

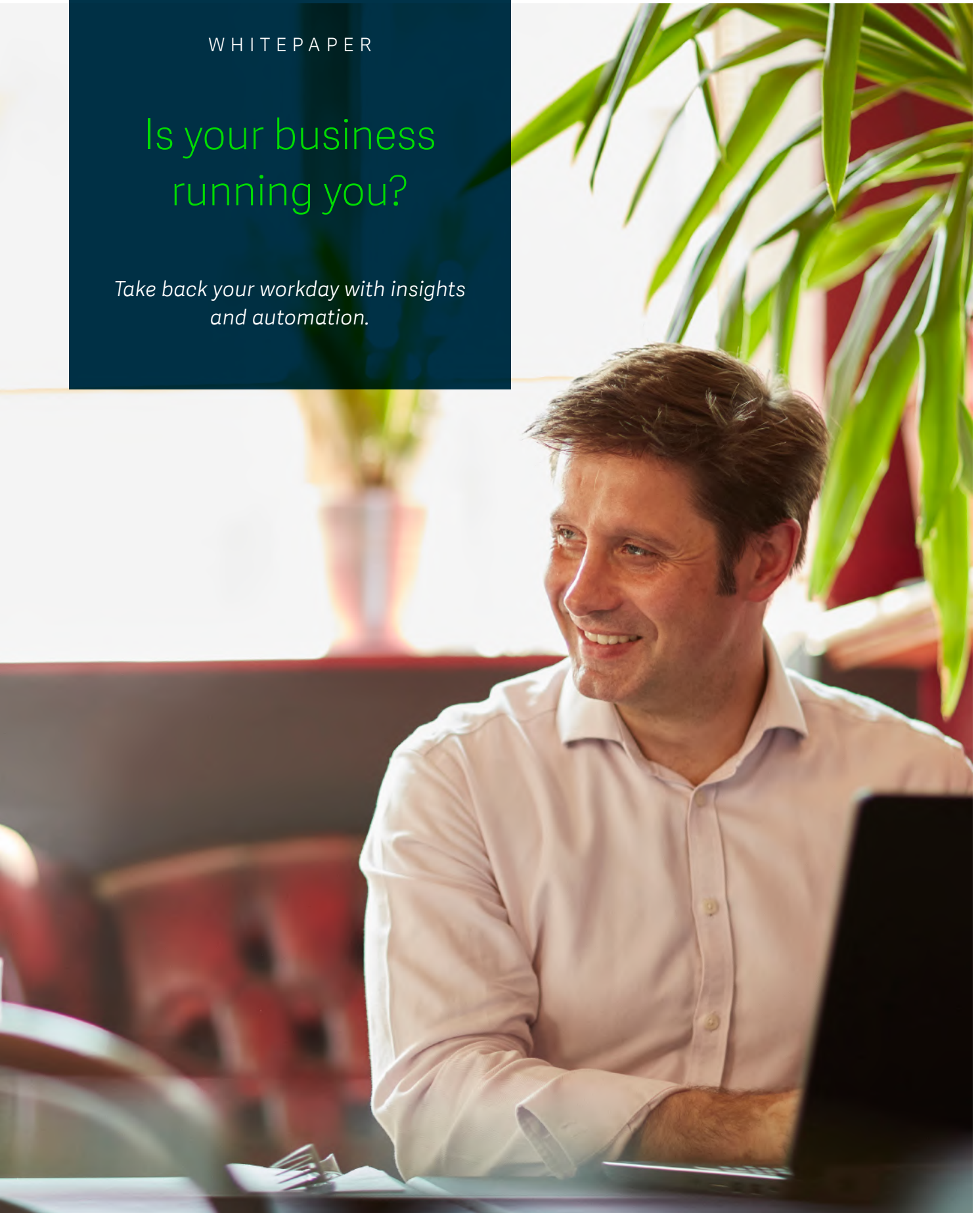
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WHITEPAPER

Is your business running you?

