
CONVERGE
2020 Advisory Conference
October 27–29
Converging knowledge and behaviors to deepen client relationships
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RSM
FIRMFOUNDATION
Advice, tools and resources for CPAs
RSM US Alliance
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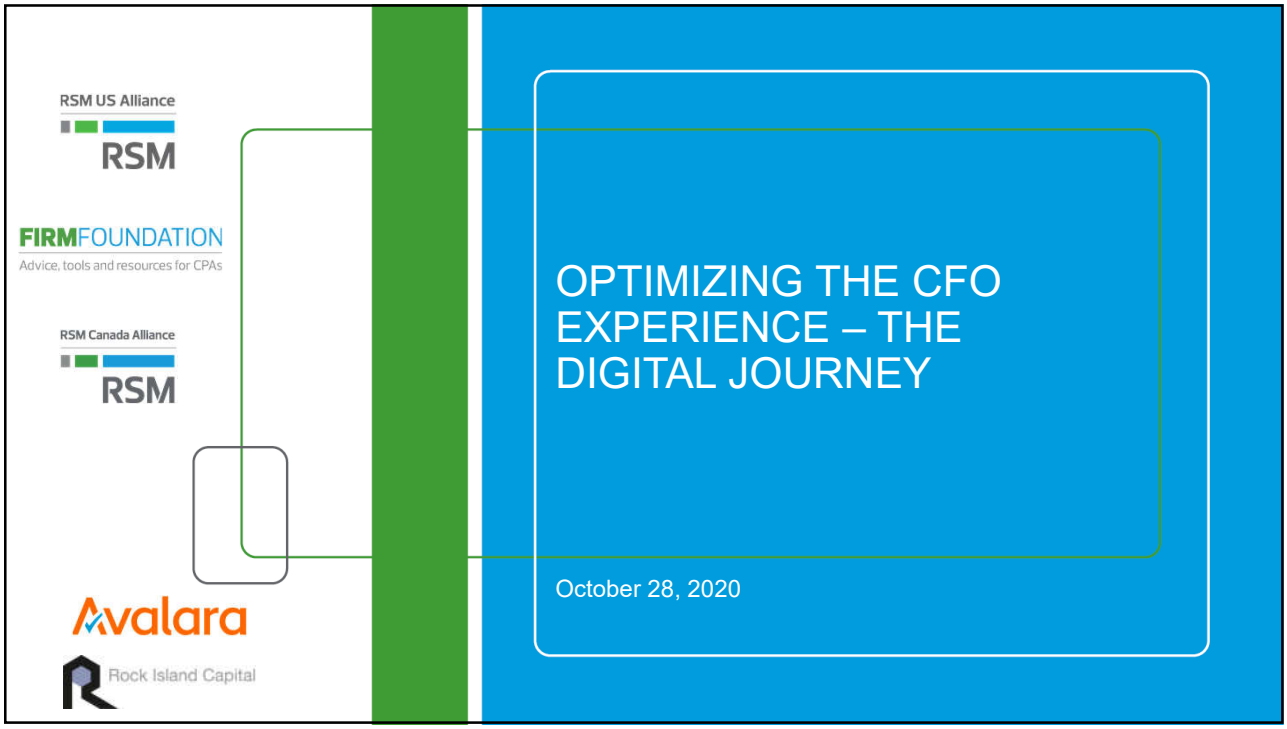
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OPTIMIZING THE CFO EXPERIENCE – THE DIGITAL JOURNEY
October 28, 2020

Speaker

Gavin Backos

Principal, Management Consulting, RSM

Gavin is a Principal in the Management Consulting Practice based in Atlanta. He is a proven solution-focused leader with strong partnering skills having earned progressive responsibility for multiple aspects of business development, advisory, accounting, financial and operations management.

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Speaker

Richard Davis

Principal, Management Consulting, RSM

Richard Davis is a Principal in the Management Consulting Practice. He successfully combines a deep understating of financial reporting and internal control with enterprise technology enablement and specializes in the bridging the gap between Finance and Technology, and turning enterprise performance data into meaningful insight to drive value through the lens of Finance.

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Agenda

Topic	Minutes
Understanding the Power of Data	10
Delivering a Data Driven Transformation (Data Driven Value Creation)	10
Exploring the Outputs of Data Drive Approaches	10
Defining the Office of the CFO	10
Designing the Target Operating Model	10
Business Led Technology Enablement	10

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Objectives

By the end of this course, you will be able to:

- Understand how to leverage data to define your transformation journey
- Learn how to deliver a data driven transformation and understand the key benefits
- Understand how to transform the office of the CFO
- Learn how to develop a technology roadmap that is based upon business requirements and value

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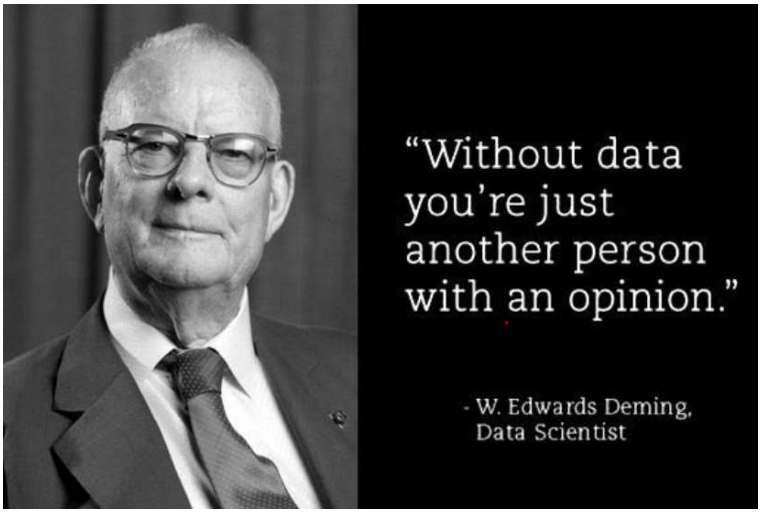
One person's opinion regarding the importance of data



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Deming on Management – Total Quality Management (TQM)

- Create constancy of purpose for improving products and services.
- Adopt the new philosophy.
- Cease dependence on inspection to achieve quality.
- End the practice of awarding business on price alone; instead, minimize total cost by working with a single supplier.
- Improve constantly and forever every process for planning, production and service.
- Institute training on the job.
- Adopt and institute leadership.
- Drive out fear.
- Break down barriers between staff areas.
- Eliminate slogans, exhortations and targets for the workforce.
- Eliminate numerical quotas for the workforce and numerical goals for management.
- Remove barriers that rob people of pride of workmanship, and eliminate the annual rating or merit system.
- Institute a vigorous program of education and self-improvement for everyone.
- Put everybody in the company to work accomplishing the transformation.

