

Finance Digitization: It Starts—and Ends—with People

By Jenn Ryu

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When people talk about digital transformation these days, they'll usually mention cloud migration, SaaS or PaaS platforms or the latest AI bot. All true, but that's only part of the story. There's also a quiet revolution going on with automation profoundly impacting the roles of CFOs and other finance and accounting leaders.

For those who've already made the digital transition, the benefits are clear: greater efficiencies; lower operating costs; improved EBITDA; more time on strategic business priorities; and most important—a greater ability to attract top talent. But according to a recent Hackett Group survey, only 10-15% of leading finance organizations are considered "finance-digital world-class."

That means two things. First, there's a lot of greenfield opportunity out there for CFOs. Second, too many organizations just aren't moving fast enough.

At RGP, I saw the opportunity early and my experience could be emblematic for others. When I started my tenure more than two years ago, our department was mostly paper-based. Invoices were



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scattered throughout various departments and approvals were handled via emails without automated workflow.

To remedy the situation, we undertook a number of immediate steps starting with centralizing invoice submission and intake. We used an optical character recognition (OCR) software tool that plugs into our ERP system for scanning, interpretation and filing—cutting nearly 100 work hours per month during the close. We also adopted an automated workflow tool expediting approvals processes.

These efficiencies are great news for finance leaders. But only half the story. When most people talk about digital transformations benefitting "people, processes and technology," the people part of the formula often gets glossed over. But people are absolutely key to any financial transformation to succeed—and they benefit if done right.

How?

First, ask any F&A professional and they'll tell you

one of the downsides of the work is long hours. Why? By eliminating redundant tasks through automation frees up hours—collectively, days and weeks—time better spent on more value-driven work, plus improved job satisfaction.

Second, digitization increases information quality. Simply put: Less GIGO (garbage-in, garbage-out) and more QIQO (quality-in, quality-out) means less crystal-ball gazing and more crystal-clear projections based on reliable data which can be a huge strategic advantage for any business.

Third—and perhaps most important—is meeting finance talent needs. In the ongoing war for talent, we know that early career professionals entering the F&A profession don't want to just shuffle paper. They want value-added work where their financial insights can have an immediate impact to help grow the business. If you're not offering them that now, pivot fast, because some other employer will.

Finally, with only 10-15% of organizations considered digitally world-class, there's room to grow. My advice to organizations just getting started: Start now and double down on the human element side of the equation. Yes, automation can not only help finance professionals do their job better, but it can also help them earn a strategic seat at the table previous CFOs never had. It's time to make the digital revolution in finance not so quiet anymore.

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