



2014 AFP

Data Intelligence Survey

Introduction and Key Findings

Underwritten by



ASSOCIATION FOR
FINANCIAL
PROFESSIONALS

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November 2014

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When Capital One Bank learned that the Association for Financial Professionals would conduct a study on data intelligence, we knew that the findings and insights would serve as an important resource for corporates looking to build or evaluate their own programs. Navigating data analytics has been an ongoing challenge for our corporate clients, and we recognize the significant opportunity for data to transform how companies do business.

Given the rapidly growing appetite for data in the corporate space, we are pleased to sponsor the inaugural AFP Data Intelligence Survey, which received 423 responses from a diverse sample of corporate practitioners. Respondents collectively provided insight into the organizational structures and dedicated resources required to execute a successful data intelligence program, including these findings:

- **Company-wide Commitment:** Just over one-third of data intelligence programs have been deemed successful, and a common thread among effective programs is the extent of their scope. Sixty-two percent of respondents from companies with extensive data intelligence programs report substantive results, while just 24 percent of those with a more limited scope report success.
- **Executive Buy-in:** Sixty-five percent of effective data intelligence programs are driven by an organization's executive management team, and nearly all survey respondents that characterized their programs as key contributors to company decision-making reported a strong commitment from executive leadership.
- **Finance at the Core:** Seventy-two percent of respondents reported that their finance group is a focus for data intelligence in support of cash forecasting and project valuations, and finance's participation is linked to an improvement in the organization's overall satisfaction with the program.

The finance function has been at the forefront of adoption, with data intelligence powering crucial corporate treasury functions including liquidity management and receivables forecasting, and leading to improved reporting and risk monitoring. As a leader in treasury management solutions, Capital One Bank is committed to helping you find meaningful value in your company's data and to become more agile and effective within your industry.

We understand the organizational, technical and financial complexities associated with building a successful data intelligence program and hope you find these survey insights valuable. We welcome the opportunity to discuss the unique challenges of your organization and how we can help drive your bottom-line growth together.

Sincerely,

Jim Gifas, Senior Vice President and Head of Treasury Management
Product Management & Innovation Group, Capital One Bank

Introduction

Data intelligence is a big deal at many companies. The wealth of available data, immense computing power and strong analytical capabilities are helping drive organization decision making that supports product development and customer satisfaction and contributes to both top-line and bottom-line growth.

There is a great amount of interest in data intelligence. But research by the Association for Financial Professionals® reveals that most companies have not yet been able to fully harness its power. While some companies see data intelligence as a strategic partner for growth—perhaps to the extent of launching a full-fledged “Big Data” program—most have been far more cautious.

What is keeping companies from fully harnessing the power of data in their business decision making? Reasons range from an organization’s level of investment in technology and personnel to its ability (or lack of) to effectively identify the research objectives of such data intelligence programs. Another reason may be that only a small fraction of those companies that are investing in data programs are actually reaping the benefits. Indeed, corporate data intelligence programs have been only somewhat successful in driving a company’s growth and contributing to its bottom line.

Still, those data intelligence programs that are successful share a handful of common characteristics:

- Strong executive management support, including direct leadership
- Extensive data intelligence programs that serve many departments across the company
- Finance is a key strategic partner in the data intelligence program
- Data intelligence operations are centralized under a single data intelligence group

To better understand the degree to which companies have embraced data intelligence and to identify characteristics of successful data intelligence programs, in September 2014 the Association for Financial Professionals® (AFP) surveyed its senior corporate practitioner members and prospective AFP customers. The survey generated 423 responses, the data from which are the basis of this report. (For more details about the survey, see page 4.)

AFP thanks Capital One Bank for underwriting the AFP Data Intelligence Survey. The Research Department of the Association for Financial Professionals® designed the survey questionnaire, analyzed the survey results and produced the report. AFP Research is solely responsible for the report’s content.

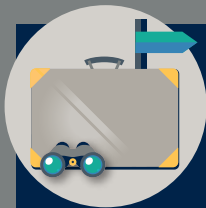
KEY FINDINGS



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Executive
Management
is lead



Finance is
a strategic
contributor

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Data Intelligence Programs
Are **SUCCESSFUL** When:



Centralized
program
manages
some, or all,
data

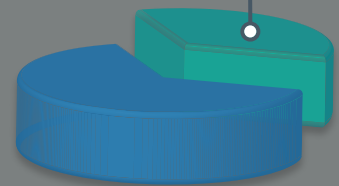


Multiple
departments
across the
organization
are served

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35%

of Financial Professionals
report that their companies'
data intelligence program
is successful



ATTRIBUTES
THAT Successful
Data Intelligence
Programs Share

- ★ Ability to identify **relevant and available data**
- ★ **Speed** to analyze **accurate** data and reach actionable conclusions
- ★ **Strong interpretative and communication skills** of the data intelligence team
- ★ **Strong level of commitment** from the executive management team

Production

40%

Sales

45%

Customer Service

52%

Finance

72%

TOP AREAS OF FOCUS for
Data Intelligence Programs

How Successful is Data Intelligence?

