



ACCESS ANALYTIC

The 4 reasons people use Excel badly

Wyn Hopkins (Senior Manager)

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Picture a scenario where a Business employs someone to work on the factory floor but gives them no training in how to use their machinery.

The employee says they've used "machinery" before so therefore they must know what they are doing. As such, the business just relies on that person copying others and picking up pointers, hints, tips, good and bad habits.



Not very efficient and probably quite costly in the long run.

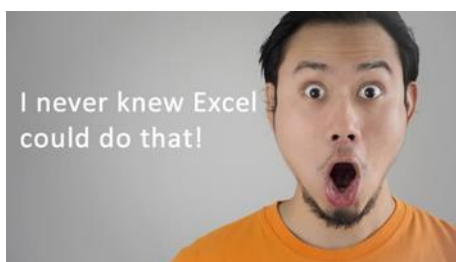
Why do we view office staff differently? Rarely is training in "the tools of the trade" offered as a default. Only a few leading companies provide ongoing structured Excel training to their own staff.

Companies often assume that their self-taught staff inherently know how to do things the best way.

When does this ever work?

Firstly, let's clarify what is meant by using Excel "badly"

- Doing something the long way when there is a quicker alternative.
- Using Excel dangerously (e.g. hard coding into formulas, copying and pasting between different sessions of Excel).
- Setting spreadsheets up poorly, so they're difficult to use, involve lots of manual steps and are hard for another person to understand. This leads to a very high risk of error.

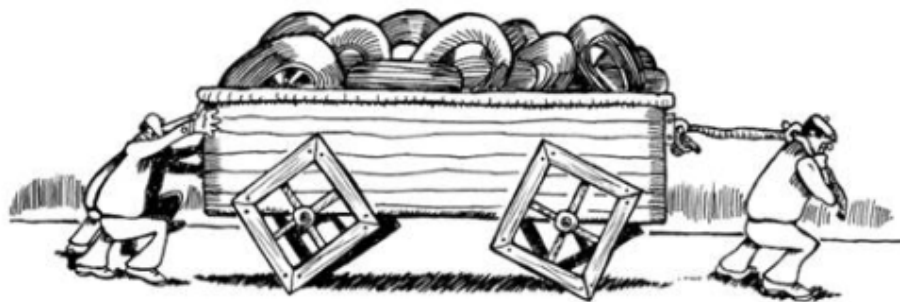


- Using Excel inappropriately i.e. using Excel when really shouldn't be (over-estimating Excel's ability), or not using Excel when they really should be (under-estimating Excel's capability). Both lead to problems.

So what are the reasons for this and why don't we improve the way we do things?

1. Haven't got the time to learn it

We can all walk but we need to set aside time to learn to drive if we want to get to places quicker.



we don't have time to change the wheels, push harder Harry

2. The gains would be small

For people who only spend an hour a day on Excel I'd agree, however for people who spend 3+ hours a day I'd say the gains can be significant.

- We showed one client a 10 second tip that saved them 1/2 hour every day. Over the course of a year, that one tip has just saved them **110 hours of time!**
- We demonstrated a couple of techniques to a class of 15 employees that saves each of them 10 minutes a day. That's about an hour a week each: 40 hours a year X 15 staff = **600 hours a year (i.e. 75 days of time)!**
- We developed an automated pay reporting application in 2 days that cut down prep time from 3 days to 3 hours. Paying staff every 2 weeks, this saved **546 hours per year (i.e. 68 days of time)!**
- We spent 3 hours developing some VBA code in Excel to rename 1,000 PDF documents, saving several days of manual rework.



3. “It’s just Excel”

Excel is the most underutilised software in the world.

How many people do you know that are familiar with functionality in Excel such as:

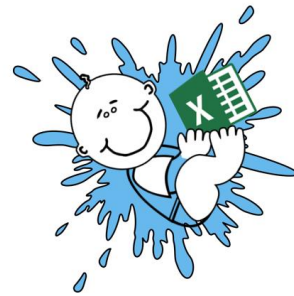
- **Power BI:** read in hundreds of millions of rows of data from all kinds of data sources, connect them together, develop visualisations for the results and publish dashboards to the web.
- **Pivot Tables:** within a few clicks, transform a block of data into a powerful drill-down report or chart with filters, sorting and grouping.
- **Data Tables:** that enable you to run multiple sets of inputs through a single set of calculations to test the effect of different scenarios and sensitivities.

In our experience, less than 5% of users know about these, yet they’re incredibly useful in so many situations.

As a result, Excel is often used poorly and therefore has gained a reputation as a risky, unstable, even "dangerous" application.

Companies sometimes then throw the baby out with the bathwater and change to other systems that promise to remove the risk and chaos of spreadsheets.

Yet, building robust Excel files in a more controlled manner and training staff in these techniques is a much more cost-effective solution.



4. We get by with what we’ve got

We often see staff getting frustrated and stressed with repetitive manual tasks and complicated interactions with data from different systems.



These problems can often be very easily solved with some quite simple Excel functionality, if only they were aware of this via some training.

Coupled with developing robust automated Excel based solutions for those critical or highly time consuming tasks and suddenly frustrated over-stressed staff have time to breathe, analyse the data, and contribute more value to the business.

