

Supplier Data - What You Don't Know Can (And Will) Hurt You

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SPEAKERS

Jon Hansen, Sai Nidamarty, Stephanie Werner, Tom Redman, Greg Tennyson

Stephanie Werner 00:03

Hi everyone, and welcome to today's webinar. My name is [Stephanie Werner](#). I am the Senior Vice President of Global Marketing with [Trust Your Supplier](#), and we are the sponsor of today's event. If you want to go to the next slide, Jon, please. So we're a blockchain based decentralized platform that simplifies and accelerates supplier onboarding, validation and lifecycle Information Management for buyers and suppliers. Our platform is the result of a collaboration between IBM and [Chainyard](#) bringing together decades of experience in enterprise technology and supply chain management. And Jon, can you please go to next slide. And we partner with some of the best companies in the whole world to help our customers understand their suppliers risks, profiles more clearly. This empowers them to make informed decisions, minimize potential risks and maintain a secure and compliant supply chain ultimately fostering a more resilient and efficient procurement process. You can go the next slide. And we also work with an impressive roster of trusted advisors who helped us fuel network growth and unlock tangible business value for our customers. harnessing this cutting edge thought leadership drives innovation, and allows us to stay ahead of dynamic market trends. So we're so thankful for their continued partnerships. And next slide, please. So, without further ado, I'd like to welcome our wonderful host, [Jon Hansen](#), and dive into this fascinating discussion. So Jon is the Founder and Chief Editor of [Procurement Insights](#). He's renowned for his unique insights into the procurement world and business as a sought after speaker and top 50 procurement influencer. He brings over 40 years of experience and entrepreneurial success to the table. So welcome, Jon. I'm looking forward to the conversation.

Jon Hansen 02:06

Well, thank you, Stephanie. And it's great to it's great to be here. I'm looking forward to having this discussion, I have to tell you, because it's going to be a terrific topic here. Let me not punch too far ahead there. But before we get into it, I wanted to I wanted to do two things. Number one, and I'm going to get into introducing your group. But I want to remind everybody in the audience, that this is an interactive event. It's like a roundtable discussion. So think of it as you're sitting nearby us and and the great panel we have together is having coffee and sharing ideas, and you're encouraged if you have any questions or comments to post them in, you know, into the q&a or the chat, and I'll be sure to monitor that and engage you as appropriate. Now without further delay when I start in welcoming our panel, first and foremost, [Greg Tennyson](#), Greg, how are you? If you could just give us about a 30 second overview as to your background.

Greg Tennyson 03:04

I thank you for inviting me today. I'm the SVP Strategy and Procurement at [Fairmarkit](#). I've been there since August of 2021. Great technology company we're leveraging machine learning artificial intelligence to source on behalf of our customers then we have a lot of fortune 25 customers today as we're doing business with them sourcing on their behalf. But my background I was previously the chief procurement officer at VSP Global salesforce.com and Oracle, been in the space for a number of years. And that has allowed me to kind of experience as we were prepping for the phone call paper Rex back in the day to where we're at today, leveraging AI and machine learning to provide better business outcomes and actionable insights for our customers. Back to you, Jon.

Jon Hansen 03:59

I you know what, he's been a great discussion and likes you. I started when I was 14. So we're pretty young. I mean, of course, I'd like to welcome [Sai Nidamarty](#) to the panel was well, Sai if you could give us a little bit of background information on yourself.

Sai Nidamarty 04:18

Yeah, thank you, Jon. Thank you, Greg. You know, I'm excited to be on. I'm the co founder and CEO for [Trust Your Supplier](#). Stephanie mentioned earlier, Trust Your Supplier and our journey started back in 2018. With a very strategic and interesting partnership with IBM, it has been a hell of a ride. Last like, you know, five years now. You know, we are very proud to like I mean, you know, what we have today from, from our network perspective, right. I mean, you know, we are, we are basically the only blockchain based supplier information management network, managing all the Supplier Lifecycle Management and risk management. And we have actually come a long way, you know, you know, from where we started to where we are, you know, we are actually becoming a very comprehensive tool, right from the data governance to supply discovery, workflow automation, and all the risk management and analytics, you know, we're very excited, you know, I'm actually very blessed and proud to have the team, you know, you know, everything, the last five years, all the credit goes to my team that I mean, you know, they are extremely committed and passionate about, you know, you know, what we have built so far and very excited, especially in 23. And following years, where now we are actually making some very good traction with Fortune 50, fortune 50, fortune 25, fortune 50 clients the way that Greg was mentioning, looking forward to, you know, this, this panel today, I mean, obviously, this is the heart of what we do, and very excited to, to be part of this. And, you know, along with Greg, Jon and, Tom, I'm very excited.

Jon Hansen 06:15

You know, what we're looking forward to learning a little bit more and getting your perspectives on some of these issues relative to data. Now, I don't know if Tom has joined us yet to SAP money, but [Tom Redman](#) will be joining us he needed to get he was a little bit of a running comments here. Oh, there you go. Hello, Tom.

Tom Redman 06:32

Hey, thank you for pardons for my tardiness. But, you know, as on something else, that was pretty darn interesting, important. And I got here the minute I could thank you for inviting me

Jon Hansen 06:43

here. Maybe if you could take about 30 seconds or so just to give yourself, give us a little bit of background information? Because you certainly do have an impressive background.

Tom Redman 06:53

Well, thank you very much for that, Jon, look, I think that you know, there's I don't know, maybe there's 7 billion people on the planet or, or something like that. And all of them, I am the number one advocate for data quality in the world. And I've been lucky enough to spend my time helping people and companies who want to improve and make their businesses better as a result. I've spent my entire career helping those who want to do that. Do so and so that's been an outstanding career, I must confess that, you know, we're data quality is not the norm. And I'm a little bit frustrated with that, but, but I'm still optimistic and hopeful that, you know, good things are gonna happen, and they're gonna happen pretty darn soon.

