

# **BIG DATA;** BIG OPPORTUNITIES

**CFOS AND THEIR COMPANIES ARE BECOMING INUNDATED WITH DATA.**

Finance teams are continuously incorporating big data sources and tools, Internet of Things technologies, artificial intelligence and machine learning solutions, advanced computing power, and evolving finance software and systems into their work processes.

A recent survey of CFOs and other senior finance executives by CFO Research and XCM® showed that 72 percent of the respondents are spending more time on analysis and analytics than they did five years ago.

This flood of data and technology presents great opportunities for finance leaders, especially as companies call on their CFOs to take on more strategic responsibilities. But these disruptive technologies also pose a challenge for CFOs in managing work processes as they incorporate analytics not only within the finance function, but also externally, to connect finance to operations and other business units throughout the company.

CFOs and their teams must execute new and evolving work processes in their strategic roles, with a greater emphasis on analytics and analysis, while ensuring their day-to-day operational work in finance, accounting, and compliance is still completed at a high level of quality.

**Business process management technologies, or workflow solutions, can help finance leaders plan and manage these new work processes.**

With a 360° view of their workflows—and intimate knowledge of the best-qualified people and resources required to complete the work—finance leaders can plan future work and manage current work in real time. The right business process solutions can help CFOs and their teams complete both their traditional finance processes and their expanding analytics work—efficiently, accurately, and on time.

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**KEY POINTS** covered by this ebook include:

- As CFOs and their finance teams devote more time to analytics and strategic roles, they face new workflow challenges
- Business process solutions focused on accounting, finance, and compliance can help finance teams perform both their expanding strategic work and their traditional tasks, accurately and on time
- The right workflow technologies can clarify what's expected of finance team members, who is expected to perform the work, and how it should be performed
- Business process solutions with real-time access to data analytics and key performance metrics help CFOs identify bottlenecks and opportunities for improvement
- Data-driven scheduling technology helps finance leaders precisely plan and match resource allocations for work
- Resource analytics provide insight to CFOs on the performance, productivity, and project status of all team members
- With business process solutions, the CFO can reallocate work assignments in real time, with a keystroke, to prevent workflow bottlenecks

## THE RIGHT WORKFLOW SOLUTION

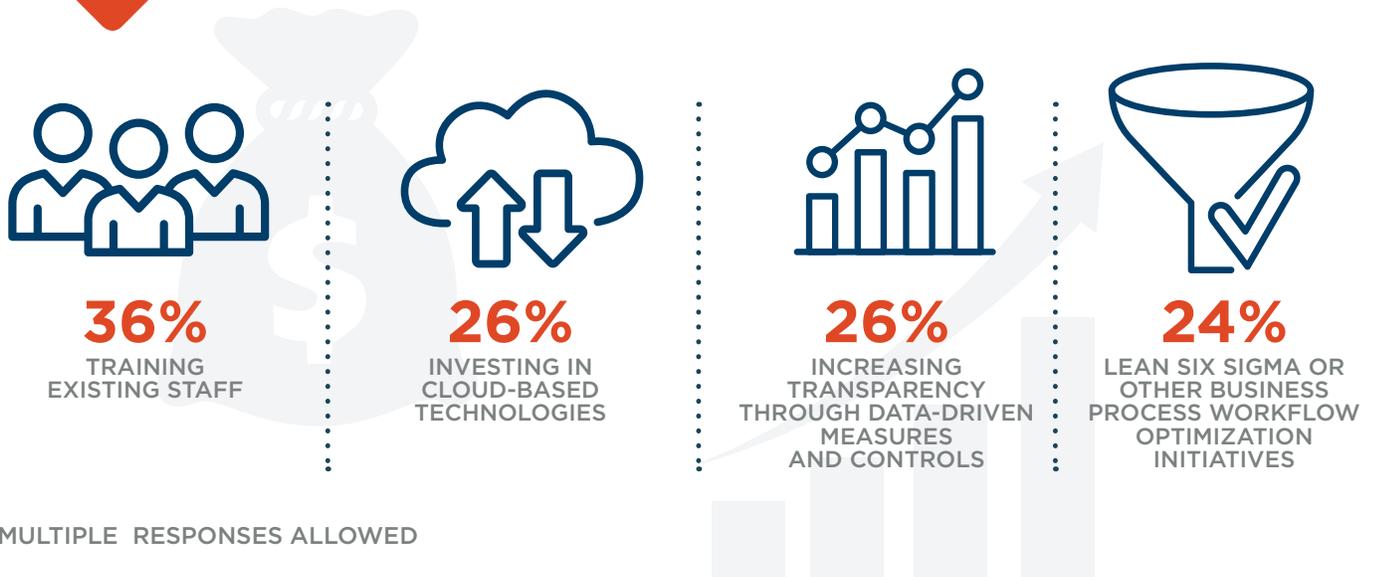
As CFOs and other senior finance leaders spend more time on analysis and analytics, the roles of their finance team members are also shifting and expanding. Today’s finance professionals need to expand their traditional core finance skills to include the technical and non-technical data analytic skills necessary to meet the new demands of future-focused strategic initiatives. As such, finance executives are making staff training a top priority.

