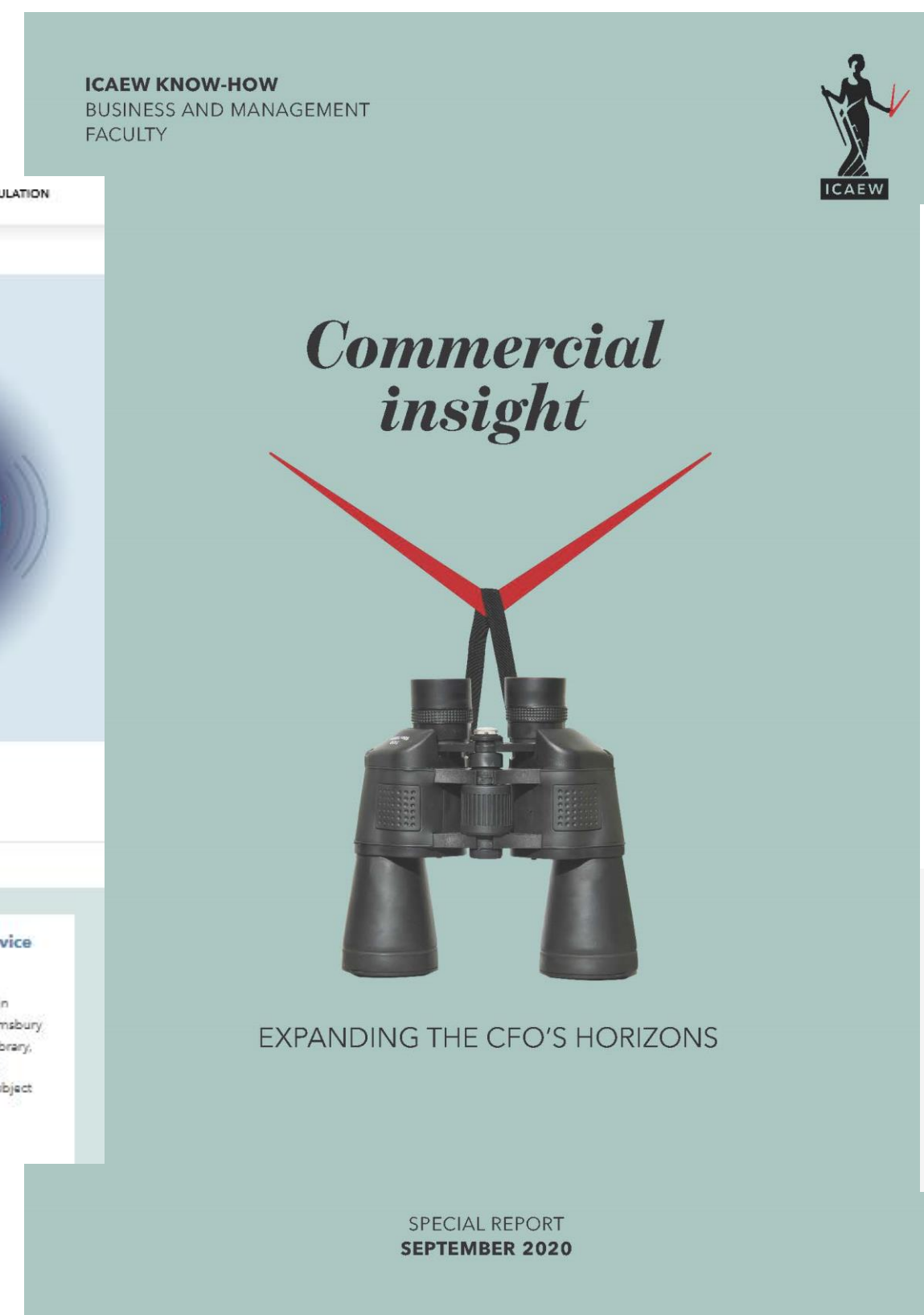
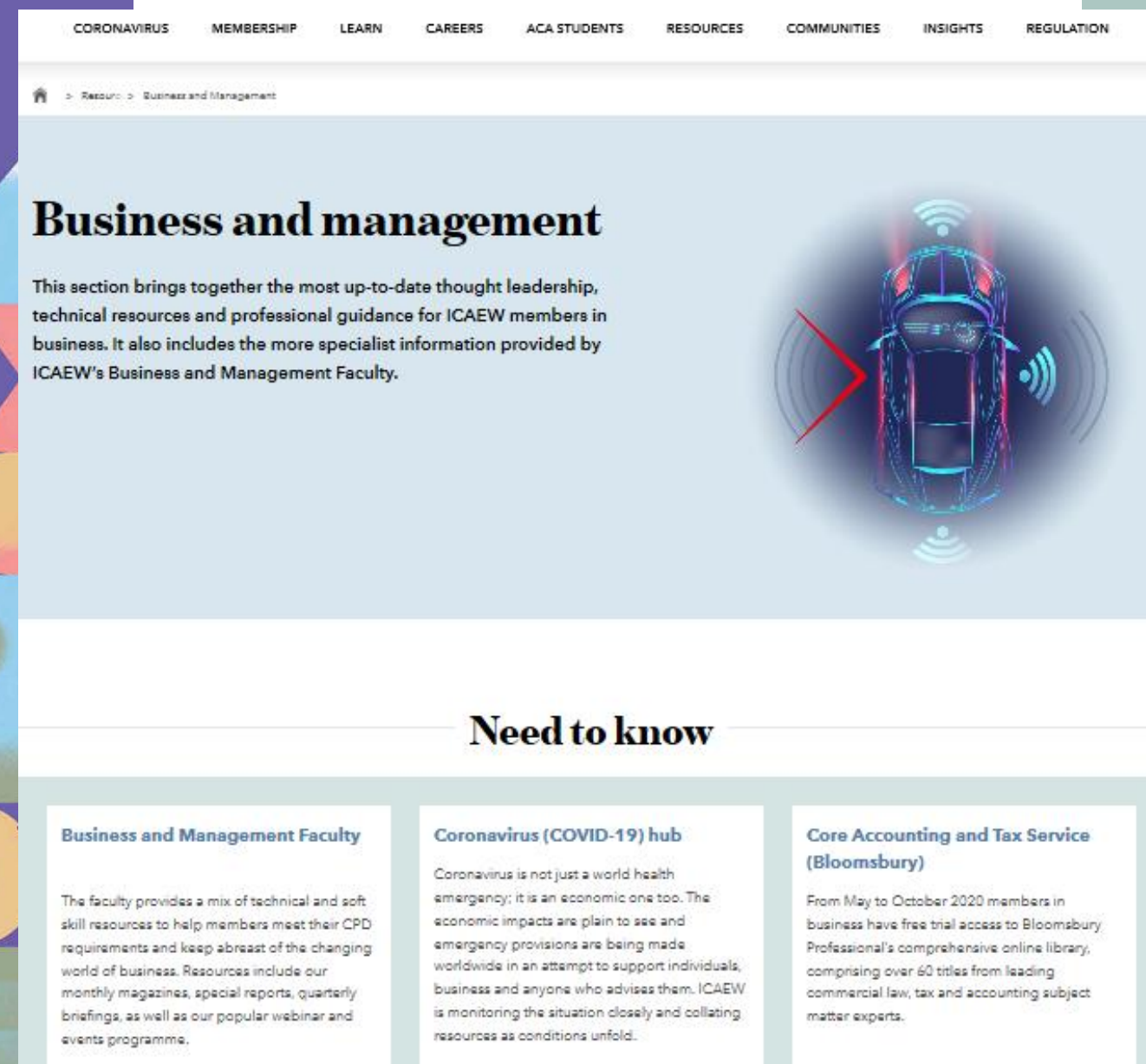


