

Business intelligence solutions vs Excel 1/14/24



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Looking at the ever-changing financial management space, you might think that traditional tools such as Excel should gradually become obsolete and be replaced with advanced software solutions that rationalise processes and build efficiencies. However, despite a whole range of financial technologies being readily available and optimally applied, organisations keep using Excel in their day-to-day work.

Some of the reasons for using Excel

Customisation options

Depending on the software being used, it's not always possible to tailor every report to the user's needs, and adjusting each report is not always the most efficient solution either. Excel makes it easy to adjust reports without developing extra system integrations and to change their visual design.

Creating irregular and new reports

If you need to carry out a data analysis and create a new report to a tight deadline, Excel is often the fastest way to do this, as opposed to developing a new system report, especially if you are not going to have to prepare this report regularly in the future.

Availability and literacy

Excel is used by many organisations, with a sufficiently large percentage of staff having used it at least once to perform various tasks. This spreadsheet editor features a convenient and customisable user interface that allows the user to arrange it such that the necessary functions are easy to find.

Business intelligence (BI) solutions

Unlike Excel, BI solutions are designed to process large volumes of data. While Excel, too, offers equivalent data processing capabilities, a larger amount of data may affect performance significantly. When it comes to visualising your data inputs, Excel can display around 1 million rows, but if you need to see a larger amount of data, you should split it into two or more portions.

While both Excel and BI allow you to make connections with various data sources, BI tools offer the option to automatically renew your data according to stated periodicity conditions, making it possible to maintain real-time reports.

There are some systems that offer self-service BI solutions. The user can create reports tailored to their needs without acquiring any new technical expertise.

BI tools allow you to control the accessibility of data to certain users or groups, with precise control over information flows. Unlike Excel, where access is controlled at document level via SharePoint, offering users various roles, such as View Only, Contribute or Edit, BI tools allow you to control access even to particular

reports or data segments. This leads to a more efficient management of information and a higher level of security, as users receive only the information they need.

The objective and cost

Depending on the software and solutions being used, you might want to consider the following questions:

- What reports can you derive from your existing systems?
- Is the data your existing reports provide sufficiently meaningful for your business decisions?
- Is it possible to develop an adjusted report within your existing system?
- How much time and money does developing a particular report take?

If the time or money it takes to set up a new report within your existing system does not meet your expectations, then chances are you will decide to create reports outside your system.

Key takeaways

Organisations use Excel whenever their system does not allow the automatic creation and customisation of particular reports, or if you need to do a quick data analysis or comparison between different systems. It's crucial that you provide your staff with sufficient expertise to perform such tasks.

We often deal with cases where particular tasks involve excessive amounts of time spent doing repetitive steps and creating calculations. A common reason is insufficient knowledge of Excel functions. If your staff need to perform various tasks in Excel, then it makes sense to give them suitable training, including a more specific description of the functionality with examples and not wasting time on functions that will not be used in practice.

Having expertise in all accounting processes, PwC Latvia identifies and develops automation tools that help organisations optimise their workloads and save time and human resources. We also provide staff training on how to adopt and use these tools. If your organisation decides to analyse and improve your processes and enhance your staff skills, feel free to reach out to Artis Vizbelis, a senior consultant in Tax Reporting, Accounting and Strategy, to set up a meeting and discuss your needs.

We also offer an overview of *PwC's Digital Academy* programme if you are interested in watching videotaped training sessions.