

Launching Finance Vision 2020

“It’s not about the money, show me the value”

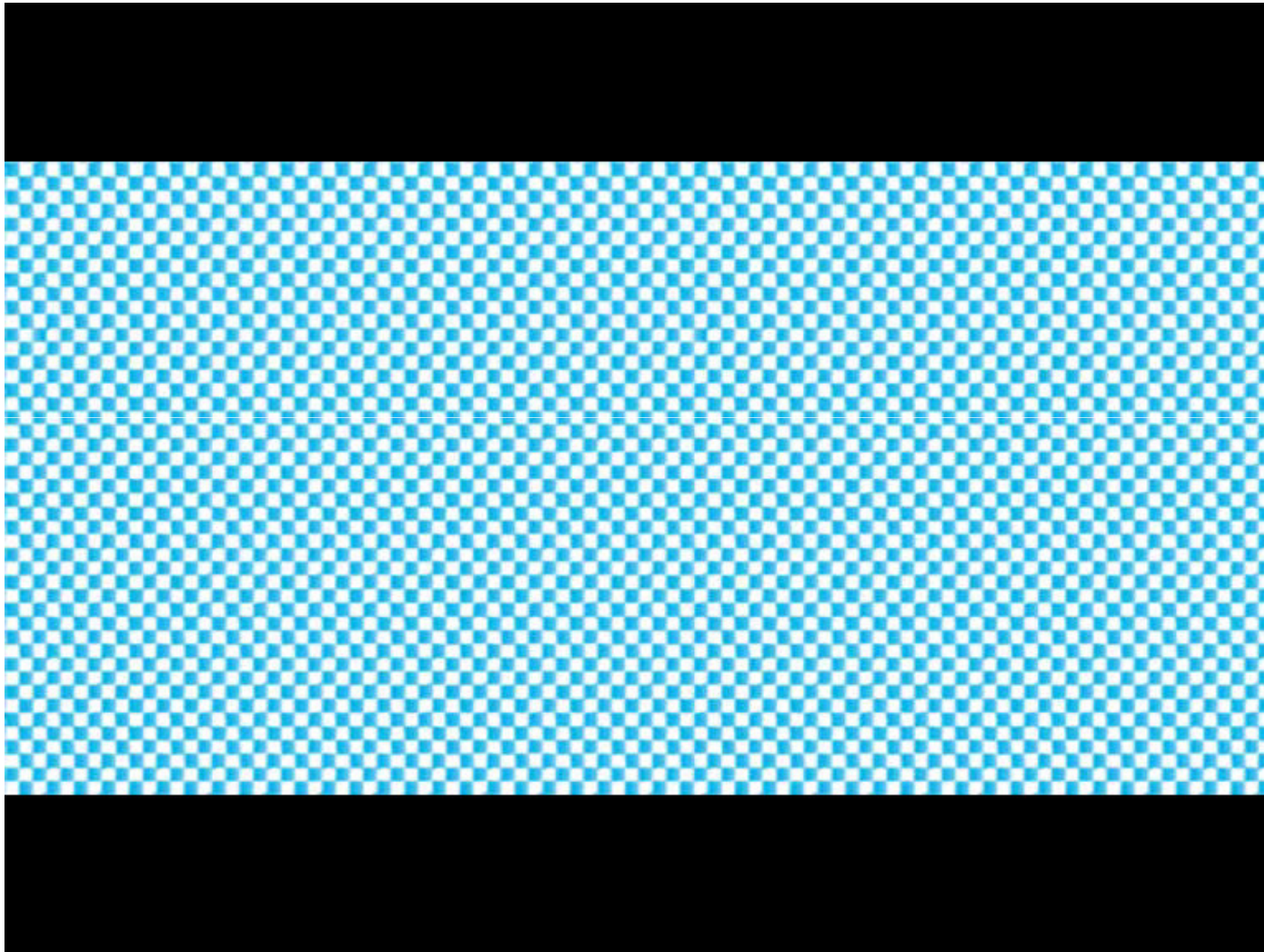
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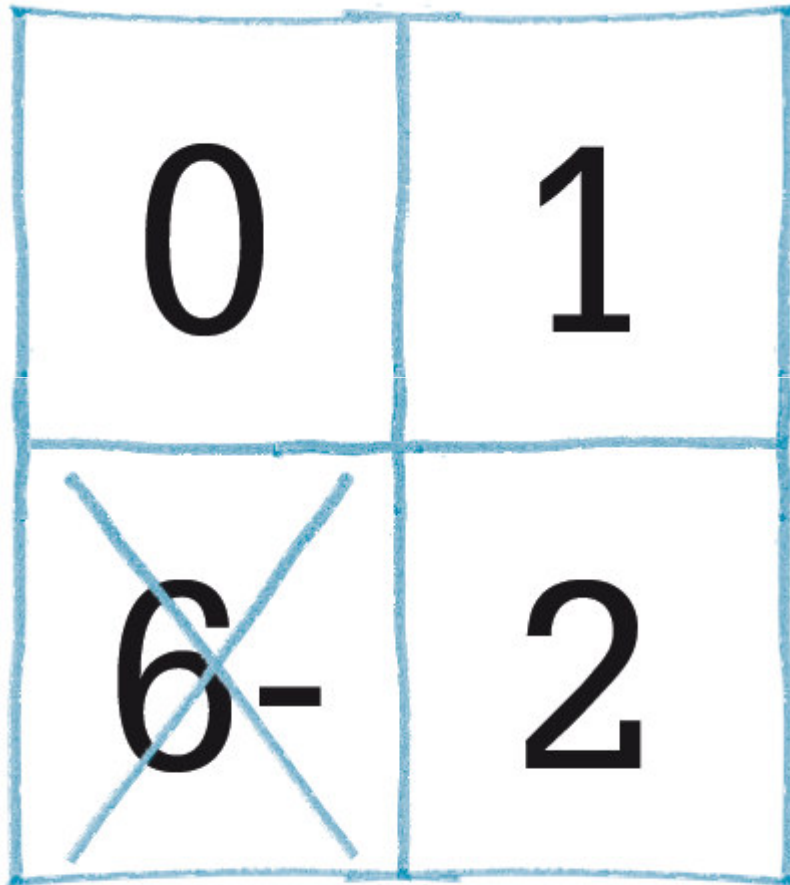
Version 0.4



