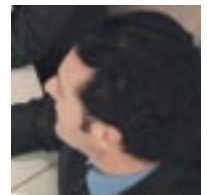
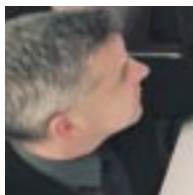
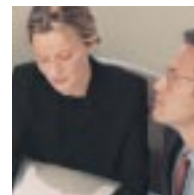
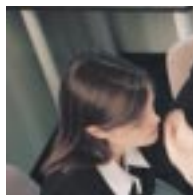


# Creating a World-Class Finance Function

Five core capabilities that generate added business value

## This management report will enable you to:

- Transform finance into a valued business partner
- Develop the five core capabilities of world-class finance functions
- Manage the trade-offs between business partnering and corporate governance
- Set targets for improving finance's business value
- Implement innovative budgeting, forecasting and planning methods
- Cut the costs of finance services and improve their effectiveness
- Identify the new skills and talents needed for world-class finance



# Making finance's contribution count

---

Every organisation expects more from finance. Boards look to finance directors to increase shareholder value, manage financial risk, control costs and ensure compliance with more exacting governance regulations. Managers want more timely and relevant input to improve the quality of their decisions. They also want better methods of planning, managing and monitoring performance.

These rising expectations impose new pressures for finance. But they also represent a huge opportunity. This authoritative, strategic report tells you exactly what this entails and how finance can transform itself to play a more strategic, value-adding role in the business.

**Creating a World-Class Finance Function** explains what constitutes world-class finance, why leading companies strive to achieve this status, how to successfully negotiate the transformational process and carve out a more effective, influential role for finance in the organisation.



## Invaluable advice

Wherever you are on the journey, this management report will give you clear answers to big questions about how to define realistic goals, manage expectations (both inside function and throughout the organisation), bridge the credibility gap with business managers, cultivate the right skills and talents for the new finance function and develop the new tools and processes you will need.

You will find an unparalleled range of smart ideas, research-based evidence and sound advice from finance directors and leading experts to provide you with a clear guide on how to achieve world-class standards of performance.

Use the report to find solutions to a range of transformational issues including how to:

- Change the culture of finance and build closer relationships with every level of the organization
- Develop essential skills for business partnering
- Extend finance's role in managing business risk.

Apply the action tips – summarising key lessons – throughout the report along with chapter checklists to create your own transformation agenda.

## Five core capabilities to transform the finance function

---

For finance to play a new, value-adding role, transformation must achieve reforms at two levels; service delivery and closer integration with strategic and operational management. **Creating a World-Class Finance Function** explores in detail the five primary capabilities at which finance must excel in order to be seen as a valued strategic business partner.

The report provides an in-depth analysis of these core capabilities, their development and implementation. It draws extensively on the practical experience of companies to show not just what changes must be made, but how to make them happen.

- **Capability 1:** Strategic and business partnership
- **Capability 2:** Corporate performance management, budgeting and reporting
- **Capability 3:** Governance and compliance
- **Capability 4:** Flawless delivery of transactional processing activities
- **Capability 5:** Talent management.

# Tackle common problems by adopting innovative solutions

---



**Creating a World-Class Finance Function** recognises that there are significant challenges involved in achieving world-class status. This report deals with each capability in depth to get to grips with the underlying issues and provide innovative ways of turning them to corporate advantage.

## On business partnering

A sceptical business will need convincing that finance really can add value to its operations. This was the starting point for finance at Purolator Courier: managers equated finance with information overload. Following a far-reaching change programme, finance was able to reposition itself as a valued business partner by:

- Adopting a consultative, customer-based approach
- Establishing exactly what managers wanted from finance
- Ensuring the relevance of financial reports and information

Find out how other companies changed the structure of their organisations to integrate finance with the management team – one of the success factors for Carlson Companies was to appoint a CFO in every business unit to ensure that finance operates as part of the top management team.

