A STRATEGIC CONTROLLER'S GUIDE
to Digital Transformation

TROVATA

Riding the New Digital Wave

The Corporate Controller's role has evolved. We have moved past the days of "plug and chug" and into the age of analytics. Over the years, the Controller's toolkit has become outdated. Tools like Excel, which once were the pinnacle of accounting technology are now a reflection of the manual and tedious days of the past. These days, more and more executives are moving into the digital age.

> " Just a little over a quarter of respondents say advanced technologies will be a "must-have" within one to two years in their corporate financial reporting, while more than half are looking at a three- to five-year horizon. "
>
> **– A study performed by KPMG**

With a three to five year expectation on the implementation of advanced technology, the role of the Controller will continue to rapidly grow and expand beyond basic reporting.

The CFO now expects you to play a critical role in the company. A study done by Deloitte found that 91.9% of respondents answered yes when asked if they agreed with the following statement. "The Chief Financial Officer (CFO) and the business are requesting the Controllership function to play a more active role in shaping and executing strategic priorities."

Not only do they want to elevate the role of the Controller, they are convinced that the Controller has the skills necessary to operate at a higher level. In fact, according to Deloitte, 87.7% of reportees were confident in their Controller's ability to fulfill their digital vision.

Role-ing with the tide.

The digital wave is saving Controllers time, changing their work and in turn, elevating their role in the company. Many Controllers see this as an opportunity to earn a seat at the table and play a more influential role in their organizations.

As a Controller's work becomes less tedious, they charge further into the digital age, and further away from manual data entry and collection. This is fantastic for Controllers, who have more value to

contribute to the organization than copying and pasting things into Excel. Controllers could provide original content, assist with analysis, or even become advisors on the implementation of technology in accounting. Controllers now have the potential to spend their time providing insight on reports instead of creating them.

Make a splash.

In order to maximize this potential there are three crucial steps a Controller should take.

1. Communicate effectively.

How would you currently define your role? If you are like most Controllers, then you mainly function as a steward and operator of the business. You manage and protect company assets, and run an efficient finance operation.

> **...survey results suggest that Controllers in the United States spend nearly 70% of their time performing traditional tasks, such as closing the books or ensuring compliance with accounting standards. As a result, they lack the time to participate in decisions involving organizational strategy.**
>
> **– Interview with Deloitte**

Then how exactly do you transition your role, into something that includes being a strategist and a catalyst for change in your organization? First you need to let management know your goals and vision for your own role. Be vocal with your CFO and advocate for the changes you would like to see. Clearly explain to them, what responsibilities are you looking to add and why you are qualified to handle them. This is not an easy step and for most Controllers it may seem a little daunting. Have enough confidence in yourself and your financial prowess to step out of your role and comfort level. This is how you grow.

Your CFO will want to know that the increased responsibility won't take away from your current function. How are you going to find the time to take on more?

⚡ 2. Leverage technology and improve efficiency.

Time is finite and Controllers generally do not have a lot to spare, so where are you going to find the time to elevate your role in the organization? The answer is in automation. By automating processes that currently consume your time, you gain the ability to focus on strategic tasks.

> **A Fortune 100 multinational implemented RPA to automate the daily cash positioning of their in-house bank and eliminate repetitive human input. This allowed the team to free up 1.5 hours a day for one person to focus on strategic projects and analyse investment decisions.**
>
> **– Case study done by PricewaterhouseCoopers**

In order to bring efficiency and technology through automation, you need to be a champion for your own department. Advocate for change and push the business to make the necessary investments in technology. Bring in the technological advancements that make the most sense for your accounting department. When evaluating said technology, look for things that will increase productivity and minimize human error.

👥 3. Invest in the recruitment and development of talent.

While technology can improve efficiency, without the support of your team, nothing will change. If you want to embrace new technology, then hire those who share that vision and keep it moving forward.

You and your work are defined by the strength of those who work under you. The implementation of new technology will not be successful unless everyone is on board. Without the support of the accounting department, the needle on productivity and progress won't budge and neither will your role in the business.

The data tsunami that is the digital age is changing the required skills of Controllers and those entering the accounting profession. While it is easy to cut corners in recruiting, it is crucial to ensure that you are planting the seeds for future success.

There is a growing demand for workers who can understand the technological systems being put in place. In addition, incoming accountants need to have strong analytical skills. More and more, they are being expected to provide insights on reports, not just generate them.

