WHITEPAPER ONE:

Unlock your data

The key to your success as a business lies in your data. It's all there: information about which products sell best, who your most profitable clients are and which staff generate the most revenue.

In the right hands, reports can be extremely valuable tools. But the burden of creating them can often be hugely time consuming and costly. So how do you go about unlocking your business' full potential without spending half your life with your head in the books?

EXCEL: FROM ZERO TO HERO AND BACK AGAIN

Do you still use spreadsheets? You'd be hard pushed to find a business in Australia or New Zealand that doesn't. Since 1985, Microsoft's spreadsheet application has provided the admin backbone for many start-up businesses, including – quite possibly – yours.

Few would question how useful Excel is in those early stages. With zero training and very little in the way of financial outlay, it allows you to track new sales leads, raise quotes and invoices or record basic accounts quickly and easily. At the click of a button or two, you can build basic charts and tables too.

But Excel's universal appeal is also its downfall. Microsoft makes it so easy to start adding data to those little rectangular boxes that it doesn't take long before you've created a separate worksheet for just about everything in the business you can think of. That's when the problems start.

All too often, managers and owners think that by using Excel to store information on all aspects of their business, they're building an accurate record of all that goes on there. The opposite is actually true. The more data you pile into a spreadsheet, the harder it is to extract it. Even when you do finally locate what you're looking for, there's no guarantee the figures are correct. Excel is entirely dependent on manual input, which makes it prone to errors and duplication and slow to update.

That may be acceptable when you're a fledgling start-up. But for a growing business that needs accurate real time reporting and a watertight audit trail, spreadsheets are simply too unreliable.

THE CURSE OF CONSOLIDATION

Spreadsheets aren't the sole culprit of course – far from it. The intrinsic problem faced by many mid-market businesses in Australia and New Zealand is that as they've grown, their business-critical data has become fragmented around the organisation in a number of different computer systems, databases and worksheets.

Sound familiar? If you're currently using a small business accounting solution alongside a number of third party add-ons like job costing or CRM then you'll know exactly what we mean.

Individually, each system does its job, and in some cases does it very well. But as soon as you decide to report on a company-wide basis, the scale of the task becomes apparent. The only way to achieve a joined-up view of your organisation is to manually consolidate data into a single system.

The trouble is that a number of issues come with this approach.

1. It's hugely time consuming

Take, for example, a service-based business that wants to be sure it's not over-servicing clients. At the end of each week, staff (well, most of them!) submit their timesheets to finance. Somebody in finance then faces the uphill struggle of consolidating all of this data into a single spreadsheet. This process alone may take days, and yet the business is still no closer to knowing whether it is making a profit or not on certain clients. Only once data on cost rates has been imported from a database or spreadsheet in HR can calculations be made on the cost of individual jobs.

2. Results are rarely 100% accurate

Have you ever looked at the final printed copy of a document and stumbled on a typo you could have sworn wasn't there when you last checked through? It's inevitable. We all make mistakes, especially with data entry. Worse still, if the same data is being entered into multiple systems (such as in the example above), there's a very real chance of entries being duplicated.

3. The data's out of date

Often, by the time managers receive the report they asked for, it's too late to take any meaningful action because the data is so out of date. Whether you use the example above of a business not being able to control over-spend until after a job has been completed, or a wholesaler not being able to fulfil orders because they can't see current stock levels, the truth about spreadsheets and siloed systems is that they make it very hard for businesses to react in real time.

WHY WE NEED REPORTING

It's the last of these issues that causes the most headaches amongst businesses in Australia and New Zealand. Frequently, we talk to owners and managers who understand the need for reporting but find that they simply can't extract data from the corners of the business quickly enough to be able to react appropriately. In today's fast moving commercial environment, that's a serious barrier to success.

Customer loyalty isn't what it used to be. Businesses need to be astute to changing trends and demands if they're to retain customers, but they can't do that if visibility is obscured. Hindered by siloed systems and spreadsheets, they are forced to make critical decisions without knowing how those will impact the business.

In an effort to boost visibility, managers will often task staff with creating more reports, but this only adds to the data-overload. We've heard managers complaining that reports are frequently presented in a format that makes little sense to those who need the data most. Nine times out of 10, this is because staff spend so long consolidating data that there's precious little time left to do much more than dump the data in raw form.

Of course, not all reports have to be created instantly. If end-of-month reporting is a few days late, it's probably not the end of the world. But in cases like just-in-time delivery or order management, real-time visibility on reliable data is absolutely critical to the success of the business. And the only way to get that is using a single, integrated system.

VISIBILITY FOR EVERYONE

Thus far, a lot has been made of the need for management to have access to the right data where and whenever they need it. The truth, of course, is that it's not just the 'suits' who benefit from improved visibility. Anyone – whether they work in marketing, sales, finance, HR or another function should have access to the reports they need. Why? Because it saves time and boosts efficiency.

Consider for a moment a business that supplies electrical components. Traditionally their sales people take orders from customers. The order list is then sent through to the warehouse, where items are picked and dispatched – minus any products that aren't currently in stock. In a typically-siloed business, it is next to impossible for the sales people to know exactly what's in stock at any one time. This means that as they take orders they can't be certain these will be fulfilled.

With access to an integrated real-time report however those same salespeople could see exactly what was in stock at any one time and be in a position either to explain to the customer that an item was out of stock, or arrange for it to be dispatched from another warehouse. Either way, the customer's experience would be a far more positive one.

The free flow of information around a business is what allows this to happen. The secret, however, is knowing which reports to look at. Because as your organisation grows, so too does your data. Reporting isn't about making all the information available all the time. Instead, it should be a simple and intuitive experience that helps businesses engage and find answers to their questions quickly and easily.

WORKING WITH RELEVANT INSIGHTS

So how do you know whether you have the right visibility over your business? Well here are a few questions to consider.
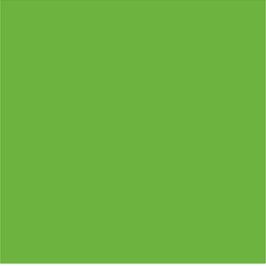
> Do you miss reporting deadlines?
> Do you find yourself spending more and more time combing through worksheets and less time actually doing your work?
> Do you ever feel like you're not 100% sure what's going on across the business?
> Do you find yourself micro-managing staff?
> Do you struggle to make sense of reports during board meetings?

If you've answered 'yes' to any of these, it's likely that data isn't flowing around your organisation as freely as it could and this may be preventing your business from reaching its true potential.

If you're spending all your time gathering data, then it may be time to graduate from spreadsheets or standalone third party systems. A single, integrated business management system will not only free up your time to focus on the important decisions, but provide you with the insights to make those decisions with confidence. Crucially, it should allow you to report on any aspect of your business, helping you:

> make informed decisions more quickly
> save time and money, by eliminating errors and time-consuming processes
> operate more smartly
> improve performance and results.

The right business management system won't just open the data floodgates. Instead, it should allow you to control the amount of data that's available, turning lines of data entry into to useful intelligence. Ultimately, it's about giving users access to the information they need to do their jobs properly. And that's good for the whole business.

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This whitepaper was produced by MYOB Enterprise Solutions. To find out how **MYOB EXO Business** has helped companies like yours, why not read one of our **client success stories**? If you'd like an implementation specialist to visit you to discuss how EXO Business can help your business grow, please **register your details** and we will be in touch.

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