

# How to Travel the Path to Profitability and Realize the Value of Data & Analytics

---

*The Red Flags, Metrics That Matter, and Recommended Dashboards for Success*



## Your financial metrics are the backbone of your organization.

Odds are, you already have set budgetary and income KPI goals. However, without a modern data & analytics solution, your business most likely will struggle to keep pace.

## Take Note of the Red Flags Your Business is Waving

Most of the time, organizations exhibit the same warning signs that it's time for data & analytics upgrade:



### “Hey, I asked for that report five days ago!”

Business is expanding rapidly, making it much more difficult to turn around financial reporting in a timely manner. Manually analyzing data with dozens of excel sheets isn't cutting it anymore – and neither is your legacy data system.



### Working in a Silo

Today's competitive business environment requires the ability to extract value from data. That's difficult or impossible to do when departments operate standalone, without a central system that incorporates key financial data from every aspect of the company. The siloed nature of data storage that most legacy environments are built on requires searching multiple interfaces for the same report. Your business may be lacking comprehensive analysis, or perhaps data is duplicated, leading to incorrect breakdowns. It's time to invest in forward-looking models that would prepare you for success next year.



### Off-the-Charts IT Budget

If your IT team consistently gets pulled in to help with data analysis and reporting for finance, it's time for a digital transformation. With tools on the market like [Oracle Autonomous Data Warehouse](#), IT can take a step back from pulling reports or wasting budget on day-to-day database administration.



### Trendspotting... too late

Many legacy data systems do not offer real-time insight into financial data. That means by the time your team pulls a report together and spots a key downward trend, it's too late to pivot – and your bottom line suffers.



### Visualization Challenges

It sounds simple, but easy-to-use dashboards matter. It's the difference between your employees spending hours (and dollars) combing through datapoints and building charts from scratch...or having your progress towards KPI goals right at your fingertips.



### Trapped by False Vendor Promises

It can be easy to fall for the shiny sales pitch. But when a vendor demonstrates a tool, operating and maintaining that platform isn't as simple once you're on your own. Too often, finance and IT teams are then saddled with the burden of launching a new company-wide software initiative on their own, and the adoption pain points mask the benefits of the new analytics tool. Only invest in a vendor who is willing to act as a member of your decision-making and implementation team before, during and post launch.



### Scaling So Quickly, Data Becomes the Roadblock

Rapidly scaling businesses tend to outgrow their legacy systems due to the fact that the platforms can no longer keep up with the volume of new financial data... nor can they bend with the need for faster data analysis.

It's time to start working at the speed that your business is growing.

## Don't Underestimate Your Metrics

In upgrading your approach to data & Analytics, it's crucial to have insight into the metrics that matter – indicators that truly assess your bottom line.

### The “must have” metrics when it comes to finance include:

- ✓ Earnings before interest and taxes (EBIT)
- ✓ Liquidity Ratio
- ✓ Net Cash Flow
- ✓ Gross Profit Margin
- ✓ Current Ratio
- ✓ Working Capital
- ✓ Vendor Expenses
- ✓ Supplier/Vendor Performance
- ✓ Recent Payments
- ✓ Accounts Receivable and Accounts Payable
- ✓ Debt to Equity Ratio
- ✓ Inventory Turnover
- ✓ Operating Cash Flow from the Cash Flow Statement
- ✓ Balance Sheet
- ✓ Expenses by Category – Spend Classification
- ✓ Revenue Analysis & Details

### What about “little known” metrics for finance teams?

These are those KPIs that require more in-depth data processing. Is your finance team lacking insight into the real-time status of operational metrics, and struggling to assess set budget vs. actuals? Does your team really know how much value each product line is bringing into the company? Consider a tool that connects your ERP system actuals to your budgetary data, so you can assess your overall business performance.

### Here are the metrics you should bring out of the shadows:

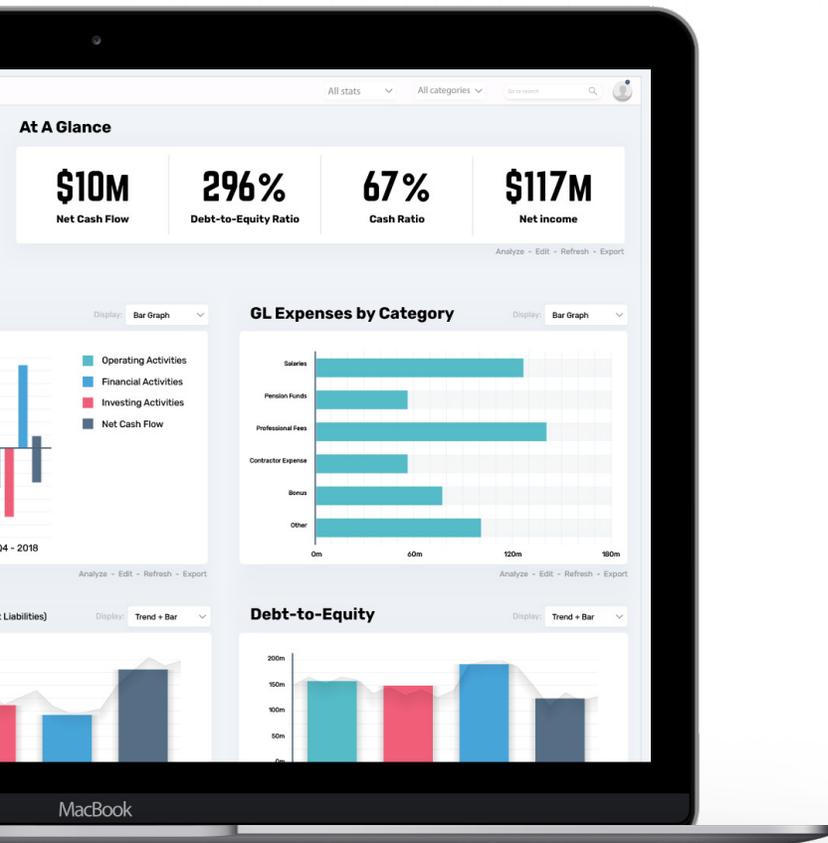
- **Budget vs Actuals Analysis (Comparison of ERP system actuals vs Budgets from PBCS or any Budgeting Tool)**
- **Sub-ledger Account Analysis & Drill Down from Journals to the Sub-ledger Transactions**
- **Days Sales Outstanding and Days Payables Outstanding**
- **Currency Analysis for Payments**
- **Operational Data (Revenue by Product)**

