

Coherency, Visibility, Controllability and the Race for Profits

Salient is in the performance management business. Their CEO, Guy Amisano, tells CXO all about their mission to empower their clients to continuously improve the bottom line.

Salient's Mission

"Our business and mission is to help our clients to make more money by more intelligent, more precise operation of their businesses."

Amisano goes on to say that Salient's method to accomplish this is the identification and recognition of universal business problems and how they are affected by individual value indicators; that is, the strategic efficiency of individual roles, customers, products, suppliers, assets and events.

The Universal Challenge: Coherency

Amisano notes that all senior executives want coherency across the business enterprise and that without coherency, strategic plans will not be as productive in optimizing profitability.

"The first problem (to coherency faced by senior executives) is the lack of visibility, from the top to the bottom, of the effect of their investments of time and money on the value added by individual customers, products, suppliers, and assets."

"The difficulty in seeing those things makes it very hard to know where the money goes and then to take appropriate action to achieve the best possible return on investment."

"The way we attack this problem is to make all data visible, to give (executives) a clear picture of the value of their people, places, or things."

He adds that the technology Salient develops allows the business to put into context information from any data resources, which in turn allows for true evaluation of the contribution of each individual indicator.

"Doing this means we can answer a key problem companies typically face: that it is hard to understand the value of your workforce (mid-manager and so on) and over time improve the return on their work and the things they are responsible for."



"We have a comprehensive holistic approach to joining data that gives a company the ability to maintain and use its valuable experiences."

*Guy Amisano, CEO & Founder
Salient Corporation*

Empower Associates with Information

Amisano believes that individuals will perform better if they are empowered with information about the results of their efforts.

He said, “We gather an understanding of net value added for each entity and then enable everyday managers to refine their practices to achieve the highest possible return. What we achieve here is a systemic coherency, because we can bring all the data together.”

“We can spell out what and who adds value, how it is added and make the knowledge clear and understandable from the top of the company, the visionary or strategic level, down to the people who work every day in the company’s interest.”

Amisano adds that Salient recognized from the beginning that while this idea was appealing, data systems were often too complex or too slow for associates to embrace as a part of their everyday work.

“Everyday, individuals go through hundreds of different situations. Each situation might be about a different relationship...”

“They need to draw the appropriate information specifically tailored for that (specific) relationship directly into the situation of the moment.”

Amisano believes his company is the only company that can deliver the distinct, absolute measure of value added at the granular or entity level of the enterprise.

He said, “You have people who are in charge of those entities with instant access to that knowledge so that they can use it directly to win transactional situations, and then use it over time to perfect their practices and become better and better at what they do.”

“The effect of this capability is typically a very significant gain in process efficiency.”

“We develop technology that reaches into different systems and draws data from them, integrates it and measures the value chain. This means we can achieve a profit and loss statement or a statement of value added for each single entity,” Amisano said.

Applying the Concept Across the Enterprise

Amisano said his company initially focused on helping clients measure the productivity of Sales by providing a way to give the information about the result of their decisions directly and quickly.

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“By giving them (Sales Associates) this access, we were able to show a marginal efficiency gain of about ten percentage points, which adds up to tens of millions of dollars in larger businesses,” said Amisano. He added, “The same effect is true across every function and dimension of the enterprise, and it can be brought to bear so everyone is aware of the mission of the enterprise from top to bottom.”

“Everybody is instantly aware of everything that happens and what it is worth, and can then make the most intelligent decisions. This capability also supports the idea of pay for play, or variable compensation based on value added. Most companies need to use rules-of-thumb to pay their everyday performers and managers. They pay them according to a formula for paying a certain type of job.”

“If it becomes possible for somebody to understand exactly how much value is being added and for that same understanding to be shared up and down the management command chain, then you’ve taken the question of trust off the table and enabled people to pursue excellence and to be paid for achievement of excellence at every step. This enables companies to operate in new and better ways.”

