

COMMUNICATING BUSINESS AND FINANCIAL INFORMATION: TELLING A DATA STORY

College and university leaders, including business officers, often must make complex choices, and the role of data in decision-making processes is of growing importance. Data experts must be able to communicate insights from data analyses so leaders can confidently make evidence-based decisions for the institution. Effectively communicating financial data has its own challenges but is critical for making strategic decisions about resource allocation.

IMPORTANCE OF COMMUNICATING FINANCIAL DATA

Chief business officers have a critical role in shaping the future of higher education: maintaining the financial health of institutions to ensure they fulfill their missions and meet their strategic goals. Business officers—including those who support budget, tax, and accounting functions—not only make decisions about resources, but also serve as advisors to other stakeholders involved in decision-making processes. They must be able to advise the president, board, faculty, and staff on financial and administrative issues, as well as planning and budgeting strategies. This advisor role is critical because it promotes institutional sustainability.

For finance and administrative professionals to be effective advisors, they must understand their institution's data, particularly financial data, and be able to communicate analyses and insights for decision-making. Business officers have unique expertise in college and university financial data—often being more mindful of resource limitations and having a greater understanding of nuances than their colleagues in other divisions—and data savvy CBOs are uniquely positioned to help their institutions not only survive but thrive.

WHAT'S THE MORAL OF THE STORY?

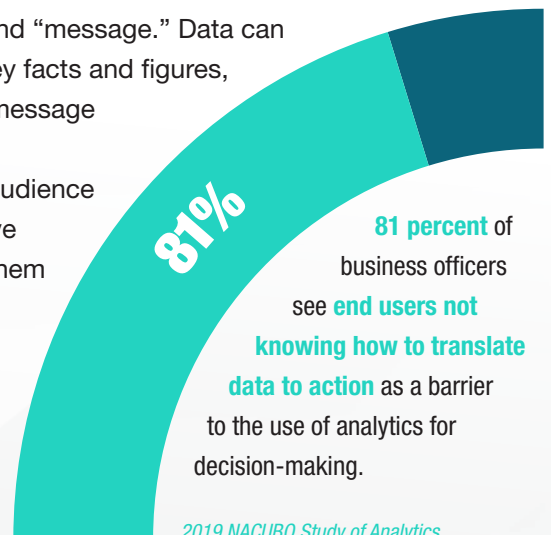
If you think back to stories you read or were told as a child, you may recall being taught the moral of the story, or the lesson intended to help you make good choices as

you grew up. When communicating data, it is important to think about the moral of your story: your goal and how data can support decision-making. You must also consider the characters, setting, and background information your audience needs to understand the story so they can ultimately understand the moral and take action at your institution.

KNOW YOUR GOAL

This step requires you to ask, “What?” and “Why?”

First, ask yourself: *What is the main purpose for communicating data and insights?* It is unlikely that you will ever be sharing data simply to share data. In fact, communicating data, especially finance data, without context may create other challenges. When preparing to present, keep in mind the difference between “information” and “message.” Data can inform or convey facts and figures, but creating a message requires you to consider your audience and the narrative that you want them to understand.



You also need to ask yourself: *Why am I communicating this message?* Once you've presented the data-supported narrative, what do you want your audience to do? Do you want them to **identify** or **explore** an issue? Should they **compare** or **contrast** ideas? Do you want them to **brainstorm** solutions to a challenge? Are you encouraging them to **change** current practices? Do they need to **decide** a course of action? Knowing the moral of your data story, or the action you want your audience to take, affects how, where, and when you will present your analyses and insights.

KNOW YOUR AUDIENCE

This step requires you to ask, "Who?"

Your target audience may be a person or group that you are familiar with and that you communicate with on a regular basis, or you may be asked to share analyses and insights to an unfamiliar audience. Even if your audience is a familiar one, you should consider the following when preparing to communicate data, financial data in particular.

Priorities: Is your audience a senior leader? Faculty? Students? Perhaps you're presenting to multiple stakeholder groups? Data storytellers must consider the various perspectives and priorities that exist within and across roles, tailor their message accordingly, and prepare appropriate follow-up points.

Time: How much time will your audience have to engage with your analyses and insights? If you are communicating with the president or board, you may need to make sure that your presentation or written message is brief. On the other hand, you may be presenting to a taskforce or ongoing work group that has dedicated time to explore your analyses and insights in depth. Knowing your audience helps you appropriately plan the length of your narrative.

Attitude: Different stakeholder groups hold different attitudes or beliefs about particular issues. For example, longtime faculty or staff may have certain practices or habits that have become tradition. If you are presenting findings that may go against long-held beliefs, your audience may be reluctant to trust the data you are presenting. Consider how you can help your audience trust the analyses and insights.

