

E-BOOK

Financial Dashboards
and Metrics That Matter
for Financial Services



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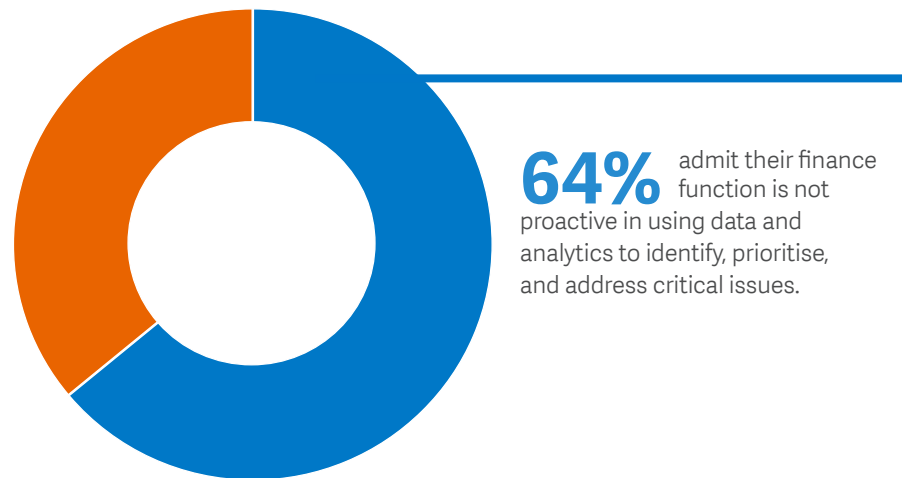
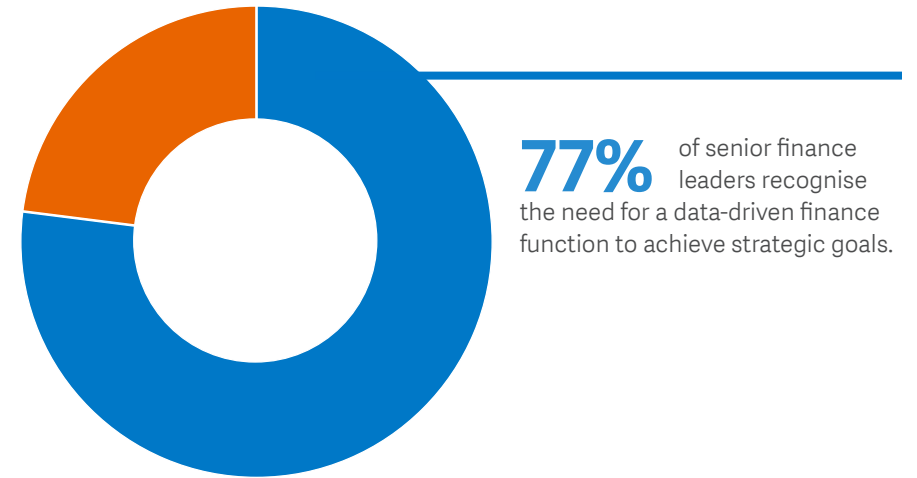
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The power of tracking your organisation to measurable data

In the digital age, finance leaders have access to vast amounts of data from a multitude of channels. The key is zoning in on the data that matter most and turning it into actionable insights that can help you create successful business outcomes.

Increasing customer expectations, complex regulatory pressures and heightened scrutiny on investors who need to meet shareholders' expectations for return on investment or equity – among other pressures – are causing finance leaders to look for smarter financial management techniques.

To stay ahead of it, financial firms are embracing financial dashboards and data to not only measure and report on key performance indicators (KPIs), but also to help pave the way to long-term growth and greater efficiency.



Source: Argyle Executive Forum and Sage Intacct survey, 2018

Managing strategic goals through measurable, defined metrics

The long-term success of your financial firm depends on big-picture thinking, grasping financial and non-financial criteria and acting like a CEO.

While keeping a pulse on your business day-to-day by, for example, by tracking cash flow and outstanding revenue, what if you could look at other financial and non-financial data together to give you one, rich picture of your organisational performance?

