

# Management Reporting

Providing management information faster and more accurately

- Do you find preparing reports requires too much manual effort?
- Is your management more concerned with who has the right numbers rather than with searching for actions to improve the company's performance?
- Does it take longer than ten working days after the period end to complete your management reports?
- Are your management reports bundled up in thick files which make it difficult to identify what is behind your organisation's poor performance?
- Do your reports provide managers with information on how the organisation complies with its strategy?

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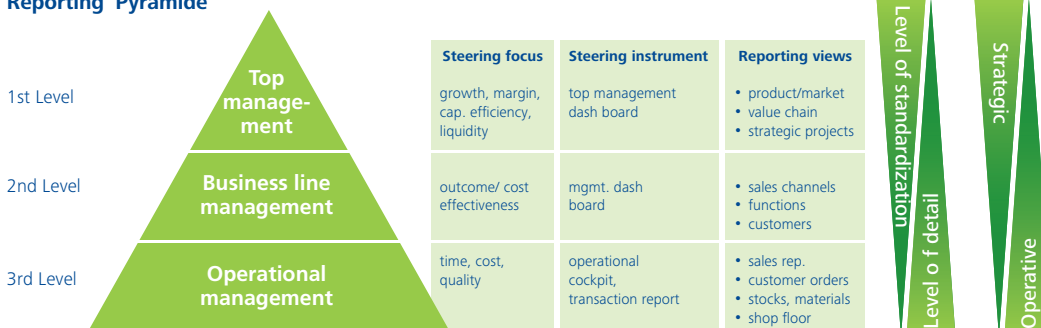
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Recent financial scandals have resulted in enormous pressure on finance divisions to provide trustful and reliable financial information, namely for external users. After restoring confidence in your company's ability to produce reliable financial information by implementing control mechanisms such as Sarbanes-Oxley, reporting for internal management purposes becomes the focus of finance managers.

However, internal requirements vary significantly. Not only is a higher level of detail required, but the demand on speeding up the entire reporting process while maintaining its reliability and trustworthiness is also growing. This exposes finance managers to new challenges such as the need to provide consistent top quality reports designed for external users as well as detailed operating reports. Moreover, finance managers are also expected to act as strategic partners in making decisions on company projects and strategic initiatives.

External financial reporting controls are typically made in the same period when accounting books are closed and reports and analyses are prepared. The pressure on limited resources of finance department is further strengthened by increasing demands on internal support in managing company performance. Without having adequately designed process and sufficient technological support it is nearly impossible to survive in this pressure.

### Reporting Pyramide



### How To Drive More Value

A set of principles has been developed to guide our clients through successful processes of management reporting. Here are the most important of them.

#### Establish One Version of the Truth

Establish version and representation of the truth across the enterprise, create consistent standards for report styles, content, quality timing and frequency, and design reports to focus on problem solving and decision making.

**How To Drive  
More Value**

**Meet business User Needs**

Ensure business user needs are met by design of management reports by providing support for the requirements of business users of the project solution.

**Provide easy to Use Reporting Capabilities**

Provide reporting capabilities that are simple to use, easy to learn and contain standard tool for performing in – depth ad hoc analysis. Distinguish between

**Accountability and Insight Reporting**

Accountability reporting is primary intended to help management better measure performance against target, whereas, insight reporting is focused on providing information to help management better understand the business and react tactically and strategically.

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**How can  
Deloitte help?**

The scale and focus of the project may vary depending on the client needs, ranging from preparation of high level management reports in Excel focused on measuring implementation of corporate strategy (BSC approach) to large scale implementation of specialized reporting applications (i.e. Oracle, Hyperion, Cognos). Following, there are three typical examples of management reporting projects: Strategic Reporting, Fast close project and Management Information System (MIS) implementation.

1. **Strategic Reporting** gives the client information about the progress of corporate strategy implementation on a regular basis (usually monthly). The project phases are analysis of current corporate strategy, preparation of BCS map containing strategic goals and drivers, identification and definition of KPIs measuring strategic goals and drivers, design of reporting process ensuring regular information preparation and preparation of pilot reports for management.
2. Goal of the **Fast close project Reporting** is to shorten the closing and reporting cycle, usually to 5th to 7th working day after month end. Typical project phases are analysis of current closing and reporting process, identification of bottlenecks and automation opportunities, support during regular monthly closure process and implementation of relevant tools (estimates, adjustments).
3. **Management Information System (MIS)** increases efficiency of management report preparation and distribution. Projects in MIS implementation consist of identification of management information needs, definition of MIS data model, selection of MIS platform, preparation of Business blueprint describing in detail calculation of KPIs from source data, implementation of MIS database and ETL routines (Extract, Transform and Load) and roll out of management reports or building a management portal.

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**Bottom-Line  
Benefits**

- Correct, unambiguous and informative KPIs and reports.
- Increased efficiency of the reporting preparation and distribution process.
- Shorten time-delivery for management reporting and reduced costs.
- Improved decision support – faster and more relevant management information.
- Increased analytical capabilities and performance management support.

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