## ***Data valuation: the key to more value creation***

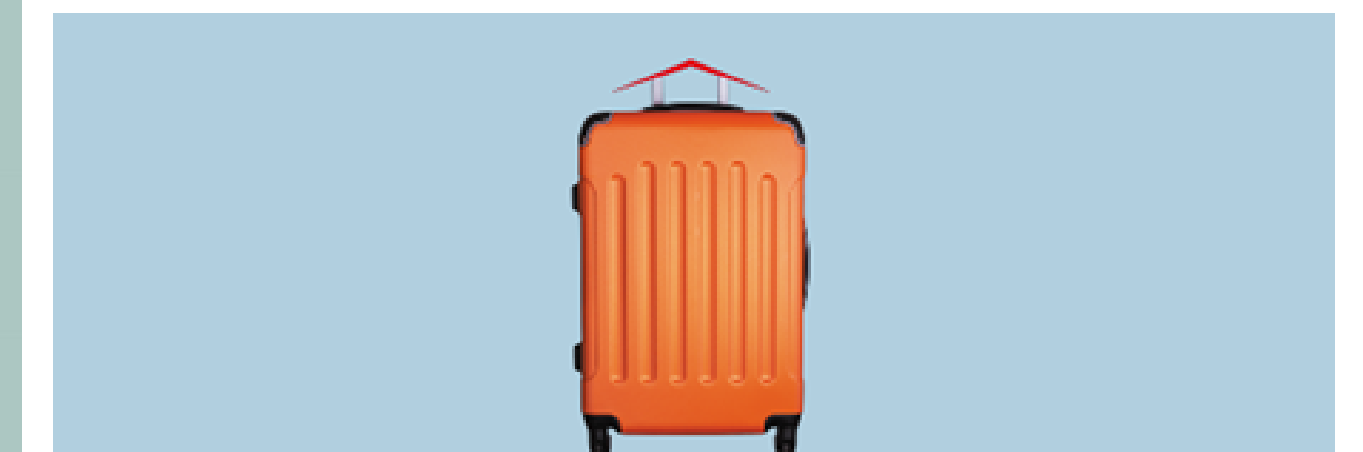
HERMAN HEYNS

CEO, ANMUT

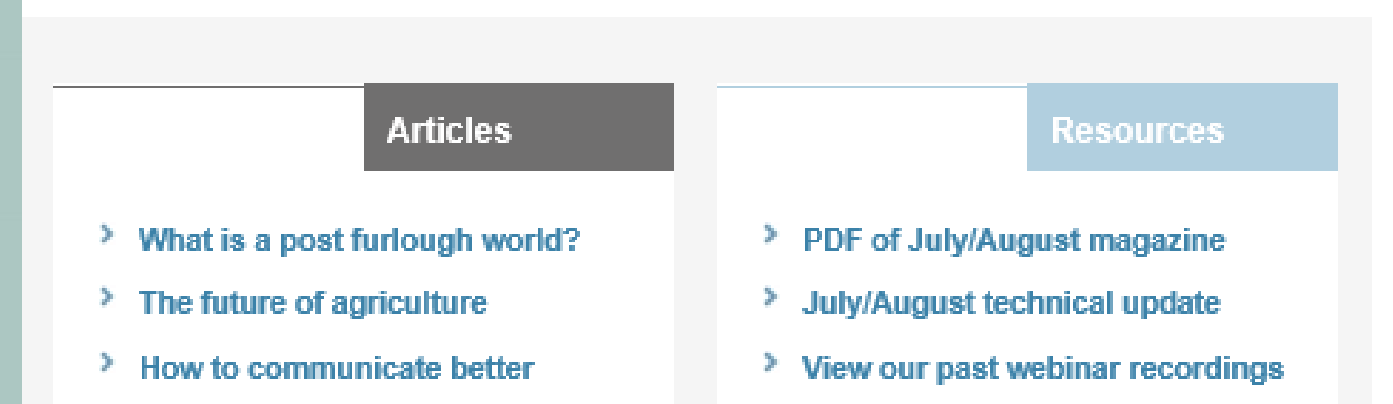
# Business and Management Faculty



## Tourism in the UK - post covid

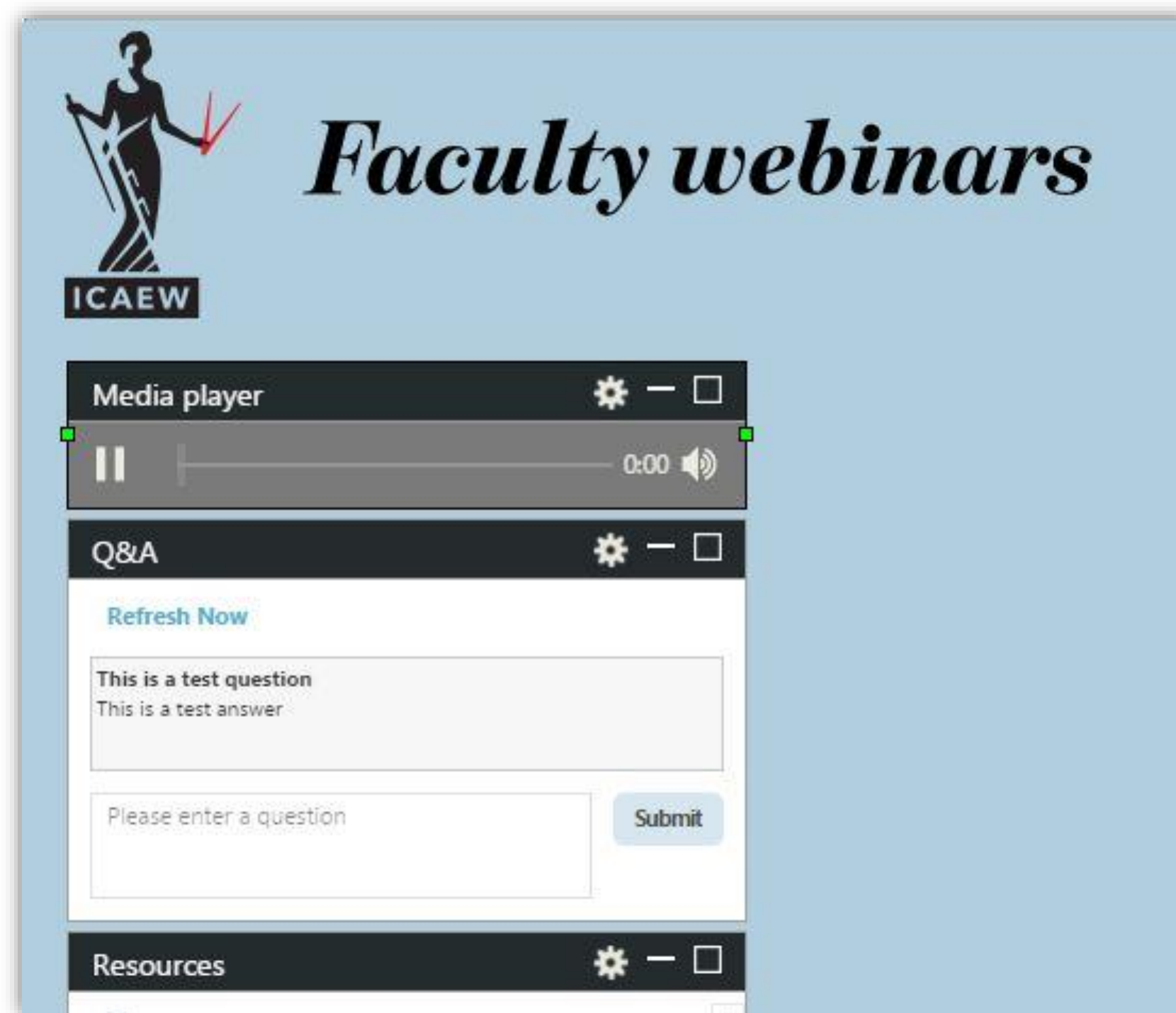


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***Today's presenter***



***Herman Heyns***  
***CEO, Anmut***

# Data valuation: the key to more value creation

Herman Heyns  
CEO, Anmut



How to improve your  
return on data  
investment by 300%

# Data Asset Management creates value and reduces risk

The average company spends more than 5% on data, some more than 12%.  
Effective data asset management reduces cost and improves outcomes

