

THE 3 KEY BENEFITS OF USING ANALYTICS AS A CFO

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As organizations' data continues to amass, analytics is now a must-have to not only help with forecasting, but to help answer critical business and operational questions, such as challenges a company will face in the upcoming years and which services customers are likely to be interested in.

While data scientists and IT departments have traditionally owned the data and analytics of a company, CFOs are becoming more entrenched with data by relying on analytics to create market differentiation and to identify new revenue streams. Many companies that use analytics have only skimmed the surface in leveraging the power it can offer.

In order to get the most out of analytics, it is important for CFOs to recognize and leverage three key benefits analytics offer: real-time data access, visualization, and the ability to analyze huge amounts of data.

Real-Time Data Access

The pace of change in business today is accelerating as technology continues to improve, requiring companies to manage a seamless supply chain to manage inventory turnover. While some traditional business intelligence systems do not analyze current business performance, analytics can provide CFOs with a true understanding of what is happening within their business operations as it actually happens.

Real-time data provides CFOs with key information to running a successful business, from potential cost savings to better sales insights. One key benefit is that real-time data immediately identifies errors within the organization, allowing companies to quickly react and mitigate the issue. Real-time data also allows organizations to stay one step ahead of the competition, as CFOs are notified the moment a direct competitor has changed its strategy or lowered its prices.

Access to real-time data enables CFOs to make faster and smarter business decisions, improving the organization's bottom line.

Visualization

The way data is presented affects a CFO's capacity to understand the information and influences how quickly and easily a CFO can use the information and insights provided to make smarter, more informed business decisions. Therefore, it is critical for CFOs to be able to access all the financial information on their organization in one fully integrated, easy-to-view dashboard, rather than rummaging through multiple Excel spreadsheets. In addition, having access to a company's financial information in one dashboard allows a CFO to easily share the report with company executives in a more digestible format.

Visualization of key company information can also help CFOs manage their key performance indicators (KPIs) on a daily basis,

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in real-time. Instead of running lengthy reports and analysis, CFOs can view their KPIs as they happen on one screen, gaining real-time insights to the sales and customer balances. By visualizing important information in an easily digestible format, CFOs can do their jobs more efficiently, with better controls and predictability.

Making Sense of Company Data

While CFOs are accustomed to dealing with an overwhelming amount of company data on a daily basis, it is important for them to understand how to leverage this data in a competitive landscape to stay ahead of the competition. While enterprise resource planning

systems capture huge amounts of data, it is crucial to implement an analytics strategy that allows CFOs to turn their data into immediate, meaningful, and actionable information for business analysis purposes.

Having the proper analytics software in place can help CFOs accurately predict the future by analyzing current and past trends. Analytics can help CFOs sort through the clutter of data to identify the most useful fragments, such as what is selling where and what is profitable in specific markets. Without analytics to summarize data into digestible chunks, CFOs are faced with trying

to interpret massive amounts of raw data manually into real-time, meaningful, and useful information.

Still hesitant about exploring analytics as a CFO? Don't be. Analytics help CFOs better understand where the business is strong and where it needs improvement. It can provide valuable information to improve opportunities for growth, innovation, and competitive advantage for an organization. The analytics era will provide endless business opportunities for organizations that don't wait too long to realize its potential.

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