



Finance & accounting: Moving beyond digital

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Speakers



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Background

- KPMG – Manager, IT Enabled Transformation
- Impellam Group – Vice President, Information Technology & Shared Services
- RSM US LLP – Principal, Point Solutions

Certifications

- Bachelor of Business Administration, Finance, University of Georgia
- Certified Implementation Professional: BlackLine, Trintech (inactive)

Background

- KPMG – Manager, Assurance
- Pivot Point International – Director of Finance
- Riveron – Director, Management Consulting
- RSM US LLP – Principal, Finance Automation

Certifications

- Bachelor of Arts, Accounting, Illinois Wesleyan University
- Certified Public Accountant (inactive)
- Certified Implementation Professional: BlackLine, Adaptive, Planful

Objectives

1. Definition of finance automation, and understanding the difference between digital versus automation
2. Understand how leading companies are automating the finance and accounting finance processes
3. Learn important considerations when exploring opportunities for finance automation
4. Understand how to get started and avoid common pitfalls

Overview and Automation POV

Finance automation defined

Finance automation refers to the use of technology and software to streamline and automate financial processes and tasks within an organization.

The goal is to:

- Reduce manual effort
- Improve efficiency
- Enhance accuracy
- Enable better decision-making in financial management

Finance automation can encompass a wide range of activities across various financial functions, including **accounting, budgeting, invoicing, reporting** and more.

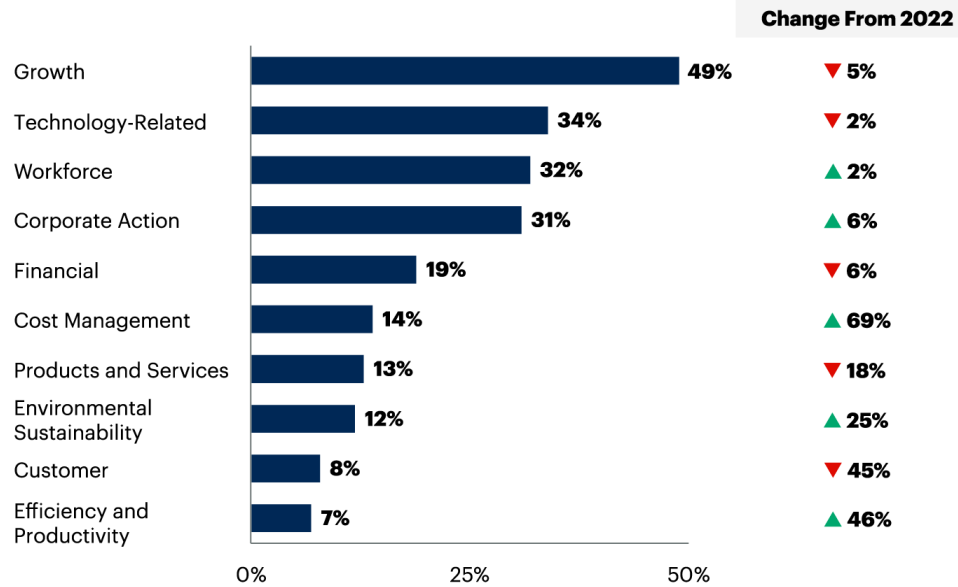
By automating these processes, organizations can achieve greater efficiency, reduce the risk of errors and free up finance professionals to focus on more strategic and value-added tasks. Additionally, finance automation can contribute to **improved compliance, better financial visibility and faster decision-making**.



Market trends

CEO Strategic Business Priorities for 2023 and 2024 — Top 10

Summary of Top 3 Mentions, Coded Responses



gartner.com

n = 422, all respondents
 Q. To start, please tell us about your organization's top five strategic business priorities for the next two years (2023 and 2024).
 Source: 2023 Gartner CEO and Senior Business Executive Survey
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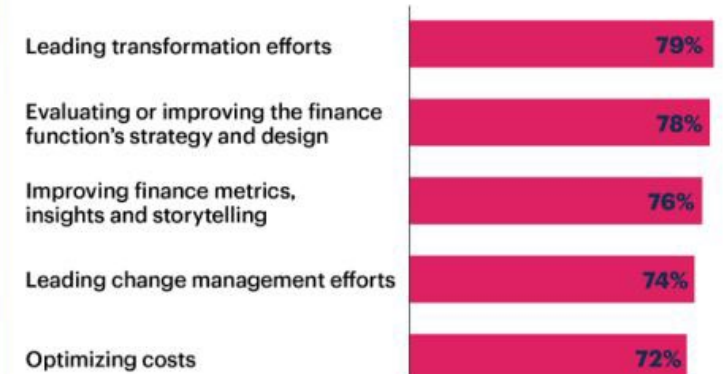


Gartner.

Top priorities for CFOs in 2024

Source: Gartner
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Percentage of CFOs who report the initiative is critical to success in 2024



Why is finance automation important?

Automation can help you adapt to the following trends that may influence the finance function at your organization:



Disruption

Whether it's due to changing customer expectations, new technologies, regulatory updates, economic conditions or new market entrants, moving your finance function toward a fully automated, data-driven approach will enable you take preemptive action to meet industry disruption head on.



Regulatory Shifts

Regulatory agencies are increasing their focus on customer protections, data retention policies and more fair treatment of disadvantaged communities.

Automating regulatory compliance enables you to make centralized updates and ensure that these changes are reflected throughout your tools and applications.



Security & Risk

Cyber criminals are becoming more sophisticated and increasingly bold.

According to the 2023 RSM US Middle Market Business Index Cybersecurity Special Report, ransomware attacks were used on 35% of middle market executives, up from 23% the prior year.

Automating financial security controls protects your organization against ransomware and other cyber threats.



Skilled Labor Shortage

Automating formerly manual processes reduces staffing requirements as well as boosting employee retention by engaging existing talent in more interesting and fulfilling work.

