



HOW TODAY'S CFO SEES FINANCE

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In today's fast-moving world, enabled with technology, automation, artificial intelligence, blockchain, robotics CFOs are no longer only finance function heads. They are becoming more and more business partners.

Enabling revenue growth. Enabling process efficiency. Cost reduction. Optimization. Building in more and more efficiencies in the entire CFO back-office Operation. Be it procure-to-pay, be it order-to-cash be it record-to-report. The main focus is to look at the business KPIs which can really help them build more efficient, data-driven, technology-driven efficient operations. CFO back-office operations. Let's look at P2P.

What is the concern of today's CFO? They are looking at the KPIs, which is either the percentage of PO

penetration, what does the indirect procurement source to e-catalog, what is the PO cycle time. What is the invoice cycle time? What does the invoice payment time? What is the turnaround time? What is the early payment discounts?

And if you look at all this, KPIs and the numbers given by experts and analysts in the field, we will find the top performers way ahead way ahead in comparison to the people who are not adopting or embracing the technology to really build and to really improve their process efficiencies. Let's look at some of the data. PO today from the best in class is more than 75 percent, whereas people who are working still manually under working environment are in the 35 or even less than that. Let's look at the indirect procurement. Even in the indirect procurement, your

maverick spend is as high without the PO and the contract compliance as good as 65 percent.

The PO time for the best in class is five days in comparison to the people who are at the bottom. It is even 35-40 days.

And if raw material, if my material is not coming in in time, how come I'm going to produce? How can I deliver to the customer? So all these independent activities based on the KPIs and look let's look at the invoice cycle time, invoice cycle time today for the best in class is, 48 hour. Suppliers' payments are processed booked after due payment terms in 48 hours time. Not even that. Even earlier to take benefit of the early payment discount. There is a worst and class. It is going even beyond 65-70 days. So even in the P2P and that P2P

value chain, we have seen our partners, our customers getting benefit to the tune of fifteen to twenty five million dollar annualized saving. If they really embrace technology to really transform the process with the help of automation, robotics, artificial intelligence as well as analytics. Now let's go to the O2C or order to cash. What is the order fulfillment rate? Is my customer happy? Is he really getting the goods on the need by date. How many order cycle I'm running per day, per month, per week? Do we have this data? Are we enabling the complete process to automation or transformation? Do we really deliver what customer needs? Not only that. Am I really increasing cost of my

operation by having a very high inventory carrying costs, by having very few inventory cycle time or turnaround time by having very high aging in the receivables. Let's say for example, 30 percent receivables from aging for more than 365 days. all this can be achieved today and that is what CFO's main agenda is. To drive process efficiencies and automation to help them in a P2P and O2C process which again helps them in a record to report process for their month end closing seven days, month and closing days are passed. They are gone today what they are looking looking is 2-3 days month end closing and closing of the books and reporting of the data today. If we really look at FP&A planning and budgeting

also all this is possible with the help of automation, with the help of adoption of artificial intelligence blockchain and even Robotic Process Automation for the complete business transformation, which really gives you operational efficiency and really deliver the same or a better quality with a better productivity and turnaround time to the end customers.

So today aim of the CFO is to be a catalyst in the business transformation through digital transformation process automation.

