

How Technology helps with the reporting burden

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KPMG International, in conjunction with Forbes Insights, surveyed 549 executives across six continents to better understand CEOs' changing views and expectations of their CFOs and finance function. All of the firms surveyed reported annual revenues of \$500M+ and all of the executives had responsibility for overseeing the finance function.

KPMG partnered with CCH®Tagetik on a webinar to provide you the results of the survey below:

RESULTS

CEOs said that the CFO will become more important in the next 3 years:

Global Reach



CEOs worldwide list global experience as the most important attribute a CFO can possess

Big Data



CEOs see it as an opportunity to derive competitive advantage. The Regulatory environment will have the most influence on the future role of the CFO

Tech Savvy



CEOs say technology will have the greatest effect on the future role of the CFO, yet less than half think they're good at leveraging new tech

Data Analyst



CEOs say applying financial data to achieve profitable growth is the greatest strategic value a CFO can bring to an organization

People Skills



CEOs say attracting and retaining top finance talent is the most important contributing factor to improve the finance function

CFO'S TAKING THE LEAD

Despite the challenges, there is great opportunity for the CFO:

Where do you see the CFO's greatest opportunity to contribute to or impact the value of the organization?

- Apply financial data to achieve profitable growth
- Take initiative to apply financial data analytics to explore new products, markets and channels
- Strengthening the alignment between financial planning and corporate strategy

ENTERPRISE PERFORMANCE MANAGEMENT (EPM)

---> MORE THAN FINANCE

Using EPM can help strengthen the alignment between financial planning and corporate strategy:

- EPM is a continuous process, not an event nor just a tool
- EPM helps to deliver the capabilities required to address the challenges facing CFOs
- EPM is an organizational discipline and capability to dynamically drive performance improvement of a business and the delivery of its strategy
- EPM is not simply a finance activity nor just a technology initiative
- Business-led, technology-enabled

VALUE DELIVERED BY EPM AND INTEGRATED PLANNING

A strategic mindset is needed to truly realize sustainable value:

FINANCE OPTIMIZATION

- Enables Finance to become a more dynamic Business Partner across the Enterprise
- Improves speed, relevance and access of performance reporting and analysis (insight)
- Improves Integrated Business & Financial Planning alignment and value with common KPIs, metrics, driver based analysis, and predictive capabilities

FORWARD LOOKING MINDSET

- Provides capability to anticipate and predict to impact business outcomes
- Enables scenario (what if) analysis based on key drivers, events and relationships
- Integrates with Sales & Operational Planning including demand forecasting

MANAGEMENT ENABLEMENT

- Addresses Management's questions that can't be answered today
- Integrates data and information to address key questions
- Improves speed and access (mobility) to information
- Provides improved visualization, exception analysis, and analytic capabilities

KPMG'S EPM FRAMEWORK

Drive collaboration and insights to make the right decisions and take action:

1) Articulate the strategy

- Analysis and insights as inputs into business strategy development
- A global set of connected, common and cascading performance measures
- Clearly defined linkage among strategy, plan, forecast, and actuals across functions

2) Plan the business

- Integrated business planning linking overall business strategy, sales, operations, finance, and resources
- Forward-looking forecasts beyond the current fiscal year
- Driver-based planning with correlation and cause-effect analysis

3) Report the business

- Dynamic cross-functional reporting connecting financial results to operational drivers
- Delivered via smart and mobile devices
- Graphical and interactive with self-service capability

4) Assess the results

- Analytics (descriptive and predictive) and root cause analysis beyond standard financial data, including marketing, sales, procurement, and other functional areas
- Use of data scientists to identify new analysis techniques, mine data, and report insights

5) Report the business

- Sophisticated scenario analysis utilized to identify actions and plans to address gaps between the plan versus actual that optimize enterprise performance
- Corrective action modelling and adjusting strategies, plans, forecasts, and actions

TRENDS

Adopt new metrics and tools to drive growth and enable continuous monitoring of business performance with real-time visibility:



Cloud Technology

Leverage integrated cloud-based technology and deliver on the promise of mobile simplicity



User Experience

Improve the customer experience throughout the relationship life cycle



Collaboration

Increase real-time collaboration and partnering across all business domains to improve planning



Data & Analytics

Deploy agile finance systems that embed advanced analytics to provide real-time insights



Changing Workforce

Define a strategic workforce planning model and rethink the employee value proposition

TECHNOLOGY REQUIREMENTS

Through the use of technology you can change behaviours:

In traditional reporting solutions, the value of performance management information is currently impaired by data limitations or slow consolidation and reporting processes. Modern EPM solutions offer:

Visual Analytics Solutions - Visual analytics solutions such as Tableau, QlikView, etc. can extract data in real-time from multiple systems and publish it straight to a visual dashboard for analysis and review to multiple users through multiple channels

Best in class BI and Business Intelligence solutions - Modern data visualisation technologies help unlock value from the data, faster while also reducing the cost of its production and maintenance

Reporting and analytics value chain - Performance reporting and analysis requires a clear understanding of the business questions and decisions needed to drive business performance

Performance reporting and analysis - Performance reporting and analysis should encompass business functions, information needs and analysis methods to allow for a holistic view of organizational performance

BENEFITS OF TECHNOLOGY:

- ✓ Better business decisions
- ✓ Faster executive analysis and quarterly reporting cadence
- ✓ Identifying actions instead of reactions
- ✓ Clarity in communication of financial and operational reporting
- ✓ Insight to previously unavailable comparative reporting
- ✓ Better capability to analyze results, options and actions
- ✓ Capability to analyze cross-functional cause-effect outcomes
- ✓ Create confidence in reporting

Watch this thought-provoking and informative webinar featuring KPMG's Morris Treadway

www.tagetik.com/resources/videos/video-collection?vid=how-technology-helps-finance



Discover more about CCH®Tagetik Collaborative Office

www.tagetik.com/software/management-reporting