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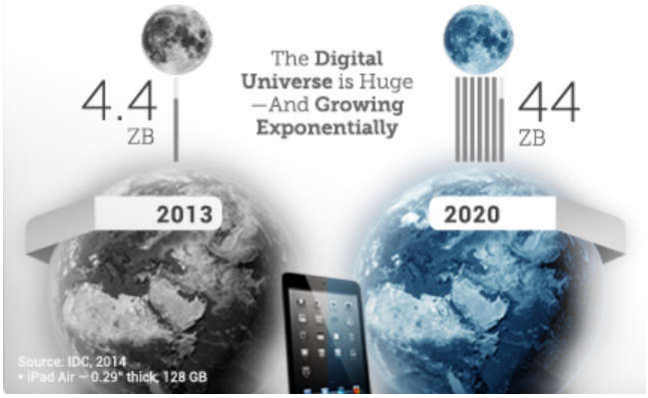
Gathering the data for decision-making

Like the physical universe, the digital universe is large – by 2020 containing nearly as many digital bits as there are stars in the universe. It is **doubling in size every two years**, and by 2020 the digital universe – the data we create and copy annually – will reach 44 zettabytes, or 44 trillion gigabytes.



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So much information…now what

DRIP

The phrase data rich and information poor (DRIP) was first used in the 1983 best-selling business book, In Search of Excellence, to describe organizations rich in data, but lacking the processes to produce meaningful information and create a competitive advantage.

*DRIP was defeated in the private sector with **wise implementation of information technology**.*

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WHAT DOES "GREAT" LOOK LIKE

A sports and entertainment industry example

What does "Great" data-driven decision making look like?

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What does “Great” look like?

Formula 1 is a data-driven sport: During each race, 120 sensors on each car generate 3 GB of data, and 1,500 data points are generated each second. Using Amazon SageMaker, Formula 1’s data scientists are training deep-learning models with 65 years of historical race data to extract critical race performance statistics, make race predictions, and give fans insight into the split-second decisions and strategies adopted by teams and drivers.

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Formula 1 – Qualifying – Know risk/know reward

Michael Schumacher
Germany
Total Pole Positions: 68

Lewis Hamilton
Great Britain
Total Pole Positions: 91

Ayrton Senna
Brazil
Total Pole Positions: 66

Sebastian Vettel
Germany
Total Pole Positions: 57

Jim Clark
Germany
Total Pole Positions: 33

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Formula 1 – The very best of the best drivers over 70 years

Michael Schumacher
Germany
Total Championships: 7

Lewis Hamilton
Great Britain
Total Championships: 5

Juan Manuel Fangio
Argentina
Total Championships: 5

Sebastian Vettel
Germany
Total Championships: 4

Alain Prost
France
Total Championships: 4

Jack Brabham
Great Britain
Total Championships: 3

Ayrton Senna
Brazil
Total Championships: 3

Nikki Lauda
Austria
Total Championships: 3

6 Drivers = 2 17 Drivers = 1

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The Data Driven CFO: The Influential Value Creator

- He has created a Single Version of Operational (SVOT) to guide decision making around investments that create value for the portfolio company
- She has normalized all relevant sources of enterprise data and has developed operational analyses to identify key business trends and where improvements can be made
- He delivers timely analysis and business insights to the business functions that inform teams how to improve profitability
- **She knows cash, she knows how to manage it, and she knows how to drive the operational levers to create more of it**

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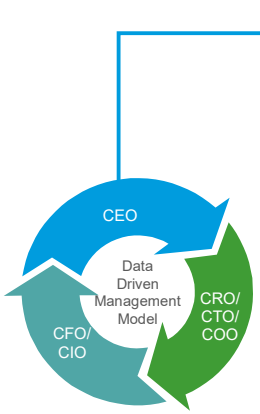
Accelerate 360 and industry convergence – The issues that matter most to our clients and where we can drive conversations



Unlocking Enterprise Value:
Analyzing the Value Creation Levers

Optimize Revenue

- The company growth strategy is clearly defined around net new customer acquisition, organic growth, and acquisitive growth
- Commercial Sales teams harness market and customer data to drive more effective and profitable management of customers

Drive Margin

- A transparent and actionable 360 view of customers is at the core of every discussion to manage churn risk and profitability
- Operational trends across the internal business functions continually identify breakdowns in efficiency and effectiveness potential and guide initiatives to improve margins product and pricing trends across the customer base

Multiply EBITDA

- Optimizing the SG&A landscape and analyzing the spans and layers of the portfolio company to ensure the lowest possible cost of delivery to enhance EBITDA

Improve Cash Flow

- Getting line of sight to cash and working capital to drive investment in systems, processes and acquisitions to drive EBITDA multiples

Industrial Products
S&OP
Procurement
Make to Stock vs. Order
OEE Management
Product Wheel
Slow Moving Inv.

Business Services
SLA & Response Time
Quoting & Estimating
Scheduling & Dispatch
Material Management
Billing Automation

Life Sciences
Gross to Net
3rd Party Management
Revenue Opportunity Cost
Lab Spend
Cost to Serve
Resource Management
CRO Management
Demand Forecasting

TMT
Lead to Cash
Customer Acquisition
Pricing Strategies
Product Bundling
R&D Spend
SG&A Optimization

CP
Digital
Omni Channel
DTC/Ecom
3PL & Distribution
Procurement

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Linking finance to operations and analytics

Enterprise Transaction "Processes"
Typically governed within Enterprise Systems and Workflows

- Lead to Cash
- Procure to Pay
- Source to Make
- Hire to Retire
- Record to Report

- The ABBYY platform shines when it comes to intelligently and intuitively analyzing the design of end-to-end business processes in an organization.
- It takes transactional data from systems and models it visually so a company can see where performance bottlenecks exist enterprise wide
- **It allows business leaders to see the breakdowns in the design of business processes, to make a solid case for RPA and Predictive Analytics.**

The ABBYY Use Case

ABBYY

Analyzes business processes to identify process design flaws to drive automation opportunities

Transaction Processing Focused

Each Element of our approach Drives an RPA Strategy

Automation Anywhere

tableau

The Alteryx Use Case

alteryx

Automates Human Processes When Humans want to Analyze Something

Manual Process Focused

Human Analytic "Processes"
Things Finance Teams do "Manually" outside of transaction processing

- FP&A
- Controllership
- Accounts Payable
- Accounts Receivable
- Treasury / Tax / Payroll

- The Alteryx platform shines when it comes to intelligently blending and modeling data to be used for analysis and reporting.
- Users can leave the breadcrumbs of how they did their analyses and more important, allows them to repeat it and automate the analytic being performed
- **Moreover, it automates the process for gathering data to be modeled and can feed source system and RPA solutions to drive scalability**

Every Step Drives Analytical Insights to Automate Finance

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Leading practices in field services optimization

Field Service Automation – Give the technicians the right toolsets
- Reductions can be found by setting up levels of automation in **field service software for the technicians** that do the tasks otherwise done by back office staff (estimating, procurement, bill review)
- Field service organizations can save on office administration costs, which can be reduced with **fewer people working in call center or dispatching roles**

