

# WHAT KEEPS FINANCE LEADERS UP AT NIGHT

**WHAT BUSINESS CHALLENGES KEEP YOU UP AT NIGHT?** For the CFOs and other senior finance executives in a recent survey conducted by CFO Research - XCM®, the answers were meeting deadlines and addressing business process bottlenecks.

In the XCM - CFO Research Finance Productivity and Business Process Management survey, 29 percent of respondents reported that flexibility to meet deadlines, finding workflow bottlenecks, and addressing those bottlenecks was likely to keep them up at night. Their top concern was their ability to allocate the best resource based on the task, role, and skill set.

Often times, CFOs don't have visibility and therefore can't easily identify potential missed deadlines or bottlenecks in all of the work processes they are ultimately responsible for. This lack of visibility represents risks in accounting, tax, finance, and audit departments: that the required work won't be done accurately, efficiently, and on time, incurring additional costs and other negative consequences for the company.

**Workflow technologies, or business process solutions, give CFOs and finance leaders a 360° view into their business processes in real time and into the future.**

Armed with this knowledge, senior finance executives can anticipate bottlenecks and reallocate resources or assignments to avoid bottlenecks. With the right business process solutions they can also plan better, assigning and managing tasks according to the skill sets and time availability of individual workers.

These solutions also allow leaders to set clear expectations for how and when the individual contributors should complete tasks. The same visibility and management capabilities can be available to mid-level managers, so they can instill greater accountability from the workers. For the individual contributors, clear expectations and well-planned business process workflows lead to greater job satisfaction, less confusion, and less stress.

**KEY POINTS** in this eBook cover:

- Workflow issues—missing deadlines and process bottlenecks—are a top concern of CFOs
- Business process solutions that focus on accounting, finance, and compliance can solve workflow challenges for CFOs
- With the increased visibility that business process solutions can offer, CFOs can avoid bottlenecks
- Business process solutions with real-time access to data analytics and key performance metrics help CFOs precisely plan and match resource allocations for work
- Finance team members can benefit from clear expectations set through some business process solutions for how and when work should be performed

## THE SURVEY

CFO Research.com and XCM Solutions conducted their survey of 158 CFOs and senior finance executives in July 2018. In addition to worrying about deadlines and bottlenecks, the survey respondents reported the highest-priority challenges they faced as finance leaders were all related to workflow issues.

**THE TOP FIVE** challenges were:

- Compliance requirements and deadlines
- Accomplishing more with the same or fewer resources
- Pressure to achieve business objectives
- Capacity, or having enough resources to get the work completed
- Internal roadblocks or bottlenecks

Workflow technologies—specifically, business process solutions that focus on accounting, finance and compliance functions—can address all of these challenges.

Regulatory compliance typically requires a company to periodically pass an audit and to track and document ongoing compliance. For example, a cloud computing company may have to undergo annual SOC audits (Service Organization Controls audits) to prove compliance with security standards. They are also required to document their ongoing compliance.

A business process solution can manage company security risk meetings, tasks and deliverables leading up to the audit, and other tasks associated with SOC compliance, including whether firewalls and security software patches are up to date or whether new employees have passed security standards and have undergone security training. Similarly, a business process solution can help manage required filings and compliance with financial regulators, such as quarterly earnings reports and calls, and 10K statements.

For finance leadership concerns related to lacking resources and capacity to get work done, the right business process solution can give a finance leader the ability to optimize a company's available resources at any given point in time.

With real-time access to data analytics, reporting, and key performance metrics, the XCM business process solution can help finance executives precisely plan and match resource allocations for work, while managing those allocations in real time. Overall efficiency improves as CFOs put the right people on the right tasks and projects, fitting individuals' skills with the specific requirements of each project. When finance team members are given clear direction suited to their professional strengths, with clarity on how and when tasks should be accomplished, their engagement, productivity, and accuracy increases.

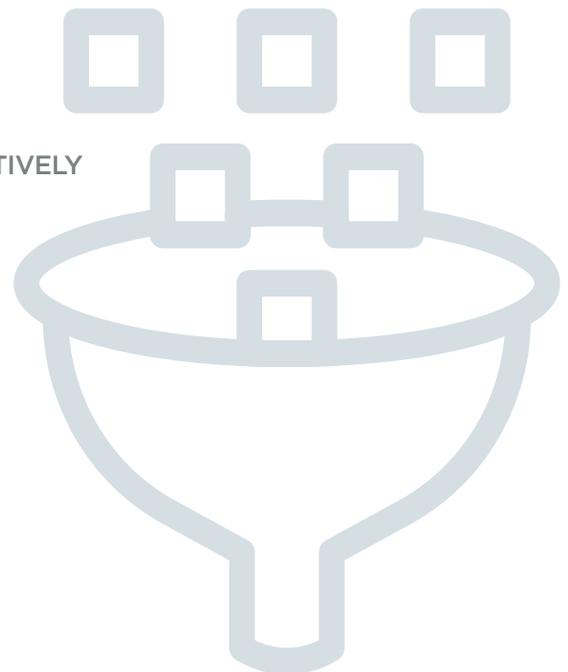
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CONCERNS  
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## SOLUTION

A business process solution focused on accounting, tax, finance, and audit helps a CFO achieve business objectives by making sure those objectives are well planned, prioritized, and executed through the company's work processes. Even with complicated business processes, such as hundreds of parallel tasks that must be completed before a key task can begin, the right business process solution offers the visibility and project management capabilities that finance leaders need to keep the company's business objectives on track.

