

The Modelling Problem

The Software Problem

We love the spreadsheet because it is easy to work with and panders to our creativity. At the same time we also know how easy and quick it is to create an impressive looking mess. As a result, we are slowly learning to be more disciplined.

Objectively, could there be good and bad ways to use it?

The Amateur Programmer Problem

Typically, a financial modeller is a junior staff member at the early stages of their career. Highly qualified, the modeller will often not have received any financial modelling training; a professional analyst part-timing as an amateur programmer.

Is it not time to wave off the gifted amateur? But if so, how do we keep the professional analyst involved?

The Internal Review Problem

As opposed to written documents, poorly built models are impossible to review. It would simply take too long and be too painful. Instead we fall back on trusting the modeller to get it right. As a result there is generally no quality control procedure for financial models.

Can we really allow this risky state of affairs to continue?

The Productivity Problem

Amateur programmers are slow at writing Excel code. This is due to an over-reliance on the mouse and a lack of the use of keyboard shortcuts.

Is inefficient Excel typing really the best use of your expensive staff?

The Retention Problem

People who prove good at modelling tend to get stuck with it. Yet, for them, modelling is just a building block, albeit an important one, in a broader commercial career. So they eventually leave creating a middle manager vacuum.

How can their valuable experience be leveraged while allowing them to develop beyond modelling?

...a **significant business problem**. We can all agree that more people should be involved.

But how is this technically and physically possible, and how can it be afforded?

For tried and tested solutions to the above problems contact Morten Siersted on +44 20 3239 9698, or email msiersted@f1f9.com

First step... recognize the problem