# Lean Practices to Transform Your Finance Team

by David Parmenter

## Contents

# 1    Finance Role is Changing

Every high-performing finance team must be focused on helping their organisation get future ready. By future-ready, we mean an organisation that is fast and light on its feet, able to react quickly to events as they unfold. We mean an organisation that is nimble through utilising world best practices, an advanced adopter of leading-edge technologies and modern people practices that abandon the broken, ill-conceived management practices of the past.

The issue, however, is that many finance teams are far from future-ready. In truth, how many finance teams are satisfied that they have:

- Fully embraced all the lean best practices to be future-ready
- An annual planning process that helps their organisation get future-ready
- Successfully adopted the tried and tested leading-edge technologies now available in the 21st century.

## 1.1    Finance Teams Have a Burning Platform

Many finance teams spend long hours, frustrated, working with antiquated error prone systems and, to make it worse, follow procedures because they were carried out last month.

Yes, indeed, the platform is on fire, and we need to jump off right now. Many performance management processes that I used during my brief time with BP Oil and helped support as a consultant for Ernst & Whinney are well and truly broken. I am talking about key performance indicators (KPIs), the annual planning process, forecasting, using outdated technology, and, to round it off, month-end and year-end reporting.

These processes have not worked for years—and possibly never worked. The finance team has presided over an annual planning process where management and the board are told the lies they wanted to hear. The finance team have issued monthly reports that often end up in an executive's briefcase, which, on their third return journey back to the office, are deemed as read.

There are now significant performance gaps between what the CFO sees as important and their current proficiency in that area. In the 2015 IBM Global C-suite study,[1] the CFOs said that the three most important areas for them were identifying and tracking new revenue growth opportunities, developing talent in the finance organisation and measuring and optimising planning, budgeting and forecasting, as shown in Exhibit 1.1.
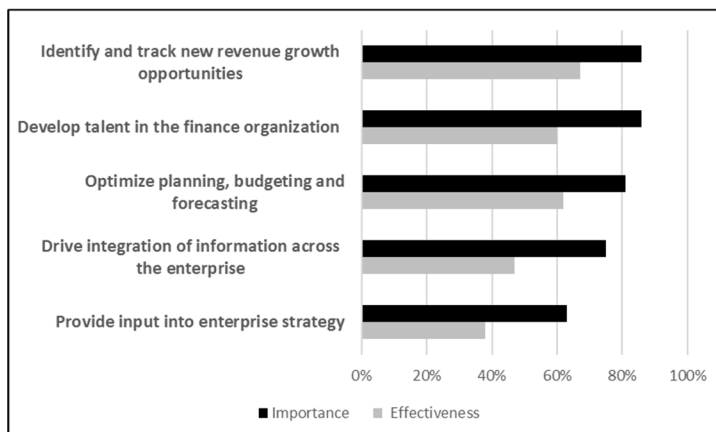


Exhibit 1.1 The Biggest Performance Gaps in Finance Teams

Source: IBM 2015 Global C-suite study based on 643 CFO interviews.

## 1.2    Finance Teams Are Locked in the Past

When Henry Ford said, "You can have any colour you like as long as it is black" the world of commerce was a simpler place. The Ford company only had to work out its production capacity in a year, and it could then estimate sales, having backed out the expected movement in inventory.

Large production runs and lengthy month-end processes were the order of the day. Charles Horngren's "Cost Accounting: A Managerial Emphasis" and books like it were locked into detail and a view into costing, budgeting, and allocation that is directly opposed to the lean movement.

When I was studying commerce at Liverpool University, I was taught how to deliver services that the Ford Motor Company might have needed when building the Model T Ford, see Exhibit 1.2.