Jon Hansen 07:37

Well, you know what, I think this is a great part of it, because we're going to delve into that area of frustration that you would talk about, I wish we had the dry run, that I thought was in and of itself, would make a great webinar, and discussion. But what really got my attention with you, Tom was that he wrote for Harvard Business Review. And I think it sheds some interesting light on it, not just at the time he wrote it, but it's continuing relevance today. So hopefully, we cover some of that framework and the shades of frustration. Now, in terms of the agenda, we're going to break it down in three parts data consequence, we're going to cover a little bit of data. Now, one of the reasons why I want to go through this with that section is I think it's important that we set a parameter understanding of data and and really go beyond the norm. So we're going to cover that a little bit, then we're going to talk about data culture, because to form a data culture to create the right environment, you have to understand why you're doing it. I mean, everybody knows these important. But that doesn't mean everybody's doing what they should be doing with it. And then in part three, we're going to delve into the three point data framework, which I think a site will be able to to break down for us. And we can analyze that in terms of is it moving us in the direction or seeing how it moves us your organization, that track should actually finally realize the full potential again, and again, there's a q&a, but throughout the entire segment here. If you have any questions throughout, please kill us in the q&a, and we'll be sure to bring it to the panel. Anyway, let's go with the consequence. And I want to do two quick slides here. And it seems like it's one of those ought to be a statement. A solid spending analysis is the basis for effective supply chain risk management. That's rod Handfield. A good friend, someone I know and have worked with, while and bad or poor quality data cost the US economy \$3.1 trillion annually. And when I look at that, I'm gonna start I'm gonna start with you, Greg, and go to you Tom and info design. I mean, when you look at those numbers, my initial reaction is okay, so what does it mean to me? I mean, they're, they're, they're, they're almost so large and unfathomable that they really have no meaning or do them

Greg Tennyson 10:00

You know, it's interesting. Any sourcing professional or procurement professional will tell you that data is key in developing a sourcing strategy. And spin analysis is key to that. So I, I completely buy into the 3.1 trillion impact, because loss of visibility for data quality, make it virtually impossible to do the

sourcing category strategy. So you think about, you know, we were talking earlier about to give them a plug commerce registry, commerce.net, you know, having data sources to a taxonomy and being able to understand what the business is buying is key to the sourcing professional. So certainly I buy into the 3.1 trillion that's lost from an economic impact, you know, it's loss of spin aggregation, really understanding what the business is buying and being able to negotiate the best outcome.

Jon Hansen 10:55

Okay, now, here's everything. And I want to go to you, Tom on this, because I remember when we had a previous conversation, and you're saying, Yes, well, what does all this mean? I mean, what's the impact? What's the ripple effect? Because certainly, we realized it and work, but not enough people, as you alluded to, at the opening, have done enough to make it a reality or to make data management data intelligence accessible, and, and viable. I mean, can you expand on that a little bit? Like when you see these numbers, what do you think?

Tom Redman 11:28

Well, first of all, I mean, let me give a little bit of background on on the 3.1 trillion, right, so, so IBM first published this number, I mean, and I think they've taken the link down where they first published this number, but, but this number is probably, you know, 10, or 12 years old, and the economy's probably grown by, I don't know, 30 or 40%. But since then, and so the number is, is horribly out of date. Right? But also, it's like, there is something outrageous about that number, right? I mean, it's it kind of at the time, they first published it or represented 18% of, of the economy with a really bad data is 18% of the economy. And, but several years ago, I did my best to sort of triangulate around well, what are the actual levels of quality inside companies? Right, you know, what are the things that are going on inside companies that are leading them to waste this kind of money? Right, what's going on in the larger economy that and, and where are people spending their time and that triangulation validated this number? I mean, the general thrust in this number a, now the trouble with the 3.1 trillion annually is, is well, you know, who is responsible for the US economy? Right? Who cares about that, who has some lever on doing anything about that? And somebody, you know, if you're listening, you say, Well, look, I manage the supply chain for the XYZ company. I don't care about that. Right. So what is the breakdown to your share of that? Right. And at the time, we did this triangulation, we concluded that a good starting point for a company is start with one 80% of revenue. Okay, 20% of revenue, and, and that's sort of calibrated around the 3.1 trillion and, and the other studies that went into that, and so now then, okay, well, that's, you know, that sort of revenue, go to cost. And, and look at your organization, you know, look at your team, and what this implies, is that maybe 30% of what you spend, maybe 40%, right, there's a high variation around these numbers, but an extremely high fraction of your spend, is dealing with bad data. Okay. And, and, and this is a point I want everybody listening to, is okay, yeah, I get you don't care about the economy, nor should you, you have no leverage to do anything about that. But look at that number as it affects your work today, and this week, both in terms of added cost and in terms of things you'd like to do that you can't and I think that you will come up with a very, very scary number.

Jon Hansen 14:33

Okay, now, this is an interesting. Sai, I want to bring you into this because I'm listening to this and these numbers. One of the things that I look at is and you mentioned the consequences, Tom of the impact

that it has. One of the one of the things that I look at is for example, what's the practical impact and you know, we've talked about this example previously, but Sai I mean, when you're dealing with with with data and quality and all that information, I mean, how important Use it to actually break it down to a tangible impact for a tangible industry. Like, for example, this Hawaiian Airlines data glitch, they charged hundreds of \$1,000 in credit card fees, mistakenly charged more than \$150,000. Today, to their their credit card holders, even though they have a \$10,000 limit, when you look at these and then charge the airline's 674,000 tickets, I mean, this is real impact. I mean, do you have to create that kind of granular impact of understanding beyond the numbers itself to sort of make it more what you call comprehensible? So what it actually means it looks like?

