

Redirecting Financial Planning & Analysis for Better Results

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Graham is the Chief Business Officer for Practus in North America and an innovator in Finance and Technology Processes. He has extensive experience in Finance Leadership (in FP&A and Controllerships) and Business Development of major Consulting Firms. He is passionate about Process Improvement and helping clients succeed through operational excellence through leveraging technology.

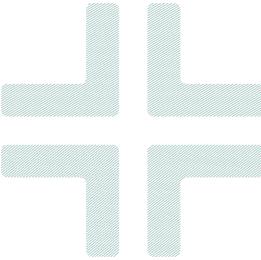


Graham Kitching
Practus

Joe is the Market Leader/Advisory Partner for Management Consulting Services. A 40 year career spanning private industry and public consulting roles where he grew to become a technologist using his CPA, Audit, Tax and Financial / Operation Mgmt. experiences to serve many industries. An entrepreneur always seeking how to rethink how work gets done. Passionate about creating practical results and seeing recommendations for adoption.

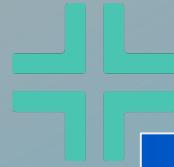


Joe Riccie
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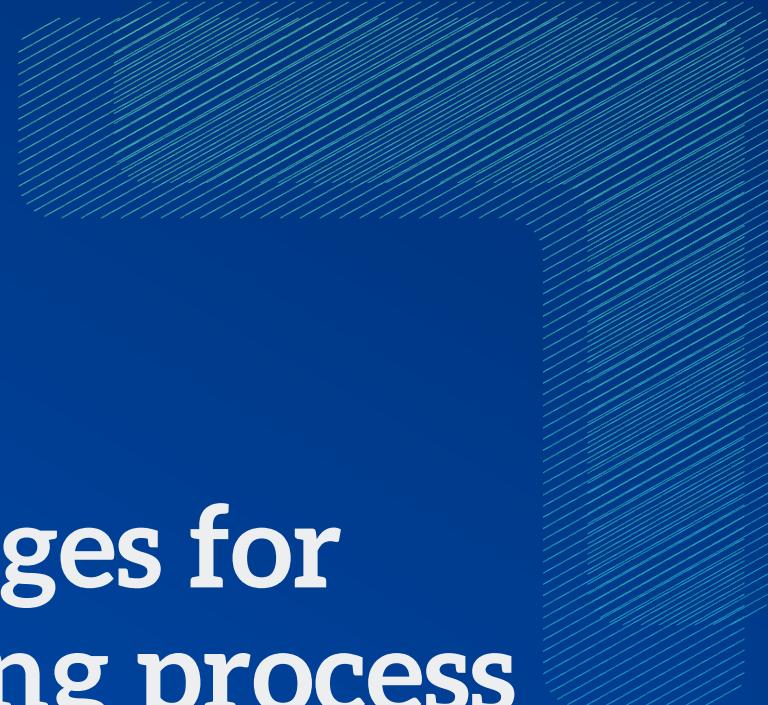


Learning Objectives

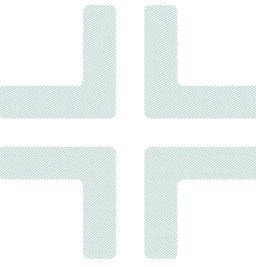
- Identify current challenges for organizations in the planning process (People/Process/Technology)
- Recognize how leaders are addressing these challenges using today's technology tools and automation
- Recognize how to optimize FP&A organizations to be ready for evolving technology and the future needs of the business



Poll Question #1



Identify current challenges for organizations in the planning process (People/Process/Technology)



FP&A Evolution

in the modern digital world

- Reporting of month-end financials  More data-driven with What-if & Predictive Analysis

- Number crunching and reporting  Taking leadership in strategic planning

- Plain Excel reports  Deliver results to management via graphical dashboards

- Primarily month-end  Report on real-time metrics and key performance indicators (KPIs)

- Back-office function  Strategic function



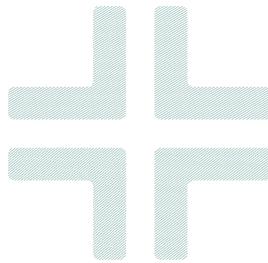


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“Each Monday, we produce a cash forecast within a couple of hours. By Monday lunchtime we have a report on the actual, on the previous week, and the revised forecast for the next 13 weeks. That’s a pretty short reporting cycle for weekly cash.”



