

Kaiser Aluminum: Increased confidence in spreadsheet data accelerates the pace of business



Function

Internal Audit,
Corporate Accounting

Industry

Manufacturing

The Challenge

Verify data within extremely complicated spreadsheets and streamline a time-consuming manual review process

Incisive Benefits

- Increased confidence in spreadsheet data
- Accelerated response time to business and addressed risk at a faster rate
- Increased efficiency with a higher level of accuracy
- Provided a more detailed level of analysis to inform decision-making

The Company

Kaiser Aluminum is a leading producer of aluminum mill products for major suppliers and manufacturers in the aerospace, automotive and industrial markets. The company operates 12 production facilities across North America, and leverages Excel in various areas including data analytics, accounting transactions, and information tacking and sharing. Spreadsheets are frequently used by the corporate group, accounting, internal and external audit groups, and throughout operations at the various plants.

Kaiser Aluminum's Internal Audit team led by Vice President of Internal Audit, Jonathan Forte, must review calculations and cross-check balances to ensure accuracy and completeness of spreadsheets used in internal controls and accounting transactions. Given the high volume of spreadsheets that are examined by the internal audit department, significant time was spent manually reviewing spreadsheets.

To increase spreadsheet accuracy the audit team utilized an Excel function to view and scan formulas for anomalies. When necessary, the audit team would do its own recalculations to verify numbers. For more complex spreadsheets, control owners would employ their own checks and balances, which they built into the spreadsheet so that the internal auditors could see the zeroes, greens or whatever process the control owner used to show the spreadsheet was accurate. For extremely complicated spreadsheets, control owners created an intro tab to explain the flow of the file and the location of checks and balances that needed verification.

Despite efforts to streamline spreadsheet reviews, processes were still very manual and time-consuming. Forte and his team wanted an easier, more reliable way to check spreadsheets. This included an automated way to check for usual items such as hidden sheets, hidden cells, hard coded numbers, and formulas.

How Incisive Helps

The internal audit team selected Incisive Software's spreadsheet management solution. Incisive Xcellerator™ serves as a control mechanism for critical spreadsheets, providing Kaiser Aluminum with a significantly easier, faster, and reliable way to check the integrity of spreadsheet data.

When dealing with complicated spreadsheets, Xcellerator is the audit team's go-to solution. Xcellerator empowers the internal audit team to do their job more efficiently with a higher degree of accuracy. Developed for all levels of spreadsheet users, Xcellerator works seamlessly within Excel to detect and resolve errors and risks, and provide valuable insight into spreadsheet results.

According to Forte, "One of the great things about Xcellerator is its ease of use. The product is very intuitive. It looks and feels like Excel concepts which makes it easy to navigate and locate what you want to see. Users can get as detailed as they want depending on how much time they want to spend within the product and spreadsheet. After a short, one-hour tutorial you are up and running."

Xcellerator features a unique patented overlay technology which generates a color heat map that highlights areas of interest or concern for further examination. It is also the only solution to accurately compare differences between spreadsheets while providing visibility into spreadsheet risk.

"When working in a spreadsheet there are always concerns about a tool impacting the integrity of the spreadsheet. Incisive's solution is truly innovative in that the color heat map lays on top of the spreadsheet and allows you to easily see what is going on while maintaining the integrity of the spreadsheet. This insight is especially helpful when dealing with multiple versions." Forte continued, "Another benefit of Incisive's technology is the ease in which you can navigate to the highest risk items, see what they are, and interpret them. It's a big plus."

Incisive's solutions are frequently used by Forte and his internal audit team when working in spreadsheets that have a lot of complexity, including multiple tabs and links. For example, when reviewing quarterly financial documents, Incisive's solution allows team members to quickly verify that only numbers have changed from the previous quarter; not links, formulas, etc. The team also sees great value in the software when working with preliminary and final files as they can easily see what changed and why, without having to go through all calculations again.

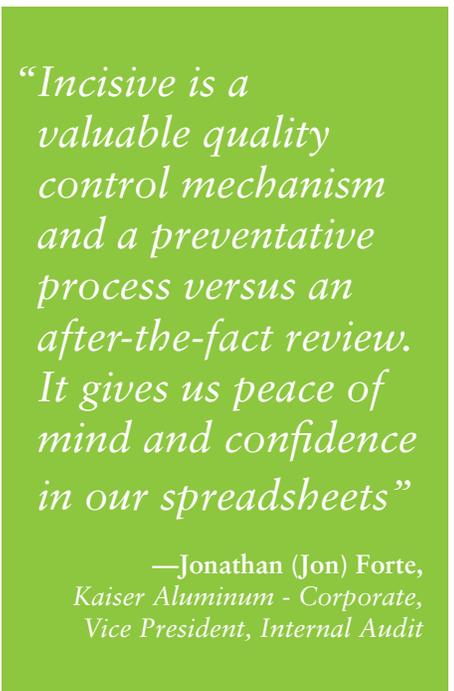
The Result: Confidence in Data

While Forte has not yet quantified time savings, he knows it exists. There is also an avoidance cost because there are a few Corporate Accounting personnel that use Xcellerator for more complicated spreadsheets. This means by the time spreadsheets make it to internal auditing, the likelihood of finding an error is significantly diminished.

"No longer having to rely on the functionality within Excel to verify spreadsheet integrity saves us time and improves the quality of our review process. Eliminating the need to do hard coding also reduces the risk of something big happening," commented Forte.

Despite long-standing rumors, Forte believes spreadsheets will not go away. They are a vital part of day-to-day accounting, analytics and reporting activities throughout the Kaiser Aluminum organization.

"Incisive is a valuable quality control mechanism and a preventative process versus an after-the-fact review. It gives us peace of mind and confidence in our spreadsheets," concludes Forte.



ABOUT INCISIVE

Based in San Jose, California, Incisive provides award-winning and innovative spreadsheet risk analysis and management solutions. Our enterprise offerings provide visibility and control to all business areas that use or interact with spreadsheets. Incisive products have been recognized for accurately and reliably highlighting risks to give users confidence in their spreadsheet information. For more information about Incisive and the company's solutions, visit www.incisive.com.



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