So, beyond tracking KPIs that measure performance today, here are just a few ways KPIs can help you look into the long-term and strategise like a CEO:

- Focus on your fund performance to determine if adjustments can be made
- Proactively identify any opportunities and challenges to make an investment
- Assess whether your customers are happy or not

KPIs and metrics offer insight into whether you are on track to meet your goals in countless categories. Financial services firms get their best results by measuring across multiple dimensions within a unified dashboard that highlights activities, capacities, financial results, and other metrics. With a single source of truth, firms can continuously adjust and improve.



Critical metrics & your financial dashboard

As a finance leader, it's your responsibility to use data to make informed and strategic decisions for your financial firm. Having a comprehensive understanding of your operational costs and profit margins are just the tip of the iceberg for what you need to manage effectively.

A modern cloud financial management solution provides easy-to-use and intuitive financial dashboards from almost any perspective, such as by fund, entity, currency, or location. These dashboards provide real-time insight into financial and operational data, empowering you with the information you need to make decisions quickly without spending weeks creating and working with time-consuming and error-prone Excel reports.

Financial dashboards should give management a snapshot of your current financial health across the KPIs you've set, enabling you to take action when it matters most – whether the information is showing a shortcoming or low performance relative to the desired goal. What sets dashboards apart from spreadsheets and static printed reports is the ability to interact with the data by drilling into multiple metrics, so you have a better understanding of whether you are on target, behind schedule, or performing above expectations– all in real time.

Custom financial dashboard

- Balance sheet, overall and by location
- Income statement
- Budget versus plan

Portfolio dashboard

- Analysis by fund
- Condensed
- Over time

Key metrics, both financial and operational

- AUM
- IRR
- Cash-on-cash
- Current consolidated cash
- Notes payable
- Net income period-to-date
- Days sales outstanding
- Revenue per employee
- Employee turnover

Your key metrics deliver value when they align to your core mission and vision.

With your mission (i.e., your timeless “beacon”) and vision (i.e., where you want to go) top of mind, start with a simple template that outlines what matters most to your firm. Create a detailed strategy on how you plan to achieve your firm's vision. Next, map your short- and long-term objectives – and the metrics that effectively ladder up to them. Be careful at this stage to select the KPIs that align to the achievement of your core goals, as setting off-the-mark KPIs could end up driving the wrong behaviour. Set goals that help ensure that the impact of your activities support your overarching strategy.

These might include progress regarding assets under management (AUM), internal rate of return, cash-on-cash, and so forth, and then drilling down into the details to define the supporting tactics and activities.

However you establish and define your core metrics, keep it simple – and always stay in alignment to your firm's core mission and vision.



Who is monitoring performance?

Empower your organisation with intuitive financial dashboards

It's invaluable for financial firms to have the flexibility to look at the metrics that matter most in a way that's easy to digest. Dashboards organize, store, and display information from multiple data sources into a single, easy-to-access place. You and others across your organisation shouldn't need data science or IT expertise to get the information needed. Equip your organisation with intuitive report writers and dashboards that are built to be self-service.

Dashboards with point-and-click ease empower you to easily modify predefined dashboards or set up a new one from scratch within minutes. And, they should be so easy to use, individuals throughout your organisation can get the information they need quickly.

Just as importantly, being able to set permissions or read-only access ensures the right data is being accessed by the right people, keeping your sensitive information secure.



Tips:

