

Deloitte Tohmatu Talent Platform Co., Ltd. (DTTP)

Introduction of case studies of our Contract Personnel (CP) Service

Since the launch of Contract Personnel (CP) Service of Deloitte Tohmatu Talent Platform Co., Ltd. (DTTP) in 2019, we have already had a strong track record and a great deal of experience providing professionals mainly of accounting-related technologies and transformation, as well as accounting professionals who also have considerable experience in ERP implementation in the business fields associated with accounting and finance.

In projects which require professional expertise, we can promote business operations by working together with a client as its member, and even accumulate know-how within the client company. In addition, when a company is acquired or established, or when there is sudden resignation, you can delegate the entire job function of a controller or an accounting manager to us temporarily. In parallel with daily operations, we provide services to enhance efficiency and facilitate operational improvement, educate your team members, as well as hand over the operations to successors.

We are going to provide case studies of our projects so you can clearly understand what kind of services we are offering. Based on each theme of our main consultation projects, we are going to highlight the case studies of our popular staffing service and cases of our professionals participating in projects as specialists or as project managers.

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1. Staffing for temporary assignments / Covering vacant roles

We offer staffing services when you are in need of professionals temporarily due to sudden resignation or when you cannot hire a successor immediately even if you know in advance that your staff will retire, or due to vacancies for reasons other than resignation, such as leave of absence, family care leave, or maternity leave. In our staffing services, we cannot always take over operations from people before they resign and sometimes have to participate in our client's project after people already left the company.

In such cases, it will be necessary to collect information from team members and make judgment by reading documents from the past, so it would not be easy to deal with such a situation without knowledge and experience which are equivalent to or more than those required of the roles.



The following project case studies show our staffing service to fill a vacancy of a manager position in the accounting division, which is most commonly requested in our Contract Personnel (CP) Service. And in the second case, in addition to our staffing service to substitute for a manager, we also offer solutions for remote work / telework.

1.1 After a finance manager resigned, we delivered our staffing service, operational improvement, and handed over the operations to newly-hired staff

[Client]

A Japanese subsidiary of a US listed company (the telecommunication industry)
The accounting department

[Background / situation]

A finance manager of the client company was going to resign, and we received a request to deploy a temporary manager to take over the operations, support accounting operations of the client which included the financial close and tax declaration, and hand over the duties to a newly-hired finance manager. Since the resigning finance manager was a Japanese Certified Public Accountant with English proficiency, language skills and knowledge of the accounting standards of the US and Japan (US GAAP and Japanese GAAP) were required of the substitute personnel.

[Our solution]

Visualize task processes

First, we kept a detailed record of all the operations of the predecessor so that the record itself could be used as a handover document. Then, we took on the operations with a special focus on clarifying why they need to be performed and also simplifying complicated operations as much as possible. On the other hand, even in a situation where using macros in Excel can be effective, we paid careful attention to visualizing the task processes by intentionally choosing not to use macros in order to leave a record of the processes.

Look for areas for improvement through communication

We regularly communicated with the head of the department and actively made proposals whenever we found a point of concern associated with the operations, while judging whether the head was expecting us to make a proposal to improve the operations. What was difficult about our duties was that regarding the journal entries and other matters associated with company acquisitions in the past, all personnel in charge at that time had already left the company, and it took time for us to solve problems as we were not able to ask questions directly to them. Furthermore, the company had transferred the "core" portions which involved complicated processing and judgment to the overseas shared service center under the policy of its parent company, and this created issues such as time difference, language barrier, and being unable to discuss difficult processes in person, and thus, highly

persistent communication was required. Lastly, we handed over the operations to the next finance manager and completed our staffing service.

[Our professional who took charge of the project]

Joined our firm after working for major accounting firms and foreign-owned business companies. A US Certified Public Accountant (CPA).

1.2 We deployed our staffing service to substitute for a SPC accounting manager on maternity leave and established operational processes which can be done in a remote work environment

[Client]

A foreign-owned property investment company
The accounting department

[Background / situation]

An SPC accounting manager was going to take maternity leave for a year and the company was planning to hire a person who could substitute for her during the same period, but since it was going to take some time until a substitute was hired, the company needed a short-term temporary manager with professional knowledge. In addition to this, due to the outbreak of COVID-19, the company needed to create a system in which employees could work remotely, and was in need of personnel who could make proposals for new processes so that the company could review its operational processes and shift towards remote work / telework. Moreover, since there were many negotiations with its overseas parent company, financial institutions, funds, etc., English and communication skills were essential for the position.

