

Data “The New Currency”



“If you don't reveal some insights soon, I'm going to be forced to slice, dice, and drill!”

“You can have data without information, but you cannot have information without data.”

Daniel Keys Moran

Christine Frey, Director Overseas Financial Operations



Data “The New Currency”



Topics:

- DeCA
- Data & Performance Measure
- Financial Data & Challenges:
 - scope, diversity, data strategy, data integrity
- Decision Strategy
- Providing “Best Customer Experience”

The Military Benefit - DeCA



HQs & 5 Areas

236 commissaries (Conus & OConus) --- 13,000+ employees

\$4.2 billion annual sales / 64+ million transactions

2 Areas Overseas (58 commissaries, 8 CDCs, 1 CMPP, 5 Nexmarts, 40+ embassies)

13 countries --- 3,500 employees

\$750M annual sales / 13+ million transactions

For every \$ you spent you are getting a 25 cent savings

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Data “The New Currency”



Big data hailed as “game changer” & future of retail

- Powerful asset transformative potential when coupled with analytics technology and solid data strategy

On it’s own – massive quantities of static data

- when processed it becomes life
- enables retailers to deliver hyper-personalized customer experience, optimized inventory, supply chain mgt, uncover new growth opportunities – **informed decisions**

Big Data impacts the Retail Industry



The 5 Ps in retail:

- Product, price, promotion, place and people
- Biggest challenge: data mgt & integration
 - Integration with tools & technology to make intelligent business decisions
 - Lack of focus on data pose a major barrier to retail transformation
 - Data quality and integration
 - Building strong data literacy, maturity and culture (strategy/reflecting business goals/shared with key stakeholders)

Retail Operation & Data Analytics



Primary & secondary data:

- POS data, loyalty card data, market data, surveys, customer feedback ...

Data processes relating to:

- Inventory levels, supply chain, consumer demand, sales, salvage/shrink ...

Linkage into the Financial data

Crucial for Making Marketing, Procurement, Investment Decisions

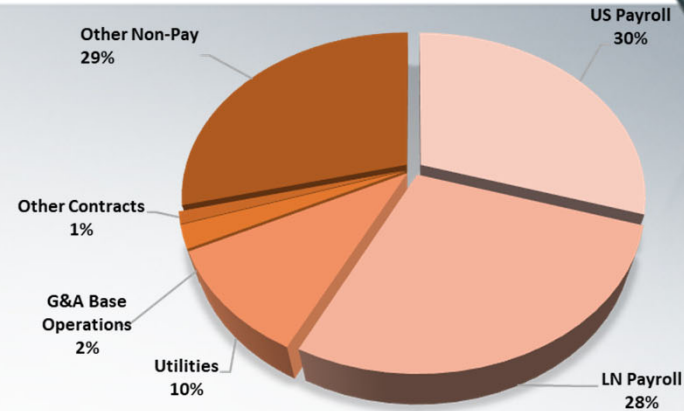
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Funding Profile

