



cutting through complexity

# Data and Analytics

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## Introduction to and definition of D&A

### DATA IS EXPONENTIALLY EXPANDING

- **90%** of the world's current data has been created in the last two years
- **40%** growth in data generated
- **6 of 10** organizations have more data than they can use
- **15 out of 17** industry sectors in the US have more information stored per company than the US Library of Congress
- **1.5 million** is the shortfall in data-savvy managers and analysts needed to make sense of big data in US businesses

“  
... the best performing firms excel at accessing data, drawing meaningful insights, and transforming this into action.  
CEOs agree that deeper customer insight will come from a much better use of data and analytics...  
”

SOURCE - IBM CEO Survey July 2012



# Data and Analytics

## Transforming marketplace and client expectations

- Organizations – large and small – have already started to adapt to a world increasingly driven by D&A
- Key findings of KPMG's Financial Times survey of CEOs and CIOs on going beyond the data and achieving actionable insights

1.

**Sixty-nine percent of interviewees consider D&A to be crucial or very important to their growth plans**

5.

**Seventy five percent expressed a level of difficulty in making decisions on analysis data**

2.

**Fifty-six percent have changed their business strategy to meet the challenges of big data**

6.

**Biggest barrier to implementation is identifying the data to collect**

3.

**Majority consider integrating data technology in existing systems**

7.

**Ninety six percent agree that they could better utilize D&A**

4.

**Eighty five percent said one of the biggest D&A challenges is the analysis and interpretation of data**



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## Evolving Audit Considerations

### AUDIT IMPLICATIONS

- How to define Data & Analytics for audits
- Precise measures of financial statement level and assertion level risks
- Predictive capabilities and techniques / substantive analytical procedures
- Amalgamation of risk assessment, control and substantive testing
- Specialists on an audit, including expert systems and data





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