

E-book

Sage Intacct

The Rise of the Data-Driven Nonprofit Finance Leader

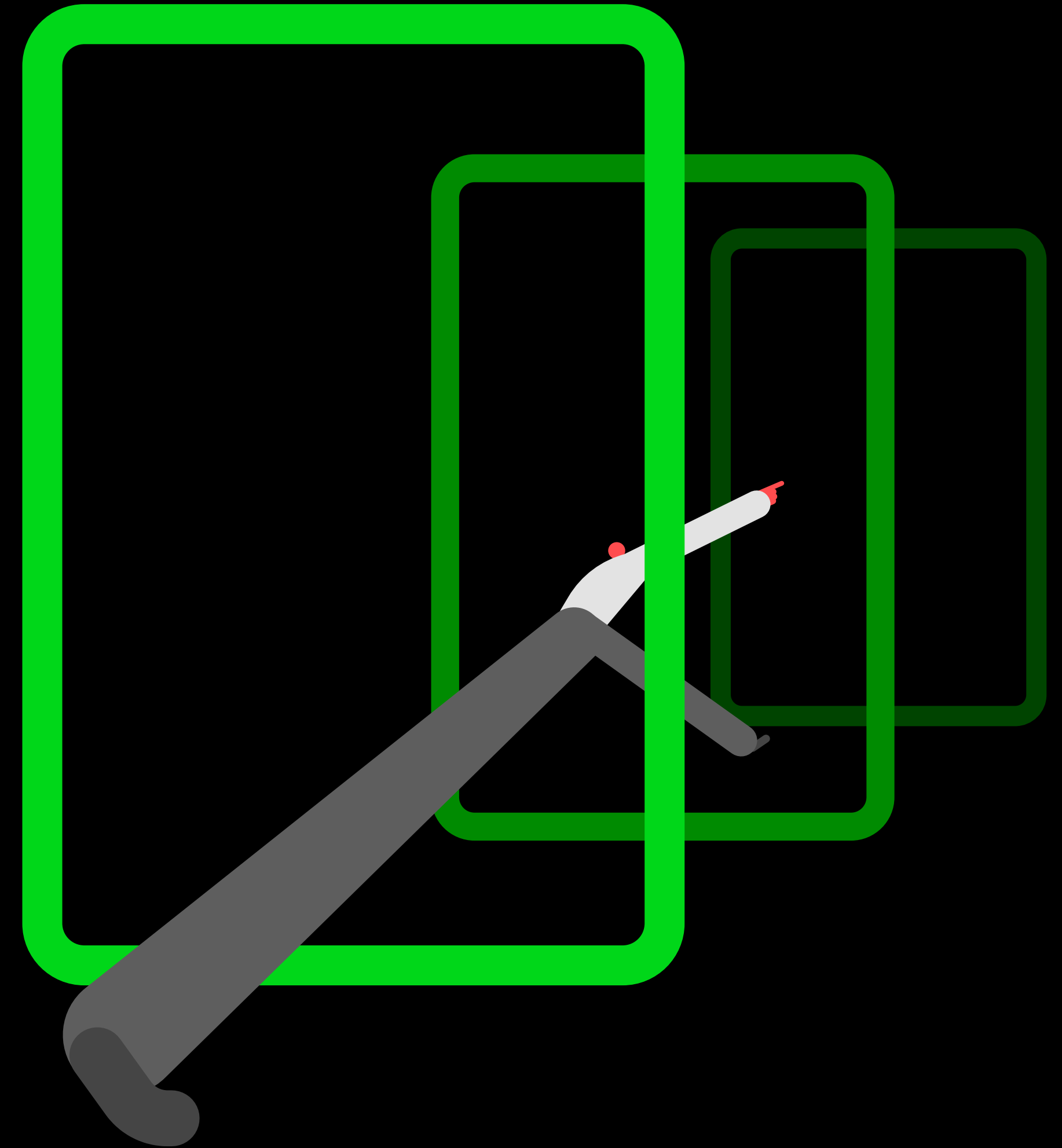
How nonprofit finance leaders can drive strategy and performance with data-driven decision making

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Introduction

The evolving role of nonprofit financial leadership

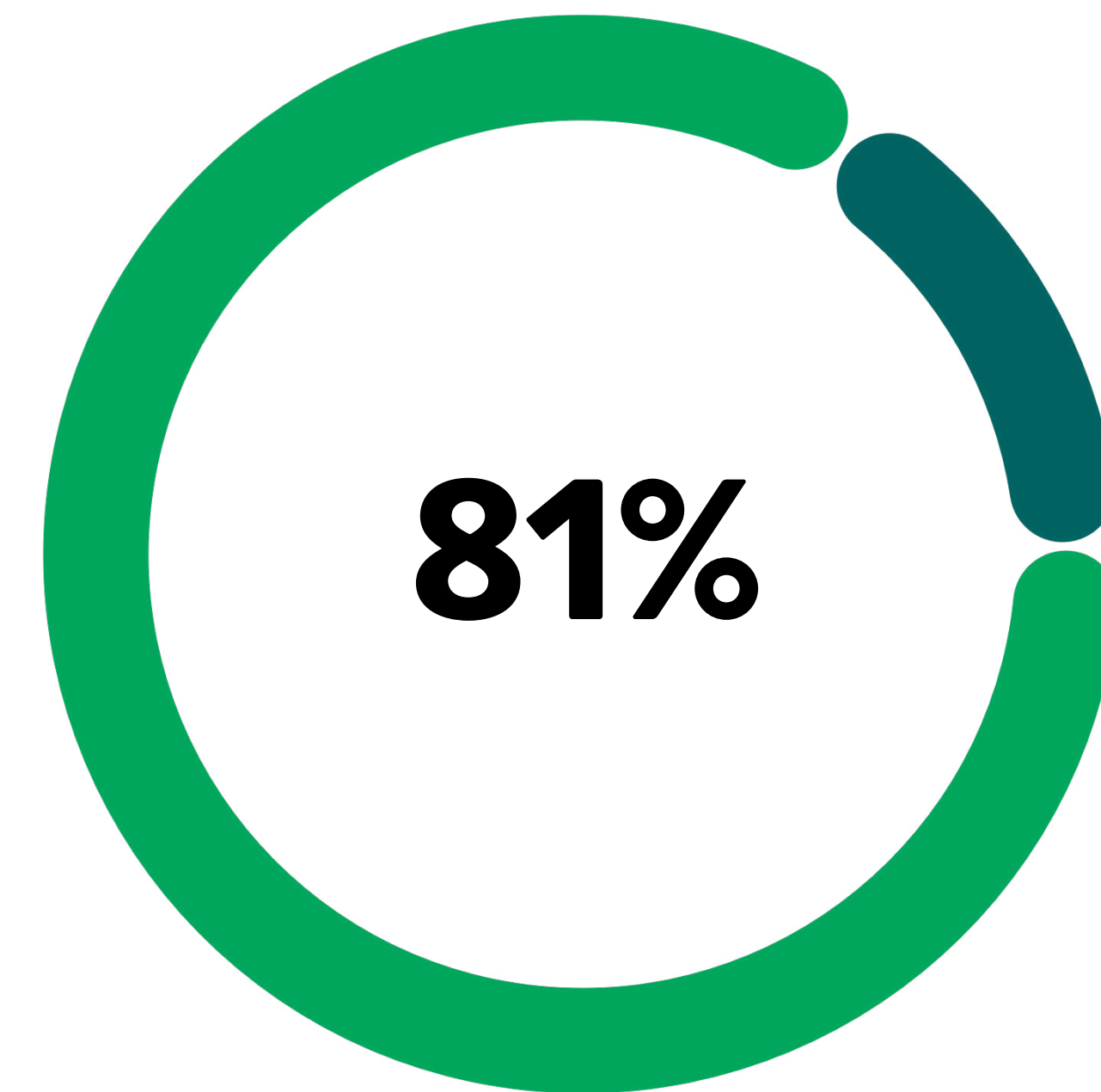
Time is the scarcest resource of today's nonprofit finance leaders.