[Our solution]

Interviews with related parties

We took over the operations from the manager to understand the details of our duties even though there was not much time before her maternity leave. After that, we conducted interviews with many members including those from overseas based on the client's needs and streamlined the business entities and systems of the current SPC.

Review the processes and create new rules

We carried out digitization of documents and elimination of useless processes, and made proposals for new processes, including change of approval workflow. Simultaneously, we formulated a plan to review internal rules as a result of the process change. In addition, we identified operations which were dependent on specific individuals, documented and standardized them, and provided education and training for young staff members. Lastly, we handed over the operations to the substitute manager who was just hired and completed this project.

[Our professional who took charge of the project]

After serving as a vice president in charge of accounting report operations in real state securitization and structured finance at a foreign-owned financial institutions and other companies, the professional joined our firm as a senior manager. The professional was engaged in BPO and BPR operations for financial institutions as well.

2. Consolidated financial close

One of the main consultation requests we receive in our Contract Personnel (CP) Service is support for a consolidated financial close. In many cases, a company has a small number of members engaged in a consolidated financial close, and such operations tend to be dependent on specific individuals due to the nature of their specialty; thus, it is often the case that confusion is caused after a person in charge resigns. Furthermore, since there are many consolidated financial statements involving overseas subsidiaries, and business customs and values differ from country to country, it may be difficult to implement operations while holding the same expectations as in Japan.



The following is a case where people in charge of or engaged in a consolidated financial close resigned suddenly. The important point here is to standardize and document operations and share know-how on a regular basis.

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- 2.1 Since a section manager of the consolidation section resigned right before the financial close, we took the lead in performing the consolidated financial close, audit firm-related operations as well as tasks to prepare securities reports
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[Client]

A Japanese listed company (the machine manufacturing industry)
The consolidation section in the finance department

[Background / situation]

A section manager of the consolidation section who was virtually in charge of the consolidated financial close left the company right before the financial close, and the company could not find a candidate successor internally who could immediately take on the operations; the company, which was in need of completing the coming financial close, requested our assistance on this matter.

[Our solution]

Understand the situation within the team and make a proposal for areas to be improved

We conducted interviews and communicated with staff members who were left baffled by the resignation of the section manager right before the financial close in order to understand the situation. We supported their daily operations as a team member of the client by receiving monthly reports from domestic and overseas subsidiaries, analyzing and verifying the financial statement data, and providing feedback to each company. We summarized assessments of the quality and level of the current monthly consolidated close, made a proposal for areas with problems to be solved, then established standard procedures and created a manual. We provided education and training to young staff members.

Explain to related parties persistently and gain their understanding

To understand inventories and development costs which could become contentious in auditing, we visited their factories and development division to understand the situation. Then, we explained to the sales division director who had just joined the company from another organization about documents and formulation of financial figures which would be required in auditing, and were able to obtain cooperation from the director. We summarized these situations and reported to the president in cooperation with the corporate planning office, and gained approval by the board of directors for the direction presented. Since there were also problems with the relationship of trust with the audit firm, we prepared documents to show the accuracy of the financial figures for the audit firm as well, gained an understanding from the firm by explaining to them persistently. As a result, the client was able to submit the securities report by the deadline without any problem, which was the biggest concern for them.

[Our professional who took charge of the project]

After working for an audit firm and a tax accountant firm, the professional experienced many projects for Japanese companies as well as foreign-owned companies at a consulting firm which offers on-site services for clients. A Certified Public Tax Accountant.

2.2 A staff member in charge of non-consolidated financial close resigned suddenly during the year end close, so we provided support for the consolidated financial close and consolidated tax payment, improved and standardized the operations

[Client]

A US and Japanese listed company (the manufacturing industry)

The settlement section in the accounting department

[Background / situation]

A staff member in charge of a standalone financial close resigned suddenly during the year end close, and the client needed personnel who could assist in the consolidated financial close and consolidated tax payment right away. This was why they requested our assistance.