Exhibit 1.2 The Birth Of Management Accounting In Mass Production Facilities

The accounting profession has learnt many bad habits:

| Area | Bad habit |
|---|---|
| Direct labour costs are variable | Treating direct labour costs as variable, yet we cannot go back to the Victorian times and hire staff on a daily basis. |
| Transferring operating costs to the balance sheet | Absorbing as many fixed costs into WIP and closing stock as possible, thereby transferring costs from the current period to subsequent periods. |
| Wedded to complexity | Installing one complex system after another, e.g., timesheets, work orders, detailed inventory tracking systems and activity-based costing. |
| Detail is good | Having a large chart of accounts with 200+ account codes for the P/L. |
| Slow month-ends | Overseeing a slow month-end reporting process as finance teams pursue the perfect number. Yet, we are only required to get to a true and fair number, and the "right" month-end number does not exist. |
| Slow year-ends | Signing up with the auditors for a slow year-end accounts exercise, with most of the finance team's time in the first quarter being spent endlessly adjusting the month 12 number. The final audited numbers often being within 5% of those reported at month 12. In other words, we have, in reality, come full circle. |
| Spreadsheet epidemic | A spreadsheet for everything that moved, and most certainly, multiple versions of the truth. |
| Maintaining an annual planning process | Managing the annual planning process, believing that it must be of some use. Each year, thinking that this time the annual planning process will be better, quicker, and easier than last year's disaster. |
| Generating unread reports | Generating reports that will not be read. |

## 1.3   Maybe It Is Time for Therapy

Two hundred years ago, when the Napoleonic Wars were raging, the English Navy had a device for retribution. It was called the 'cat o' nine tails'. Why is it that if the English Navy gave this up a long, long time ago, yet so many accountants pick the cat o' nine tails up and whip themselves time and time again?

This paper is about stopping this self-inflicted punishment and changing our ways.

## 1.4    Caught in a Revolving Door

I see many finance teams in this situation. The slow month-end reporting, the never-ending annual planning process and the long, drawn-out annual reporting cycle trap us in a revolving-door scenario. How do we get out of this Catch-22? The finance team needs to create time for change to have more time to act.

## 1.5    Lean Finance Team Benchmarks

Where do we find this time? We find it by aiming for these lean finance team benchmarks:

| Area | Lean finance team benchmarks |
| --- | --- |
| Month-end reporting | Fast month-end by day three or less (by next month-end) reporting by the close of the first working day within 12 to 18 months and be able to report net profit intra-month (virtual reporting) inside of three years. |
| Year-end accounts | Committing the auditors, your finance team, your board and the C-Suite to a 15-working-day signed set of annual accounts. |
| Annual planning | Produce the annual plan in less than two weeks from the rolling planning exercises. Eventually, the annual plan will be dropped in favour of a quarterly rolling planning process. |
| Key performance indicators (KPIs) | Work with no more than 10 KPIs in the organisation. The other operational measures, which are not key to operational performance, are to number less than 80 and be renamed. See the 10/80/10 rule in my IBM KPI paper[1]. |
| Excel ad hoc systems | All spreadsheets over 100 rows are to be replaced with a robust solution using one of the modern planning and reporting tools now readily available. |
| Streamlining the chart of accounts | Having over 50 account codes for profit and loss (P/L) is unnecessary and leads to miscoding and is anti-lean. |

Exhibit 4.2 Table of Benefits of Quick Reporting

| Benefits to management | Benefits to the finance team |
|---|---|
| Reporting plays a bigger part in the decision-making process. | Staff are more productive as efficiencies are locked in and bottlenecks are tackled. |
| Reduction in detail and length of reports. | Many month-end traditional processes are out of date and inefficient, and these are removed. |
| Reduced cost to the organisation of month-end reporting. | Happier staff with higher morale and increased job satisfaction. |
| More time spent analysing trends. | The finance staff focus is now on being a business partner to the budget holder, helping them to shape the future. |
| More time spent on achieving results. | The team has time to be involved in more rewarding activities, such as quarterly rolling forecasts, project work, and so forth. |
| Greater budget holder ownership (accruals, variance analysis, coding, corrections during the month, better understanding, etc.). | More professionally qualified finance staff. |
| Less senior management time invested in month-end. | Less senior finance team time invested in the month–end process and the change also leads to a very quick year-end. |

Impact of a Quick Month-End on the Finance Team Workload

It is important to cost out to management and the board the month-end reporting process. When doing this exercise, remember that senior management barely has 32 weeks of productive time when you remove holidays, sick leave, travel time, and routine management meetings. Thus, a cost of $1,000 per day is not unrealistic. Based on an organisation with 40 budget holders with around 500 full-time staff, I have estimated that the cost estimate is between $0.9m to $1.5m.