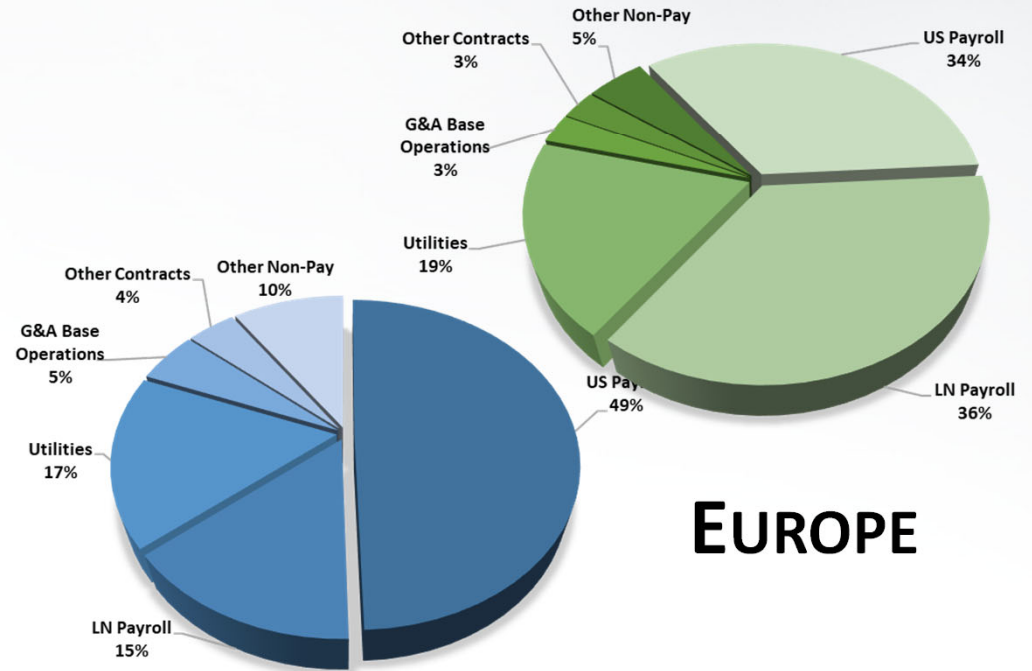


Overseas Programs

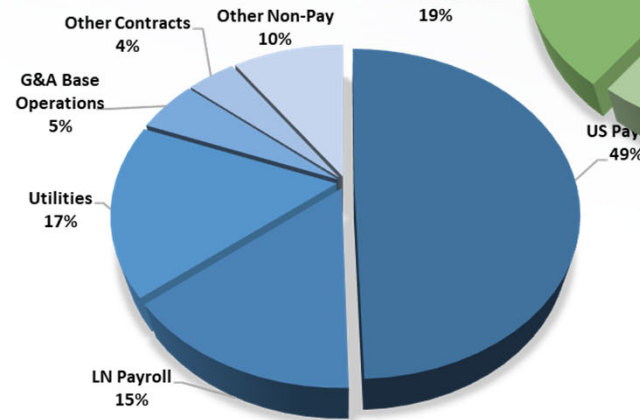
- Payroll Budget
- Non-Pay Budget
 - DWCF
 - Utilities
 - Refuse
 - Communications
 - Custodial
 - Supplies
 - Surcharge
 - Leases
 - Maintenance (Equipment/Facilities)
 - Equipment Purchase



CDC



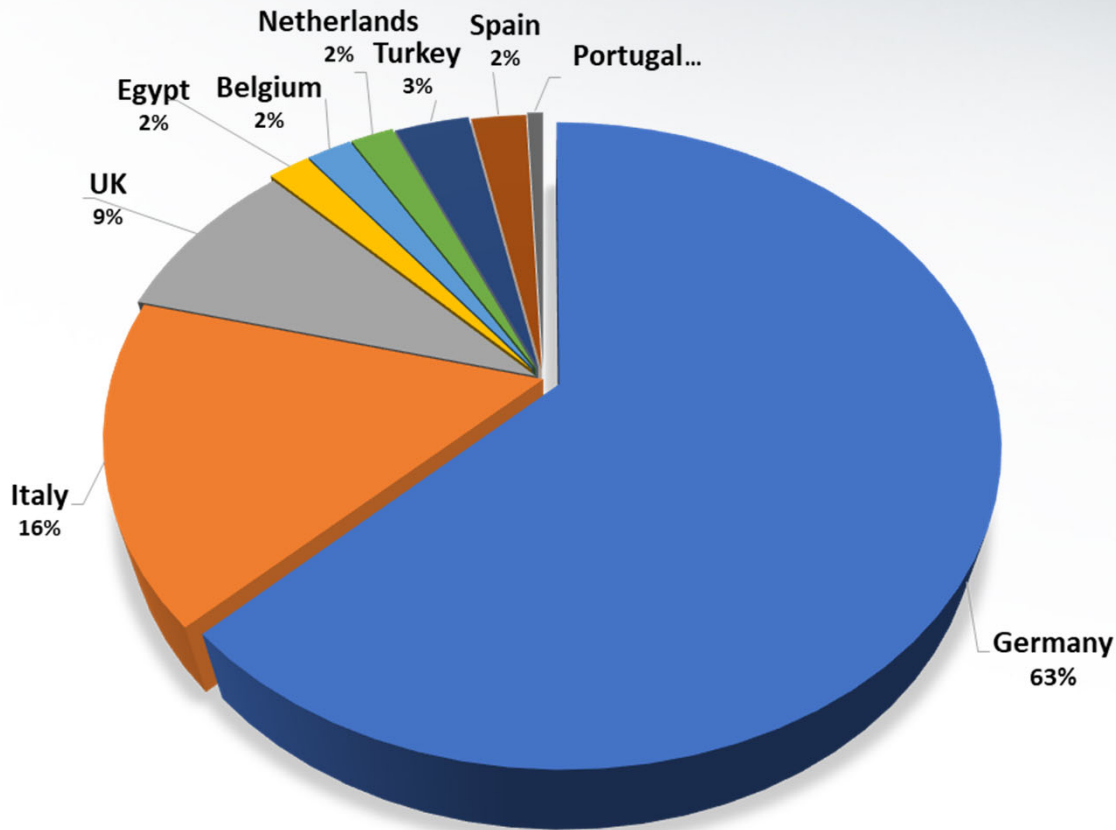
EUROPE



PACIFIC

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Demographics: Europe Workforce



