

Sponsored by:

**ABBYY®**

# **Recession-Proof Your Finance Organization**

**Building Business Resiliency  
with Digital Intelligence**

**NO  
NO  
NO  
NO**

# Introduction

If ever there was a time for an organization to truly commit to digital transformation, this is it.

Digital transformation within finance and accounting first started with the digitizing of monthly statements to go paperless. Since then, leaders in finance have taken notice and have moved quickly to propel their businesses toward digital transformation, placing a large emphasis on speed, intuitive supplier experience, cost reduction, and ease of use. As digital practices have matured, it has become increasingly clear that many organizations' legacy back-office systems and processes are not currently able to deliver a scalable level of service excellence.

It's important to remember digital transformation is a strategy that will change the way organizations conduct business — for the better. Successful transformation strategies must go beyond the mere implementation of technologies. It should affect a cultural change that shifts employee mindsets to continually contribute to and drive this transition.

As many companies get used to the new normal, it is more important than ever to make sure your finance organization is recession-proof. The pace of digital transformation has rapidly accelerated under the new normal and it is evidently clear that the key to business resiliency begins with digital intelligence.

Times of uncertainty are also times of great opportunity. To cope with today's economic disruptions, Heads of Finance and Automation are accelerating the company-wide adoption of new processes, analytics, and automation. According to the recent report [COVID-19 Impact on Global Service Delivery Models](#), 36% of organizations are accelerating their automation initiatives to reduce dependency on physical locations/ humans (as of May 2020).

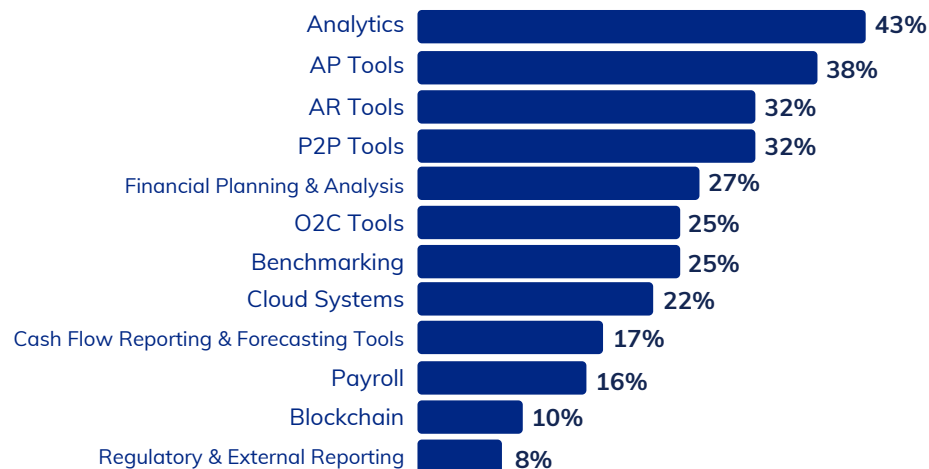
In partnership with ABBYY, this report will explore the increasing importance of digital transformation, the new normal for finance organizations, the benefits of digital intelligence, best practices to achieve digital transformation within finance and accounting, and more.

# The Increased Importance of Digital Transformation

Digital transformation is heating up throughout finance and accounting. It has upended traditional business models and processes for both customer-facing and internal operations. Stricter regulatory requirements, greater customer expectations, and increased competition is spurring organizations to adopt more innovative solutions and processes. Technologies like AI, machine learning, RPA, and advanced analytics, are being utilized to create exceptional operational efficiencies on an unprecedented scale. This includes back-office functions, which are also taking advantage of automation on a massive scale.

In a recent survey of North American Leaders with Finance Shared Services, executives are looking to invest a variety of different finance tools. According to the SSON Analytics Report, the most in demand tools today are analytics, financial planning and analysis, as well as operational accounting tools for AP, P2P and AR.

Which of the following finance tools are you looking to invest in? (respondents could select all that apply)



Source: North America Shared Services & Outsourcing Week 2020 Attendee List (Respondents with Finance Shared Services)

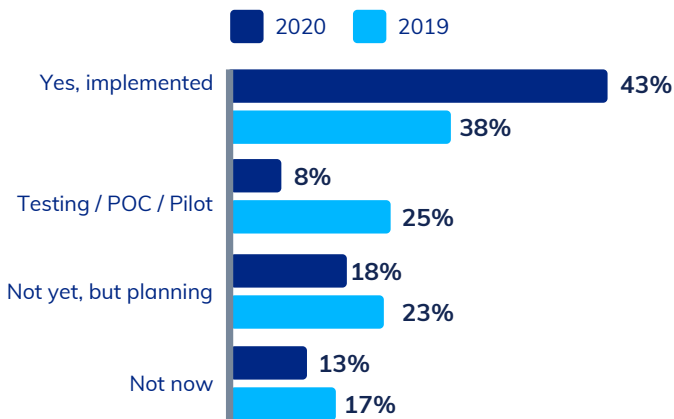
Building an enterprise-wide analytics capability is key to elevate Shared Services' benefits from strictly cost savings and operational efficiency to driving strategic value-add to the wider business. For example, improved analytics in Finance Shared Services can aid in providing actionable insights and more informed decisions, which will lead to improvements in cash flow, margin expansion and revenue growth.