Salient Brings Un-Structured Information of Meaning to Structured Intelligence

Amisano notes that because information is often not structured, narrative text is not able to explain current situations. He adds that graphics or video may be needed to accurately portray the situation in a way everyone can understand instantly.

He said, “We refer to our underlying data as holistic business intelligence. Our system enables individual users to connect quantifiable data; to search analytically, as it were, to find people, places, and things of interest; to narrow it down to the few who are important; and then to immediately connect up with a device that we include in the system to (explain) unstructured data, and as you say, videos, instructions, findings, diaries, chronologies, all kinds of things that add ‘soft’ intelligence to the hard intelligence of numbers. We have a comprehensive holistic approach to joining data that gives a company the ability to maintain and use its valuable experiences.”

“Think about a retail environment as an example. There may be a large retail chain that has what it thinks is an ideal setup for a particular product category on a shelf. In our system, when a person was looking at a particular category or product, they would click on the product with a device.”

“Then they would see a picture of the product itself, the position on the shelf where it belongs, how it should be priced, and maybe other notes about the product’s lifecycle. That structured intelligence is important to gain a holistic understanding.”

Benefits of the Holistic Approach

Amisano explains that a holistic approach allows the associate to make a direct connection between unstructured, experiential data with quantifiable data.

He adds, “There is also the ability to transfer instructions and findings directly into the system.”



Consultant on the Desktop

Amisano notes holistic information allows the enterprise to set up an ad hoc consulting approach to their business.

“If you compare this to what a consulting relationship might be like a high-level management consultant would come in, study and come up with some findings about what’s wrong with the company and what might be done to correct it. Ordinarily those findings are published in a book and as a deliverable and left with the client.”

“Of course the problem is that everything is constantly changing, so as soon as they have been finalized, the findings begin to lose value. It is hard to communicate what to do about them all the way down through the culture, through the organization.”

“What we do is ... incorporate consultative findings directly into the data system directly connected to certain measures of performance against those findings.”

He adds, “(One can) consider our system, for example, an enduring document for consulting findings; that once those findings are delivered and a measure is created, we deliver against those findings. They are continuously available including the soft, the non-structured, intelligence around why the findings are what they are. The important point here is our ability to join our structured data directly to web information.”

Delivering on the dream: scoring the value chain

Amisano said, “Every single entity in a company – a person, a product, a customer, a supplier, an asset – every day, these things are related to each other and cause a chain of value. They are related by activities. In a sense, activity represents investment on money and energy.

Because we can measure precisely the amount of money, the amount of energy, the amount of time at a duration and frequency of these activities, we can understand with great precision ... the value of that activity at each point in the value chain for a particular product, or a particular person, or a particular thing.”

Amisano said that such knowledge motivates people involved in the activities because they see not only how they are doing, but how to improve, with speed, specificity and simplicity.

“The immediate availability (of information) with zero latency, zero overhead on the part of the user to this kind of understanding brings the intelligence directly to the transaction which affects, of course, the value chain.”



Because Salient can do all of this at the same time, Amisano said, they can deliver instant intelligence directly into a situation – in the street, in the field or in the shop – giving the associate an understanding of how their immediate work is driving the objectives of the company.

He said, “And that, of course, leads to better organization and better management. Some of our clients have referred to our capability as enabling the removal of layers of organizational apparatus that are simply there to make sure people are doing what they’re told. That becomes unnecessary (with Salient).”

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About Salient

Salient Corporation offers business and government a new solution for efficient management. Drawing on diverse data from multiple sources, our technology measures how business activity creates value, quality, financial efficiency, productivity, while its user interface eliminates barriers to the use of this knowledge for continuous process improvement.

Salient’s technology platform is a super scalable in-memory OLAP system for activity based value scoring. Its user interface is a graphical toolbox for interactive, stream-of-thought data mining, visualization and root cause analysis. Overall, the technology enables non technical knowledge workers to evaluate process behaviors rapidly, eliminate waste and optimize outcomes continuously.

Founded in 1986, Salient today serves more than 35,000 users in 53 countries. For more information, visit www.salient.com.