As a nonprofit finance leader, you need to find ways to get away from day-to-day accounting tasks and create time for strategic executive priorities. Recent surveys show that on average, finance leaders set a goal of spending 50% of their time working on strategy.

Instead, 75% of their days are consumed by routine accounting work and protecting the organization against risks.¹ Lacking time to focus on the big picture, 34% of executives make important decisions either reactively (9%) or after putting it off (25%) until the decision can wait no longer.²

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81% of CFOs believe they are not keeping up with the pace of change well enough.³



1. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

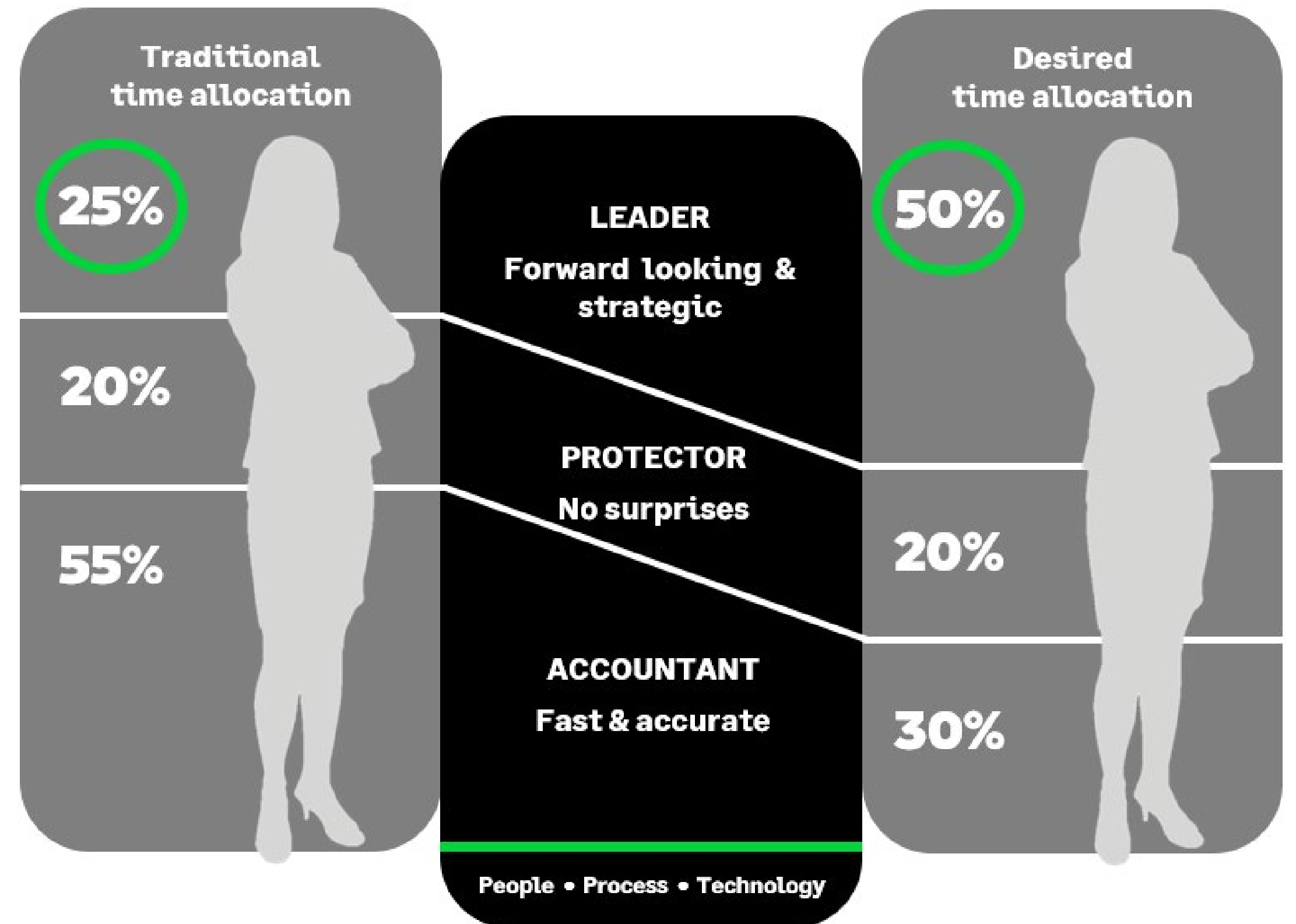
2. PwC and The Economist Intelligence Unit, "Gut & gigabytes: capitalizing on the art of executive decision making," 2014.

3. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

Nonprofit finance leaders must become more data-driven

As a finance leader, you need to streamline the “accountant and protector” processes, so you can make more time for forward-thinking strategy.

You need to free up time to synthesize your own intuition and experiences with an understanding of your organization’s data, trends, and history. When surveyed, 77% of senior finance leaders recognize the need for a data-driven finance function to achieve strategic goals. However, 64% also admit their finance function is not proactive enough in using data and analytics to identify, prioritize, and address critical issues.⁴



4. Argyle Executive Forum / Sage Intacct survey, April 2018

Where are you on your journey to financial leadership 3.0?