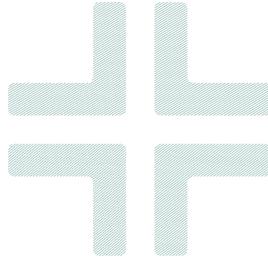
**Phil Talbot, Finance Director,
Robertson Group**



Key Statistics



- “About **60%** of Finance activities can be fully or mostly automated with technologies available today” – McKinsey
- **More than 58%** of midsize and large companies still use spreadsheets to manage their planning and budgeting processes
- “For **72%** CFOs, Improving the Flexibility of Budgeting and Forecasting Will Be the **Top Focus Area**, in **2022**” – Gartner CFO Survey
- “The average finance team spends nearly twice as much time gathering data as on analysis” – PWC
- **80%** of SMBs say automation allows them to compete with larger companies by providing better service to customers



Redirecting FP&A for Faster, Better ROI

1

Real-time analysis using
external and internal
databases

2

Increased accountability
to achieve corporate
goals

3

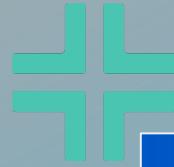
Profitability analysis at all
the levels of granularity

4

Integrated perspective of
past, present and future
performance

5

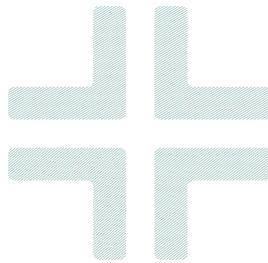
Improved business
performance by linking
strategy to planned
budgets and forecast



Poll Question #2



How are leaders addressing these challenges using today's technology tools and automation?



Tools Available

Digital tools designed to deliver new capabilities to FP&A



Cloud ERP

Instead of large upfront investments, full range of finance functions can be delivered "as-a-service"



Process Enhancement

Automate transaction processing and communications across tech-stack. Recurring processes can be completed 24x7 with low errors



Business Intelligence

Innovative way to explore large, high-density data sets



Automated Integrated Planning

Rolling forecast integrated with Bi tools for easy reporting

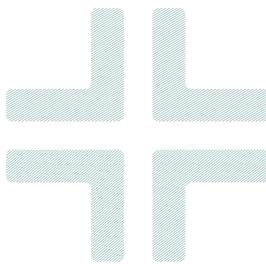


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“At least 40% of all businesses will die in the next 10 years... If they don't figure out how to change their entire company to accommodate new technologies.”



”



Why Not Excel?

Sluggish



Difficult to manage
heavy data



Prone to
errors



Limitation of
simultaneous
multi-user access



Data security
breaches



No audit
trail

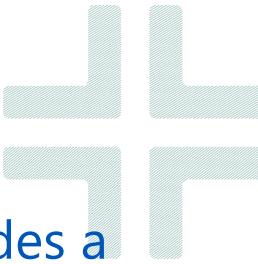


Multiple
spreadsheet
versions



Consolidation
difficulties

Cloud ERP



Cloud ERP integrates and automates financial and operational business functions and provides a single source of data without the huge upfront costs associated with traditional ERP

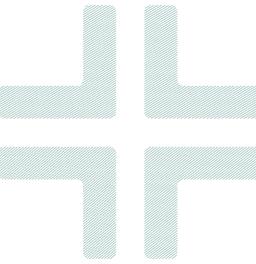
Benefits

- 1 Cheaper upfront
Monthly cost transparency
- 2 Less upkeep as it is left to the vendor
- 3 Round-the-clock support
- 4 Easy to scale up or down to suit the
needs of business

Considerations

- Monthly payments may make it more expensive in the long-term
- Unwanted upgrades may occur
- Less room for personalization
- Highly complex operations may not suit a cloud-based ERP system

Cloud ERP



Several ready-made solutions available from big name vendors:



Microsoft
Dynamics[®] 365



ORACLE[®]
NETSUITE



sage

Business Cloud

Project Axiom

The \$146M company offers enterprise-wide infrastructure and analytical applications in the areas of data integration and warehousing, financial and energy risk management, regulatory reporting, compliance, and financial control. The company is ~30 years old, serves most major financial institutions on a global scale. The organization is made up of 28 global operating entities with multiple levels of ownership.

