and often used different terms in different areas of the spreadsheet.

THE SOLUTION

CellSite partnered with RSM to automate the site audit process by developing a new application platform. The new application directs users to take a picture of a specific feature of the shelter, then immediately uploads it into a predefined slot in SharePoint. The platform helps create a more effective vision of the equipment throughout its life cycle, making comparisons quicker and easier.

Advanced analytics are then applied to data that flows from customer systems, such as CRM, to give CellSite visibility into what types of features customers are looking for from shelters, which shelters are selling better and what really drives value for the business.

Perhaps most importantly, the tool significantly increases efficiency for CellSite's site auditors, driving an overall increase in profitability. The company currently performs roughly 400 audits per quarter, so performing the process as quickly and as accurately as possible is of critical importance.



Food and beverage

Bare Snacks lays a foundation for advanced reporting

CLIENT

Bare Snacks manufactures healthy snacks, including dried apple, banana and coconut chips. Based in San Francisco, the company was founded more than 10 years ago by a family of farmers in Washington state. In the past decade, it's experienced significant growth with distribution across the country, including with several major retailers.

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- 2
- 3
- 4
- 5
- 6
- 7
- 8

THE CHALLENGE

Bare Snacks began to build a domestic accounting department from scratch and implemented [NetSuite](#) to help increase financial efficiency and depth of information.

Unfortunately, the new accounting department employees weren't familiar with the [NetSuite](#) solution. So, despite having the right solution in place, the company didn't realize the full potential of the system.

THE SOLUTION

RSM worked with Bare Snacks to familiarize its accounting employees with NetSuite and provide basic training.

RSM and Bare Snacks used the transactions already in the NetSuite system, but they changed the chart of accounts and updated their bills of materials (BOM) and product costs to enhance existing dashboards and provide real-time reporting and analytics. With RSM's help, the Bare Snacks finance team has leveraged [NetSuite](#) to provide management and investors with accurate financial information to compare their costs and consumer price levels better and properly plan their budget process.

The custom dashboards and KPIs provide greater visibility into operations, and the increased automation is enhancing productivity and efficiency.



Financial services

Argo Group automates risk analysis for proactive response

CLIENT

Argo Group is an international underwriter of specialty insurance, with more than 1,300 employees and \$9 billion in assets. The company's products are distributed through a broad network of appointed and non-appointed agencies and brokers. Argo Group's audit team consists of nearly 20 professionals, aligned by functional and regional responsibilities.

THE CHALLENGE

Argo previously implemented an internal audit software solution that was misaligned with its needs, including limited project management capabilities, manual issue tracking functionality and various management reporting challenges. With a restricted budget going into a new year, as well as a flat headcount and a need to improve efficiency and increase audit coverage, Argo sought a more effective internal audit software solution.

THE SOLUTION

After reviewing several competing products, Argo selected RSM's [Auditor Assistant](#) internal audit automation platform. Argo chose [Auditor Assistant](#) based on its proven productivity, efficiency and standardization capabilities and the solution's alignment with the company's specific needs.

Ultimately, [Auditor Assistant](#) created a platform with more extensive project management capabilities, efficient issue identification and tracking, and enhanced reporting capabilities. The solution offers automated analysis to reduce risk through better data analytics. For example, forensics tools within the platform better identify connections or unusual characteristics between disparate datasets that might indicate fraud or other prohibited behaviors, enabling Argo to target potential high-risk areas within its operations efficiently.

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The future of analytics

Predictive insights through automation

Advanced data analytics can be particularly beneficial in everyday risk management when it's integrated with existing workflows. A recently developed RSM invoicing application is a perfect example.

All businesses face a common but unfortunate reality: Some invoices for products or services are never paid or are paid well after their due date. RSM developed a tool that uses advanced data analytics to evaluate the complete spectrum of your payment risks to identify

which items may require proactive action. The module connects directly to your ERP system and uses machine learning to analyze and learn patterns from historical invoicing data. Furthermore, it can predict current and future invoices that are likely to default.