Maximize Service Delivery – Drive optimal resource utilization for the technician base
- Delivering exceptional service efficiently **with improved first time fix rates** while reigning in additional costs
- Utilizing optimum scheduling and dispatch tools to complete more service calls per shift and **getting the right level of tech to the level of complexity of the work order**

Mobile Platform – Make the technician's and customer's life easier when delivering service to customers
- Increasing mobile tools functionality that can **help the technician be even more efficient** in their work and give them the capability to optimize their day-to-day job
- Where speed and efficiency are critical components, mobile field service features should allow technicians to **have everything they need to complete a service call on their mobile device**, without the need for time-consuming manual data entry

Platform Integration – Improve the ability for the organization to harness the power of data to drive better performance
- Leverage native system modules and feature sets **with minimal customizations to deliver technology that is scalable** and easily managed by IT
- Ability to **openly integrate** with other related services (ERP, CRM, customer portals, supplier sites)

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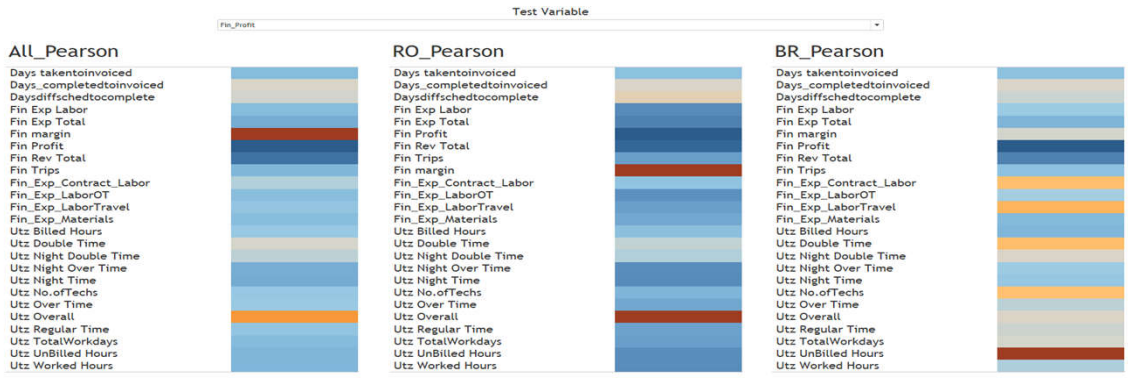
Pearson correlation analysis



Pearson Correlation Coefficient is a statistic that measures linear relation between two variables. This report helps to identify the factors negatively impacting our target variables like Profit, Margin, Utilization, etc.

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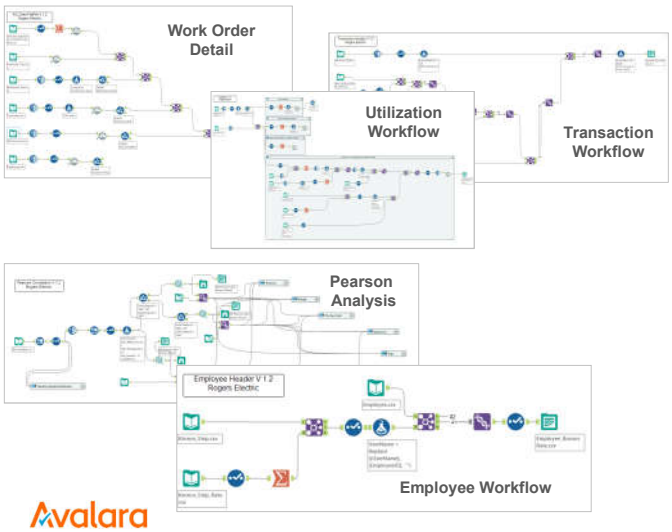
"Wrangling the Data" from the client's Source Systems



- A significant amount of time was spent working with the client's technology and finance teams to extract large volumes of data from REMA, AX and Zora.
- There were a number of challenges with respect to identifying the source data among the data tables in REMA, particularly due to the fact that the underlying data base structure has not been documented.
- In the end approximately 250K individual work orders were analyzed, with a total number of rows analyzed was in the millions in order to create a data model that statistically significant enough to model future operational improvements for the business.
- These data workflows, scripts and resulting analyses and dashboards are all available to the client's technology team to assist them in in the development of their data warehouse and BI initiatives.

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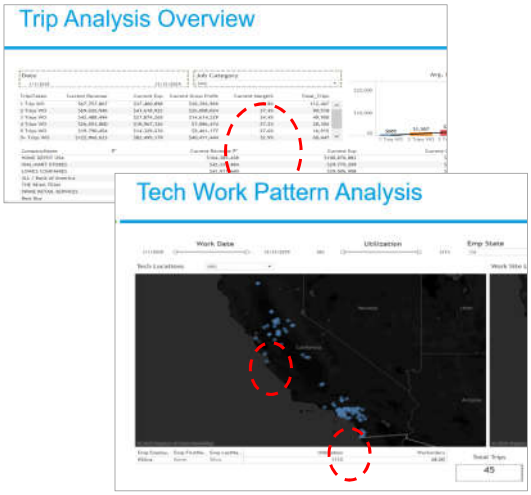
Deep dive analysis* performed and observations regarding data quality



*Additional dashboards are contained on pages: 47 – 51 of this document

Demand Management
- All the demand forecasting is performed using project managers experience.
- The client has had rich data for almost two decades, it is critical to have a Statistical Forecasting Time Series model to predict the demand by district.

Revenue and Expenses
- All the expenses for a work order are categorized, but revenues are collected in one category of fees. Maintaining a breakdown of revenues is important to compare apples with apples.

Material Tracking
- It is important to track the items in a PO to maintain and compare the similarities and price adjustments in a WO.

Inventory Management
- No Data system to maintain the log of inventory, it is completely based on Tech conversation. This needs to be changed to proper data reporting as it increases accountability and reduces material leakage.

Route / Tech Dispatch
- There is good amount of data to decide and track if a Techie is over skilled or under skilled for a WO. Currently only location and availability are the only factors considered to dispatch a Techie.

Data Governance and Data Quality
- There is lack of Data quality in locations (both customers and Techs). There are lot of Typos and wrong entries due to high amount of manual work.

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First time fixed - Trip analysis

Category: Technician Effectiveness/Profitability

- Information presented **over 2 years (2018/2019)** shows the average margin per trip, ranging from 1 to greater than 5 trips.
- Data includes average 1st time completion rate during the trip.
- Data is broken out by EBR and LBR Technician with the understanding that margin (bill rates) vary.

Considerations

- Trip analysis is a macro profitability indicator that shows margin expansion opportunity closer to getting the initial trip 'right the first time' e.g. all equipment/parts, the correct skillset match and technician availability to get the work done on time and per standard hours for the work order.