---



# Three things to know



Value



The data asset capacity



Prioritise



# Knowing how much to invest in Capex for an oil major

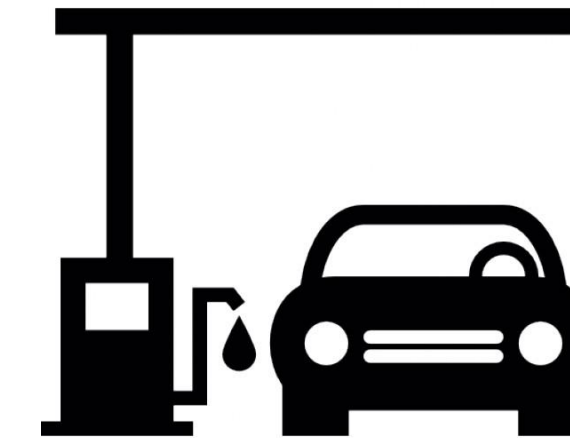
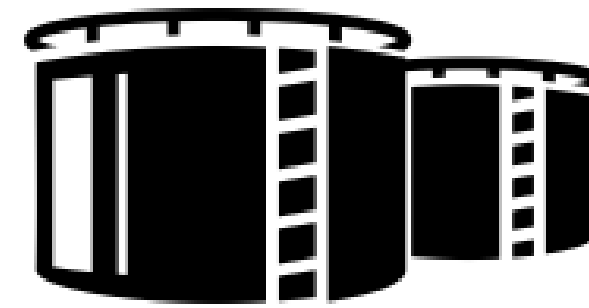
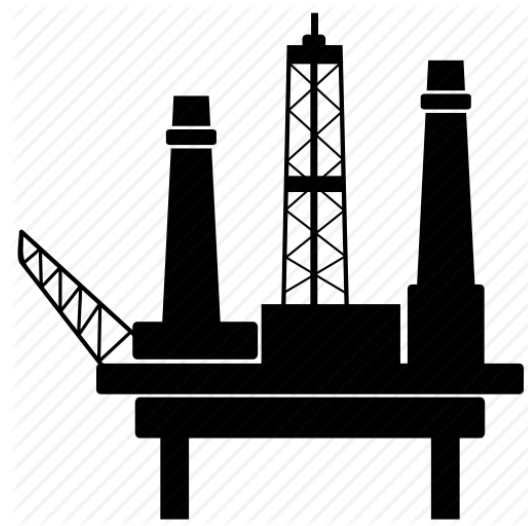


Oil Exploration	\$ 0 bn
Oil Refining	\$ 0 bn
Tanks	\$ 100 bn
Fuel stations	\$ 5 bn
<hr/>	
	<b>\$ 105 bn</b>
<hr/>	

# Key data points we need to know

- What is the price of oil?
- What are the different cost points for our different reserves?
- How much can we sell?
- What are the key components of our value chain?
- What is our capacity in each of the areas of our value chain?
- What is the minimum return we need to deliver?
- What is the risk of delivery?

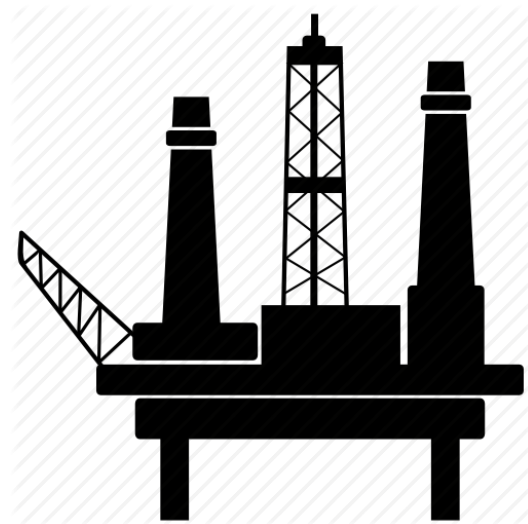
# Simplified oil value chain



**Market demand:**

**= 20m barrels /  
day  
\$55 / barrel**

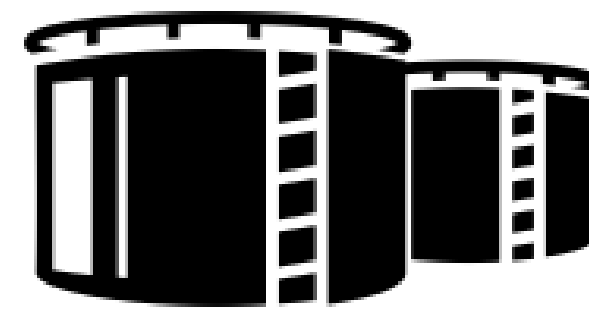
# 5m lost potential because of refinery constraint



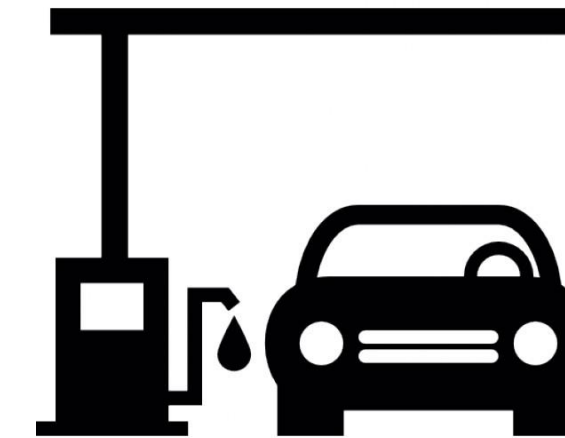
**CAPACITY**      20m  
(barrels /day)



15m



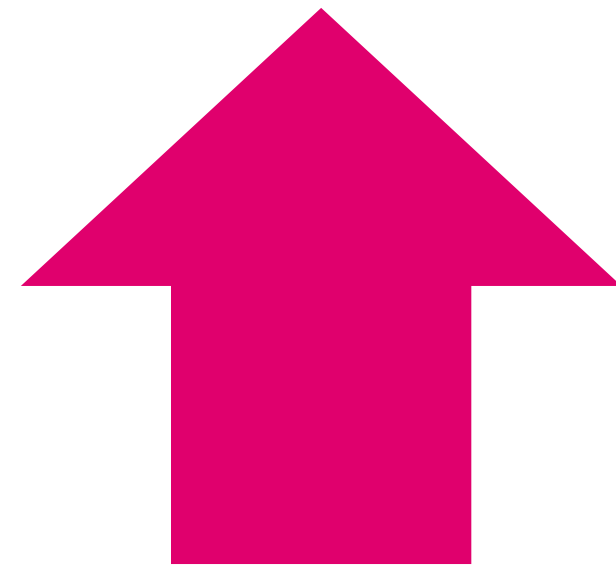
30m



40m

Market demand:

= 20m barrels /  
day  
\$55 / barrel





# Should we invest? How much?

**Required ROI: 10%**

**Per barrel long term price outlook: \$55**

**Per barrel cost up to 15m barrels / day: \$35**

**Current profit, on constrained 15m barrels / day production: \$ 110bn**

**Investment required to deliver extra 5m barrels / day: \$80bn**

**Per barrel cost for additional 5m barrels / day: \$45**

**Additional profit at 20m barrels / day production: \$ 18.25bn**

**ROI: 23%**

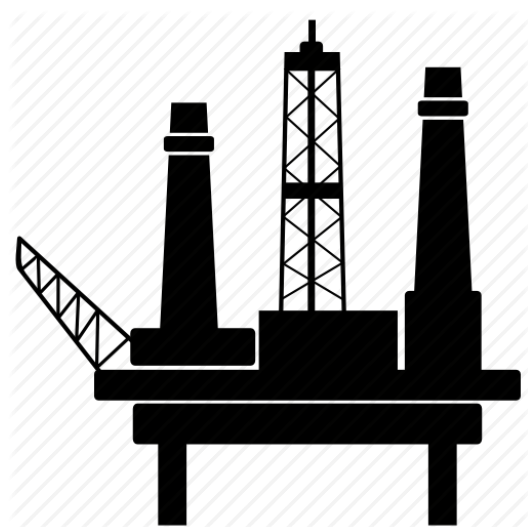
# The difference is knowing the value of oil



Oil Exploration	\$ 0 bn	\$ 40 bn
Oil Refining	\$ 0 bn	\$ 40 bn
Tanks	\$ 100 bn	bn
Fuel stations	\$ 5bn	\$ 0 bn
<hr/>		\$ 0 bn
<i><b>Total</b></i>	<i><b>\$ 105 bn</b></i>	<del><i><b>\$ 80 bn</b></i></del>

# Simplified data value chain

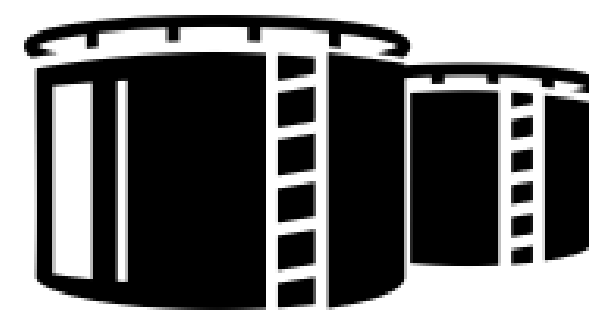
**Finding,  
securing,  
collecting data**



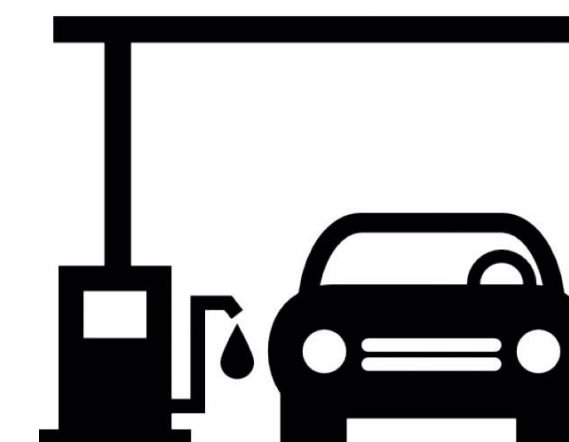
**Managing,  
processing,  
cleaning and fixing  
data**