According to the XCM - CFO Research Finance Productivity and Business Process Management survey, which polled 158 CFOs and senior finance executives in July 2018, “training existing staff” was the most critical investment for driving increased productivity and growth.

Staff training is especially important as finance teams adopt new technology, incorporate new data sources, and collaborate more with business units and other functions outside of the finance area. Clear expectations and well-planned business process workflows are important for these team members to drive productivity and employee engagement.

“The right workflow technologies can help the individual workers on the finance team succeed by showing what’s expected from them, when it’s expected, and how it should be done,” says Mike Sabbatis, Chief Executive Officer of XCM, which provides business process solutions focused on accounting, tax, finance, and audit.

Finance executives plan to make critical investments to drive increased productivity and growth.



“As an individual contributor, that’s what I want to know,” Sabbatis says. “If I don’t know one of those three things, then my work will probably suffer. If I don’t know two of them, it definitely suffers. If all three are missing, you have no controls in the system at all.”

**Workflow technologies reinforce staff training and development by ensuring best practice work procedures are consistently followed by all staff members.** They also provide finance leaders with ongoing, continuous improvement metrics to highlight corrective action that can increase productivity.

Additionally, finance leaders—from the CFO down to mid-level managers—can ensure consistency in work assignments for projects involving new analytics or data sources, or as projects are handed off between collaborating departments, or as mergers bring new companies on board. As the work of finance team members expands into the strategic realm, business process solutions can help finance leaders efficiently assign work appropriate to the skill level and availability of individual workers.

As the roles of finance team members become more complex, clarity in work assignments and

matching worker skill levels with their tasks helps avoid mistakes and missed deadlines.

One of the defining advantages for businesses in the big-data/IOT/AI world is the ability to make real-time, data-based decisions. With business process solutions focused on accounting, finance, tax, and audit functions, CFOs can reallocate work assignments in real time, with a keystroke, to prevent workflow bottlenecks. The business process solution can present key performance metrics and other data analytics in one location, so the CFO can focus on analysis and strategic decision-making instead of tracking down the information needed for that decision-making.

With repeatable tasks or projects, some business process solutions can provide benchmark data and analytics to compare current workflows to past iterations. Specific work assignments and progress can be compared at the project level, or on a monthly basis, or minute-by-minute, if needed. The people analytics can help the CFO understand how the finance team is performing, how productive the team members are and how the business process elements move through the system.

## AN EXAMPLE

One example of how a business process solution can help a CFO manage complex workflows is the annual budgeting and planning process.

“When a company has multiple divisions or a portfolio of subsidiary companies, the consolidation/rollup process to coordinate their business objectives is one of the most difficult work processes in the business world,” Sabbatis says.

Often the process can take months, as the rollup budgets are submitted and then adjusted to make sure that spending and revenues aren’t over- or under-presented in

comparison to the other divisions or subsidiaries.

“Without a business process solution focused on accounting, finance, tax, and audit, the CFO or finance executive responsible for the consolidated budget may have zero visibility into the budget work processes, and how the rollup budgets are progressing,” Sabbatis adds.