The role of the nonprofit finance leader has evolved, and nonprofit finance leaders must lean into the journey to lead their organizations forward.⁵



Financial leadership 1.0

- Financial historian
- Backward-looking financial statements
- Too many manual accounting tasks
- Limited reporting and financial visibility

Financial leadership 2.0

- Business analyst
- Cloud financial management
- Real-time reporting and dashboards help identify trends and issues in real-time for better decision making

Financial leadership 3.0

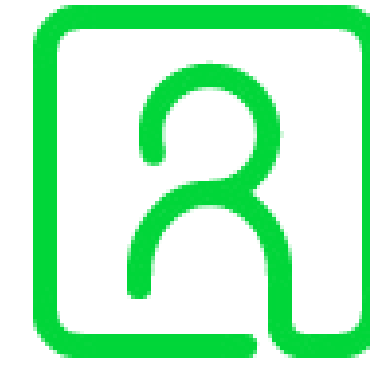
- Data-driven strategist
- Technology futurist
- Taking advantage of artificial intelligence (AI) and big data
- Predictive analytics guide forecasts and strategic planning

5. Sage Intacct, "Seeing Around Corners and Flying Through Walls—The Rise of CFO 3.0," Victor Baglio, January 11, 2018.

Data-driven

How to become a data-driven strategist

To become a data-driven strategist, you need certain kinds of people, processes, and technology.



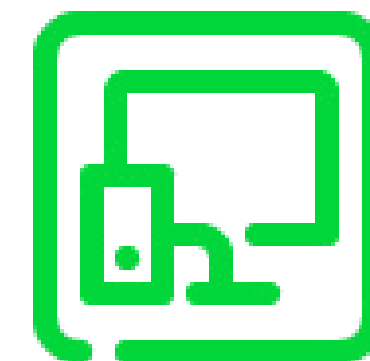
People

Your finance team needs curious, creative, analytical people who will monitor data, identify trends, and hypothesize how to achieve success for the organization.



Process

Today, only 33% of management accountants believe their organizations have strategies to use leading-edge analytic techniques and technologies effectively.⁶



Technology

You need three technological capabilities to become data-driven:

1. Automated financial operations
2. Multi-dimensional analysis of key metrics
3. Synchronized data with other systems in real-time

6. Institute of Management Accountants, "How to Embrace Data Analytics," February 2019.

Children's Hunger Fund gains timely insight to drive program decisions

“The productivity we’ve gained with Sage Intacct allows us to make sense of our financial data, as opposed to the traditional accounting world where you just get your debits and credits in and hope they’re correct. Now we can analyze our data to better forecast for the future, and make decisions about what we as an organization can do to advance our mission.”

~ Christopher Sue, CFO, Children's Hunger Fund



Automation

Automation frees time for strategic decision making

Organizations are looking to CFOs for strategic leadership:

- **78% of CFOs have noticed their influence expanding beyond accounting and finance.**
- **87% of CFOs surveyed feel pressure to collaborate on cross-functional initiatives.⁷**

Finance leaders understand that automating standard accounting tasks enables more strategic decision making. That's why 85% plan to invest in process automation.⁸

There are so many ways that a real-time cloud financial management solution like Sage Intacct can improve efficiency and accuracy. Financial automation can reduce or eliminate the time nonprofit organizations spend:

- **Consolidating financial information in Excel** for multi-entity, multi-location, and multi-currency organizations.
- **Calculating revenue recognition in Excel** after compiling project-based time and expense information from sales and HR systems.
- **Performing manual data reconciliations** and manual data re-entry between systems.
- **Calculating allocations using data that doesn't exist** within some traditional accounting systems.
- **Processing vendor payments** and manually routing paper approval sheets.

7. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

8. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

Canine Companions gains greater efficiency with automation enabling rapid growth

“To see where the organization was five years ago and how it’s performing now with modern automation and insight has been very gratifying. Sage Intacct made it very easy to absorb our rapid growth in transactions, and we did it efficiently while maintaining internal controls. We’re now realizing economies of scale.”

~ Jack Pierce, CFO, Canine Companions



Decision support

Go beyond GAAP reporting with multi-dimensional analysis

Data-driven nonprofit finance leaders make the general ledger the center of their data strategy.

The general ledger already contains the key financial information needed to create GAAP financial reports, including an organization's income statement, balance sheet, and financial ratios. By enhancing the general ledger with non-GAAP statistical data, nonprofits can track and report on key metrics that reflect your organization's mission success.

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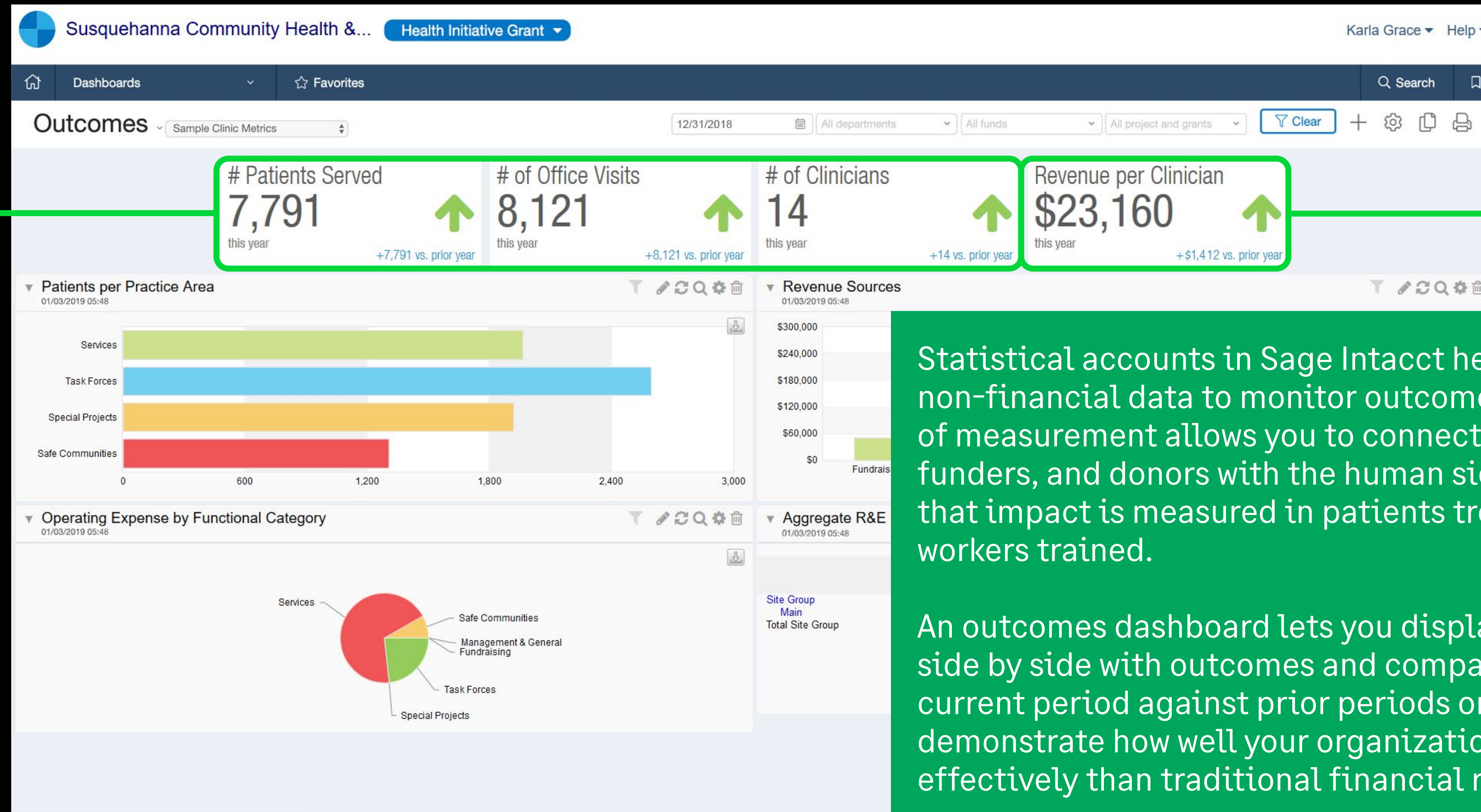