Industry	Ownership	Management	# of Employees	Size	Project Duration
Software	Private	Professional	~1100	\$146 million	9 months

Client Requirements

- Implement Cloud ERP to integrate multiple disparate systems and reduce Excel workbooks being used
- Seamless transition of critical areas of operations (e.g. Foreign Currency Translation and Consolidation, Revenue Recognition under ASC 606, Product Transfer Pricing)
- Real-time KPI reporting for executive management teams
- Automate monthly reporting package utilizing multiple sources of data
- Develop reporting metrics for functional reporting from time tracking
- Provide single source of truth database for budgeting and forecasting

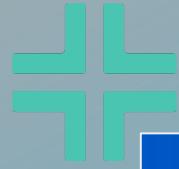
Challenges

- FP&A Tool implementation running in parallel with ERP implementation
- Complicated allocation structure causes delays from implementation partner and challenging reconciliations of variances

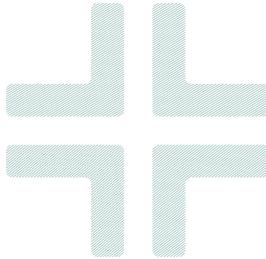
Impact Delivered

Delivered a unified global business operations platform that allowed client to:

- Correctly calculate revenue with the inclusion of CPI pricing at the invoice level versus
- Raise alerts for potential non-compliances
- Live reporting which lead to time saving of **32 man-hours** a month for consolidation
- Reduced close to report time by **~4 days**
- Annual Budget: Achieved accuracy and consistency through use of software rather than manual spreadsheets
- Real-time snapshots provide executive leadership with insights to drive business success [led to PE purchase of **> \$1.8 BN**]
- Annual budget process timeline reduced by ~50%



Poll Question #3



Address challenges using today's Process Enhancement via RPA

Robotic process automation (RPA) is used to enhance humans' actions of interacting with digital systems and software



Cost Savings

RPA drives rapid, significant improvement to business metrics and can help reduce personnel costs



Fast ROI

Employees can save and regain 40% of their time wasted on manual digital administrative tasks



Resilience

RPA can ramp up quickly to match workload peaks and respond to big demand spikes



Higher accuracy

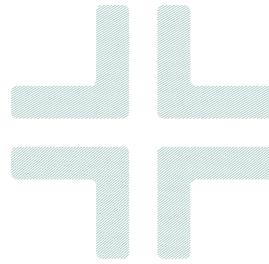
RPA can deliver 100% accuracy with near-perfect compliance



Platform Integration

RPA is application agnostic, and can seamlessly connect across tools regardless of function and departments

Tool to address challenges using today's Process Enhancement via RPA



Several ready-made solutions available from big name vendors:



Power Automate



Simply
Automate, Inc.



**20x ROI
Delivered**

Project Secura

Project Secura is led by two tech entrepreneurs and is active in the enterprise IT infrastructure, virtualization, enterprise security, storage and recovery, SI services, and groupware services. Project Secura is ~20 years old. The company serves about 200 blue-chip private and government customers. Also, have a presence in 6 cities, has 5 SBUs, and works in a highly competitive and price-sensitive (and therefore low margin) business environment.