Your accounting team can easily perform such an analysis in 30 minutes and will be valuable in the sale process of changing month-end reporting time frames.

**I have included a costing template in the reader download as a guide to this exercise.**

## 4.2     Establish Reporting Rules Within the Finance Team

Members of the finance team have to realize that they are sculptors, not scientists. There needs to be recognition that the monthly accounts are not precise documents. Assessments need to be made, and the monthly accounts will never be right; they can only be a true and fair view. We could hold the accounts payable open for six months after month-end and still not have the plumber's invoice that arrives when the plumber's company is doing its year-end and realize that it has forgotten to invoice for work done.

We, therefore, need some rules about the month-end reporting process, which need to be signed off by all the accountants. The month-end financial report should:

- Not be delayed for detail.

- Be consistent — between months, judgment calls, and format.

- Be a true and fair view and error-free.

- Be concise — less than ten pages (include the major business units' one-page reports but exclude minor unit reports. These are shown as a consolidated number in the consolidated P/L).

- Be a merging of numbers, graphs, and comments on one page.

- Not be changed for adjustments that are likely to be set off by others yet to be found – instead, all adjustments are to be offset against each other on an "overs and unders" schedule.

- Be based on an agreed, corporate view of materiality. Materiality will not be set at a different level for each budget holder. Suppose materiality is set at $20,000 for a P/L item consolidated result. In that case, the overs and unders might be set at $10,000 so that two adjustments going the same way would be over the minimum amount for an adjustment.

**I have included a draft set of rules for the finance team in the reader download.**

## 4.3   Catch All Adjustments in an 'Overs and Unders' Schedule

Month-end reporting is not the time for spring cleaning, no matter how tempting it can be. This requires a re-education within the finance team and with budget holders.

All miscoding, unless resulting in a material misstatement of the P/L, are processed during the following month. Budget holders are educated to review their cost centre numbers via online access to the G/L during the month and are requested to highlight any discrepancies immediately with the finance team.

We want to have a regime where we catch all material adjustments and see the net result of them before any decision is made to adjust e.g., only a material month-end misstatement will result in processing an adjustment. The first time you do this, set up two 'overs and unders' spreadsheets, see Exhibit 4.3, at the close of the last working day.

One spreadsheet is to trap major adjustments. If materiality is set at $40,000 for a P/L adjustment, I would recommend setting the threshold for the "over and unders" schedule at around 40-50%. In this case, it would be between $16,000 and $20000, so I would go for $20,000. The other "over and unders" schedule is to trap minor adjustments between $5,000 and $19,000.

If they find adjustments, the accountants will enter them on the appropriate spreadsheets that reside on a shared drive on the local area network. More often than not, you will note that adjustments tend to net each other off.

If there is a material misstatement of the net result, we will process one or two appropriate adjustments and then remove them from this schedule. This will bring the total of the overs and unders to an acceptable figure.  We then process all the other adjustments during the quiet time in the following mid-month. In the quiet of mid-month, the minor adjustments are reviewed for their causes and work done to fix the problems. This minor schedule is now no longer continued.