*Take back your workday with insights
and automation.*



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Summary

Introduction

Picture this scenario: You end your day thinking about how you'd like to focus tomorrow. You may have a project or business case you'd finally like to dust off and begin focusing on. Or you may have a financial target you know you could achieve if you could just move a business case from concept to execution. You think: "I'm going to spend time on this tomorrow." You may even attempt to block-off time in your calendar.

But then tomorrow comes and you wake up to an email telling you that your top consultant was poached by a competitor. Then you find out that a key account is upset their current project missed a milestone. To make it worse, you have a vendor who says you have outstanding bills. You check and the reason why the customer's project is delayed is because the same vendor hasn't shipped the products you ordered. Finance tells you your working capital ratio is moving below 1%. Oh, and the bank tells you you'll be delayed in closing on your business loan because of an issue with underwriting.

Day in, day out, well-made, productive plans dissolve because of operational pitfalls that you cannot help but think you could have avoided. Even worse, you know the company's performance is not as good as it could be. And perhaps you and your staff feel

stifled by rarely being able to work on the projects they know will drive the business forward.

Sound familiar?

If so then your business may be running you. It may be time to make time to finally address these operational challenges. **You can regain the control you need, and be proactive rather than reactive. You can put yourself in a position to make informed decision, rather than being forced to compromise. Those businesses who've made the leap to a different, better way of working report that it doesn't take a huge amount of effort.**

Consider the rewards. Your role can be transformed. You can be ready with plans for the future and able to deal with any contingency. Business problems transform into business challenges, and solving them becomes the way you grow the company and progress your career.

This paper examines the symptoms that indicate your business may be running you, and the negative impacts they have on your business—from limiting future growth to demotivating employees. It then examines how technology can help solve the issues, giving you more control to run your business the way you choose.

Part 1:

Identifying the problem

Performance visibility and uncertainty

Your business is ever changing. But, how easily can you quickly understand how your business is performing against KPIs across product lines, locations, and customers? Can you see performance trends over time? Instead of analysing your business performance, are you spending hours extracting data and consolidating and building reports?

82% of businesses fail due to poor cash flow management and the understanding of it. Challenges like anticipating cash flow, manual tasks, and disconnected information make managing company finances, unmanageable.

Perhaps gaining a complete picture of the health of your business finances used to be simple when the business was a smaller, tighter team. But as it has grown so too have the challenges:

- More employees, requiring more administrative overhead.
- More customers and vendors with more orders, invoices, bills and expenses.
- More products and service lines.
- More locations, business entities, or satellite offices.
- More stakeholder, legislative, or regulatory requirements.

Operational silos

As the company has grown, your teams may have become misaligned. When trying to understand why a customer has filed a negative complaint, you may have to consult with at least five people to gain a complete report. Furthermore, your departmental silos may be exacerbated by the fact that individual departments are being motivated by different performance goals creating an environment where no two teams are focused on driving the same business outcomes.

86% of polled executives and employees blame a lack of collaboration or bad communication for team problems and failures.

When your company was smaller, perhaps it was easy for you to quickly gather a few employees for an impromptu meeting on how to get a client who was at risk of attrition back on track. But as it has grown, perhaps so too have the challenges:

- Departments, instead of teams or functions comprised of only one or two contributors.
- Remote or geographically dispersed employees working in different locations and time zones.
- Department-level performance indicators.
- Internal competition fueled by teams working on different products, services, or accounts.
- Pyramid organisational structure instead of a flat organisation.

Improving operational efficiency is almost as important globally as driving revenue growth.

Importance of objectives in coming year*

Driving revenue growth

2.18

Improving operational agility and flexibility

1.94

Reducing costs

1.89

Financial complexity

With business growth comes business financial complexity. This growth leads to more financial transactions, more bank accounts, company credit cards, payroll accounts, and ledger accounts. Trying to keep tabs on customer transactions, employee expenses, cash in and out, and bills can seem impossible.

To make it worse, the manual processes you are used to following to facilitate these tasks may be draining you and your team's productivity. They may also be leaving you exposed to risks such as inaccurate information caused by manual data entry, an inability to build audit trails, and an inability to manage data in compliance with developing regulations.

