

E-book

# Success Guide for Finance Leaders in Financial Services

How to drive strategy and performance  
with data-driven decision-making

Sage

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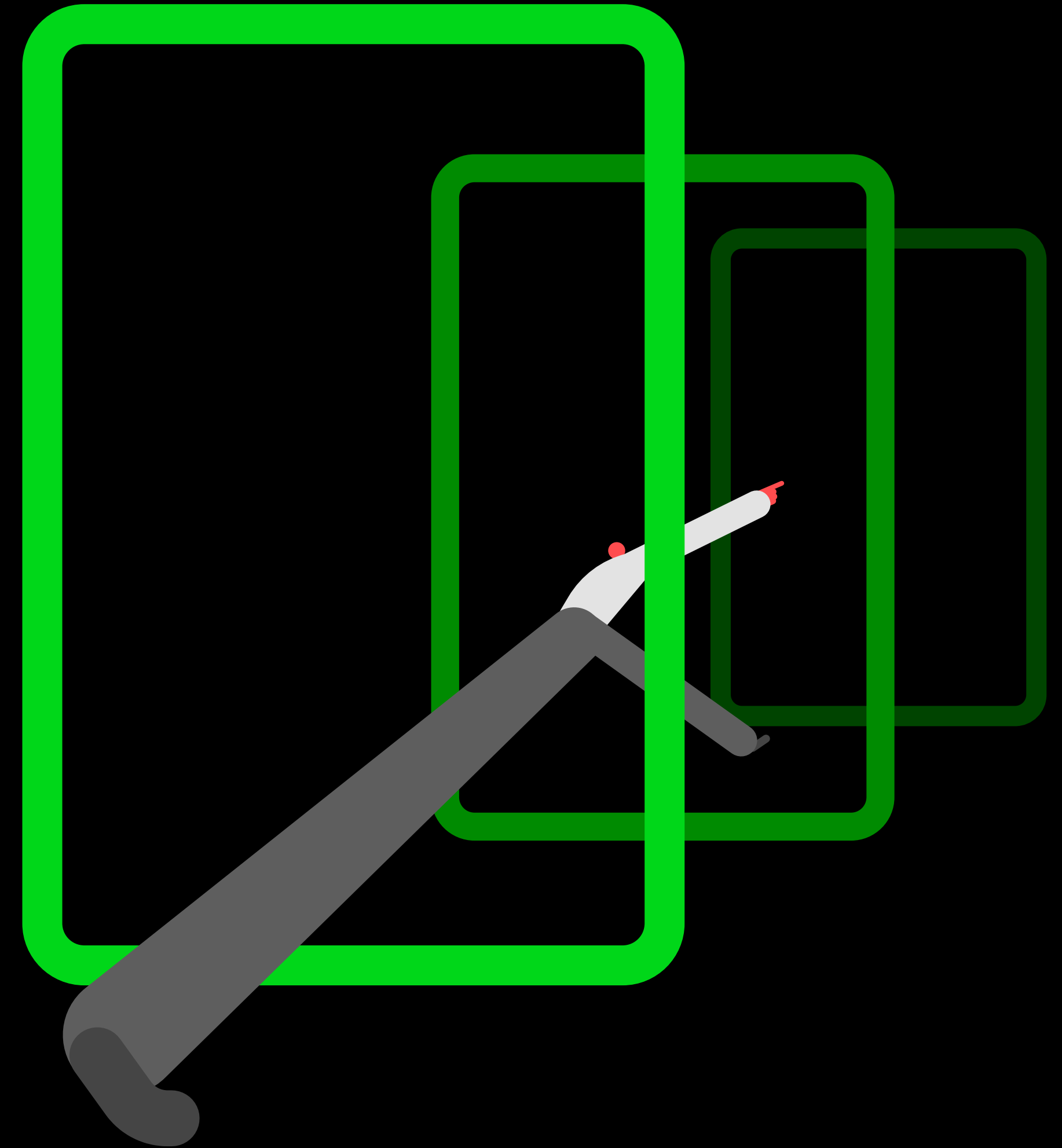
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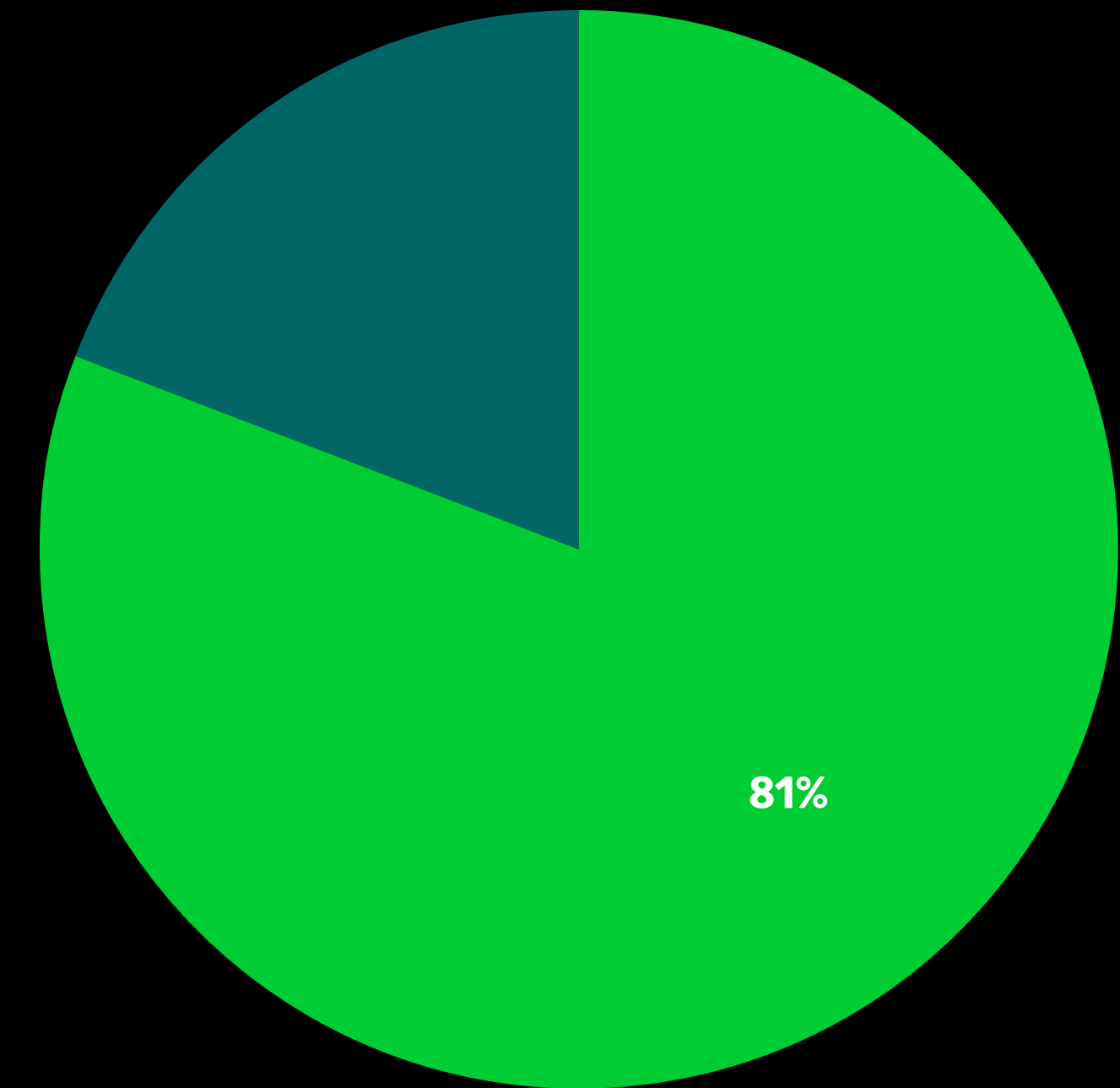
## Introduction