In addition, the recent SSON survey of North American Leaders with Finance Shared Services, saw a 26% increase in the implementation of intelligent automation (IA) in 2020, when compared to the previous year. And among the 61% who are using IA in 2020, 25% have progressed to advanced implementation with IA being scaled and applied across numerous processes in their operations. With the rapid advancements in technology, IA is also increasingly seen as a value-driving enterprise competency, rather than just a tool to get specific work done. Some of the top benefits of IA include significant performance improvement and increased value-adding outputs from FTEs.

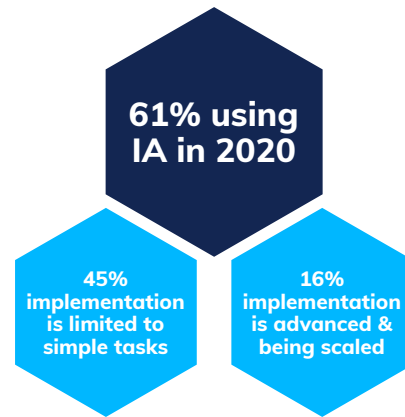
As IA adoption continues to become more prevalent in business services, finance SSCs are expected to shift towards more advanced implementations in the near future.



Is Intelligent Automation part of your operations?



YES, IMPLEMENTED IA IN 2020



Source: North America Shared Services & Outsourcing Week 2020 Attendee List (Respondents with Finance Shared Services)

## Navigating the New Normal for Finance Organizations

While many aspects of life have rapidly changed in the past few months, it might seem like a good idea to take a step back to reassess goals and timelines in some areas. However, the current economic climate has led countless finance organizations to charge full steam ahead on their digital transformation initiatives – and some are fast-tracking certain objectives.

At the start of 2020, the majority of employees were working in offices as business was proceeding as usual. Fast forward to June – the majority of organizations are now running remotely and are still acclimatizing to the new normal. Even amidst the new normal, back-office demands have not changed for financial firms and accounting books still needed to be closed on time.

A recent article from [Bloomberg Tax](#) revealed many revelations and observations from finance organizations, that conducted their quarterly close with finance teams working remotely for the first time. Key takeaways brought to light included:

- Firms who had already instilled process automation were more likely to run into fewer challenges, while those who ran manual or semi-automated process had a harder time conducting a streamlined and accurate process.
- Internal and external audits became more difficult to conduct as many financial organizations relied on printouts for auditors. Typical interactions could not be conducted as they were before.
- Relying on the same staff, some of which who had sole knowledge of processes, wasn't always feasible due to a variation of factors brought upon by today's environment.

In short, automation has gone from being viewed as “nice-to-have,” to an absolute requirement in the current economic environment. Regardless of a company's situation, prioritizing financial transformation initiatives will help ease the pain of financial preparation, while supporting risk and compliance obligations, and ultimately boosting efficiencies, growth, and profitability.

# The Business Value of Saving Costs with Digital Intelligence

## Process + Content Intelligence = Digital Intelligence

Finance organizations perform a wide range of activities, from general accounting operations, invoice processing, cash disbursements, statement reconciliations, financial controls and reporting and providing strategic guidance to the business. Investments in digital transformation within the finance function are accelerating in order to reduce transaction costs, gain visibility to real time financial information and anticipate business uncertainty. The shift is towards a digital finance operations that elevate the finance function to be the “insight engine” of the business. Such transformation requires an understanding how current finance processes work, identify process bottlenecks and automate where it provides the greatest impact.

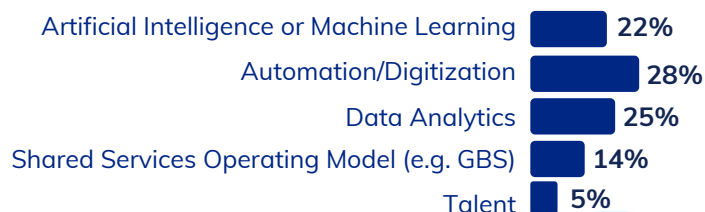
**Process intelligence** is the collection of data used to analyze business process and workflows in order to gain process efficiency. Operators will be able to detect and receive alerts of actions that may be valuable or harmful to the entire operation. Automating end-to-end financial processes across purchase-to-pay, record-to-report, and order-to-cash will significantly reduce operating costs and increasing accuracy.