[Our solution]

Cooperate with the person who was in the position before the immediate predecessor

Since the person in charge of tax affairs of the standalone financial close had already resigned, we cooperated with the person who was in the position before the predecessor to understand the situation. We verified the financial figures submitted from each department in charge and provided feedback. Then, we compiled the figures, held a financial close meeting and obtained internal approval.

Create a manual and promote knowledge sharing

We provided support for compliance with the new accounting standards and the US GAAP (the generally accepted accounting principles in the US) and for the pilot implementation of IFRS (International Financial Reporting Standards), which the client was going to adopt for this fiscal period. Since the talent who had knowledge and experience within the client company took over the operations until then, there were almost no manuals. Even the worksheets, which should play the core part in the handover of operations, were in the form of multiple Excel spreadsheets with a very large file size.

Therefore, while performing a financial close, we created a manual which included a series of schedules associated with the financial close process and explanations of each system. By creating the manual, knowledge sharing was promoted and it became easier for new members to participate.

While simplifying the Excel spreadsheets that had caused low work efficiency, we assisted in visualizing each connection of financial figures, which increased work efficiency and made it easier to create and understand worksheets. At the same time, we were also able to help the client go paperless.

[Our professional who took charge of the project]

After working for an audit firm and a tax accountant firm, the professional experienced many projects for Japanese companies as well as foreign-owned companies at a consulting firm which offers on-site services for clients. A Certified Public Tax Accountant.

3. Fast close

In our Contract Personnel (CP) Service, we sometimes receive requests for a fast close from clients.

Each of the following cases shows organizations in which overtime work had become the norm and their managers in both companies resigned and the operations were not getting done at all. The cases show that the companies, which used to have many inefficient operations, could achieve a fast close by carrying out basics carefully, such as analyzing their operations, eliminating meaningless tasks, and standardizing the operations.



3.1 We improved the operations of the accounting division in which overtime work had become the norm, promoted work efficiency and achieved a fast close

[Client]

A Japanese subsidiary of a US listed company (the telecommunication industry)
Accounting & Tax, the Administrative HQ

[Background / situation]

In an organization where overtime work had been so common, an account manager resigned suddenly. This made it difficult for the client to submit monthly reports to its parent company. There were no work manuals or talent who had knowledge to implement the operations within the company, so the company requested our assistance in improving their operations to complete monthly reports on a timely basis, as well as achieving a fast close.

[Our solution]

Eliminate manual input work and reduce overtime work

Regarding the monthly report operations, it was necessary to convert the financial statements created using Japanese accounting software to the US package, but there were many tasks which required manual input and were time consuming, and overtime work had become the norm within the team. Therefore, we modified the form in which they had been entering data manually in a way that downloaded data could be used and input errors be flagged. Moreover, we simplified complicated Excel spreadsheets and recreated them into a format so that manual input could be eliminated as much as possible. Also, the client was not communicating well with its parent company due to the lack of language and accounting skills after the account manager resigned, and the task of preparing unnecessary reports was also generated; for this reason, we had many meetings with the parent company to simplify the operations.

Deploy a reporting system to achieve a fast close

Since it was necessary to gain the understanding and cooperation for accrual accounting from the operations department, we modified the format in a way that makes it easier for the operations department to submit their figures, while explaining the necessity to do so. We introduced Reconciliation and the SOX reporting system that the parent company was using and facilitated transparency. In addition, we held an explanatory meeting for the management staff of the business department to raise their awareness of tax and accounting compliance.

Through the above improvements in the operations, we assisted the company in enhancing work efficiency and clarifying the connections between the figures, which helped each person in charge gain a deeper understanding of their operations. Moreover, we were able to promote knowledge sharing by creating a manual of the entire accounting operations, which made it easier for new members to participate, leading to increased motivation of the team members and a reduction in overtime work which had become the norm.

[Our professional who took charge of the project]

After working for an audit firm and a tax accountant firm, the professional experienced many projects for Japanese companies as well as foreign-owned companies at a consulting firm which offers on-site services for clients. A Certified Public Tax Accountant.

3.2 Our professional improved and standardized the operations, while acting as a temporary manager of the accounting department

[Client]

A Japanese subsidiary of an EU listed company (the chemical industry)
The accounting department

[Background / situation]

Their schedule for completing the month end close and monthly reports for the parent company was so tight that the members of the accounting department had no choice but to work until midnight at the beginning of each month. With too much overtime work and a high turnover rate, the company found it hard to maintain team motivation. On top of a situation like this, the manager of the accounting department resigned; because of this, the company requested our assistance in improving their operations to achieve a fast close, as well as requesting us to substitute for the manager.