# The evolving role of the financial services finance leader

Time is the most coveted resource for today's finance leaders in financial services.

As a finance leader, you need to find ways to get away from the day-to-day accounting tasks and create time for strategic executive priorities. Recent surveys show that, on average, finance leaders set a goal of spending 50% of their time working on strategy.

Yet, the reality is that they spend their days consumed by routine accounting work and protecting the organization against risks.<sup>1</sup> Lacking time to focus on the big picture, 34% of executives make important decisions either reactively (9%) or after putting it off (25%) until the decision can wait no longer.<sup>2</sup>



81% of CFOs believe they are not keeping up with the pace of change well enough.<sup>3</sup>

1. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

2. PwC and The Economist Intelligence Unit, "Gut & gigabytes: Capitalizing on the art of executive decision making," September 2014.

3. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.



## Introduction

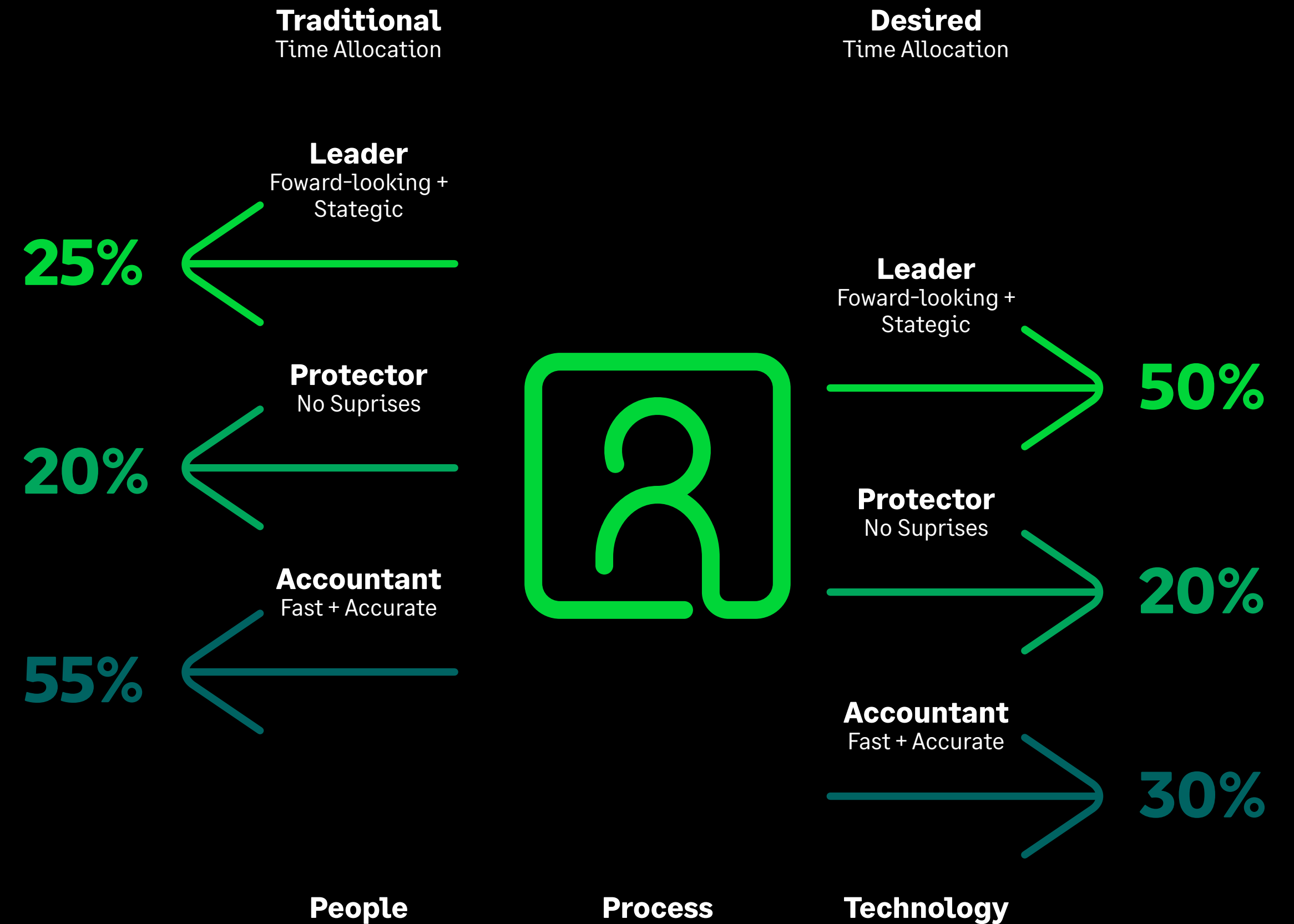
# Finance leaders must be more data-driven

As a finance leader, you need to streamline the “accountant and protector” processes, so you can make more time for forward-thinking strategy.