**Storing in  
Clouds or data  
lakes**



**Using data to improve  
decisions across the whole  
business**



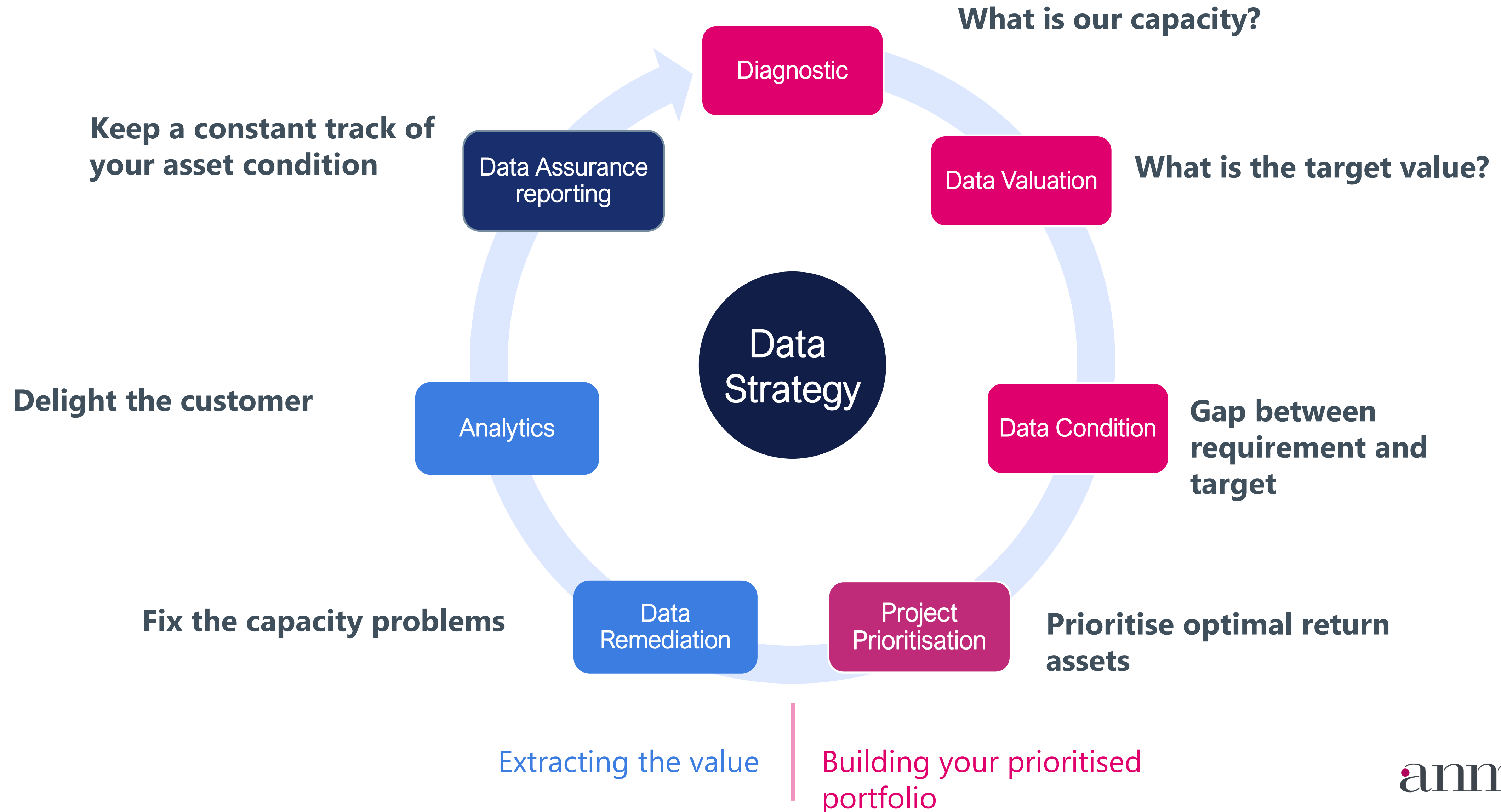
# How much, and where to invest in data?



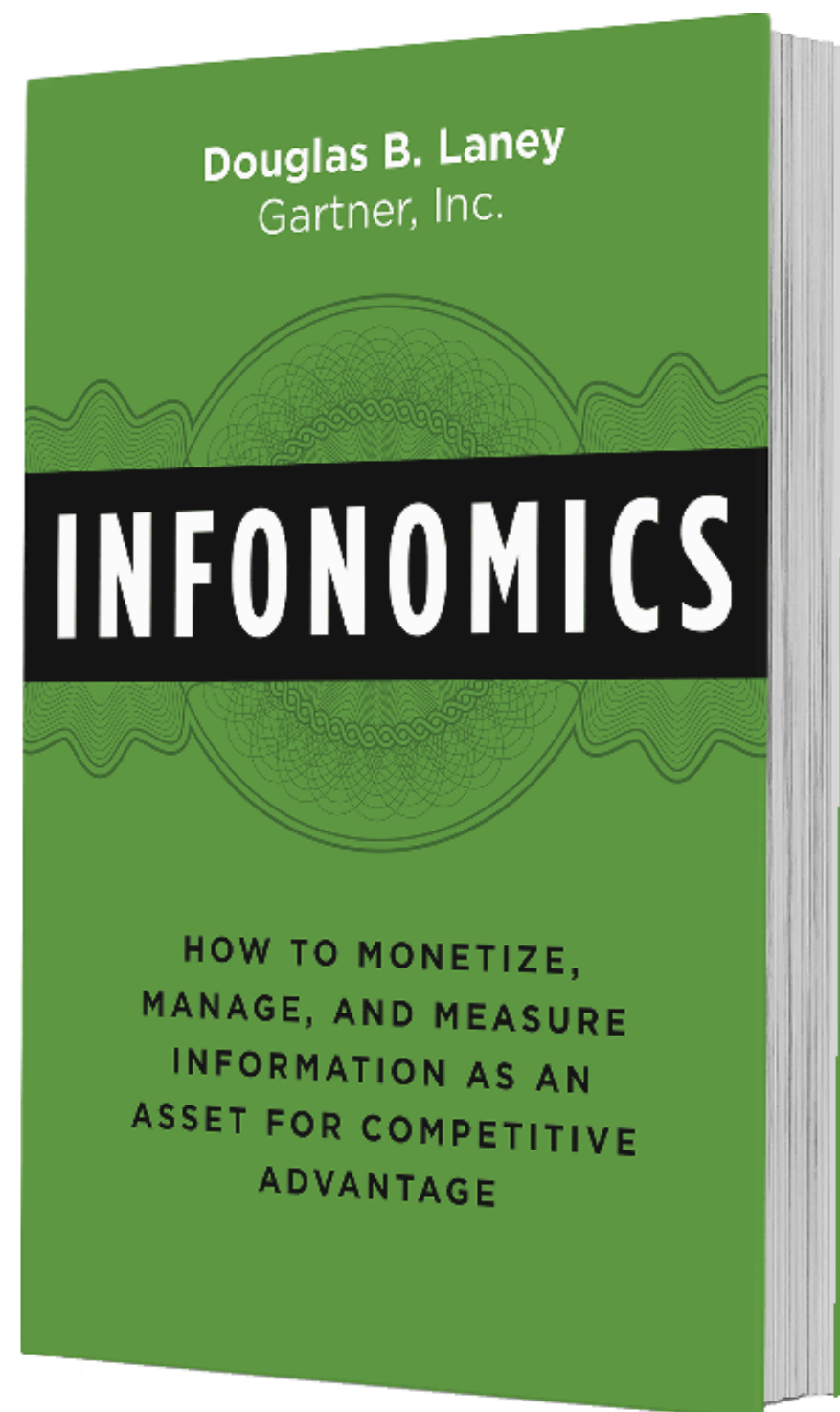
Data Exploration	\$	?
Data Fitness	\$	?
Data Storage	\$	?
Analytics	\$	?
<hr/>		
<b>Total</b>	<b>\$</b>	<b>?</b>
<hr/>		



