



# Ventana Research

## The Office of Finance

### Research in 2018

Setting the Annual Expertise and Topic Agenda

**Robert D. Kugel** CFA  
Senior Vice President & Research Director



[blog.ventanaresearch.com](http://blog.ventanaresearch.com)



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# Ventana Research – Guiding Business and IT

Ventana Research is the leading business technology research and advisory services firm providing expertise and actionable guidance on mainstream business processes and disruptive digital technologies.

We deliver to our clients a unique set of research and expertise-based offerings including workshops, assessments and our subscription-based Ventana On-Demand advisory service. Ventana Research helps organizations of all sizes globally to improve business performance.



# Research



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# Ventana Research Expertise Agenda

Our Research Agenda and expertise in critical business and technology topics is driven by our analysts' deep understanding of business requirements and our knowledge of technology providers.

Through our primary and secondary market research methods, we are able to provide insights and best practices to line of business and IT, and across vertical industries that will help any organization reach its maximum potential.

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**RESEARCH AGENDA**

# Ventana Research Expertise Areas

Our business areas of expertise help organizations examine how to innovate and transform their processes and enable their people to effectively execute.

## Focus Areas

Analytics

Data

Customer Experience

Digital Technology

Human Capital  
Management

Marketing

Office of Finance

Operations and  
Supply Chain

Sales



# Digital Innovation in 21<sup>st</sup> Century



# Embracing the Predictive Potential in Finance



# Embracing Robotic Potential in Finance





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## Office of Finance

Despite the continued overblown rhetoric, by 2021 fewer than 20% of finance organizations will have become a strategic partner to their company.

Robert Kugel  
SVP & Research Director



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# Expertise Overview

After a decade of limited technology innovation, significant change is underway. Artificial intelligence, machine learning, bots, RPA, enterprise data management, blockchain distributed ledgers, cloud computing and restructured architecture will transform how the office of finance will work, including accounting, planning and analytics, budgeting and closing.

## Focus Areas

ERP and  
Continuous Accounting

Financial Performance  
Management

Predictive Planning

Pricing and Revenue  
Management

Robotic Finance

Revenue and  
Lease Accounting

# Digital Technology for Office of Finance

## Artificial Intelligence and Machine Learning

- Automates transactions processing for simple, repetitive tasks that requires some judgment.
- Accounting requires consistent treatments and actions, lending itself to AI and ML.
- Unlikely to be a big-bang; more likely a steady evolution and adoption of new capabilities.

## Bots

- Facilitates interactions between systems and accounting and line-of-business end users.
- Leverages use of existing natural language processing services for specific applications.
- Critical capability in ERP deployments for HR, operations and digital boardroom.

## Big Data Analytics

- Utilizing large volumes of transactions data well adds competitive capabilities.
- Predictive analytics, PRO, deeper visibility all enable differentiated strategy and operations.
- Companies must develop internal expertise to utilize big data analytical capabilities.

# Digital Technology for Office of Finance

## In-Memory Analytics for the Office of Finance

- More sophisticated analytics that put an end to “I’ll get back to you with that.”
- Supports a proactive, forward-looking role for FP&A with greater forward-looking visibility.
- Continuous planning requires technology to leverage analytical skills of FP&A.

## Blockchain Distributed Ledgers

- Emerging distributed ledger technology will profoundly affect the Office of Finance.
- DLT serving as a machine-to-machine universal data connector for B2B transactions.
- Be on the lookout for services that streamline finance functions.

## Robotic Process Automation

- Hands-off processing of straightforward repetitive transactions.
- Increase automation of data movements and improve data quality.
- Improves efficiency, increases data quality, reduces errors and facilitates integration of systems



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## ERP & Continuous Accounting

In 2021, it will still be the case that only a minority of finance departments will be strategic partner to the rest of the corporation.

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SVP & Research Director



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# ERP & Continuous Accounting

## Overview

- Continuous accounting is an approach to managing transactions recording and accounting that takes advantage of current ERP technology to streamline and restructure the accounting function; it can provide more real-time information and insight while simultaneously cutting administrative overhead.

## Direction

- ERP and other software is evolving to streamline and restructure the accounting function.
- Database, system architecture and UX has made significant process re-engineering possible.
- Cutting administrative overhead and increasing analytical talent are key challenges for CFOs.