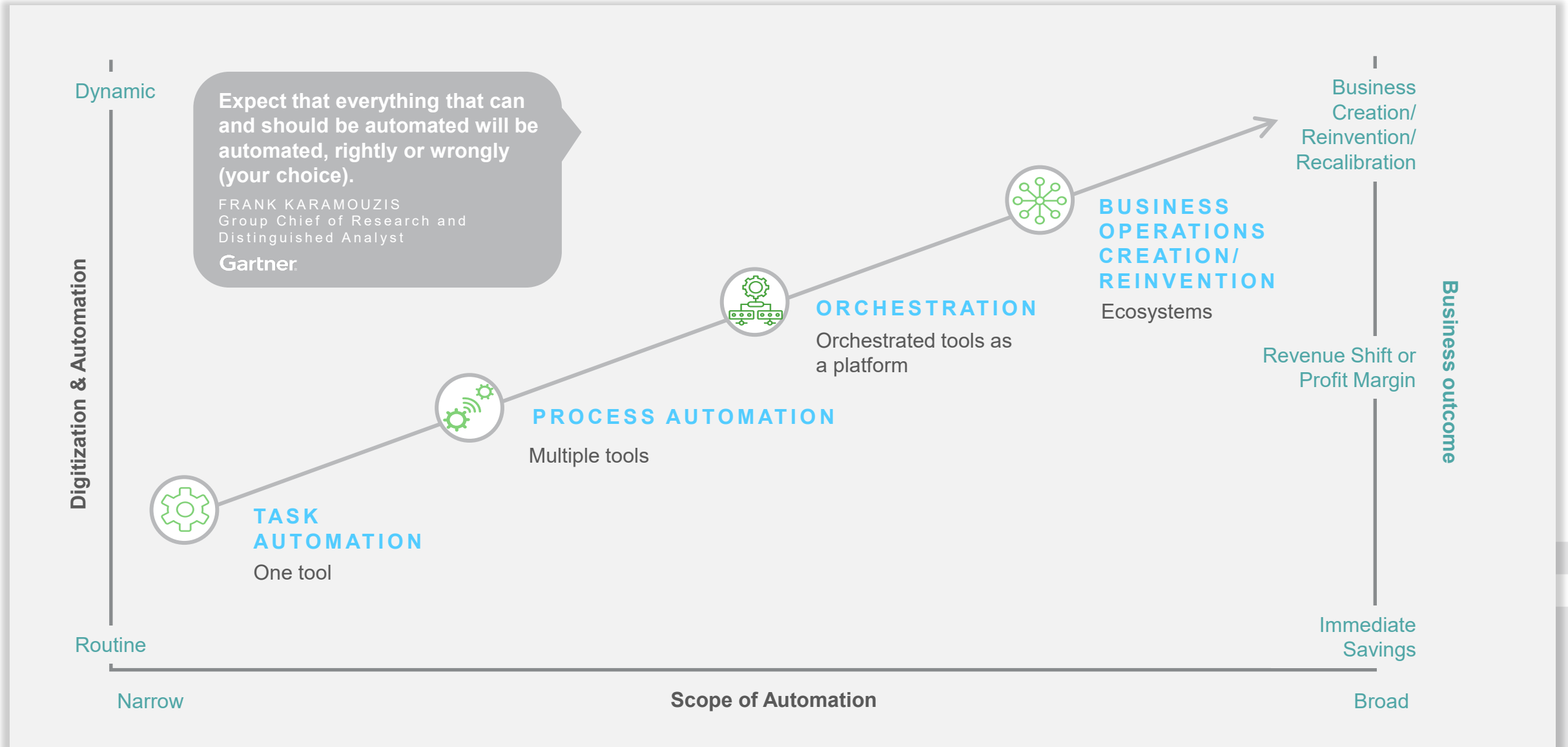


Process Innovation

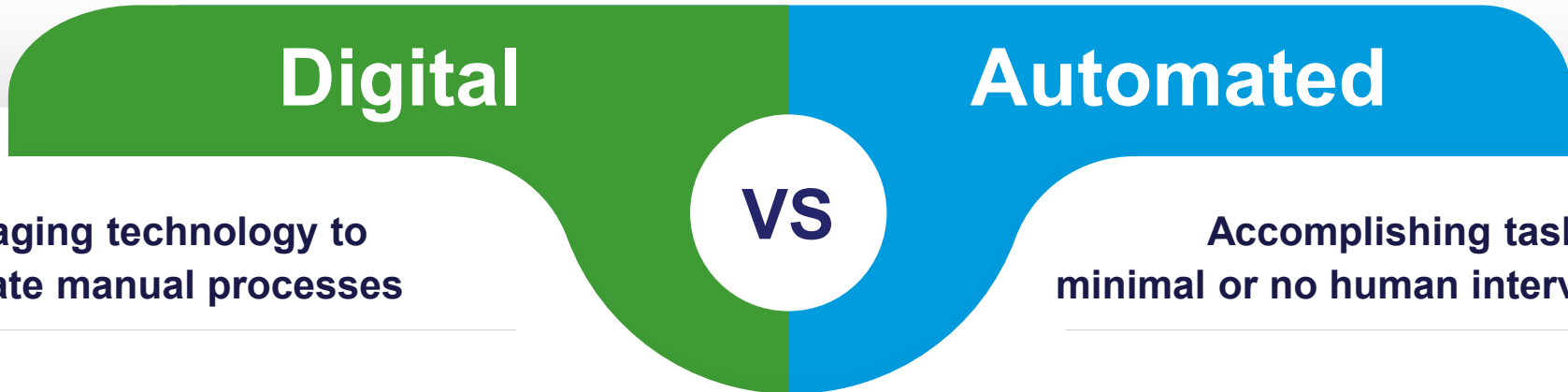
A plethora of new technologies such as generative AI, machine learning and big data that have the capability to truly transform the finance function.

Taking advantage of automation today will lay the foundation to make the most out of these new technologies as they become widely available.

Automation journey



Going beyond digital



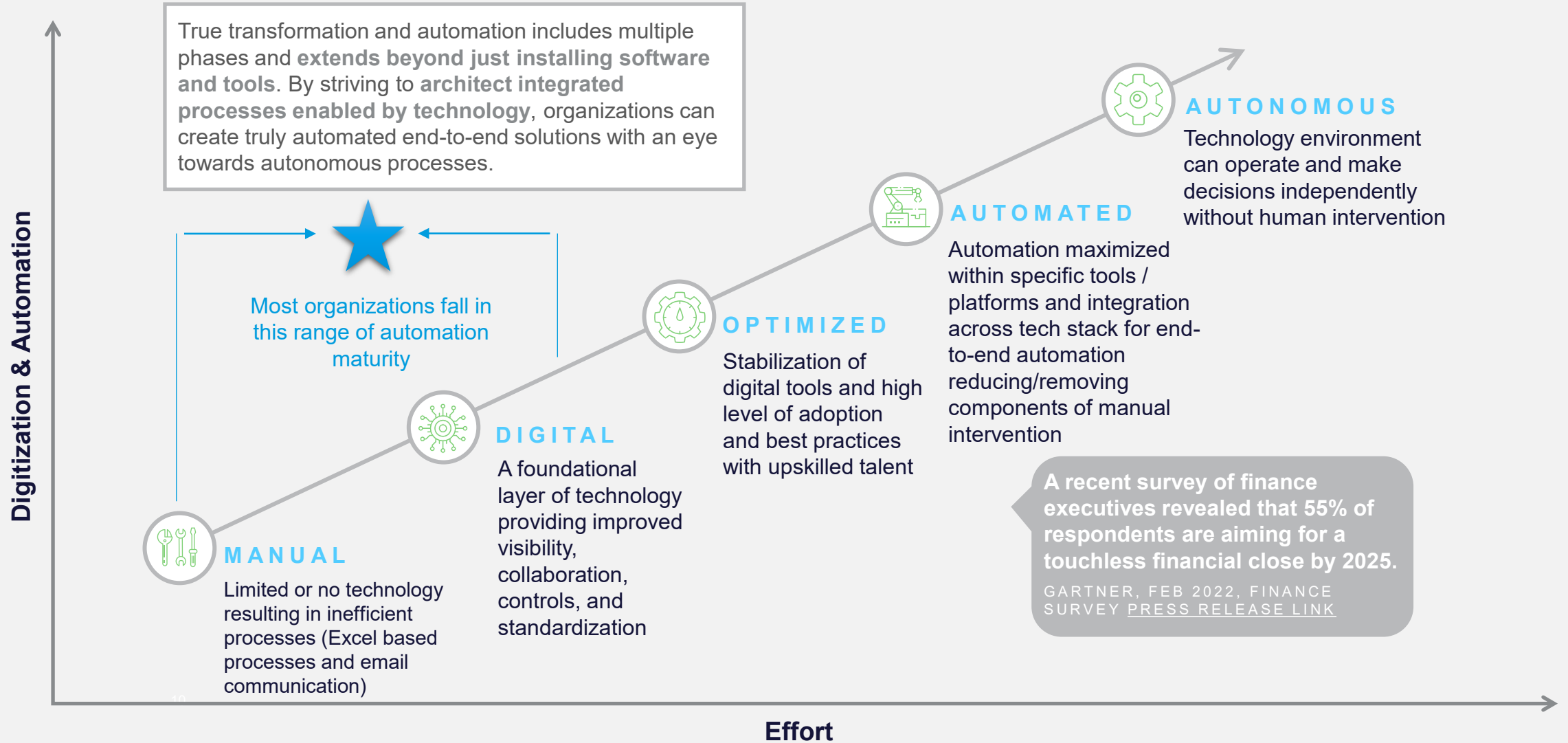
Leveraging technology to facilitate manual processes