| Source | Raised by | JV # | | Adjustment | P/L impact | | B/S impact | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Dr | Cr | Dr | Cr |
| Budget holder | Pat | 1 | Dr | Consultancy Fees (Dept 10) | 45 | | | |
| | | | Cr | Consultancy Fees (Dept 12) | | 45 | | |
| | | | | | | | | |
| Budget holder | John | 2 | Dr | Training courses (Dept 6) | 10 | | | |
| | | | Cr | Training courses (Dept 16) | | 10 | | |
| Debtors review | Jean | 3 | Dr | Bad debts write-off (ABC in liquidation) | 25 | | | |
| | | | Cr | Provision for doubtful debts | | | | 25 |
| | | | | | | | | |
| xxxxx | Dave | 4 | Dr | xxxx xxxx | | | 15 | |
| | | | Cr | xx x x   xxxxxxxxx | | 15 | | |
| | | | | | | | | |
| | | etc | | | | | | |
| | | | | | 80 | 70 | | |
| | | | | | -70 | | | |
| | | | | Net impact on P/L | 10 | | | |

Exhibit 4.3 Maintaining an 'Overs and Unders' Schedule.

## 4.4    Avoid a Huge Wave of Accounts Payable Invoices at Month-End

The last thing the AP team needs is to receive a tsunami of invoices on the last day of the cut-off, as shown in Exhibit 4.4. It is important to push processing back from month-end by avoiding a payment run at month-end. It is a better practice to have weekly or daily direct credit payment runs with none happening within the last and first two days of month-end.

Change invoicing cycles on all monthly accounts such as utilities, credit cards, stationery, etc. (e.g., invoice cycle including transactions from 28th May to 27th June and being received electronically by the 28th June). Since you are looking at one month's activity, albeit slightly staggered, it is not worth preparing accruals for these suppliers, as the previous month's reversing accrual will make any difference immaterial.
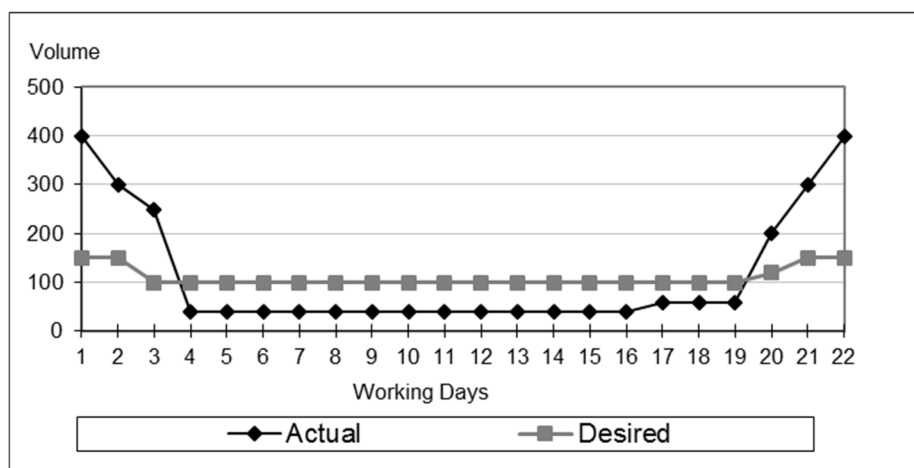


Exhibit 4.4 Accounts Payable Invoice Processing Volumes During Month.

# 6    Technology Worth Adopting

Many finance teams have underinvested in twenty-first-century systems and relied too heavily on spreadsheets. Far too much time and money has been reinvested in upgrading the general ledger (G/L) and far too little in planning tools, intercompany software, collaborative disclosure management software, and consolidation software.

In a modern company, the G/L does only the basic task of holding the financial numbers for the year. Monthly reporting, the latest forecast numbers, budget numbers, and even the drill-down facility available to budget holders often reside outside the G/L package, so why reinvest?

## 6.1    Banning Spreadsheets from Core Finance Routines

Spreadsheets have no place in forecasting, budgeting and many other core financial routines. Spreadsheets were not designed for many of the tasks they are currently used to accomplish. In fact, at workshops, I often remark in jest that many people, if they worked at NASA, would try to use Microsoft Excel for the US space program, and many would believe that it would be appropriate to do so.

A spreadsheet is a great tool for creating static graphs for a report or designing and testing a reporting template. It is not, and never should have been, a building block for your company's finance systems. Two accounting firms have pointed out that there is approximately a 90 per cent chance of a logic error for every 150 rows in an Excel workbook[14].