Sai Nidamarty 15:42

Yeah, Jon, I mean, you know, let me let me back up a little bit. Right. I mean, to what, Jon, I mean, what Tom was saying earlier, right. The pool, the data quality, right, the poor data quality, you know, according to Gartner research, it is costing somewhere between 10 to \$13 million a year, right? I mean, because, you know, you know, this is this is apart from immediately impacting the that it has on the revenues, over the long term, all these cool, bad data increases the complexities of, you know, a lot of ecosystems that are there in the enterprises, and that leads to a lot of poor decision making. Right. And, and that is a big problem. I mean, you know, it is actually so surprising that, you know, we are working with one of the, one of the clients, you know, we realized that because of the vendor Master, you know, you know, data quality problems, you know, we actually did some analysis that, you know, using, you know, our tool and some, you know, getting some better practices, they could save almost like \$8 million, you know, annually, right? I mean, you know, again, I am, I'm not like as expertise, I'm a novice in this industry. I mean, you know, my knowledge is in the last like, five years, that is surprising to me, right? I mean, you know, it is like, crazy, that data is so important for all these organizations. But but but still, you know, people haven't really solved this problem. I mean, you know, and that is exactly where, you know, you know, like, what, like, tools like PBIS, and then a lot of innovation and disruption that is happening, hopefully, you know, this is going to fix this problem, right. You know, but, but I mean, you know, it also, if you really deeply think about it, right? The data quality actually has a lot of impact on the reputational, you know, reputation of the organizations, right, you know, you know, the way that this all brings in efficiencies, excessive costs, compliance rates, and customer satisfaction, you know, all of this as a result. I mean, you know, you know, when when businesses do not manage the data quality, right, okay.

Jon Hansen 18:01

Okay, is this really important? Because that's the link and Greg, I'm going to bring you back into the discussion. And again, I use the airline as an example. But there's other ones Rotax Boulevard, J and Marzieh, comma 10. And customers had problems there. I mean, like, rude, do people connect the dots all the way through from the dollar amount to the reputational impact or bad customer experience? rollneck? Is there enough of that happening? Like, is there? Is there a direct link? Yeah, it's interesting.

Greg Tennyson 18:34

I can think of multiple examples beyond, beyond those listed here where lack of data, lack of data clarity, and putting data at risk has really hurt the reputation and financial condition of a company. You know, I shared on the prep call the example of the remote monitoring of the fish tank. In Nevada, I will

give a lot of specificity. But the individual, the company, put their high rollers at risk, they also the intrusion caused them to lose cash because they were siphoning cash out of the bank account. So there's a number of examples where the lack of data quality putting data at risk is really hurt the reputation of the company, both from a credibility as well as a financial perspective. So, you know, much like Sai and Tom are saying, frankly, I'm surprised why we're not leveraging advanced technologies to really understand data quality, you know, leverage machine learning, artificial intelligence to get in front of it. I know it's coming to the procurement space. I'm aware of a few examples where we're getting more adept at, let's say ingesting opportunity from the business to understand what it is they want to buy. And then through that interactive, generative AI conversation that's occurring. There. Capturing better data to be more effective in addressing supply chain disruption. You know, pulling numbers together from a negotiation spin aggregation standpoint. So I know we're getting better. Frankly, I'm surprised we still have these issues than the ones I've cited as well that are occurring in the marketplace.

Jon Hansen 20:19

Okay, now, here's an interesting

Tom Redman 20:21

question on that. Go ahead. I don't know whether we're getting better or not. There was a really interesting article in yesterday's New York Times. And, and what it was, was about breakdowns in the supply chains for medicines. Right. And, you know, you know, the way a New York Times article starts, it starts with, you know, somebody the real names of people, but, you know, it starts with somebody who can't get their last four doses of chemotherapy. Right. And, and so, you know, we talk about these numbers, but how do you put a price tag on that? Right? How do you put a price tag on it? Another example is a 10. year there's even shortages in parts of the country on children's Tylenol. Right? Now, what is shortage on children's Tylenol translates to me is some kid with an ear infection is hurting and screaming through the night and his poor parents, his or her poor parents can't do anything about put a price tag on on on that, you know, supply chains. I don't think I can quantify it. But I think they're in worse shape than they've ever been. And, and the data is a big component of that. Okay, so

Jon Hansen 21:39

now, they see that's interesting, because you know, that's the whole idea of what we really want to extract here is not just your numbers and see it's the right thing to do but put a face, put on a potted plant something specific or tangible. When you don't use data. Sai, I'm going to bring you in and I'm going to pose this question with the appellant example, the question wasn't that they didn't have the data, they didn't know or understand how to read and use it to anticipate a problem. I mean, when you look at that from what you're doing and your perspective on, I mean, how does that address that? So you don't have that ripple effect? How have you addressed that so you don't run out of children's time? Or to your point, Tom, we remember baby formula. That was a big issue as well. I mean, so like, like, like fighting when you're talking organizations? Just ah, see, what's mom and Greg are, talking about the actual real impact beyond a number on a balance sheet.

Sai Nidamarty 22:43

Jon, can you I mean, you you actually, your voice is breaking up, can you? Can you? Tell me the first part of the question again, I'm so

Jon Hansen 22:52

sorry about that over me coming through clear now. Yes. Okay. So I'll stay still and talk straight into the mic. When you think and hear of what Tom has said, and what Greg has said, and we look at the numbers on a balance sheet, see, it costs money, etc. What really stuck with me was was when when when Tom says, you know, not delivering Tylenol goes off the balance sheet, it's a child whose inherent passion they can't be treated, there seems to be a disconnect or an understanding, yes, it's the right thing to do. Yes, it's a smart Yes, there are problems, but it's much connected to a real consequence or a tangible outcome here, when you're talking to organizations no data, if what is your thoughts, are they able to connect in real repercussions

Sai Nidamarty 23:46

is the part of the problems right, I mean, you know, you know, one of one of the things even even to add some more data, there is a [McKinsey Report](#), which actually, you know, states about how the supply the supply chain disruptions, you know, supplier disruptions actually caused one person to be there in losses to the organization's right. So, this is this is again, I mean, you know, this is all the reason is because organizations not able to focus on, you know, the data governance and data management, right, and not able to create, like one version of the truth, ensuring compliance, right. And that way, it basically improves the supplier relationships, right. I mean, you know, all these large enterprises, like, you know, we're dealing with some of our customers, they have like 88 ERP systems in the house, right? I mean, you know, so, so that, all of that, like, I mean, you know, every system is bringing, you know, new data, same data, and then you know, if there is no centralized place, you know, and a governance and they're managing it and then making sure that, you know, people are not Making using the same information in different systems duplicates, inaccurate, inaccurate information and all that. Those are the, you know, you know, main causes of all this. I mean, you know, again, as as you know, I'm I'm actually very surprised. I mean, you know, Greg and Tom, you guys are the veterans in the industry, how organizations like, did not have the discipline or the commitment to have, like a centralized system a commitment, you know, with bringing some good data culture, and managing the quality of the data is mind boggling to me, but but the way that I see that is, that is the, you know, you know, great opportunity, you know, you know, for for a lot of people, I mean, you know, to bring innovation and disruption, I mean, you know, the, the way that the trustee or supplier, we are definitely, you know, looking at this, you know, single source of truth and and then how do we help the organizations to help as much as possible to make their vendor master as clean as possible, and then, you know, you know, creating that golden record, you know, the way that you know, we can solve that problem. Okay, so wait, there's one day and