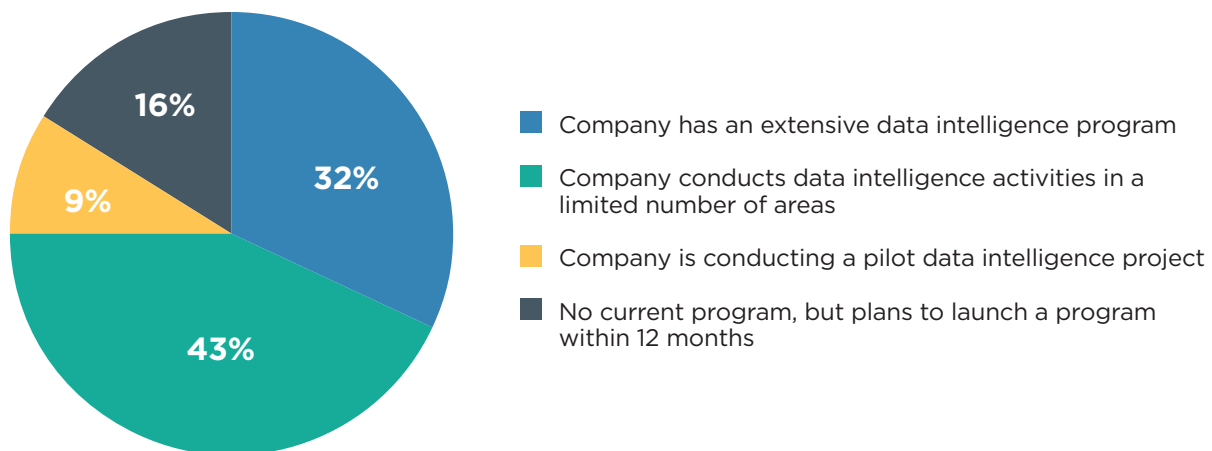
Most companies are turning to data analysis to achieve a number of goals: to drive business decision making that improves processes, to identify new business opportunities, and to contribute to bottom-line performance. Three-quarters of companies have, or soon will have, some sort of data intelligence program. Notably, larger companies are more likely than their smaller counterparts to invest in data intelligence—85 percent of companies with annual revenues greater than \$1 billion have, or soon will have, some kind of data intelligence program compared to 68 percent of companies with annual revenues under \$1 billion.

But the scale and mandate of such data intelligence programs vary significantly by company. For example, only a fraction of companies has a data operation whose mandate is spread widely across the organization. A third of survey respondents from companies that have invested or are investing in data intelligence (32 percent) describe their programs as extensive ones that span many departments and functional areas. It is more common for data intelligence programs to operate under a more limited scope that focuses on only a few departments and/or goals (43 percent of organizations). Other companies are only “dipping their toes” into the data intelligence program pool—either running a very limited pilot data intelligence program (nine percent) or planning to launch a program within the next year (16 percent).

Not only are large companies more likely than smaller ones to have launched a data intelligence program of some sort, they are also significantly more likely to have an extensive, rather than limited, data intelligence program. Forty percent of financial professionals from companies with annual revenues greater than \$1 billion that have a data intelligence program have what they describe as an *extensive* program that spans many departments and function areas. Just 25 percent of respondents from smaller companies indicate that this is the case at their organizations.

Type of Data Intelligence Initiatives

(Percentage Distribution of Companies with Data Intelligence Programs)



About the Survey

In September 2014, the Association for Financial Professionals® (AFP) conducted a 14-question survey on companies' data intelligence programs. AFP received 205 responses from its corporate practitioner members. After adjusting for mis-delivered email, the response rate was approximately seven percent. An additional 218 responses were received from corporate practitioners who are not AFP members. The combined 423 responses are the basis of this report.

AFP thanks Capital One Bank for underwriting the *AFP Data Intelligence Survey*. The survey questionnaire and report were produced by the Research Department of the Association for Financial Professionals® which is solely responsible for the content of the report.

The demographic profile of the survey respondents mirrors that of AFP's membership. The following tables summarize the characteristics of the survey respondents.

Annual Revenues (USD) (Percentage Distribution)

Under \$50 million	22%
\$50-99.9 million	11
\$100-249.9 million	8
\$250-499.9 million	12
\$500-999.9 million	11
\$1-4.9 billion	21
\$5-9.9 billion	5
\$10-20 billion	4
Over \$20 billion	6

Industry Classification (Percentage Distribution)

Manufacturing	15%
Banking/Financial services	11
Business services/Consulting	10
Non-profit (including education)	10
Retail (including wholesale/distribution)	9
Energy (including utilities)	7
Software/Technology	7
Government	5
Real estate	5
Insurance	5
Telecommunications/Media	4
Hospitality/Travel	3
Transportation	3
Health services	3
Construction	2

AFP Research

AFP Research provides financial professionals with proprietary and timely research that drives business performance. The AFP Research team is led by Managing Director, Research and Strategic Analysis, Kevin A. Roth, PhD, who is joined by a team of research analysts. AFP Research also draws on the knowledge of the Association's members and its subject matter experts in areas that include bank relationship management, risk management, payments, and financial accounting and reporting. AFP Research also produces *AFP EconWatch*, a weekly economic newsletter. Study reports on a variety of topics, including AFP's annual compensation survey, and *AFP EconWatch*, are available online at www.AFPonline.org/research.



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About the Association for Financial Professionals

Headquartered outside Washington, D.C., the Association for Financial Professionals (AFP) is the professional society that represents finance executives globally. AFP established and administers the Certified Treasury Professional™ and Certified Corporate FP&A Professional™ credentials, which set standards of excellence in finance. The quarterly AFP Corporate Cash Indicators™ serve as a bellwether of economic growth. The AFP Annual Conference is the largest networking event for corporate finance professionals in the world.

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