Internal roadblocks and bottlenecks can be defeated with business process solutions that provide 360° visibility to tasks and project statuses. Finance leaders can empower their teams to better manage their overall workload, while simultaneously responding to any changing circumstances or shifting business priorities by adjusting assignments or reallocating resources with a keystroke. They can also appropriately manage business processes that vary across departments—tax, finance, accounting and operations, for example—while meeting the needs of each level of professional across the business.

### Top Resource Allocation Issues that Keep CFOs Up at Night



For the CFO, bottlenecks inevitably lead to problems with accuracy and deadlines further down the line. One example is with income tax preparation. To start the process, a company's accounting group typically brings financial data into the company's income tax system, creating a trial balance. If that data is delayed, then the tax work is delayed and less time is available to complete the taxes before the filing deadline.

"When compression occurs, errors go up, and quality usually goes down. If something goes wrong, you can always amend your return, but again, it will cost you money to do so," says Mike Sabbatis, Chief Executive Officer of XCM, provider of business process solutions focused on accounting, tax, finance and audit.

Some of the biggest challenges faced by finance leaders were related to business process workflow.

### Highest Priority Challenges Faced in a Finance Leadership Role



**44%**  
COMPLIANCE  
REQUIREMENTS AND  
DEADLINES



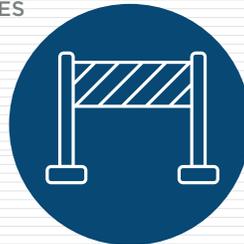
**42%**  
ACCOMPLISH MORE  
WITH THE SAME OR  
FEWER RESOURCES



**33%**  
PRESSURE TO ACHIEVE  
BUSINESS OBJECTIVES



**32%**  
CAPACITY, I.E., HAVING  
ENOUGH RESOURCES TO GET  
THE WORK COMPLETED



**31%**  
ROADBLOCKS OR  
BOTTLENECKS

\*MULTIPLE  
RESPONSES  
ALLOWED

“Workflows through companies with interdependencies between certain people whose urgency to get their work done isn’t always met with the same urgency from the people who need to provide it,” Sabbatis says. “If accounting misses a day, it’s one day, but for the person who’s preparing that tax return, every one of those days is eight hours of lost time, maybe ten hours of lost time, on a job that might require over 3000 hours’ worth of work.”

The tax preparation workflow is even more complicated when the company has subsidiaries, overseas operations, franchise taxes, and sales taxes. Without the right business process solution, a CFO might know the tax filing deadlines, but may not have any visibility into the progress of the processes that must be completed to meet those deadlines—for example, whether the work is getting done on time and accurately, and whether the right amount of work hours at the right skill level are being allocated to the process. Without this technology, a CFO’s ability to drive accountability is limited.

Another benefit for CFOs who are using the right business process solution is having a centralized view within the platform of both recurring and ad hoc projects. If the CFO needs to make changes to assignments, or when Managers issue instructions on how and when to perform specific tasks, and when workers mark the tasks are completed, changes are clearly and immediately visible to all. Without business process solutions, most CFOs rely on spreadsheets and emails to disseminate project instructions and to receive progress updates. Spreadsheets are altered as

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

they are passed around, and when emails don’t get a response, the finance leaders schedule meetings, which require the participants to use more time to prepare for the status meetings instead of getting the work done.

“If I give poor or non-standardized instruction at the individual contributor level, then I’ve potentially created a bottleneck and rework down the road,” Sabbatis says.

The individual contributors benefit from business process solutions by knowing when they have to deliver their work, so they are prepared for it and relieved of the stress of last-minute demands. “If you call me this morning and say, ‘I need it now,’ there’s nothing I can do to help you except work harder,” Sabbatis says.

Business process solutions can work particularly well with the tasks in accounting, finance, and tax because so many of them are repeatable—annually, quarterly, or monthly. The CFO can plan for them, budget for them, and give clear, concise instructions on how to accomplish them.

## CONCLUSION

Business process solutions help CFOs avoid the risks created by workflow bottlenecks and missed deadlines in accounting, finance, and compliance work processes. They also help CFOs improve efficiency, accuracy, and productivity with limited resources, particularly with repeatable workflows. By providing visibility into work processes, the right business process solution can offer CFOs more time for strategic planning and real-time reallocation of resources when necessary. By matching project requirements with the right worker skills, and clearly explaining how and when the work should be done, CFOs and managers command greater accountability from their finance team members while empowering them at the same time. When selecting a business process solution, CFOs should consider whether it is focused on accounting, tax, finance, and audit work processes; whether the solution implementers have accounting or business processing experience, such as Lean Six Sigma® certifications; and whether the solution offers rapid deployment.

## 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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