Some of the common problems with spreadsheets are:

- **Broken links or formulas**. An individual might add +50 to a formula to force the spreadsheet to report the right number. The trouble is that these short-cut amendments come back to haunt us. In addition users often find out the password and then add or eliminate a row or column so that, when a group of spreadsheets is rolled up, the master spreadsheet is taking the wrong number from the one that was modified.
- **Consolidation errors**. Often, a spreadsheet will lock up or show a screen full of "REF", "REF", "REF" errors because it was not designed to be a tool for handling a rollup of dozens of different worksheets.
- **Input of the wrong numbers**. Entering the wrong number can happen in any process, but spreadsheet-based systems often require rekeying of information, which can produce data inconsistencies. A spreadsheet might use a look-up table that is out of date, or an entry might have been inadvertently or mistakenly overwritten.
- **Incorrect formulas**. A subtotal might omit one or more rows, columns or both. An individual might overwrite a formula because they believe theirs is more accurate. Or someone might use an outdated spreadsheet. Another problem that arises with spreadsheets is that allocation models might not allocate 100 per cent of the costs. Allocation methods might also be inconsistent.
- **No proper version control**. Using an outdated version of a spreadsheet is very common.
- **Lack of robustness**. Confidence in the number a spreadsheet churns out is not assured. In large spreadsheets, you do not have the time or inclination to check all the formulas because they can be found in any cell of the spreadsheet.
- **Inability to accommodate changes to assumptions quickly**. What would you do if your CEO asked, "If we stopped production of computer printers, what would be the financial impact? I need the answer at the close of play today." Your spreadsheets are not able to provide that quick answer.

- **Design is by accounting staff who are not programmers**. Most accounting staff have not been trained in system documentation and quality assurance, which you will expect from a designer of a core company system.
- **Lack of corporate office control**. Many people in a business can use spreadsheets to create their view at a ridiculous level of detail. This can lead, as a friend once said to me, "To the march of a million spreadsheets."

Jeremy Hope[15] points out that Sarbanes-Oxley may be the sword that finally removes the spreadsheet from key financial monthly routines.

> *"In theory, at least, every change to a formula or even a change to the number of rows needs to be documented."*

Rule of 100 Rows

I believe you can build a model in a spreadsheet application and can keep it within 100 rows without much risk. Pass this threshold and you expose yourself, your finance team and the organisation.

Finance teams require a robust tool, not a spreadsheet that an innovative accountant built and that, now, no one can understand. I always ask in workshops, "Who has a massive spreadsheet written by someone else that you have to pray before you use it?" You can see the pain in the instant response. Most people know that the person who built the spreadsheet was not trained in operational systems design. The workbook will be a collage of evolving logic that only the originator has a chance to understand. Often, the main hurdle is the finance team's reluctance to divorce itself from the spreadsheet program. It has been a long and comfortable marriage, albeit one that has limited the finance team's performance.

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### The new CFO finds an error

A financial controller came to me with a great tale. He had just completed the annual budget that his team had been working on for many weeks, long into the night and on weekends. Proudly, one Friday afternoon, he walked into the office of the recently appointed CFO and announced the first cut of the annual plan. The CFO spent five minutes looking at the plan and, after quickly calculating some numbers, said, "This annual plan is wrong; the numbers do not make sense."

The financial controller was taken aback because he had made a special effort to conduct quality assurance on the numbers, and he had done comparisons to last year's plan, along with a few other things. He had wanted to make the best impression.

The CFO called him over to look at his brief calculation, "Pat, we know the planned sales have been signed off already, gross profit margin historically has been around ___ per cent, overheads are roughly $___, and thus, I am expecting a number around $___-$___." The financial controller could only agree.

That weekend, the team poured over the spreadsheet, which was enormous and included the consolidation of many worksheets from many sources. Late on Sunday, they experienced an "eureka" moment. An error was found and rushed to the financial controller. As they processed the correction, they looked with disbelief because the new number was within the outline the CFO had suggested. "We have a pretty smart CFO; let's see how long this error has been around. Please look at the last two year's annual plan models," Pat requested.

