

Finance transformation

Factors driving an effective finance function

Finance transformation refers to the tactical initiatives that help inform the finance function by assessing and improving its strategy, vision, people, processes and systems to better align with the organisation's overall strategy.

Financial transformation helps organisations to design and implement operating models and process improvements thereby directing management focus to high-priority business areas and an informed approach to decision-making. Being proactive with transformation within the finance function allows organizations to be better prepared for tomorrow's challenges, moving towards a tomorrow that adds value and saves money and time. Improved effectiveness and efficiency of financial operations result in reduced costs and ultimately increased profitability.



Benefits of finance transformation

It is not about 'when' you get there but rather 'how' as finance transformation is a journey and not a destination. Strategic ambitions that feature transformation are critical to drive change. Financial transformation gives organizations the opportunity to realign the finance function with the overall strategy of the business.



Reduced operational costs by mapping and optimising processes.



Improve quality and timeliness of output from Finance function, and free up time of senior members to focus on analytics and insights.



Enhance commercial and operational decision-making speed and ensure better alignment between those involved in strategic decision-making i.e., C-suite reporting.



Better resource allocation and workload management.



Reduced human errors from manual data entry through automation of tasks – saving time, money and stress, outperforming competitors.



Improved quality and timeliness of reporting on financial performance supported by data analytics resulting in better decision making.



Effective working capital management delivering and sustaining cash release from locked up working capital.



Strengthening information security as the finance function handles sensitive data which requires the need to embed data security and privacy into core processes.



For organisations with regional and global ambitions, finance transformation ensures readiness of operations and lay the ground for a sustainable expansion.



Compliance with regulatory requirements is simplified given that regulations can be tricky with constant changes and variations across industries and regions. Globalization, e-invoicing, centralized payments and electronic reporting formats make it much easier to stay compliant.



With integration, simplified payment acceptance forms allow businesses to run transactions directly within existing accounting software.

A three-pronged approach

Our approach involves understanding the organisation's current composition of Finance team, status of documented Finance policies and procedures, system(s) in use and level of automation, listening to the pain points. This is achieved through workshops with key process owners, divisional head(s) and senior management of the organisation.

Subsequent steps involve thorough study and research to recommend improvements:

- Understand the Finance function with focus on People, Process, and Technology.
- Gather pain points, and expectations from users and analyse.
- Post extensive study of agreed processes, we shall recommend the best way forward for addressing the pain points covering People / Process / Technology.

People

Involves assessment of:

- Structure of Finance department in light of departmental goals, service requirements and sound organisational principles.
- Staffing levels vis-a-vis workloads.
- Job analysis and evaluation.

- Potential and competencies of current human capital.
- Skills audit and gap analysis and develop competency matrix for all levels.
- Level of employee engagement.

Process

Involves review and update of Finance policies and procedures through:

- Control walk-through tests and risk assessment of current finance processes i.e., assessment of design adequacy and effectiveness of processes and controls. This includes Application Controls Review (ACR) of system(s) in use focusing on input, processing & output controls.
- Management of third-party risks, if any.
- Benchmarking policies and procedures against best practices in the industry.
- Automation of manual processes and controls, reduction of redundant steps and integration of data sources to finance module/ system.

Technology

- Evaluate existing system(s) used (front and back end), their integration, system interfaces, any issues in data flow and develop gap analysis.
- Assess data management issues, including data integrity, accuracy, completeness, and the impact on business processes.
- Assess system performance issues (such as slow response times leading to portion of finance work happening in parallel with / outside the system) and identify any underlying causes.
- Assess whether users have adopted the system(s) and assess the effectiveness of training programs
- Identify root causes of problems or deviations.
- Ascertain satisfaction levels of stakeholders involved, areas where stakeholder expectations are met and not met.
- Document both positive and negative experiences, lessons learned, and best practices.
- Establish IT architecture and data management.

Addressing pain points across People, Process, and Technology empowers finance teams to operate more strategically and efficiently.

How we can help

Our Business Consulting team offers a transformative journey to organisations looking to gain insights from key stakeholders to achieve sustainable success.

Our full range of business process solutions and advisory services include:

Business Process Solutions

- Back-office outsourcing
- Payroll processing
- Monthly management accounts (including cloud)
- Preparation of financial statements (including cloud)
- Compilation of financial statements
- Accounting software consultation
- Financial statements automation (IFRS and IPSAS)
- Secondment services

Advisory Services

Transactional advisory

- Financial and commercial due diligence
- Vendor due diligence
- Valuations
- Capital Markets
- Buy-side and sell-side mergers and acquisition (M&A) advisory

Recovery and reorganization

- Independent business review
- Insolvency
- Restructuring

Business risk services

- Governance and risk management (including operational resilience)
- Internal audit (co-sourced, outsourced and external quality assurance (EQAR))

Forensic advisory

- Forensic investigations
- Disputes
- Digital forensics
- Accounting integrity and conduct
- Anti-financial crime advisory/corporate compliance
- Corporate intelligence

Business consulting

- Finance transformation
- Operational improvement
- Market assessment and feasibility study
- Strategy consulting

IT advisory services

- IT strategy consulting
- Cybersecurity advisory
- Data protection and privacy
- IT governance, risk and compliance
- IT audit

Key contacts



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