[Our solution]

Eliminate the cause of delays in the month end close

While performing daily duties as a manager, we analyzed the current operations, and took the following measures to improve the several points which had become the bottleneck of the month end close. First, we eliminated operations which were dependent on specific individuals through preparing a manual of the accounting operations and standardizing the operations. These measures helped create a situation where operations can be recovered by the support of the other team members when one of the members takes sick leave, or operations are delayed. Next, we carried out the prior information sharing between the accounting department and the budget division. This allowed the accounting department to understand the budget beforehand, helping them to get ready and prepare for their actual accounting operations. In addition, regarding the inquiries from the budget division, we improved work efficiency during the month end close by creating a Q&A format and receiving such inquiries all at once at a set timing, instead of receiving them one by one as they came.

Revise the internal rules for the submission of applications and documents, and eliminate the cause of delays

We provided prior accounting support for the purchase division. Until then, the purchase division were struggling with reconciling figures every month, and the cost of goods sold and inventory assets were not getting finalized, and because of this, they ended up missing the scheduled deadline significantly and allocating too much of their resources of the accounting division at the beginning of the following month. To improve this situation, we started to put know-how of the accounting division personnel into the purchase division in the middle of the month, and promoted faster reconciliation of figures and the adherence to deadlines in the purchase division. As a result, the accounting personnel became able to concentrate on the month end close which they originally should perform at the beginning of each month. And for the entire client company, we helped to revise their rules for the submission of applications and documents, made requests to cooperate in adherence to deadlines, and eliminated the cause of the delays in month end close as much as possible.

By taking these measures, a few months after we embarked on the improvement project, the burden on the accounting personnel were mitigated since the workload of the month end close process, which took place at the beginning of each month and required personnel to work until midnight, gradually started to decrease, and they also no longer had to work late hours every month. We received feedback from a member who has a small child, saying "I was mentally and physically overloaded from working overtime, but now things have gotten so much better." Now they have plenty of time to perform a month end close and prepare a monthly report, and we were greatly appreciated for this.

[Our professional who took charge of the project]

Has a specialty in finance and accounting, but also has operational experience in almost all the fields covered by management divisions, including operations management, general affairs/HR/labor, legal, IT, and corporate planning. In business companies, the professional was successful as a controller, corporate planning office manager, management division head, and CFO, and has strengths in problem-solving, improvement, and reform operations. A holder of MBA.

4. PMI (Post Merger Integration)

In PMI operations, you are going to integrate strategies and operations, but the assumptions of the synergy creation scenario for business strategy could be changed and you may need to review your strategy. Also, you may often face difficulties such as cultural differences with an acquired company, a lack of communication, and a loss of key personnel. In an unstable environment like that, seeking assistance from an external trusted partner such as our Contract Personnel (CP) Service could also be an option for you.

The following are the case studies of PMI projects undertaken by global companies which acquired Japanese domestic companies.



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- 4.1 We took the lead in the PMI operations as a project manager, which included the revision of business strategies, creation of an integration plan and progress management, as well as operation of a meeting body
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[Client]

A Japanese subsidiary of a US listed company (the medical equipment manufacturing industry)

[Background / situation]

The client, which was the Japanese corporation of a US global company, was suffering from a chronic lack of human resources within the company, and also faced a situation in which the contract of the project manager who was outsourced from an external company terminated suddenly. Under the circumstances, in implementing PMI operations after acquiring a Japanese local company, the client requested us for personnel who could act as a project manager of the PMI operations. Since the acquired company was a local company, they did not have enough members who could speak English for the operations, and for this reason, language skills also were an essential requirement.

[Our solution]

Engage in PMI operations as a member of the project team of the client

We not only provided support for the operation of a global meeting body in which the members of the US parent company participated, but also led the operation of a meeting body in which the members of the Japanese local company participated. Based on the additional information which was not available in the due diligence phase, we created a detailed PMI plan, while taking into consideration Japan-specific laws and regulations such as the Pharmaceutical and Medical Device Act, and also obtained approval from the parent company to conduct progress management of the plan. Regarding the business strategy, we modified the strategy and formulated a plan after re-verifying the hypothesis of the synergy. Furthermore, while carrying out the tasks based on the request from the US parent company, we ensured timely reporting to the US parent company.

