

	Excel	Software	Explanations
Number of SUBSIDIARIES ?	Below 5	Above 5	When you have more than 5 subsidiaries, the complications, lack of transparency, and risk of errors increase.
Number of NON-CONTROLLING INTEREST calculations?	None	1+	NCI tends to create deviations in the spreadsheet if changes occur during the year. Furthermore, many oversee the subsidiaries' subsidiaries' NCI calculations.
Number of CURRENCIES ?	1	1+	Enforcing the same methodology with multiple currencies across all subsidiaries is challenging in Excel. Software, instead, ensures the same, updated currency.
Number of ERP SYSTEMS ?	1	2+	Collecting data from multiple ERP systems in Excel challenges the parent company to create timely, consolidated statutory financial statements.
Number of balances to ELIMINATE ?	Below 10	Above 10	One or two eliminations are simple, but multiple intercompany reconciliations in a numerous group structure add to the time spent.
Number of new ACQUISITIONS , annually?	None	Above 1	Adding and removing trial balances to the consolidation constantly creates a high risk for error.
TIME used on consolidation/reporting, today?	Less than a day	Over a day	In calculating the time used on the consolidation, you often exclude the time spent on collecting data, error-tracking, and maintaining the spreadsheet during the month. With software this will be done automatically.
How often do you CONSOLIDATE ?	Annually	Monthly and quarterly	If you consolidate often, managing and updating the spreadsheet is a time-consuming task. Though, if you only do it annually it is easier to forget all the processes and regulations required.
Number of PEOPLE working on the same document	One person	1+ person	As soon as more people work in the same spreadsheet, deviations will be more significant. And you spend time going through every number and formula.
Dependent on EASY-TO-USE applications?	No	Yes	Both Excel and Cloud software are easy to use. However, if you choose consolidation-specific cloud software, it will be easier than Excel.
Possibility to ERROR TRACK ?	No	Yes	Suppose you have one shared spreadsheet with 7+ tabs and unique formulas. You must use a lot of time reviewing it or increase your risk of errors.
Monthly MANAGEMENT REPORTING	No	Yes	If you report monthly to management, your need increases for fast and accurate data.
Have a GROWTH STRATEGY / IPO in place?	No	Yes	If you have just done an IPO or have a clear growth strategy, it is vital that your numbers are accurate.

None of these elements make up the answer alone. More than three ticks mean you have a need and usually equal consideration for a new consolidation tool. The more ticks you add, the more pressing it is you change now to ensure continued growth and minimize time spent on processes that easily can be automated.

**Growth strategy: if you have this in place, you should look into automation no matter what.*