Most Outstanding Challenges in Financial Analysis

Datas People

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Challenges in Financial Analysis

In organizations, the financial area faces challenges, in addition to being responsible for improving the performance of revenues, profits, operational efficiency, capital efficiency, solvency and liquidity, to develop an understanding of the business and build a stable and constant relationship with the leaders of the business units.

Organizations today have been identifying their main challenges that need to be solved, among which we can mention the following:

- ✓ Technology,
- ✓ Human Talent
- ✓ Strategies
- ✓ Regulatory compliance
- ✓ Customer expectations

In terms of technology, the use of data, the elimination of gaps by incorporating Artificial Intelligence and managing and organizing Big Data stand out.

In terms of human talent, it is the acquisition and retention of available and quality personnel, empowering the remote workforce.

In cost control strategies, preventing fraud, as well as innovation and accelerating sustainable growth.

In regulatory compliance, achieving tax optimization.

Also, in terms of customer needs, exceeding customer expectations.

Relevant Difficulties

For the areas of finance the difficulties that have been maintained during these years are:

- ✓ Timely recording of transactions
- ✓ Data is free of errors
- ✓ Unify and perform data cleansing
- ✓ The complexity of processing and maintaining complex spreadsheets.

Advanced Analytics in Finance

The goal of organizations is a transparent, healthy and sustainable financial growth. In financial analytics, new knowledge has become relevant for better management and decision making.

Companies that have adopted Data Science as a new specialty of analysis with advanced tools, techniques and methods of mathematical-statistical algorithms have allowed them to develop specialized models or applications. Therefore, Data Science complements vertical, horizontal and financial index analysis for balance sheet, balance sheet, income statement and cash flow for decision making.

With Data Science you get a better understanding and comprehension of the data, identifying the best financial ratios, their performance and the relationship between them.

In addition, Data Science helps decision makers increase return on investment, internal leverage of their own debt, working capital usage, revenue margins, return on assets, distribution of idle cash and optimize taxes.