Provide support inside and outside the client company and facilitate communication with the US parent company

Aside from providing support for creating an annual budget which factored in the integration impact, we implemented the operations to coordinate external vendors for the purpose of integrating hubs such as headquarters and logistics facilities, and supported the additional operations which were generated due to the project in each department mainly in charge of finance and accounting, administration in HR, and logistics. As a result, we not only could recover the operations of the preceding project leader, but also contributed to maintaining and strengthening the leadership of the top management through supporting the operation of the project meeting bodies and the implementation of the PMI plan. We were able to promote smooth communication with the US parent company and also to achieve the goal that the employees should carry out the PMI tasks in a timely manner while performing their current operations.

[Our professional who took charge of the project]

After working for a major audit firm, the professional accumulated experience of accounting operations as well as

working as a manager at a TSE First Section listed company and a foreign-owned company. The professional is specialized not only in accounting and tax affairs in Japan, but also in management of overseas subsidiaries, and reporting to overseas parent companies, PMI operations, etc. under IFRS (International Financial Reporting Standards) and US GAAP (US generally accepted accounting principles). Also, as a user of various accounting systems, the professional has been involved in system deployment projects. A Certified Public Accountant (Japan).

4.2 We achieved an awareness reform and a fast close in PMI of an independent owner company which became a foreign capital company due to a company acquisition

[Client]

A Japanese subsidiary of a US listed company (the advertisement industry)
The accounting department

[Background / situation]

This was a project related to PMI (Post Merger Integration) conducted after the client became a foreign capital company from an independent owner company. Previously, the client had not been fully aware of the need to close the books monthly before the deadline within the company, but as a result of becoming a consolidated subsidiary of a listed foreign-owned company, they faced the need to close their books during three to four business days at the beginning of each month; this was why, they requested our assistance. Since they had a minimum number of personnel in the accounting department, the operations had been consistently behind schedule, causing several months' delays in finalizing the monthly financial results. In addition, they needed to respond to the environment where a rigid commitment to budgets was required.

[Our solution]

Analyze the cause of delays in the financial close and improve the operations

First of all, while catching up on the several months' delays, we analyzed why their month end close needed so much time. After that, we implemented the following measures one by one: (i) faster finalization of sales and COGS, (ii) adherence to deadlines for document submission, (iii) creation of various rules not only within the company but also by involving customers and suppliers, (iv) update of application formats, and (v) workflow simplification. We asked not only the accounting department but also each department to cooperate in the above measures as a company-wide project.

Achieve a fast close and reform an organizational structure

We gradually leveled up the goal of the deadline for the month end close and improved the situation to the point where they were eventually able to complete the monthly financial report within two business days at the beginning of each month. The faster finalization of financial results not only gave good effects to finance and accounting, but also brought about an unexpected secondary effect, i.e., the increased accuracy of management accounting such as budgets and budget variance analyses, and the company was able to transform into an organizational structure in which they could make a rigid commitment and budgets that they must achieve as a member of the foreign-owned group.

[Our professional who took charge of the project]

The professional has a specialty in finance and accounting, but also has operational experience in almost all the fields covered by management divisions, including operations management, general affairs/HR/labor, legal, IT, and corporate planning. In business companies, the professional was successful as a controller, corporate planning office manager, management division head, and CFO, and has strengths in problem-solving, improvement and reform operations. A holder of MBA.

5. Support for ERP implementation

To enhance business performance, ERP has been implemented on a global scale, but there are many issues before this goal is achieved.

In this section, we are going to provide the case studies of global HQ-led ERP implementation projects in foreign-owned companies. In these projects, we overcame issues faced by a lot of companies, including the Japanese unique commercial customs, compliance with multiple accounting standards, and coordination with the global HQ.



5.1 We took the lead in creating new systems of account titles and codes in the first phase of Oracle EBS implementation, responding to the US and Japanese accounting standards (US GAAP and Japanese GAAP), conducting a review of operational processes, and creating a manual

[Client]

A Japanese subsidiary of a foreign-owned company (the wholesale industry of electric household appliances)

[Background / situation]

The HQ was leading the project to switch the accounting system to Oracle EBS, but because a key person in the accounting division resigned right after the project launch, they urgently needed to find personnel who could surely implement ERP without affecting their daily operations. The company was seeking personnel who were well versed in not only accounting but also tax affairs and ERP systems and could also communicate internally as well as with the Asia Pacific HQ smoothly.