Jon Hansen 26:13

Tom, this might speak to your frustration, and Gregor to pose this question. Again, we this all makes perfectly good sense data is the new currency data. Without clean data, digital transformation is not possible, all of these elements there. But it seems why is that there that slow adoption? We're going to get into the next section momentarily on creating the data culture? But why is there just not? I mean, given what we're finding out, given the impact it's having, why are we not seeing more people taking

more progressive action to it? I mean, it can't be a technology limitation anymore. And we're not doing it on paper, as you mentioned. I mean, what are, what aren't they realizing for them to take action? Do you know what I'm saying? Greg?

Greg Tennyson 27:02

It's interesting. Let me go first, real quick. My observation working at the various companies I've had the fortune to work at is there's a personal interest in data. So as people touch data, they discard data elements that are not germane relevant to what they're doing. And that's where it tends to break down and becomes dirty, the data becomes dirty, because I'm not interested in, let's say, a Prio description. If I'm in accounts payable, I'm only interested in the supplier, the invoice amount, the GL account, and the cost center. So they start to discard data as it as the data moves from left to right, just out of their own personal interest and motivation. So I think that's a systemic issue that we need to get in front of, but I'm still puzzled why we're not leveraging advanced technologies to get in front of data quality issues.

Jon Hansen 27:54

Okay, well, now, I'm gonna move on to the data culture by Tom. I mean, what are your thoughts that we've seen my TV complexify there's little movement? And I think, I think I think what, what, what Greg just said is he said, you sort of like siloed data usage, that there's only a limited use, and then it's cost the Sai. Sai, do you want to add something?

Sai Nidamarty 28:22

, yes, seven, you know, to what, Greg, Greg is saying, Greg, you know, from your previous you know, great experience, CPO role and all that right? And you just said that, you know, it is it is surprising that why organizations are not using advanced tools and technology, right, you know, my experience, Greg, you know, the big enterprises, they, they their environments are so complex, I mean, they bring in like, I mean, so many different tools and all that, not like looking at a holistic architecture and then integrations in place and all that and especially when, when when smaller companies or even for the bigger companies, when they want when they want to adopt a particular software and all that, it it almost becomes like impossible for the change management and the process management changes. Right. And, and that is where like, you know, these organizations, when we talk to the stakeholders, they see the value, they see the benefits, but but but because of that, change management, nightmares, you know, you know, you're always getting pushed out and then you know, people are saying that, yeah, we like you. We like it, but we are going to do it six months later, one year later, and that six months, one year becomes a couple of years, five years and that is the part of the problems that senior leadership in organizations needs to be committed for digital transformation. Okay,

Jon Hansen 29:55

so yeah, why this leads right into the data culture and creating the right culture. As you know, Sachin Adela talked about it for his organization in terms of making better decisions. I'll touch on a Harvard Business Review article saying that we believe is essential, successfully creating data driven culture. And then I think it talks about the organizational and process challenges. And I think that is cyan. Greg, you alluded to that. So I'm gonna go to you, Tom. I mean, like, that's got to be frustrating to look at this and to say, Well, we know data is important. We know, we've got to do something with it. But we still don't have the infrastructure and the governance models in place. And we have obstacles such as

when Fred said, where people are, let's say, using only a portion of the data that interests them, but not looking at it from an enterprise wide responsibility. I mean, is it segmented? Is that the biggest challenge?

Tom Redman 30:54

So look, there's an old saying that I learned from a guy named Dennis part and, and, and when he first said it, I said, Man, that's trite. And for the last 30 years, it's, it's come back to mind and just how important it really is. And what he said was, organizations are perfectly designed to obtain the results they obtain. Okay. And, and, and so I just want you to have that in the back of your mind, I, from my perspective, learning how to, to manage data and and learning how to create it correctly, learning how to specify what you need, learning how to put it, to store it in ways that it's not, you know, completely redundant and conflicting things that so that people can find it things that people can understand. Nevermind, so things that they can, you know, use it nevermind starting to use advanced technologies, right, but I mean, this as is fundamental, a change in organizations and societies, as when people came off the farm and started working in factories, right, and look, I can't think of anything, you have to be smarter than, then to be a farmer, all the things that can affect, you know, particularly if you're a farmer on your own, and now you're gonna go to work in a factory and, and, you know, you may not have to, you didn't, may not add to read to be a farmer in 1900, but you had to learn, you had to be really smart. And now you had to learn to tell time, because you show up on a shift, and you have to learn to add fractions, and you know, all that kind of thing that we learned in school, okay. And we built up organizations, we built up organizational silos, and we built those because, right, and the beginning people, companies didn't do work well. Right. And they learned how to do work well, and to manage those things inside. Okay. And, and this, this sort of industrialization, you can describe this and, you know, in any way you want, but it is the single event in human history, right. So, you know, if you look at sort of, like the population of, of, of the earth that sort of hangs around a billion, you know, kind of thing, and then with industrialization, it makes the sharp curve up, and what are we six or 7 billion million people now? Okay. And, and so now data and thinking of what it takes to leverage data and manage data, is this fundamentally different? Right, as as as coming off off the farm and industrialization? And, and, you know, I keep saying like, well, you know, what's the one key thing? Yes, silos getting away, right? People keep confusing, you know, data, what the responsibilities of, of tech for data, and it goes up, but there's dozens and dozens of fact. Okay. And, and, and but by the way, I mean, I'm extremely optimistic that we can begin to whack away at parts of these things. And there's lots and lots of things that organizations have done to do this. Now I follow quality, right, and I teach quality. And I think I said at the beginning that I'm the biggest advocate for quality, right, so well, and the key thing is completely culture, right? And the number one thing, if you do this, you have a chance, if you don't do it, life is much, much more difficult, but it is simply recognize that almost everyone serves in two roles every day. One is they are a data customer. They depend on data created by somebody else. And they are a data create, right? And that is they create data that gets passed along and is used by another person, or team or process. Okay. Now most people that I mean, there's observably true that most people are in those roles, but they never think about Alright, they never think about them. And it is a game changer for quality. When you help people understand that they're in those roles, teach them what it means to be a better data creator and a better data customer, and connect creators and customers, right? Do those things, none of which are particularly technical or particularly difficult or anything like that. And the level of quality takes a quantum shift. All right. Now, that is a hard lesson. And it is different than the

