

# Process & Data - Backbone of a Business

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The strategy of establishing a reliable & agile Process & Data method throughout the organization using technology can be termed as digital transformation.

Digital transformation is thus, the continuous adoption of technology as the backbone in which the company operates and is a basic requirement in all companies that are past the start-up stage.

This is especially true in the adoption of an integrated Finance & Operations Workflow system that helps the business to work as per the established rules of the business. These rules generally would consist of various parameters in Cost, Revenue, Service, Quality.

This technology adoption is essential for competing, as the basic daily running of the business with all its internal rules becomes second-nature to everyone, leaving personnel to focus on a larger vision.

In management terms, this can be seen as adopting Lean Thinking methods as once the rules are set, the entire company begins to work within the given rules, thus eliminating waste of resources. While larger corporate companies may have already adopted these technology initiatives, it is an absolute must for MSME, Family Business etc.

## FinOps ERP Workflows

Workflows, as the name suggests is how a piece of work flows through multiple departments within the system.

Since costs, service levels are usually what is within the full control of the business, it is essential that these parameters also is known to all participating in the workflow. The entire organization is then transformed into working within these boundaries in a natural manner without much oversight.

An example is whether a particular **procurement is within the budget** allocated to the task or whether a **service delivery is being executed within expected profit margins**. While placing a purchase request or allocating personnel for a job, the impact of these on the overall finance of the company is quickly understood & decisions taken.

Even at the most basic level, an indication of whether work has been allocated or needs to be billed leads to the relevant personnel initiating the next steps quickly.

These company-wide workflows become more critical when there are multiple subsidiaries or locations involved.

**Modern Workflow ERP Systems assisted with configurable Business Rules can be deployed within weeks, ensuring a very quick financial & operational transformation.**

## BI & Decision Systems

An outcome of following a Workflow is that we get a real-time view of how the work has actually got executed and with what resources.

This gives ample insight into the variance with the benchmark figures and any other exceptions, such as a summary of all department data coming into an Corporate Dashboard with drill-downs for further analysis.

The Workflow Steps also gives the required foundation into calculating Activity Based Costing giving more insight into the cost contributions and to take necessary action.

Additionally, concepts like Lean Thinking suggests that while executing the workflow, each step needs to utilize the least resources (time, material, cost). These are best provided by referring to computed statistical models that give indication in areas like inventory optimization, scheduling, cash-flow insights etc.

As the company grows, such knowledge decisions needs to be more standardized to ensure consistency in business performance.

**Stay Competitive with consistent Data-Driven Decisions that are provided by Business Intelligence tools.**

### **Success Checklist**

In most implementations, it is seen that following change patterns are to be established for the successful completion of a transformation project.

1. Top-down approach with constant reviews from leadership are an absolute must
2. Program Coordination team interfacing with multiple departments are essential
3. Evolution from legacy, custom methods to Industry Standard methods will need training & sometimes, employee rotation
4. Trade-off between Process & Convenience, which is usually in favour of Process needs to find acceptance

The evolution from earlier methods and matters of convenience are especially difficult stumbling blocks as it may impact existing "tribal offices", "power centres" and needs to be managed from the very top.

However the end results are worthwhile to the business.

**“When a snake sheds its skin it changes; when a caterpillar becomes a butterfly, it transforms.” - Business Transformation Academy**