The Making off.....Finance Vision 2020



We foresee 4 megatrends towards 2020



- Say goodbye to **blue**, here is **green**
- Balancing security and openness
- Real and Virtual world
- Drive for excellence and talent and stop mediocrity

(Based on presentation by Marcel Bullinga, Futurist, www.futurecheck.nl)

Finance Function Masterplan 2020 from trends and drivers

0

Megatrend	Change driver	People	Process	Technology
Everything needs to be (more) environmentally friendly	Kyoto/ Poznan/ 202020 regulation	Create green awareness around carbon reduction and develop skills for new financial reporting	Necessity of having a carbon footprint (and related financial reporting)	Automation of trade (i.e. emission rights, overload of energy, waste, water, etc.)
	Cradle to cradle (0 waste)			Other production techniques leading to waste reduction requires business cases
The Exhaustion of Natural Resources	Scarcity leading to increased prices	Need for people with a specialism (i.e. finance and accounting possibly combined with emission trading)	Smart purchasing (incl. hedging) based on impact analyses of the price effects on the value chain	Innovation in extraction processes requires business cases
			Investments in reduction of natural resources will be key	Business case innovation in other natural resources requires business cases

What will you do as CFO to commit to the 3 times 20% objective by 2020 meaning 20% less energy consumption, 20% less CO2 and 20% share of renewable energy?

Finance Function Masterplan 2020 from trends and drivers

1

Megatrend	Change driver	People	Process	Technology	
1	Information, Information, Information	Increase in identity theft will lead to more security	Awareness program for employees	Better hierarchy in and data records management	New ways for fraud detection/ improved internet security
	Rise of the cashless generation		Better control and insight in 'black box' processes, more auditing of the in- & output	GRC on the 'black box' of processes	
				More use of SEPA, e-billing, e-invoicing, etc. will require new technologies	
	Rise of terrorism (sector dependent)		New risk management (i.e. hedging)		
	Piracy	Change in business models with pressure on innovation, brand value and intellectual property	New performance management to provide a steer on innovation, brand value and intellectual property		

TOWARDS 2020:

"As long as there is insecurity, Risk Management will stay at the heart of the Finance Function."



What will you do as CFO to balance our desire for openness and our fears of terrorism, extremism and other threats to our security?

Finance Function Masterplan 2020 from trends and drivers

2

Megatrend	Change driver	People	Process	Technology
2 Balancing Security and Openness	Data/ information must be available anywhere/ anyplace and anytime (24/7) to speed up decision making	Automation of information gathering and analysis will lead to fewer human activities	Information will be used for automated and complex scenario planning and impact analysis	Need for governance, risk and compliancy (on the technology/ information architecture) to ensure data integrity/ security
	Immunity due to information overload	Employees are responsible for installing the right filters/ customization (technology is just supporting)		
	CFO's judgement will become more important	CFO skills around people and relationship management will need to improve, furthermore the CFO will have a broader experience in the organization	Create an organizational set-up to facilitate change delivering a learning organization	CFO should have a broader knowledge of new technologies

How will the ever increasing influence of internet and the introduction of the Virtual Personal Assistant (VPA) that connects the physical with the virtual world impact on you as CFO?