way people are thinking about it. So my you know, I saw a great article today on training your data stewards on generative AI. Okay. And you know, what I was asked to comment on says, Okay, well, fine, you know, do that. But what that is 180 degrees apart from this simple people oriented lesson that that I have found, you know, I've been doing this longer than I care to admit, is, is is the key. Right? Right. Doesn't mean everybody's going to accept it. But that shifts the focus from, you know, trying to find and fix all these errors to preventing them in the first place.

Jon Hansen 36:19

Tom, I got I got to interject here, because I want to bring Gary in on it. Because you've said a lot of powerful things. I mean, or Greg, Greg, I mean, if you if you listen to this, you see the it's not this data isn't this great mystery. And the technology is a limitation. It's a people issue more than anything else, and a culture issue. It's like, what Tom was saying. I mean, what are your thoughts with that? I mean, realistically, speaking, AI is learning technology. But if you don't have this, the the silos broken down. If you don't have the culture, do you have those data stewards? What do you do? I mean, what are your thoughts? Greg?

Greg Tennyson 37:04

Yeah, it's interesting. Before I respond, I want to ask Tom a question. So Tom, With advanta, COVID, more companies have moved to remote or hybrid work environment, you believe that's exasperated? The data quality issue? People being outside of office, you don't have that level of connection? And I'm sorry, there's a landscaper in the background. So I'm gonna go mute.

Tom Redman 37:28

Yeah, well, I can't hear your landscaper. But look, look, I mean, I think the key is, is you know, getting people to talk together. And, and in some cases, people being, you know, in the same building is made it easier for them, then to talk together. But I also think, you know, we've adapted pretty well, we've adapted pretty well, let me say this, Greg, by and large, I think that technology has distracted people and companies in the data quality space, from from emphasizing these these key roles. Right. And, and there's some feeling that if we put in place, you know, first in my career, it was a warehouse, and then it was the lake house and, or there was a lake and then it was a lake house, and it's move everything that somehow quality is going to improve. And I have nothing against those technologies. I mean, I do think they, you know, there's some great advantages to them. But it is that has been the primary distraction from getting the people stuff, right. Okay,

Jon Hansen 38:36

this an interesting point. And Greg, sorry to interrupt me because I remember when we were talking during the dry run, and people stuff, right? I recount the story of a CPO saying to me, we don't have the cycles to clean our data, you know that that's just not within ourselves. And Tom, I remember, I remember you're pretty pretty blunt in your assessment of that response. So Greg, taking that into consideration in the people part of it. What are your thoughts? And so I wanted to go to you on this because, you know, you talk about technology, but the reality is, you're also people oriented and the expertise behind the technology. So I'll go to you right after Greg. But Greg, what are your thoughts?

Greg Tennyson 39:21

You know, it's interesting to CPO comment. That's an excuse to it starts with the buck stops here, right Ronald Reagan expression, they need to own their data, and to have vendor data supplier data, my preference supplier data that you can't understand who you're buying from, what the relationships are, you know, value added seller to OEM etc. I was going to use the word that Tom used in our dry run, but I won't have absolute excuse. I mean, People need to own the data, there needs to be accountability and the buck stops with the CPO as far as I'm concerned,

Jon Hansen 40:06

okay, so Sai adding on to that, because again, you interact with a lot of these organizations, I mean, then, you know, somebody has to take ownership of this, somebody has to run this leadership, etc. I mean, what are your thoughts

Sai Nidamarty 40:20

says, So, Jon, can you go back up on the slide? One slide? You know, you know, like, one slide by Yeah, see, like, you, you put it here, right? I mean, at the end of the day, you know, the quality of data to its full potential is people are in process issue, right. And as Greg is mentioning, it is ultimately a leadership issue, right. Three things, first of all, I believe that if your organization should have a strong data governance, right, I mean, but you know, that is a starting point. But But in addition, I mean, a strong data culture is is essential, and it mainly depends on every employee, I mean, you know, most of the employees having the right skills to understand, right to manage, share, and use the data, right. And, you know, it is very obvious that data driven culture is at the heart of digital transformation that every organization meets, and in very key to remain competitive in today's fast moving marketplace, right? And embracing this data culture is, is really about strengthening the core competencies of the organization of the best of their business, and avoiding, like making like expensive mistakes, you know, that that can actually derail all the digital transformation that do I mean, that they do, right? And it is also like, I mean, you know, if I really think about it, there has to be leadership commitment, as Greg was mentioning, and and the change has to be driven from top to bottom, you know, use the right metrics, I mean, all these things, like, I mean, everybody knows, right, I mean, you know, make sure that you have the right tools to improve Data Trust, organize your data, I mean, all of these, like, you know, there has to be commitment from the leadership, but then, you know, create the culture, you know, across the organization. Right. Without that. I mean, you know, it has got, like, severe impacts on on the revenue on the products, customer satisfaction, employee satisfaction. I mean, you know, that basically poor quality of data spreads across, like, every, every aspect of the organization in a very negative way.