As Pat recalled to me, with a wry smile, the error had been in the plans for the previous two years and had gone completely undetected.

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<u>Career Limiting</u>

As a corporate accountant, being an expert at Excel will show you are a technical dinosaur, one who has not embraced modern tools and does not understand the inherent risks in running core financial systems with a high-risk tool.

To those readers who believe spreadsheets are still appropriate for financial systems, I say to them, why not build your general ledger in a spreadsheet program and, while you are at it, all your operations systems? Try explaining to the CEO that only one person knows how these systems work, and they left four years ago. You might as well clear your desk now.

## 6.2    <u>The Technologies You Need to Understand and Evaluate</u>

Instead of changing your G/L, I believe the CFO and the finance team have better investment opportunities elsewhere, which will turn the accounting function into a paperless office.

There are seven must-adopt technologies on the journey from average too good to a great finance function. These are:

| | |
|---|---|
| A planning and forecasting tool | These tools replace Excel. You need to place these larger models in the appropriate software. |
| Accounts payable solutions | Moving to a paperless accounts payable situation is a must-have for larger organisations. The investment in systems pays off in a reduction in transaction volumes, eliminating re-keying and the taking of all prompt payment discounts. |
| A reporting tool to enhance accuracy and make them paperless | Reporting tools enable the finance team to move to paperless reporting utilising better practice presentation styles, e.g., Tableau, Qlikview, Dundas, Targit<br><br>Add a drill-down front end to the G/L if it is not already part of your G/L, e.g., PowerPlay and Crystal Reporting |
| Fast close software | Software to automate processes and reduce month-end activities. |
| Consolidation and intercompany transaction software to remove disputes between subsidiaries | A proper consolidation tool is a must-have for any organisation with over two subsidiaries. We all have built a consolidation tool in Excel, however, it is not appropriate for large consolidations. |
| Collaborative software | Collaborative disclosure management software ensures that you have one database that is the sole source of the truth. All reports, presentations and public documents are automatically updated from this software if the numbers have changed. It even recalculates any disclosed variances.<br><br>Trello is an electronic Kanban board. |

| Electronic board papers | Electronic board paper systems offer many features, including: access to papers from anywhere, anytime, as soon as they are available; instantaneous edits, page numbering; and absolute security. |
|---|---|

Upgrade the G/L only after you have acquired the above systems and maximized the existing G/L.

## 6.3    Planning and Forecasting Tools

A decade ago, the electronic spreadsheet was still state-of-the-art for the budgeting process and the only practical option for most midsize companies. However, what might have started as a simple budget model often grew into a spreadsheet that soon got out of control. Moreover, considering the time and effort required to turn that mass of spreadsheets into a coherent budget, that should not have been considered "inexpensive." With the introduction of dedicated planning tool software for all sizes of organisations, spreadsheets are not the optimal approach any longer.

**I have written a detailed paper, "Why you need a planning tool and how to sell the concept to the senior management team"[16], which I have included in the electronic media with this toolkit.**

A case study of selecting and implementing a planning tool

Ballance Agri-Nutrients Ltd (Ballance) is a farmer-owned co-operative with 700 employees. Ballance has one of New Zealand's largest SAP software implementations, including SAP applications for business intelligence (BI), supply chain management, finance, and process integration.

Ballance's Finance Team

The Finance team in Ballance knew they had to move on from their Excel forecasting model as not only was it unable to deliver the decision-based information required it had become a monstrosity with many additions over its 15-year life. The Excel model had grown to 254 separate workbooks that had to be manually consolidated in a five-hour nerve-racking consolidation, which staff dreaded.

They needed a tool that could help their dynamic organisation focus on future opportunities and threats.

They also needed to migrate away from the annual planning process where budgets were prepared between 3 to 15 months prior to that period starting. Each month, the Ballance finance team was tied in the circle of chasing their tail to explain why a forecast made so long ago was wrong.