You need to free up time to synthesize your own intuition and experiences with an understanding of your organization’s data, trends, and history. When surveyed, 77% of senior finance leaders recognize the need for a data-driven finance function to achieve strategic goals.<sup>4</sup> However, 64% also admit their finance function is not proactive enough in using data and analytics to identify, prioritize, and address critical issues.<sup>5</sup>

4. Argyle Executive Forum / Sage Intacct survey, April 2018

5. Argyle Executive Forum / Sage Intacct survey, April 2018



**“Sage Intacct frees me up to be a better partner to the C-Suite. I’m able to get into analysis for strategic planning rather than just**

**managing tactical financial processes because the team can handle those now without me. And that’s removed a tremendous burden for me.”**

*Barbara Harris, CFO, Pathway Lending*

## Introduction

# Where are you on the journey to Financial Leadership 3.0?

### Financial Leadership 1.0

- Financial Historian
- Backward-looking financial statements
- Too many manual accounting tasks
- Limited reporting and financial visibility

### Financial Leadership 2.0

- Business Analyst
- Cloud financial management
- Real-time reporting and dashboards help identify trends and issues for better decision-making

### Financial Leadership 3.0

- Data-Driven Strategist
- Technology Futurist
- Taking advantage of Artificial Intelligence and Big Data
- Predictive analytics guide forecasts and strategic planning

**“Financial Leadership 3.0 is all about predicting the future. 3.0 is telling you about the trends. It’s forward-looking as opposed to in the moment. And literally, in the future,**

**we’re going to be able to tell organizations where they should make their next investment, where they put their next dollar or \$10,000 or millions of dollars and why.”**

*~Rob Reid, Chairman of Mid-Market Solutions, Sage Intacct*

7. Diginomica, “Sage Intacct CEO Rob Reid on the state of Intacct – AI should help the CFO transform,” Jon Reed, October 30, 2018. <https://diginomica.com/sage-intacct-ceo-rob-reid-on-the-state-on-intacct-ai-should-help-the-cfo-transform>

## Best practices

# The top 5 actions of successful finance leaders

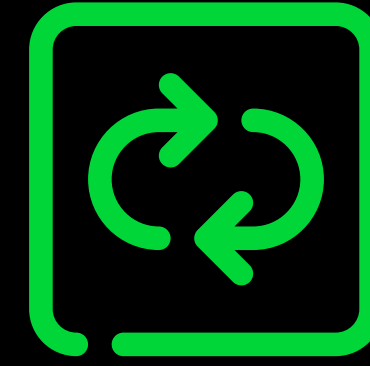
## 1. Become a Data-Driven Strategist

To do this requires the combined strengths of people, processes, and technology.



### People

Your finance team needs curious, creative, analytical people who will monitor data, identify trends, and hypothesize how to achieve success for the organization.



### Processes

Today, only 33% of management accountants believe their organizations have strategies to use leading-edge analytic techniques and technologies effectively.<sup>8</sup>



### Technology

You need 3 technological capabilities to become data-driven:

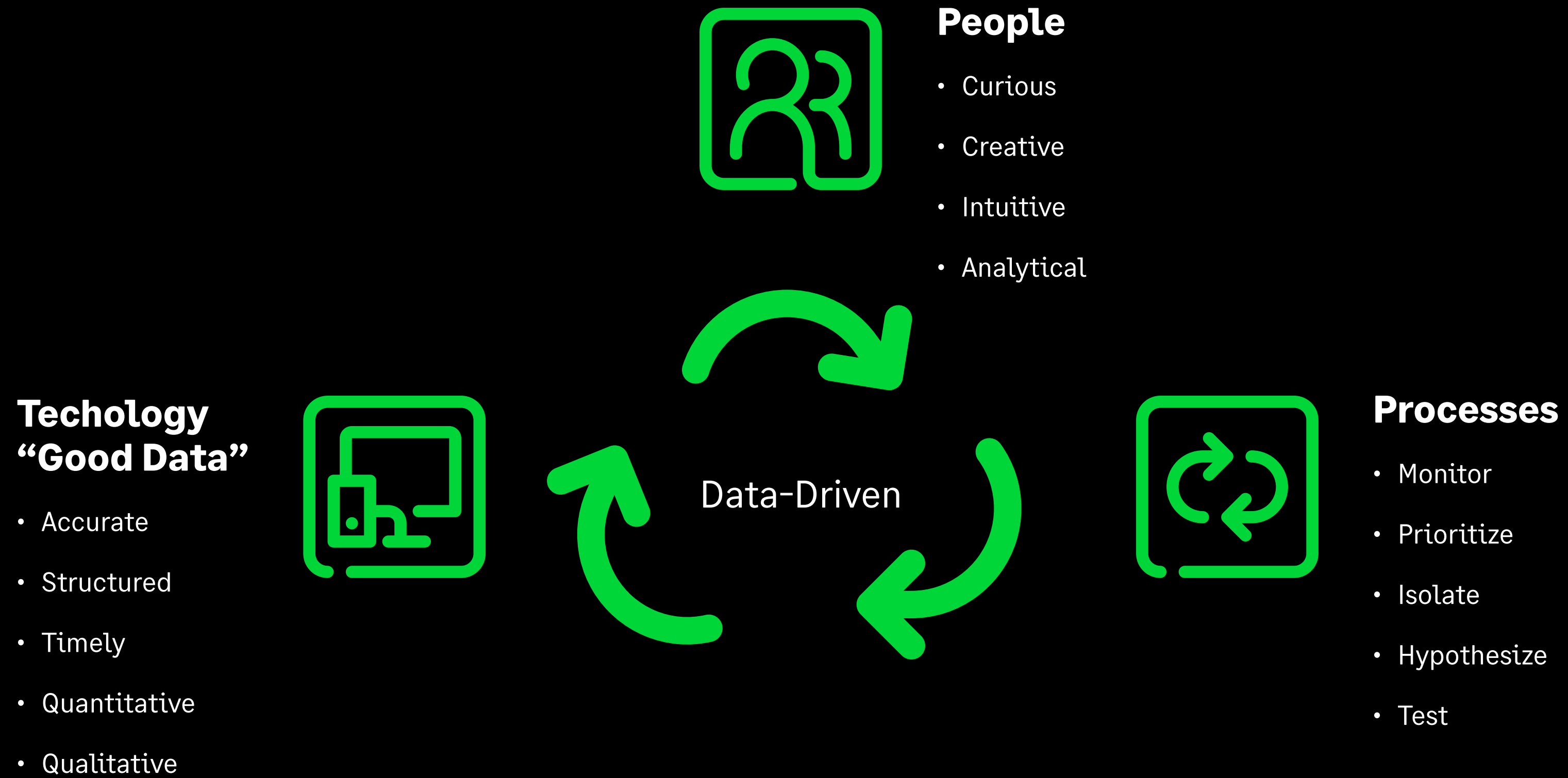
1. Automated financial operations
2. Multi-dimensional analysis of key metrics
3. Synchronized data with other systems in real time