Multi-dimensional analysis brings together your financial data with important operational and funding data to give wider visibility across your organization.

Non-financial metrics could reflect program delivery, such as headcount or labor hours from an HR system. Or you may want to measure and report on the impact your organization makes in terms of meals served, patients treated, or educational courses delivered. You could also include donation and funding data from your donor management system.

Go beyond GAAP reporting with outcome metrics

Non-GAAP statistical data



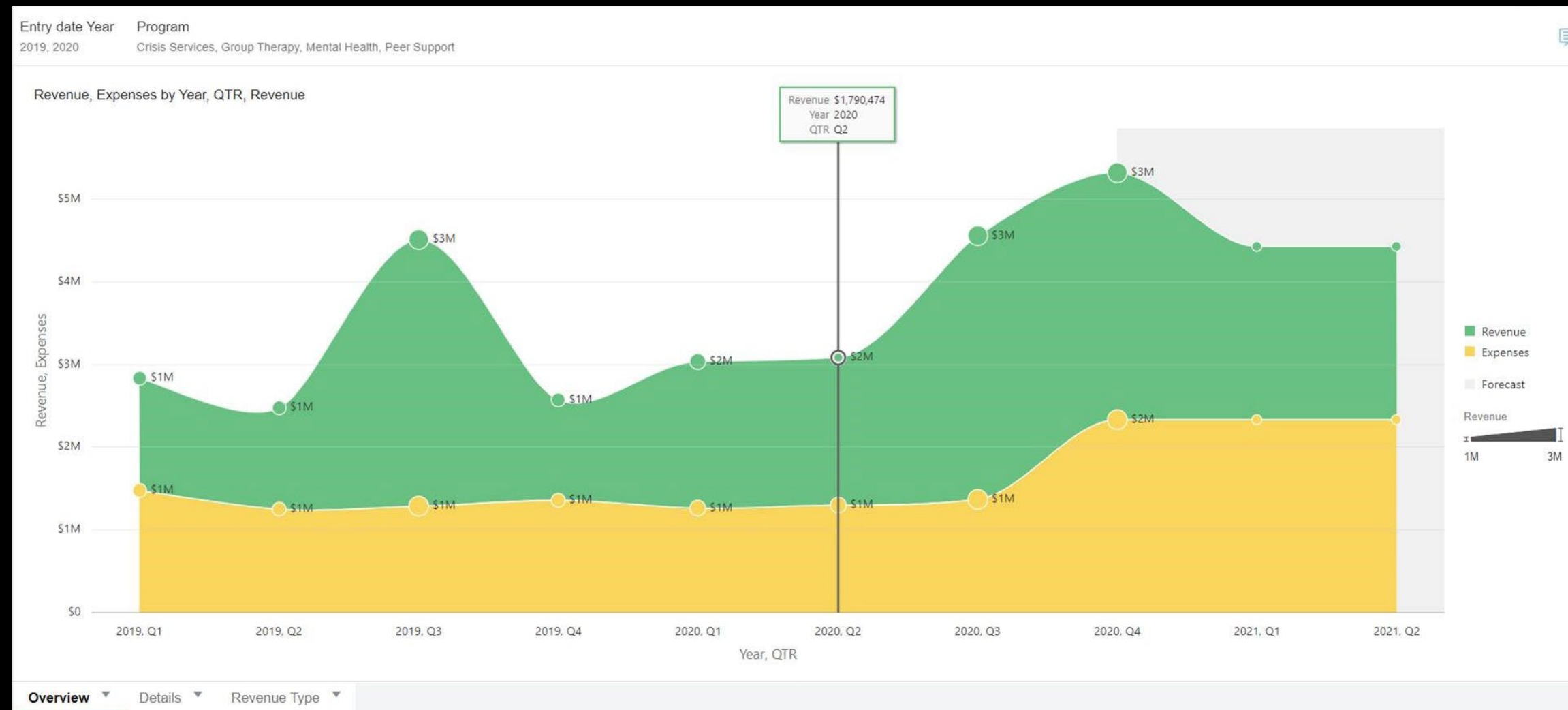
Outcome metric

Statistical accounts in Sage Intacct help track and report on non-financial data to monitor outcomes and impact. This type of measurement allows you to connect your executives, board, funders, and donors with the human side of your mission—whether that impact is measured in patients treated, meals served, or workers trained.

An outcomes dashboard lets you display important financial data side by side with outcomes and compare the real-time data in the current period against prior periods or years. Statistical accounts demonstrate how well your organization achieves its mission more effectively than traditional financial reports alone.

