



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
(Set up by an Act of Parliament)

**KOTTAYAM BRANCH (SIRC)**

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# NEWSLETTER



## Project selection using Data Analytics

# CHAIRMAN'S MESSAGE



## CA SHINE P. JOSEPH CHAIRMAN

Namasthe!

Respected senior professionals, dear colleagues, friends, and beloved students

Accounting, as the language of business, plays an essential role in economic development, both micro- and macro-economic. Accounting affects us all, as becomes apparent whenever there is a financial crisis, be it for banks, corporations, or governments. Proper accounting is essential for organisations in which the public is substantially involved, and our auditing profession has been contributing to the reliability of this external financial information. High-quality corporate reporting is key to improving transparency, facilitating the mobilisation of domestic and international investment, creating a sound investment environment, and fostering investor confidence, thus promoting the financial stability of businesses directly and the prosperity of the nation indirectly. A strong and internationally comparable financial reporting system facilitates international flows of financial resources at the least possible cost of capital while at the same time helping to reduce corruption and mismanagement of resources. It also strengthens the international competitiveness of enterprises by attracting external financing and taking advantage of international market opportunities.

Kerala is damp all over in the month of June with the advent of monsoons, but that has in no way dampened the spirits of our fraternity and our branch. We had many programmes this month. NAVARATNA 5.0 CONFERENCE 2024, jointly conducted by all branches of the SIRC of ICAI, was held on June 7 and 8 at Thiruvananthapuram. Around 20 members from our branch participated.

Every year, we conduct the CA.S.S. Ayyar Memorial Lecture to remember our past chairman, CA.S.S. Ayyar. This year, we conducted it on June 15, 2024, with 6 hours of CPE credit. It was conducted in two sessions, and the first technical session was handled by CA. A. Gopalakrishnan, Kochi, about Tax Practice: Building a Resilient and Agile Future-Ready CA Firm. And technical session II: Taxation of immovable property by CA. Iype John, Kottayam.

On June 20, 2024, we had a CPE seminar on preparing for peer review conducted in two sessions with a CPE credit of 4 hours. The first session was on how to approach peer review and its documentation by the practice unit's CA. Sony C.L., and session II was the ITR filing of capital market transactions and income from other sources by CA. Subin V.R., Thrissur.

On June 21, 2024, we celebrate International YOGA Day in our branch.

Yoga Sadak K. Sankaran Namboodiri took a session for the members and students. We also celebrate International MSME Day, jointly organised by the Professional Skills Enrichment Committee (PSEC), ICAI, and the Committee on MSME and Start-Up, ICAI, on June 26th, 2024. We also conducted a CA Run for Viksit Bharat on June 30, 2024.

We had the great privilege of honouring Shri. George Kurian, Minister of State for Minority Affairs.

Success fuels happiness, and happiness in turn fuels greater success, leading to a glow from growth. In the words of Mahatma Gandhi, "happiness is when what you think, what you say, and what you do are in harmony." Most of us think to do what we think in the way we think to get that thought through the act in accordance with it. The honest answer for the most part is, "I really don't know much about my thinking or about thinking in general. I suppose in my life I have more or less taken my thinking for granted. I don't really know how it works. I have never really studied it. I don't know how I test it, or even if I do test it. It just happens in my mind automatically."

Jai Hind ! Jai ICAI !

CA Shine P. Joseph  
CHAIRMAN

# Honouring Shri. George Kurian, Hon'ble Minister of State for Fisheries, Animal Husbandry and Dairying, Govt. of India



## CA. S.S.Ayyar Memorial Lecture



## CPE Seminar on Preparing for Peer Review



## International Day of Yoga Celebrations



# MSME Day Celebrations



# CA RUN for viksit bharath



# Project selection using Data Analytics



**CA. Jency Sara Easow**

Jency Sara Easow (Jency) is a Chartered Accountant from ICAI and CELTA qualified. She can be reached through LinkedIn or through Email (jencyew@gmail.com).

**P**roject are a great way to keep track of strategy and returns. Projects are different from a business partnership agreement and contract. Projects have a fixed time frame of giving desired results. Projects come and go, some are accepted and some are rejected. Projects haven't harnessed the technology of data analytics. Choosing one project over another project needs data analytics. <sup>1</sup>Big data analytics are technologies that have been developed to help organisations make sense of this vast amount of information. <sup>2</sup>No organization can run an existing business and promote a new expansion project without a suitable internally mobilized financial base or both i.e internally and externally mobilized financial base.

