Driving Business Decisions:

How to Calculate the ROI of Finance
Automation

Agenda

- Welcome
- Introduction to Finance Automation
- Calculating ROI in Finance Automation
- Key Challenges, Benefits & Opportunities
- Q&A

Today's Speakers



Djibrane Larrabure

CFO, Kolleno
Djibrane Larrabure brings 10+ years of experience in strategy and finance. A graduate of McGill and Yale, Djibrane spent several years in the impact investing and consulting industries prior to joining Kolleno as CFO.

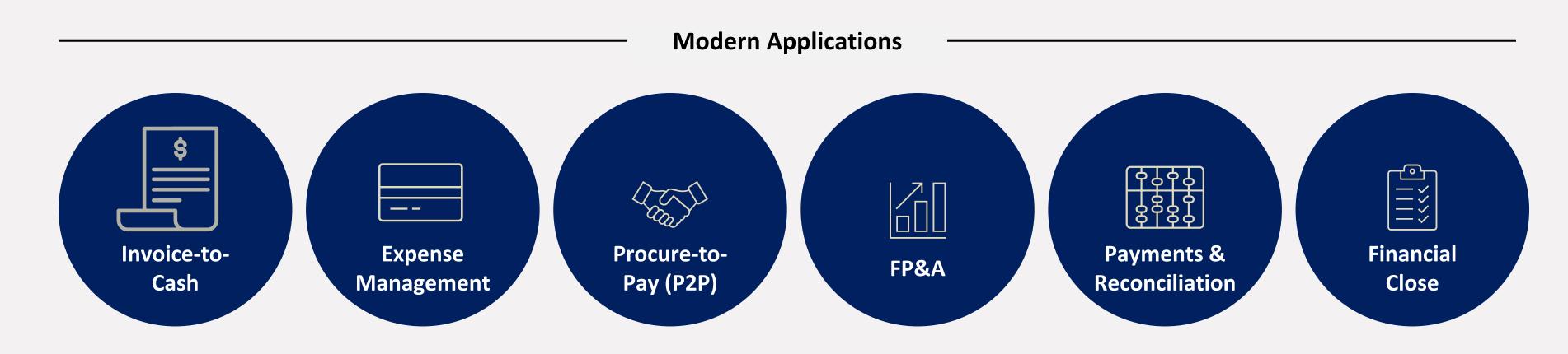


Chris Wallace

Solutions Engineer, PayEm
Chris is a Solutions Engineer at PayEm with
extensive experience in FP&A. His career began with
managing budgets and P&Ls for large-scale projects,
and his expertise lies in combining financial acumen
with technical knowledge to deliver impactful
solutions.

What is Finance Automation?

Leveraging technology to digitize and simplify financial processes and operations.



Finance Automation in Practice

Invoice-to-Cash



Legacy,
NonAutomated
Processes

Manual, decentralized (and often) paper-based invoicing prone to human error

Time-consuming, manual reminders and chasing; disaggregated data leading to lack of visibility into overdue payments; missed tasks and higher risk of write-offs

Non-digital payment methods (e.g., cheques) requiring more time and adding more friction to payment process; time-consuming and error-prone reconciliation processes

Finance Automation in Practice

Invoice-to-Cash



Automated Processes

Digitization and expedition of invoicing process, enabling greater accuracy and centralization onto key ERP and software systems

Ability to centralize tasks,
develop automated workflows,
send personalized and multichannel reminders, and stay on
top of late payments
seamlessly – enabling greater
accuracy and fewer late
payments

Ability to offer digital payments, tailor options to fit personal circumstances (e.g., payment plans) and both simplify and increase the accuracy of the reconciliation process

Calculating ROI: Key Components in Finance Automation

Investment

Determine the total costs required to implement the financial automation solution.

Returns

Identify cost
savings, time
savings, scalability
options, better
decision-making
potential.

Timeframe

Understand the period over which the ROI calculation will be assessed and the break-even point.

Intangible Benefit

Increased accuracy,
reduced human error,
improved
productivity,
employee
retention/satisfaction
etc.



