

NEW VALUE FOR THE CFO

THE EVOLUTION FROM CONSOLIDATION TO GROUP ACCOUNTING



New requirements are being placed on consolidation that go far beyond the information provided by traditional financial consolidation. The study "New Value for the CFO" examines requirements for group accounting solutions, use cases, software user satisfaction and investment priorities for the future.

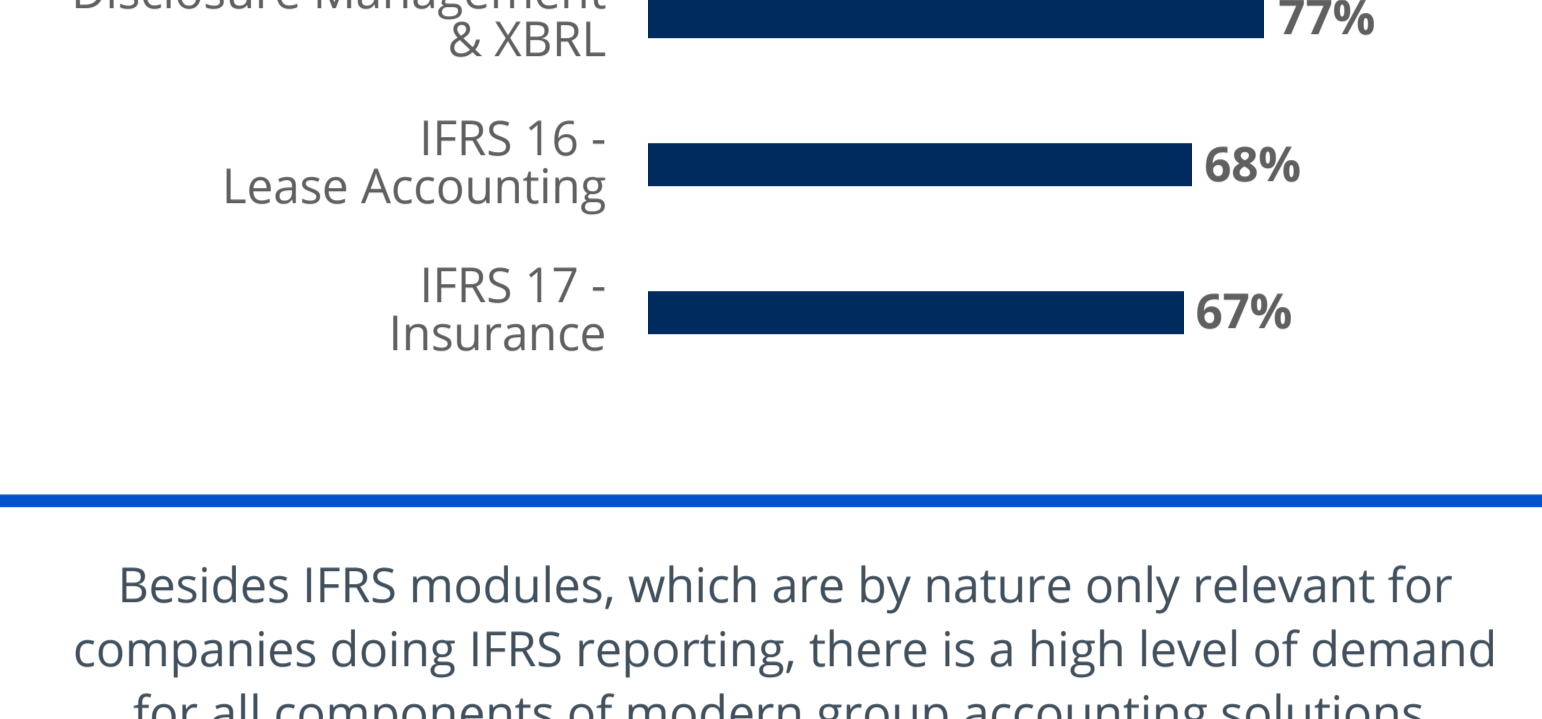
This infographic reveals some of the standout results from our global survey of 235 participants.