Those staff members are much less likely to leave the business for another role.

So what should you do?

1. If someone spends more than 2 hours a day using Excel give them training.

Consider setting up quarterly knowledge sharing sessions within your team, led by those with the most Excel experience.

If you have 3+ people who need training, run an [in-house training course](#). All you need is a suitable room and it's often 50% (or more) cheaper than sending everyone on an external course ... plus you can often tailor the course to suit your specific requirements.



If only one person needs training, send them to an external training course (a good training company should be able to recommend the most suitable course).

You may also wish to consider [online training](#).

2. If someone uses Excel more than 4 hours a day or is a busy manager, arrange some [one-on-one coaching sessions](#) at a time that suits their schedule.

They'll see a huge improvement after just a few sessions as they learn the shortcuts, tips and best practices most relevant for them.

3. Discuss your key spreadsheets and processes with an [Excel Expert](#).

Get their advice around how improvements can be made.

4. Review your organisation's approach to spreadsheets.

An external analysis of the company's spreadsheet culture often uncovers some surprising results, identifies underlying issues, and helps to formulate strategies for future success.

Need Help?

Contact us on +61 8 6210 8500 or info@accessanalytic.com.au to discuss how you can improve spreadsheet use, reduce risks and increase productivity in a very cost-effective manner.

You will be amazed at what Excel can do!



www.accessanalytic.com.au

AMAZING EXCEL SOLUTIONS

Access Analytic Overview

Overview

Access Analytic provides AMAZING Excel solutions to enable companies to grow, control their costs and reduce their risks.

I never knew Excel could do that!

| | Process Improvement | Financial Modelling | Reporting | Training |
|---------------|---------------------|-------------------------------|--------------------------|------------------|
| Assist Growth | Flexibility | Forecasting & Capital Raising | Dashboards & Power BI | Tailored Courses |
| Control Cost | Efficiency | Budget Systems | Finance, HR & Operations | Productivity |
| Reduce Risk | Automation | Model Audit | Confidence | Best Practice |

Figure 1: Access Analytic Solutions Overview

Our Services fall into three groups:

1. Helping Companies Grow:

- **Process Improvement:** streamlining processes to create flexible, scalable processes.
- **Financial Modelling:** to forecast results (e.g. equity/loan capital raising, business planning, feasibility studies, project economics etc.) with sensitivity and scenario analysis to support decision-making with confidence.
- **Reporting:** tailored dashboards and KPIs using Excel and Power BI to connect to both cloud and on-premise data, thereby allowing companies to keep on top of their operations, gain insights, and make data-driven decisions.
- **Training:** training in all of these areas to transfer skills to support further growth.

2. Helping Companies Control Cost

- **Process Improvement:** efficient Excel-based processes that reduce the need for manual input.
- **Financial Modelling:** Excel-based budgeting and forecasting systems that enable companies to efficiently control and monitor their costs.

- **Reporting:** reporting to assist Finance, Human Resources and Operations with their areas of responsibility for cost control.
- **Training:** assisting staff to become more productive and reduce the need for additional resources. Courses are provided on an in-house basis, which often results in a cost saving of 50% or more compared to public courses.

3. Helping Companies Reduce Risk

- **Process Improvement:** by automating processes, companies not only save time, they also reduce the errors and risks that result from manual inputs. This results in more accurate data, which can provide better analysis.
- **Financial Modelling:** independent model auditing services to provide assurance that key models are producing accurate results and can be relied upon.
- **Reporting:** reporting that focuses on the right data at the right time to provide transparency & visibility.
- **Training:** financial modelling best practices to reduce risk and improve quality.

We are based in Perth, Western Australia and the business was established in 2000. Access Analytic provides services to clients located in: Australasia, Asia, Africa and the Middle East. A selection of our clients is shown below:



Access Analytic: Rising Star



Access Analytic was named as one of the WA Business News' Rising Stars for 2012, recognising the success and achievements of our company.

About the Authors



Jeff Robson, Principal Business Analyst

Masters (Applied Finance), BCom (Accounting & Information Systems), CISA, MAICD, FAIM, F Fin, Microsoft Excel Expert

Jeff is the founding director and principal analyst at Access Analytic Solutions. He has over 15 years' experience in chartered accounting, business management and consulting.

Jeff holds a Masters in Applied Finance and is a Certified Information Systems Auditor. He is highly regarded and recognised around the world as an expert in the field of financial modelling.

His achievements have been recognised by his peers and he is a Fellow of both the Financial Services Institute of Australasia and the Australian Institute of Management.

Jeff has extensive experience in best practice financial modelling, management reporting, business analysis, and spreadsheet auditing and is also an entertaining international presenter and trainer on these subjects.



Wyn Hopkins, Senior Manager

B.Sc. (Hons) Accounting & Financial Management, CA, MS Excel Expert

Wyn gained his Chartered Accountant qualification at PricewaterhouseCoopers in the UK in 2000.

He has extensive Business Analyst experience in FTSE 100 financial services companies (HBOS and Barclays in the UK) plus multinational clients in Perth including Chevron.

Wyn joined Access Analytic in 2007 and is skilled in spreadsheet re-engineering, management reporting and forecasting, Power BI and financial modelling. He is also an experienced Excel trainer.

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