## Definition

<sup>3</sup>Project management is the management of a temporary endeavour – having a definite beginning and a definite end – undertaken to create a unique product or service. Program management is the management of a group of projects sharing common strategic goals, managed in a coordinated way so as to realise benefits otherwise not available by managing projects as separate entities. The more complex the strategy, the more likely a large number of projects will be required.

Virtual teams using data analytics to track their progress makes a project interesting to start and complete. 2 or 3 KPI are good enough to run through data analytics. Can strategy implementation use data analytics, i.e can strategic choices during strategy implementation be weighed using data analytics? The answer is Yes.

### **Project milestone- use of data analytics**

The tracking of various project milestones using data analytics is what we are going to discuss in detail.

Finance is just about numbers, however data analytics is about decision making which includes numbers as well. The decisions in projects can be run through data analytics for interpretation of data. Usually, data analytics makes an impact when 10% of project is completed. The project scenarios, project decision to move forward, budget, returns and many other key performance factors are the overall areas to be covered in a project using analytics. No analytics can provide a solution, analytics is purely to take decisions from top management to lower management.

### **Who in a project needs to understand about analytics?**

Project owners need to understand the process of involving analytics in their decision making. Project owner can be anyone from a program manager to an operations manager, basically the champion of the project. Research and data analytics are different. Data analytics gather data and provides the next step. This means choice are followed by an action. In research, steps are not calculated or foreseen. Project owner can calculate the steps

to be taken to complete a project which makes analytics a great tool for efficiency and effectiveness.

### **What happens if decision taken using analytics do not go in line with rational thinking of management?**

Avoid bias, choose by majority who are for a decision (decision taken using data analytics or using rational thinking). Testing and validation can be done using analytics, however analytics do not provide real life outputs all the time and management may consider that it must not go by analytics and instead go by conscious real life strategy for a particular part of the project. Analytics don't put a burden to use it throughout the project which makes it user friendly for project owner to use or not use analytics for tasks in the project.

### **Where can data be gathered for the purpose of streamlining the project?**

Data for analytics are gathered from the data owners who maybe the business development team or operations team and figures from finance team. There is no one single data owner. Real time data comes from Customer Service Team.

### **Who is responsible for analytics of a project?**

The risk and compliance team should weigh the risk of analytics for projects instead of using theory methods or techniques of risk calculation for business segments or cost centres. The risk and compliance team will be responsible for analytics along with project owners.

Let's say, project has not crossed the agreed milestones and data analytics is being capitalized because it is giving profound return on of useful information to keep the project heading forward. Can project be considered as scrap just because of a loss monetary figure? The loss is a sign of negative ROI however, data analytics can find out where the project deviated by running analytics and can bring the project to positive, if loss is detected early.

Project analytics, to sum up, cover decision making beyond ROI and IRR and Capital Structure along with ratio analysis. Analytics help the management to think vertical and horizontal across business. There is no hard and fast rules to analytics. Each person's assumption are considered as knowledge based decisions which have a weight on the conduct and strategy of the business. Data analytics do not give a report card of the project, it just helps to facilitate decision to streamline a project by stating steps at each point analytics is used.

### **Reference**

- 1 MODULE 2 Understanding the External Environment Pg 74, CPA Australia
- 2 FINANCIAL POLICY AND CORPORATE STRATEGY Pg 1.5, Strategic Financial Management, CA Final, ICAI
- 3 MODULE 6 Strategy Implementation Pg 389, CPA Australia



# 56<sup>th</sup>

## Regional Conference of SIRC of ICAI

Hosted by: Bengaluru Branch of SIRC

**Adyata For Empowerment**



9th & 10th  
August 2024



Tripura Vasini,  
Palace Grounds,  
Bengaluru, Karnataka

# Jigñāsa

*Quest for Knowledge*



SCAN FOR  
MORE INFO

# SIRC

Southern India Regional Council  
of

The Institute of Chartered Accountants of India  
(Set up by an Act of Parliament)