The right business process solutions provide visibility to the CFO, the mid-level managers, and individual contributors for the relevant budgeting and planning work processes, clarifying the type of work that has to be done, when the work is due, and the amount of effort required.

Senior finance executives had difficulty executing several critical tasks.

### TASKS THAT ARE NOT DONE WELL



**#1**

HAVING A **FULL VIEW** OF RESOURCE COMMITMENTS AND EXPECTATIONS



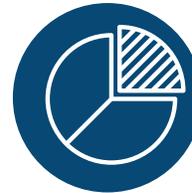
**#2**

KNOWING WHAT **UPSTREAM WORK** WILL BE COMING NEXT



**#3**

KNOWING THE **REAL-TIME STATUS** OF ALL PROJECTS AVAILABLE 24/7 ON-DEMAND



**#4**

PLANNING THE WORK TO **EFFECTIVELY LEVERAGE** INTERNAL AND EXTERNAL RESOURCES



**#5**

ENSURING THE **RIGHT STAFF** WORKS ON THE **RIGHT PRIORITY** EACH DAY

“There’s also accountability, because I know if I have a specific due date and I’m downstream in the process, I know that I’m depending on somebody to deliver it to me,” Sabbatis explains. “And if they don’t, I have total visibility of where it is because I can look upstream and say: ‘Well, where does this project stand and who owns it?’”

At the beginning of the budget process, the CFO or finance executive in charge would use the business process solution to assign the work and establish the steps necessary to complete the work.

“For example, the order of the work steps might be revenue first, then expenses, then capital expenditures, so everyone is coming up with their figures through the same process, and those processes are running in parallel and their progress is comparable,” Sabbatis says.

**Business process solutions can also spell out definitions of duties, with required checks and balances or signoffs needed before a project can proceed to the next stage.**

Finance leaders can “give specific instructions on how to get work done and what their standards are,” Sabbatis says. “So I can put

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**— MIKE SABBATIS,  
CHIEF EXECUTIVE OFFICER, XCM**

a requirement in that says everybody has to follow this 10-point checklist because this is how we do our work. I can also put information in that would guide me to something unique about a particular budget or particular actions. It could be a budget, it could be a return, it could be a financial close.”

In this example, the business process solution drives greater accountability, enabling proactive problem-solving, data-driven decision-making, and more productive cooperation between all functions involved in the budget process—which fosters higher employee satisfaction and retention.

## CONCLUSION

Business process solutions focused on accounting, tax, finance, and audit can present CFOs with a complete 360° view of their workflows, showing the complexity and volume of work, as well as the people and resources required to complete the work.

Some business process solutions provide resource analytics that help the CFO understand how the finance team is performing, where additional training may be needed, how productive the team members are, and the project status of all team members. Armed with this knowledge, CFOs and their finance team leaders can plan future work and manage current work in real time.

For mid-level managers and workers on the finance team, business process solutions clarify how the work should be done and when the work is due, while matching the worker skill levels and time availability appropriately to the projects to be completed.

Workflow technology providers specialize in different business functions, with implementation ranging from several weeks to several months.

**When selecting a business process solution, a CFO should evaluate whether the prospective provider is familiar with the level of detail, complexity, and volume of finance work at the CFO's company.**

Other points to consider include the level and type of analytics offered and whether the solution provider's implementers have accounting or business processing experience, such as Lean Six Sigma® certifications.

A robust business process workflow solution can help finance leaders spend less time on data aggregation and staffing management, and more time on the analysis and strategic decision-making that helps their companies grow.

## ABOUT **THE SPONSOR**

XCM offers a complete productivity enablement and workflow platform that empowers you to manage all types of work—within all departments, across multiple offices.

It's an open platform system that works horizontally across tax, accounting, finance, audit, and operations applications. XCM manages millions of processes per year, enabling professionals to complete more work, in less time, with greater quality. Our device and browser-agnostic cloud solutions offer real-time anywhere, anytime access to work.

Though we integrate with several popular tax and accounting packages, the real payback is through your greatest asset—your people.

XCM is the only productivity enablement and workflow platform endorsed by the AICPA, and complies with the controls and applicable criteria of the AICPA Trust Service Principles.

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