

# The future of finance

## Organisational agility

September 2021

### Why is the Finance delivery model changing?

Finance must constantly disrupt and transform itself not just to meet, **but to predict and rapidly respond** to changing market demands and global challenges. Embracing internal and external disruptors and enablers, and changing Finance's delivery strategy can **allow leading Finance functions to elevate their role** and provide more value-add services



#### Embrace disruption & enablers...

- Cloud everywhere
- Artificial Intelligence
- Data intelligence
- Technology-enabled collaboration
- Natural disasters and pandemics



#### Evolve the services & role of Finance...

- Lead enterprise performance
- New capital allocation approaches
- Data mgmt. and monetisation
- Build and deploy finance solutions
- Manage digital workforce



#### Flex the delivery model...

- Boundary-less delivery
- Automate versus labour arbitrage
- Everything as a service
- Reduced need for colocation
- Gig economy; contingent workforce



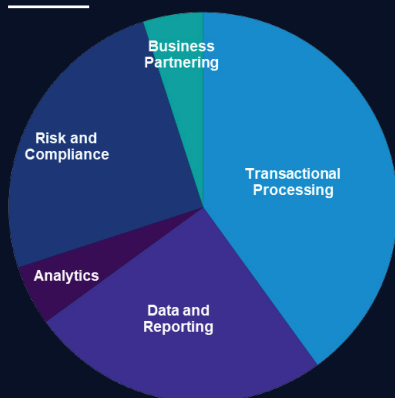
#### Focus on skills and partnerships...

- Transactional layer marginalised
- Simplified organisation structures
- Higher-skilled, specialised labour
- Cross-functional business acumen
- Evolved talent mgmt. strategy

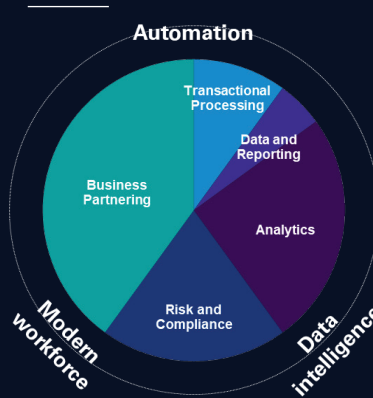
### What does this really mean?

Finance has the ability to reduce their total costs whilst **increasing their scope of services in more value-add activities** such as business partnering and analytics.

#### Traditional Finance



#### Future Finance



Change in effort:	Functional process area:
(50–70%)	Transactional Processing
(25–35%)	Data and Reporting
+15–25%	Analytics
(10–15%)	Risk and Compliance
+35–45%	Business Partnering
(50%+)	<b>Total Functional Reduction</b>

By embracing disruptors like emerging technologies, Finance can reallocate time spent on transactional activities and increase their focus to **support customer demands**.

What's changing?



