



Why Cloud ERP Capability is Essential for Today's Finance Teams

Introduction

What's inside?

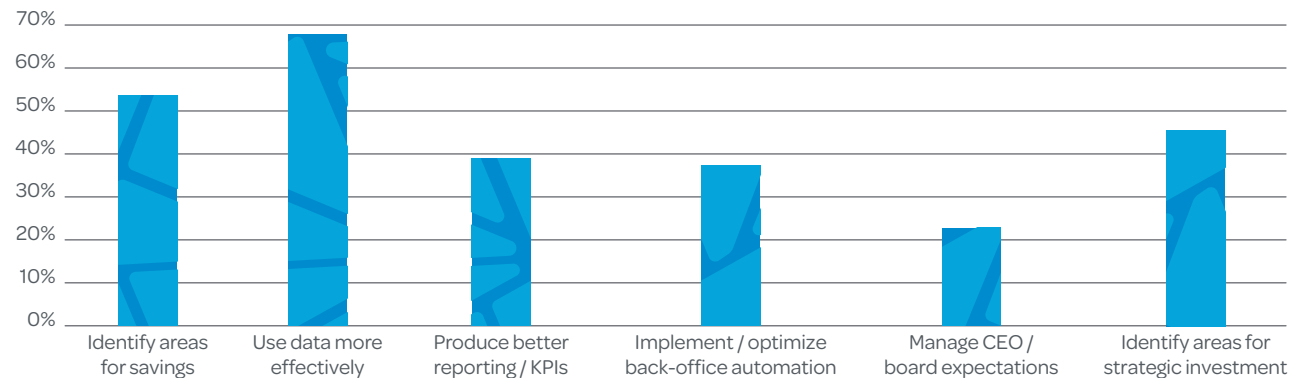
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Most small to mid-size companies start out using basic accounting software. The simplicity of QuickBooks and the like is appealing. These applications will work for a while, but the gaps will become obvious as your finance and accounting needs become more sophisticated.

Heavy reliance on spreadsheets is often the first clue. An **FSN survey** found that 58% of SMEs are spreadsheet bound and can't provide timely support to other areas of the business. That alone can significantly reduce the productivity of your finance team. Not to mention the impact on your ability to make fast, confident decisions.

If we look at the top priorities for finance teams, technology is at the heart of it all. Without the right accounting software, your ability to effectively manage the company's finances will be limited. But even good accounting software can leave you disconnected from the rest of the organization, limiting your visibility and financial control. That's where cloud ERP (Enterprise Resource Planning) solutions give finance teams (and their organizations) an advantage.

Top Priorities for Finance Teams



Source: Brainyard Fall 2020 CFO Insights Survey

Anywhere Access for Tighter Financial Control

Blockchain, AI, machine learning and IoT might be hot topics, but they aren't necessarily top of mind for CFOs. Especially in small to mid-size companies, they're focused on practical technology like financial software and mobile capabilities. Technology adoption is a journey, and for companies coming off spreadsheets and disconnected systems, implementing ERP software yields big results – without overwhelming them.

Expanding the view beyond just accounting software to encompass the entire organization gives finance professionals better insight in spending, sales forecasts and cash flow. Instead of managing each department – and the data that impacts finance – in a separate system, it's all stored in a single database, offering the real-time visibility needed to proactively manage financial performance.

Cloud-based ERP software is becoming the go-to for many companies, especially as we move to remote work as the norm. In fact, **Gartner** predicts that over 45% of IT spending will shift to cloud-based technologies by the end of this year. In many cases, that will include finance and accounting software.

When you can easily access financial systems via an internet connection, your employees aren't tied to the office to perform key processes anymore. And you can monitor important **financial metrics** from anywhere – you're not reliant on spreadsheets or paper reporting. You have real-time dashboards to help you stay on track, no matter where you are.



In Short...

- ▶ Implementing cloud ERP software enables business leaders to achieve their top priorities – finding ways to save, using data more effectively, producing better reports and automating processes.
- ▶ Cloud ERP provides ready-to-go dashboards for you to check key financial (and business) metrics anytime, anywhere, on any device. No time delay and no manual calculations required.
- ▶ Eighty-five percent of companies that partially or fully **automate close processes** can close their quarterly books in six business days or less.
- ▶ The automation and reporting tools built into cloud ERP systems give finance teams added flexibility to monitor and maintain stable cash flow, whether they're in the office or working from home.

Use Automation to be More Efficient

According to a **Brainyard survey**, 38% of CFOs plan to use automated invoicing as a technique to improve cash flow.

While automation is frequently used by larger organizations, for many small and mid-size enterprises (SMEs), it's still new. But it has big potential to tighten up financial controls and make it easier for accounting professionals to do their jobs.

Consider your regular accounting tasks – invoicing, payment collection, payables, etc. How much time do you currently spend on each of these tasks? It probably adds up quickly. And that time comes at a cost.

Introducing automation into everyday accounting processes, you could **save up to \$16 per invoice** on the Accounts Payable side. Looking at Accounts Receivable, automated invoicing can **save up to 85%** compared to manual invoicing processes.

And that's just the hard numbers.

