



Finance-as-a-service: the next phase of growth

Businesses face constant pressure to optimize their core financial tasks, but during a period of rapid growth, keeping up with day-to-day work can stretch a finance team to its limits. However, it doesn't have to be that way.

Rather than investing in innovative financial systems, many businesses continue using their current processes—often a patchwork of spreadsheets and applications—to keep their operations running. Although this may seem easy and cost-effective at first, such processes can quickly become cumbersome and expensive to maintain, especially as the business expands.

When these pressures are ignored, reporting errors increase in frequency and severity, inadequate reporting and data gaps lead to poor business decisions, and talent gets burnt out. Instead of saving money, a lack of investment can increase both the costs and risks to the business in the long haul.

From obstacles to opportunities for growth

Outdated tools

Many businesses are at crossroads. They've outgrown the capabilities of their small business accounting software but fear they don't have the resources to build a new system that will meet their needs and support their expansion. Taking on a more sophisticated enterprise resource planning (ERP) system can be risky and expensive for any business. As the technology to automate your back office becomes more advanced, the work needed to integrate it into your operations becomes more complex, too. It's not uncommon for companies to spend more than a year trying to integrate new finance software solutions without getting results. That's another year of operating without the financial data and statements you need to fully understand your business.

The challenges are particularly acute for small- and medium-sized operations that lack the in-house capabilities to modernize their accounting software or the budgets to attract the talent to manage new solutions. For many executives, the need to modernize their accounting systems is obvious—it's the execution that's the challenge.

Getting it right on the first try can be challenging without an experienced guide that can source, tailor, and implement the right financial solution software to serve the needs of your business. Collaborating with a qualified team will also ensure that you're incorporating a solution that can save time, improve productivity, and scale to meet the needs of your business as it grows. To effectively achieve this, you need a reliable team that can answer critical questions, such as whether it's more efficient to build, buy, or hire help to integrate a solution into your existing process.

Difficulties sourcing talent

Volatile geopolitical and economic conditions create pressure on companies to surround their finance executives with a team that has the specialized skills needed to quickly scale up and enhance their finance function. Finding a collaborator that can bring the experience and skill set you need to find and integrate your new finance software solution, increase productivity by automating transactional back-office tasks, and improve the quality and timeliness of your financial reporting and accounting is imperative to success.

Doing more with less

Chief financial officers (CFOs) are under great pressure to cut costs, grow revenue, and ensure appropriate internal controls. In addition to their traditional role as stewards, they are also required to preserve the assets of the organization, support their operators to run a tight finance operation, be strategists and catalysts for finance processes, and instill a growth-oriented mindset throughout the organization. Performing these roles without optimizing back-office systems and technology is not sustainable. Amid the current economic uncertainty, rapid technology advancements, increased regulatory requirements, financial restatements, and increased investor scrutiny, CFOs are being thrust into the spotlight. Having experienced, reliable, and collaborative support can help alleviate the pressure created by the volume of transactional and operational accounting tasks.

Is it time to ask for help?