Data literacy: As you craft your story, ensure that data and insights are accessible to your audience. Few individuals at your institution are likely to have the financial data literacy skills of a business and administration professional. Practice good storytelling practices and provide enough context so audiences at all levels can see its value. You may be presenting to people who have never seen financial data, especially if it is integrated with other institutional data and insights. Make sure to format your data clearly and consistently so your audience always knows what to expect and can build a habit of looking for the same data in the same place and in the same format each time. If you are regularly interacting with a particular audience (e.g., regular board presentations, ongoing staff meetings), you may want to take the opportunity to teach them how to read and interpret the tables and figures you are sharing with them. If you support your audience as they grow, their understanding will go a long way in determining their willingness to trust you and engage with the data.



5 out of 10 of business officers see **fear** that analytics will be used to "punish" certain programs or departments as a barrier to the use of analytics for decision-making

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THE PLOT THICKENS: MOVING FROM INSIGHT TO ACTION

Effective data communication requires a clear link between the data and insights and the goals of the institution. In other words, to help your audience understand the moral of your data story, you need to consider how the narrative is presented.

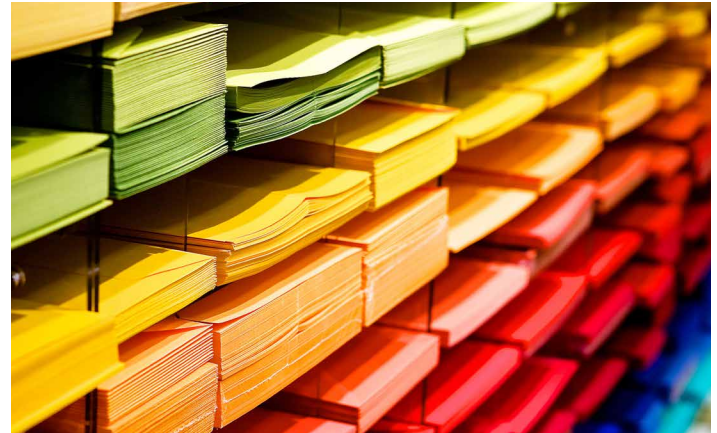
FOCUS ON THE NARRATIVE

This step requires you to make sure that data and insights are presented in a way that guides your audience to the moral of the story.

Focusing on the narrative ensures that data and insights are relevant to supporting institutional or unit goals. Your narrative, or story, should clearly demonstrate the issue or goal, explain what new insights the data offer, and call stakeholders to action.

Ask yourself: *Did you select appropriate data to analyze? Did you analyze data in a way that results in insights that provide support for decision-making? Have you made sure the stakeholders have all the information they need? Have you made sure that extraneous information has been removed so decision-makers don't get distracted? Have you presented data and insights in a way that is accessible to your audience?*

When telling your story, give your audience a preview (tell them what you're going to tell them), a clear and concise interpretation of the analyses (tell them), and a summary of takeaways with a call to action (tell them what you told them and make the moral of the story clear). Sometimes your call to action may be as clear as the moral of children's stories; other times, you may be providing audience members with several potential options and the benefits and drawbacks of each.



REMEMBER: FUNCTION OVER FORMAT

This step requires you to make sure that the format of data and insights prioritizes stakeholders' needs and data literacy skills.

There are many, many beautiful ways to present data; however, the goal is not to create a work of art, but to communicate for decision-making and action. Figures, charts, tables, and graphs should be designed to be not only visually appealing, but also effective in helping the end user make decisions. Less can sometimes be more.

Ask yourself: *Is this a one-time presentation or something that will be shared regularly? Are the visuals, fonts, font sizes, and colors accessible to all audience members? Are data definitions clear and easy to find? Do figures, charts, tables, and graphs have appropriate headings and legends?*

ACCELERATING ANALYTICS



FOLLOW-UP

Just as someone in your childhood taught you the moral of those stories, you should follow-up with your audience to make sure they were able act on or make decisions with the data and insights you communicated. As part of your process, you should sure stakeholders both understood and used the analyses and insights you shared.

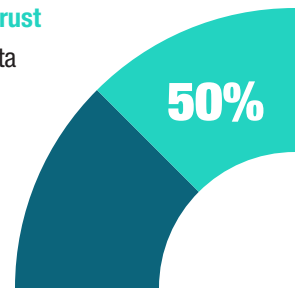
Ask yourself: After spending time collecting, analyzing, and presenting data, how do you know if what you did had an impact on the institution or unit? Did end users understand the analyses and insights you shared? If stakeholders didn't use your analyses and insights, why didn't they?

Understanding: When presenting data and insights, you can—and should—check for understanding. Ask your audience questions as appropriate. If you are communicating data and insights in written format (e.g., a report, memo, dashboard), check in with your stakeholders to confirm they understood the data and insights.

Use: After communicating data and insights, stakeholders may think this is the end of your interaction—but it shouldn't be! Just as the epilogue of a children's story made the meaning of the story clear, data stories should conclude with a decision or action that has meaning for the institution. Follow-up with stakeholders to make sure data and insights supported institutional efforts. This step is especially important for ongoing data communications such as annual reports, fact sheets, and dashboards. Remember to ask for feedback and opportunities for improvement.

50 percent of business officers see **mistrust** and/or **misunderstanding** about how data will be generated or used as a barrier to using analytics for decision-making.