Leveraging the RSM model to predict the profitability of whether an invoice will be paid allows your company to manage customer risks better. The solution also helps your client retention rate by making you aware of the risks of nonpayment upfront, enabling you to implement necessary controls in advance or initiate discussions with a client much faster.



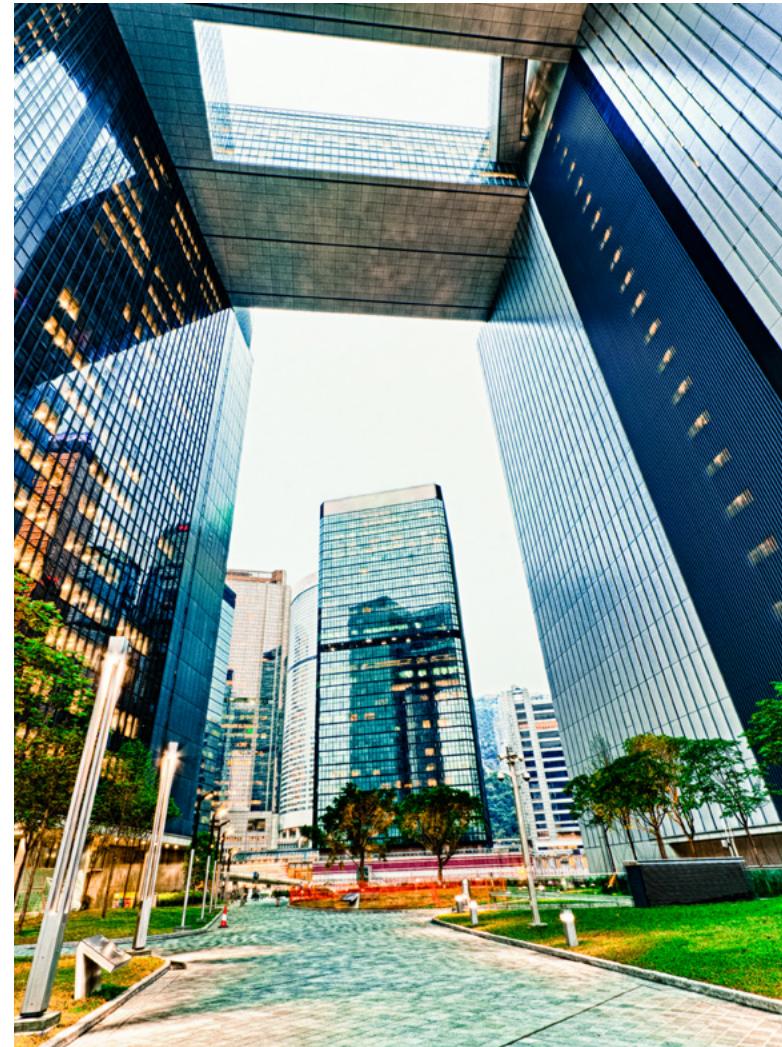
Build or improve your advanced analytics capabilities

Gaining a deeper perspective through advanced data analysis is critical for developing a foundation that effectively guides the direction of your business. From understanding customer preferences and employee satisfaction drivers to outlining product demand patterns and modeling tax outcomes, middle market organizations now have access to advanced data tools and a wealth of data resources.

RSM's analytics and AI solutions can help you achieve a host of targeted business outcomes, including increasing profitability, enabling data driven decisions, improving operational efficiency and managing risk.

We bring both a comprehensive analytics and AI methodology and significant experience across a variety of industries, including manufacturing, wholesale distribution, technology, biotech, pharmaceuticals, financial institutions, insurance, food and beverage, real estate and construction, hospitals and health systems, and nonprofits.

[FIND OUT MORE ABOUT RSM'S DATA ANALYTICS SERVICES](#)



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