<sup>8</sup>. Institute of Management Accountants, "How to Embrace Data Analytics," February 2019



# Data-driven

People + Processes + Technology = Data-driven Strategy



Best practices

# Data-driven customer success story

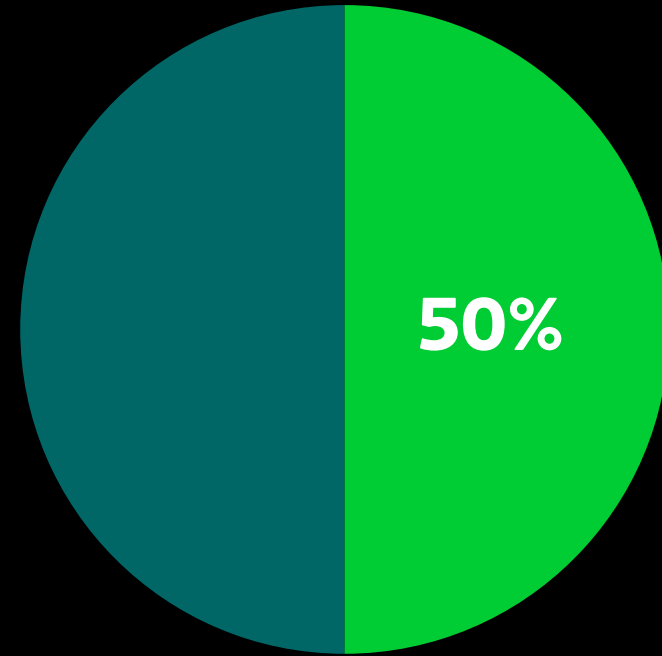
## Brookfield builds agile foundation for dynamic business

### Challenges before

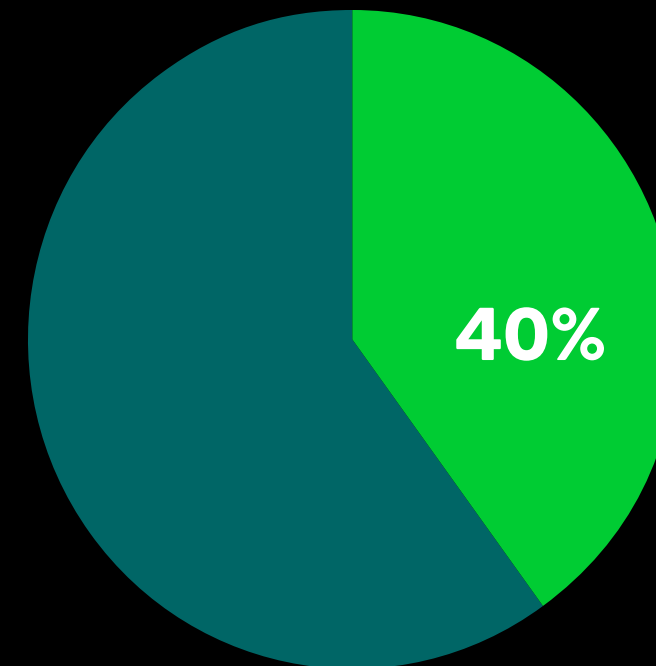
- Required central administration and IT maintenance
- Complicated reporting workarounds
- Cumbersome and inefficient accounting workflows
- Paper-based processes

### Gains with Sage Intacct

- Cut monthly close process in half
- Gained granular departmental insights for better planning
- Informed vendor negotiations to lower costs
- Software paid for itself in <6 month



50% faster monthly close



40% increased A/P efficiency



120 hours saved annually on report preparation

**“In an environment of both organic and inorganic growth, it’s crucial to have a financial management system that can adapt to our changes simply and easily. Sage**

**Intacct lets us onboard clients, assets under management, and entire new entities without IT support, providing a flexible foundation with which to grow the business.”**

*~Kyle O'Connor, Vice President of Finance & Accounting, Brookfield Public Securities*