[Our solution]

Achieve automated accounting by linking the account titles of US GAAP and Japanese GAAP

The old accounting system had already been used for more than ten years, and there were many account titles which had not been used or whose details were unknown, as well as many cost center codes. First, we organized them and started with creating new systems of account titles and cost center codes. This client was implementing accounting operations based on US GAAP (US generally accepted accounting principles) in accordance with their group policy, and was also creating financial statements based on Japanese GAAP (generally accepted accounting principles in Japan) for an audit under the Companies Act in Japan.

To implement the two accounting processes under US GAAP and Japanese GAAP on Oracle EBS, we identified items whose accounting processes differed between the two standards, and conducted a mapping of account titles from US GAAP to Japanese GAAP. Doing this ensured that items recorded under US GAAP would be automatically recorded under Japanese GAAP, and only the processes which differed between the two would need to be solved by making two journal entries. We also created a list of differences of accounting processes between US GAAP and Japanese GAAP, as well as an accounting policy under Japanese GAAP.

Also embark on the linkage of the company-specific operation system and data

The client company was using an order management system developed by itself, and in order to check if the sales data from the system was being linked with Oracle EBS properly, we participated in confirmation of sales output based on each product category as well as in UAT (User Acceptance Test), and conducted a review. Other than this, since a part of the operational processes had become ambiguous after a key person in the accounting department resigned, we reviewed those operational processes and created a manual and took over the operations.

We also responded to inquiries from outsourcing vendors of the accounting operations. As the first phase of Oracle EBS implementation, we narrowed down our focus on the implementation of the basic functions and were able

to contribute to completing this according to the schedule. The account title system and the cost center code system were simplified and we received feedback from the client saying that their usability improved. We will keep working on the second phase, which is a phase to strengthen the data linkage with the upstream operation systems.

[Our professional who took charge of the project]

The professional was engaged in establishing production management and supply chain management at a leading manufacturing company, and also gained experience in providing consultation in areas of operational improvement, internal control and adoption of IFRS (International Financial Reporting Standards) at Big four audit firms. In addition, after experiencing the roles of a controller (corporate management) and a finance manager at foreign-owned companies, domestic venture companies, etc., the professional joined our firm. A tax accountant and US CPA.

5.2 We achieved ERP implementation through minimum customization, while reviewing and streamlining accounting processes in order to process transactions based on Japanese unique commercial customs in a new system defined by the global HQ

[Client]

A Japanese subsidiary of a foreign-owned company (the retail industry)
The finance division

[Background / situation]

In the Asia Pacific region, the Japanese entity was going to take the lead in delivering the global HQ-led ERP implementation project, but due to the chronic shortage of professional talent, they requested us for personnel with expertise in both accounting and systems.

[Our solution]

Localize and deploy systems with global specifications

We conducted a gap analysis of global and Japanese requirements, and examined a method to process transactions based on Japanese unique commercial customs in a new system defined by the global HQ. Then, we localized the test scenarios which were created by the global HQ. We conducted the Mock Test (migration testing) and SIT (system integration test) and summarized problems, and while reviewing and streamlining the Japanese accounting process, we achieved the deployment of the new system with global specifications through minimum customization.

During the project period, we summarized the progress of the Japanese team members and reported timely to the US parent company. We also shared information with other entities in Asia Pacific such as China and Hong Kong, which were going to deploy the system in the near future. After the deployment, we supported their financial closing operations and completed the project.

[Our professional who took charge of the project]

After working for a major audit firm, the professional accumulated experience of accounting operations as well as working as a manager at a TSE First Section listed company and a foreign-owned company. The professional is specialized not only in accounting and tax affairs in Japan, but also in management of overseas subsidiaries, and reporting to overseas parent companies, PMI (Post Merger Integration operations), etc., based on IFRS (International Financial Reporting Standards) and US GAAP (US generally accepted accounting principles). Also, as a user of various accounting systems, the professional has been involved in system deployment projects. A Certified Public Accountant (Japan).