	1 Trip WO		2 Trip WO		3 Trip WO		4 Trip WO		5 Trip WO		5+ Trip WO		Total	
	EBR	LBR	EBR	LBR	EBR	LBR	EBR	LBR	EBR	LBR	EBR	LBR	EBR	LBR
Average 1st Time Correct by Trip	**69.6%**	**64.9%**	**36.0%**	**43.3%**	**20.3%**	**26.1%**	**12.1%**	**17.7%**	**10.4%**	**9.5%**	**11.9%**	**11.6%**	**37.3%**	**38.7%**
Average EBR / LBR Margin % Across Customer Locations	35.4%	44.6%	30.8%	33.6%	28.4%	26.5%	24.8%	20.8%	22.5%	17.8%	21.6%	16.4%	29.8%	32.7%
Total Revenue	$ 16,872,670	$ 14,303,779	$ 15,133,923	$ 13,529,435	$ 8,955,123	$ 7,635,388	$ 5,253,165	$ 4,045,639	$ 2,850,268	$ 2,354,121	$ 6,222,350	$ 3,286,088	$ 55,287,499	$ 45,154,449
Total Margin	$ 5,970,681	$ 6,383,697	$ 4,653,912	$ 4,550,290	$ 2,545,415	$ 2,026,968	$ 1,304,782	$ 839,721	$ 641,494	$ 417,936	$ 1,345,755	$ 537,592	$ 16,462,039	$ 14,756,204
Top 20 Customer Revenue (Ranked by Margin Vol)	$ 14,409,834	$ 13,865,936	$ 12,704,885	$ 12,892,666	$ 7,488,664	$ 7,216,136	$ 4,308,983	$ 3,858,125	$ 2,367,509	$ 2,251,113	$ 4,905,233	$ 3,141,313	$ 46,185,108	$ 43,225,288
Top 20 Customer Margin (Ranked by Margin Vol)	$ 5,149,054	$ 6,218,805	$ 3,881,455	$ 4,351,275	$ 2,111,771	$ 1,912,540	$ 1,082,894	$ 805,163	$ 532,292	$ 392,748	$ 1,009,350	$ 505,505	$ 13,766,817	$ 14,186,036
Top 20 Margin %	35.7%	44.8%	30.6%	33.8%	28.2%	26.5%	25.1%	20.9%	22.5%	17.4%	20.6%	16.1%	29.8%	32.8%
The Rest Revenue (Ranked by Margin Vol)	$ 2,462,836	$ 437,843	$ 2,429,038	$ 636,769	$ 1,466,459	$ 419,252	$ 944,182	$ 187,513	$ 482,759	$ 103,008	$ 1,317,118	$ 144,776	$ 9,102,391	$ 1,929,161
The Rest Margin (by Margin Vol)	$ 821,627	$ 164,893	$ 772,457	$ 199,015	$ 433,644	$ 114,427	$ 221,889	$ 34,558	$ 109,202	$ 25,188	$ 336,405	$ 32,087	$ 2,695,222	$ 570,168
The Rest Margin %	33.4%	37.7%	31.8%	31.3%	29.6%	27.3%	23.5%	18.4%	22.6%	24.5%	25.5%	22.2%	29.6%	29.6%
Top 20 Customers EBR @ 35.4% / LBR @ 44.6%	$ 5,099,165	$ 6,188,290	$ 4,495,840	$ 5,753,925	$ 2,649,991	$ 3,220,521	$ 1,524,807	$ 1,721,860	$ 837,783	$ 1,004,659	$ 1,735,800	$ 1,401,950	$ 16,343,386	$ 19,291,207
Additional Margin Top 20	$ (49,889)	$ (30,514)	$ 614,384	$ 1,402,650	$ 538,220	$ 1,307,981	$ 441,913	$ 916,697	$ 305,491	$ 611,911	$ 726,450	$ 896,445	$ 2,576,569	$ 5,105,171
The Rest EBR @ 35.4% and LBR @ 44.6%	$ 871,516	$ 195,407	$ 859,556	$ 284,186	$ 518,931	$ 187,110	$ 334,115	$ 83,686	$ 170,832	$ 45,972	$ 466,084	$ 64,613	$ 3,221,036	$ 860,974
Additional Margin The Rest	$ 49,889	$ 30,514	$ 87,100	$ 85,171	$ 85,288	$ 72,683	$ 112,226	$ 49,128	$ 61,631	$ 20,784	$ 129,680	$ 32,576	$ 525,814	$ 290,806
Total Margin Opportunity	**$ 0**	**$ 0**	**$ 701,484**	**$ 1,487,822**	**$ 623,508**	**$ 1,380,664**	**$ 554,139**	**$ 965,825**	**$ 367,122**	**$ 632,695**	**$ 856,130**	**$ 928,971**	**$ 3,102,383**	**$ 5,395,977**

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The universe of manual touches and the life of a work order

Scheduling & Dispatch	Platforms	Work Order Management	Estimating	Procurement	NTE Billing Review	Invoicing	Collections	Record to Report
130,000 W/O accepted Create W/O 8,300 hours W/O scheduled 16,700 hours 1,500 hours historical W/O lookup	7+ Customer Portal Platforms 10+ IVR Platforms REMA --- 2 New REMA modules	65,000 hours updating REMA work orders 65,000 hours updating Cust Portals 196,000 trips	Tech Parts Picker time 21,000 hours Tech estimate notes 6,250 hours 50,000 EBR/LBR Estimates 12,500 hours	25,000 EBR/LBR Approvals 12,500 hours 25,000 PO's created 6,250 hours 25,000 PO's tracked 4,100 hours	15,000+ hours uploading Customer Portals 15,000+ hours getting NTE approval 22,000 hours Spent on Bill Review	2,000 invoices processed per week	7+ Customer Portals	2+ weeks month end close 100+ tasks tracked each month 1,000's of hours building XLS reports
26,500 hours	**15+ Platforms**	**130,000 hours**	**40,000 hours**	**22,850 hours**	**52,000 hours**	**2,000 weekly invoices**	**7+ Portals**	**100+ tasks tracked**