Jon Hansen 42:38

Well, now, you see, by the way, for the orange, you're looking at us, one of the hopes of of this discussion was to move it from a vague conceptual understanding, and say, Okay, here's the real impact in stage one of the discussion, you know, that you may not have considered Now, here's the culture and getting your culture ready. And that's why then we go to this third part of it is, it's okay, once you are aware of what the real tangible impact of use times example of not having Tylenol and a fever, it causes, make it very real on a personal level, then you look at, well, who takes responsibility for it? Certainly not. The CBO says, that's, I don't have the cycles, then. And only then you're ready to step forward and take a plan and leverage that technology. And that's where I guess we wanted to get to

this point. So I'm gonna, I'm gonna start with you, Greg, then go sign then, Tom, when I left the three point data framework, you've got to be ready to step into that. In other words, you can't start with a three point data framework if you don't have the commitment to do this. Or if you don't have an understanding of the real impact. I mean, on my off there, Greg, and that that idea is that, you know, it's there. But we've got to be willing to step into that responsibility. Do you know what I mean?

Greg Tennyson 43:55

Yeah, definitely either the expression, what gets done, what gets measured, gets done, what gets incentivize gets done well. So I don't believe that there's accountability and data quality, once you establish accountability and a commitment to fix it. I think the natural outcomes come. But without that accountability and commitment, you know, going back to the CPO excuse with their vendor data, if if that individual doesn't step up, and take accountability for fixing it, commit to fix it and provide a timeframe. It'll never get fixed, and they'll just perpetuate the problem into you know, the future. So again, it starts with accountability and commitment.

Jon Hansen 44:37

Now, to get on that and then accountability. I mean, when you look at that CEO doesn't step into fix it, etc. is a what is this where the the technology aspect of it can go off the rails? Because the people don't want to step forward, will say, Oh, well, now we've got AI, it's going to do it for us. So we don't have to do it. I mean, you find that that There's a sort of a hands off type of perception that the more advanced technology becomes, the less engaged people are in what Greg was talking about, and certainly what I was talking about.

Tom Redman 45:15

Who's that question for? For you, Tom? I wanted to answer a different question. Okay. Sorry, I'll come back to them. Because, you know, I want to I want to talk about this data quality stuff, doing it a long time. And with respect to change, and change management, and accountability, I have this, this sort of simple observation about change that that step one, all changes bottom up, right. And what that means is, good ideas come into organizations, through the bottom and through the middle, and so forth, right. And then if people have success with them, then they kind of wind their way up, the second part of the quote is all changes top down, right. And so a good idea can come in, and it can be successful. But for it to flower across the rest of the organization, senior leadership has to really be pushing. Okay. And, and what's interesting about that is, is on data quality, any manager, any professional, any team leader, any department head, can take actions to improve quality, it at their level, right within their span of control, and their span of influence. Anyone can start can start this all changes bought a month. Okay. And, and all of the great quality programs that I know started with, you know, somebody wanted to do that we can't meet our new year customer requirement, we can't find the oil, well, we can't do this, we can't do that maybe better data oil, kind of thing. And, and in the data quality space in which we have hundreds of Points of Light. We're individuals who have done that, right. The failure of the leadership, I don't I don't fault leaders in companies that haven't had a successor to, right, because the bottom up part hasn't happened. But I do fault them where there's been a couple of big successes, and they haven't thought through the implications, or for the rest of the organization, kind of thing. So I'm sorry, that's where I thought we were going with change. I was preparing for that answer, you know, to the tech thing, look, I think you got to get the people stuff, right, the process stuff right first. And if you do

that the technology can really help. It can it can lower unit cost, it can increase scale. But if you think that, you know, fundamentally, you're going to solve a culture problem with technology, it just not going to happen.

Jon Hansen 47:56

Okay, well, and you'll want their insights previous to that, you know, I think added the whole picture of where we want to be, you've got to be in a position of of acknowledgement and ownership and responsibility to then look and say, Okay, how do we take the lead in terms of leveraging data to create a culture and not sort of abdicating that responsibility? Now, so I want to come to you because, again, this is your three point data framework. And, you know, we have Greg, we have Tom here, we have people tuning in, I want to go through these things. And I want feedback on each of these, if you are of the mindset, and you're ready now to finally move into into into capitalizing on data. I mean, the first step you said is to partner, can you maybe elaborate on that a little bit, and then I'll turn it over to Greg and Tom for their thoughts.

Sai Nidamarty 48:47

I mean, you know, the partnership is all about, you know, you know, I think Tom made Tom and Gregg made some good points, right. You know, the commitment, you know, from the leadership, and then and then also a successor plan. I mean, you know, like, when the leadership changes, you know, the people underneath them were groomed to take it over all the good activities that these people do, I mean, to take it forward, right. Part of the problems is when when they don't have the success, you know, you know, a leader starts a big initiative and if the leader leaves and then if it stops, then then we're back to the square one right. So, so, so, it is important that commitment from the leadership and then investing in right right tools, right technology and and right processes, to basically consume and manage, you know, one source of supplier data. And then it is also very important to collaborate with all the suppliers for sharing and exchanging their information. And then crucially, you know, another point that important is relationships with the third parties, right? I mean, where they bring a lot of real time risk. parameters on the supplier supplier data. And that is what actually is important, you know, from the partnership perspective, right? Yeah, this is all like, you know, trying to create that one source of truth.

Jon Hansen 50:13

Okay, now this is your and I'm gonna go I'm gonna go to you, Greg. In the meantime, I'm gonna weave in a question from the audience from Navin, how can we motivate teams to focus and be responsible for improving data quality? And I guess, in the context of the partnering and whatnot, right, I mean, what, what's your response to that? And in terms of collaborating with suppliers, I mean, how do you motivate them to do these things?

Greg Tennyson 50:40

Yeah, it's interesting, as Sai was talking, I wrote down the word gamification, by sharing data in a trusted way. And gamifying, the outcome, you enable people to invest because they're taken by influencing data quality, they participate in sharing the results. So I'm a big proponent of gamification, because it enables collaboration, it incentivizes outcomes. I love the concept, single source of truth, breaking down data silos. But I mean, that's how I've been successful in the past is gamification of the outcome gets people invested to drive the right behaviors.