Accomplishing tasks with minimal or no human intervention

Document retention in the cloud	Leveraging rules to generate automatic journal entries or complete reconciliations
Digital workflow to capture approvals	Use of OCR technology to retrieve and store key data from hard copies
Visibility into data via dashboards/reports	Integrated solutions transferring data
Access controls limiting permissions	Use of AI to read data, analyze, and initiate next steps

**Automation is not possible without digitization.
Digitization is a necessary first step in the automation journey.**

Automation maturity model



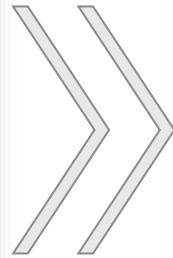
Solution Architecture and Integration

Evolution of accounting software



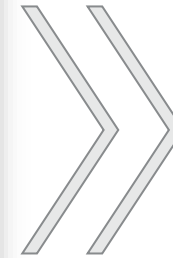
Enterprise Platforms

Historically, companies leveraged functionality embedded in ERPs to add efficiency and digitize accounting processes.



Point Solutions

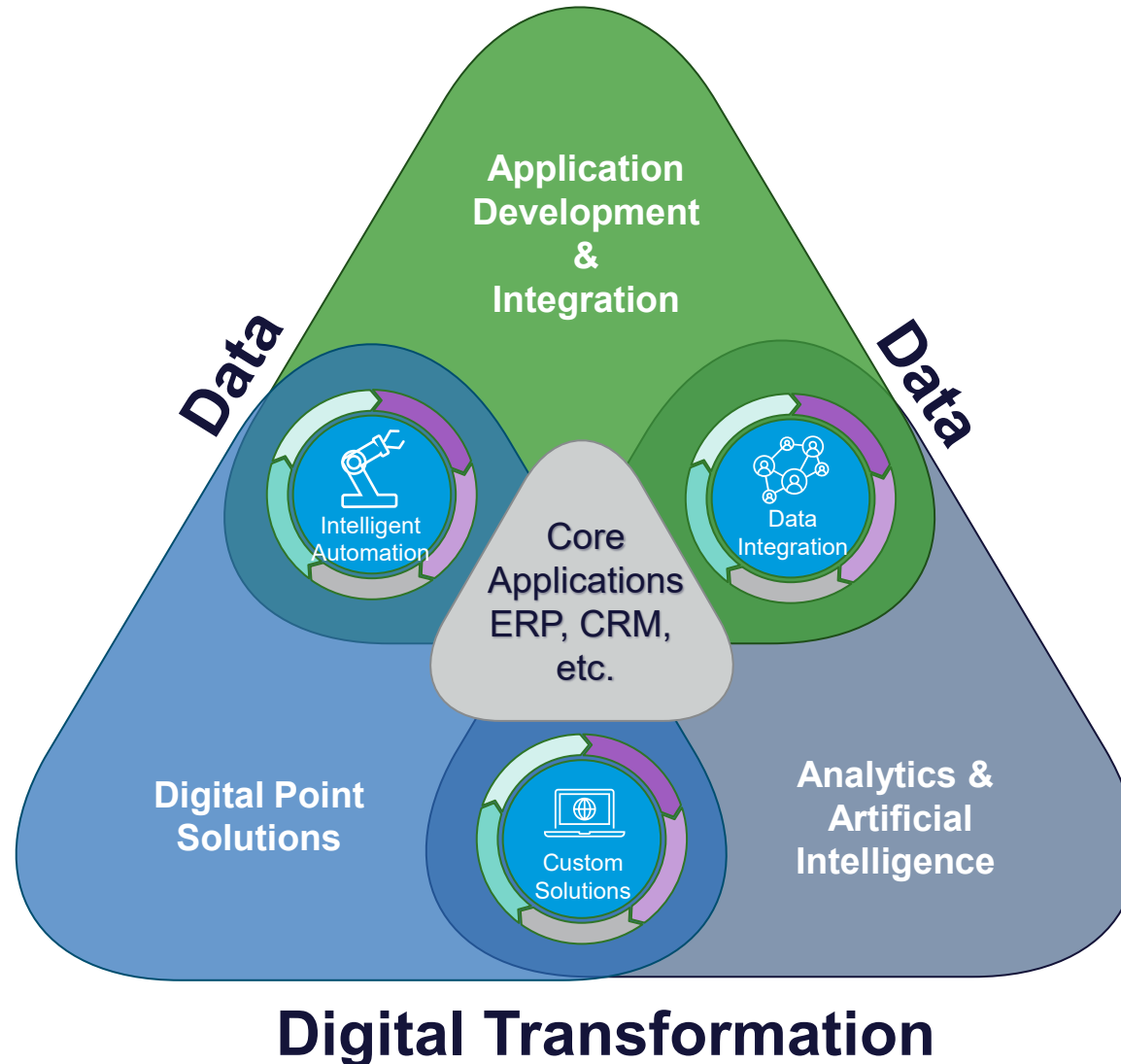
Over the past decade, digital fit-for-purpose solutions have flooded the market and were great at automating a specific problems or tasks.



Integrated Solutions & Orchestration

Simultaneously, point solutions are expanding functionality resulting in organizations pairing fewer systems to automate entire processes combined with ecosystem orchestration.