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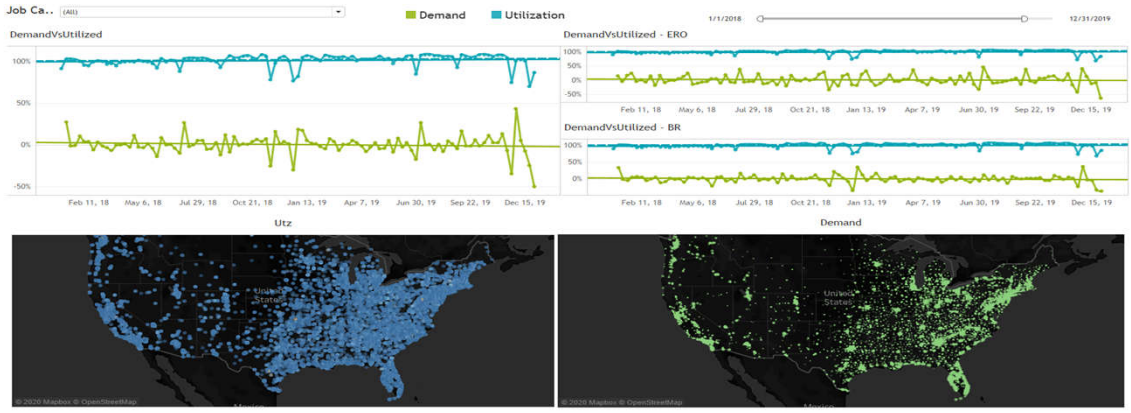
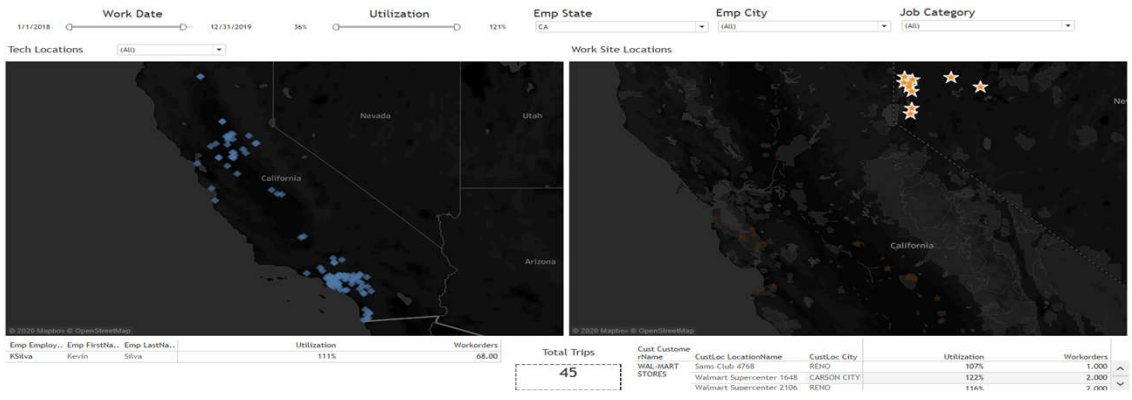
Demand vs utilization



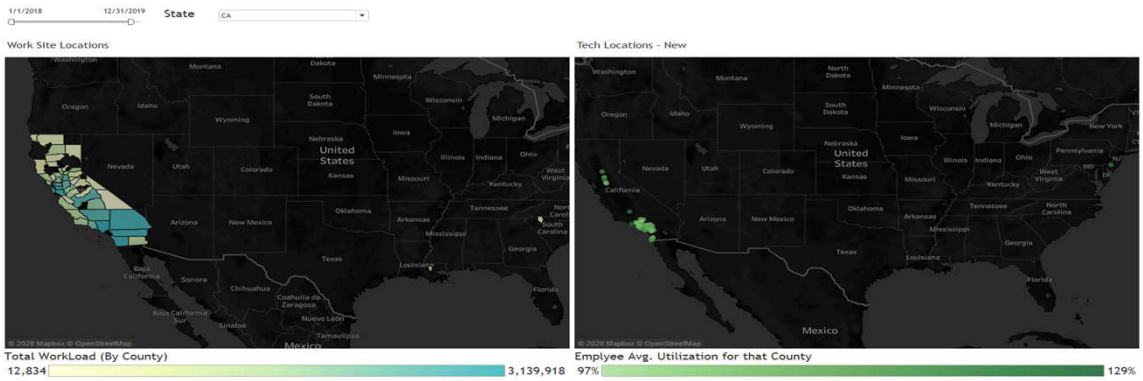
This report visualizes the Demand and Utilization across United States over last two years.

Tech work pattern analysis



A detail location based report used to understand a tech work site patterns along his utilization and contribution.

Work load vs utilization



This report helps to identify workload by county and understand the location of techs contributed to that workload.

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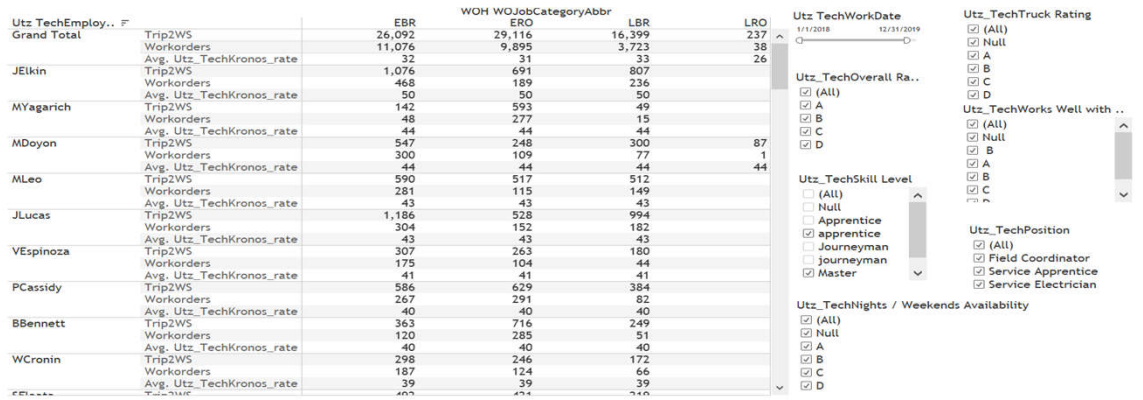
Tech skill analysis



Utz TechEmploy..		WOH WOJobCategoryAbbr EBR	ERO	LBR	LRO
Grand Total	Trip2WS	26,092	29,116	16,399	237
	Workorders	11,076	9,895	3,723	38
	Avg. Utz_TechKronos_rate	32	31	33	26
JElkin	Trip2WS	1,076	691	807	
	Workorders	468	189	236	
	Avg. Utz_TechKronos_rate	50	50	50	
MYagarich	Trip2WS	142	593	49	
	Workorders	48	277	15	
	Avg. Utz_TechKronos_rate	44	44	44	
MDoyon	Trip2WS	547	248	300	87
	Workorders	300	109	77	1
	Avg. Utz_TechKronos_rate	44	44	44	44
MLeo	Trip2WS	590	517	512	
	Workorders	281	115	149	
	Avg. Utz_TechKronos_rate	43	43	43	
JLucas	Trip2WS	1,186	528	994	
	Workorders	304	152	182	
	Avg. Utz_TechKronos_rate	43	43	43	
VEspinoza	Trip2WS	307	263	180	
	Workorders	175	104	44	
	Avg. Utz_TechKronos_rate	41	41	41	
PCassidy	Trip2WS	586	629	384	
	Workorders	267	291	82	
	Avg. Utz_TechKronos_rate	40	40	40	
BBennett	Trip2WS	363	716	249	
	Workorders	120	285	51	
	Avg. Utz_TechKronos_rate	40	40	40	
WCronin	Trip2WS	298	246	172	
	Workorders	187	124	66	
	Avg. Utz_TechKronos_rate	39	39	39	

A detailed report with tech rating to understand the work level contribution across major business lines.