## On budgeting

The focus of growing dissatisfaction because of its inflexibility and declining relevance in a world of rapid business change, the traditional annual budget lingers on as a fixture in most corporate calendars. By contrast, world-class companies are discovering better ways of setting goals, allocating resources and tracking performance. This report shows how to improve budgeting by:

- Realigning the budget with external, rather than internal, targets

- Replacing negotiated rewards with team-based, competitive and externally benchmarked targets
- Making budgeting a continuous, rather than annual, process
- Integrating the budget with the scorecard and other performance management frameworks

In some cases, companies are using rolling forecasts in parallel with budgeting. Learn how Boston Scientific improved its ability to compete in a volatile market by introducing quarterly budgets that increased its agility and competitive performance.

## On compliance

Most companies see the need for compliance with the recent surge of regulations on reporting and governance, ranging from Sarbanes Oxley to the UK's Operating and Financial Reporting requirements and EU directives, as nothing more than unwelcome burdens. Those that take the view that they represent a competitive opportunity to make quantum improvements in performance can turn the agenda round. **Creating a World-Class Finance Function** explains how to turn compliance to advantage through:

- Using compliance implementation to reengineer processes and achieve major benefits in the bargain
- Generating better, cleaner data enabling decisions to be made more quickly
- Standardizing systems and processes to meet or exceed compliance criteria

The report also explores the tensions for finance, including the trade-offs between an entrepreneurial, risk-taking approach to business partnering and the responsibilities of corporate governance.

## Free Best Practice Case Study Extract


**Creating a World-Class Finance Function** features numerous case studies and practical examples drawn from various organizations around the world.

Learn from their advice and first-hand experience to successfully negotiate the transformational process and carve out a more effective, influential role for finance in the organisation.

Download your free case study extract from this report at: [www.business-intelligence.co.uk/re/wcf](http://www.business-intelligence.co.uk/re/wcf)

# Discover what leading companies learnt about developing world-class finance capabilities

---



The payback from tackling the transformation of practices, processes and working relationships can be counted in superior business results. Finance functions showcased in the report provide vivid examples of the payback from transformation, as well as the barriers to be overcome in achieving world-class status.

## Alcoa

**Alcoa**, the US-based aluminium fabrication and products company, currently rates as world-class in both finance effectiveness and efficiency, according to independent benchmark studies. The case study reveals how Alcoa achieved this rating by closely integrating financial and general management at business unit levels and using process standardization to drive down costs.

## Barclays

Extensive restructuring and reskilling of the finance function has enabled Barclays to record substantial savings of £30m over a four-year period. To improve service delivery, the bank has set up a shared service centre, integrated 37 general ledger systems onto one common platform to create a 'single version of the truth', and cut reporting times by up to eight working days.

## Carlson Companies

In achieving world-class performance, the US-based marketing, travel and hospitality group identified existing barriers to improved efficiency, including a decentralized structure, fragmented and time-consuming processes. Carlson's global finance director explains how the company tackled these and other issues by focusing on centralization, standardization and the introduction of technologically enabled world-class processes.

## Easynet

Finance at Easynet, the pan-European broadband networking company, has built a business partnership with operational management that has delivered a steady flow of business benefits. By working closely with sales, billing and other managers, finance has played a leading role in identifying and overcoming performance improvement barriers.

## GlaxoSmithKline

Alongside cost-effective finance measures and business partnering, GSK's finance function has identified governance as part of its commitment to 'performance with integrity'. Discover what this means in practical terms and why the company is continuing to develop a high degree of business literacy within finance staff involved in business partnering to manage the non-financial, business risks associated with its business.

## Purolator Courier

Part owned by Canada Post, Purolator Courier, Canada's leading overnight courier service, has based its approach to world-class finance on a customer-based analysis of needs. The resulting insights underpinned its Redefining Finance initiative to transform finance both operationally and behaviourally. Benefits include a radical improvement in reporting and enhanced support for decision making.