Integrated architecture

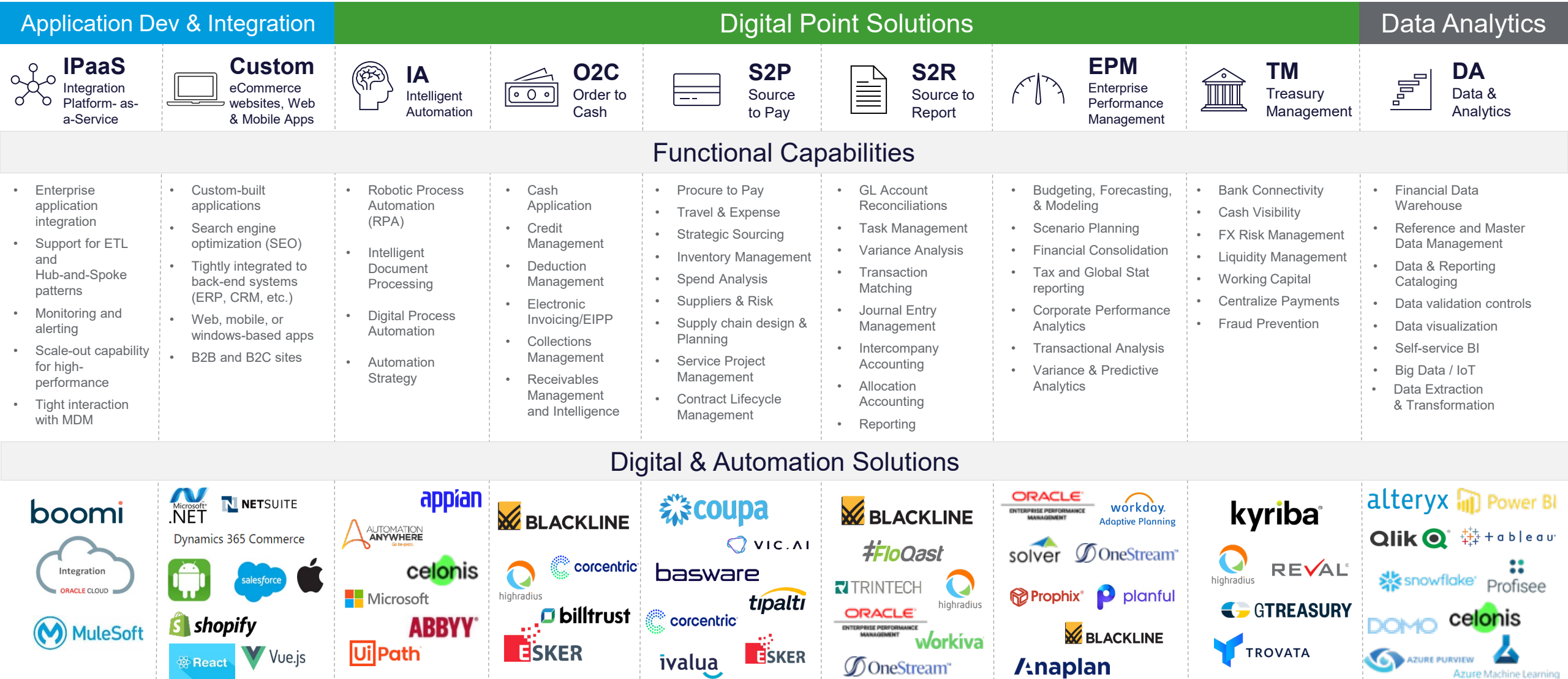


An **optimized technology stack** that enables continuous improvement in efficiencies and automation requires a **concert of technology platforms** to achieve the highest possible impact and value.

Identifying and **investing in market-leading solutions** combined with **visionary implementation strategy** will establish a foundation for sustainable growth and success.

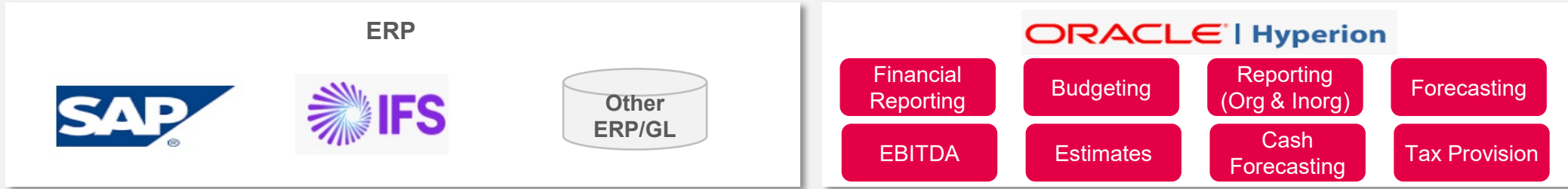
Solution architecture

Automating the back office starts with a well-architected digital ecosystem



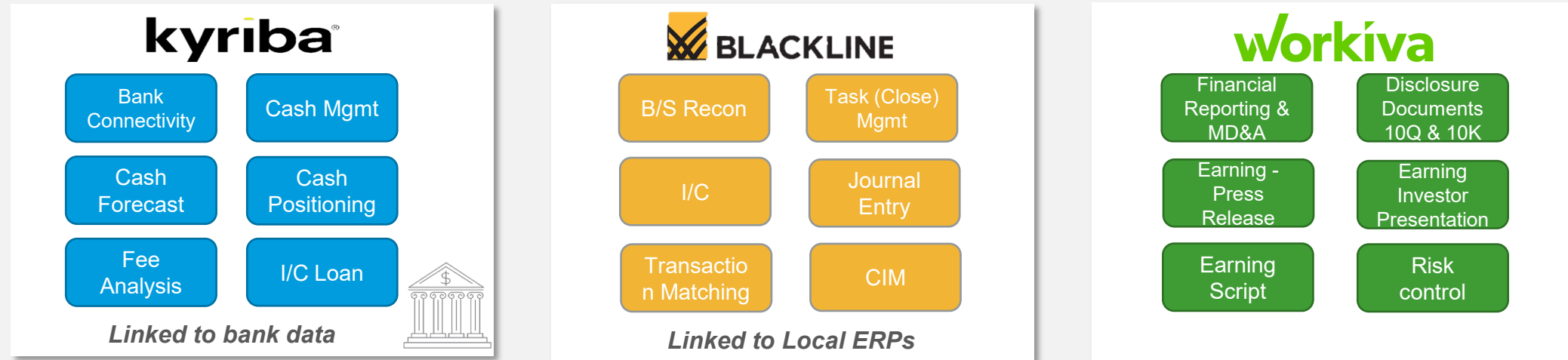
Example finance and accounting ecosystem

Core Solutions



Compliance & Control Environment

Accounting and Finance & Hub



Other Subledgers



Relevant integration methods



Data Extracts

Flat files pushed to SFTP sites and pulled into vendor software on an automated schedule

Connector

Custom functionality generally installed in ERP environment leveraging pre-configured queries to extract data from the ERP

Effective integration ensures seamless communication between financial systems

ETL

Source and target system data mapping utilizing a third-party integration platform (iPaaS)/tool (i.e. Boomi, MuleSoft, Informatica, SSIS, etc.).