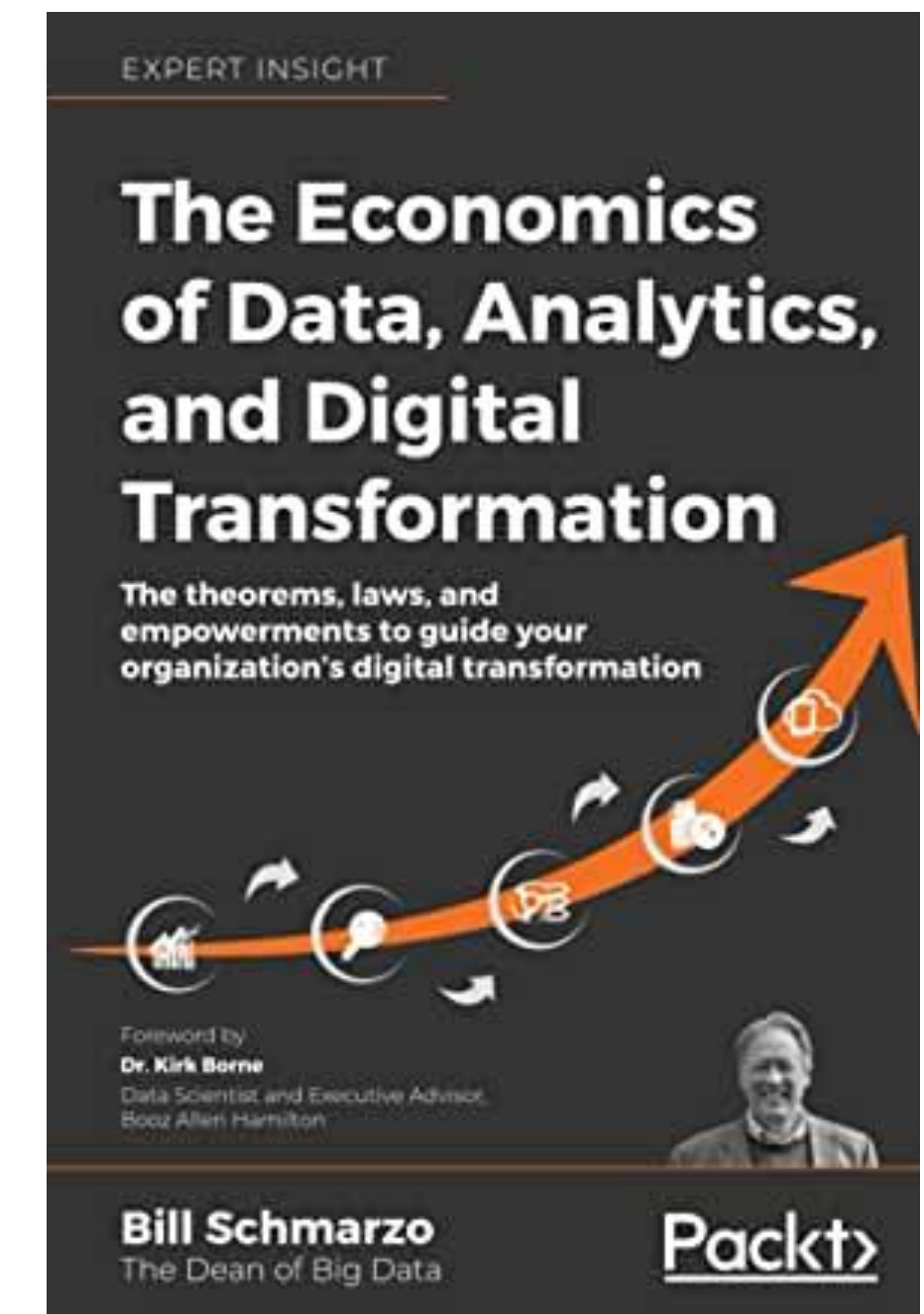
# Start with the foundations to fix the problem



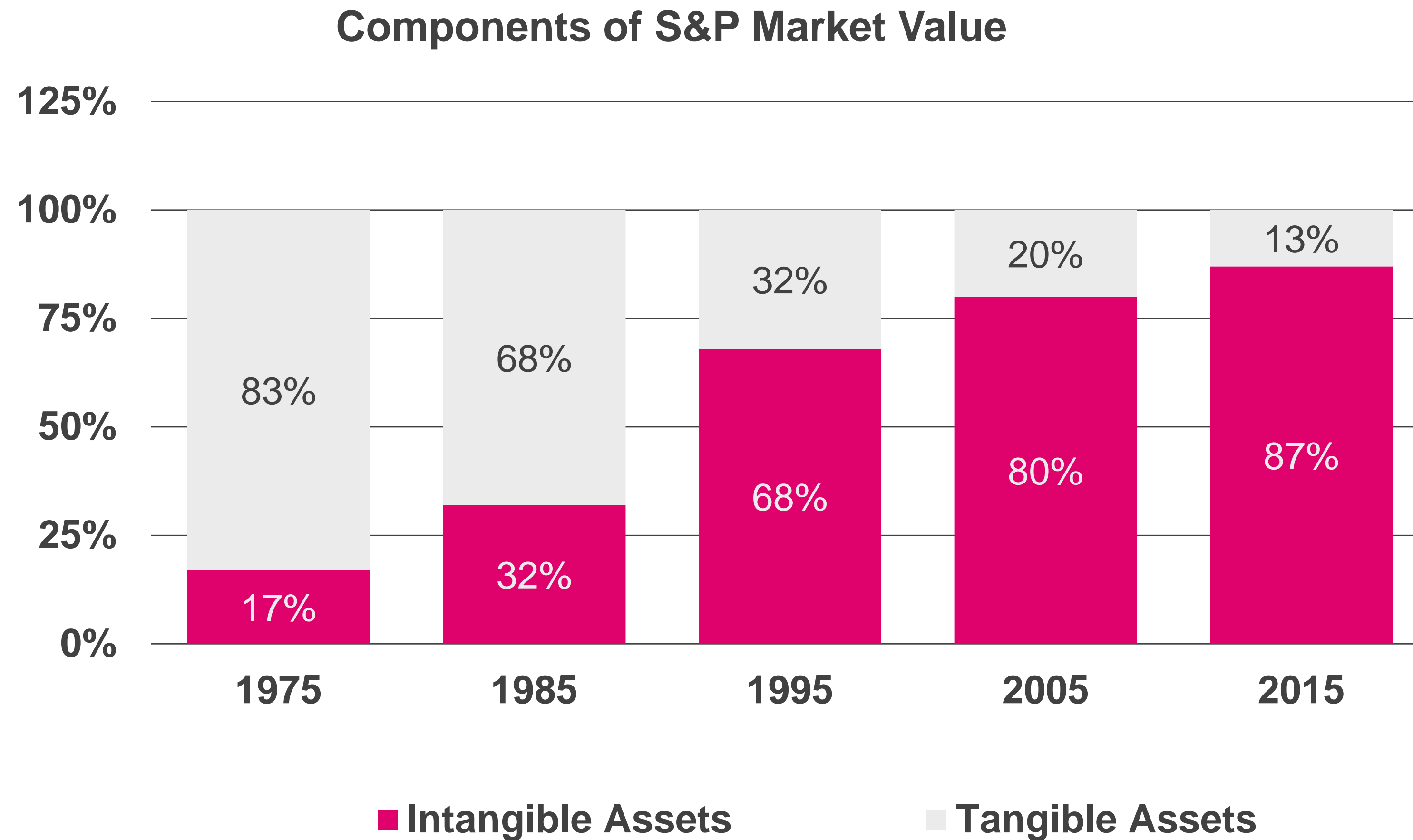
# The limitation of the existing methods