Scoping the Needs and Planning Tool Selection

As an organisation with a "thinking approach" to management, Ballance set about assessing which planning tools could deliver their requirements. They used a consultancy firm to ascertain that there were two options for them: the planning tool linked to their GL provider and a tier-one standalone planning product.

They then hired a planning tool developer to be a facilitator during the blueprint design, making it clear that the blueprint must be capable of "going to market" and be implemented by another planning tool provider. In fact, the facilitator's organisation lost out, albeit they were paid for all their facilitation work.

## Implementation of the Planning Tool

The blueprint design process was based on the Toyota principle: "make decisions slowly by consensus, thoroughly considering all options and then implement the decisions rapidly". They held three two-week workshops. Yes, that is six weeks of workshops. This incredible upfront investment ensured they had a clear understanding of their needs from the model, how the model should work, that every process in the model was using well thought out logic and that wherever possible, a "helicopter" big picture view was retained.

An important feature was that the implementation was business rather than finance-owned. It was foremost a business tool for the business, implemented by the business, for the business. System testers came from the business, not the system provider. This had mutual benefits in that the business had users who understood the system prior to launch, and the provider had testers who could ask questions with industry insights.

The first forecast was produced a month earlier than previously. This helped cement, in the staff's minds, that the new TM1 system was better and worth supporting.

## Rolling Forecasts

The rolling forecasting system Ballance developed had the following features:

- Forecasts now belong to the business
- Forecasts are a rolling business view and are not tied to the financial year
- Forecasts are for a specific period, 18 months ahead in detail and summary level 36 months ahead
- Forecasts are updated every month with inventory planning data
- They are updated quarterly with financial numbers
- Assumptions are detailed, monitored and reviewed
- The forecast system is linked to Ballance's enterprise resource planning system
- The forecast system is linked with the sales and operational planning

Whilst the business owns the forecast, this does not mean finance is sitting in the grandstand watching the process. The finance team tests the process to ensure the right questions are being asked. They test the "What ifs?" and understand what the key result indicators are. For Ballance, their input ensured that the company's impressive record on reducing costs and increasing revenue would continue to be supported by this development.

## Benefits to Ballance from the Rolling Planning

The benefits of the model have been profound. Two years in the organisation has:

- Saved money through a better understanding of bank facilities' requirements
- Achieved more accurate predictions of profitability and dividend payments
- Been able to pay rebates to shareholders six weeks earlier, improving shareholders' (the farmers') cash flow.
- Become more future-focused
- Improved the recovery of raw material cost fluctuations.

There is a detailed review of this case study in the electronic media attached to this paper.

New planning tools are being built all the time and this table, Exhibit 6.1, will certainly be out of date at the time of you reading it. The table is not intended to be a comprehensive list, as this would be a paper in itself. The following "search strings" will help unearth many applications:

"Planning tools"

"Quarterly rolling forecasting" + "applications"

"Forecasting tools" + "rolling"

