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How Companies Control Spreadsheet Reporting

This document looks at how individual companies control reporting using spreadsheets, whether they be multi-national or sole proprietors.

It examines how they control the process, standardise it and prevent duplication of effort, and what the reporting structure is.

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Contents

Background

Current Reporting Procedure

Central to company reporting systems is the spreadsheet. It is used to either produce the reports themselves or prepare data which will be transferred in to other medium (such as PowerPoint, SharePoint, Emails etc.).

Yet how many companies have a department wide policy on what should be produced and how using spreadsheets, let alone a company policy.

Rationalized Reporting Procedure

By examining how companies report it is possible to rationalize the process and save the company money by reducing time to produce reports and the effort needed to do so.

It is also possible to eliminate errors.

We examine such areas which need company wide policy as:

1) Organization Wide Information
2) Report Layout and Design
3) Report Naming and Storage
4) Report Data Procurement
5) Report Accuracy
6) Report Distribution
7) Other Potential Problems
8) Points To Consider

Advice

At the end of this document is a list of how reports should be examined, which will help to decide how they should be improved, combined, separated or (dare we say it) discontinued.

The Reporting Process

Organization Wide Information

Some data will be used throughout the organization, and yet each department will provide their own version of it. With the rise of the intranet and SharePoint it is possible to centralize this as never before. In addition it is possible to have folders where the information can be stored.

Some of the main categories in this section are as follows.

Exchange Rates

Can be different not only across countries but also across department s within countries.

To prevent errors occurring there should be a central list of the daily exchange rates used throughout the organization.

This will also save time as many people will not have to look up the information and post it.

In addition to this the information can be automated and emailed throughout the company to those who need it.

Logos

Sticking to the correct company logo is a must for reporting. Yet how many times do different parts of the organization use different logos. And how many times must those preparing reports search for the logos and be unsure which ones to use.

Common Names

This is most easily defined by different names for countries. If there is not a standard name for each country throughout the organization when reports are produced, particularly those which use such formulae as '=SumIf', '=CountIf', there may be extra problems arising from more complicated formulae than are necessary.

Acronyms

Different parts of an organization use the same acronym for different things. This can cause confusion. By having a central list it is possible to avoid duplication and be clear what the acronym means.

If an acronym is already in use it is possible to differentiate them by putting a number after the end of subsequent ones. Though this may sound cumbersome it will avoid confusion.

A good example is acronyms for currencies, these should be the same throughout the organization.

Report Layout and Design

Throughout an organization it is difficult to maintain one standard of design all the way through.

Yet by having a set of standards it is far easier to collate sets of reports and if required amalgamate them.

It is also easier to know what is where on a spreadsheet, before opening it, rather than having to search for it.

Having people 'Do their own thing' may produce flashes of brilliance, but also lead to confusion and general mediocrity.

The following should be taken in to consideration.

Fonts
Vary within Spreadsheets let alone from department to department.

One font should be chosen for reports (there is no point in having more than one font unless the reports is for external viewing as well, and even then use of more than one font is dubious).

In addition there are different sizes and the use of colours, bold, italics, underlining etc.

All should be considered and standards set.

When deciding upon a font it is best to choose one which is good for all to read, make this the standard and use it throughout.

Different use of dates
American dates are in the order months, days, years, UK dates are in the order days, months, years. Which is right? How is it possible to tell if 3/4/12 is the fourth of March (American style) or the third of April (UK Style).

As neither are likely to agree it is better to format the dates so the month is shown as text. Thus if the date was 'March 4 2012' there would be no confusion.

Sheet Location
While it may not appear to be important at first having a defined layout for sheets is a sensible option. Knowing that when the spreadsheet is opened sheets which are towards the left are those with the output in them and those towards the right contain items which are more fixed, like notes.

This is the subject of a separate document which can be obtained from
www.hitthegroundsprinting.com

No plans/notes on how spreadsheets operate
If they exist they are few and far between and should be part of the spreadsheet (even if on a hidden sheet)

Spreadsheets should contain information saying how the report is compiled and how the data is processed to reach the results.

This should be on every spreadsheet produced throughout an organisation.

Report Naming and Storage
There should be some consistency as to how reports are named and how they are stored.

Names of spreadsheet conventions
Do not appear to exist. Spreadsheet names appear to be what individuals want them to be with no resemblance to where they fit in to the reporting structure.

Ideally the following should be adopted:

1) Part of title should say what they are.
2) Part of title should say their time period (daily weekly monthly etc).
3) Part of title should indicate importance.
4) Part of title should indicate date produced.

Whilst the above may not be possible the spreadsheet should contain all this information in the same place (the notes page).

Where are reports kept
All over the place is sometimes the norm. Reports are even kept in personal folders or, worse still, on data sticks.

All reports should be kept together within departments in a set hierarchy of folders, with some indication as to what each folder is for and the time to which it relates (such as year, etc.).

There should also be some documentation indicating where things should be.

How to name folders
Whilst it seems easy to name folders using dates the process requires a bit of thought.