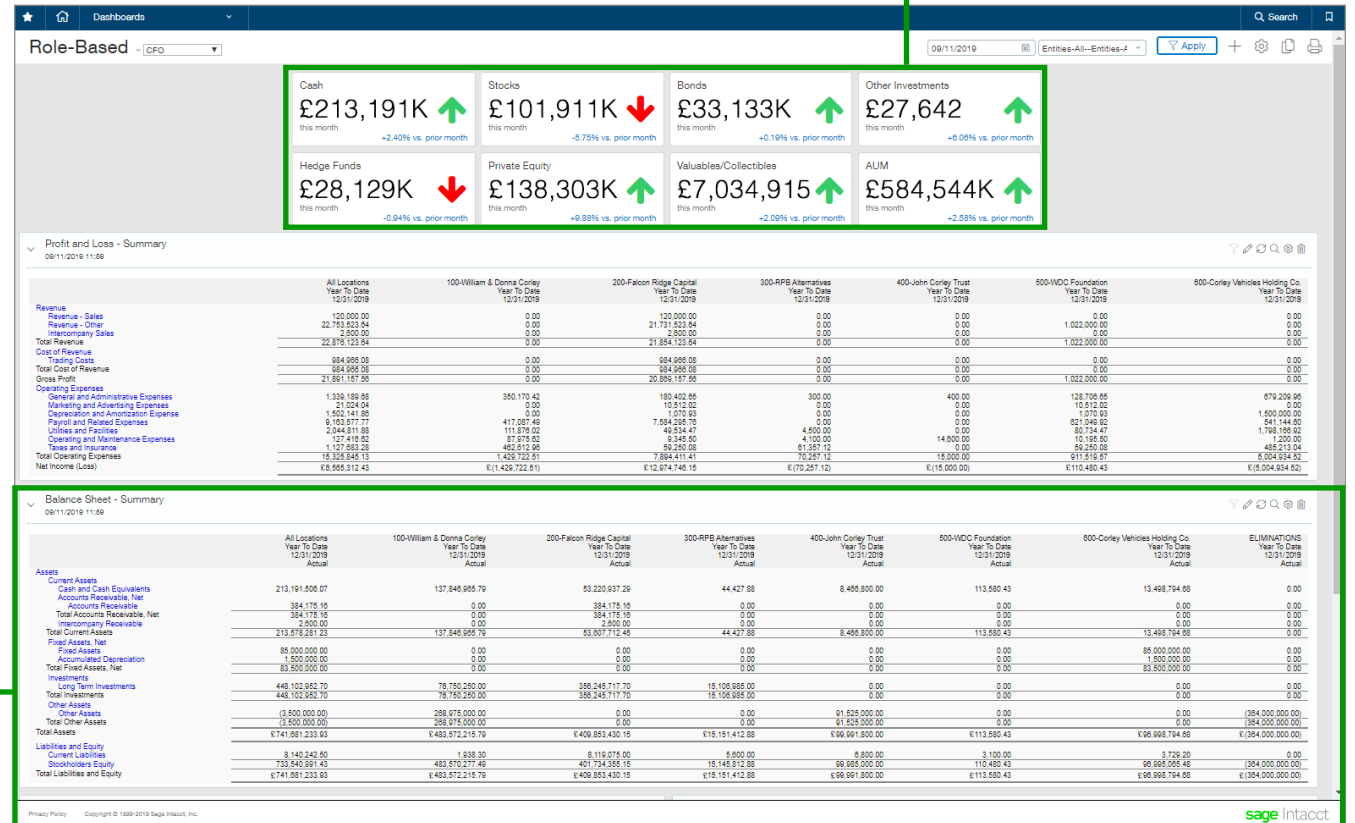
- Experiment with the visualisations on your dashboard. Insert data you'd like to analyse and drill down into the details. Make adjustments as you go – you have control over your dashboard view.
- Provide custom financial dashboards to key stakeholders across your firm. For example, if you're a family office, give family members access to view instruments. This will make your day-to-day easier when you no longer have to field ad hoc questions.

Who is monitoring performance?

Role-based dashboards for stakeholders: The CFO view

View the metrics that matter most reported as period by period, monthly, quarterly, or annually in order to finetune how you're looking at metrics and performance.

At the top of this dashboard built for a CFO, you can quickly view the most important metrics, like cash on hand and AUM.



