

IBM Global Business Services



Financial
Management

Services for the CFO – Financial Management Consulting

Chief financial officers (CFOs) are currently in a highly visible, highly influential position. They're not just keeping the books—they're architecting change, shaping strategy and driving business value for the larger enterprise. CFOs have always been the stewards of financial data for the enterprise, but now they've got to do more—they must leverage this critical data to deliver high-level insight into business performance, risk and growth. And it's not easy.

Organizations are increasingly complex, with different geographies, technologies and lines of business to navigate. Fragmented processes, systems and data make it difficult to gather the business information CFOs are tasked with delivering. It's getting harder and harder to find and retain professionals who have the advanced business skills that today's finance organizations demand. And the new visibility of the CFO role adds the pressure of intense scrutiny to all these challenges.

Plus, CFOs have to balance their new demands with their more traditional responsibilities. Most finance organizations still need to devote almost half of their time to transaction processing. And the continued focus on regulatory issues requires the investment of significant resources to remain compliant.

It's no wonder that the majority of finance organizations haven't been able to successfully shift from a transactional focus to activities that support the delivery of critical business insight. In IBM's recent global study of CFOs and other senior finance professionals, only nine percent of survey respondents rated themselves as "excellent" in gathering, interpreting and conveying information in a way that drives profits, while more than half rated themselves as "very poor," "poor" or merely "satisfactory." A majority of survey respondents indicated that while data is plentiful, it is not focused, relevant or suitable for driving action.

In the wake of business changes such as inadequately integrated acquisitions, rapid expansion into new marketplaces and business model decentralization, many companies are left with disjointed, localized processes and siloed information — making it difficult for them to aggregate data and leverage it successfully. IBM's study reveals that overcoming these barriers and moving toward the enterprisewide integration of information are critical steps for companies that want to transform passive data into high-level business insight. In the study, highly effective finance organizations were more likely to have taken actions toward integration—adopting data standards, pursuing process simplification and consistently applying functional best practices. These organizations were also more likely to have mitigated structural complexity by assessing and reducing the number of finance platforms, forecasting tools, data warehouses and enterprise resource planning systems they used.



Financial management consulting from IBM

It's a tall order. CFOs have to become more effective and efficient in supporting core needs across the enterprise while maintaining regulatory compliance and remaining as stringent as ever in their traditional bookkeeping activities. But they don't have to do it alone. IBM offers comprehensive financial consulting services to help CFOs face these challenges and deliver real business value. A trusted partner to CFOs worldwide, IBM delivers end-to-end solutions—including strategy, process, applications, infrastructure and technology—through its offerings in critical financial management focus areas.

Finance strategy

Finance strategy services are at the core of IBM's financial management solution set. Using diagnostic, strategic tools for profit improvement and modeling, we can help CFOs assess their organizational design and develop a vision, strategy and blueprint to support the changing business needs of the enterprise. Drawing upon our financial management expertise, industry-specific knowledge and practical implementation know-how, we can help transform a finance organization's capabilities so that it becomes a valued business partner within the enterprise.

Finance operations improvement

Our finance operations improvement services are designed to help finance organizations execute their strategic plans. IBM can help redesign key business and financial processes, restructure organizations to improve overall efficiency and responsiveness, and eliminate non-value-added tasks through outsourcing and shared services.