API/Web Services

Direct and often real-time integration between source and target systems

Core Process Automation

Finance of the future



Next-Gen Finance Imperatives: Efficient, Smarter, Forward-looking, more Agile & Resilient

- Enable new strategy and operating model through effective partnership with business
- Deliver world-class Finance with best-in-class cost by deploying the right service delivery model, tools, and technologies
- Create flexibility to rapidly integrate business and enable new business models
- Driver greater business insight and decision support through advanced analytics
- Build finance culture focused on teaming, talent and capability development, as well as continued improvement

Improving the Target Operating Model

Defining a **Target Operating Model (TOM)** allows organizations to maximize the value of cross-functional teams through the **alignment of strategic objectives** with the **planned design of the enterprise business model**. The path to **Transformer and/or Innovator** focuses on maximizing efficiency and leveraging emerging technologies to enable effective business insights, management and performance.

Sustainer

The organization has highly manual processes and outdated technology that impairs their ability to achieve business objectives

Organization & People

Aligning people with specific roles and responsibilities within an organizational model that is responsive to change and utilizes formal programs for developing the next generation of leaders

Policy, Controls, & Compliance

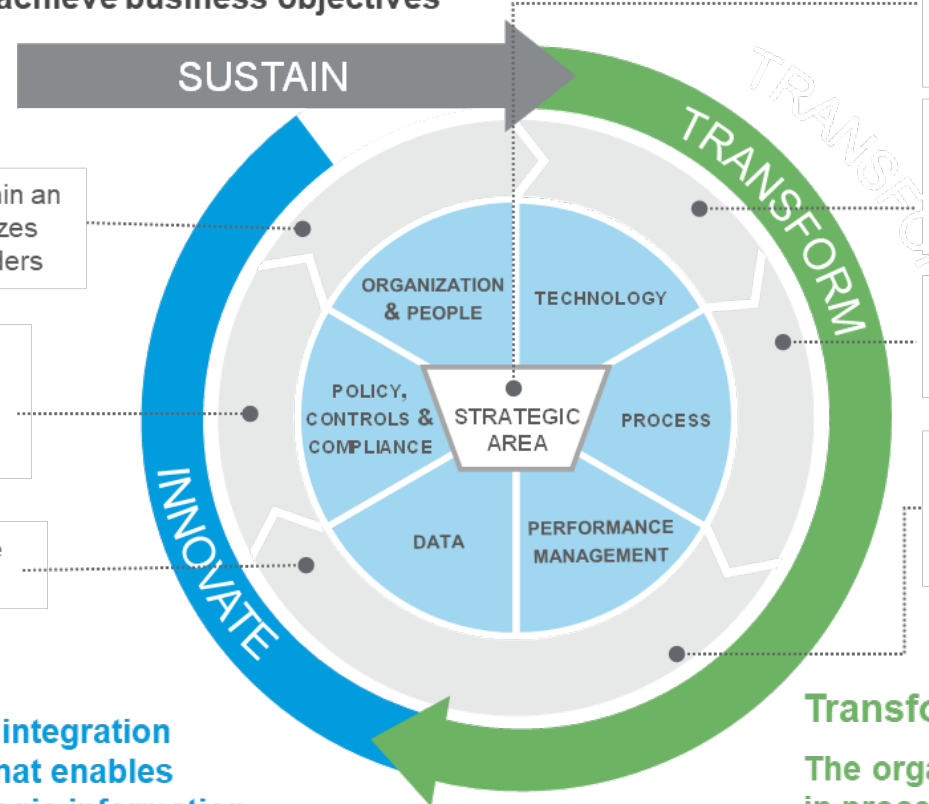
Designing the appropriate risk and control environment that balances cost, risk, and quality of output with preventative, detective controls and a common business language that is disseminated across the organization

Data

Standardizing, governing, and normalizing data to balance source system supply with reporting and analytic demand

Innovator

The organization leverages end-to-end integration throughout the business architecture that enables timely delivery of operational and strategic information to make critical decisions



Strategy

Capturing and refining PP&E strategy that is aligned with Corporate strategy and empowers employees to become valued business partners that execute processes with targeted outcomes in alignment with business goals

Technology

Integrating transactional, storage, and reporting systems end-to-end to drive automation across critical business processes and data elements

Process

Designing tasks and activities with clear ownership in order to execute business objectives with efficiency and effectiveness

Performance Management

Developing KPIs that align to strategic goals and enable operational efficiency and performance improvements that create enterprise value

Transformer

The organization has begun to incorporate automation in processes and technology that improves their ability to achieve objectives consistently

Focus on value driven processes

We focus on value driven processes to enable the enterprise to effectively execute its strategic vision by providing a high performing finance function that integrates operations, finance, accounting, reporting, performance measurement, and risk management.

ACQUIRE TO RETIRE

- Efficiently track and manage assets
- Establish clearly defined CapEx processes & policies

SOURCE TO REPORT

- Develop a quality financial close
- Deliver robust reporting and analytics

PLAN TO ACT

- Sophisticated budgeting, forecasting, and planning capabilities
- Data driven decision making

HIRE TO RETIRE

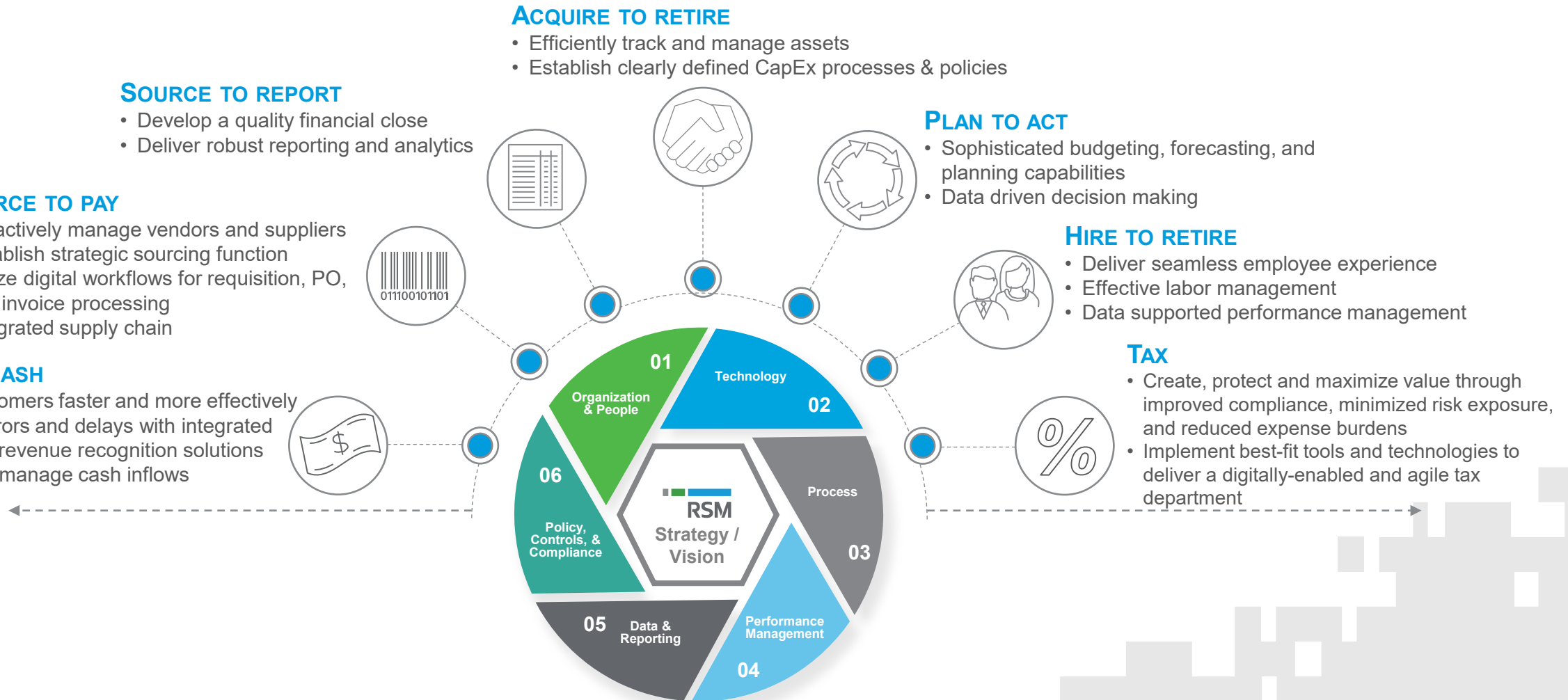
- Deliver seamless employee experience
- Effective labor management
- Data supported performance management