## Reuters

Reuters, the international information service, embarked on a radical restructuring programme designed to set the company on a sounder footing and growth path. Reskilling finance has become a continuing requirement for Reuters. The head of global finance reveals how the company deals with this challenge and has reaped the benefits from its transformation programme.

## Whirlpool

Whirlpool, the American white-goods manufacturer, launched a global transformation programme in 2003 to ensure that finance worldwide is aligned with its corporate strategy. The CFO, along with key members of his team, discuss the details of how the transformation programme was implemented, the co-ordination and resourcing of the worldwide programme.

In addition, the report includes many other examples drawn from companies including **AstraZeneca**, **Boston Scientific**, **Microsoft**, and the **Texas Nameplate Company**.

## Combined wisdom of an expert panel

This report taps the knowledge, professional experience and advice of a range of expert advisors to provide authoritative coverage and guidance that's second to none:

- Marian Corocoran, Partner, **Accenture**
- Herman Heyes, Partner, **Accenture**
- Tom Bangemann, Senior Director and European Practice Leader, **Answerthink**
- Nick Jarman, Head of Finance Management Solutions, **Atos Consulting**
- Randall Brown, Vice President: Global Leader for Finance and Employee Transformation, **Capgemini**
- Jonathan Schiff, CEO, **Schiff Consulting** and founder of Finance Development & Training Institute and Professor of Accounting at **Fairleigh Dickinson University**
- John McMahon, Plan to Results Practice Leader, **The Hackett Group**
- Kevin Bounds, Consultant, **Briefcase Consulting**, former Finance Director, **Nationwide**.
- Tony Vadasz, Senior Consultant, **Parson Consulting**
- David Ketchin, Senior Consultant, **Parson Consulting**
- Keith Stephenson, Singapore-based Partner, **PriceWaterhouseCoopers**.

“Being world-class is all about driving business results, rather than just reporting business results.”

Roy Templin, Chief Financial Officer and Executive Vice-President, **Whirlpool Corporation**

“You can be world class in 2003, but circumstances change and you're no longer world-class in 2005. Finance and accounting folk live in a very dynamic environment.”

Jonathan Schiff of **Schiff Consulting**, Professor of Accounting at **Fairleigh Dickinson University, USA**.

To view a complete contents listing visit  
[www.business-intelligence.co.uk/re/wcf](http://www.business-intelligence.co.uk/re/wcf)

### Chapter 1: World-Class Finance: The Capability Challenge

World-class capabilities: an evolving concept  
How predicted changes in finance's role played out  
Hallmarks of a superior finance organization  
Board Challenges and Finance's Role  
Case study companies and world-class finance  
Governance: the emerging capability  
Expert advisors define world-class finance

### Chapter 2: Capability 1 – Strategic and Business Partners

Reasons for resistance  
Finance change programmes  
Acceptance of finance as business partners  
Business partnering and corporate compliance  
Finance capability gap  
Finance and the fear of strategic partnering  
Change management: an integral part of the transformation process

### Chapter 3: Capability 2 – Custodians of Corporate Performance Management, Budgeting and Planning

The need for new processes and practices  
Balanced performance management frameworks  
Malcolm Baldrige Quality Model  
EFQM Business Excellence Model  
The Balanced Scorecard  
Overhauling the budgeting process  
Alternatives to the annual budget  
The growing popularity of rolling forecasts

### Chapter 4: Capability 3 – Custodians and Champions of the Governance Process

The rapid increase in compliance regulations  
The main reforms and their implications for finance  
Effectiveness of corporate governance reforms  
Compliance: the impact on roles and responsibilities  
Business partnering and governance  
Managing organizational risk  
Booz Allen study of compliance issues  
External reporting and non-financial information

### Chapter 5: Capability 4 – Masters of Flawless Delivery of Transactional Processing Activities

Strategies for achieving flawless transaction delivery  
Combining service delivery excellence with cost reduction  
Transactional processing: a risk profile  
Finance's cautious approach to outsourcing  
The growing attraction of offshoring  
Shared services win more converts  
Aggressive standardization and centralization  
Process improvement: the enabling power of technology