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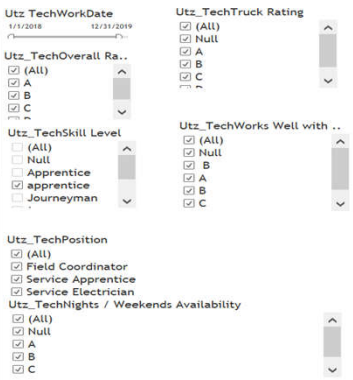
In state – Out state work patterns

Emp EmployeeID	Emp St..	Trip2WS In State Work	Trip2WS Out of State Work	Workorders In State Work	Workorders Out of State Work
Grand Total		35,388	10,816	19,579	5,334
AAnderson	FL	759	1	537	6
AAttardi	NJ	504	75	146	35
ADanner	OH	355	199	221	111
ATorres	MS		14		8
BBennett	NH	655	341	275	180
BLemmon	MI	690	2	427	23
BSchlueter	MO	67	298	53	190
CAkers	VA	624	12	326	8
CByron	FL	785		356	2
CCabrera	FL	424	6	398	9
CIvory	FL	831	20	550	18
CKellner	TN	711	130	365	83
DBino	NJ	1		1	1
DCasado	FL	313	49	160	25
DRodriguez	NJ	280	289	103	111
EDiaz	FL	734	99	470	47
FBurns	GA	558	3	384	3
FEscobar	FL	844		444	
FMartin	FL	240	220	116	188
FSmith	IL	572	4	120	7
GNowicki	KY	582	45	348	28
GSierra	FL	588	3	366	4
JAtkins	AL	653	276	386	150
JElkin	OR	1,259	3	878	3
JFernandez	FL	673	3	310	7
JFolsom	SC	484	443	285	249
JGerau	WV	350	343	187	177
JHarteau	GA	486	9	386	14
JHawkins	GA	507	46	198	29
JJordan	NC	1		1	1



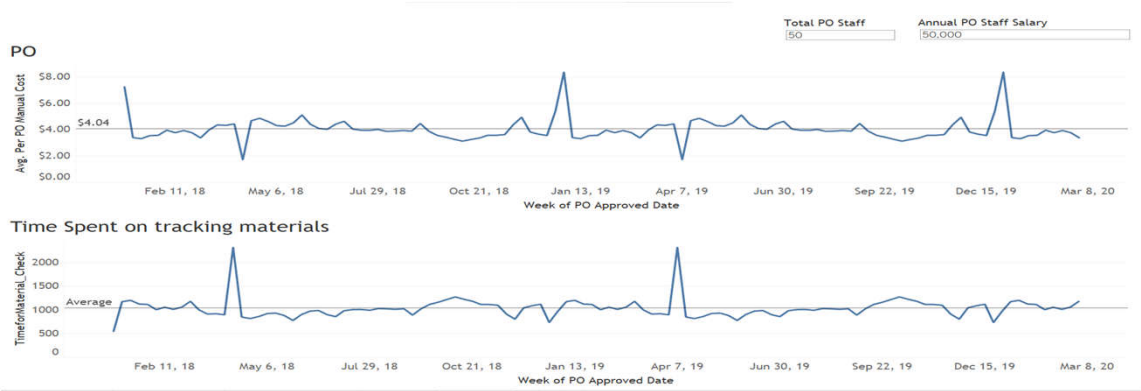
A detailed report with tech rating to understand the work level contribution across In-State and Out-of-State work orders.

Material leakage

Job Category	2018 Materials-Cost	2018 Material Waste	2018 Material Leakage	2019 Materials-Cost	2019 Material Waste	2019 Material Leakage	Grand Total Materials-Cost	Grand Total Material Waste	Grand Total Material Leakage
Grand Total	21,147,126	2,114,713	10%	21,752,719	2,175,272	10%	42,899,845	4,289,984	10%
CRP	19,910	1,991	10%	176	18	10%	20,087	2,009	10%
CSP	0	0	10%	0	0	10%	0	0	10%
EBR	3,556,287	355,629	10%	3,406,701	340,670	10%	6,962,988	696,299	10%
ER1	351,013	35,101	10%	202,864	20,286	10%	553,877	55,388	10%
ER12	407,233	40,723	10%	39,361	3,936	10%	446,594	44,659	10%
ERO	9,677,929	967,793	10%	12,267,705	1,226,770	10%	21,945,633	2,194,563	10%
ESP	91,846	9,185	10%	1,321,621	132,162	10%	1,413,467	141,347	10%
GOV				0	0	10%	0	0	10%
HR1				195	20	10%	195	20	10%
LBR	2,769,655	276,966	10%	2,659,372	265,937	10%	5,429,027	542,903	10%
LR1	0	0	10%	76,024	7,602	10%	76,024	7,602	10%
LRM	513,624	51,362	10%	549,900	54,990	10%	1,063,524	106,352	10%
LRO	3,722,784	372,278	10%	895,131	89,513	10%	4,617,915	461,791	10%
LRP	36,846	3,685	10%	-86	-9	10%	36,760	3,676	10%
PR1	0	0	10%	17,388	1,739	10%	17,388	1,739	10%
R1P				316,366	31,637	10%	316,366	31,637	10%

A dynamic report used to calculate Material Waste across multiple Business Lines over last two years.

Manual time and costs tracking material and POs



A Dynamic report used to calculate manual costs for PO generation and time taken to track materials.

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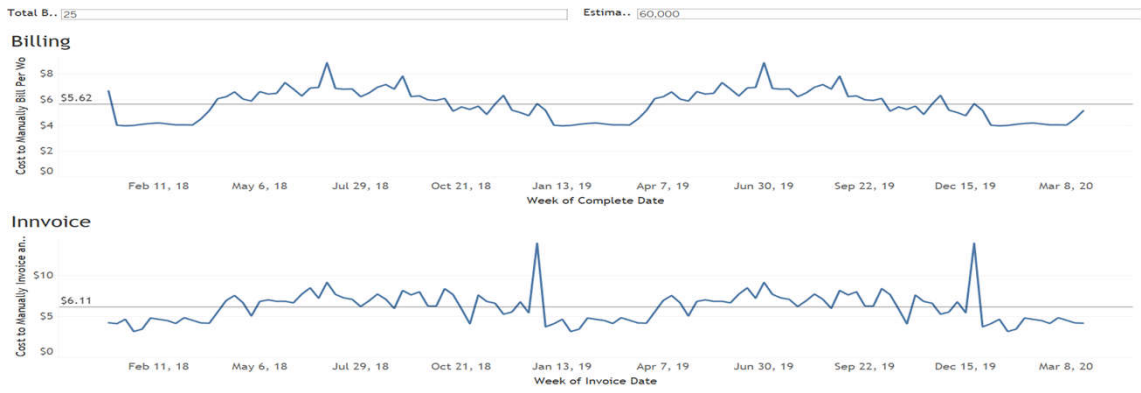
Manual costs incurred per bill and invoice



A Dynamic report used to calculate manual costs incurred for generating Bill and Invoice manually.