Jon Hansen 51:23

And part of the process

Sai Nidamarty 51:28

I'm sorry, Jon, you know, one, one thing that I add the, you know, the partnership, right, you know, you know, partnering within the different across the different, you know, parts of the organization, right, you know, one of the problem is, you know, when When, when, like, several groups are trying to access the same data in their own silos, if they don't partner together, and then and then make sure that, you know, they follow that governance and framework, that's going to be a big problem. No, no technology can solve if they don't partner internally. Right. And that is also very important. You know, and,

Jon Hansen 52:03

Tom, hearing that, and just as we say, go go to Utah, um, in terms of this first step, and what Greg said about gamification, one thoughts that came to my mind, I read recently, is that the continuing use of spreadsheets is actually driven by an empire ownership type of control mechanism. Maybe think of what you say, Greg, because you don't get that kind of collaboration that you get with that. So I made in your thoughts with that. Tom, I mean, what would you say? I mean, is collaboration, where we are we always siloing us? Are we not willing to work together? What are your thoughts with this partnering?

Tom Redman 52:43

Yeah, look, I mean, I think that if we don't do it, we're not going to get anywhere. I mean, I also think it's one of these things, that's, that's necessary, but, but not sufficient. The, let me just add one of the one of the books that taught me more about data management than than anything was a was a book called The 48 Laws of Power. And I forget the author's name now, but it's a basically a bunch of anthropologists and, and what they did was they went out, and they studied a bunch of courts and, and Italy, and France and India and China and stuff like that. And, and, and, and they asked themselves this question, well, you know, why is it that certain people who ought to be very powerful, like the king are not, and other people, you know, in some cases, and then other people who, who you know, should have no power, like, have all the power and, you know, my heroine in this book is some courtesan, right, you know, who, who manages to be the real, the real power and in the, in the throne, and in the kingdom for a long time. And, and anyway, so they tell a bunch of these stories, there's 48 chapters, they tell a bunch of these stories. And each chapter then comes, you know, condenses into a law of power. Right, one of the laws is, you know, think whatever you want, but don't point out that the king is naked, kind of thing, right? But anyway, so one day I, I did this thought experiment, and I said, Look, I'm in I'm in the office, and I've just got a piece of information has come in to me, that I know the guy, the person, the man, woman, they, him or her, they, and the next office will be interested in this piece of information. Do I go tell them? And I went law by law and said, What is the law advise me to do? Does it say Go Go tell him? No, don't tell him? Right. What does it tell him? And and so about half of the laws were neutral. Okay. And, and whatever 48 might, like, you know, 24 of them said, No, under no circumstance, do not tell them or data, or data, that's what the powerful do. And then there was one law that I interpreted is, yes, it's okay to to Tell them, but get something better back before you do, and kind of thing. Okay, and this book has really Now not everybody is trying to amass power. Right, but enough people are right, the, the, you know, best book I've seen on acquiring power says don't do that. And so

Sai's point about, you know, hey, we have to do this, I just want that I want to I am 100% in agreement. And I have to build on on, you know, Greg's point about incentives, and gamification, right, this is a massive, hard, hard problem. And, and we're not, you know, we're not going to get at it by talking about it, it's, it's going to take lots and lots of deeds over a long time to break this.

Jon Hansen 55:56

You know, sorry,

Sai Nidamarty 55:58

the, you know, the good news, Tom, for all of us is, you know, one of my early mentors at IBM told me that when there was a big challenge at IBM when I was getting, you know, you know, I was, I was freaking out, and then my manager told me that, you know, Sai, Why are you freaking out? Every challenge is an opportunity, right? So the way, the way that I see this is, this is a \$3.1 trillion opportunity for all of us to basically, you know, you know, you know, you know, take advantage of right, and that is how I look at it,

Tom Redman 56:32

I think that is exactly the right way to look at it, right. So you know, my article or I synthesize this, it was titled seizing opportunity, right? It is exactly it is a cost, but it's an opportunity. And if we can take that cost out and put it to work productively in the economy, right, we will really change the world.

Jon Hansen 56:50

Is that gonna motivate like to the question of asking, how do you motivate your team to do this, Greg, bringing you back into the discussion and hearing what Tom and Sai have said, I mean, it sounds like, you know, knowledge is power. I think that's something that you just mentioned, but the reality is, is going back to it, and I tie into what are the motivators for people to cooperate and collaborate? And are some of the tools that are there, and I brought in that introduction to the spreadsheets, for example, has been the ability to sort of harvest and store like nuts, your own private little stash of information. I mean, like, you know, realistically speaking, how do you motivate people to do that?

Sai Nidamarty 57:38

Jon, let me let me take that, right. I mean, the way that the way that I see that is the way that the the world is evolving, especially post COVID. And all that. I mean, I think it is it is no more motivation. I think organizations are now more compelled. And it is a very serious need for them to change. If they're not going to change, it is going to impact severely their bottom line and all that. And I believe me, no, you know, Greg can say this, right. I mean, you know, from from the time that you know, Greg, you left the big organizations and joined the startup, I think the procurement organization, supply chain, leaders are taking this data quality and all that very seriously. Right. And I expect in the next like five years, we're going to see tremendous changes. I think people commitment from people processes, and the right technologies is definitely going to play a big game in the next five years, I see that this is not motivation anymore. Jon, I think this is going to become a compulsion. Otherwise, organizations are going to lose their competitiveness, they're going to lose their market share. It's going to be all over the place.

Jon Hansen 58:53

So in other words, if you're not motivated, now get motivated is really saying if you have to motivate a team to do that, you may have the wrong team in place. I mean, Greg, is that a fair statement?