# Automation

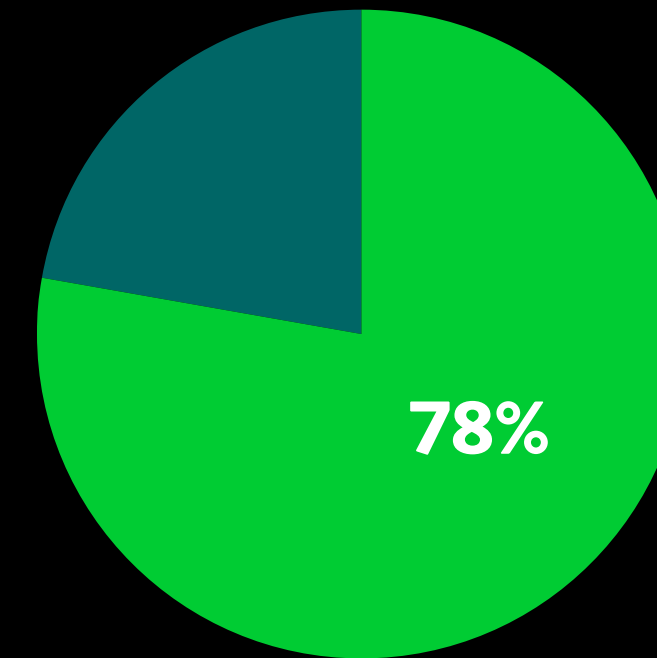
## 2. Free up your time, via automation, to focus on what's important

Finance leaders understand that automating standard accounting tasks enables more strategic decision-making. That's why 85% plan to invest in process automation.<sup>9</sup>

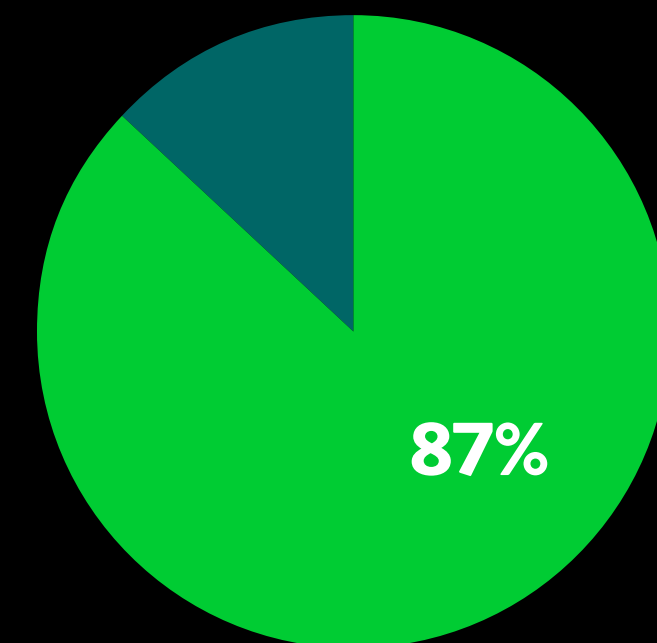
What if you could free up your time with a real-time cloud financial management solution like Sage Intacct to improve efficiency and accuracy? Financial automation can reduce, or eliminate, the time financial services firms spend to:

- Consolidate financial information in Excel for multi-entity, multi-location, and multi-currency organizations.
- Calculate revenue recognition in Excel after compiling project-based time and expense information from sales and HR systems.
- Perform manual data reconciliations and/or manual data re-entry between systems.
- Calculate allocations using data that doesn't exist within some traditional accounting systems.
- Process vendor payments and manually routing paper approval sheets.

### Organizations are looking to CFOs for strategic leadership:<sup>10</sup>



78% of CFOs have noticed their influence expanding beyond accounting and finance.



87% of CFOs surveyed feel pressure to collaborate on cross-functional initiatives.

9. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.

10. Armanino LLP, "CFO Evolution 2.0, The Path to the Transformational CFO," October 2017.



## Best practices

# Automation customer success story

MidCap gains flexibility and scalability with automation

### Challenges before

- Over 30 entities of QuickBooks
- Unnecessary manual work
- Inefficient accounts payable
- Lack of real-time data hindered business decision-making



**Saved monthly on consolidations**

### Gains with Sage Intacct

- Scaled easily with dynamic, multi-entity business
- Gained trusted insight into KPIs
- Easily manages accounting needs of a broad portfolio



**Software paid for itself**

**“Sage Intacct’s reporting delivers critical value for our business. Rather than trying to dissect detailed transaction listings when we need to view our underlying**

**data in a specific way, Sage Intacct lets us filter, organize, and report information in whatever format is relevant to our principal, subsidiary CEOs, or even investing partners.”**

*~Will Stewart, Corporate Controller, MidCap Credit & Capital*



Best practices

# Decisions with insights

## 3. Go beyond the GAAP with data you can slice and dice

Data-driven financial services firms make the General Ledger (GL) the center of their data strategy.

The GL already contains the key financial information needed to create GAAP financial reports, including an organization's income statement, balance sheet, and financial ratios. By enhancing the GL with non-GAAP statistical data, financial services firms can track and report on key metrics that reflect your organization's success in accomplishing your corporate goals.

Multi-dimensional analysis brings together your financial data with important operational data to give wider visibility across your organization.



