STRATEGIC RISK

SITUATION:

Shareholder growth is contingent on effective strategic development, maintenance, and execution.

Successful strategic development is contingent on extensive market research which in turn is contingent on access to complete and objective market intelligence. This will typically need to come from multiple sources and won't conform to a common standard. Consequently, it is often difficult to gather and analyze and hence market research is often an incomplete exercise.

Once implemented that strategy's effectiveness must be routinely monitored. Changes in market performance, consumer preferences or competitor behaviors may mean what was previously the right strategy much now change. In a fast-moving market, change must be identified as early as possible but typically there is a lack of concise, timely, and continuous intelligence to keep leadership informed.

Strategic execution requires carefully coordinated activities across functions and markets. Monitoring this execution is a complex task and one that internal assurance functions will often shy away from, instead of focusing on other types of risk that are actually less likely to lead to business failure.

IMPACT:

Failure to introduce effective research and monitoring capabilities to ensure the right strategy puts a business at significant risk. In fact, the majority of businesses that fail do so for these reasons.

RESOLUTION:

With Pluaris' capability to read and comprehend text from internal and external sources, whether data is structured or unstructured or existing in many data sources, the strategy team is able to stay abreast of all developments. One of its features called "benchmarking" allows for tracking key drivers influencing the growth or the lack of it in the segment that is the closest match or adjacent industry segments that pose either as risks or opportunities. Pluaris, AI platform, is an active learning platform. This allows for two additional benefits. The first one is that the feature of "cohort discovery" allows for new entities (company, products, people, geography, application segments, and others) to be identified and tracked (if accepted). The second is that when each user adds a new entity then it signals the AI platform to identify more entities that may be a close match. This mimics the way human minds work but the benefit lies in processing data 6,000 times faster and providing peace of mind. While Pluaris can demonstrate the strength of its features immediately upon a user's first login, the quality of outputs depends upon the use of the platform by users from across functions.

The benefits are that it allows the front-line team to participate in strategy development and the strategy team to work across cross-functionally to develop a robust strategy and corporate plan. M&A target identification, risk horizon scanning, and reputation monitoring are facilitated, bringing the value of early identification of new market opportunities - organic and strategic, better informed business decision making, improved risk detection, all closer to the front-line.