Visualize your data like never before

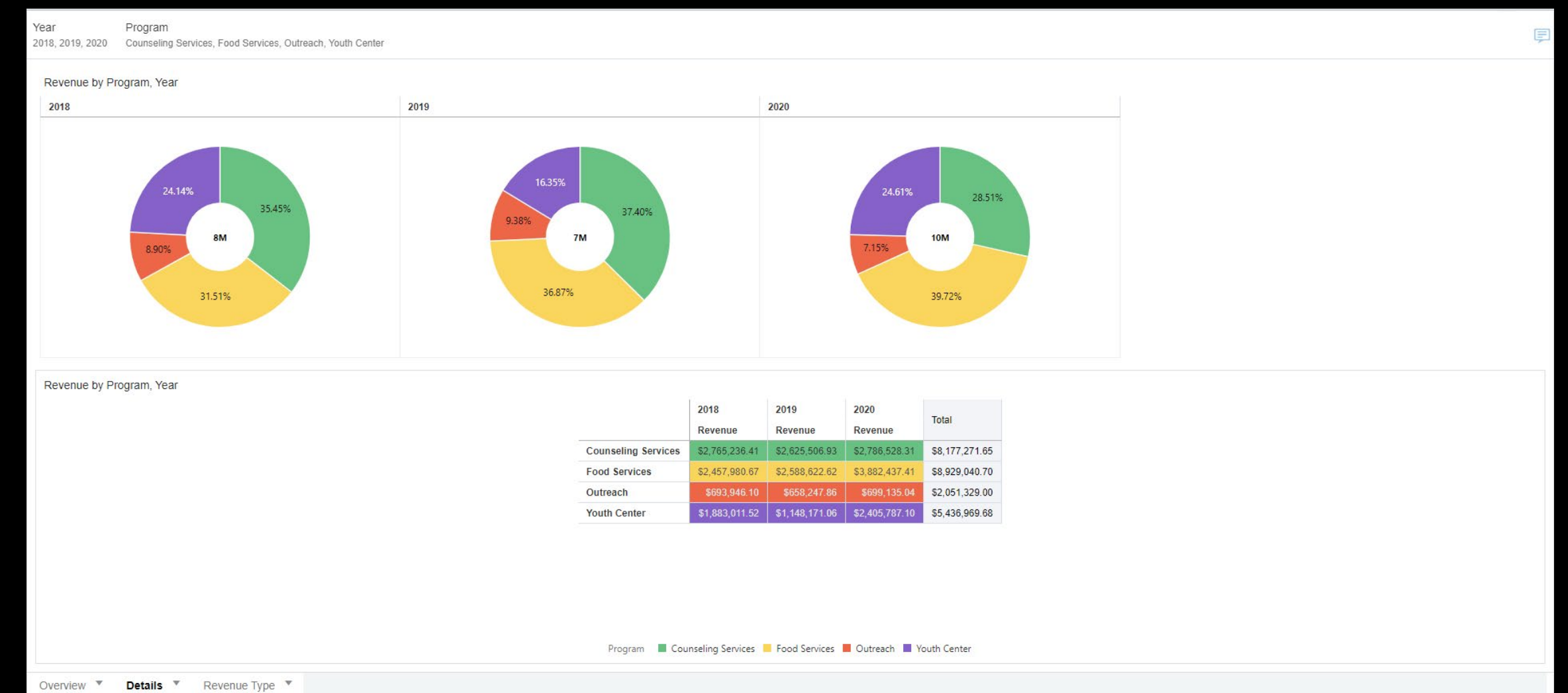
Predictive revenue and expense analysis



Helping nonprofit finance leaders make informed strategic, data-driven decisions, Sage Intacct Interactive Visual Explorer enables you to analyze your financial data visually across multiple dimensions to quickly digest information. You can instantly spot trends and patterns, identify outliers, see into the future, and more, so you can quickly understand and respond to problems and opportunities.



Outcomes dashboard drilldown



Hope Haven boosts net income with new operational insights

“Sage Intacct is our one-stop-shop where we see not only the organization’s financial information, but statistical details like income and expenses per constituent as well. One thing that’s been really helpful for us is Sage Intacct’s personalized dashboards, where each manager, executive, and finance team member can get the information they need in one place and drill down to explore the data as needed.”

~ Dana Bakker, Controller, Hope Haven



Twitterize your chart of accounts

Adding dimensionality to your chart of accounts creates greater simplicity and richer contextual data.⁹

Think of dimensions within your chart of accounts like hashtags on Twitter. Dimensions make it easy to search, sort, and slice and dice your data for reporting with context that is meaningful for your specific organization.

Just as you can look at hashtags over time, you can analyze your financial reports over time. Just as you can view real-time trending Twitter statistics, you can analyze your financial performance across one or more entities in a real-time dashboard.

Sage Intacct dimensionality lets you organize information by the attributes that matter most to your mission—program, impact, location, grant, and more. Dimensions help you perform a more meaningful analysis of your organization's performance.



#MealsServed

#VolunteerHours

#RevenuePerClinician

#CoursesDelivered

#MembersInTexas

⁹ Sage Intacct, "Twitterize your Chart of Accounts—The Data-Driven CFO," Ian Howells, July 5, 2017.

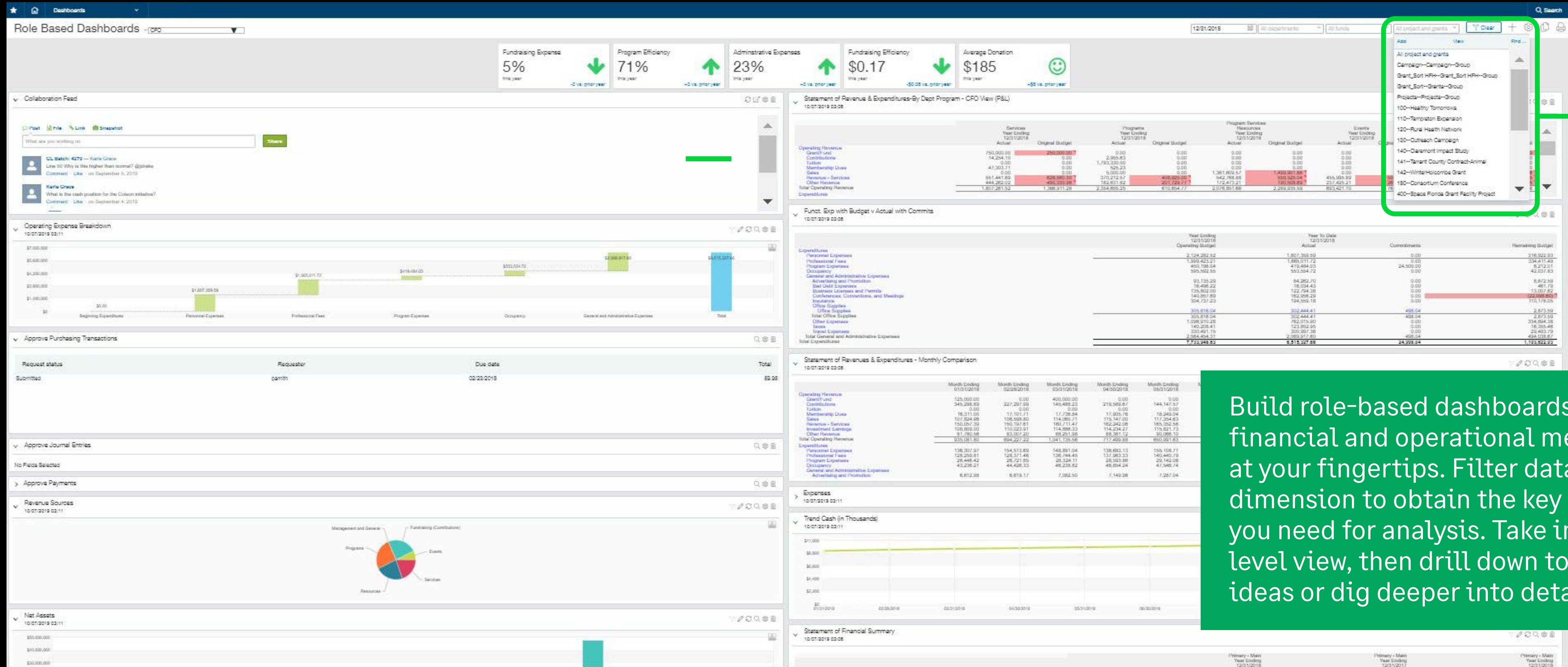
Leverage dimensions to slice and dice your data for **maximum visibility and impact**