6. Operational improvement and communication for remote work

In a remote work environment, it is difficult to do things such as operational management based on a traditional approach, team-oriented work, frequent in-person communication, training of subordinates. As it becomes important for the management to assign tasks properly and timely, establish systems for coaching/consulting/reporting, and operate online meetings effectively, the management will need personnel who can work autonomously and have enough expertise to be entrusted with the operations.



Here, we are going to provide case studies where companies effectively used our professionals (Contract Personnel of DTTP), and we reviewed the operations and rebuilt the processes mainly around tasks as a CP Service provider, helping the companies establish a communication method suited to remote work.

6.1 Staffing service to substitute for a finance and accounting manager: Implement operations in an 100% remote work environment

[Background / situation]

The client was a retailer. Right after the state of emergency for the COVID-19 outbreak was declared, a finance and accounting manager and staff members left the company. In addition to the monthly accounting operations, a year end close, tax filing-related operations, the company had an urgent task to report to the parent company, but they were required to implement the entire operations through remote working. Moreover, it had only been one week since two new members joined the company and they did not have any experience in this industry; therefore, the company requested our staffing service to substitute for their finance and accounting manager.

[Our solution]

We assigned a Certified Public Accountant who also had professional experience in the retail industry. While training new team members who had just joined company, we performed a month end close and a year end close through 100% remote work. During a tight schedule, we not only implemented tasks to confirm and modify an interim accounting, improve efficiency of operational processes and rebuild them, but also performed financial closing operations and reported to the parent company. Furthermore, after the year end close was completed, we handed over the operations to a succeeding finance and accounting manager.

[Comment from our professional who was in charge of the project]

Since I had already experienced remote operations on a daily basis even before the pandemic, I was able to implement their remote operations smoothly, but as I undertook the duties, I paid special attention to the following:

- Since I tend to receive more emails, write the title and the text of emails clearly and concisely and reduce back-and-forth emails.
- Create documents in Excel as clearly as possible to the point where I don't have to explain verbally.
- Have an online meeting tool handy so I can use it anytime and anywhere.
- Implement operations while figuring out which to use among email, phone, chat, and an online meeting tool or how to combine them, depending on the level of emergency and importance.
- Consider who should participate in an online meeting according to the level of emergency and importance of the issue. For a project which requires escalation, include superiors when I set up meetings.
- Set a daily schedule, while considering when the person I am communicating with is available for work.
- Set up touch base time for reporting and information sharing at fixed times on a daily and weekly basis.

[Profile of our professional in charge of the project]

After working for a major audit firm, the professional accumulated experience of accounting operations as well as working as a manager at a TSE First Section listed company and a foreign-owned company. The professional is specialized not only in accounting and tax affairs in Japan, but also in management of overseas subsidiaries, and reporting to overseas parent companies, PMI (Post Merger Integration operations), etc., based on IFRS (International Financial Reporting Standards) and US GAAP (US generally accepted accounting principles). Also, as a user of various accounting systems, the professional has been involved in system deployment projects. A Certified Public Accountant (Japan).

6.2 Support for daily accounting operations and operational improvement: Reconstruct operations by serving as a facilitator in online meetings

[Background / situation]

The client was a company in the financial industry. The client had a series of events such as resignation of managers, slower hiring activities and a shift to remote operations due to the pandemic, which were causing shortages of staff with experience in creating financial statements and monthly reports within the company to the point where the division operations were getting affected; for this reason, the client requested us to dispatch two of our professionals who would serve as a temporary manager and a member, asking for our assistance in their daily operations as well as their operational improvement.

[Our solution]

While it was necessary to address some documents and procedures which were not digitized by working both in the office and remotely, we used online meeting apps and assisted their daily operations by receiving monthly reports from affiliated companies in and outside Japan, performing an analysis and conducting verification of financial statement data, providing feedback to affiliated companies, etc. In addition, we held regular cross functional meetings to identify inefficient operations and operations which only a few certain members understood or which were bottlenecks to the shift to remote work, and after summarizing the assessment of the quality and level of the current monthly financial consolidation and closing operations and making a proposal to improve areas which had problems, we established standard procedures and created a manual, promoted knowledge sharing, and handed over the operations to the successor.

