The CFO's Roadmap to Generating Operating Profit with Technology

Ryan Nelson

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Moderator

Steve Shannon

Director

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Featured Presenter

Ryan Nelson
Co-founder & COO

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Learning Objectives

Upon completing this webinar, you will be able to:

1. Identify the common pitfalls of your AP department and where your opportunity lies.

2. Evaluate your 'as-is' process and create 'to-be' forecasts.

3. Recognize how technology can accelerate the AP process while driving rapid ROI.

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Ninety-two percent of survey respondents*, largely C-level executives, shared they plan to increase the pace of investment in big data and artificial intelligence this year, yet only 28 percent expressed having a data culture in place.

*New vantage partners, Big Data and AI Executive Survey 2019

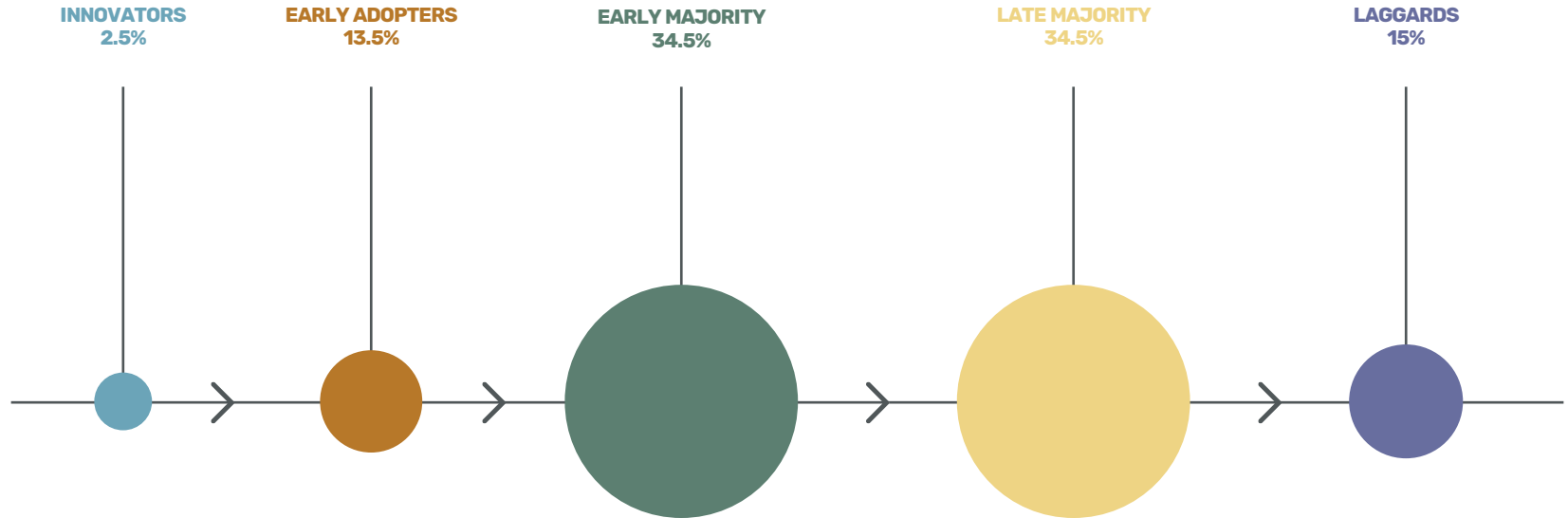# Why CFOs need a bigger role in business transformation

- Establishing a clear financial baseline
- Clarifying which initiatives create value
- Leading by example

Although some transformation include radical changes, most create significant improvements on the margins of existing operations.

Are CFOs ready for tomorrow's demands on finance?

