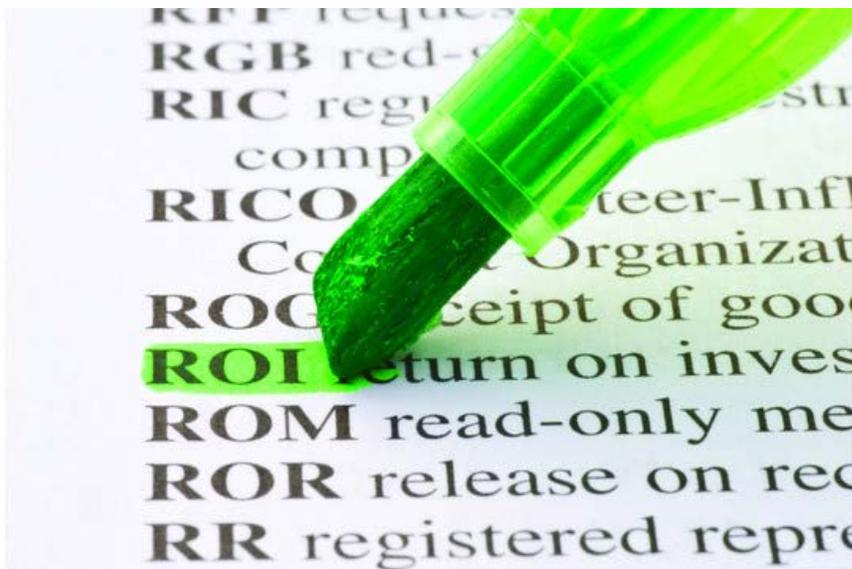ACCOUNTING & AUDIT

3 Ways CFOs Can Accelerate Payback from New Technology

BY TOM KELLY, SENIOR DIRECTOR OF PRODUCT MARKETING, ORACLE NETSUITE ON JAN 4, 2018

Companies today realize they can no longer put up with the struggles of legacy accounting applications that don't integrate with other vital software systems, with systems that leave finance personnel laboring with Excel workarounds and a slew of manual processes. It's no longer acceptable to base critical business decisions on the often outdated or inaccurate information of these legacy systems.

Though many recognize that implementing a modern cloud enterprise resource planning (ERP) system is an obvious answer — many that take start the transition are surprised by marginal improvements, slow user adoption, and unchanged processes that still rely on excel workarounds.

To ensure a smooth transition to cloud ERP, CFOs need to lead the charge. Executive sponsorship at the CEO and executive bench level is essential for organizations to realize full ERP's benefits. It's not strictly about using new technology — it's also about executives driving a shift to a more digital, data-driven culture and ensuring that users embrace the new system.

As seen in thousands of implementations, an executive champion is ideally positioned to lead change management in three key areas for the quickest ROI on new technology investments.

Business Case and Implementation

A strong business case is an essential first step — as the old saying goes, "What gets measured, gets done!" Survey users to document pain points (including weaknesses in auditing and compliance) and needless time wasted on manual

tasks. Assess workloads and costs imposed on the IT team. Then, set targets for quantifiable and qualitative improvements over six months, a year and beyond.

Do thorough due diligence in selecting a solution and implementation approach (internal, or with vendor or consultant support). Speaking with a vendor's customer references can give valuable perspectives on keys to success and pitfalls to avoid. A CFO-led steering committee of business and IT leaders that diligently manages important first steps greatly increases chances of rapid and sustainable ROI.

User Engagement and Adoption

CFOs play the role of Chief Marketing Officer in "selling" a new solution to the user base. Failing to appreciate the importance of user engagement and adoption can undermine a project's success, so keep staff involved and informed from start to finish. That also puts a damper on anxiety and misconceptions that can otherwise develop.

Resistance to change is natural among users. Recognize that users may have a sense of pride and ownership in custom-built solutions or a complex Excel spreadsheet developed over time. From the outset, regular communications through in-person meetings, webinars, emails and other formats is important in getting users on board.

Build excitement by showing how a task that used to take three hours can now be done in minutes. Cultivate a sense of teamwork and collaboration. Collect ongoing feedback on user wants and needs, and offer advance training to help users dive in with minimal disruption. Internal and vendor support staff should be queued up to put out any brush fires once the solution goes live.

Nurturing and Optimization

A new ERP system shouldn't be a set-and-forget proposition. Opportunities to customize and optimize the solution to particular needs are virtually boundless. A program that nurtures "super users" can seed the organization with experts to help make the most of the system — especially a cloud-based system that automatically upgrades with new features several times a year.

Participating in user conferences, user groups, LinkedIn forums and the like are useful in building knowledge that can percolate across the organization. Ongoing training is important to master all the rich capabilities of today's best software. So is sizing up the array of add-on applications from a vendor's partners that can enrich the core platform.

And don't forget the business case developed at the outset. Measure progress against goals, set new objectives and adjust accordingly.

It's a given that the right financial management system positions an organization for increased efficiency, stronger financial controls and greater insights for informed decision-making. Modern cloud solutions are simply more robust, sophisticated and cost-effective than the disparate on-premise and desktop applications of yesteryear.

But it's also true that an organization risks lackluster results or outright failure unless a strong executive-led change management program is in place, with heavy emphasis on user engagement and adoption. CFOs who take charge in leading the transition to a new technology can accelerate ROI and captain the organization to a more agile and insightful future.

Tom Kelly is the Senior Director of Product Marketing for Oracle NetSuite. Before joining Oracle NetSuite Tom founded T-Edward, a strategic and operational Cloud consultancy providing Cloud expertise and CXO services to Fortune 500 and private equity-backed companies. Prior to T-Edward Tom held a variety of executive positions with large cap companies including PepsiCo, eFunds and Deluxe Corporation, as well as small cap, privately held entities such as eBenX, FullContact and PeopleNet Communications. Tom is a CPA and holds a B.A. degree in Accounting from North Carolina State University and an MBA in Finance from Fordham University.

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