

EUROPE

Data is complex and inadequate, say CFO's

There is a widespread dissatisfaction with management information, according to a survey of European chief financial officers by CFO Research Services for PwC.

CFOs want faster and more relevant information and reported noticeable differences between the quality of financial and non-financial information. This is likely to be linked to the fact that the responsibility for the quality of non-financial information is often scattered throughout the organization. CFOs said they want to become “a clearing house” for both financial and non-financial information to oversee its quality.

When CFOs were asked ‘what does finance need to do to become a valued business partner?’ – the top three answers were: improve management information (41%); improve the performance of management processes such as budgeting, planning and forecasting (28%); and improve the quality of finance staff (14%).

Top barriers to high-quality information

1. 41% of respondents see organizational complexity – such as different product lines, reporting structures etc – as the biggest barrier to producing good management information
2. 17% said there were insufficient resources to create the information
3. 16% cited technology issues
4. 12% identified complexity in the business environment, such as globalization and mergers
5. 10% mentioned poor data quality and coding errors at source
6. 4% fault the lack of accountability or buy-in as a barrier

The report – *Management information and performance* – finds that many CFOs have noticed a heightened expectation within their organizations that finance should ‘move beyond traditional low-value transaction processing to pro-actively share the wealth of knowledge that sits within finance around the strategy table’.

The study includes responses from 193 senior European finance executives. All respondents were from companies with more than \$750m in annual global revenue. The top three most represented sectors were automotive/industrial/manufacturing (15%), financial services (14%) and retail (10%).

For further information on the survey please contact jasonsumner@cfoeurope.com

This article first appeared in PriceWaterhouseCoopers' World Watch magazine on governance and corporate reporting.