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Projected operational efficiency savings and impact on margins

- The table below contains a number of operational efficiency projections based upon the historical data provided by the client applied to the performance of key business processes. The projections are intended to be directional savings, and do not represent a forecast.
- The RSM team analyzed a series of discrete processes on an individual use-case basis, accordingly, there could be some slight overlap in efficiency projections given the fact that the same data set was used to assess multiple processes.
- Taking into account the potential for overlapping of business process activities among technicians and back office team members, there is still the probability to achieve a range of $10M to $12M of operational efficiencies that could further drive margin improvements for the company.

	Operational Potential	Enhance Reporting	Enhance Control	Existing REMA Initiative	Integrate New Technology	Estimated Level of Effort	Expected Value Creation
Technician Profitability - Parts Picker Imp.	$292,000	X	X	**X**		Medium	High
Technician Profitability – IVR Opp.	$135,000						
Work Order Management – Search	$51,000	X		**X**	X	Medium	High
Work Order Management – Portals	TBD				X		
Procurement (EBR & LBR)	$135,000	X	X			High	Medium
Estimating	$294,000	X	X			Medium	High
Billing Review	$250,000	X				Low	Medium
Material Management	$2,150,000	X			X	High	High
Invoicing	$200,000	X				Low	Medium
Right Tech for the Right Job	$2,967,000		X	**(TBD)**		High	High
Improving First Time Fixed Rate	**$8,500,000**						

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Enhancing the technology roadmap

Current IT Initiatives

- Business Intelligence (BI) Consulting
- BI Reporting & Dashboards
- Enterprise Data Warehouse
- Manpower Utilization
- Process Consulting
- Office 365 (Phase 1)
- IVR Automation
- Technician Scorecard
- Dispatch Implementation
- Customer Integration Project
- Bulk Purchase Order Project
- Billing Engine Re-write
- Miscellaneous Integrations
- Disaster Recovery Site
- Disaster Recovery Site
- Single Sign-On (SSO)
- SDWan Implementation
- Sage Financials to AX

+

Preliminary Process Improvements

- Parts Picker Improvements
- IVR Improvements
- WO Management – Search
- WO Management - Portals
- Procurement
- Estimating
- Billing Review
- Material Management
- Invoicing
- Right Tech for the Right Job
- Improving Frist Time Fixed Rate

Value Creation

Focus on Performance Management

- ***Knowledge Management***
- ***Collaboration Management***
- Business Intelligence Consulting
- BI Reporting & Dashboards
- Enterprise Data Warehouse
- Manpower Utilization

Service Excellence

- Office 365 (Phase 1)
- IVR Automation
- Technician Scorecard
- Dispatch Implementation
- ***Field Estimation Capability***
- ***Field Procurement***
- ***Parts Picker Update & Training***

Business Applications

- ***Procurement Platform***
- Customer Integration Project
- Bulk Purchase Order Project
- Inventory Management Platform
- ***Contract Lifecycle Management***
- Billing Engine Re-write

Other Infrastructure

- Miscellaneous Integrations
- Disaster Recovery Site
- Single Sign-On (SSO)
- SDWan Implementation
- Sage Financials to AX

Preliminary Priorities

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DATA TRANSFORMATION JOURNEY

The innovative CFO: Becoming influential and driving value

The innovative CFO maximizes the value of a finance function through the alignment of strategic objectives with the planned design of the enterprise business model. The path to transforming and/or innovating can be measured by the effectiveness of each component and is unique for each organization.

Sustainer
The organization has highly manual processes and outdated technology that impairs their ability to achieve business objectives

Innovator
The organization leverages end-to-end integration throughout the business architecture that enables timely delivery of operational and strategic information to make critical decisions

Transformer
The organization has begun to incorporate automation in processes and technology that improves their ability to achieve objectives consistently

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Office of the CFO: Target operating model

RSM's enterprise target operating model is an excellent tool to assess the client's current functional operating model, in order to create a business case for innovative change that supports your desired future state transformation.

Organization & People
Aligning people with specific roles and responsibilities within an organizational model that is responsive to change and utilizes formal programs for developing the next generation of leaders

Policy, Controls, & Compliance
Defining a common business language that is disseminated across the organization and identifying proper segregation of duties to balance cost, risk and quality of output

Data & Reporting
Standardizing and governing data to balance source system supply with reporting and analytic demand

Strategy
Capturing and refining Finance strategy that empowers employees to become valued business partners that execute processes with targeted outcomes in alignment with business goals

Technology
Integrating transactional, storage, and reporting systems end-to-end to drive Finance automation across critical business processes and data elements

Process
Designing tasks and activities with clear ownership in order to execute business objectives with efficiency and effectiveness

Performance Management
Developing KPIs that align to strategic goals and enable operational efficiency and performance improvements that create enterprise value

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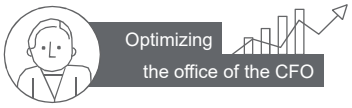
Optimizing the office of the CFO

Becoming influential and driving value



The CFO's role is to enable the enterprise to effectively execute its strategic vision by providing a high performing finance function that integrates operations, finance, accounting, reporting, and performance measurement.

The innovative CFO maximizes the value of a finance function through the alignment of strategic objectives with the planned design of the enterprise business model. The path to transforming and innovating can be measured by the effectiveness of each component RSM's enterprise target operating model and is unique for each organization.

Creating a business case for innovative change that supports your desired future state transformation begins with assessing your current functional operating model, evaluating your strategic goals and positioning your function value additive to the enterprise.

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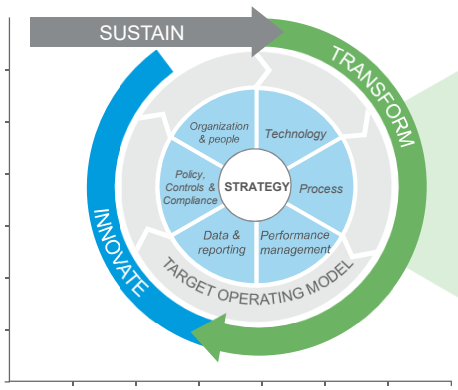
Becoming influential and driving value Starts with alignment of enterprise strategy and functional design



Sustainer
The organization has highly manual processes and outdated technology that impairs their ability to achieve business objectives

Transformer
The organization has begun to *incorporate automation in processes and technology that* improves their ability to achieve objectives consistently

Innovator
The organization leverages end-to-end integration throughout the business architecture that enables timely delivery of operational and strategic information to make critical decisions

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Impacting the office of the CFO

Close faster

Ability to close, consolidate, and report up to

50% faster

than average

Save money

Perform the finance & accounting function at over

40% lower

cost than average

More analytical

Enable workforce to focus on analytical activities with

25% less

resources dedicated to transactional processing

More reliable

Improve data and reporting accuracy by

10%

versus the average

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Example function
Procure-to-Pay: Maturity alignment

- A transition from a Sustainable to an Innovative Procure-to-Pay business process will enable organizations to become more efficient, scalable, effective, accurate, and controlled across people, process and technology landscape.