Calculating ROI: Common KPIs

Financial Health

- Total Amount Saved from Automation
- Days Sales/Payables Outstanding (DSO/DPO)
- Payback Period

Quality & Compliance

- Regulatory Compliance Rate
- Reduction in Reporting Errors
- Data Security Compliance Rate

Efficiency & Productivity

- Error Rate Reduction
- Total # of Hours Saved from Automation
- A/R and A/P Turnover

Client & Employee Satisfaction

- Automation Rate
- Net Promoter Score (NPS)
- Employee Satisfaction Score

Calculating ROI: Tools and Resources



Account

Executive

Trust but verify.

They have a large

sample size of

efficiencies gained

with their existing

customers.



Competitive

Analysis

Collect data

metrics from

competitors to

stress test

assumptions.



Data Analytics

Software

Software tools

used to analyze and

interpret data to

determine the

impact of financial

automation on ROI.



Industry

Reports

Reports and

publications that

provide industry-

specific data and

benchmarks for

ROI analysis.

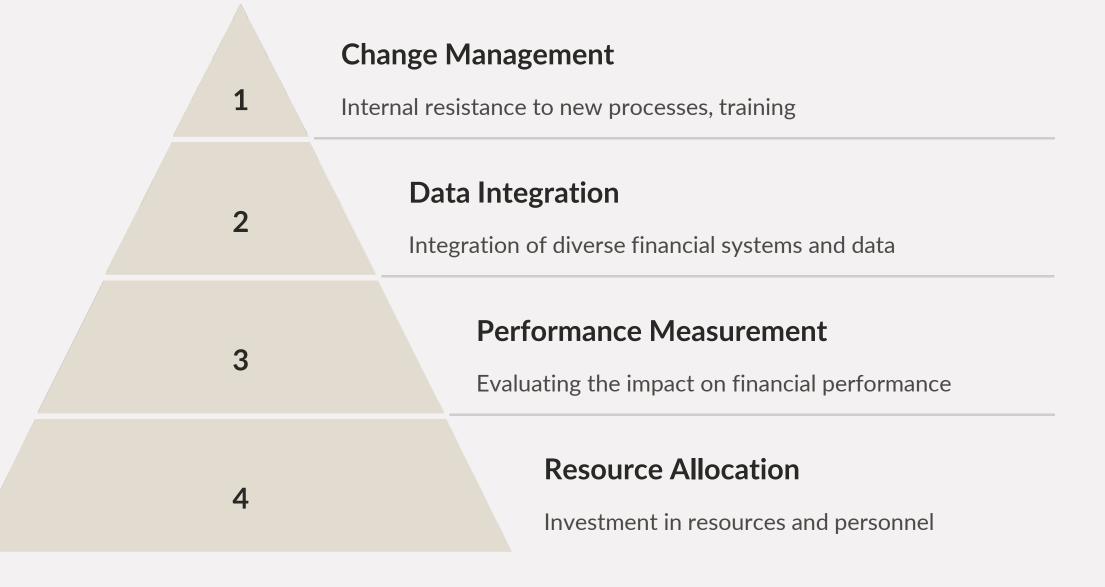


Challenges in Finance Automation

Finance automation is not without its challenges; often times these efforts can fail due to...

- 1. Lack of a clear vision of the intended needs and desired outcomes of automation efforts
- 2. Lack of leadership and cross-functional support across the organization to support adoption and effective implementation
- 3. Poor planning to account for different scenarios and contingencies to support effective implementation

Challenges in Adopting Finance Automation



Benefits of Finance Automation

However, by carefully planning and overcoming these challenges, organizations can reap the long-term benefits of automation...

- 1. Cost-Savings & ROI Back to the Organization
- 2. Ability to:
 - a) Re-Allocate Resources to Higher Value Activities
 - b) Future-proof your Organization
- Time-Savings to Focus on What Matters Most Your Clients and Your Business!

Questions?

 Receive recording via email

Connect on LinkedIn for follow-up questions

Book a demo