

Checklist: Best practices for building internal analytic capability



Understand your existing capacity and capabilities

Identify the problem and frame the right question before selecting the data and analytic methods: What are the critical business challenges that you need analytic services to solve? Where are the operational and capability gaps and areas for improvement within your organization — and are these gaps mainly technological or process and staff capacity related? Asking and framing the right question is the single most important step in the analytics process. Everything flows from this. If this is wrong, it is likely that the work, method and results will be wrong as well.



Leverage a Partner

Third-party vendors signed on for short-term engagements can help agencies get their efforts off the ground, but engagements with an outside vendor work best when they're more of a partnership and less transactional. For organizations at the beginning stages of analytic maturity, building an analytic culture can take several years. It's critical to work with a partner who does more than just provide a technology solution — they should understand your organization's specific needs and challenges. The focus shouldn't just be about tools, but more about tactics and long-term knowledge-building.

Overall, develop a data-driven vision for statewide programs that becomes an integral part of your organization's mission and your staff's everyday work.



Monitor Resource Allocation

Budget constraints often force agencies to remain stagnant. However, analytics help organizations identify high-cost drivers, assess if they've made the right resource investments and proactively implement changes — whether it's directing more resources to underfunded preventive care programs that lower utilization rates or launching pilot projects in high-risk pools that represent a small portion of the care population but the largest share of the costs. Sometimes, the answer isn't more money, it's shifting funds to areas where spending has the greatest impact. Analytics give agencies a justifiable business case to do so.



Develop a Sustainable Analytic Culture

Cultivate your analytic culture, specifically the technology, processes and people within your organization. Identify where you are within the maturity model and define your ideal future state — is it building predictive models to measure and monitor progress, or is it using prescriptive analytics to make clinical and policy decisions? Also develop a process for data governance and continuous program improvement that involves input from key stakeholders and data modeling to enhance care quality and lower costs.

To learn more about best practices for building internal analytic capability, contact us:

Call: 1-800-765-6073

Email: innovate@optum.com

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11000 Optum Circle, Eden Prairie, MN 55344

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