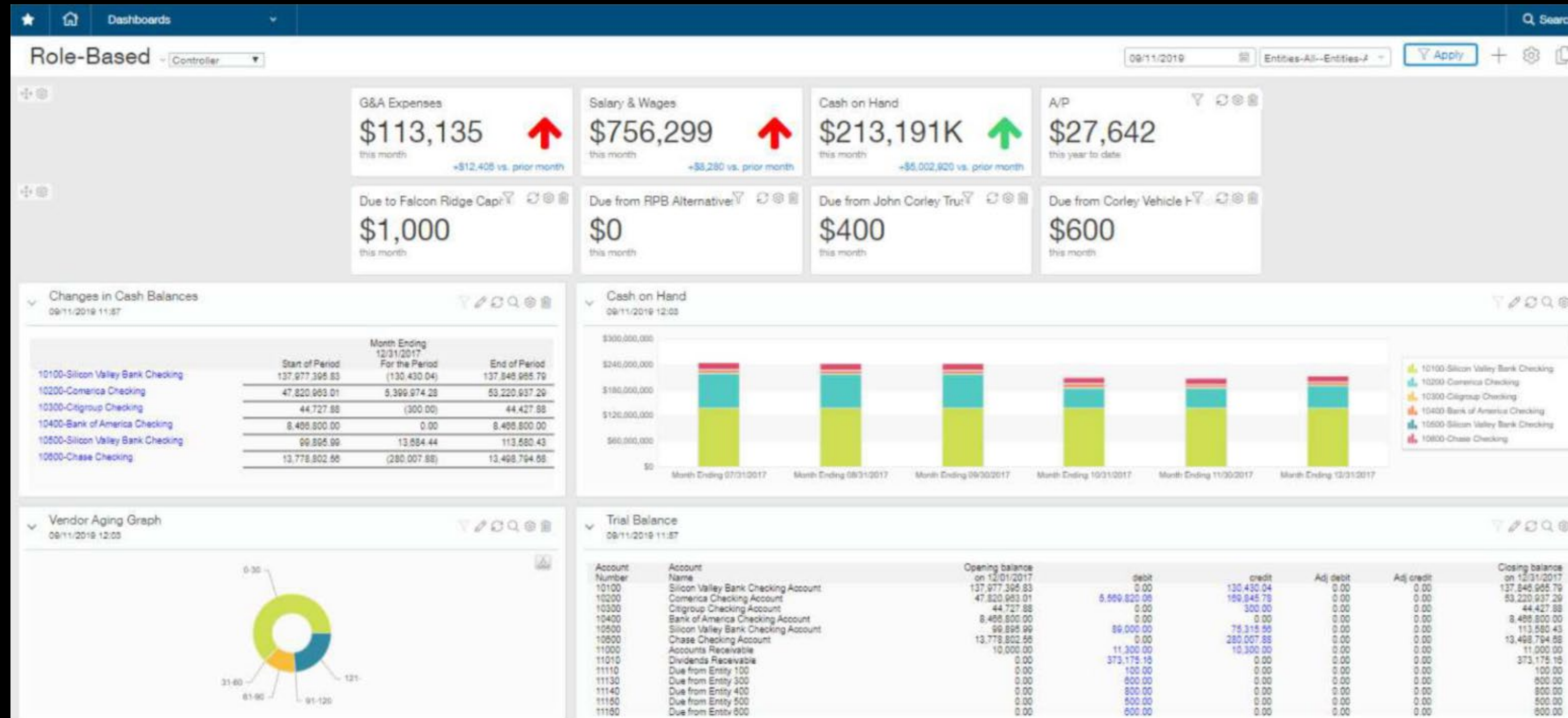


Best practices

# Decisions with insights

Financial metrics specific to your needs

Statistical accounts are a powerful reporting tool in Sage Intacct. They provide a new layer of insight into your financial services business that may be invisible otherwise. If you are looking to review your financial firm's key non-financial information and statistics alongside your financial data in your monthly reports and dashboards, Sage Intacct provides simple, yet effective, solutions for tracking statistical data and key performance metrics and ratios.





**“When compared with the limited data we had before, the level of information we can access in Sage Intacct is like night and day. Now, we have key information such as gross margins by customer and business line at our**

**fingertips. Since these crucial business metrics are no longer a mystery, we can create more realistic projections and make better day-to-day decisions. Our board has been impressed by the new business insight we provide to them.”**

*Kristy Facchini, CFO, Auto Claims Direct*

Best practices

# Decisions with insights

## 4. Twitterize your chart of accounts

Being able to slice and dice your data (a.k.a., adding Dimensions) to your Chart of Accounts creates simplicity and richer contextual data.

Think of Dimensions, within your Chart of Accounts, like hashtags on Twitter. Dimensions make it easy to search, sort, and organize your data for reporting with context that is meaningful for your specific financial services firm.

Just as you can look at hashtags over time, you can analyze your financial reports over time. Just as you can view real-time trending Twitter statistics, you can analyze your financial performance across one or multiple entities in a real-time financial dashboard.

Sage Intacct dimensionality lets you organize information by the attributes that matter most to your firm—fair market value, net asset value, cash-on-cash performance, and more. Dimensions help you perform a more meaningful analysis of your firm's performance.





## Best Practices

# Decisions with insights

Visualize the information you need with Dimensions

Use Dimensions to slice and dice your data for maximum visibility and impact.