SOURCE TO PAY

- Proactively manage vendors and suppliers
- Establish strategic sourcing function
- Utilize digital workflows for requisition, PO, and invoice processing
- Integrated supply chain

LEAD TO CASH

- Serve customers faster and more effectively
- Reduce errors and delays with integrated billing and revenue recognition solutions
- Effectively manage cash inflows



Source to Report (S2R) automation

Sub-Processes



Transaction Processing



Intercompany



Flux Analysis



Asset / Inventory Management



Close Management



Consolidation



Cash Management



Account Reconciliations



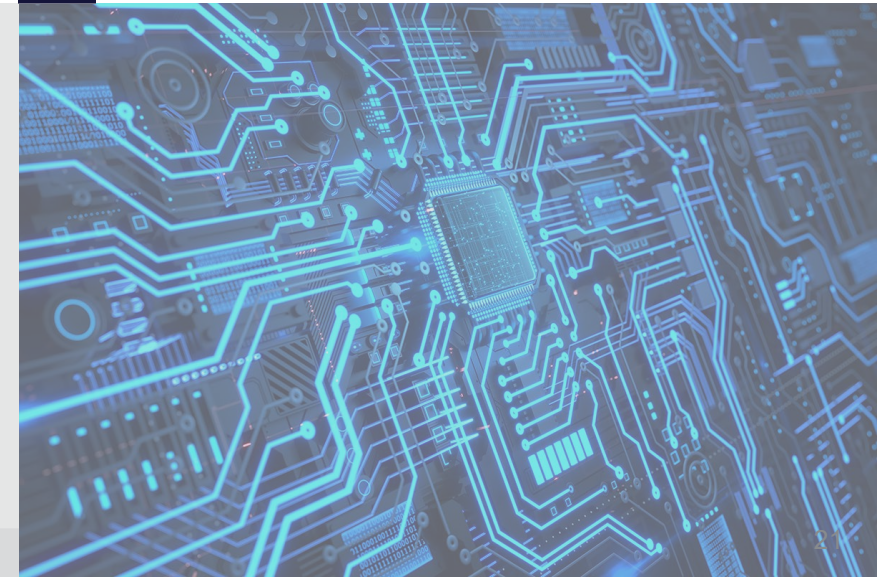
Reporting

Common Solutions



Automation Opportunities

- ✓ Journal entry posting
- ✓ Real-time dashboards
- ✓ Data integration
- ✓ Integrated reporting
- ✓ Reconciliation support
- ✓ Close checklist
- ✓ Transaction matching
- ✓ Approval workflows



Audience Insights

Does your organization own technology that enables, digitizes, and automates the S2R process?

(select all that apply)

- a) We rely on ERP functionality to automate the S2R process.
- b) Currently leverage an S2R solution that is fully optimized.
- c) Currently leverage an S2R solution but it could use some optimization.
- d) No current S2R solution but interested in exploring.
- e) No current S2R solution and not currently exploring.

Source to Pay (S2P) automation

Sub-Processes



Strategic Sourcing



Category Spend Management



Supplier Management



Contract Management



Purchasing



Receiving & Invoice Processing



Payment Processing



Supplier Performance Management



T&E / Reimburse

Common Solutions



Automation Opportunities

- ✓ Remote approvals
- ✓ Vendor onboarding
- ✓ Customizable dashboards
- ✓ Invoice capture and matching
- ✓ Expense reporting
- ✓ Contract creation
- ✓ Payment approval
- ✓ Data integration



Audience Insights

Does your organization own technology that enables, digitizes, and automates the S2P process?

(select all that apply)

- a) We rely on ERP functionality to automate the S2P process.
- b) Currently leverage an S2P solution that is fully optimized.
- c) Currently leverage an S2P solution but it could use some optimization.
- d) No current S2P solution but interested in exploring.
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Lead to Cash (L2C) automation

Sub-Processes



Sales & Marketing Strategy



Lead Management



Quotes & Proposals



Contract Management



Credit Management



Order Management



Revenue Recognition



Accounts Receivable



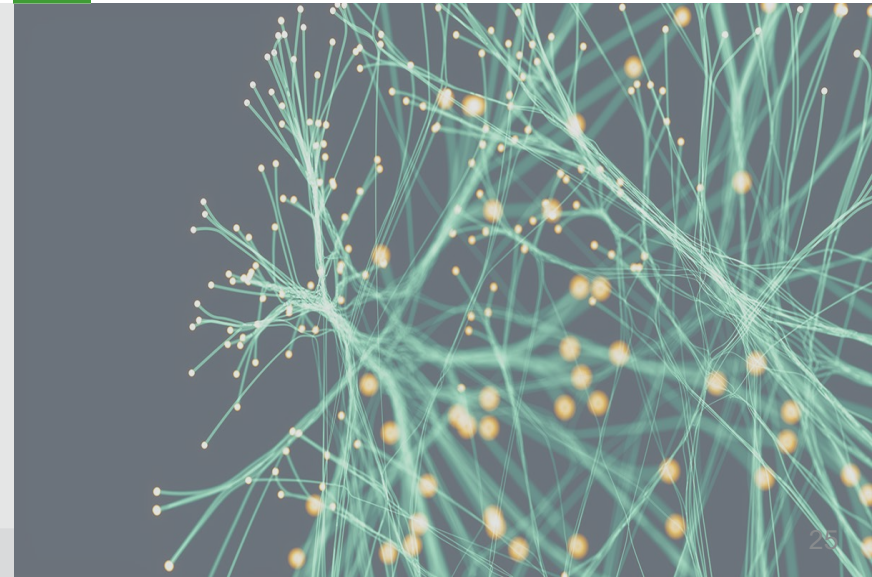
Customer Service Operations

Common Solutions



Automation Opportunities

- ✓ Cash application
- ✓ Lead scoring
- ✓ Collections
- ✓ Revenue recognition
- ✓ Contract approval
- ✓ Online payment integration
- ✓ Invoicing
- ✓ Ticketing system



Audience Insights

Does your organization own technology that enables, digitizes, and automates the L2C process?