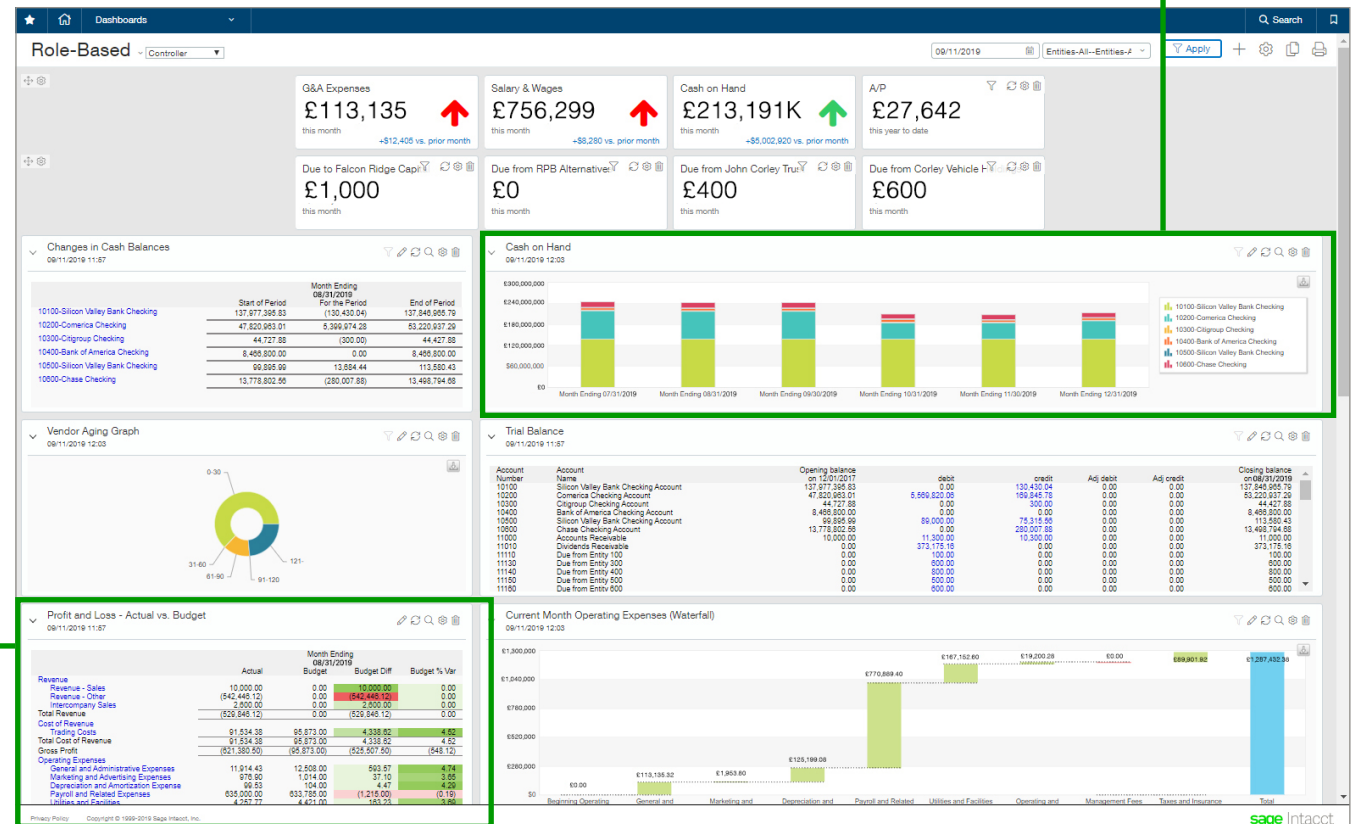
Consider including consolidated views of financial reports right on your dashboard. In this case, the current P&L and balance sheet are readily visible, while the CFO can just as easily click any line item to drill down for detail into the KPIs and source transactions.

Who is monitoring performance?

Role-based dashboards for stakeholders: The Controller view

Assess the financial health of your firm, visualise your data with a variety of graphics.

In this Controller's dashboard, the selected metrics kept at the top focus on operational expenses. And because this Controller wants to optimise cash-on-hand, it is displayed as a stacked bar chart to show cash changes of various accounts over time at-a-glance.



View actuals versus budget. Add conditional highlighting to be quickly notified of areas of the business that need attention.



One of Sage Intacct's greatest benefits is the fact that as accountants, our small team can set up the reporting ourselves and configure things without doing tons of heavy lifting or having an IT degree.

We don't have to pay consultants hundreds of thousands of dollars each month to program the system or make changes on our behalf – and that is very rare in my experience. With a company like ours that's rapidly maturing and changing its processes, a flexible system like Sage Intacct is essential.

Will Stewart

Corporate Controller

MidCap Credit & Capital

Go deep into your data with dimensions

It's important to have a flexible financial reporting tool in your arsenal that makes it easy to understand and manage performance on both the universal financial metrics and the operational and performance metrics unique to your firm.