Industry	Ownership	Management	# of Employees	Size	Project Duration
IT Products (SaaS)	Private	Professional	~250	\$45 million	6 months

Client Requirements

- Enhanced MIS reporting standards from entity level to SBU level within 4 months of the engagement
- Reduced time is taken to finalize audit from 25 weeks to 7 weeks
- Improve accuracy of AP posting and payment clearing

Our Role

- Implement RPA Bot for data extraction and reporting for month-end
- Implement RPA Bot for AP reconciliation

Impact Delivered

- Reduced TAT in monthly MIS reporting from 14 days to 6 days
- Accounts Payable Automation using RPA: Achieved accuracy 100% as compared to 65% previously
- Reduction of 5FTEs involved in AP processing after implementation of a single BOT
- Month Closing time was reduced from T+10 to T+1

Address challenges using today's BI

BI helps transform raw data and information into actionable insights to drives profitable business actions.



Modern BI Tools

- 1 Data and report centralization
Single source of truth
- 2 On-demand reports with minimal intervention
- 3 Continuously and automatically updated
- 4 Dynamic reports allow users to drill down at granular level
- 5 Easily integrate external data for actionable insights



Traditional Reporting

- Multiple version of spreadsheets
Small mistake can invalidate entire report
- Slow, rigid and long wait time
- Requires manual updates and verification
- Static and can only provide summary information without details
- Only reports on Internal Data

Tools to address challenges using today's BI

Several ready-made solutions available from big name vendors



Zoho Analytics



+ a b | e a u

**25x ROI
Delivered**

TexFab

TexFab is the world's leading home textile solution provider with a strong presence in bed, bath, and flooring segments. It is also the largest exporter of home textile products with operations in India, the US, the UK, and Europe.

Industry	Ownership	Management	# of Employees	Size	Project Duration
Manufacturing	Listed Company	Professional	~20,000	\$1 billion	18 months

Client Requirements

Automate reporting across the entire group from SAP

Locations

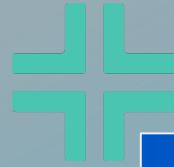
- USA
- UK
- 3 Factories in India
- Corporate Office
- 7 Subsidiaries

Functions

- Sales
- Inventory
- Procurement
- Costing
- Finance
- Commercials

Impact Delivered

- Delivered over 250 dashboards with over 1000 KPIs for business
- All dashboards were 100% automated via SAP and Power Bi
- CEO was able to action on live sales and supply chain data to improve business
- Over 2500 Excel files were reduced from day-to-day use
- Quick decision-making led to cost savings
- 15-20 FTEs were moved to other areas of Finance from reporting



Poll Question #4

Automated Integrated Planning

Automated integrated planning supports strategic decision-making by providing a live and comprehensive view of an organization's resources and commitments to ensure the alignment of financial and capital goals



Iterative

With automation and analytics, scenarios can be created and modified easily



Nonlinear

Instead of waiting for the handover between the teams, stakeholders can develop and refine the plan together



Timely Insights

To achieve strategic goals, annual planning is not enough. Finance must be able to plan and forecast continuously



Collaborate to Drive Decisions

Teams should collaborate to plan and not to collect & reconcile data living in disparate applications and databases



Platform Integration

Integrate historical data from ERP, external data via APIs with your planning process

Tools for Automated Integrated Planning

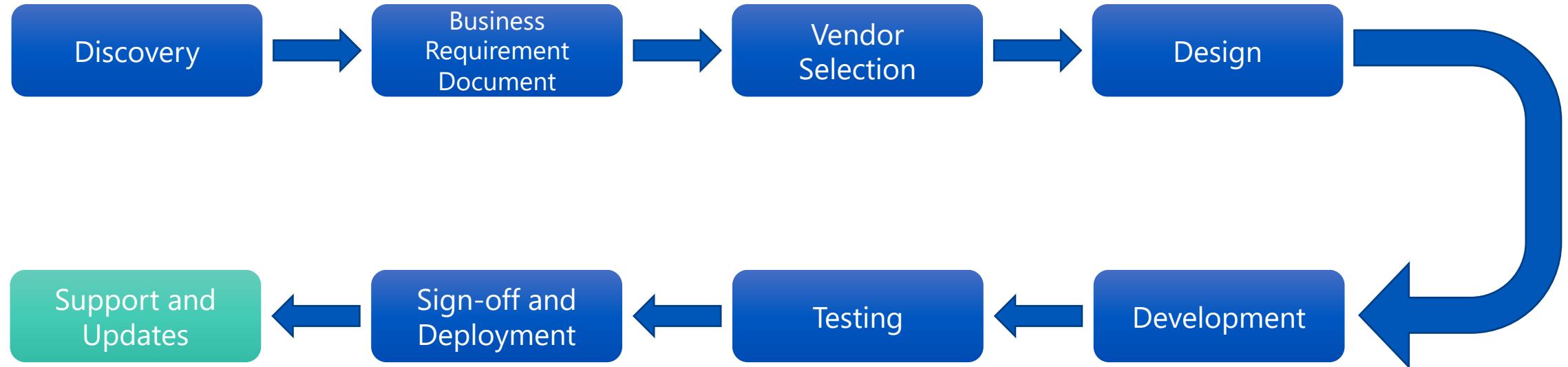
Several ready-made solutions available from big name vendors