> **"Recruiting is hard and it takes continual effort to maintain it as a number one priority. But we hear time and time again that if you really invest time in bringing in and developing good people the payback is exponential."**

– Ernst and Young

There's plenty of fish in the sea.

Depending on the size of the business, there are a variety of options in the digital age available to Controllers.

The technology used by those in the accounting profession is changing rapidly. The tools that once were common practice are beginning to look outdated.

Excel is one of the oldest tools in the accounting playbook. However, it's manually intensive and extremely time consuming when it comes to generating reports. It also makes it difficult to take into account historical data when generating cash forecasts. Working in Excel is a sore spot for accountants, as it is a vacuum for time and patience.

Legacy Treasury Management Systems are traditionally used by Controllers who are also expected to serve as the Treasurers of their institutions. TMS are extremely expensive and require a lengthy installation process. These systems are heavily reliant on IT. All in, you are looking at months to a year of IT integration. While these systems can partially automate certain processes, they still export to Excel for cash forecasting and reporting. Though these systems were once on the cutting edge of technology, they now lag behind the digital curve.

These days the cutting edge accounting technology involves cloud computing and advanced analytics.

Cloud computing is a general term for any computing delivery service. This includes everything from databases, software, and analytics, to storage and servers. These services are all delivered through the internet. The real benefit to cloud computing is that they are often based on a pay as you go system. If you use 1TB of storage, then you pay for 1TB of storage. This helps business owners scale their computing needs as the needs of their businesses change.

Advanced analytics is the result of applying high-level data science methods to project future trends. For example, advanced analytics can work to automate your cash forecasting. Then, there is technology like robotic process automation (RPA) which is able to create a virtual workforce. RPA is

essentially a virtual human that uses existing software to complete repetitive tasks. It's the antithesis of programs like Excel, as RPA can automate all of that really tedious, repetitive data entry you used to do to manage spreadsheets. RPA is used to standardize information coming from different sources. For example, standardizing currency coming from banks in different countries.

Another helpful digital accounting tool is visualization. Visualization is the ability to see data in real time. Think about cash positioning. How many bank accounts do you need to log in to, and how many spreadsheets do you need to open to calculate your current cash position. Visualization of your cash position would be the aggregation and standardization of all that data, in one place for easy access. This allows you to easily access your cash position data and watch as it updates in real time.
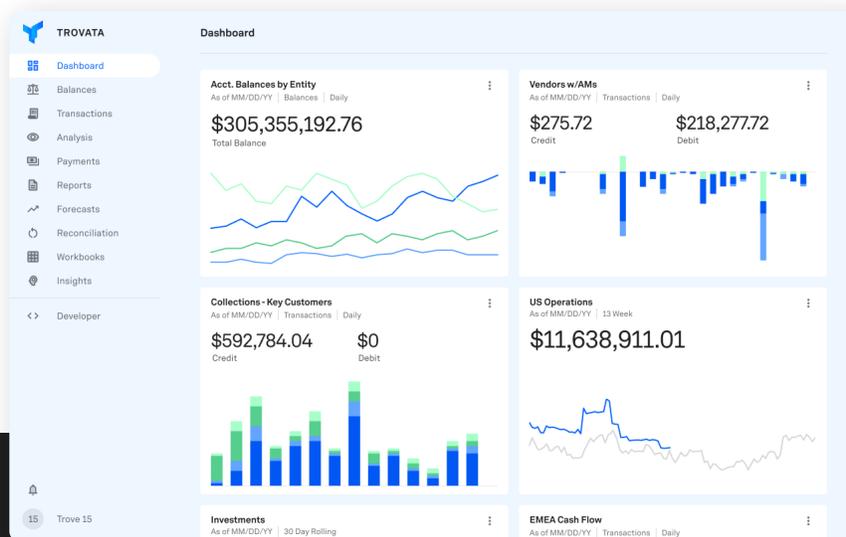
Set sail with Trovata. We're the best, here's why.

Trovata directly integrates with banks and allows its users to connect to their banks in minutes. With Trovata, cash positioning is fully automated and users gain access to built-in business intelligence tools to visualize, analyze, report, and reconcile cash flows.

Trovata provides better cash visibility with an all-in low lift and low-cost solution. We make it easy for CFOs to quickly answer questions like "How much cash do I have?" and "Where is it going?". Trovata saves time in cash reporting and analysis, and gives CFOs updated cash visibility, by sending daily reports straight to their inbox.

See how Trovata's cutting edge technology can help you transform your organization's finance and accounting. Book a demo today!

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