Broad demand for group accounting solutions

Organizations are well aware of the relevance of traditional core group accounting components. Most companies now have a very broad approach to the topic of group accounting.

Percentage of companies who rate components as relevant for group accounting



Besides IFRS modules, which are by nature only relevant for companies doing IFRS reporting, there is a high level of demand for all components of modern group accounting solutions.



Which solutions are companies investing in?

Does the perceived relevance of a consolidation solution also increase plans to invest in it?

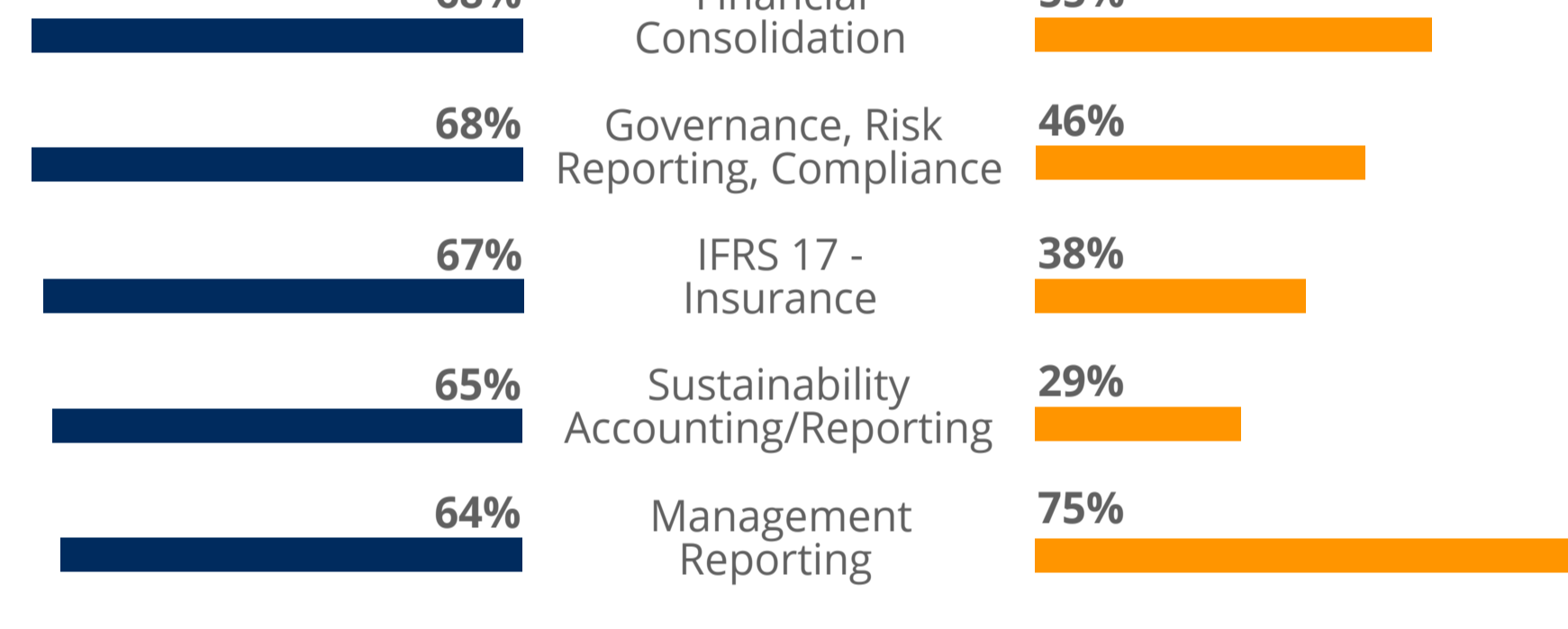
Percentage of companies planning to invest in group accounting technology



It is rather unusual in BARC studies that investment priorities are so broadly distributed. Demand is spread across all modules of group accounting. There is also still strong investment activity in the long-established fields of planning, reporting and consolidation.