As a best practice, ensure each transaction in the system can be tagged with business driver attributes, or "dimensions," so finance teams can easily dig into the information they need in the way that makes sense. For example, a line of business dimension can enable you to group and view, say, operating expenses related to a specific line of business. Tagging transactions with dimensions is a better way to see each transaction's attributes – and be able to group, sort, filter, pivot and report on them – with just a few clicks, versus hardcoding individual accounts which can quickly bloat charts of accounts and slow down analyses.

When you can slice and dice your financial data by the attributes defined by you, you're able to analyse performance drivers with precision.

General Ledger Setup			
Dimension settings			
		Dimensions	Enable
	1	Location	<input checked="" type="checkbox"/>
	2	Department	<input checked="" type="checkbox"/>
☰	3	Class	<input checked="" type="checkbox"/>
☰	4	Project	<input checked="" type="checkbox"/>
☰	5	Customer	<input checked="" type="checkbox"/>
☰	6	Vendor	<input checked="" type="checkbox"/>
☰	7	Item	<input checked="" type="checkbox"/>
☰	8	Employee	<input checked="" type="checkbox"/>
☰	9	User Defined	<input checked="" type="checkbox"/>



Make better decisions with real-time information

With multiple sources of data flowing through your organisation, maintaining visibility shouldn't be a drain on your finance team's time. Without connected systems, data all too often sits in silos and costs organisations hours, even days, to collate and prepare it in a form that's digestible for decision-making. By the time the insights are created, the information is already stale.

A flexible, open API in a modern financial management system allows real-time integrations with all data sources – whether they are legacy or third-party systems – for example, integrating your finance system with Salesforce, ADP, and an expense management tool like Expensify – to bring you a full picture of financial health. Synthesising that data into a single source of truth gives you the critical information you need, when you need it, to make proactive decisions.



Act faster!

Find issues or opportunities early so you can take action when it matters.

- Flag trends and spot exceptions in real time with powerful dashboard and report visualisation, while the system keeps tabs on the historic workflow and audit trail.
- Set conditional highlighting on dashboard reports to indicate areas of concern. For example, setting threshold values in the P&L will visually display anomalies in advance so you can take early corrective action.
- Establish smart rules for fraud detection and control. For example, set alerts that notify you to investigate when the address of a vendor is changed.



Sage Intacct's flexibility has given us a lot more real-time information that has helped us bolster our investment strategy. (We) can look directly at Sage Intacct and see our asset mix, cash on hand, and anything committed in the future. It allows us to make decisions in hours versus days or weeks, so we don't miss out on any investment opportunities.

Amanda Goebel

Senior Accountant

Halstatt

The right financial management software matters

It's up to finance leaders to help their firms move forward and make big decisions with confidence.

As a true cloud financial management solution, Sage Intacct helps finance teams understand and manage their business without the manual work so they can make smarter, faster decisions. Sage Intacct financial reporting is intuitively built to empower finance teams to quickly get the information they need – whether it's drilling down into the details of a transaction or reporting on the performance of the organisation as a whole. It enables you to lead your team and organisation more strategically with real-time reporting and dashboards.



Start by defining key metrics that measure what is most important to your firm's overall strategy.

Word of caution: Don't get lost in the tactical such as, "Who will measure what – and when?" These details and processes will come into play naturally – especially when you use a modern financial system to make it easy.

To get up to speed quickly, take advantage of external resources. Being consistent when measuring progress will help you reach success. Balance your approach with measures that reflect the complete picture of your firm's health and impact. Measuring and reporting outcomes will require extra effort. But doing so brings immediate and long-term benefits across your firm and key stakeholders.

Want to learn more?

See the power of flexible reporting and dashboards

Watch these 7-8-minute product tours to see Sage Intacct reporting and dashboards in action.



Product tour

Explore how you can get a 10,000-foot view of your organisation and dive deep into the details with multi-entity consolidation



Product tour

See how easy it is to build and modify dashboards to meet your firm's unique needs



Sage Intacct

Sage Intacct is the #1 cloud financial management system for financial services, including the world's largest wealth and asset management firms. It is the solution of choice for nearly 1,000 financial services organisations that collectively manage more than \$1.4T of assets under management.

For more information: www.sage.com/uk/intacct/financialservices