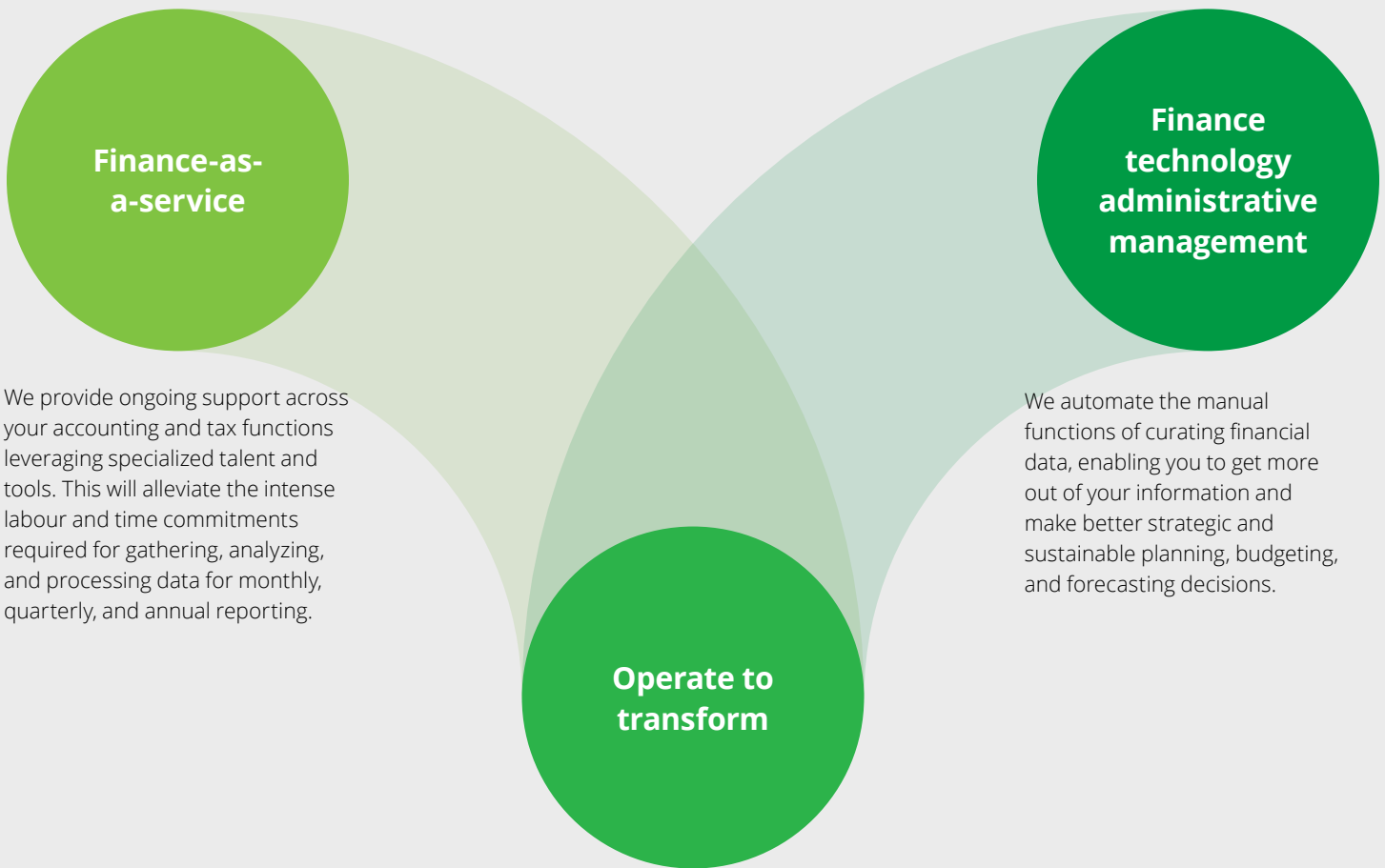
With experience supporting organizations across industries, Operate Finance can help you implement operating models that align with your goals, geographic footprint, regulatory requirements, and staff capabilities. To make sure you have cost certainty, we offer finance solutions with agile pricing models, including fixed rates, so you can concentrate on growing your business.

Increased quality, productivity, timeliness, and probability of success, while your team focuses on the core business strategy.



Our solution: Finance-as-a-service

**Want to improve your back office, but don't know where to start?
Operate Finance will provide the professional support you need to compete
with your largest competitors—at a lower cost than building it yourself.**



We provide a hybrid shared service alternative to upskill your people, processes, and technologies—preparing your back office for growth in an integrated ERP environment. By taking a long-term view, we look for opportunities to embed continual improvement and innovation into your team culture.

Process

Leveraging the best industry practices, we start by helping you find efficiencies within your accounting function, identify gaps in your organization, and optimize your processes before transferring you to a preconfigured framework that has been tailored to your needs. After you have transitioned to the new platform, our team will continue to provide the support you need to elevate your back-office operations.



Why Deloitte?



Enhanced financial reporting and insights

Deloitte is recognized by ALM Vanguard as a global leader in finance operations consulting because of the knowledge and experience of our financial teams. Tap into a network of 400,000 global practitioners and industry leaders in accounting, tax, and finance who maintain the best practices and have access to the most innovative ideas and solutions shaping the market.



