

The Growth of Big Data in the Finance & Accounting Profession

According to the International Data Corporation (IDC), the Big Data market is expected to grow from \$3.2 billion in 2010 to \$16.9 billion in 2015. That's a compound annual growth rate of 40% or about 7 times that of the overall information and communications technology market. As a result, Big Data has emerged as the latest buzzword in the business community, providing both opportunity and obstacle.

Among those facing the Big Data challenge are finance and accounting executives, as the "Big Data boom" presents a unique opportunity to leverage information like never before. As the volume, variety and velocity of data expands, so too does the opportunity for businesses to utilize this data for strategic advantage.

"Organizations that understand the strategic potential of Big Data are really going to create a competitive advantage in the marketplace, and finance and accounting professionals need to be very clear on how this pertains to them and their specific skill set," said Dr. Sandra Richtermeyer, Ph.D., CMA, CPA, professor and chair, department of accountancy at Xavier University. Dr. Richtermeyer was also a contributor to the recent report, [*Big Data: its powers and perils*](#), from the Association of Chartered Certified Accountants (ACCA) and the Institute of Management Accountants (IMA).

Big Data in Finance & Accounting

Because accountants and finance professionals are trained to gather, analyze and benchmark data, they are in a unique position to provide a new and critical service – making Big Data smaller and distilling vast amounts of information into actionable insights.

"With this background, finance and accounting professionals are very useful in driving strategic business decisions," said Dr. Richtermeyer. "So by understanding Big Data and what it can do for the leaders in their organization, they can provide useful insights into this data and be viewed as more of a business partner and strategic advisor, rather than a mathematician."

However, the role of the finance and accounting professional may vary depending on where they find themselves in their career.

"An earlier career professional can make themselves valuable to their organization by understanding Big Data and the tools that are currently in place," said Dr. Richtermeyer. "For the CFO it is also important to understand the overall challenges and opportunities it presents, as well as where Big Data can add value to their organization."

Still, while finance and accounting professionals are well-equipped to perform in this role, it is important to remember that they are not the only individuals equipped to manage this information.

"If accounting does not take the lead in this role, someone else will," said Dr. Richtermeyer. "So it is important to assess your current team and identify where gaps in skillsets exist and how those gaps can be closed."

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Big Data Training

While finance and accounting professionals are neither software engineers nor data scientists, they could be in the future. However, stepping up in this role will require the right mix of education and training.

“Professional development in this arena is absolutely critical,” said Dr. Richtermeyer. “However, it should not be limited to internal programs, as conferences and vendor user groups allow individuals to interact with others across the industry and exchange best practices that they have learned along the way.”

In addition, individuals should consider quantitative methods training, as this will ensure that they remain current with the latest practices.

“The reality is that Big Data is here and if finance and accounting professionals don’t learn to work in this environment - someone else will,” said Dr. Richtermeyer.