

# Re-Imagining the Financial Close – The Need for Financial Data Quality

[This article first appeared on the OneStream blog by Nicholas Cox](#)

Financial data quality management (FDQM) has often been developed as merely an afterthought or presented as simply an option by most corporate performance management (CPM) vendors. In reality, it should be the foundation of any CPM system. Why? Well, having robust FDQM capabilities reduces not only errors and their consequences, but also downtime caused by breaks in processes and the associated costs of inefficiency.

Having effective FDQM means providing strict audit controls alongside standard, defined, and repeatable processes for maximum confidence and reliability in any business user process. Effective FDQM also enables an organisation to shorten financial close and budgeting cycles and get critical information to end-users faster and more easily.

Continuing our [Re-Imagining the Close Blog](#) series here, we examine why financial data quality management is an essential requirement in today's corporate reporting environment. Poor data quality can lead to errors or omissions in financial statements, which often result in compliance penalties, loss of confidence from stakeholders, and potentially a reduction in market value.

## Increasing Interest in Financial Data Quality Management

Organisations are now realising that FDQM is critical. Why? Finance teams must ensure not only that the financial reporting gets out of the door accurately but also that all forward-looking data and guidance is fully supported by 'quality' actual results.

An old expression used around financial reporting captures this idea well – 'if you put garbage in, you get garbage out.'



A lack of robust data integration capabilities creates a multitude of problems. Here are just a few:

- Manual steps that waste resources and time
- Risk of errors
- Poor financial decisions
- Lack of traceability
- Lack of auditability

In many cases, legacy CPM and ERP systems were simply not built to work together naturally and tend to remain separate as siloed applications, each with their own purpose. Often, little or no connectivity exists between the systems, and users are forced to resort to manually retrieving data from one system, manually transforming the data, and then loading it into another system.

As organisations get increasingly more complex and data volumes grow ever larger, it is only natural to turn attention to the quality of the data being input. Not to mention, as more advanced capabilities are explored and adopted – such as artificial intelligence (AI) and machine learning (ML) – organisations are being forced to first examine their data and then take steps to ensure effective data quality. Why are these steps necessary? Simply put, the best results from AI, ML, and other advanced technologies are entirely dependent on good, clean quality data right from the start.

What's the Solution?

A fully integrated CPM/EPM platform with FDQM at its core is critical for organisations to drive effective transformation across Finance and lines of business. A key requirement is 100% visibility from reports to sources – all financial and operational data must be clearly visible and easily accessible. Key financial processes should be automated and using a single interface would mean the enterprise can utilise its core financial and operational data with full integration to all ERPs and other systems.



The solution must also include guided workflows to protect business users from complexity by guiding them uniquely through all data management, verification, analysis, certification and locking processes.

Users should be able to achieve effective FDQM and verification through standardised and simplified data collection and analysis with reports at every step in the workflow. The workflows must be guided to provide standard, defined, and repeatable processes for maximum confidence and reliability in a business user-driven process. What's the end result? The simplification of business processes and a reduction in errors and inefficiencies across the enterprise.

Why OneStream?

OneStream's strong foundations in the FDQM arena allow for unparalleled flexibility and visibility into the data loading and integration process.

OneStream's [Financial Data Quality Management](#) is not a module or separate product but is a core part of OneStream's unified platform – providing strict controls to deliver confidence and reliability in the quality of your data. How? Financial data quality risk is managed using fully auditable system integration maps, and validations are used to control submissions from remote sites. Data can be loaded via direct connections to source databases or via any file format. Audit reports can be filtered based on materiality thresholds – ensuring one-time reviews at appropriate points in the process.

In essence, OneStream's unified platform offers market-leading data integration capabilities with seamless connections to multiple sources.

OneStream Integration Connectors offer direct integration with any open GL/ERP or other source systems, providing the following benefits:

- Delivers fast and efficient direct-to-source system integration processes with built-in robotic process automation (RPA).
- Drills down, drills back, and drills through to transactional details, including journal entries.
- Provides direct integration with drill back to over 250 ERP, HCM, CRM, and other systems (e.g., Oracle, PeopleSoft, JDE, SAP, Infor, Microsoft AX/Dynamics, and more).

100% Customer Success



[AAA Life Insurance](#) implemented OneStream to support all their financial consolidation, reporting, budgeting, and analysis needs. Ever since AAA Life has streamlined the financial close process and dramatically improved not only visibility into data but also transparency into results. They can now drill down from OneStream's calculated or consolidated numbers all the way back to the transactional ERP system to get rapid answers to critical questions.

The dream of 'one version of the truth' is entirely possible with OneStream.

Learn More

To learn more about how you can re-imagine the financial close with the unrivalled power of OneStream's Intelligent Finance Platform, download our [whitepaper](#). And don't forget to tune in for additional posts from our Re-Imagining the Financial Close blog series.