* Includes Europe Stores, CDCs and Area Office

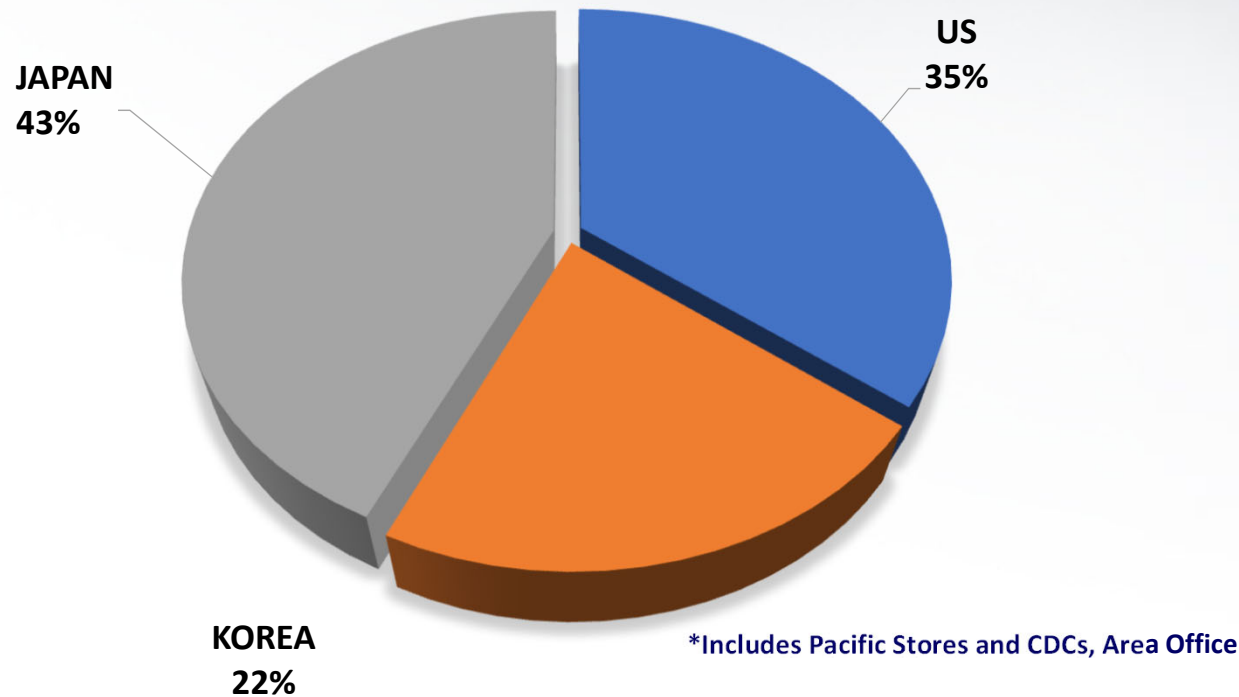
Country	Payroll Offices	US Auth	LN Auth
Germany	1	542	443 DH
Italy	3	38	218 DH
UK	2	108	22 DH 7 IH
Egypt	1	2	27 IH
Belgium	1	7	24 IH
Netherlands	1	20	11 IH
Turkey	1	3	49 DH
Spain	1	13	26 IH
Portugal	1	-	11 DH

Zone	Number of Locations *
Bavaria	15
UK	10
Mediterranean	11

Definition:
Direct Hire – LN personnel hired directly by US Forces
Indirect Hire – LN working for foreign government transferred to work for US Forces

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Demographics: Pacific Workforce



Country	Payroll Offices	US Auth	LN Auth
Korea	2	118	229 DH 24 IH
Japan	1	300	509 IH

Zone	Number of Locations *
Korea	11
Japan	17

Definition:
Direct Hire – LN personnel hired directly by US Forces
Indirect Hire – LN working for foreign government transferred to work for US Forces

Burden Sharing - Labor



Korea

- Funded 100% up front
- Reimbursements are received 3-4 times a year
- Reimbursements for labor average 75-80% of funded payroll costs

Japan

- The Japanese Congress meets in August and makes a determination of funds it will provide for LN payroll
- Tenant agencies may be required to pay a percentage of a shortfall, if not funded by the Japanese government
- Historically, the amount is service dependent and is based on the available payroll funding of the servicing payroll office