(select all that apply)

- a) We rely on ERP functionality to automate the L2C process.
- b) Currently leverage an L2C solution that is fully optimized.
- c) Currently leverage an L2C solution but it could use some optimization.
- d) No current L2C solution but interested in exploring.
- e) No current L2C solution and not currently exploring.

Plan to Act (P2A) automation

Sub-Processes



Strategy & Vision



Revenue Planning



Capacity Planning



Operational Planning



Workforce Planning



Annual Plan / Budget



Monthly / Quarterly Forecast



Scenario & Trend Analysis



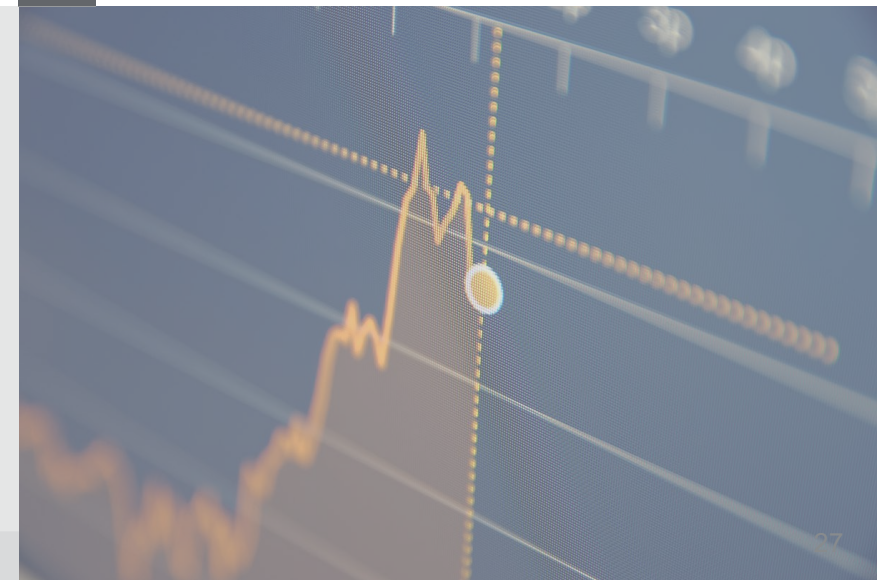
Performance Monitoring

Common Solutions



Automation Opportunities

- ✓ Strategic planning tools
- ✓ Status reporting
- ✓ Approval workflows
- ✓ Budgeting & Forecasting
- ✓ Expense tracking
- ✓ Risk assessments
- ✓ KPIs
- ✓ Compliance monitoring



Audience Insights

Does your organization own technology that enables, digitizes, and automates the P2A process?

(select all that apply)

- a) We rely on ERP functionality to automate the P2A process.
- b) Currently leverage an P2A solution that is fully optimized.
- c) Currently leverage an P2A solution but it could use some optimization.
- d) No current P2A solution but interested in exploring.
- e) No current P2A solution and not currently exploring.



RSM Client Case Studies

Industrials client success story



Background

A PE-backed global leader in water quality products was seeking to implement BlackLine to achieve global consistency and improved controls for their financial close. RSM was engaged to lead the rollout of functionality across 40+ countries and spanning 90+ ERPs, providing project oversight, best practice guidance, and ensuring consistently applied functionality.



Technology Solutions

boomi

BLACKLINE

kyriba



Scope & Timeline

- Timeline: 24 months 1,500+ Tasks +75,000 Accounts
- System design and standardization for global enterprise, ensuring consistently applied inherent and system controls
- Global implementation of Account Reconciliation, Task Management, Variance, Matching and Consolidation Integrity Manager functionality across 40+ countries
- Implementation of Teams functionality to better leverage resources and reduce system maintenance
- Parallel ledgers for IFRS- and GAAP-based reconciliation



Results Planned

- Organization and Team Structures to be aligned with functional organizations and roles
- Consistently applied accounting procedures to ensure globally compliant results
- Improve systemic documentation for retention, training and audit purposes
- Leverage BlackLine automation to drive efficiency and accuracy



Lessons Learned

- Global implementations have different considerations that should be evaluated, including language barriers, timeline, internal initiative alignment and resource availability
- Automation opportunities should be evaluated throughout the project lifecycle to ensure process improvements and standardization are achieved



Results Achieved

30%+ Global Reconciliations Auto Certified

200+ Banks Integrated

75% Reduction in Number of Individual Recons Performed

100% of Reconciliations Completed in BlackLine

50+ Teams Defined

Property manager case study



Background

One of the largest third-party property management companies in the country embarked on an account reconciliation process transformation journey with RSM to modernize their decades old manual process and drive efficiencies in the back office. Their challenges included a manually intensive process, minimally leveraged technologies, and prolonged integration activities.



Technology Solutions



Scope

- › Assess current state processes within the Finance & Accounting functions to identify key pain points and inefficiencies and consolidated recommendations into a future state roadmap
- › Identify and implement BlackLine Automated Recs and Matching throughout the Finance & Accounting functions to improve and optimize the close process and reduce manual efforts



Results Planned

- › Improve the reconciliation process across all teams
- › Further leverage existing BlackLine functionality
- › Educate on quality reconciliation practices, establishing a consistent baseline of knowledge
- › Develop a standard evaluation methodology & metrics to ensure quality reconciliations
- › Identify SMEs to support & enforce reconciliation policies & consistent use of BlackLine



Lessons Learned

- › A cross-functional reconciliation optimization team should be developed to encourage continual improvement and leveraging/optimizing use of technology.
- › A baseline of accounting knowledge is required to participate in the reconciliation process.



Results Achieved

65% Reduction in Manual Account Reconciliations

7,000+ Manual Journals Eliminated or Automated

95% Automated Bank to GL Matches

Leveraged RPA Technology to Further Automation

50% Recs Auto-Certified

Healthcare client case study



Background

A nationwide at home personal care & nursing provider sought assistance to evaluate the current state of the organization's finance processes & systems to support the enterprise in streamlining and standardizing to achieve consistent and predictable performance.