Who	Donors
	Vendors Employees
Where	Locations
	Departments
	Country Project
What	Program
	Fund
	Grant Type

Dimensions can easily be renamed to meet your needs

Line-item transactions	
Capture and report on key transactional data	
Transaction value	\$1,500,000
Scenario	Actual
Time	01-10-2022
GL account	4000–Revenue
Donor/Grantor	Gates Foundation
Country	Afghanistan
Employee	Kyle Reese
Grant	Immunizations
Department	Operations
Type	Bill back

Real-time dimensional analysis of key data



Dimensions drop down menu

Build role-based dashboards that put financial and operational metrics at your fingertips. Filter data by any dimension to obtain the key results you need for analysis. Take in the high-level view, then drill down to explore ideas or dig deeper into details.

Vitamin Angels turns financial visibility into greater mission impact

“Using custom dimensions in Sage Intacct to track costs, we identified \$200,000 in logistical savings, which enabled us to provide essential vitamins and minerals to an additional 800,000 undernourished pregnant women and children.”

~ Bonnie Forssell, CFO, Vitamin Angels



System integration

All your real-time data, in one place

Sage Intacct was designed to make it easy for nonprofits to synthesize information from many data sources for more informed analysis and decision making.

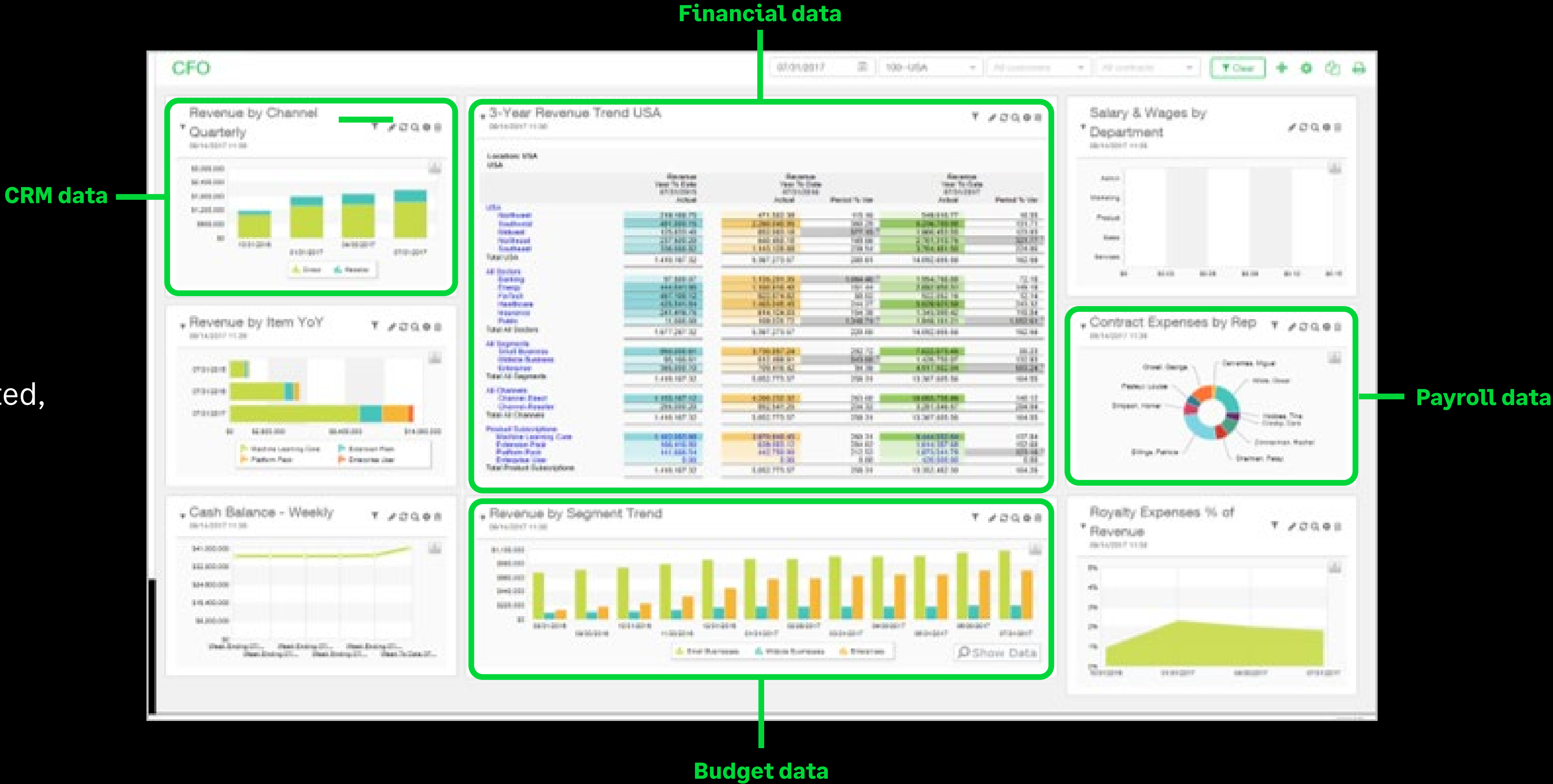
With Sage Intacct, all your data for reporting and analysis is in one place. Not just your financial data, but also your donor data, your planning data, your payroll data, and any other information you need. An open API makes integrating data streams from across business applications seamless.

By integrating your critical business applications, you not only eliminate hours of duplicate data entry and report preparation, but you harness the power of integrated data sets for strategic analysis and decision making.



Gain real-time visibility at a glance with dashboards

After all your data is integrated, view key metrics from each application in real-time on a dashboard.