## General Ledger Setup

### Dimension settings

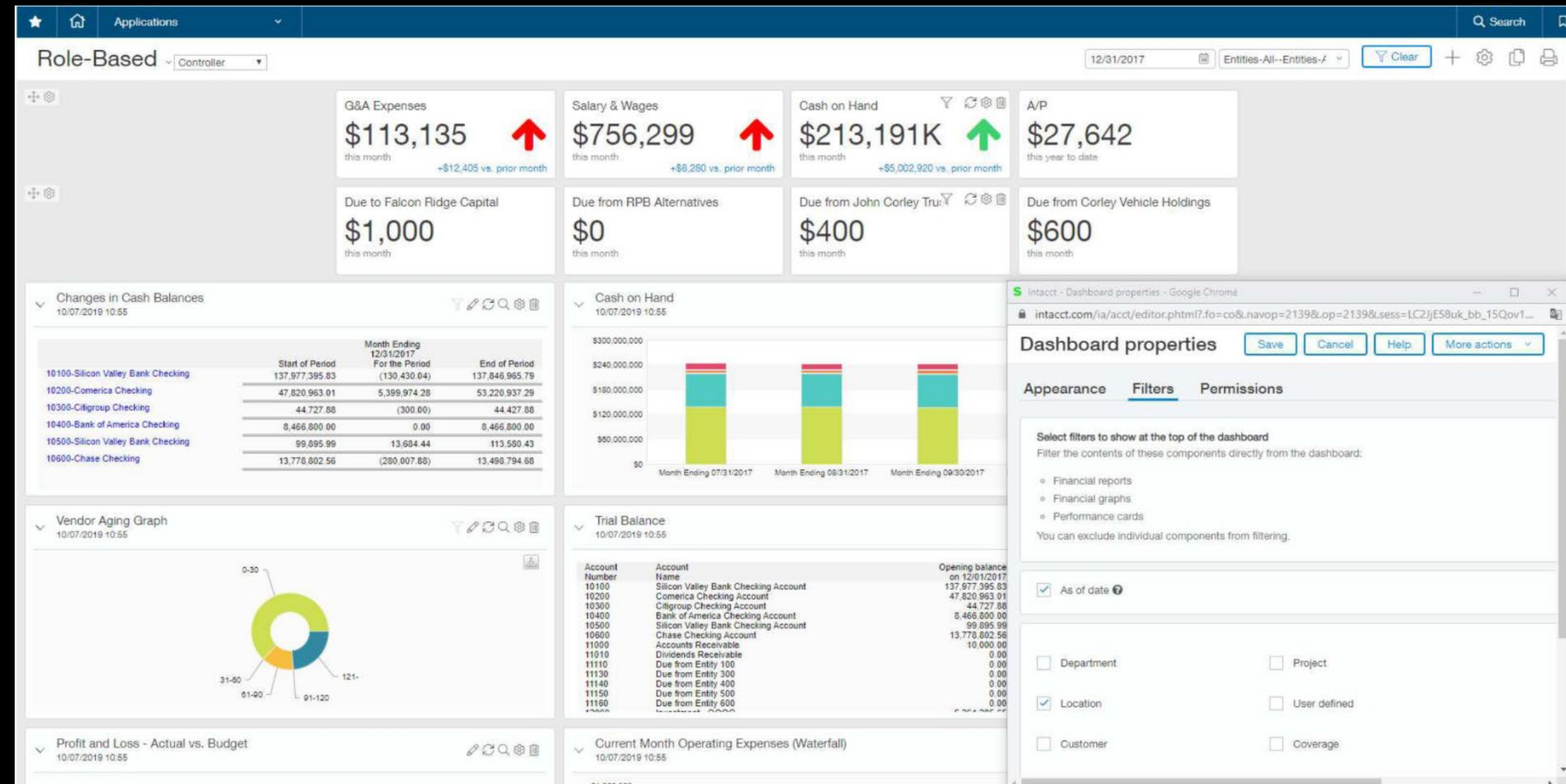
		Dimensions	Enable
	1	Location	<input checked="" type="checkbox"/>
	2	Department	<input checked="" type="checkbox"/>
☰	3	Customer	<input checked="" type="checkbox"/>
☰	4	Vendor	<input checked="" type="checkbox"/>
☰	5	Employee	<input checked="" type="checkbox"/>
☰	6	Item	<input checked="" type="checkbox"/>
☰	7	Type	<input checked="" type="checkbox"/>
☰	8	Project	<input checked="" type="checkbox"/>
☰	9	Contract	<input type="checkbox"/>
☰	10	Investment Type	<input checked="" type="checkbox"/>
☰	11	Line of Business	<input checked="" type="checkbox"/>
☰	12	Task	<input type="checkbox"/>

Best practices

# Decisions with insights

Real-time multi-dimensional analysis of key reports

Build role-based dashboards that put financial and operational metrics at your fingertips. Filter data by any dimension to obtain the key results you need for analysis. Take in the high-level view, then drill down to explore opportunities/issues or dig deeper into details.