With increased growth, perhaps you're dealing with financial complexities such as:

- Ledger posting processes facilitated by spreadsheets filled with macros and complex formulas.
- Financial reporting that requires exporting of data from multiple sources, and consolidation into manual spreadsheets.
- Multiple companies, entities, locations or business units using their own accounting tools and processes.
- Hundreds of individual files for trade documents, expense reports, and receipts.
- Customer projects that require you to carry expenses for uncomfortable periods of time and build complex invoices.

Productivity losses

It may be no surprise to you that 63% of businesses feel they don't manage their time effectively. We estimate that \$26k per year per knowledge worker is lost to productivity losses. This loss in productivity isn't just caused by ineffective meetings or office distractions. These can be productivity losses associated with completing core financial and operational tasks.

Enterprise workers say only 45% of their work hours are spent on their primary job duties. Even if only a fraction of this translates to small and medium businesses, this amount of productivity losses can be detrimental.

It's imperative to identify and eliminate the tasks your teams are wasting time on, and enable them to be hyper-focused on driving the business forward. Your business may be facing loss in productivity associated with:

- Manual, duplicative entry of customer, vendor, or partner information into multiple systems.
- Reconciling bank accounts.
- Building and maintaining sales orders, invoices, and receipts.
- Complying with government regulations and legislative requirements.
- Creating budgets and forecasts and comparing actuals.
- Tracking and managing inventory.

What your peers think

If any of the above points feel a little too close to home then, don't worry, you're not alone.

On behalf of Sage, IDC recently spoke to over 300 people of director/VP level or higher in companies employing from 50 to 499 people in the UK, US, France, Germany, Ireland, Spain and Canada.* All were familiar with the financial operations at the company.

The goal was simple: to find out how these individuals viewed problems in their business. As such, the survey results allow us to peer into the minds of director/VP-level employees and thereby identify the key issues facing executives of businesses focused on growth.

The data identified clearly that improving operational efficiency and internal processes was a high priority, and that legacy technology and inefficient data processes were acting as a drag on growing small businesses.

*Get Back Wasted Time: Executive Strategies to Grow Your Business, IDC 2018

Part 2:

How to stop your business from running you

Challenges with performance visibility, operational silos, financial complexity, and productivity losses all lead to business uncertainty, preventing you from responding to customer demands and leaving you struggling to keep pace with the competition. They reduce your, and likely your business stakeholders', confidence in the financial certainty and compliance of your business.

So, what's the solution?

Very few business leaders go into business thinking about the administration of their business. As such, many businesses fail to plan for a technology environment that can support this increase in growth and complexity. As a result, businesses use as many as 13 solutions and bits of software to manage their company finances. These typically include spreadsheets, single function apps, CRM, banking apps, and a general ledger. Usually, less than five of these are connected.



How can new technologies help you manage your business?

Imagine if you could perform more of your everyday finance tasks with more automation and flexibility, while freeing up time to analyse key data trends and make smarter decisions to accelerate your business. By automating manual tasks with intelligent tools, you would be able to elevate the value of business operations. Rather than focusing on processing, reconciliation, and report generation, you can focus on the real insights and business value financial data generates.

Technology can radically improve the way you manage your company finances, and those changes aren't just related to work tasks. Technology can also

bring about cultural changes in the way people are able to perform their role within the business. This can lead directly to faster and improved growth.

For example, imagine if you found a way to democratize your financial data so that it's accessible to the people who need it—for example, the sales team that can see the success of its work or the senior management team who can instantly monitor the results of their decisions. This would also enable colleagues to be responsive to each other's needs, and to be closer to the core mission of the business.

Insights

The ability to get the very best insights from your data is vital for modern businesses—whether that business is run by one person in their kitchen, or it's a corporation with offices in every country.

To be able to glance at a dashboard to instantly see the state of play is a powerful addition to a business' armoury.

