

## The cure for bad math in spreadsheets

Nathan Mirolo

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Research conducted by [Raymond R. Panko](#), professor of IT management at the University of Hawaii, found that bad math runs rampant in the world's spreadsheets. In fact, 88% of spreadsheets contain math errors, which in the right situations can radically corrupt the end data.

According to Microsoft, over 1 billion people have access to a spreadsheet tool like Excel. That's great when you consider how powerful the software is in the right hands, providing a wealth of information and performing such calculations as family budgets, business expenses and other payments in a convenient package. Panko warns, however, that hiding in these spreadsheets, unbeknownst to the spreadsheet user, are critical errors of mathematics.

The problem is so widespread that some world governments have created groups dedicated to finding and correcting spreadsheet errors. That's because these unseen problems can have a large impact. One recent example is the math error in a [Harvard economics study](#), which may have resulted in an overstatement of the impact debt burdens have on a nation's economic growth.

Spreadsheets are being used for processes that they are not cut out to deal with. Consider the multitude of calculations that make up a royalty payment for an oil well or a wind farm. A royalty payment for a single landowner can have several calculations based upon different variables and conditions. Then, depending on the terms of the agreement with the landowner, a different formula may be used to produce a payment to the landowner. A spreadsheet with data for hundreds of landowners would require thousands of calculations, each independently entered.

In Panko's report, updated in 2008, he comments that spreadsheets contain errors in an average of 1% of all formula cells. This means that in spreadsheets used by large organizations with thousands of formulas, there would be dozens of undetected errors, leading to faulty information, inaccurate or late payments, and possible legal action.

There is, however, a simple solution. [geoAMPS](#), a technology company located in the Columbus, Ohio, area, offers solutions that help organize information in a controlled, accountable environment. geoAMPS' products provide advancements over spreadsheets with role-based actions and predefined

worksheets combined with Web-based computing, making it possible for each member of the organization's team to work with accurate, real-time information.

geoAMPS [products and services](#) create a collaborative environment that benefits projects in a variety of industries. They provide data accuracy, faster project completions and better return on investment, all the while eliminating those pesky spreadsheet errors.

*Nathan Mirolo is a Marketing and Communications Specialist at geoAMPS, a technology company in the Columbus, Ohio, area committed to partnerships and investments in research and development enabling the creation of comprehensive industry specific solutions that are powerful, yet intuitive to meet the individual, demanding needs of business. For more information call 614-389-4871 or connect with us on our [social media](#) channels.*

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