



**THE
FUTURE
OF FINANCE
IS IN THE CFO'S HANDS**



Prateek

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Read Time: 11 minutes

THE FUTURE OF FINANCE IS IN THE CFO'S HANDS

An unfulfilled prophecy

The year was 1985. The Coca-Cola Company introduced New Coke, the first “.com” was registered and Windows 1.0 was released. This was the same year we first saw articles touting the CFO as someone who “needs to be strategic: a business partner and not just a bean counter.”

Business writers still publish these articles today, but it's time to stop. CFOs know they need to be strategic, and they know they need to operate the finance function. They don't need an article to tell them that anymore.

They do, however, need clear vision and technology to help them juggle new balls in the finance ecosystem: regulatory changes, artificial intelligence and blockchain. Finance must add these balls to its mix while still juggling its “traditional” responsibilities of internal controls, compliance and closing the books quickly.

If CFOs can master this juggling act, they'll finally become the “strategic business partners” written about since 1985.

Chapter 1

THE CFO'S ROLE IS ALWAYS CHANGING

Today, the close is no longer a monthly happening. It happens every day.

Thanks to the [continuous close](#), the finance department is always in “close mode.” NetSuite helps CFOs continuously close with a unified platform. For example, NetSuite automates revenue forecasting, allocation, recognition, reclassification and auditing through the rule-based event handling framework. Whether a company conducts

sales transactions that consist of products or services, or both, and whether these transactions occur at a single point in time or across different milestones, NetSuite's revenue recognition functionality automates the scheduling, calculation and presentation of revenue on the financial statements accurately and in an automated fashion expediting the monthly close process.





Mastering the “continuous close” mindset has prepared finance departments for battle: they’re now in shape to take on transformation at even higher levels.

Major regulatory changes mean finance departments now use tech like [NetSuite’s Advanced Revenue Management](#) to maintain compliance. Most recently, ASC 606 and IFRS 15 changed requirements for revenue recognition and the disclosures required for reporting under GAAP and international standards. And new standards are soon to go into effect for lease accounting with ASC 842 and IFRS 16.

Finance departments must quickly adopt the new requirements while still reporting results

and maintaining multiple books of account. It’s no small task, but it’s achievable with tech that does the heavy lifting for you.

...which means opportunities abound.

Finance departments are finding themselves with loads of opportunity thanks to artificial intelligence (AI), machine learning and blockchain technology.

AI and machine learning will give the CFO tools to number-crunch far beyond what was previously possible. AI has reached a tipping point that puts the capability in the hands of the CFO at a friendly cost. At NetSuite, it’ll be part of our [intelligent cloud suite](#).

Chapter 2

MEET “THE SELF-DRIVING CAR OF SOFTWARE”

Self-driving cars let the driver know everything happening around the car, in real-time. The user can adjust and see through the rear and side mirrors, and they can see what’s happening through the front windshield. The car handles other less-important elements, like steering, by itself.

NetSuite’s industry and role-based dashboards act similarly, giving users real-time visibility into only those elements of their business that need focus at any given time. With thousands of transactions occurring, things often happen so quickly that by the time the CFO catches an error, it’s too late. Other times, something important is happening, and CFOs don’t know they should be monitoring it (this is

particularly true when it comes risk and control issues, like fraud and credit risk).

NetSuite’s Intelligent Insights will ensure CFOs are looking at the right parts of their business at the right time. For example, the CFO may be alerted to payments that consistently fall just under the amount requiring authorisation. AI will decipher patterns that may indicate fraud—such as frequent payments like these to the same vendor—and contrast this activity with the number of vendors in the database.

NetSuite will deliver AI and machine learning like all NetSuite functionality: in a way that lets customers quickly see real business benefit.



Chapter 3

SMART CFOs ARE USING BLOCKCHAIN

Blockchain is a new technology targeted at recordkeeping. It will significantly impact finance, specifically in areas that require accounting (accounts payable and receivable, fixed asset and lease accounting, account registers, etc.).

Blockchain uses a distributed database, while traditional ERP systems use a centralised database, either on-premise or in the cloud. With blockchain, CFOs can instantly trust that a commercial transaction has happened and is valid. This will massively increase the rate of commerce.

Blockchain provides a single source of the truth by creating one general ledger. All parties to a transaction can see the details and stay in sync, rendering account reconciliations—and

many other monthly-close activities—extinct. Blockchain will:

- Drive quicker settlement times, since understanding and accuracy of the transaction is equal for both parties.
- Lead to improved customer satisfaction and a reduction in capital needs, as transactions settle faster than ever before.

To own the future of finance, CFOs must own all that is blockchain.

Learn more about blockchain via the story of [Solar Site Design](#), a NetSuite customer since 2007 and one of the first companies to take advantage of the integration between NetSuite and Oracle Blockchain Cloud Service.



Chapter 4

HOW CAN CFOs BE STRATEGIC WHILE DELIVERING ON TRADITIONAL RESPONSIBILITIES?

The modern CFO needs to keep up with change—also known as becoming a “strategic business partner”—while still delivering on core accountabilities. But sometimes, it’s tough to focus on becoming a strategic business partner while still doing all this other stuff.

CFOs can cope by creating a flexible infrastructure that reacts to an ever-changing environment. They need a platform that doesn’t compromise between scalability and control. Governance, risk and compliance (GRC) processes and capabilities need to be embedded within core ERP software, IT infrastructure and organisational culture. Effective GRC needs to evolve as requirements do.