### Chapter 6: Capability 5 – Masters of Talent Management

The changing profile of finance professionals  
Talent management as the core capability  
The evolution of finance skills to date  
Recruitment strategies for finding the smartest talent  
The characteristics of a world-class CFO  
Expert commentators define a world-class CFO  
Top talent development questions

### Chapter 7: Measuring the Performance of Finance

Internal finance metrics  
Finance scorecards and how they are used  
Transaction processing metrics  
Data for budgeting and forecasting  
Compliance metrics  
Benchmarking practices

### Chapter 8: Conclusion

Finance futures  
Twenty questions reflecting main lessons.

### Chapter 9: World-Class Finance Case Studies

Alcoa  
Barclays  
Carlson Companies  
Easynet  
GlaxoSmithKline  
Purolator  
Reuters  
Whirlpool

# Contents Summary

# 5 easy ways to purchase your report



Please call us on +44 (0)20 8971 1720



Fax a photocopy of this form to us on +44 (0)20 8971 1721



Online at [www.business-intelligence.co.uk/re/wcf](http://www.business-intelligence.co.uk/re/wcf)



Email: [orders@business-intelligence.co.uk](mailto:orders@business-intelligence.co.uk)



Return this form by post to: **Business Intelligence, Tuition House, 27-37 St George's Road, Wimbledon, London, SW19 4EU, UK**

## Your Order Details

### Creating a World-Class Finance Function

#### Print copy/copies

ISBN 1-903920-44-2

Price: £845  
\$1690  
€1320

#### Single-user PDF (plus free paper copy)

ISBN 1-903920-45-0

Price: £995 (Inc VAT £1169.13)  
\$1990 (Inc VAT \$2338.25)  
€1555 (Inc VAT €1827.13)

#### Five-user PDF (plus free paper copy)

ISBN 1-903920-45-0

Price: £1995 (Inc VAT £2344.13)  
\$3990 (Inc VAT \$4688.25)  
€3135 (Inc VAT €3683.63)

### Free Postage & Packaging

Prices and details correct at time of press, may be subject to change.

## Customer details

Dr/Mr/Mrs/Ms/Miss \_\_\_\_\_

Job Title \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

Postcode \_\_\_\_\_

Country \_\_\_\_\_

Telephone Number \_\_\_\_\_

Fax Number \_\_\_\_\_

Email \_\_\_\_\_

Nature of Business \_\_\_\_\_

Signed \_\_\_\_\_

Date \_\_\_\_\_

## Payment details

I enclose a cheque/draft made payable to  
Optima Publishing Ltd for £ / \$ / \_\_\_\_\_

By Direct Bank Transfer Bank Details:  
NatWest Bank, 16 Wimbledon Hill Road Branch,  
Wimbledon, SW19 7ZD, London UK. Sort Code 60-24-06  
Account No: 86506897 Swift Code: NWBKGB2L  
IBAN Code: GB16NWBK60240686506897

By Credit Card Please charge £ / \$ / € \_\_\_\_\_

to my      

Card Number:

Expiry Date

VAT Registration No. (EU Customers Only)

Cardholder's Name (please print)

Signature

Card billing address (if different from company address)

Please invoice me in £ / \$ / €. NB: payment will be required before the report is dispatched.

Please note that we are unable to provide refunds on electronic products including PDFs or online subscriptions.

### Data Protection

Any relevant information supplied by you will be held on the Optima Media Group database and may be used by us to keep you informed of our range of products and services related to your business needs. Please tick these boxes if you do not want to be contacted by e-mail  direct mail  telephone  We may also make your details available for use by other carefully selected companies in the UK and other countries for marketing purposes. If you do not wish your details to be passed to other organisations, please tick this box   
Alternatively, write to our Database Manager at  
Optima Media Group, Tuition House, 27-37 St George's Road, Wimbledon, London, SW19 4EU, UK

Please quote this reference when purchasing online or by telephone:

UK VAT registration  
No. GB 796 2529 82

businessintelligence