Technology Solutions



Scope

- › Collaborative discovery sessions for each in-scope process to identify opportunities for improved efficiency and scalability
- › Assessment of the current state system architecture and capture of optimization, integration, or implementation opportunities for Client
- › Documenting discrepancies across Client entities
- › Production of a rationalized & unified Chart of Accounts



Results Planned

- › Capture of current state processes and identification of associated gaps
- › Prioritization of detailed recommendations tailored to address identified key pain points
- › Facilitation of future state design to prepare for scalability / growth (acquisitive)
- › Development of a transformation roadmap



Lessons Learned

- › Cross team alignment and collaboration from project inception was critical for one firm delivery
- › Effective and expedient client review significantly benefited the end deliverables and overall project
- › Assessment findings resulted in signing of a Phase 2 SOW across 6 workstreams



Results Achieved

5 Finance Functions Supported

3 Months of Dedicated Evaluation

35 Transformation Initiatives Identified

47 Future State Process Flows Created

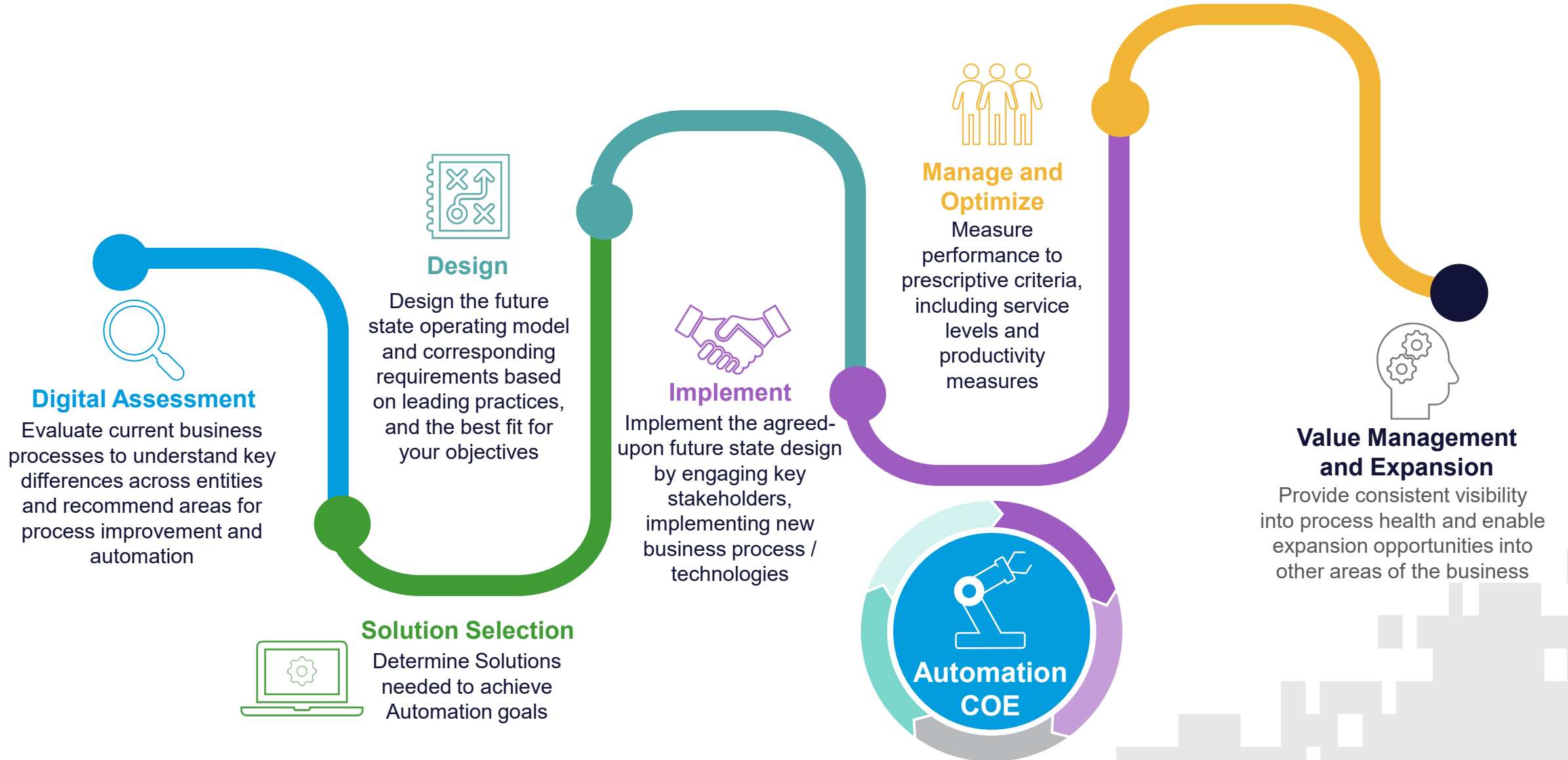
120 Pain Points Identified

How To Get Started

Triggers for finance automation



Where to start



Ana's Pro Tips

01

Process and Product Champions

Identify individuals to own not only the initial phase of change but continue to keep up with product enhancements and optimize processes.

02

Choose Market Leading Technology with Room to Grow – and Go!

Take the leap of faith based on the well travelled path of other organizations and choose enabling technology assuming significant growth. Avoid analysis paralysis.

03

Fully Optimize Technology You Own

Maximize investments you have already made and work with product champions to fully leverage or incremental investments in existing enabling technology

Jonas' Pro Tips

01

Automation Roadmap

Automation does not happen overnight. Develop a prioritized roadmap to help secure budget and drive accountability.

02

Integrated Ecosystem

Work with IT to establish a thoughtful system architecture, integration, and master data management strategy.

03

Automation Center of Excellence

Develop a team of champions focused on learning, driving and expanding automation initiatives either enterprise-wide or within a specific solution.

Questions and answers



Ana Minter

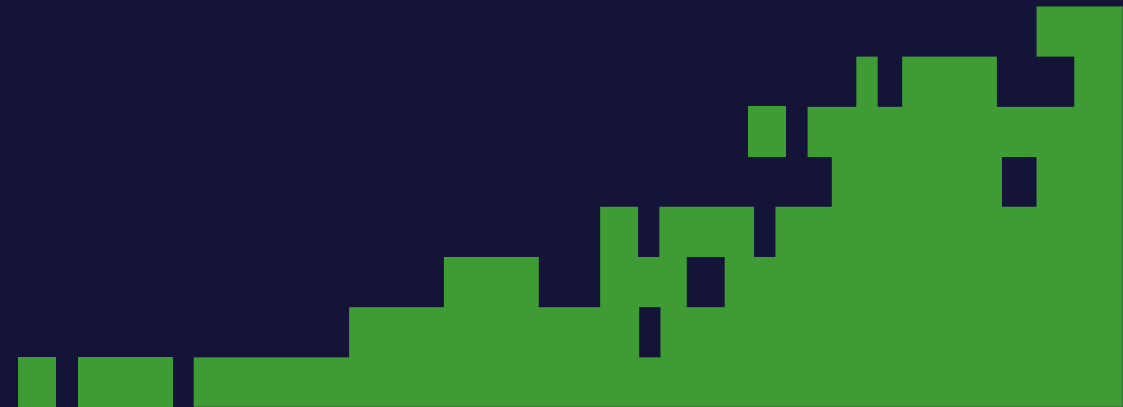
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Thank you





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