Finance Function Masterplan 2020 from trends and drivers

6-

Megatrend	Change driver	People	Process	Technology
6	New economies will emerge leading to an increase in (economic) gaps resulting in wars and clashes but also in other bonding activity types between humans	Initiatives for other/ more flexible contracts, 24/7 services for employees leading to a more adaptive organization	Diversity in products and services to fill the new opportunities/ new customer markets	Virtual world as a solution for making the gaps smaller
	Mobility of employees is a risk in terms of retaining knowledge	Development of competencies and capabilities (organizing the learning organization (change education, curriculum), the way we work, the dream team to manage the finance function)	Create transparency in accounting (efficiency an improved quality) by adjusting the management model	

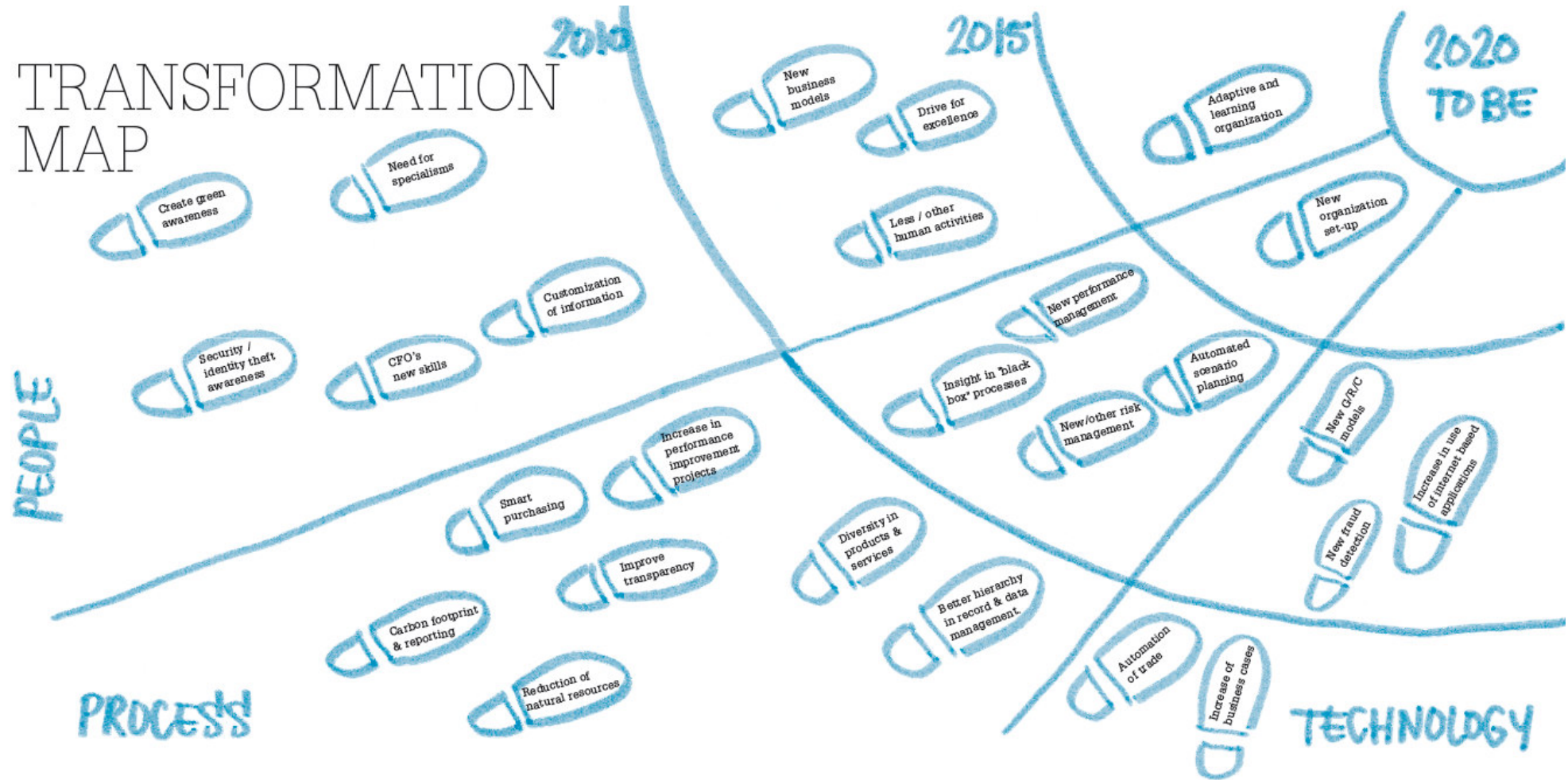
Are you as CFO able to attract and retain the most talented, experienced and skilled people in this highly mobile world full of demographic shifts?