NetSuite is committed to helping customers achieve GRC fluency by delivering audit-ready financial solutions and robust IT controls to run more transparent, compliant and risk-savvy organisations. Companies that use the NetSuite platform for [effective GRC](#) will beat their competitors while mitigating non-compliance risks that can undermine revenue, brand image and growth.

As their competitors innovate, CFOs also need a flexible platform to test new business models. In retail, for example, they need to design a

seamless shopping experience whether the customer is shopping online from a desktop computer, a mobile device, or in a brick-and-mortar store.

As business goes global, the CFO also must facilitate the transformation of multi-currency, multi-lingual, multi-book and different statutory requirements with efficiency. If they don’t, they’ll fail the company’s operational consistency, controls and visibility into foreign operations. Companies that have very large, rigid headquarters systems can’t do this. In these situations, maintaining one version of the truth is impossible.

But those who use NetSuite are flexible enough to do this. For example, NetSuite customer Land O’Lakes, a food and agriculture cooperative, had a strategic objective to enter new global markets. It leveraged NetSuite for global business management and rapidly scaled up two subsidiaries in Mexico for its WinField crop input business while running three Nutra Blend animal feed subsidiaries in the U.S. with the NetSuite OneWorld global business management platform. Aligning NetSuite in a two-tier ERP, Land O’Lakes was up and running at a fraction of the time and cost of an on-premise ERP alternative.

Chapter 5

BUT THEY'VE GOT TO DO THEIR REAL JOB, TOO

While doing all this transforming and strategising, the CFO has another task: running the finance function. This involves dealing with an ever-increasing amount of regulations, hurdling tax laws, maintaining internal controls, executing corporate governance, and reporting information that is accurate, actionable and readily available.

The right software can make managing this menagerie simple.

Today's CFOs should look at software companies who have experience with organisations across industries, thus able

to bake best practices for global business management, corporate governance and controls directly into its offerings. CFOs also need to get information into the hands of decision-makers quickly and accurately. The standard approach of generating reports (often through Excel spreadsheets) no longer works. CFOs need a system like NetSuite that puts [actionable business intelligence](#) in the hands of decision-makers in real-time on their phones or tablets.

Chapter 6

NETSUITE'S STRATEGIC CFO HALL OF FAME

Of all execs, the CFO is the best positioned to help the organisation concentrate on priorities. He or she needs a scalable infrastructure that can provide a single source of truth. The CFO also needs to be wary of interrupting business momentum when the need to scale demands a new system. That is where cloud platforms come into play. Multi-tenant cloud platforms allow constant innovation and customisation.

There are many companies with CFOs who have fulfilled the prophecy of becoming a strategic business partner by using NetSuite. Consider...



Originally founded as a job board for service workers, Shiftgig saw rapid growth when it shifted its focus to a mobile app for people seeking flexible work opportunities. It now provides over 30,000 on-demand workers (called Specialists) access to shifts in 14 U.S. markets, as well as experiential marketing opportunities nationwide. As Shiftgig grew, its accounting solution couldn't provide financial consolidation across three subsidiaries and was unable to meet sophisticated invoicing demands from larger clients. With NetSuite,

Shiftgig has better financial data right at their fingertips to measure KPIs across balances, sales rep performance and transaction monitoring, all posted right within the NetSuite application.



Lovesac's hard-earned success from a garage startup to revolutionary furniture company was threatened by process inefficiencies and poor visibility locked inside a legacy environment. The company desired a cloud-based solution that would deliver a single view of all customer, order and inventory data for a seamless omnichannel experience across in-store, online and call centre touchpoints and that could scale to significant increases in market demand. With NetSuite's cloud-based, unified solution from the back office to point of sale (POS), Lovesac was able to deliver rich functionality and real-time visibility of all customer, order and inventory data to its Stamford, Conn. headquarters and across its 60+ retail stores. NetSuite also enables Lovesac to readily implement custom workflows to support unique operational and financial processes.



Guide Dogs for the Blind

Founded in 1942 as a way to help wounded veterans returning from WWII, Guide Dogs for the Blind has since evolved into an organisation that trains roughly 300 guide dog teams per year and now counts 2,200 active teams across the U.S. and Canada. When a new CFO came aboard, she quickly realised the need to replace an antiquated accounting system and manual, spreadsheet-based processes. With NetSuite, managers can create their own reports without going to finance, the organisation can make decisions based on accurate forecasts and easily provide donors with detailed reports on spending. NetSuite's flexibility has allowed Guide Dogs for the Blind to customise the system for its needs, with some help from the NetSuite Pro Bono programme. For example, a custom script for the organisation's roughly 150 puppy clubs automatically tracks balances, something that used to be done manually.



With a mission to build better customer relationships via intuitive and beautifully-designed software, Zendesk wanted an ERP system which made that mantra a reality in its own operations. In 2012, the software company embraced a NetSuite OneWorld strategy, which assisted in its 2014 IPO and growth to become a public company with more than 101,000 customers in over 150 countries and territories.

Chapter 7

GONE ARE THE DAYS OF THE BEAN COUNTER!

The future of finance is chockablock with new regulations, technologies and business models. The CFO must handle responsibilities beyond the finance function. They must also use strategic skills to transform the organisation.

Using the old, heavy, rigid ERP offerings will not provide the tools to nimbly break out of the “Old CFO” role. Armed with NetSuite, CFOs can become the strategic business partners every organisation needs.





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