**Figure 11.1** Gartner Information Asset Valuation Models

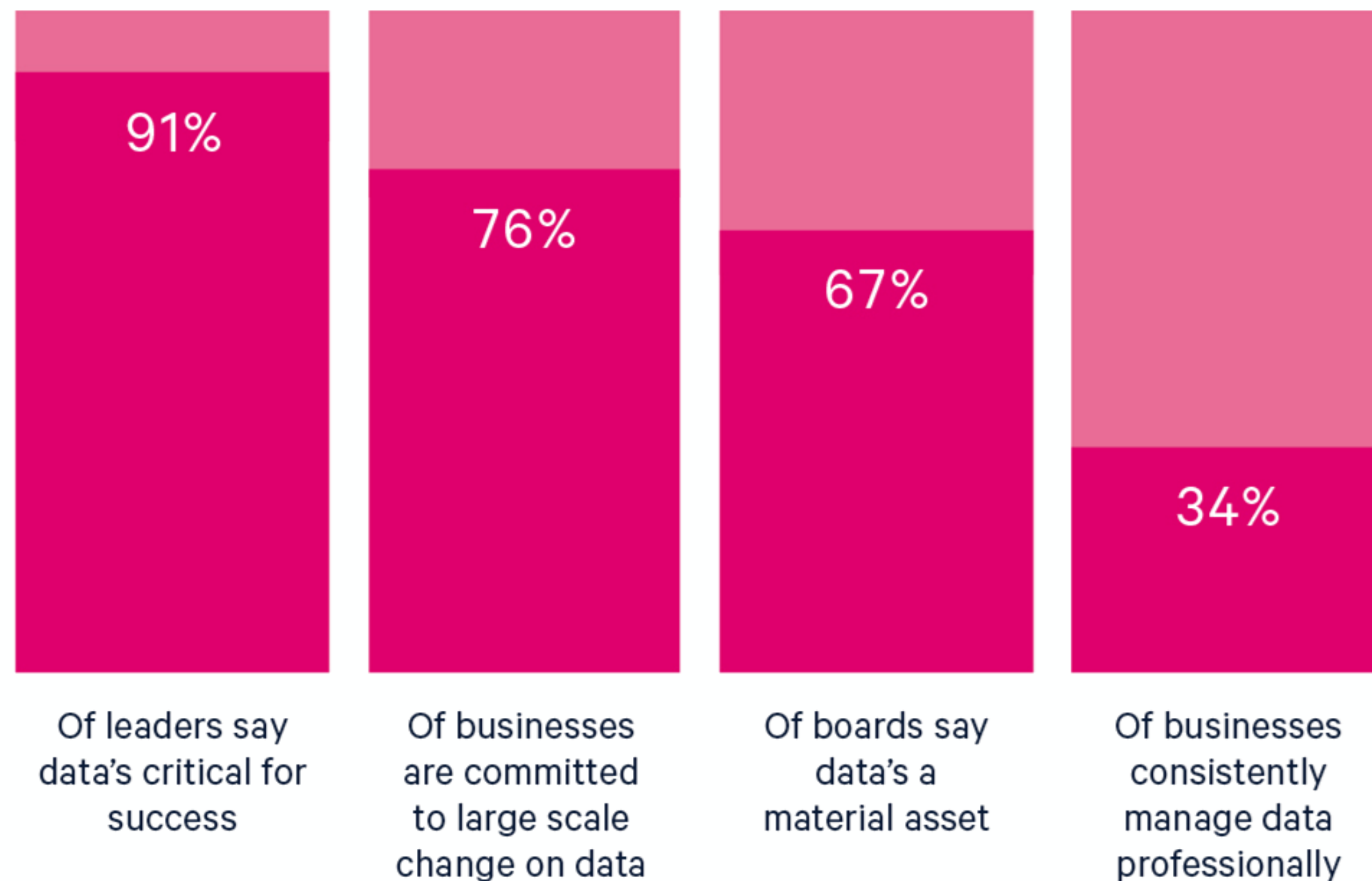


# Why data has become important



Source: Ocean Tomo, LLC

# Inaccurate accounting and valuation leads to mismanagement

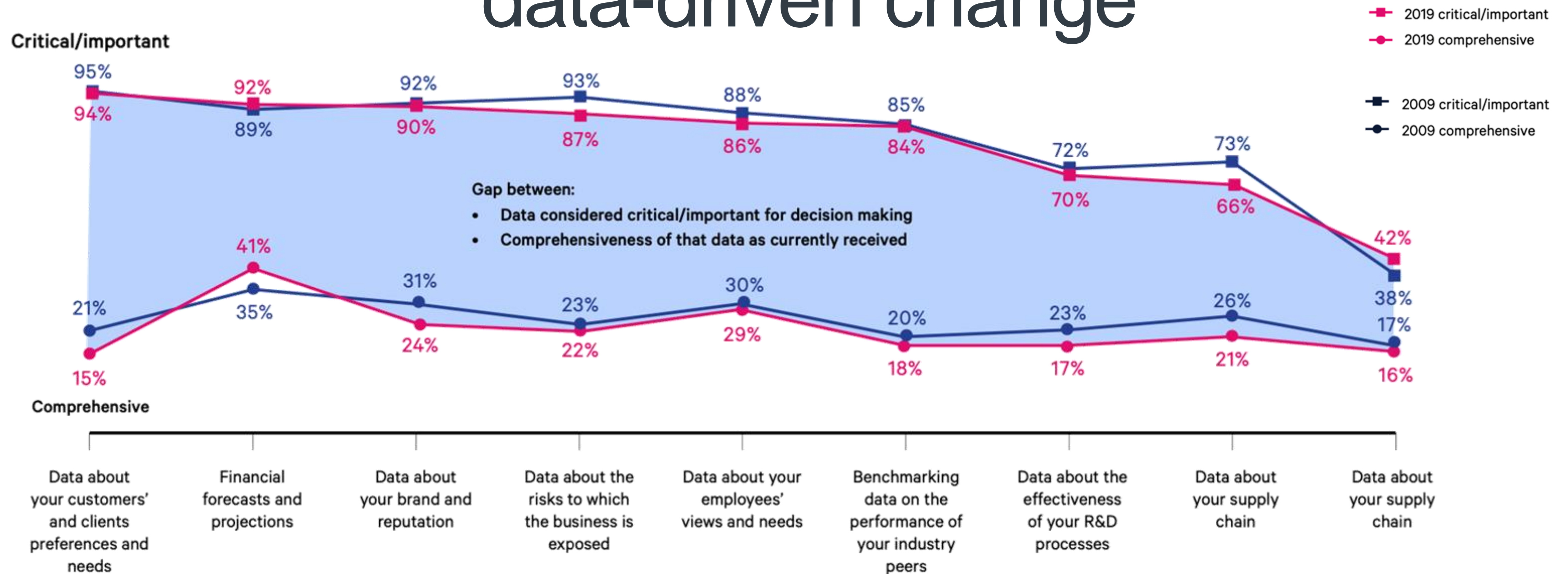


“Data’s not on an even playing field, it should be a BAU investment, like keeping the books clean or having a finance department. It’s an enabler, so proving a clear line of sight to ROI is hard, and in itself requires investment. When investment in data projects have to compete on short term ROI measures to get signed-off, you create all sorts of problems for the future.”

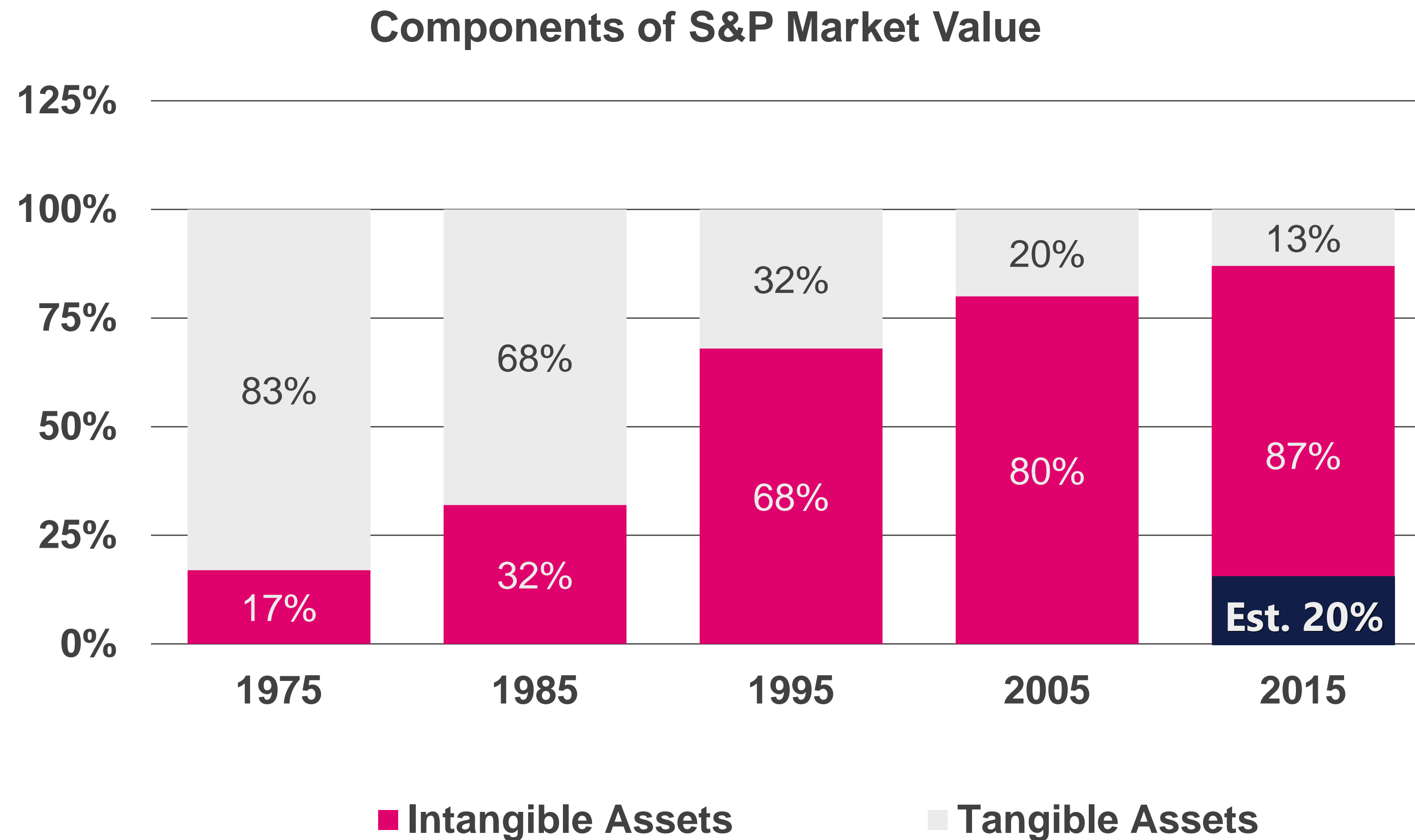
Barry Panayi  
Chief Data Officer  
Lloyds Banking Group