Greg Tennyson 59:06

Yeah, that's a fair statement. You know, it's interesting time I don't know if you saw my chat. Information is power power is information. I liken it to Machiavelli's Prince and discourses another great book. But fundamentally, we need to get over this concept of information being the essence of power, and it needs to there needs to be transparency. I think it's compounded because of the remote hybrid work environment, not having the camaraderie the interaction with your peers is exasperated it but I agree with Psy. It needs to be more than just the technology though. Certainly, artificial intelligence, machine learning, generative AI conversational AI, chat GPT all these auto GPT on Bard, all these technologies will start to break down the barriers to improve motion, but fundamentally, we need to, we need to change the culture to make the culture more trust based, more transparent, and really focused on the greater good and sharing the information because it will advance the initiatives that will advance the organization. And barring that, you know, companies this was at any groves inflection curve, people will, if they don't reinvent themselves, they're gonna fall by the wayside. I see that accelerating because of the lack of data transparency.

Jon Hansen 1:00:33

But that's gets to the mitigation point, I guess Sai, is step two, because and I think Greg said, The words transparent, you've got to get to the stage to mitigate, but you've got to partner first before you can mitigate, I would imagine, that was the logical progression that you went in with, I you know, we only have a few minutes left and I want to fit all of this in comply, when you talked about comply side? You know, is that the motivation of compliance? That, you know, now we have external bodies, and fines, legislation, all of these things? Is that a is that a factor?

Sai Nidamarty 1:01:14

Absolutely, I you know, you know, obviously, there has to be a structure to ensure all organizations complies, comply with the laws, regulations, standards around the data, right. You know, like, whether you call it ESG, carbon emissions, you know, conflict minerals, a lot of that stuff, right. And then also, we also need to make sure that, you know, data protection, so, you know, are in place, like our audit process procedures are in place, right. And, and you see, you know, talking about the right in our motivation for all this is to create that supplier digital identity, like where our blockchain technologies, you know, you know, you know, can come into play, and then create that one digital wallet, you know, where, where it is verified, authenticated, and where it can be used across the organizations outside of the network's and and that way, you know, we can actually keep this data quality as a golden record, you know, that, you know, that is the motivation for Trust Your Supplier, Jon.

Jon Hansen 1:02:17

Okay, so now, I'm gonna go to Greg and Tom, and then I'm going to have one more question from the audience. We're going to try to wrap up within next three or four minutes, but I think this is important get to, I had a discussion, Tom the other day, saying that with the ESG, and compliance laws, and fines, and they had an astronomical number that a lot of organizations look at the fines for non compliance is

being a cost of doing business. Do you know what I'm saying from? I mean, our compliance and these external forces now that do have a direct impact, ultimately on reputation? Are they going to help to drive forward the data adoption and utilization and the things we need to do?

Tom Redman 1:03:03

Well, I don't know what's going to happen going forward? I think so far, the the, the, the, you know, the experience is, is that gonna take you know, GDPR? Right, the chances of getting fined are low, and the fines are minor. And, and so I, I've just not seen the compliance. Now, by the way, I mean, there's parts of the world where you want to be compliant, because it's part of the culture. Right, and privacy is a bigger deal, but at least with that in this country, I don't see it.

Jon Hansen 1:03:36

Okay, great. I'm going to you, and I'm going to put it and we then another question from the audience here, Greg, to Agile discussion. How can we keep the excitement of maintaining data quality as it's seen, we start with enthusiasm with new ideas, methods, etc, but no longer run the excitement dice? Again, I'm sort of wondering about that. Any ties back to the whole point of this, this discussion of going, why we're doing it? What's involved? What's what's the real tangible impact? I mean, what would you say to that? Because that seems to be the obstacle, not the technology. The fines don't necessarily motivate completely. I mean, how do you deal with that?

Greg Tennyson 1:04:23

That's interesting. Most organizations suffer from whack a mole, right? Initiative pops, it has some momentum behind it, and they whack it, they address it, they get in front of it, they have actual insights, whatever the outcome may be, and then it just dies. And then they move on, and they whack another mole. So I mean, organizations have suffered from this dilemma for a number of years. What's interesting about data, it's really you think about it and Tom can speak to this much better and I can insight as well but data is really core to their business operations. I still don't get it. Why we have dirty data? Given the dependency on good quality data and driving business decisions? I just see there's a fundamental disconnect. And it's beyond me why companies aren't solving for it.

Sai Nidamarty 1:05:15

You know, Jon, again, I think we talked about data culture, right? I mean, you know, the excitement dies. But, you know, you if people are not like, brought in into, into one vision, you know, do not create the data culture, and then the commitment from the organizations to have the right people right budgets in place, I mean, to drive that other otherwise, I mean, we know we are talking about \$3.1 trillion or more. I mean, you know, organizations also need to spend the right money, you know, you know, you know, to basically make sure that, you know, you know, they maintain the quality of data, it's not going to come for free.

Jon Hansen 1:05:53

Right. All right. Well, I think we have to do a hard stop here to honor our time. Gentleman Sai, Greg, Tom, I hope we accomplished what we set out to do was not just have the same old information about data being important, but cause people to recognize data and see it in a new light, see the real impact from it, seeing their responsibility. And at that point, then step into the three point program that Sai was

talking about. Any last 10 seconds, each of you any last comments you'd like to make? And I'll start with you call him Greg, and then leave last word with Sai.

Tom Redman 1:06:32

This is gonna take courage.

Jon Hansen 1:06:35

Okay. Greg.

Greg Tennyson 1:06:37

Love it. Courage.

Jon Hansen 1:06:39

All righ, Sai.

Sai Nidamarty 1:06:42

I'm all in and, you know, I, you know, I'm building something, you know, like, what Greg and other great startups are doing. We are very committed, we believe that we are going to, together transform this, this supply chain data problems, you know, in the years to come. very motivated.

Jon Hansen 1:07:03

All right. Well, thank you, panelists, and Stephanie, I'll turn it over to you to say goodbye to everyone. And, again, this will be available on demand. And there'll be further discussion through the Twitter hashtag. But I think we're starting at least to look at data through a new and an important light. So Stephanie, I'll turn it back over to you.

Stephanie Werner 1:07:26

Awesome. Thank you so much, Jon. And if anyone has any questions about Trust Your Supplier, you can reach out, reach out to us on our website at trustyoursupplier.com Thank you so much for joining us today and we will look forward to hosting some more webinars coming up soon. Everyone have a great day.