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Finance Business Partners were primarily in larger organisations; their roles demanded more than just number crunching month results from their finance professionals. The transformation of finance professionals as a key business partner in smaller and medium-sized organisations where finance is playing more of a value-added proactive approach. Such reporting was based on after period variance analysis with little input about analytics for future direction, thus more of a passive role.

Increasingly finance professionals will play an increasingly value-added role as a business partner within organisations outside of financial reporting. The use of financial knowledge, big data analytics, and benchmarking analytics will increasingly require financial professionals to support and engage with non-financial business unit managers proactively. As part of the transformation, finance professionals have increasingly become involved with strategy, operations management, strategic organisational design, and marketing analytics.

The partnership with other business units will increasingly become critical to strategy within the

organisation.

The shift to providing dynamic, forward-looking reporting and analytics will allow for increased performance management. As a result, finance professionals can provide increasingly valuable analytics tailored to the business unit, or control. The involvement of strategic analytics in the budgeting and forecasting will enable finance to become valued business partners. Tools such as Activity Based Costing techniques, Business Analytics, and Driver Based Budgeting, and other information technology related tools has allowed finance professionals to provide in-depth analysis using real-time data within the Enterprise Resource Planning (ERP) repository. The Financial Business Partner's skills go beyond monthly financial reporting, as it includes strategy and operations management.



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The value-added analytics added by finance for the organisation include:

- Transform the role of Finance
- Develop strategic partnership with organisational units
- Use best practices for financial analytics
- Partner for organisational design for strategic success

Transformation the role of Finance

The importance of the role of the transformation of finance professional should not be underestimated. Without a clear frame of reference under pressure, people may tend to fall back on their traditional roles within the organisation. Organizations will need to ensure time is available for value added activities including the management of financial and non-financial information. A clear understanding and alignment of goals can provide more quality time spent on strategic goals, analytics, and communications.

Develop strategic partnership with organisational units

The interaction and support that finance will provide to organisational units will increase as part of the overall strategy of the organisation. As a business partner finance will continue to assist with value-added analytics beyond the financials, dashboard matrix, budgeting techniques, and operational strategy. The finance business partner will need to determine what information an organisational unit requires rather than just providing a 100-page report or PowerPoint deck of information.

Understanding the current, and anticipating the reporting needs of the corporate group is vital. Participating in presentations for the business unit, and understanding concerns of the department and how finance can assist in strategy and analytics.

Use of Best Practices for Financial Analytics

Following best practices for financial analytics will include designing reports that are flexible and can be tailored based on current information. At times spreadsheets could have formulas that are dynamic, whereas others are static which results in information not being updated or missed thus incorrect information may be relied upon for decision making. As well analytics software and practices that have been shown to increase efficiency should be used to reduce the time required to prepare data reports. Using capabilities and best practices will allow more time to be spent on analysing information to present findings to the business unit.

Partner of Organization Design for Strategic Success

Internal reports, presentations, and analytics prepared need to consider the organisational structure as it could include a variety of structures based on product, geography, or a process flow. The information provided should consider the inherent nature of the structure and take into account strategic advantages. As a strategic partner, the finance professional will need to be part of the process than just report on it includes strategies that consider efficiencies, transfer taxes, and Scientific Research and Experimental Research (SR&ED) analytics.

The role of the finance business partner will continually be assisted organisations to make decisions. It will require a cultural shift within the department. As a support unit within organisations, this transformation will be increasingly important so that the department is relevant to the organisational operations. Finance professionals are increasingly being expected to engage, communicate, and take a greater role in the decision-making process. These techniques require a thorough understanding of financial and non-financial information within the organisation to provide a new perspective on the strategic direction of the organisation.



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produced by organisations for decision making.

Be innovative in the information provided

Finance professionals will be called to analyse information and to think outside of the box including the use of tailored reporting for decision making. It can be valuable for operations, sales, marketing, as well as to better understand customer dynamics. An undertaking of likely effects of what-if analysis can be determined. With the abundance of information available focus on the strategy could be lost if the focus is not defined. The primary concern with such information is not the lack of information but what should be the focus.

Assist in assessing the impacts of projections and decisions

As finance understands the financial numbers, it is important that these results can be tied back to the implementation of the budget including auditing the data for accuracy and ensuring that reports apply to the current analytics. Finance will also be called upon to work with the various areas to ensure finance related issues related to projection on valid information, interest rates, machine obsolescence as well as under impacts that should be considered that can affect the margin from such projects.



Financial Tools and Efficiencies

With improved system tools and capabilities, The Finance Business Partner can further assist in undertaking strategic decision-making decisions. The use of cloud technology organisations can display business



The Finance Business Partner will need to:

- Take a lead role in data-driven analytics
- Promote real-time information access
- Be innovative in the information provided
- Assist in assessing the impacts of projections and decisions

Take a lead role in data-driven analytics

Information is a valuable asset for an organisation as it is the focal point for decision-making related to operations and strategy. Data-driven analytics is founded on big data analytics which combines information throughout the organisation for specific objects. Partnering with the IT department may be necessary to harness information for accurate analytics depending on the complexity of the ERP within the organisation. With such partnering founded strategic recommendations that are appropriate including using analytics to help in better understanding underlying cost drivers that are variable and fixed in nature. With information systems, the challenge will be to use data strategically assist with decision making.

Promote real-time Information Access

Often at times, analytics reports are produced based on a particular time-frame such as quarterly, or yearly. It may be necessary for the design and monitoring of real-time information so that the company can be proactive in its decision making stemming from products that are sold-out in one region, and not in another. It can also be used to drive the discussion that may be necessary to adjust strategy based on customer demand, supply, and other external forces. With the increase and power of ERP and other information systems today such information can be



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and financial metrics through real-time dashboards. Cloud Computing and Mobile Computing can allow interaction within the organisation regardless of location with access to centralised databases that enable decision-making. Cloud computing is not without its challenges; this includes the location of data and security considerations. The problem faced by the financial business partner will be to balance their responsibilities for financial reporting, as well as that of a strategic business partner.

About the author:

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