More competitive advantage

As the top-ranked firm in Accounting Today's Top 100 Firms, we can help optimize your operations by sharing industry best practices and embedding innovative ideas to manage changing regulations, financial requirements, and tax incentives.



Change management made easy

With access to local and global resources, we offer an end-to-end solution team that can provide you with on-demand specialized knowledge in financial accounting, automation, technology implementation, data analytics, software tools, risk management, and tax reporting.



Improved value proposition of your finance team

As financial teams are asked to do more, we help you increase automation to improve the quality and timeliness of your financial and accounting reporting, freeing up your finance team to focus on more high-impact areas of the business without giving up oversight of your internal controls.



Cost certainty and flexibility

We can provide a tailored pricing model and agile execution plan that can be scaled to the demands of your business. Amortize capital technology investments over time and reduce the costs incurred with attracting, developing, and retaining experienced, specialized finance professionals.



Accelerated speed of business

By integrating a prescribed technology platform, we can help mitigate the risk of reporting incorrect financial data and errors caused by manual processes that could potentially lead to cash-flow problems, fines, penalties, reputational damage, and the loss of credibility.

Finance-as-a-service in action

Health care | Private Equity Funded

An innovative health care scale up that specializes in extracting critical plasma proteins from blood for infusions had undergone various corporate reorganizations that left them with inadequate financial records and a new in-house system that did not meet the organization's needs.

As a result, the company could not produce quality and accurate financial statements and didn't have the time to build a team to bring its accounting back on track. The company sought to collaborate with the Deloitte Operate Finance team to help stabilize its finance function to provide accurate reporting.

The Deloitte team was able to set up accounting software that enabled digital automation, established greater efficiencies, and provided the reports the executives needed.

This project enabled the CFO to focus on more strategic initiatives, such as raising critical funds that would enable the company to begin construction on its processing plant.

Technology | Venture Capital Funded

The executive team of an international artificial intelligence (AI) research and product company wanted to ensure its processes and systems were optimized in the various countries it was operating, including Canada.

After a few internal discussions and an assessment, it was determined that building an in-house team to support this initiative would be both costly and time-consuming.

With recommendations from executive leaders in the industry, the Deloitte Operate Finance team was brought in to optimize the accounting operations as well as the financial planning and analysis based on the team's collective skills, experience, and knowledge.

The project generated valuable insights for the AI company to re-evaluate its strategy, which led to the enhanced confidence of its investor group—and the finance team being able to secure significant funding over the past two years.

Government & public services

The federal government recently created an organization to provide grants and various supports to attract and increase Canadian business investments in research and development (R&D) to promote innovation-driven economic growth.

The senior leadership of this organization was tasked with ambitious goals and timelines, with rapid growth trajectories forecasted over the next two years. With the launch of its operations, this organization needed support to quickly stand up its accounting and finance function to enable its activities.

The organization reached out to the Deloitte Operate Finance and Advisory Services teams to help quickly design a blueprint for this function and provide agile solutions to support their growth. This included the provision of accounting and operate finance as a service for all processes, including procure-to-pay, expense reimbursement, payroll recording, financial close and reporting, along with the implementation of an accounting system supported by efficient and effective execution.

A strong operating model for the accounting and finance function was built within three months, positioning the organization for growth. And with the support of Deloitte for operational elements to ensure payment demands and reporting needs were being met, the CFO was able to refocus on strategy for carrying out its mandate.

Financial services

A large international financial institution was seeking a professional services partner to help shape and improve the customer service offerings of a new legal entity being created within the organization.

The Deloitte Operate Finance team brought its the knowledge, skills, and experience to help set up the accounting software, chart of accounts, and internal accounting processes required for success.

The Deloitte team helped design, build, and refine a 12-week cash-flow tool to deliver timely and accurate financial reports. The revised offerings and streamlined processes established enabled employees to dedicate more time to serving customers, and the executives to focus on retaining and attracting investors to scale and grow the business for the years and decades to come.

To learn more, visit deloitte.ca/operate or contact one of our team members today.

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