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WHAT'S A STORY WITHOUT CONFLICT?

In literature, there are several kinds of conflict, including: character vs. character, character vs. society, character vs. technology, and character vs. self. No matter how carefully you plan for communicating data, similar types of challenges likely will arise as you tell your data and insights stories. The table below presents common challenges along with suggestions for resolving them.

CHARACTER VS. CHARACTER: MISTRUST	
Conflict	Resolution
<p>If stakeholders do not have strong data literacy skills, they may not trust your analyses and insights.</p> <p>They also may have completed their own analyses, possibly using a different dataset, and have their own version of the truth. This can create mistrust of the data and insights you present or of you as the one presenting the data.</p>	<p>Educate stakeholders about the data used and provide access to a data dictionary. NACUBO's other <i>Accelerating Analytics</i> briefs, such as <i>Data Governance for Business Officers</i> and <i>From Data to Decisions</i>, offer guidance on establishing data definitions and educating stakeholders on how data are transformed to offer insights.</p> <p>Having senior leaders declare what data they are going to use or privilege can help ensure one version of the truth.</p>



CHARACTER VS. SOCIETY: TOO MANY AUDIENCE EXPECTATIONS	
Conflict	Resolution
<p>If you are sharing data with a large and/or diverse audience, it may be difficult to meet all needs and wants. This is especially true if stakeholders have different priorities. For example, cabinet-level leaders may need high-level insights, while faculty or institutional researchers may want access to granular details.</p>	<p>Generally, the best practice is to prioritize the needs of the community over the wants of individuals. Clearly explain to your audience that you have taken this approach.</p> <p>At times, you may be able to offer more customized or detailed information when requested, but be prepared to explain, when needed, the staff time, effort, and possibly technology needed to develop additional analyses.</p>
CHARACTER VS. TECHNOLOGY: DATA ACCESS CHALLENGES	
Conflict	Resolution
<p>If you are sharing data and insights via an online report, dashboard, or other medium that requires access to the internet or a shared server, your audience members may experience difficulties accessing the information when they need it. In addition, users may want to access data on mobile devices, creating additional considerations for format, font, and color use.</p> <p>Technology may also create limitations with how figures, charts, tables, and graphs can be presented—creating particular challenges for individuals with vision impairments.</p>	<p>Know how and when stakeholders will need to access the data and insights before you begin designing figures, charts, tables, and graphs. Test ease of accessibility for each of the methods your audience will access the information.</p> <p>When available, use accessibility features in your data presentation tools. You may also need to consult your institution’s information technology and institutional research/effectiveness staff for additional support on ensuring accessibility.</p>
CHARACTER VS. CHARTER AND SELF: ETHICAL MISSTEPS	
Conflict	Resolution
<p>There may be times that so much of your presentation focuses on financial data that your audience forgets that the priorities of the institution are its mission and students. This may cause decision-makers to place lower priority on people when deciding about resources.</p>	<p>Remind your audience that the data and insights you are sharing represent or impact people—the students, faculty, and staff at your institution. Interpreting data about people requires additional considerations to ensure analytics are used ethically and do not perpetuate biases.</p>

1 out of 5 business officers cited **concern that student data will be misused** as a barrier to using analytics for decision-making.

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CHARACTER VS. CHARTER AND SELF: AUDIENCE MISINTERPRETATIONS

Conflict	Resolution
<p>You may not communicate the intended message—or your audience may not grasp the narrative. This might be because you assumed some points would be obvious that weren't, because your audience ignores assumptions built into your models (such as assumptions used when making long-term forecasts), because your audience does not know enough about the issue context, because your audience is not familiar with finance terms, or because of some other communication challenge.</p>	<p>Explain necessary background information, institutional context, and any assumptions used in your models. Explain financial terms and assumptions that a non-finance audience may find confusing. If you did not do this at the beginning of a data initiative, let your audience know when you need to take a few steps back to ensure clarity.</p> <p>Use targeted language—particularly when labeling figures, charts, tables, and graphs—to help your audience understand your message.</p> <p>Avoid loaded language. Certain words or phrases trigger a negative reaction in higher education, and each institution has its own unique vocabulary. Be careful to avoid terms that suggest the institution is a business or that focus on efficiency rather than optimization. Ask yourself: What are the trigger terms at my institution?</p>

CHARACTER VS. SELF: BAD STORYTELLING

Conflict	Resolution
<p>The flow of data and insights within the narrative you are presenting is critical—and sometimes you may not get the story outline right. This may make it challenging for your audience to understand the insights you are sharing and will especially make it difficult for them to see the moral of the story.</p>	<p>If you realize your story isn't making sense during a live presentation, you may need to revise your delivery based on your audience's reactions; however, you may not realize the flow of your narrative was ineffective until after a memo was shared or a dashboard was published. Revise materials as needed and take notes to avoid similar issues with future presentations and initiatives.</p>

As you resolve conflicts, always keep the institution's goals and priorities in mind—and your data story will help your institution and its faculty, staff, and students live happily ever after.