The diffusion of innovation

INNOVATORS
2.5%

EARLY ADOPTERS
13.5%

EARLY MAJORITY
34.5%

LATE MAJORITY
34.5%

LAGGARDS
15%

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Polling Question 1

Where do you *want* your organization to be on the diffusion of innovation curve?

a) Innovator
b) Early adopter
c) Early majority
d) Late majority
e) Laggard

Polling Question 1 Results (Placeholder)

Steward:
Ensuring business integrity, financial health, and control

The stewardship and partnership roles should have a dynamic, complementary relationship.

Business Partner:
Driving profitable growth

Proportion of finance departments that are receiving growing requests for insight and analytics in key areas.

Market Data
(price and trade related-data)
74% | 52%

Social Media Data
(sentiment analysis)
74% | 51%

Marketing and CRM Data
(including web traffic)
74% | 47%

Financial Data
72% | 54%

Risk and Compliance Data
72% | 49%

Operational Data
69% | 45%

Macroeconomic Data
66% | 42%

● *High growth firms* ● *Rest of sample*

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For newer activities and trends, such as digitization, few CFOs say their companies are prepared to be competitive

% of CFOs, n=193

How well companies' current capabilities meet what they will need to be competitive over the next 5 years

Legend: ■ Very well ■ Well ■ Somewhat ■ Slightly ■ Not at all ■ Don't know

Category	Very well	Well	Somewhat	Slightly	Not at all	Don't know
Digitization of business activities	12	18	41	24	4	1
Managing activist shareholders	6	23	28	15	10	18
Cybersecurity	5	24	48	18	4	1
Big data	7	11	39	26	16	1

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Polling Question 2

Where are you in the journey to AP automation?

a) We are actively researching
b) We are evaluating solutions
c) Our AP processes are fully automated
d) We are not interested in automation

Polling Question 2 Results (Placeholder)

Value Prop

1. Governance
2. Strategic
3. ROI

Save Money & Time
+
Avoid Costs
+
Make Money

ROI

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Accelerate invoice processing

- Centralize invoice documents and invoice data on one platform

- Eliminate manual work

- Optimize and customize approval workflows and exception handling

- Eliminate discrepancy resolution and extra approvals

Polling Question 3

How many invoices do you process monthly?

a) Less than 1,000

b) 1,000 – 5,999

c) 6,000 – 11,999

d) 12,000 - 49,999

e) 50,000 - 99,999

f) 100,000 or more

Polling Question 3 Results (Placeholder)

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Improve cash management / strengthen working capital

- Avoid late payments

- Capture cash back rebates

- Negotiate volume or early payment discounts

- Optimize payment timing

- Contribute to higher profit margins through lower operations costs

Better leverage reporting and analytics

Analyze your AP department performance:

- Late fees
- Early payment opportunities
- Cost per FTE
- Invoice processing time

Mitigate organizational risks

- Avoid fraud

- Ensure compliance with invoice approval policies

- Enforce separation of duties rules

- Assure chain of custody

- Make audit information readily available

- Apply controls for PCI, HIPAA, and other rules and regulations

Digitize information and organize vendor data

- Simplify supplier onboarding

- Improve the vendor selection process

- Speed up the payment process

- Improve vendor relationships

- Increase your negotiation power

Break down data silos

- Centralize the organization's data on one platform

- Prioritize the bottlenecks and pain points across the org, use analytics to drive decisions for process change

- Create a strategic impact across the org by delivering more accurate forecasts and more sophisticated insights

- Build a team that will support a data driven culture

Polling Question 4

Is data an official function or responsibility at your organization?

a) Yes, it's officially under the CFO

b) Yes, it's officially under a C-level other than the CFO

c) Kinda, it probably fits okay under the CTO or CIO or COO I assume

d) Not really but each department has some ownership & expectations

e) No, we haven't thought of or organized data as a function with ownership

Polling Question 4 Results (Placeholder)

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Questions & Answers

Use the **Q & A Panel** *to send your questions to our panelists.*

Ryan Nelson
Co-founder & COO
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Steve Shannon
Director of Partnership Marketing
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Thank You to Our Featured Presenter!

Ryan Nelson

Co-founder & COO

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