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Your Data Is Talking - Are You Listening?

Imagine standing in the middle of a large, crowded ballroom. You can hear the murmur of a thousand voices. But rather than follow those hundreds of conversations, all you can hear is noise. Sure, you might catch a word or two, but the gist of any one conversation is too difficult to follow.

In a lot of ways, reporting can feel like standing in that crowded room. Finance teams are being asked to collect more and more finance data, while CEOs are starting to regularly ask CFOs for data on factors like payroll, sales, and productivity that can serve as leading indicators of business performance. And it's only going to increase in volume: According to an Adaptive Insights CFO Indicator report, 58% of CFOs expect the amount of data they process to increase by up to 50% over the next five years.

Another CFO Indicator report found that with one-quarter of finance teams already spending up to 30% of their time on just reporting, finance departments need to think about how they are going to fix their source system challenges and data gathering issues if they have any hope of understanding what the data is trying to tell them.

The changing focus of finance

Right now there's a lot of talk about financial transformation. Usually this is in the context of finance departments moving from a static, spreadsheet-driven process to a modern, cloud-based process. However, the finance department is also being asked to transform its thinking from being mere collectors of financial data to guiding strategic decision-making across the organisation.

To do so, the finance department needs to rethink its reporting process. Today's CFOs say too much of their team's time is spent collecting data, and not enough on strategy. By automating data collection with cloud-based financial software, companies save countless hours by eliminating manual processes and preventing errors from mistyped data.

Once finance department members have a handle on collecting data, they need to level up their skills in interpreting it. It's no longer enough to think like an accountant who just delivers a spreadsheet of numbers. The finance department needs to think like strategists and designers by analysing and visualising the numbers to help leadership make sense of the information.

Visualise success

Here's the thing: Not all of us are number people. A CEO or operational manager doesn't need a list of 100 numbers; she needs to know the five that matter most and what she should do about them. By visualising the data, your report can quickly explain the story the numbers are trying to tell, letting leaders better listen and act.

The data visualisation transformation is already underway. In another CFO Indicator report, more than half of CFOs say that data visualisation is an initiative their team plans to undertake. There will come a time when "data visualisation engineer" will be as common of a role in the finance department as bookkeepers, accountants, and analysts.

Instant insights with dashboards

In addition to formal, scheduled reports, the finance department is often asked to create dozens of ad hoc reports a month. For example, a board member might request a customised report incorporating nonstandard information while an operational leader might want a report measuring a specific initiative. While valuable to the end user, these reports can take up a massive amount of the finance department's time, keeping people from doing their normal work. In addition, the user often has to wait days or weeks to get the information he or she needs.

With real-time dashboards accessible to all, your operational managers and leadership can have instant access to what is going on in the business at that moment, all visualised in a way that's easy to interpret. By removing the finance department from the user's desire for data and its delivery, you can empower the entire company to become a truly data-driven organisation.