## Market Research

- Benchmark: Next Generation ERP (Q4\*)

### ERP & Continuous Accounting

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## Financial Performance Management

In 2021, it will still be the case that fewer than 50% of companies will be able to complete their accounting close within one business week.

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SVP & Research Director



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# Financial Performance Management

## Overview

- Financial performance management applies technology to the full cycle of departmental functions, including corporate and strategic finance, planning, forecasting, analysis, closing and reporting, facilitating more accessible predictive and prescriptive analytics and driving changes in the role and mission of the financial planning and analysis (FP&A) group.

## Direction

- Real-time information, shorter cycles, self-service reporting are key capabilities for FP&A.
- Cloud, AI and in-memory driving changes in FP&A mission and how it's executed.
- Continuous planning and a shorter close are Office of Finance imperatives.

## Market Research

- Dynamic Insights: The Financial Close (Q2)
- Value Index: Financial Performance Management (Q4)



### Financial Performance Management

In 2021, it will still be the case that fewer than 50% of companies will be able to complete their accounting close within one business week.

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## Predictive Planning

In 2021, it will still be the case that only a minority of companies will have an effective planning and budgeting process.

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SVP & Research Director



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# Predictive Planning

## Overview

- Predictive planning employs technology such as in-memory computing, advanced analytic technologies and interactive planning to make planning and budgeting processes more agile and easier.

## Direction

- Businesses must use technology to make planning and budgeting more agile and easier.
- The Cloud and in-memory makes shorter company-wide planning and review cycles feasible.
- Reimagine traditional budgeting and silo-based planning to achieve better results.

## Market Research

- Benchmark: Business Planning (Q3)
- Dynamic Insights: Sales and Operations Planning (Q4)
- Value Index: Business Planning (Q4)

### Predictive Planning

In 2021, it will still be the case that only a minority of companies will have an effective planning and budgeting process.

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## Price and Revenue Management

Although only lightly used today, by 2023 pricing and revenue management will be a mainstream capability in B2B businesses.

Robert Kugel  
SVP & Research Director



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# Pricing & Revenue Management

## Overview

- Using big data analytics, machine learning and process management, price and revenue management technology enables B2B companies to optimize profit margin and sales objectives and achieve consistently better financial results than without technology.

## Direction

- Pricing and revenue management for B2B and financial services going mainstream.
- Big data, machine learning enabling easier to deploy and more robust systems.
- Differentiated strategies will drive higher ROE and company valuations.

## Market Research

- Value Index: B2B Pricing and Revenue Optimization (Q3\*)

### Price and Revenue Management

Although only lightly used today, by 2023 pricing and revenue management will be a mainstream capability in B2B businesses.

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SVP & Research Director



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## Robotic Finance

By 2023, almost all finance department will be using robotic finance technologies in some form, but fewer than 25% will be using them strategically.

Robert Kugel  
SVP & Research Director



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# Robotic Finance

## Overview

- Robotic finance utilizes technologies such as artificial intelligence and machine learning, robotic process automation and blockchain distributed ledgers to shift the balance of the department's work from transactions processing and reporting to forward-looking operational and financial analysis.

## Direction

- Includes AI and Machine Learning, Robotic Process Automation and Blockchain Distributed Ledgers
- Breakthrough technologies will support a profound change in the Office of Finance's role.
- "We've always done it this way" inertia is the key risk facing CFOs and their companies.

## Market Research

- Benchmark: Robotic Finance (Q4)

### Robotic Finance

By 2023, almost all finance department will be using robotic finance technologies in some form, but fewer than 25% will be using them strategically.

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## Revenue and Lease Accounting

Even by 2021 a majority of corporations won't fully utilize technology to make accounting for revenue and leases easier and reliably accurate.

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SVP & Research Director



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# Revenue and Lease Accounting

## Overview

- New standards for accounting for contract revenue and for leases impose more complex processes and ongoing reviews that are best handled by software. The standards also are more principles-based, requiring effective process control and comprehensive disclosures.

## Direction

- Companies lagged in preparation for new RevRec standards; less so for lease accounting.
- New standards require software automation to handle the accounting, planning and budgeting.
- Companies must accelerate efforts to implement software for accounting and planning.

## Market Research

- Benchmark: Next Generation ERP (Q4\*)

### Revenue and Lease Accounting

Even by 2021 a majority of corporations won't fully utilize technology to make accounting for revenue and leases easier and reliably accurate.