Finance organizations are also increasingly using content intelligence to automate the processing structured and unstructured documents, which at one point seemed unattainable. **Content intelligence** is ultimately a strategy that uses artificial intelligence systems and software to process content data into reliable insights about the effectiveness of a business’ content. This transformative approach utilizes OCR and machine learning technologies to transform unstructured content into structured and actionable information.

According to the [Global Shared Services State of the Industry 2020 Report](#), 65% of organizational leaders state their priority regarding data is to analyze it for business intelligence and decision support. The next largest majority, 42%, shared their priority is to drive more structured data inputs through conversions (through OCR, machine vision, etc). These statistics demonstrate how increasingly important content intelligence is today for finance and accounting operations.

Even more recently, recent data obtained in advance of the Annual Finance Transformation Digital Online Conference, revealed 45% of attendees are redefining Finance's value proposition by "strengthening automation competencies". Similarly, when attendees were asked to share which finance tools they have already invested in/are planning to invest in, 62% selected Intelligent Automation (RPA, Cognitive Technology, Machine Learning, AI), followed by 54% selecting Financial Planning & Analysis, and 40% selecting AP automation tools.

What will enable Finance to drive the greatest value-add to the enterprise?



Source: Finance Transformation Digital Online Conference - June, 2020

## How Costain Transformed Its Finance Department Using ABBYY Content Intelligence

Costain is a leading smart infrastructure solutions company serving the UK's energy, water, transportation and defense markets. As part of its digital transformation strategy, it wanted to transform its procure-to-pay operation, upskill its finance team, eliminate manual invoice processing, and integrate an existing RPA solution with a digital transformation tool. The organization needed a robust Content Intelligence solution that integrated with and enhanced its existing RPA solution to deliver a higher level of accuracy when extracting unstructured data from invoices.

**The Challenge:** Inefficiency and costs due to highly manual invoice processes

**The Solution:** ABBYY Content Intelligence platform and RPA Platform

**The Results:** 80% straight through processing

To achieve the company's desired results, Costain utilized ABBYY's FlexiCapture for Invoices, with UiPath integration. These solutions successfully allowed the company to process 400k invoices per year through ABBYY FlexiCapture, with a 9 minute reduction in invoice processing time, and an 80% straight through processing invoices. ABBYY's solution allowed Costain to achieve its transformation goals and employees were ultimately freed up to perform higher-value work.

"We're looking at processing 400,000 invoices through ABBYY FlexiCapture. 400,000 invoices, times 9 minutes saved (per invoice processed), is a huge, huge savings for the business, and it is generating an enormous capacity so that our people can add value."

— Steven Still, Head of Automation at Costain Group PLC

## Where Do We Go From Here?

### A Pragmatic Guide to Achieving Digital Transformation within Finance Organizations

Regardless of where your organization is on its digital transformation journey, finance teams and executives need to work together and take action around the five areas listed below.

1. **Get the right people involved.** Make sure you start at the top. Ask yourself: Who needs to see the data? Why and for what purpose?
2. **Discover and visualize** how your current finance processes work, surface process bottlenecks and remediate friction points with the goal to reduce P2P and O2C transaction costs, thereby realize higher returns on investment.
3. **Align business and finance processes everywhere.** Performance management is a continuous process that works on every level. You first need to set targets, then plan, report, and find and fix the gaps.
4. **Choose flexible technology for performance management.** The right mix can produce a huge return on investment. The key is to have tools that allow for proper governance and management of the data.
5. **Base your digital transformation investments on optimizing** those areas of your finance operations which delivers measurable ROI for the executive management team. Take a phased approach to automation, validate its impact on operations including on your human capital.

## Conclusion: Own the Digital Now

Digital transformation is about much more than technology— it's about people and fundamentally revolutionizing the way you do business with employees and customers.



### ABOUT ABBYY

ABBYY is a Digital Intelligence company. We provide a Digital Intelligence platform that delivers a complete understanding of business processes and raises organizations' Digital IQ. Our technologies are used by Fortune 500 companies in finance, insurance, transportation, healthcare and other industries helping them make intelligent business decisions. ABBYY is a global company with offices in 13 countries. For more information, please visit [www.abbyy.com](http://www.abbyy.com).

**If you have any questions, please drop us a note at [intelligence@abbyy.com](mailto:intelligence@abbyy.com)**