Atlas Network uses **integration to liberate finance team from manual work**

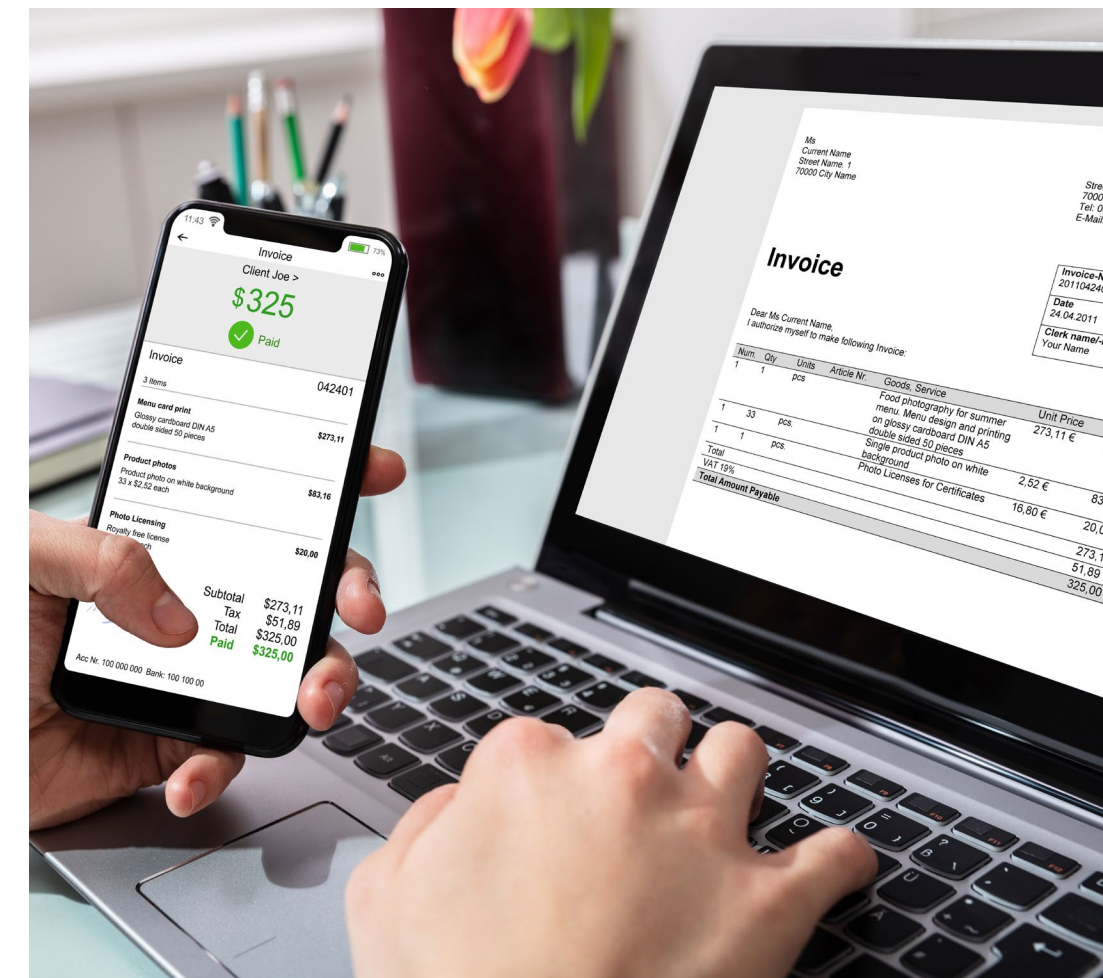
“QuickBooks and Salesforce didn’t talk to each other, and that was definitely an issue. It required a lot of double entry just to keep things synchronized. With Sage Intacct, we no longer have to do monthly reconciliations between what is in Salesforce and what is in QuickBooks. That’s saved a lot of time, and it provides a single source of truth with consistent and accurate information in both Salesforce and Sage Intacct.”

~ Romulo Lopez, Director of Finance, Atlas Network



Data-driven nonprofit finance leaders deliver big results

Using Sage Intacct, nonprofit finance leaders were able to free up time to be more strategic and make impactful decisions. Here are some ways their organizations benefitted.



Tactical

- 60% faster time-to-close
- 78% faster stakeholder reporting
- Board book in minutes
- Real-time access to financials

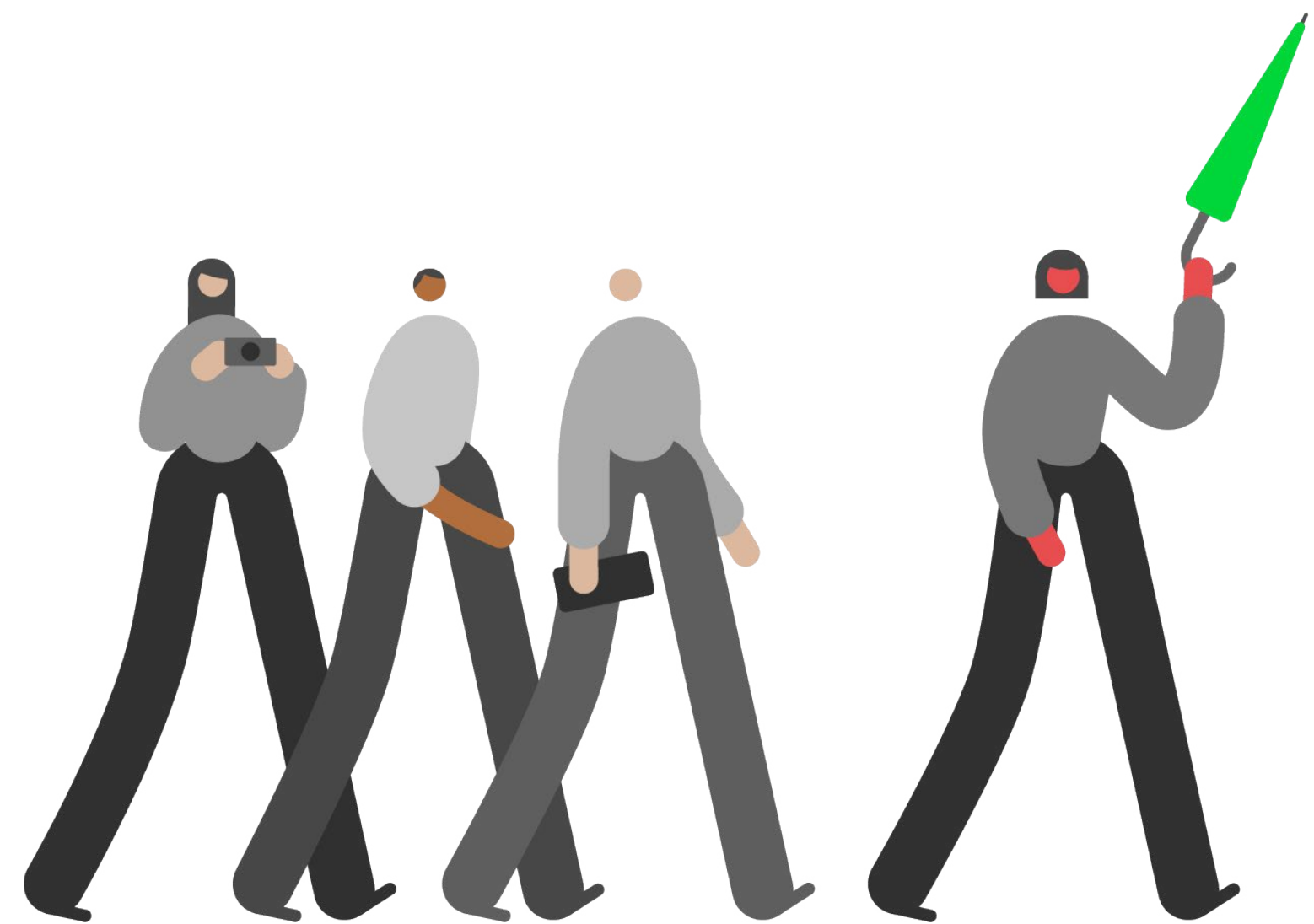


Strategic

- 40% increase in donor or client base
- 20% growth in new grant funds
- Millions increase in cash flow
- 35%-75% efficiency increase benefiting programs