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# Technology Areas of Focus for Office of Finance

## ERP and Continuous Accounting

- Revenue recognition and accounting standards.
- End-to-end process management
- Automating repetitive tasks
- Subscriptions and recurring revenue billing
- User experience
- Mobile and collaborative

## Supporting Technologies

- Blockchain Distributed Ledger Technology
- Robotic process automation
- Automated data management

## Advanced Analytics

- Pricing and revenue management
- Predictive analytics
- Artificial intelligence and machine learning
- User experience
- Mobile and collaborative

## Finance Operations

- Business planning and budgeting
- Achieving a faster close
- Tax planning and visibility
- Treasury management
- GRC



# Market Research for Office of Finance

## Benchmark Research

- Business Planning (Q3)
- Next Generation ERP (Q4\*)
- Robotic Finance (Q4)

## Dynamic Insights Research

- Sales and Operations Planning (Q4)

## Value Index Research

- B2B Pricing and Revenue Management (Q3\*)
- Financial Performance Mgt. (Q4)
- Business Planning (Q4)



# Think Big



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# Services for Users and Providers

## Technology Users

- Advisory and Research Services
- Benchmark Assessment
- Educational Workshops
- Market Consultation Service
- Research Reports
- Technology Assessments
- Vendor Selection Guidance

## Technology Providers

- Advisory and Research Service
- Benchmark Research Services
- Digital Content Services
- Market Consultation Service
- Research Reports
- Speaking Services
- Strategic Consulting

# Services for Providers

## Advisory



### Ventana On-Demand

Ventana On-Demand is a personalized business and technology advisory service that provides you with access to insights from exclusive benchmark research, use of reprints of analyst perspectives, professional client management services, and priority briefings. Ventana On-Demand is the only advisory service in which the expert analyst team draws from primary benchmark research, real-world experience, and deep industry knowledge to provide the most accurate lens on the intersection of business and technology.



### Consulting

In one-on-one or group discussion sessions, our expert industry research analysts provide objective advice and detailed guidance to sharpen your sales, marketing, service and product strategies. We can help assess the market and determine where you improve your market and product strategies for optimal results, all based in and pulled from our insights and research.



# Market Consultation Service

## Overview:

Ventana Research analysts provide insight and guidance on the market through their expertise using our research. The service consists of a two hour consultation, presentation and unique set of recommendations.

## Value:

- Smartest path to understanding the state of the technology market to adjust your business efforts.
- Improve technology strategies to better optimize your productivity and performance of business processes.
- Optimize business efforts by overcoming challenges with your people and processes through using technology.



# Digital Services for Providers



## White Paper

An authoritative research-based in-depth exploration covering a specific business-and/or technology-related issue. Use it to Articulate the business case for the industry issue your solution can solve.\*



## Expert Speakers

Reach your prospective buyers, customers or sales team with the right mix of research and insights to motivate and educate your audience.



## Infographic

Build awareness on a topic and establish importance through the illustration of key points in a highly targeted visual format containing research facts.



## Research Perspective

An authoritative piece of written content made to create awareness of an issue or opportunity. It is a discussion starter, designed to create an interest in further education.\*



## On-Demand Webcast

A recorded audiovisual presentation to educate audience on a specific topic in 15 or 30 minute duration in a professional replay-hosted environment.



## Viewpoint

Industry analyst written perspective on an industry topic in no more than two pages of content to create awareness and insight to buyers and the market.



## Webinar

Drive demand and generate leads when our industry analysts present industry trends and issues in a live and interactive approach to your audience.



## Online Assessment

Provides immediate recommendations to buyers based on their responses to highly targeted questions that help drive action to improve.



## Tweetchat

Online and interactive dialogue on Twitter with an industry analyst, discussing market issues using research statistics to provide awareness on key topics.



## Analyst Perspective

Provides industry analyst fact-based perspective on business and technology trends or specifically on a vendor and product.



## eBook

Provides education through graphical designed digital content that provides a story to organizations on essential aspects of technology.\*



## Q&A With Analyst

A written dialogue between client and industry analyst in a question and answer format that can be used in multiple formats.



# Questions?



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<http://www.linkedin.com/company/ventana-research>



Analyst Perspectives

<http://blog.ventanaresearch.com>



Electronic Mail

[info@ventanaresearch.com](mailto:info@ventanaresearch.com)





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