**In Class Analysis #1**

**High-Level Current State BI Analysis of your Company/Org**

**Company: Brookdale Senior Living**

**Company Overview**

Brookdale Senior Living is a network of retirement living communities in the United States. With over 1,100 senior living communities and [retirement communities](https://en.wikipedia.org/wiki/Retirement_community), the company offers services such as Independent Living, Assisted Living, Memory Care for [Alzheimer’s](https://en.wikipedia.org/wiki/Alzheimer%27s_disease) and [dementia](https://en.wikipedia.org/wiki/Dementia) diagnosed residents, along with Skilled Nursing and Home Health Services. They also offer Continuing Care Retirement Communities, where residents can age in place without having to move when care needs change. The company was established in 1978 and is based in [Brentwood, Tennessee](https://en.wikipedia.org/wiki/Brentwood,_Tennessee). Brookdale is the largest owner and operator of senior living communities throughout the United States. They have approximately 80,000 staff members serving some 100,000 residents. (Brookdale Senior Living, n.d.)

With a mission to enrich the lives of their residents through compassion, excellence and integrity, Brookdale Senior Living aims to provide personalized healthcare plans to its residents in a caring and comfortable environment while expanding its service offerings and enhancing its operational efficiency. The organization aims to achieve these goals through efficient use of its IT infrastructure, consisting of ERP systems and its associated database, which holds data including but not restricted to finance, sales and customer information.

We find the use of Business Intelligence in the Assisted living space particularly interesting, as Business Intelligence can have an impact on a wide range of areas, such as analyzing finances and sales data of the organizations. At the same time, it can enable the management to gain useful insights that can help them provide quality service to its senior residents, by being able to understand their health care needs better.

We have used information available from the web for the below analysis along with experiences of our team members who have worked for the organization in the past.

**Use of Business Intelligence for Decision Making**

Brookdale Senior Living can leverage the use of BI in the following key areas:

1. **Providing Quality Healthcare Services:** A vital aspect of retirement communities is the quality of healthcare options provided. General customer data integrated efficiently with healthcare data can help the company offer personalized health services for its customers.
2. **Competitive Advantage over Peer Providers:** Integrating data from press releases and market research of competing providers with the existing enterprise data can help the management make key decisions to improve services, optimize pricing and target new sectors of growth.

1. **Optimize Operational Performance:** With a centralized data repository of the company, operations can be streamlined to lower inventory costs, anticipate requirements for the nursing professionals. Determination of occupancy levels in available facilities are a pain point in many senior living communities. Through a robust business intelligence system, minimizing unused room periods and increasing efficient allocation is achievable.
2. **Sales Forecasting:** Identifying key performance indicators such as conversion ratios, market rate comparison can help the management in understanding sales performance. Thus, enabling them identify weaknesses and update their strategy to improve upon any such weaknesses.
3. **Compliance with State Regulations for Assisted Living**: Different state level regulations govern assisted living in the United States. Business Intelligence systems will enable Brookdale to create unique strategies for each state that will assist them to gain return on their investments, while being compliant with licensing requirements and local laws.

**Significant Areas of Opportunities**

An Assisted Living organization, like any other business can reap benefits from an effective Business Intelligence implementation by using the insights to identify new opportunities. Below are a few ways in which Brookdale can leverage BI capabilities effectively:

1. **Lower Inventory Costs:** Providing housing facilities and care for senior citizens is the main focus area for the organization. Needless to say, the organization needs to keep an inventory of essential items for its residents. In this regard, there is a significant opportunity in being able to gather historical data from their inventory management system to gain a better understanding of metrics such as Inventory Turnover Ratio. Through visual representation by the use of interactive dashboards, the management will be able to gauge the success or failure of their inventory management practices in real-time and be able to better align their procurement procedure and spending processes.
2. **Effective Collaboration with Healthcare Insurance Providers:** By maintaining a robust data warehouse system, having the complete healthcare data of their clients, the company will be better positioned to partner with healthcare insurance providers to identify insurance solutions for residents in need of insurance coverage at competitive prices. This will eventually result in better customer satisfaction.
3. **Adequate Expansion Planning:** Senior citizens generally prefer warmer places as their homes versus the traditionally colder areas. “Florida for example, has long attracted snowbirds and retirees – is one of the nation’s grayest states. Overall, 19.1% of the Sunshine State’s population is 65 and older, the highest percentage in the nation.” (Kent, 2015) A business intelligence system will enable Brookdale to make sense of such statistics in order to understand migration rates. This will enable them to identify places where there is more demand for senior living facilities and thus gain competitive advantage against similar organization.
4. **Improved Human Resource Management:** The organization often has to make appointment for part time and full time nurses based on the requirements. Overstaffing can lead to loss in revenue. A BI system will enable them to better forecast future occupancy requirements, resulting in streamlined hiring practices that can significantly cut down on costs while being able to meet the unique support requirements of its residents.

**Challenges in BI Implementation**

1. **Financial Challenges**: The company is already facing financial troubles with respect to its operations. Though BI solutions can help improve their operational efficiency, they may have a challenge with respect to the high costs associated with it.
2. **Skilled Workforce to Implement a BI Solution:** Implementing and maintaining the BI system would require skilled people in the organization. Onboarding such resources could be a challenge for the organization.
3. **Training the Existing Employees on the New System:** The company’s workforce needs to be trained for using the new system and the dashboards specific to different types of users. This process not only requires financial investment but could also be quite time-consuming.
4. **Data Migration from the Legacy Systems**: Since the company is quite old (established in 1978), it might be a challenge to migrate the data from the legacy systems to the newly implemented system.
5. **Data Security Issues**: A good data warehouse consisting of health information must ensure appropriate data access and security. Brookdale Senior Living might also have to take considerable steps to ensure the security, confidentiality and integrity of the data and to tackle the potential security threats, especially considering the sensitive nature of the data.

**Recommendations for BI Implementation**

1. **Identify Data Source:** The success or failure of any business intelligence system depends on the availability of data. While it can be easy to try and load all the data from the various ERP and CRM sources into a data warehouse, it will be more productive to first understand the data sources which can help them answer their key BI questions and design systems that focus on these data sources.
2. **Identify Key Metrics:**  Once the data sources are identified, it is important to list down the key metrics that will not only determine the data we need but also help us answering the business problem. Identifying these metrics will help us understand the areas that matter the most to the organization’s strategies and customer needs.
3. **Setting the Right Expectation:** It is important to understand how a BI system works. Thus, setting the right expectation after implementing it is crucial. Identifying data sources and metrics is just the beginning. The organization must understand that a Business Intelligence implementation is a long term investment, the impact of which may not be felt immediately. In such situations, it is imperative for the management to effectively utilize the system with a vision to succeed in the future.

# References

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