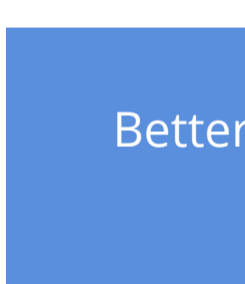
What separates the best-in-class companies from laggards when it comes to investments?

Percentage of companies planning to invest in group accounting technology



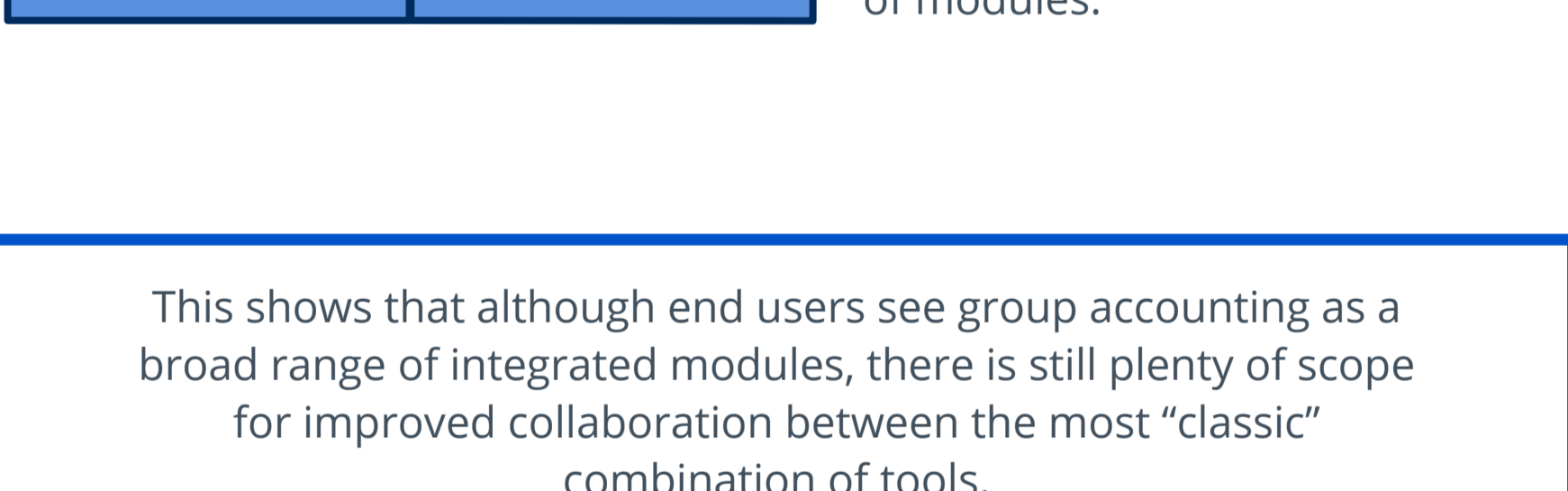
*Participants who considered themselves to be much better in terms of their group accounting process are referred to as "best-in-class", while those who perceived themselves as slightly worse or much worse are classed as "laggards".

Laggards are still largely focused on improving the "old core" modules of group accounting (planning, reporting and consolidation), leaving less time and resources to invest in automating further group accounting processes.