# The result is little change, despite billions invested in digital transformation to create data-driven change



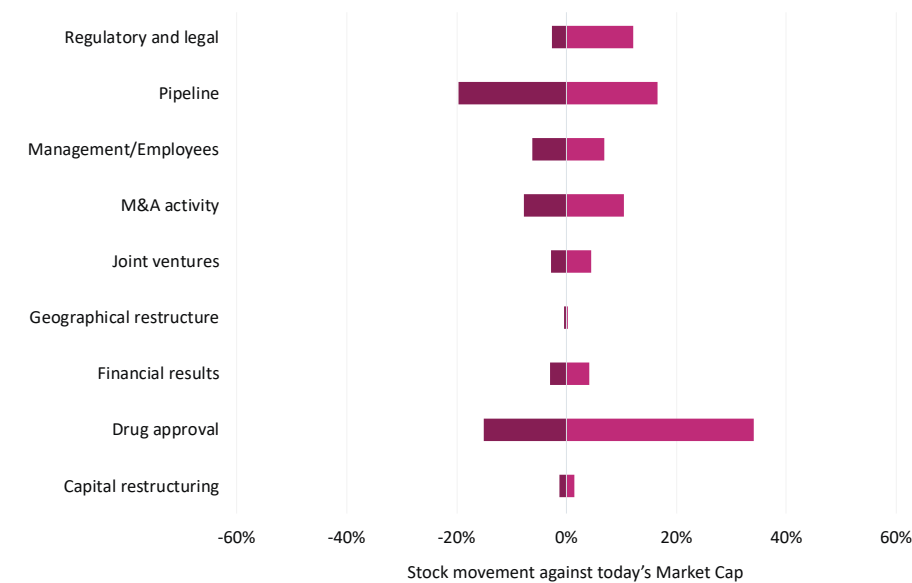
# Data is inherently valuable, but it also helps you manage the rest of your assets better