Sage Business Cloud Financials features dimensions, which end the need for you to create and maintain complex general ledger account codes for each department, project, customer or segment. Simply use the dimensions that are intuitive to you and your business: account, location, product—the options are endless and easy to configure based on your requirements. Track and add business context to your financial information. Maintain balances by tagging transactions with the various dimensions of your business.

Dimensions make for better dashboards and better reporting. They force your data to start working for you. Intuitive dashboards make it easier to see how your business is performing against your goals and targets. They enable you to monitor business health by creating alerts that send proactive notifications regarding performance against key metrics, so you're informed when performance is above or below a certain threshold.

You can use the company and employee productivity dashboards to evaluate the performance of your team with key performance indicators such as: aged work-in-progress, uninvoiced work-in-progress, average charge rate, available employee capacity, and more. You can also track tasks.

Analytics

The data your business generates on a minute-by-minute basis can tell a story. If you can listen to that story—and act on what it says—then you're able to spot problems before they even arise.

You can take control of the work you do. No more fighting fires. No more responding to issues. Suddenly you become proactive and forward-thinking.

The key to this is being able to intelligently manipulate your data so that you extract meaning from it.

Financials Analytics is built on Salesforce Einstein. Salesforce Einstein adds a layer of robust intelligence to Financials, allowing you to extract more meaning from your financial data than ever before—and at no additional cost.

Because it's built into the product, there's no need to prepare your data or build time-consuming models. Simply access Financials Analytics and use the pre-configured dashboards for Financials and Budgets, or build your own.

Financials Analytics enables you to evaluate business performance and analyse business trends according to your dimensions. Need to compare net profitability of location A to location B? No problem. Need to evaluate your best customers from this year compared to last? Done. Need a consolidated or isolated view of each of your companies' financial performance?

With Financials Analytics, the insights you can extract from your company financials are endless.



Automation

The more things your software can handle automatically, the more time you have to concentrate on the core tasks of your business. Any modern finance professional needs to leverage automation.

A modern finance department sees financial data flowing into it from a multitude of sources but posting financial data need not be an issue thanks to Financials' import and automated posting capabilities that match your company's business rules and policies. We're not just talking about bank feeds. Thanks to posting rules involving dimensions and tags you can ensure credit card payments, payment gateways, and other critical business applications end-up in the correct accounts.

As a result, you no longer have to wait for ledger items to be posted, account balances to be updated at the end of the week or month, or run a manual report to see where your business stands.

Automation within Financials isn't just about acquiring data. You can build automated workflows to undertake tasks like scheduling the creation of invoices, sending customer payment requests, or approving expense reports.

The more you can rely on your software to handle the time-intensive tasks that come with managing your finances, the more time you have to become the advisor you've always wanted to be within your business.

Data access for everybody

The ability to access our data on a variety of different technologies—like phones or tablets—is something we take for granted in our personal lives. And with Financials, accessibility has been brought to the world of business too because it is built on the Salesforce cloud platform.

You have the ability to control the different levels of access you provide to your team, with thousands of different combinations of user access levels. This gives your team the freedom to access the information you need, and gives you the confidence in knowing your data is secure.

Financials also comes complete with a mobile app that keeps you and your team productive wherever your work takes you. Employees can enter expenses, manage customers and review invoices all while out of the office.



In summary

What would it be like if you woke up in the morning and as you were getting prepped for your day you asked your phone for business updates and it told you that you were at risk of missing an important financial target? Or that a project milestone was missed for an important customer? You drilled down into the customer account immediately on your phone and you saw a post from your operations team that inventory was out of stock. You look at a report on stock level and see that you have the same product, but in a different location.

You could start your day proactively addressing these types of issues in minutes, and be back on track to focus on what you know will really drive your business forward.

With the aid of Sage Business Cloud Financials you can tackle whatever the future brings, and use any and all opportunities as a springboard for growth within the business and your own career.

Financials offers the scalability and functionality previously only afforded to enterprise organisations. Don't be left behind because of limited technology. Give your business the power it needs to grow and thrive.

Discover the power of Sage Business Cloud Financials now:

sage.com/uk/financials

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