Business performance management

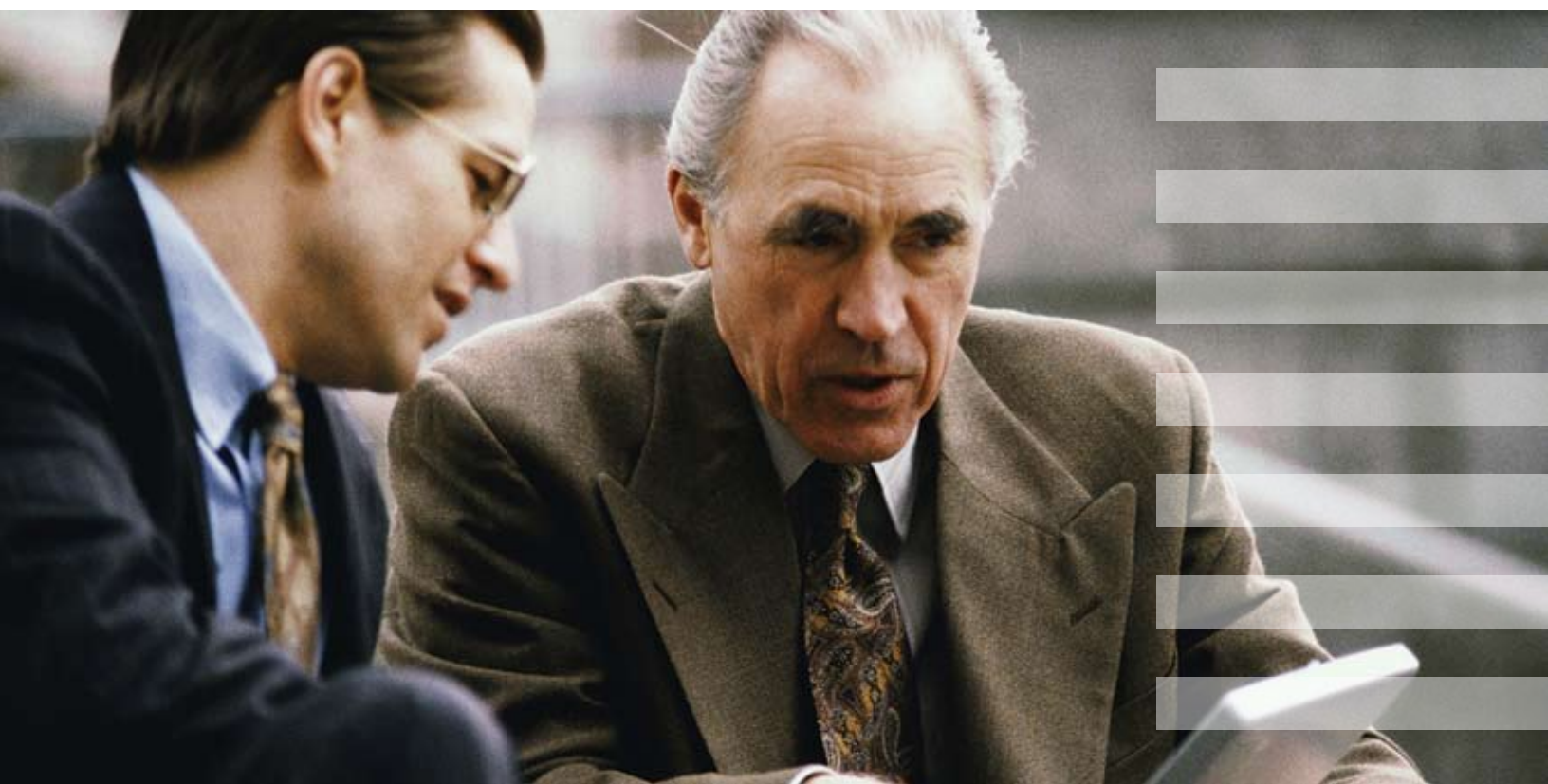
Our business performance management services are focused on helping finance organizations leverage their information assets to support and enhance business planning and performance. IBM can help CFOs unleash the power of their financial and enterprise information and business intelligence by implementing the processes and systems needed to integrate information across the entire value chain.

Using our holistic business intelligence approach, IBM can help link performance measures with strategy and apply these measures in a timely, cost-effective manner, while delivering role-based intelligence to executives, managers and information consumers.

Business risk management

IBM can help CFOs identify, assess, manage and optimize business risks, taking a holistic approach that integrates risk and compliance management as part of the overall business strategy and execution. Our framework is designed to help finance organizations ultimately evolve from baseline compliance to optimized risk management, in which the value of risk management far outweighs the costs. Plus, optimized risk management provides increased transparency into business operations, which can result in enhanced decision making capabilities and proactive risk mitigation, faster, more robust processes, and streamlined reporting.

Our services include marketplace risk analysis and modeling, credit risk management, operational risk management, Sarbanes-Oxley process design and tools, and Basel II gap analysis and enablement.



Finance enterprise applications

Our finance enterprise applications services are designed to help finance organizations design, architect, select, implement, integrate, manage and realize the benefits of technology solutions across the enterprise. We maintain strong vendor relationships—in fact, we're a repeated recipient of the SAP Award of Excellence and the Oracle Partner Award. Working closely with alliance partners, IBM can meet an organization's core financial systems needs, including the implementation of new enterprise resource planning (ERP) applications as well as shared services and outsourcing solutions to improve the cost and effectiveness of their operations.