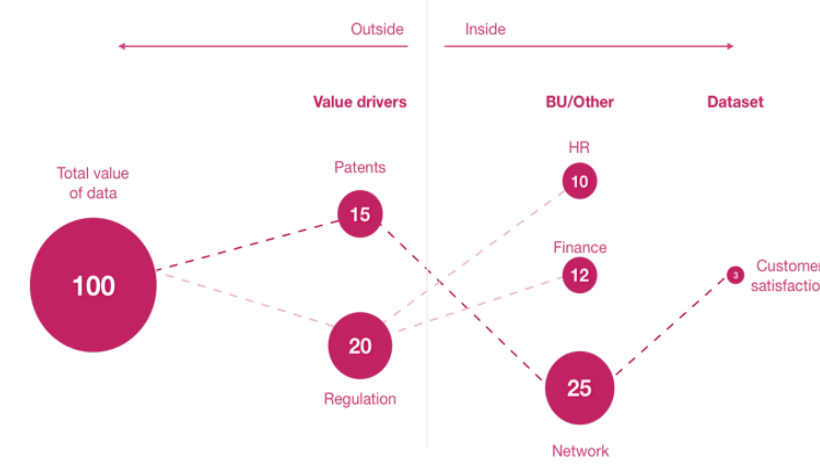
Source: Ocean Tomo, LLC

# A valuation method for every occasion

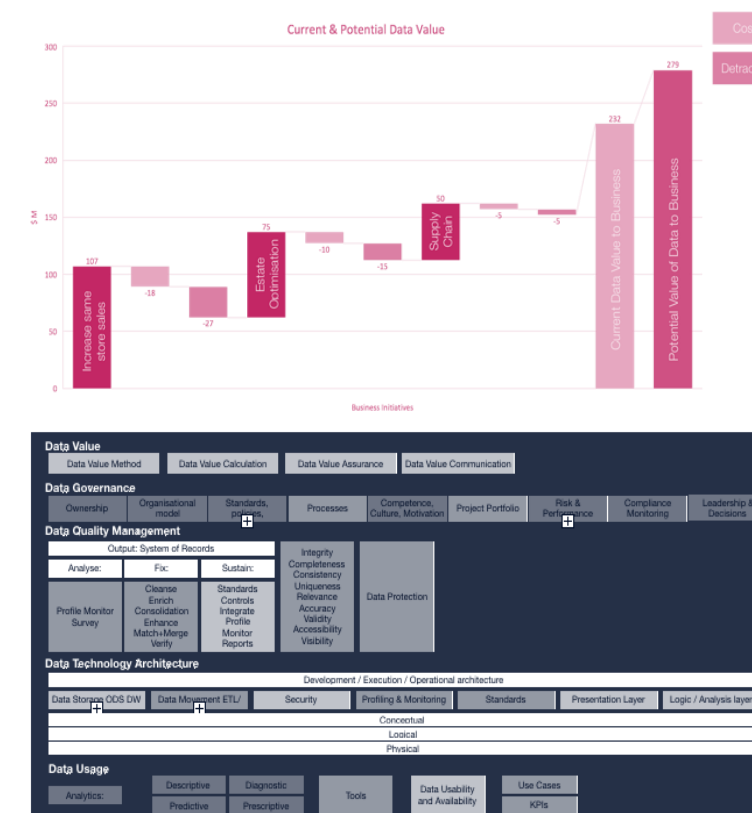
## Market-driven



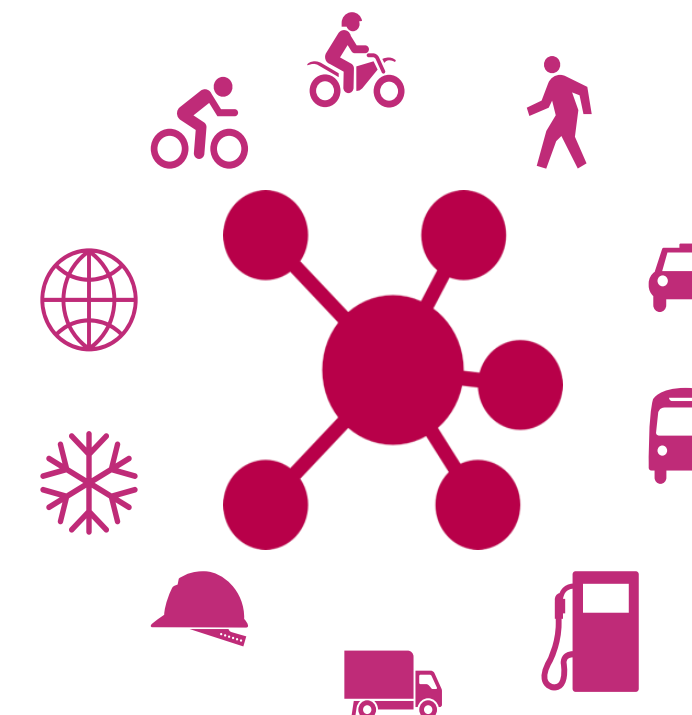
## Dataset-driven



## Initiative-driven



## Stakeholder-driven



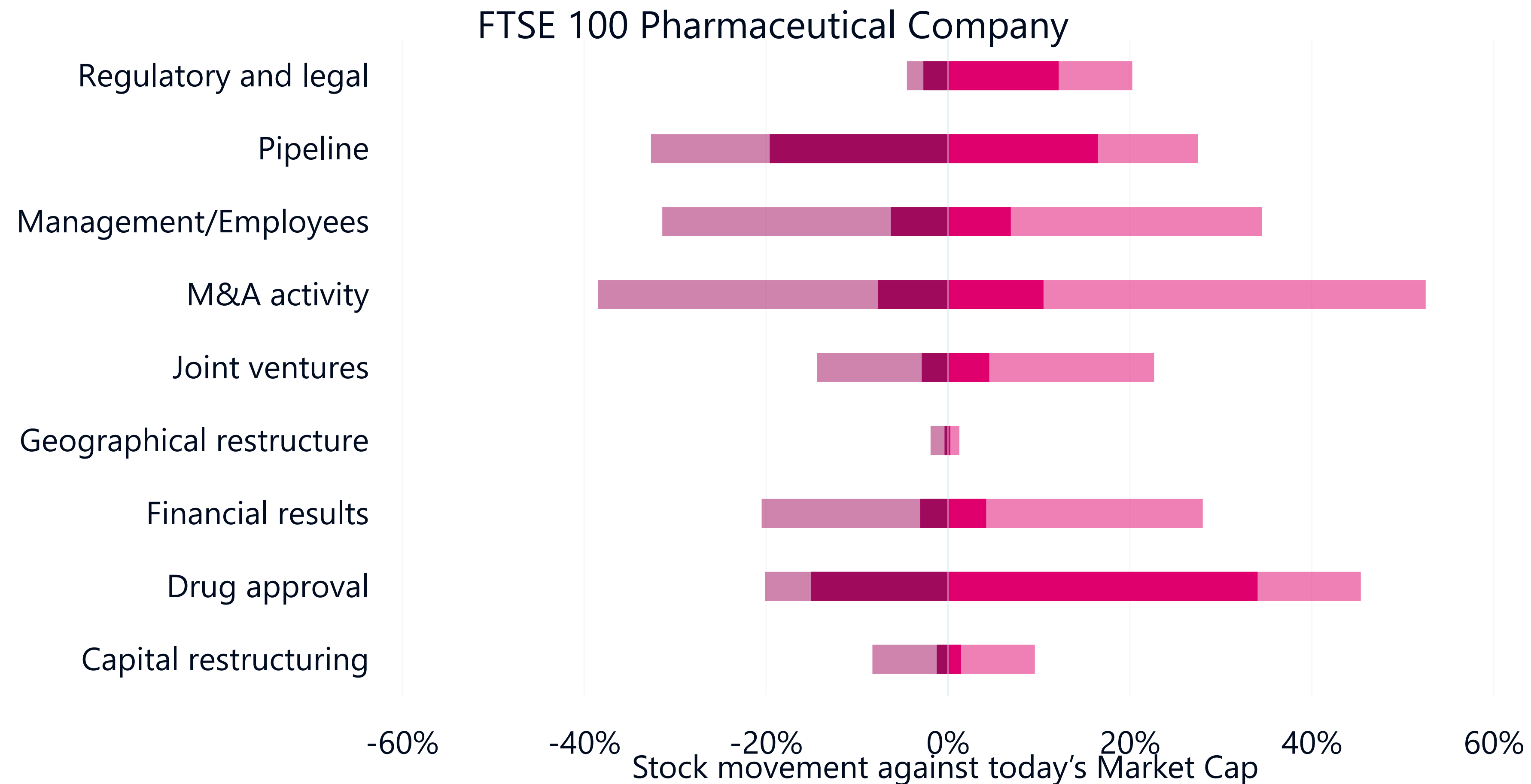
## Trading Value



Valuation can help uncover data's ROI. Each approach takes a different focus, prioritising understanding the value of data from a different angle.

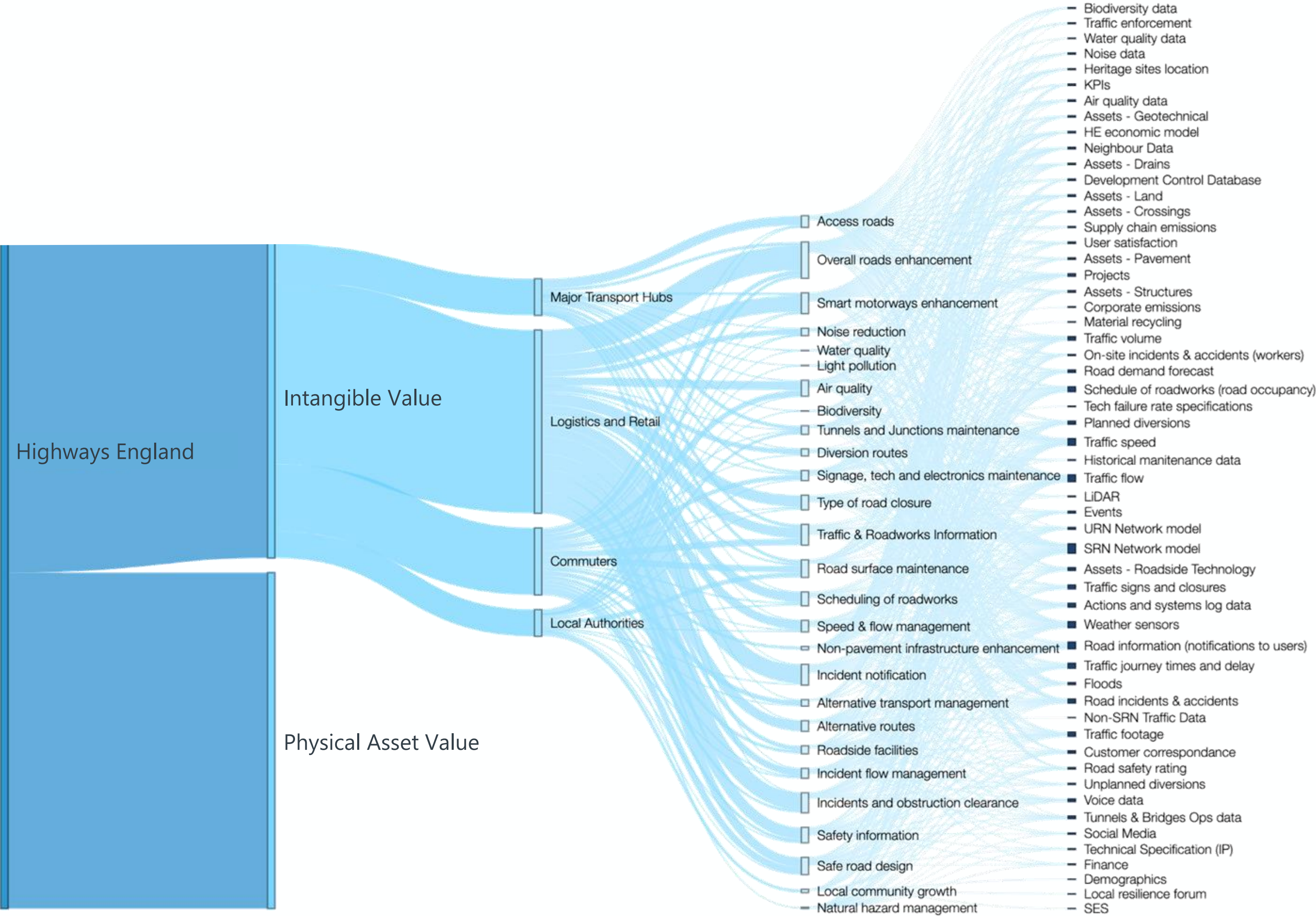
# Value drivers: The Market Methodology

Identifying, connecting and quantifying how past events impacted on share price





# Stakeholder valuation



# Three things to know



Value



The data asset capacity



Prioritise



“For every £2 of physical asset, we have £1 of data asset. We discovered that by valuing our data. It’s given people in the business the language to manage data as a strategic asset.”



Davin Crowley-Sweet, Chief Data Officer, Highways England

# Thank you

[Herman.R.Heyns@Anmut.co.uk](mailto:Herman.R.Heyns@Anmut.co.uk)



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27 April

*Skills to future proof your career*  
5 May

*Economic update*  
9 June

*Building an innovative team*  
7 July

*An introduction to machine learning*  
28 September

## **20 minute webinars – 12.30pm**

*Managing bribery and corruption in a downturn*  
12 May

*Why You? 101 job interview questions you'll never fear again*  
21 September

*Catching a money launderer*  
13 October

## **Online learning – 10am**

*Get the job you want*  
14 September

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