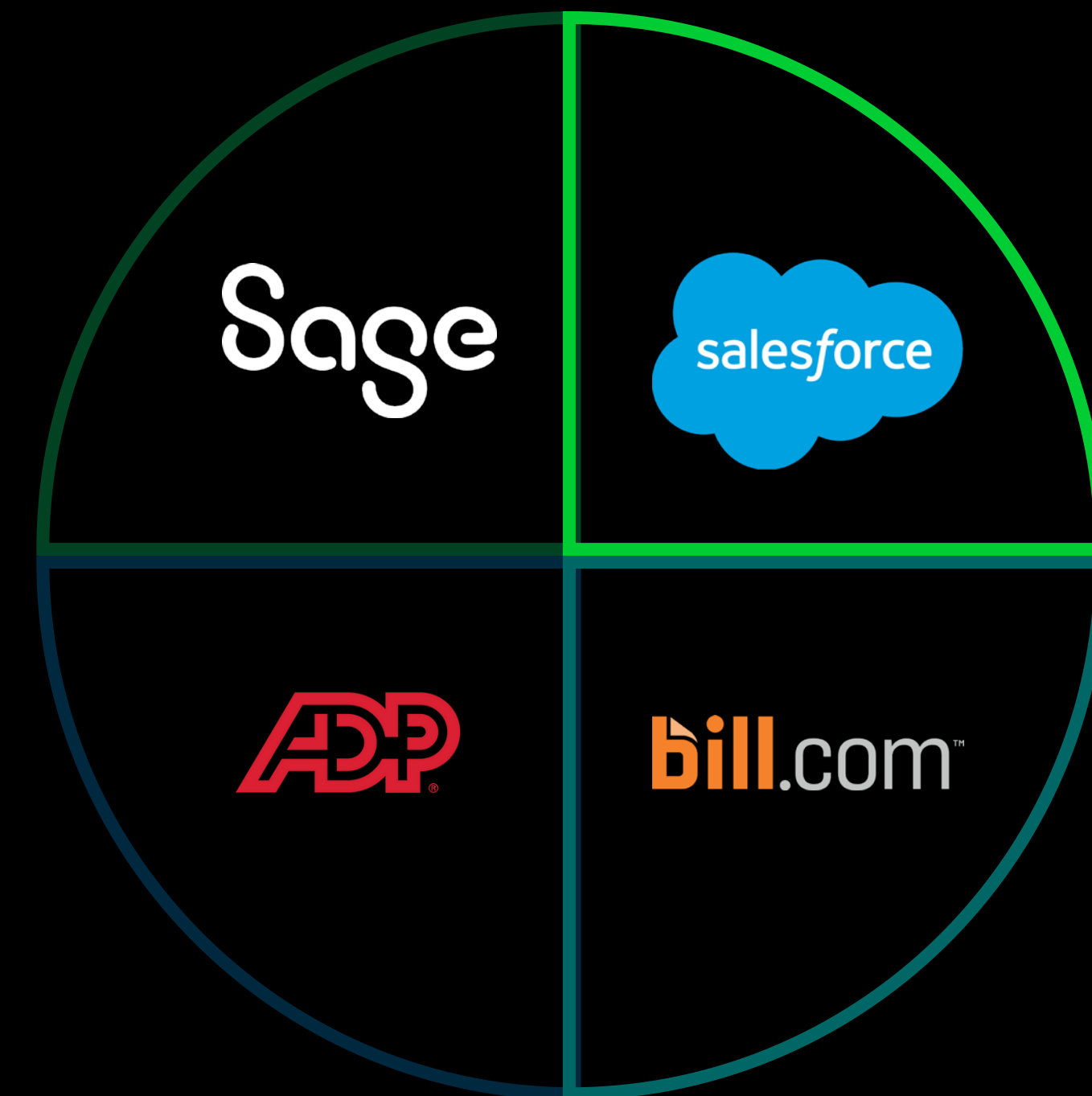


# Integrations

## 5. Get all of your data in real time, in one place

Sage Intacct was designed to make it easy for financial services firms to synthesize information from many data sources for more informed analysis and decision-making.

Sage Intacct Application Programming Interfaces (APIs) were designed for real-time integration. Our APIs don't require you to wait for accounting to post the entries. APIs power our best-in-class ecosystem with prebuilt connectors to popular business systems like Salesforce, ADP and Bill.com. Sage Intacct puts all your data in one place—not just financials—but also sales, planning, payroll data, and any other information you need to drive strategic analysis.



**“We chose Sage Intacct over other cloud software on the market because it was built as a solid multi-ledger accounting system with sophisticated financial controls and flexible reporting—all seamlessly integrated with Salesforce.”**

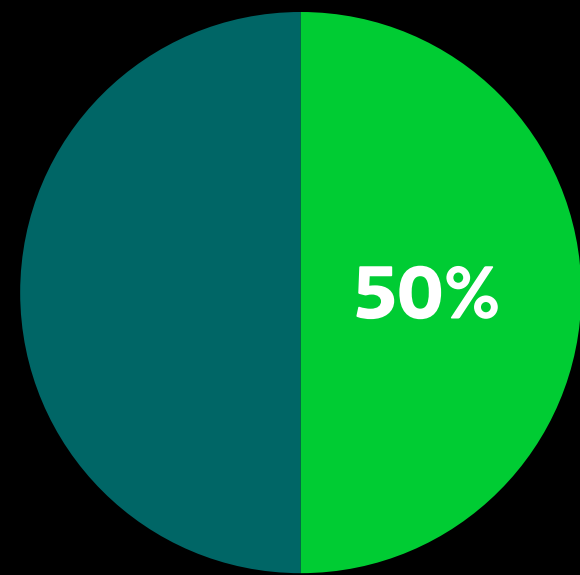
*Sabry Mohideen, CFO, Marathon Ventures*



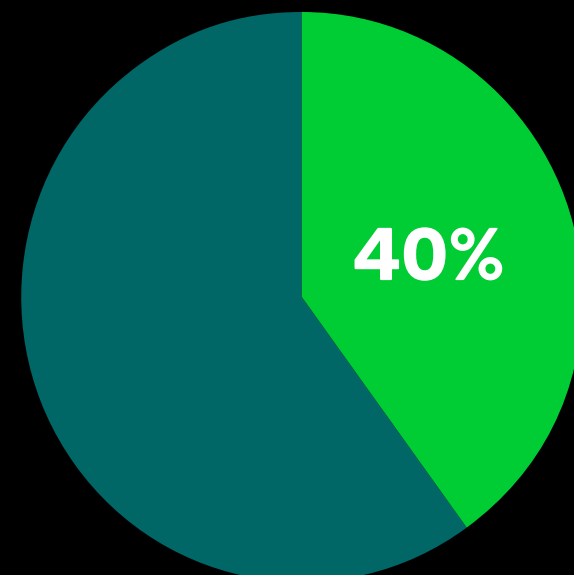
Conclusion

# Data-driven finance leaders deliver big results

Using Sage Intacct, finance leaders in financial services are able to be more strategic and make impactful decisions. Here are some ways their firms have benefited.



50% faster monthly close



40% increased A/P efficiency



Save annually on report preparation

16 hrs

Save monthly on financial consolidations



Stop management of 30+ separate instances of QuickBooks for one centralized, real-time view into core financials

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Within 7 months, software paid for itself



## Conclusion

# Take the lead in Financial Leadership 3.0

The pace of evolution in leading-edge technologies like artificial intelligence and advanced analytics is quickly accelerating.

Now is the time to push your organization to adopt a more data-driven strategy. Have you hired the right people, built the right culture, and streamlined critical processes? Does your technology generate meaningful, real-time insights or backward-looking reports?

Sage Intacct delivers a rapid transition to Financial Leadership 3.0. Financial services firms benefit quickly from these capabilities:

1. Automation eliminates manual data entry and spreadsheets to close the books faster.
2. Real-time reporting enables proactive response to changing conditions.
3. Aggregate data from disparate sources improves analysis.
4. Role-based dashboards drive decision-making.



Sage Intacct makes it easier to carve out executive time for focused, strategic analysis. With a single source of truth and better visibility across the organization, you will be well-positioned to take advantage of Financial Leadership 3.0 innovations.



# Sage Intacct is the AICPA's preferred provider of cloud financial applications

Sage Intacct is the #1 cloud financial management system for financial services, including the world's largest wealth and asset management firms. It is the solution of choice for nearly 700 financial services organizations that collectively manage more than \$1.3T of assets under management.



AICPA®

Business Solutions

Preferred Provider of Financial Applications