Yearly
If reports are for a particular year it is easy to call the folder by the name of the year, because they will then be in numerical order (obviously, because 2011 comes before 2012 and after 2010).

Monthly
However when reports are on a monthly basis it is better to use numbers to indicate the folder names, followed by the name of the month. Thus January would be '01 January', February '02 February' etc.

If this method is used then sub folders will be in the correct order. Remember to put in '01' etc. otherwise the month '10' will follow month '1' due to the alphabetical ordering hierarchy of windows.

Weekly
Use numbers, but follow the convention of '01' for months.

Daily
A bit more complicated. And perhaps this is a good time to mention the practice of putting folder names in reverse order as far as dates are concerned. Thus 13th February 2012 would be '20120213' preceded by the name of the report. The main reason for this is that if day, month, year is used then all of the 1st day of the month would be together, all of the second day of the month would be together and this mean it would be difficult to find any folder.

Report Data Procurement

This is one of the most difficult areas to get right in practice. Report Data Procurement is getting the right data in the right format at the right time to produce a report. Sounds easy but there are many pitfalls which must be overcome to ensure that things run smoothly.

It would be possible to write a complete paper on this section alone. However we will deal with the main problems in brief.

Reluctance to release data/ problems getting authorization
Can cause delays in producing reports in the first place and also delays in producing reports on time without cooperation of those producing or providing the data. The major cause of this is getting permission for the data in the first place. Also remember that this is going to take someone's time to produce, which they may not have within the time frame the data is required.

Getting data in the correct format
Allied to reluctance to release data. Again extra work may have to be undertaken by the provider.

Data with errors not changed at source
Wrong data is left where it is and adjusted for every time a report is run.

Whereas it should be taken out and corrected as soon as it is identified.

This applies particularly to downloads from central data sources which should be corrected but are not.

Whose responsibility is it to report the errors and whose responsibility is it to ensure that the changes happen within a given time period should be clarified and action should be taken at the earliest possible opportunity must be defined when the data is first extracted (examples are wrongly allocated departments, misspelling of common word, extra spaces between words etc.).

Second hand data/quality of data
Can cause disasters because users.

1) Do not know if data has been taken out
2) Do not know if data has been added in
3) Do not know if data has been altered
4) Do not know if formatting has been altered
5) Do not know if the time the data was extracted was the wrong one

Not taking account of change in data structure
If the data structure changes it is not always communicated to those who need to know.

There should be some form of change control for all data which is used for reporting purposes as this can affect quite drastically how the results are interpreted.

There should also be a list of who gets what, as their needs must be taken in to consideration.

Linked data
Links can easily be broken, especially across networks. The answer has to be not to link spreadsheets under any circumstances.

Report Accuracy
How accurate are reports themselves. Even if the data procured is 100% accurate it is still possible to make errors on reports because of failures to check and verify the results.

No checks and balances
Checks and balances ensure that the data does not have any obvious errors in it.

It compares totals in the results sheets to totals in the raw data and ensure that they are accurately compared and if there are any differences then they are accounted for.

Also used to check whether formulae are correct.

There should be a separate worksheet (or worksheets) dealing with Checks and Balances.

External checks
This is linked to the above topic, but data should be checked if possible to other data to ensure it balances or if not any differences are accounted for.

Different results from the same data
Depends upon when the data was downloaded but can also depend upon interpretation of data as well and which formulae and assumptions were used in producing the results.

This can be much worse when dealing with future forecasting.

Produce most reports at month end
Most month end reports are produced as soon as possible after the month end, putting a strain on those producing them.

Some could wait and get more accurate data.

Report Distribution

No idea of distribution list quality
Are the right people getting the reports.

Are they getting them when they should.

Should others be getting the report who do not.

Should people getting them not be getting them

Other Potential Problems

Duplication of effort
Various departments do the same or similar reports

The same raw data is used by different departments

Different versions of office, xls, xlsx, xlsm spreadsheets
Can cause problems as cannot open xlsx and xlsm from xls.

If saved back to xls from xlsx and xlsm then there can be a loss of formatting as some of the functions in 2007 versions onwards do not appear in 2003 and so cannot be saved backwards.

Reluctance to automate
Will not automate even most simple processing tasks but would rather cut and paste as they go along.

This wastes an incredible amount of time and money.

By automating it would be possible to open a set of data once, instead of distributing it and several people opening it and then processing the data.

Points To Consider

The following should be considered with reports. Are they:

Critical to the Business

Can wait and be produced later

Not needed

Duplicated

Partly duplicated

Inaccurate

Too big

Too small

Belong in groups

Belong alone

Wrongly timed

Can be automated

Are out of date

Conclusion

Most Organizations need to audit what they are producing, by whom, why and for whom as far as spreadsheets are concerned.

But they do not.

Organizations are happy to continue in the way things have always been done. Thus cost savings (and time savings) opportunities are lost.

Whilst it is impossible to calculate the cost of not auditing what is produced and the manner it is produced the results can be quite costly for organizations.