Foreign Currency Fluctuation



FY 22

FY23

FY 22						FY23					
Currency	Foreign Purchases	Budget Rates	Amounts	Fluctuation	Impact/\$	Foreign Purchases	Budget Rates 1 Oct - 31 Jan	Budget Rates 1 Feb 2023	Amounts	Fluctuation	Impact/\$
TL	17,178,510	7.2233	\$2,378,208	(\$1,173,676)	(0.4935)	46,556,615	8.48460	15.7532	\$3,455,186	(\$973,709)	(0.2818)
BP	2,232,057	0.7483	\$2,845,923	\$28,706	0.0101	2,835,710	0.72000	0.7922	\$3,690,032	(\$260,129)	(0.0705)
EURO	54,575,356	0.8703	\$62,708,671	(\$3,169,895)	(0.0505)	63,685,389	0.83900	0.9381	\$70,425,347	(\$2,709,666)	(0.0385)
YEN	958,038,087	106.4531	\$8,999,626	(\$1,216,287)	(0.1351)	1,520,201,186	109.7015	127.7677	\$12,486,700	(\$1,039,923)	(0.0833)
WON	22,557,557,172,847	1190.92	\$18,940,964	(\$678,038)	(0.0358)	22,999,334,378	1142.6335	1259.1031	\$18,814,100	(\$692,014)	(0.0368)
TOTAL			\$95,873,392	(\$6,209,190)					\$108,871,365	(\$5,675,441)	

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Cost Capturing and Alignment to Operational Processes



Strengths

- Understand the Business Processes
- Identify costs to the lowest identifiable level
- Transition to cost based procedures within DAI
- Knowledge of costing concepts at the professional level
- Ability to adopt quickly to changing environment

Weaknesses

- Time required to retrain current business logic
- Limited cost visibility
- Limited visibility of costs drivers to business processes

Opportunities

- Restructuring Financial Setup through Collaboration with Business Partners
- Provide cost transparency
- Refocus business decisions based on costs

Threats

- Missing collaboration
- Adverse influence by external decisions

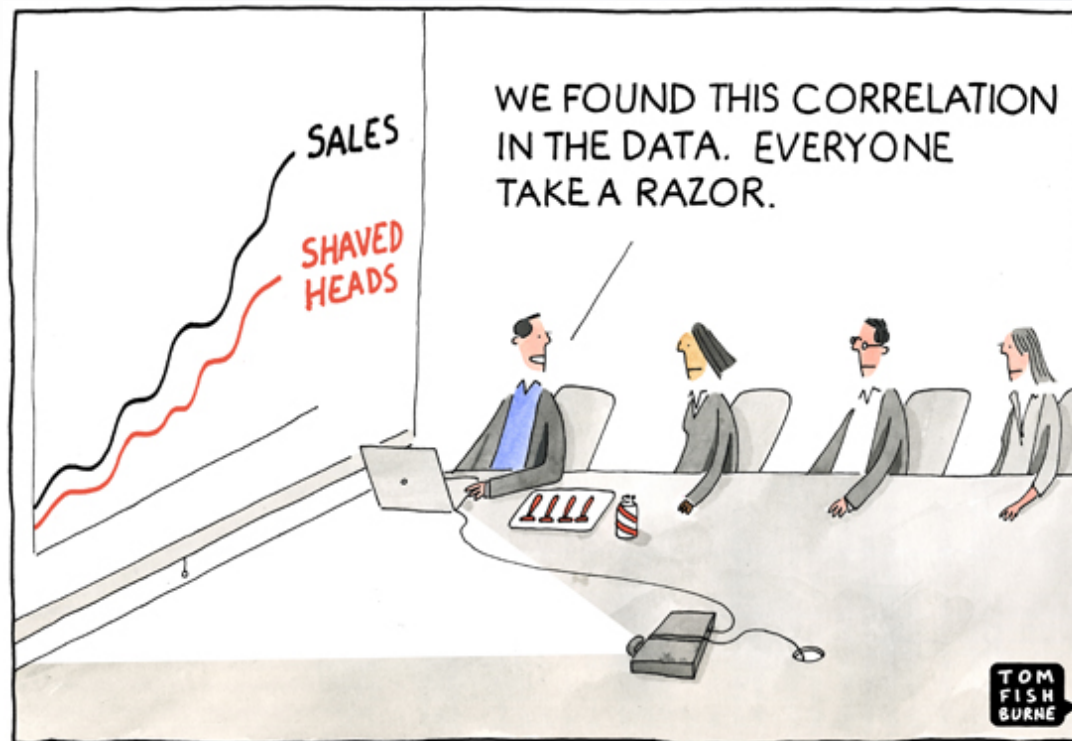
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Questions or Comments?



Thank you for the opportunity to share!

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