Finance and administration business transformation outsourcing

In addition to managing risks, increasing organizational agility and tackling organizational skill and leadership deficiencies, CFOs must focus on cost cutting and profit improvement. IBM's finance and administration business transformation outsourcing services are designed to deliver cost savings through faster, more successful and enduring business transformation. We enable finance organizations to leverage the expertise and scale of strategic partners, combining people, process transformation and technology innovation to achieve established business outcomes.

Why IBM?

Whether a finance organization needs guidance in planning its business strategy, acquiring the tools to measure performance more accurately or leveraging shared services to streamline its operations, IBM can help. IBM Global Business Services is one of the world's largest consulting services organizations, with expertise ranging across key business issues in virtually every country. And with nearly 4,000 financial management resources located across the globe, we've got a strong record of serving as a trusted advisor to CFOs and finance leaders.

Our financial management services experience is vast. But our approach truly sets us apart. We've got a real commitment to partnering with CFOs and collaborating closely to help them manage complexity, balance risk and drive profitable growth. We bring custom-tailored multidisciplinary teams to each engagement, offering a future-oriented perspective combined with "here-and-now" practicality. When it comes to unlocking value across the enterprise, we're the experts.

Client success stories

Global information services company

Over the course of a decade, a leading global provider of integrated information-based solutions experienced significant changes to its business portfolio, resulting in a number of separate accounting organizations across its market groups, each with its own policies, systems and processes. The company needed expert assistance in standardizing its accounting platforms and procedures, consolidating its ERP portfolio, facilitating a consistent professional culture and developing plans for a shared services center.

IBM Global Business Services worked with the client to architect a comprehensive finance transformation solution, creating a chart of accounts (COA) design, building an ERP strategy, developing process design principles, and identifying processes and sub-processes to be implemented in the shared services center. IBM also assisted in determining the scope and the staffing needs for the subsequent phases of the project, refined the existing business case and developed detailed plans to be carried out by individual process and policy design teams. The client anticipates significant benefits from the solution, including a standardized global accounting culture, substantial savings and reduced operational risk.

Leading provider of clean-burning natural gas

A leading provider of clean-burning natural gas began shedding its non-core businesses to focus on its natural gas strategy. However, it ran into difficulty when it tried to bring its general and administrative (G&A) processes, infrastructure assets and costs into line with its smaller size. The company's numerous financial and accounting packages and lack of process sharing across business units drove up application support costs and created a great deal of inefficiency. As a result, its G&A expenses as a percentage of revenue exceeded those of its competitors and best-in-class metrics. The company needed to do more than just replace its systems—it needed to consolidate onto a single application platform and implement new business processes enterprisewide.

The company engaged IBM Global Business Services to help it transform and manage critical aspects of its IT infrastructure and its accounting, finance and human resources processes. By establishing a strategic outsourcing arrangement with IBM, it was able to return its focus to core business needs. The company anticipates reducing its costs by 30 to 35 percent and capitalizing on IBM's business processes to drive future innovation.

Large global pharmaceutical company

One of the world's largest pharmaceutical companies maintained separate IT infrastructures and system solutions across its various European divisions. This disjointed technology hampered efficiency, financial tracking and consistency across the enterprise and drove up IT costs.

IBM oversaw the implementation of a single SAP system to support sales, distribution, purchasing, finance and reporting processes across all of the company's European divisions. As part of the process redesign, IBM's consultants helped the client centralize operations, consolidating all processes supported by the new system within a shared service center. The company's standard, centralized solution is estimated to save the company US\$20 million per year. Additionally, the new solution has simplified IT support and enhanced customer service.

Major United States government department

Lacking a centralized financial system, a large U.S. government department was relying on disparate legacy solutions to manage, process and track more than 150 programs and 100,000 individual grants. As the systems became increasingly difficult and costly to maintain, the department sought an updated and integrated solution.

IBM Global Business Services integrated virtually all administrative and program processes and systems within the department, implementing a new financial management systems software (FMSS) Oracle Financials solution to provide centralized management of all programs and grants. Over the course of the project, the IBM team provided project management, process analysis, fit-gap analysis, application configuration, interface design and development, data cleanup, data conversion, testing, training, cutover planning and post-implementation support.

The IBM solution has enabled the client to significantly reduce its maintenance and operation costs, leverage timely and more accurate financial information, and enhance its data collection and reporting capabilities. Plus, the integrated solution strengthens and enforces the department's internal controls and policies for administering billions of dollars in government funds.

For more information

To learn more about IBM Global Business Services financial management consulting, contact your IBM representative or visit:

ibm.com/bcs/finmgmt





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