

## GL Wand for SAP White Paper

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Authors: Richard Frykberg and Michele Buson

### Integrating Microsoft Excel within Your ERP Environment for Live Reporting & Analysis

Enterprises go to great lengths to implement ERP systems and for very good reasons. ERP systems support data centralization and eliminate islands of information caused by software applications that do not communicate. Despite these compelling reasons and the overall benefits of ERP systems in general, many users find them rigid and difficult to adapt to certain workflows and business processes.

In particular, financial and business analysts and accountants often cite the difficulty of creating financial reports within an ERP system's data warehouse environment. In many cases, they must depend on IT to program the query, which takes time and creates a dependency on another department. While having a standing request for scheduled reports might work, running ad hoc reports that need to be reviewed quickly by staff or delivered at the request of an executive can become an ordeal. Anytime an individual is dependent on a colleague working in another department—even if it's a support department—there is a high probability that productivity will be compromised, deadlines missed and stress levels elevated. What's more, data warehouses are expensive to maintain from an IT perspective and require a separate server.

Because of the programming required to create financial reports in a data warehouse environment, many financial ERP users often resort to manually cutting and pasting information from the ERP system into an Excel spreadsheet, a time consuming process that takes valuable time that they should instead spend in analyzing data.

So why is Excel such an efficient reporting tool for financial users? Simple: It's more familiar and intuitive than many ERP system reporting tools, allowing them to work more productively. Today, financial users are even going a step further by requesting Excel based reporting tools that are directly integrated with ERP system data as opposed to the data warehouse.

#### Excel in an ERP System Environment: The Business Case

Excel is the world's most widely used business productivity tool. Its familiar features lower training overhead, it supports collaboration in a common format, and it enables input to be linked and aggregated from multiple sources. Excel provides extensive formatting capabilities for impactful communication, and it makes it easy to calculate, model and project financial data.

Excel Workbooks let users aggregate and assemble data easily and allow for annotation, commentary and projections to enrich data delivery. These rich capabilities are the result of having hundreds of millions of users over decades provide the feedback to produce a powerful and intuitive tool with the features financial users need. The net result? Financial users like it and want it.

Despite all of the positive's Excel represents, using Excel incorrectly can cause problems. For example, use of Excel as a data store will result in data replication and creates the very disconnected islands of information an ERP system is meant to eliminate. Individual departments extract information out of the system and capture it in Excel. Under this familiar scenario, decision makers are dependent on Excel spreadsheets containing data that are not managed, controlled, validated or secured. However, using Excel as the presentation, can go a long way to avoiding this problem.

An excellent way to leverage an organization's existing investment in both its Microsoft and ERP technologies is to enable the direct connection between the two. This has the advantage that users can immediately work, report, analyze and improve processes in an immediately familiar environment. The direct link allows the reporting tool to provide real-time data as opposed to staged data, and allows financial users to bypass the data warehouse and associated programming requirements.

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### **An Important Distinction: Real-Time Data vs. Staged Data**

Staged data provides data summaries, standardization and performance optimization, which is all good, but to do this it requires periodic extraction, data selection, data mapping and data reconciliation. It also requires additional infrastructure, licensing and maintenance, and is costly to implement and administer.

Real-time data—the kind of data a direct link between Excel and the ERP system delivers—is always up-to-date immediately after the final adjustment is posted. This convenience leaves more time for analysis—instead of unnecessary busy work like cutting and pasting—leading up to the deadline. Moreover, advances in in-memory databases are expected to make traditional data warehouses redundant. Using an Excel-based financial reporting tool that already bypasses the data warehouse is a future-proof decision worth consideration.

### **The Ideal Excel-based Financial Reporting Tool**

Excel-based financial reporting tools share some characteristics and differ in other substantive ways. The ideal solution will make it extremely easy for users to run reports directly from data pulled from the ERP system on a flexible and ad-hoc basis, and provide for sophisticated presentations, security and auditability, and more.

#### *Key Characteristics*

- **Push vs. Pull** — Excel-based financial reporting tools that work off of staged data use “push” technology to produce reports. This requires the user to run reports out of the backend system and then either cut and paste it into Excel or publish it to a file, which is then imported into Excel—a rather involved process.

Tools that have a direct link to the ERP system allow the user to “pull” data into Excel from the ERP source. The advantage? Besides always pulling current data, the user has complete control at the time of their choosing, from designing the report in the required periods and columns to actually refreshing the data in the Excel spreadsheet.

- **Column and Rows vs. Cells** — Reports that come from a data warehouse are traditionally designed using column and rows concepts and are, therefore, constrained by the data arrangement in the original system.

More advanced Excel-based financial reporting tools break from these constraints and give users the flexibility to define reports down to the individual cells. This allows for highly sophisticated data views and the ultimate in free formatting while still providing the option to build formulas to apply column headings for consistent column and row definitions.

- **Static vs. Flexible and Ad-Hoc Analysis** — Static reporting formats follow a consistent pattern and are reproduced monthly. Unfortunately, these types of reports tend to be either too detailed to the point of being difficult to absorb, or too summarized to initiate action. This would work perfectly if businesses were static, too.

The better option is to have a tool that provides the flexibility to support both static views as well as ad hoc analyses, because businesses are dynamic. These types of reporting tools allow users to produce high-level standard, static reports and provide a detailed report on the information that’s important for decision making and immediate action.

- **Security & Auditability** — In today’s business climate of data breaches, compliance and full disclosure, enterprises are concerned about the validity and reliability of financial data as well as confidentiality. Information security ensures that only authorized users have access to sensitive

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data. ERP system authorizations maintain control over access, but if the data is staged in a data warehouse then separate authorization is required -- a duplication of the security effort.

Excel-based financial reporting tools that pull directly from the ERP system negate additional authorization because the information never goes to a data warehouse; it remains in the ERP system. Confidentiality is assured.

This confidence spills over into the audit process. Auditability requires that the timing and source of data is verifiable. Extracts that end up in Excel via the extract, transform and load (ETL) process and staged data are less verifiable than data that is sourced directly from the ERP system into an Excel spreadsheet and refreshed on demand.

### **GL Wand: The Solution to Excel-based Financial Reporting from ERP Systems**

GL Wand is the only Excel-based financial reporting tool tailored individually to each ERP's strengths that provides financial accountants with the ability to define, analyze, enrich and present data from within the familiar Excel context.

GL Wand pulls financial data live directly from the ERP system. This direct link enables users to refresh the data on demand from the only single source of truth—the ERP system itself, making it ideal for a small set of users who require “up-to-the-minute” results.

GL Wand also provides extensive report formatting options, all the way down to the individual cell level, and it supports drill-down to individual transactions. It also allows for additional ad-hoc analysis, commentary and projection on the face of the report for the ultimate flexibility in financial communication. Finally, GL Wand data is “live”; therefore, producing a fully secure and auditable data source with no additional authorization.

Only GL Wand can provide business decision makers with the confidence that the numbers presented in financial reports are current, directly from the ERP source and uncorrupted by any extraction/transformation or staging processes. It gives finance professionals intuitive tools and full design control over their report presentation and eliminates their dependency on IT support staff. Because GL Wand does not require implementation, it can be deployed in minutes, learned in moments and evaluated in a production environment for free.