	Manage and Record Requisition	Manage In-Bound Documents	Record Goods Received; Approve & Schedule Payment	Payment Processing	Address Vendor Inquiries/ Disputes	Perform Period End Close Activities	Vendor Master Data Management
Sustain	• Manual PO generation and submission • Manual approval routing • Vendor quotes stored in various locations	• Manual receipt and input of invoices • Paper sorting and storage • Document forwarding between BU's / geographies • Inability to leverage volume purchasing	• Multiple locations for goods receipt storage • Inconsistent tagging of goods received • Challenging 2/3 way match process • Manual payment approval workflow	• Manual payment processing • Manual payment distribution • Heavy manual check based disbursements	• Manual escalation / logging of identified disputes • Manual notification upon resolution • Potential recourse lost from erroneous payment of disputed invoices	• Manual calculation of accruals • Manual posting on journal entries • Delayed reporting times • Manual tracking of AP Aging	• Contracts stored in decentralized locations • Limited user access controls • Changes to master data not restricted to key personnel • No unified vendor master file
Path to Innovator							
Innovator	• Automated purchase order (PO) issuance • Purchase order tracking • Automated workflow by spend hierarchy • Holistic vendor data master	• Automatic invoice receipt and entry within procurement system • Automated invoice exception / identification	• Centralized location for goods receipts • Automated 2/3 way match • Accelerated identification and handling of exceptions • Automated approval workflow	• Electronic payments remitted directly from ERP • Auto-notification of payment receipt • Optimized use of payment terms, discounts and rebates	• Vendor queries and disputes automatically logged and escalated • Timely resolution and tracking • Automated notification to applicable parties upon resolution	• Outstanding invoices automatically flagged for accrual • Automated reconciliation of vendor statements • AP Aging retrievable in real time	• Controls on active / inactive vendors • Active / inactive vendor reporting and review • Single Contract Repository integrated with key technologies to reflect upstream / downstream updates

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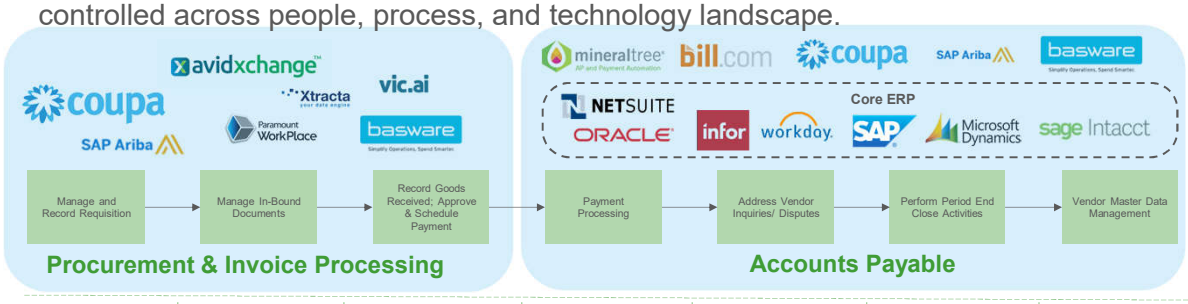
Example function
Procure-to-Pay: Technology alignment

- A transition from a Sustainable to an Innovative Procure to Pay business process will enable organizations to become more efficient, scalable, effective, accurate, and controlled across people, process, and technology landscape.



Innovator Leading Practices

- Automated purchase order (PO) issuance
- Purchase order tracking
- Automated workflow by spend hierarchy
- Holistic vendor data master

- Automatic invoice receipt and entry within procurement system
- Automated invoice exception / identification

- Centralized location for goods receipts
- Automated 2/3 way match
- Accelerated identification and handling of exceptions
- Automated approval workflow

- Electronic payments remitted directly from ERP
- Auto-notification of payment receipt
- Optimized use of payment terms, discounts and rebates

- Vendor queries and disputes automatically logged and escalated
- Timely resolution and tracking
- Automated notification to applicable parties upon resolution

- Outstanding invoices automatically flagged for accrual
- Automated reconciliation of vendor statements
- AP Aging retrievable in real time

- Controls on active / inactive vendors
- Active / inactive vendor reporting and review
- Single Contract Repository integrated with key technologies to reflect upstream / downstream updates

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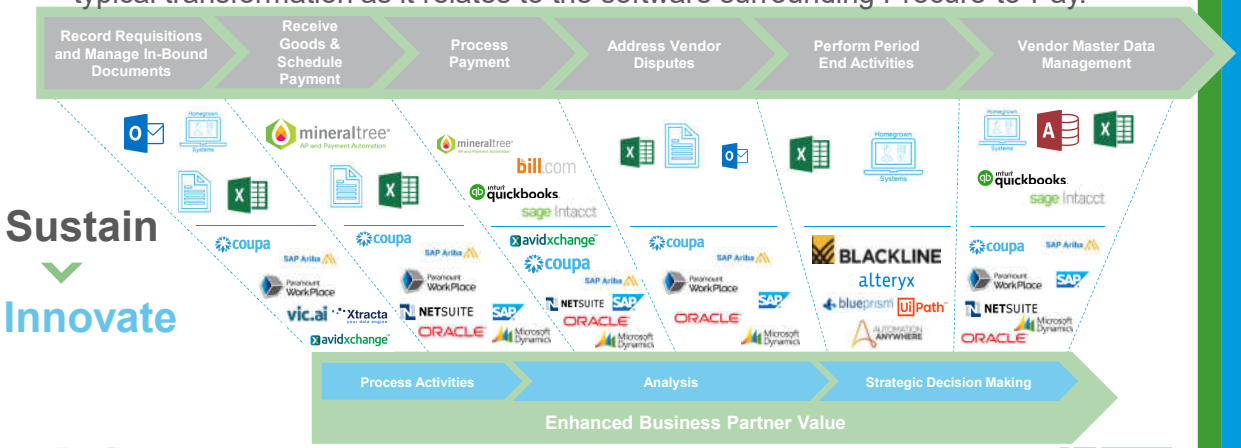
Sustainable to Innovative evolution

- An organization's digital maturity evolves from Sustainable to Innovator through the use and implementation of applications and software. The graphic below shows a typical transformation as it relates to the software surrounding Procure-to-Pay.



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