Exhibit 6.1 An Analysis of Planning Tools

| Tier* | Package Name | Website | Cloud option | Free Trial / Demo |
|---|---|---|---|---|
| 3 | A3 Modelling | www.a3solutions.com | Yes | Free model |
| 1,2,3 | Adaptive Planning | www.adaptiveplanning.com | Yes | Free trial |
| 2,3 | Anaplan | www.anaplan.com | Yes | Demos |
| 3 | Big Boss | www.bigbosssoft.com | No | Free trial |
| 2,3 | BizBudg Online | www.bizbudg.com | Yes | Free trial |
| 1,2,3 | BOARD International | www.board.com | Yes | Demo, Webinars |
| 2,3 | Budgeta | www.budgeta.com | Yes | Free trial |
| 2,3 | Budget Maestro | www.centage.com | Yes | Free trial |
| 1,2,3 | Budgeting and planning | www.prophix.com | Yes | Demo, Free trial |
| 1 | Budgeting and planning | Insightsoftware.com | Yes | Free Demo |
| 2,3 | Budgyt | www.budgyt.com/ | Yes | Free trial |
| 3 | Calxa Premier | www.calxa.com | Yes | Guarantee |
| 2,3 | Calumo | www.calumo.com | Yes | No |
| 3 | Castaway | www.castawayforecasting.com | No | Demo |
| 1,2 | Cognos TM1 | www-03.ibm.com | Yes | Demo |
| 2,3 | Collaborative Planning | www.oneadvanced.com | Yes | Demo |
| 1,2 | Control | www.kcicorp.com | Yes | Demo |
| 2,3 | Corporate Planner | www.account-ability.co.uk | Yes | No |
| 2,3 | Dynac | www.dynactools.ca | Yes | No |
| 3 | Epicor financial Planner | www.epicor.com | Yes | Demo, Webinars |
| 3 | ExecuReports | www.ics.co.za | Yes | No |
| 2,3 | Forecast 5 | www.forecast5.com | No | Free trial |
| 2,3 | 4castPro | www.4castsolutions.co.uk | Yes | Free trial |
| 1,2 | idu-Concept Financial Budgeting Module | www.idusoft.com | Yes | Demo |
| 1,2 | Invest for Excel | www.investforexcel.com | No | Free trial |
| Govt | Isidore Budgeting and Planning | www.isidore.com | Yes | No |
| 2,3 | Jedox | www.jedox.com | Yes | Free trial |
| 1,2 | Longview | www.insightsoftware.com | Yes | Demo |
| 2,3 | Maxiplan Rapidstart | www.rsforecast.com | Yes | Free trial |
| 2,3 | Mondelio 6.3 | www.mondelio.com | Next version | No |
| 2,3 | Multiview ERP | www.multiviewcorp.com | Yes | Demo |

| 2,3 | Mygide | www.mygide.com | No | Free trial for 30 days |
|-----|--------|----------------|-----|------------------------|
| 1,2 | OneStream XF | www.onestreamsoftware.com | Yes | Demo |
| 1,2 | Oracle Hyperion Planning | www.oracle.com | Yes | Video, Pod and on line chat |
| 2,3 | Planful | www.planful.com | yes | Demo |
| 2,3 | Planguru | www.planguru.com | Yes | Free trial |
| 2,3 | Planning Maestro | www.Centage.com | Yes | Demo |
| 3 | Poindexter | www.getpoindexter.com | Yes | Demo |
| 2,3 | PowerPlan | www.powerplan.com | Yes | Whitepapers |
| 2,3 | Questica Budget | www.questica.com | Yes | Demo |
| 1,2 | Quantrix Modeler | www.quantrix.com | Yes | Free trial |
| 3 | Rephop | www.rephop.com | Yes | Demo |
| 2,3 | Rocket CorVu Corplanning | www.rocketsoftware.com | No | Videos |
| 1, 2 | SAS Financial Management | www.sas.com | Yes | Whitepapers |
| 2,3 | Six degrees Planning | www.sixdegreesplanning.com | Yes | Whitepapers |
| 2,3 | Tagetik 4 | www.tagetik.com | Yes | Demo |
| 3 | Up Your Cash Flow | www.upyourcashflow.com | No | Free trial |
| 1,2 | Vanguard Predictive Planning | www.vanguardsw.com | Yes | Webinar |

## 6.4   Upgrade Accounts Payable Systems

Finance teams need to invest in accounts payable (AP) to reduce transaction volumes and make the AP operation paperless. For the finance team, the best return on your dollar investment is going to be in AP.

There have been major advancements in technology for AP teams. The return on investment from using AP technology is greater than any other equivalent investment in other service departments within a business. Why, then, are some AP teams so underinvested? This is due to:

- Lack of understanding by the CFO of the technologies and their benefits
- The AP team did not research the technologies
- Insufficient selling of these technologies by application suppliers

It is safe to say that there is a technology suitable for SMEs and large enterprises that will make them paperless. In a study, the winds of change were shown in Exhibit 6.2. As can be seen, if you are not using electronic payments and purchasing cards, you are already behind the eight ball. The payables automation options are extensive, as shown in Exhibit 6.3.