TOWARDS 2020:

“It’s not about
running faster...
It’s really about
changing how you run!”

How could the Finance Transformation journey towards 2020 look like?



What do CFO's think of what they will be doing in 2020

What's Cool

- Decision maker at the forefront, to be perceived as a **Chief Value Officer** who can contribute to the strategic debate
- Focus on **people management, value, risks, integrity, growth, innovation and on external challenges**
- Daily activities include checking the dashboard, ensuring compliance, inspiring and coaching people in the team, **judgement** and managing external relations with shareholders and investors
- The **CFO's team** consists of diverse people from different nationalities and cultural backgrounds
- His KPIs are no longer solely measured in Euros. Other **KPIs include reputation and company image, corporate social impact, financial performance and employer value.**

What's not Cool

- It is not cool to **perform routine tasks**; these will be automated.
- To **work long hours** in a **fixed working environment.**
- **Excessive travel times**
- **Explaining (new) accounting rules** to shareholders
- Being **overloaded with information.**

The CV of the CFO in 2020



www.financevision2020.com

CHARACTERISTICS FOR THE CFO IN 2020:

- Sense for the business
- Broad business experience
- Sense for numbers
- Analytical skills
- Creative
- Integrity
- Judgement skills
- Design maker
- Excellent communication skills
- Futurists/visionaries
- Strategic thinking

Interested? Check the book!

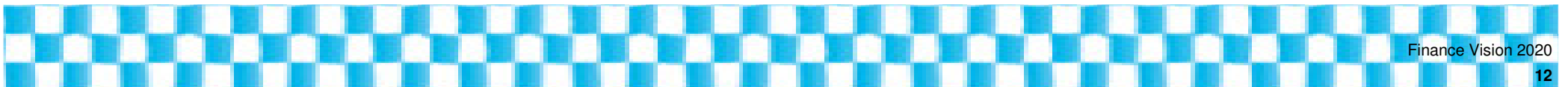


ARE YOU READY FOR 2020?:

“Have you asked
yourself the right
questions?”



Check our book to be sure!



Are you ready for Green and One open world?

A green and environmentally friendly world with exhaustion of natural resources:

- ☐ Will you be able to move from a defensive risk management focus to an offensive revenue generation opportunity to tackle sustainability issues?
- ☐ Will you be able to nurture and incorporate the cradle to cradle concepts by, amongst others, making use of business cases?
- ☐ Will you be able to set up and implement a steering and control framework for corporate responsibility that includes trading systems and regular reporting on, amongst others, carbon and waste reduction?
- ☐ Can you manage the smart purchasing of natural resources?
- ☐ Will you be able to constantly look for cheaper and more sustainable alternatives?

One open world:

- ☐ Are you able to recognize problems promptly, develop solutions swiftly and implement them immediately, by for instance by making use of an integrated risk management system?
- ☐ Will you be able to avoid identity theft using, for example, record management and protection IT systems?
- ☐ Will you be able to create a flexible and innovative finance function that is connected to the world, and at the same time facilitate free-trade, realize innovation and create business value?
- ☐ Will you have insight and control and auditable in- and output "black box" processes like e-billing by making use of such tools as a well implemented governance, risk and compliance framework?

corporate responsibility, business cases, innovation, financing

risk management, record management, GRC

Are you ready for the information boom and drive for excellence and talent?

Technology versus human capital:

- ☐ Will you be able to act quickly and make the right choices in an increasingly complex world an overload of information? For example, can you make use of business intelligence, scenario planning, impact analysis and above all judgment?
- ☐ Is your corporate performance management system adaptive and based on value (brand, intellectual property)?

Drive for excellence and talent:

- ☐ Are you capable of attracting young and highly trained, educated and skilled professionals and retaining experienced employees?
- ☐ Are you able to create a strong corporate culture and a flexible work force working from flexible locations?
- ☐ Are you able to spot new opportunities based on elements such as diversity programs that include dimensions like cultural, markets, products, services and geographies?

**BI, scenario planning, impact analysis,
adaptive CPM based on Value**

**corporate culture, flexible workforce
and location, diversity programs**

What should be your next step

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