Once you've defined these metrics and outlined your data collection strategy, the next crucial step is to create dashboard views that work for your organization. These should be designed to provide proactive vs. reactive operational reporting, with forward looking models that indicate the outlook for key metrics. Consider taking advantage of programs like [Analytics Accelerators](#), which offer pre-built dashboards based on the most common measurements for financial teams - while taking advantage of the best cloud-hosted platforms on the market like [Snowflake](#) or [Amazon RedShift](#) for easier access and automatic management. One of the major benefits of Analytics Accelerators is faster implementation.



Taking advantage of a pre-build dashboard typically cuts setup and implementation time down by 60% compared to alternate solutions.

# Here's a sneak peek into what your BI & Analytics dashboards could look like:



## Financial Metrics at Your Fingertips

Get the data you need, when you need it... by taking advantage of Analytic Accelerator pre-built dashboards. Designed to empower both IT and finance teams, Analytic Accelerators make quick-turn business decisions easier than ever before by eliminating data silos. Key insights are readily available for analysis, so you can seamlessly optimize your financial performance on your terms.

## Budget v. Actuals Analysis

When it comes to reconciling budget, too many companies rely on manual tools like excel spreadsheets for analysis and oftentimes find themselves facing integration challenges with multiple platforms. It's time to streamline that process through automation. Compare actuals to forecasted results and conduct deep data analysis at the click of a button.

GL Group	GL Account Name	Actuals	Budget	Variance
Revenue	Product Revenue	13,121,858	19,682,787	
	Services Revenue	12,215,737	19,545,179	
<b>Total Revenue</b>		<b>25,337,595</b>	<b>39,227,966</b>	
Operating Expenses	Bonus	1,248,536	1,124,584	
	Cleaning	454,922	409,430	
	Miscellaneous	372,939	428,880	
	Pension Funds	3,748,612	3,373,751	
	Salaries	12,495,360	11,245,824	
<b>Total Operating Expenses</b>		<b>18,321,369</b>	<b>16,582,467</b>	
Marketing Expenses	Documentation & Media	636,889	732,422	
	Freight Expenses on Purchases	248,628	285,922	
	Marketing	474,624	545,818	
<b>Total Marketing Expenses</b>		<b>1,360,141</b>	<b>1,564,162</b>	
Other Expenses	Communications Costs	497,253	447,528	
	Contractor Expenses	1,091,808	982,627	
	Electricity / Water	372,939	428,880	
	Office Rent	994,506	1,143,682	
	Office Supplies	167,342	192,443	
	Professional Fees - Other	1,182,794	1,064,515	
<b>Total Operating Expenses</b>		<b>4,306,642</b>	<b>4,259,675</b>	
Other Income	Exceptional Profits, Current FY	27,365	31,470	
<b>Income / (Loss) Before Taxes</b>		<b>1,367,808</b>	<b>16,853,132</b>	

Transform your company's financial data into immediate actionable information. With Analytics Accelerators programs that pull data from your ERP system into the cloud, you can be up and running with dashboards like this within just three weeks. Next time your CEO asks for a quick-turn financial report, it won't be a mad dash to review excel sheets across departments – it will be at your fingertips. Your team will gain the power to spot trends immediately, pivot strategy as a result, and see a positive impact on your efficiency and bottom line.

**That's the power of data & analytics.**

## About Apps Associates

### A Partner Who Thinks Like a Customer

Unlike other vendors, here at Apps Associates we treat each tool implementation and data migration as if it were an internal project. We'll work with your team before, during and after the implementation and launch of our BI & Analytics Accelerators to ensure that your financial team is not only equipped with the right tool, but with the right knowledge and expertise in order to drive actionable results. With over 140 dedicated BI & Analytics consultants, that have deep expertise in Oracle Cloud, on-prem and hybrid BI, as well as most ERP systems, we have the size, strength and breadth of services you can draw on and are a team you can trust.

For more information, head to our [Data and Analytics homepage](#) or call us at +1.855.466.5066 to set up an appointment so you can start improving performance, reducing costs and scaling as your business grows.