Areas for improvement

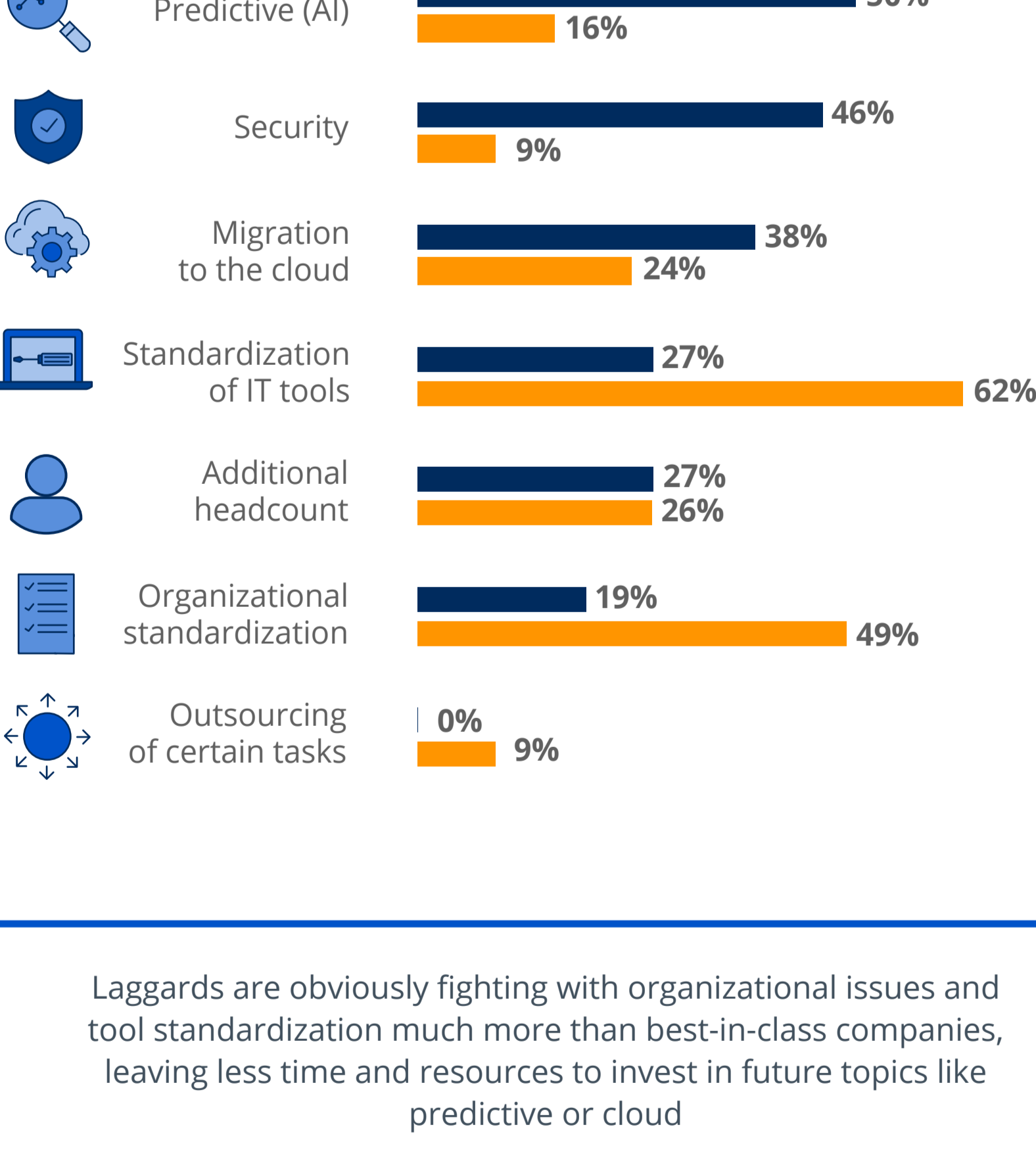
Better collaboration between modules is a key issue when it comes to improving group accounting



This shows that although end users see group accounting as a broad range of integrated modules, there is still plenty of scope for improved collaboration between the most "classic" combination of tools.

Best-in-class companies and laggards have different perspectives on improving the overall process.

The most important factors for companies to improve their group accounting solution



Laggards are obviously fighting with organizational issues and tool standardization much more than best-in-class companies, leaving less time and resources to invest in future topics like predictive or cloud



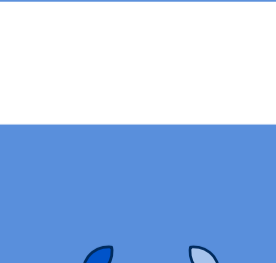
BARC recommendations



If you are investing in group planning, accounting and reporting modules, we recommend looking at integrated or unified solutions.



Even if a certain application such as consolidation or planning is your top priority, preparing to integrate further modules will pay off further down the line.



As with all data and analytics initiatives, well organized data management is at the core and base of all successful implementations. Avoiding silos will reduce error-proneness and running costs in the medium term.



Avoid manual workarounds with Excel, or reduce them to a minimum.