Speed of insights

Seamless integration

Modernised workforce

Cognitive solutions

Digital intelligence

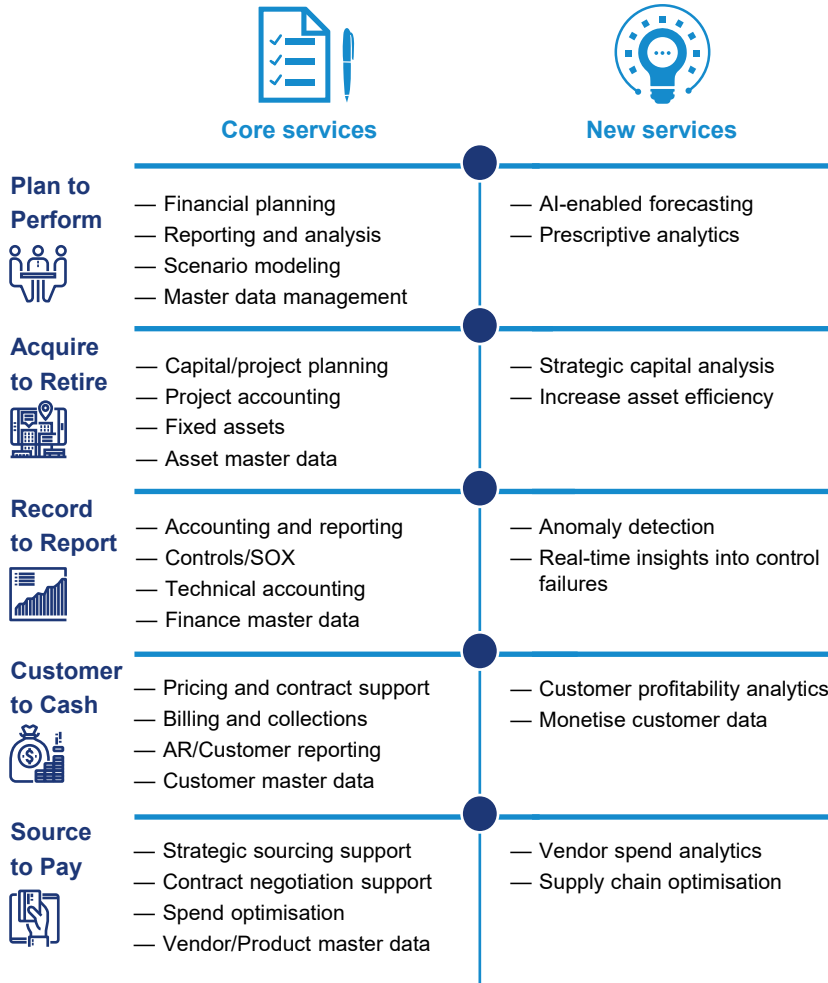
Connected data

Agile delivery

Internal innovation

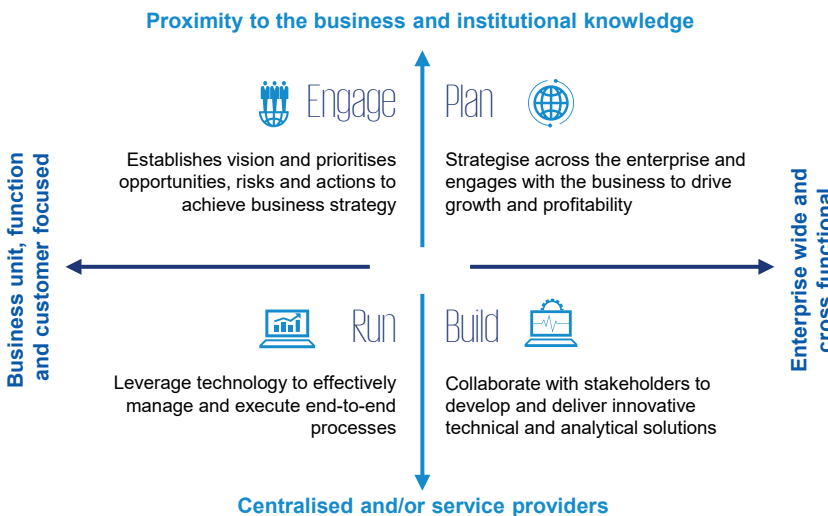
## Evolving the Finance services...

Finance can now reduce time spent on transactional processing and reporting and expand their scope to additional **value-added services**



## ... & optimising the service delivery construct

The evolution of technology and expansion of value-added services has placed an increased focus on **aligning services based on capabilities and outcomes** rather than locations.



## What should you be thinking about?

- How are you managing the impact of disruption on your operating model?
- How are you evaluating automation opportunities and assessing the impact on existing processes?
- What are the incremental services that Finance can provide to support your evolving business?
- What are the new roles, skills, and competencies needed, what impact does this have on the current workforce?
- How are you defining your journey to transition towards a digitally enabled service delivery model?

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