When you move to cloud ERP software, error rates drop because you have fewer manual inputs. Transactions are entered once, instead of being re-entered in two or three systems. And when errors do occur, it's far easier to track down mistakes. You can trace the document trail to see all transactions that were impacted and see which user entered the transaction. This allows you to do refresher training as required, to prevent future mistakes and keep data entry errors to a minimum.

Keep Your Eye on the Ball with Real-time Reporting

Cloud ERP provides simple dashboards to check key financial metrics anytime, anywhere, on any device.

No time delay and no manual calculations.

If you're struggling to produce accurate, timely reports, you're not alone. Better reporting is a top priority for **57% of finance departments**.

The real-time insight that comes from cloud ERP software enables finance teams to manage their money more strategically. In addition to deep reporting, personalized dashboards give users real-time visibility into the most important KPIs for their role. They can easily identify areas that need attention and act accordingly – instead of waiting until it's too late.

According to **Anthony Viel, CEO at Deloitte Canada**, it's more important than ever for accountants to move beyond financial reports that summarize past transactions and use real-time technology to determine the steps forward.

This is much easier to do with cloud ERP compared to running stand-alone accounting software because you're not just looking at the financial piece. You can see how activities in other areas of the business impact financials.

For example, you can run cash flow projections based on order status and inventory. Or evaluate A/R aging combined with your order pipeline to understand the impact on cash flow. With access to data from across the business, finance teams can monitor financial performance in real-time and make quick, informed decisions about the best path forward.

Close the Books Faster & With Greater Accuracy

SMEs could transition to continuous close in as few as six months.

Even if you try it and don't fully get to a continuous close, you'll still see improvements in financial accuracy and efficiency.

Closing the books is a resource-intensive job that, for many companies, can take days or even weeks – manually recording and totaling journal entries, producing trial balance, reconciling bank statements and recognizing revenue. By the time the process is complete, the data is old news, giving business leaders a snapshot of the past, rather than a window into the future. Not to mention it takes your accounting team away from other high value tasks.

Cloud ERP provides tools and automation that move you toward a continuous close, where your finance team is constantly processing relevant financial information. For example, revenue recognition functionality automates scheduling, calculation and presentation of revenue on financial statements – increasing accuracy and speeding up the monthly close process.

While close processes have rarely been done outside the office, the mass shift to work from home in 2020 has pushed companies to adopt new processes and technologies that support remote close. Those that were already using cloud ERP had an advantage – they weren't relying on spreadsheets, on-premise systems and manual processes.

Manage Cash Flow More Effectively

Stable cash flow ranks in the **top three concerns** among business leaders.

Cash flow is always top of mind for finance professionals. But in early 2020, it jumped to the top of the priority list. And while CFOs are feeling a bit more comfortable now, maintaining stable cash flow is still a key focus throughout 2021.

That means keeping a close eye on expenses, past due invoices and operating cash flow. Having a bird's eye view of your financial and operational performance makes it easier to spot the opportunities to save.

Other tactics we've discussed, like improving efficiency in Accounts Payable and Accounts Receivable processes, also contribute to better cash flow. For example, data shows that companies running NetSuite ERP have been able to reduce days sales outstanding by 10% to 20%.

As you can see, each area is connected to the others – and cloud ERP is at the core of it all. It not only gives you visibility into cash flow and other financial metrics, but also helps you pinpoint the right levers to pull to improve performance.

Simplify Budgeting & Forecasting Processes

“Finance leaders today have to really shift their mindset to being much more than just reporting out the numbers.”

– *Gina Mastantuono*
CFO of software firm
ServiceNow

Most SMEs still rely on spreadsheets for budgeting and forecasting. And while they might be easy to use, they're not built to easily consolidate data from across the company, roll up departmental plans or test financial models.

Your chances of dealing with inaccurate data are much higher, as people accidentally delete rows, break formulas, transpose numbers – the list goes on. Not to mention version control is a nightmare and it's near impossible to run what-if analysis using multiple dimensions.

With data from all areas of the business in your cloud ERP system, you can eliminate the consolidation step altogether – the data you need is already available to you. As transactions are processed in your system, reports, dashboards and models are updated automatically, giving you a real-time view of forecasts. And with data accessible to your entire management team, you can get meaningful (and timely) input from department heads to help you get to the most accurate budget.

Helping People & Technology Work Better Together

Ready to
transform financial
management?

We can help.

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get started.

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For finance teams to play a key role in transforming the business, they need robust systems that give them a complete view of the business – not just the dollars and cents.

Cloud ERP software provides that visibility and empowers finance teams to better manage the company's finances. It's a technology investment that delivers returns across the organization, leading to increased profit and lower operational costs – a win for everyone.


Our Solutions...

As a leading Canadian ERP partner, we help small and mid-size businesses successfully transition to cloud ERP.

We're partnered with the leading cloud ERP software providers for growing companies. Our goal is to help you select the right ERP software for your business and successfully implement your new system so you can achieve your business (and financial) objectives.

ORACLE
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One



We sell, implement and support best-in-class ERP software for small and mid-size businesses. We believe putting people first is the best way to make technology work for them. It's a conviction that sets us apart.

The shift to a new ERP system can be daunting and disruptive. But it doesn't have to be. We ease the inevitable uncertainty that comes with an ERP project, helping you transition with the highest level of empathy, consideration and fit.

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