

Originally Published February 17, 2015, 12:01 AM ET

For Apria Healthcare CFO Debby Morris, Data Analytics Brings Greater Visibility

For Debby Morris, CFO of Apria Healthcare, data analytics are changing the way organizational decisions are made and support the evolution of the strategic CFO. Ms. Morris discusses her use of analytics for not only gaining insight into what's driving the business but also to provide greater visibility into decision-making. She also talks about how her finance organization works in partnership with the business and how her experience in different industries helped her to develop decision-making skills that she has found to be beneficial across many industries.



Debby Morris

Q: When you joined Apria two years ago as CFO, what were your immediate priorities?

Debby Morris: Besides critical aspects of running the business, my first priority was to determine what the business needed from the perspective of information and data analytics. I'm a believer in the power of analytics, and know they can help drive clearer and better decision-making, and improvement in margin. So my mission was really to understand what was needed in terms of information, particularly given Apria's large, distributed footprint, and how to deliver that information to the business owners we support in approximately 400 branches across the U.S.

My other major priority was to transition the accounting and finance function from the traditional transactional, back-office processing organization to one that could help the business drive real value. That's where the analytics came in. The effort also required strong, effective communication and cross-functional collaboration, and it still does. That's central to getting the finance team to work in partnership with the business.

Q: Why are you such a strong advocate of data analytics, and what steps are you taking to build those skills in your group?

Debby Morris: Because of the personal impact of our business, we don't want to simply show the financial results; we want to bring the visibility of our decision-making to each branch manager, regional manager and market leader. The financials are always the result of what everybody does, but they don't necessarily provide a lot of insight into what led to that result. Our approach is to combine operational and financial data in a way that provides visibility to not just a revenue number, but also to what drives the results.

To deliver that visibility, we implemented tools that weren't available in the past, such as cloud-based technology built in the organizational hierarchy, with access-driven by scope of responsibility. As a result,

everybody in the organization with security rights can look at that information and see one version of the truth. They see consistent data, rather than separate databases and spreadsheets that aren't aligned.

Our data analytics team is small as we are still in the pilot phase of building a data analytics infrastructure. However, in building the team, I've found that the key to effectiveness is to balance existing talent with new talent. Existing talent has historical and legacy knowledge that is essential because of the business's complexity, while new talent tends to be more accustomed to dealing with data analytics and how it can provide value. Our data analytics team combines both types of talent in a single collaborative team.

Q: How has healthcare reform affected your finance organization, and how can you pursue growth in this new environment?

Debby Morris: Between healthcare reform, changes in Medicare and the healthcare exchanges, we're seeing a very rapid shift that directly impacts our cash flow and receivables. One of the most significant is the shift to consumerism, which is driving a direct increase in self-pay for services. We serve more than a million patients a year, so effective cash management and collections are critical. The reduction in reimbursement rates related to healthcare reform, coupled with the combination of self-pay, has been dramatic. Most of us in healthcare are tackling this challenge right now. It requires us to seek process improvement aimed at gaining efficiencies so that we may continue to fulfill our mission of improving the quality of life for our patients in their home.

Nevertheless, as the management team, we're responsible for growing and delivering company performance. To do that, it's critical to understand both the short- and long-term strategy, the objectives and where we should invest for growth. From my perspective, the key to overall growth is to focus on what is actually achievable in the organization and determine which initiatives have the potential to drive the greatest value. Otherwise, it's very easy for an organization's laundry list of priorities to run too long and for projects that drive little value to consume lots of human and capital resources.

Q: How do you approach risk management?

Debby Morris: It starts with getting all types of risks visible. That's difficult because there are so many different types of risk, such as concentration, new product lines, cyber, regulatory pressures and changes in reimbursement rates and plan design. And in our business, a significant amount of driver technicians are making deliveries to homes, so worker's compensation is another risk we face. Once we have a framework where all types of risk are visible, we then prioritize them and work through them with the business to get a common understanding. We figure out where our greatest vulnerability is and go spend our money there, not just anywhere or everywhere.

Q: What personal qualities have helped you in building your career?

Debby Morris: I have found that I'm naturally wired for both results and relationships. I think many CFOs are naturally wired for results, and they can develop wiring for relationship through experience. Whether the wiring is natural or developed, it's critical that CFOs keep relationships top of mind. To me, it's about communicating honestly, openly and directly with the people in our organization, asking lots of questions and engaging myself in it every day.

I'm also very inquisitive. I flesh out exactly what the question is we are trying to answer and then what we need to do to answer it. That's called collaboration with the business.

Editor's note: This article is part of an ongoing series of interviews with CEOs, CFOs and other executives. Ms. Morris's participation in this article is solely for educational purposes based on her knowledge of the subject, and the views expressed by her are solely her own. This article should not be deemed or construed to be for the purpose of soliciting business for Apria Healthcare, nor does Deloitte advocate or endorse the services or products provided by Apria Healthcare.

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