Conclusion

Take the lead in financial leadership 3.0



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The pace of evolution in technologies like artificial intelligence (AI) and analytics is quickly accelerating.

Now is the time to push your organization to adopt a more data-driven strategy. Have you hired the right people, built the right culture, and streamlined critical processes? Does your technology generate meaningful, real-time insights or backward-looking reports?

Sage Intacct delivers a rapid transition to financial leadership 3.0. Nonprofits benefit quickly from these capabilities:

Automation eliminates manual data entry and spreadsheets to close the books faster.

Real-time reporting enables proactive response to changing conditions.

Aggregate data from disparate sources to improve analysis.

Role-based dashboards drive strategic decision-making.

Sage Intacct makes it easier to carve out executive time for focused strategic analysis. With a single source of truth and better visibility across the organization, you will be well-positioned to take advantage of financial leadership 3.0 innovations.

About Sage Intacct

Sage Intacct is the AICPA's preferred provider of cloud financial applications.

Specializing in helping nonprofits of all types—including health and human services, NGOs, charities, trade and membership associations, cultural institutions, and faith-based organizations—Sage Intacct streamlines grant, fund, project, and donor accounting, while delivering real-time visibility into the metrics that matter.

Our modern, true cloud solution, with open APIs, gives nonprofits the connectivity, visibility, and efficiency they need to do more with less. At Sage Intacct, we help nonprofits strengthen stewardship, build influence, grow funding, and achieve mission success.

In addition to intuitive software solutions, Sage Membership provides members with access to actionable human advice from experts and peers through exclusive content and tools to help you make even better mission-critical decisions.



AICPA[®]

Business Solutions

Preferred Provider of Financial Applications

Quick links to educational resources

Looking to move your nonprofit finance operations to a new cloud accounting system? Here are some additional resources to help you make the right decision.

Product overview video

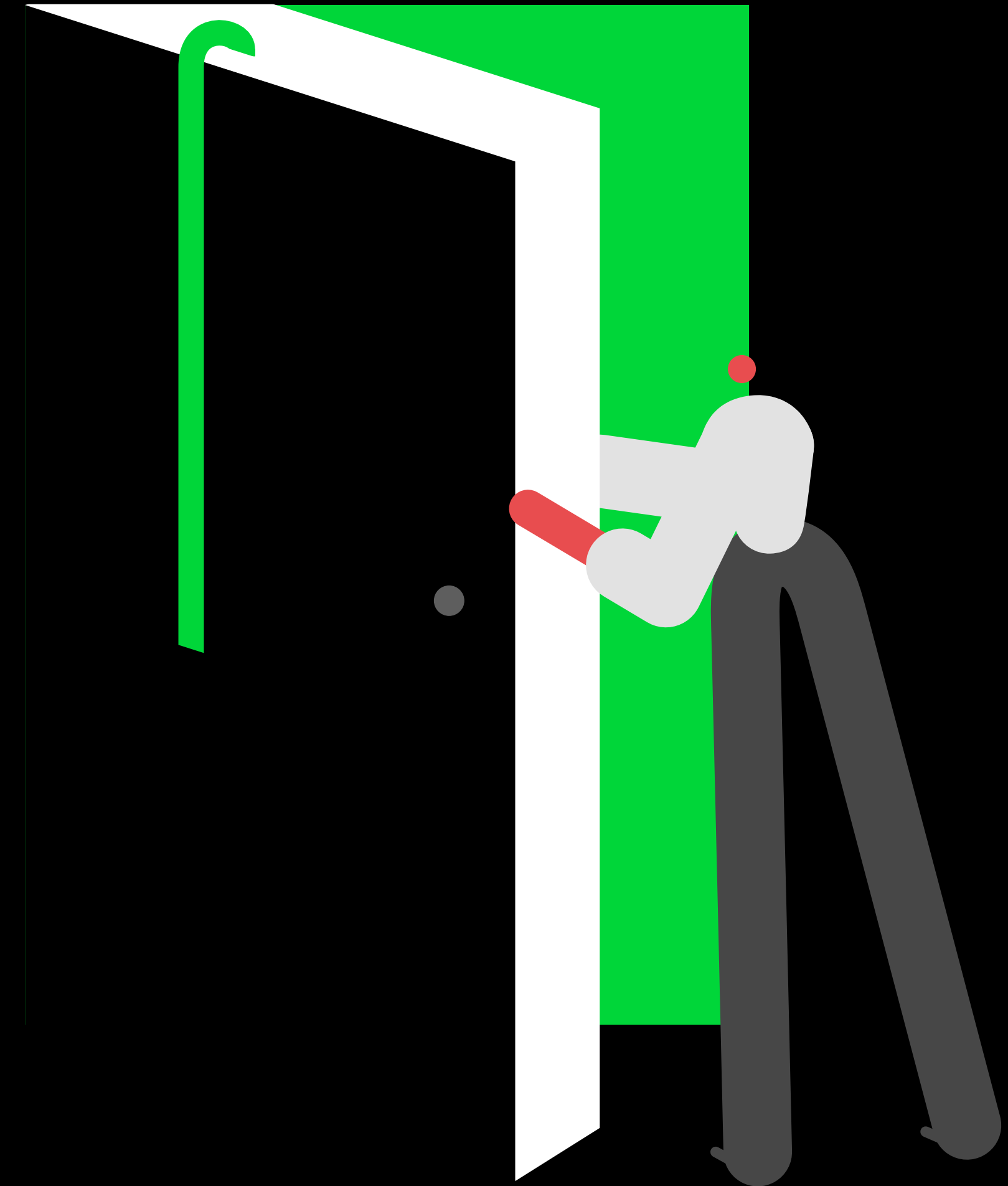
[Sage Intacct for Nonprofits](#)

Customer story video

[Room to Read](#)

More resources

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