#ResultsDelivered

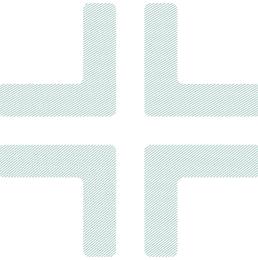
Particulars		Before Tool	After Tool	Savings
Activity	Resources	Days		
Preparation of Forecasting Sheet	CFO	-	-	-
	Finance Manager	2.00	0.50	1.50
Checking of data	CFO	2.00	-	2.00
	Finance Manager	3.00	0.50	2.50
Developing what if scenarios	CFO	0.50	0.50	-
	Finance Manager	1.00	0.50	0.50
Reporting	CFO	0.50	0.25	0.25
	Finance Manager	1.00	0.50	0.50
Preparation, Reporting, Analysis for Forecasting Model	CFO	3.00	0.75	2.25
	Finance Manager	7.00	2.00	5.00
Total	Man Days	20.00	5.50	14.50

Implementation Plan





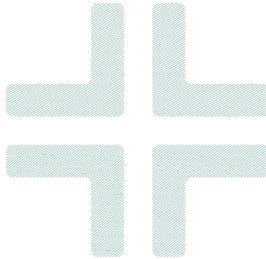
Recognize how to optimize FP&A organizations to be ready for evolving technology and the future needs of the business



The Future and Best Practices

Solving these 10 challenges will allow your organization to achieve its goals through optimization.

- 1 Governance & Oversight
- 2 Coordination and linkage of all Strategic Initiatives
- 3 Top-down guidelines and underlying assumptions prepared and distributed early
- 4 Distributed vs. centralized planning process
- 5 Formalized business plans for key initiatives including results tracking
- 6 Identification of KPIs & regular reporting against them
- 7 Coordination and linkage of all Strategic Initiatives
- 8 Incentives based on continuous improvements linked to Strategic Initiatives, not targets
- 9 Periodic reviews on progress of initiatives, Actual vs. Forecast and Actual vs. History
- 10 Dedicated application integrated with BI strategy and repository



Redirecting FP&A for Faster, Better ROI

1

Addresses issues related to Limited Integration between Finance & Operations

2

Breaks down “silos” and engages the operations groups

3

Sets roles & responsibilities, expectations, calendar, communication vehicle and workflow

4

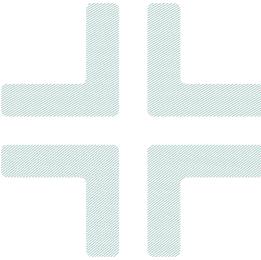
Ensures efforts are focused in the correct direction

5

Enterprise knows and understands expectations

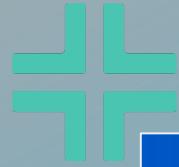
6

Underlying assumptions are transparent



Learning Objectives

- ✓ Identify current challenges for organizations in the planning process (People/Process/Technology)
- ✓ Recognize how leaders are addressing these challenges using today's technology tools and automation
- ✓ Recognize how to optimize FP&A organizations to be ready for evolving technology and the future needs of the business



Questions?

Withum & Practus solve business problems through its Business Intelligence Solutions for enterprises across the board.

Contact us to see how we can deliver ROI to your organization:



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