[Comment from our professional who was in charge of the project]

Since there was a vacancy in the position of manager who should connect the management and the personnel in charge of actual operations, there was a gap in the level of information that each of them understood. Our professional took the role of a temporary manager, and conducted interviews with both of them. By doing this, we took the lead in understanding the current situation of the operations, establishing the To-Be model, performing a gap analysis, and so on. Online meetings tend to involve issues such as people feeling hesitant to voice their opinions or finding it difficult to convey their intent, which makes facilitation work such as organizing opinions and discussions and visualizing situations even more important. Our professional was in a neutral position which had no interest within the company and this enabled the professional to concentrate on the role of a facilitator and function effectively.

[Profile of our professionals in charge of the project]

(The professional who performed the role of a temporary manager) Has experience in providing accounting, tax affairs, payroll calculation, social security procedures, and on-site outsourcing services at an outsourcing company, a tax accountant firm and so on. (The professional who performed the role of a member) Has considerable experience in finance and accounting mainly at financial institutions.

6.3 Support for a financial close: Share information in small and short daily online meetings

[Background / situation]

The client was a TSE First section listed company. A staff member had left the company before the pandemic and the operations were constrained, but then after the pandemic, another member resigned. It was right before the financial close started and they did not have enough time to hire personnel, so they requested our professionals to fill the vacant positions and perform the year end close.

[Our solution]

We undertook the work of summarizing documents from the business department, collecting information from subsidiaries, and creating documents necessary for the financial close. Since our remote work operations had already started before building enough relationship of trust with the members, we held small online meetings for about 30 minutes every day to share progress and problems with the parties directly related to the operations to update the situations, separately from the team-wide online meetings. Also concerning the approval process for documents and operations, we discussed how it could be done online while ensuring completeness and transparency, and helped the company go paperless.

[Comment from our professional who was in charge of the project]

Since it was in the remote work environment, I took a communication-oriented approach as a member of the client, and made efforts to understand the situation of the client at the earliest possible, utilize the tools used at the client site and act autonomously. Furthermore, I acted with efficiency in mind; when I carried out tasks which required me to go to the office, I took on the tasks which would require the other staff members to come to the office as well.

[Profile of our professional in charge of the project]

After working for an audit firm and a tax accountant firm, the professional experienced many projects for Japanese companies as well as foreign-owned companies at a consulting firm which offers on-site services for clients. A Certified Public Tax Accountant.

6.4 Improvement of operational processes: Promote visualization of operations and achieve higher efficiency in a remote work environment

[Background / situation]

The client was a foreign-owned manufacturer with about 300 employees and about ten employees were working in the accounting division. Because the leader of the accounting division resigned for another job before the pandemic, some of the operational processes had been left unclear as to why they should be implemented. Their staff members had to start working remotely due to the pandemic, and it was getting even harder for them to see who was doing what kind of operations, so the client decided that it was necessary to organize their operations and improve efficiency in the remote work environment. Even though they considered hiring a resource who could take on a leadership role to promote this project and conducted interviews, it was unknown to them whether such personnel could work effectively in an unfamiliar remote work environment; after considering such employment risks, they requested our assistance.

[Our solution]

While conducting interviews with those in charge of each operation, we investigated existing documents, created a process map which showed the purpose and outline clearly, and achieved the visualization of operations. Also, since they were entering information from paper invoices mailed by vendors into the ERP system manually, the staff members were required to go to the office frequently to open invoices sent by mail even in the remote work situation, which was making the situation very inefficient; for this reason, we requested the vendors to create their invoices in PDF and send them via email, enabling the staff members to work on the processing via remote work. Going forward, we will continue to promote operational efficiency which is suited to remote work by utilizing the functions of the ERP system, including the inventory management functions and fixed asset management

functions.

[Comment from our professional who was in charge of the project]

While leveraging my experience in working remotely as well as providing consultation and engaging in many projects as a practitioner, I made full use of my expertise in ERP and accounting in my duties. I held online lunch meetings, online forget-the-year parties, and so on, to solve the lack of communication caused by the remote work situation.

[Profile of our professional in charge of the project]

Engaged in production management and the establishment of supply chain management in a major manufacturing company. After that, the professional gained experience providing consultation in the fields of operational improvement, internal control, and IFRS implementation in Big 4 accounting firms. In addition, after experiencing roles of a controller and a finance manager at foreign-owned companies, domestic venture companies, etc., the professional joined Deloitte Tohmatsu. A Certified Public Tax Accountant and US CPA.

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