

How to Build a Fail-Safe Business Case for Statutory Reporting Software



10 steps to secure the statutory reporting software investment you need

Statutory reporting software offers a high standard in the preparation of financial statements, notes, disclosures, and maintaining compliance across multiple jurisdictions. There is much to be said for the in-built content, automated features and standardisation it provides many large multinational corporations.

The decision to invest in statutory reporting software is usually not made by one person alone. Finance Directors, Directors of Statutory Reporting and Heads of Finance within Shared Service Centres (SSCs) and Global Capability Centres (GCCs) form a matrix of stakeholders who influence budget and vendor selection.

Our guide is here to make the journey smoother. Ready to prepare a business case for statutory reporting software? Follow these ten steps.

1

Determine what you need, and why you need it

First, we recommend that you determine how your organisation would benefit from investing in statutory reporting software. Obviously, it is important to identify that it is indeed the right software for you.



Do not know what to look for? Departments who onboard new statutory reporting software are often in need of:

- jurisdiction-compliant reporting templates i.e. embedded best-practice content compliant with local GAAP and in the local reporting language,
- translation and XBRL tagging tools,
- standardisation and automation tools, and
- access to regulatory guidance from Big4 accountancy firms covering jurisdictions throughout Europe, Asia, Australia & New Zealand, the Americas and South Africa.

Once you have reached this stage, you will know what you want. You would have recognised that harmonising the financial disclosure process is the way of the future.

Automating the preparation of financial disclosures and statements frees up time, so staff can offer more value to the business. Additionally, statutory reporting software provides transparency and ensures that compliance gaps are identified and addressed. Your team may be asking for automation, leading you to conclude that driving innovation is important for talent attraction and retention.

However, you also know that new investments are facing greater scrutiny as your business grapples with market uncertainty. It is therefore imperative that you create a compelling business case to secure funding.



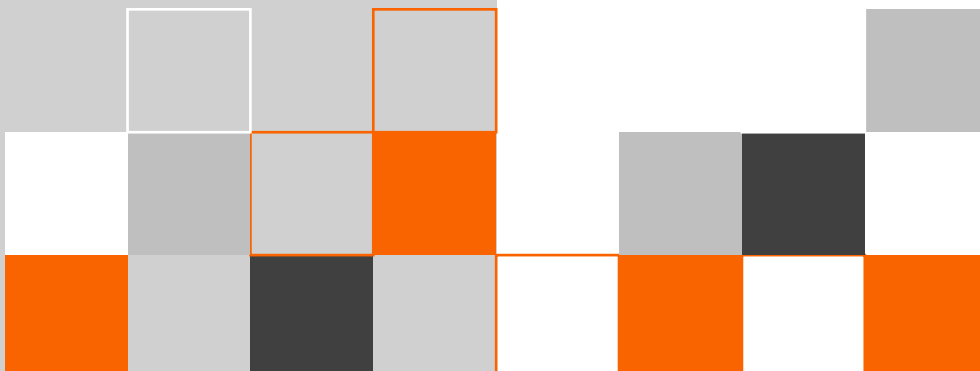
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Identify key decision makers and stakeholders

Knowing your audience will enable you to tailor your proposal well. Your next step is to identify who will be responsible for screening and reviewing it. Core decision makers may include C-suite, such as the Chief Financial Officer, Chief Technology Officer, or Chief Information Officer.

Organisational structure and operating models (such as shared services, decentralised, or a hybrid model) will determine your collaborators. They may be Head of Finance SSC/ GCC, Global Leads, Head of Sourcing or Procurement, and Directors such as Director of Statutory Reporting or Global Operations.

Gaining buy-in from an executive sponsor before you create your proposal is also a great way to solicit early feedback. When you present your business case, having an executive sponsor to support your case will work in your favour.



3 Understand the screening process

Next, find out how your organisation screens proposals for new technology investments. The Head of IT may have a specific set of technical criteria that needs addressing before your proposal proceeds. Identifying what these are will set you on a strong footing.

Many multinational organisations are going through finance transformation projects to drive transparency, efficiency and reduce costs.

There may even be a funding pool you can apply to access for your digital transformation project. Taking your case to your key stakeholder or group of business leaders must be timed strategically.

“Decision makers deal with an influx of requests on any given day, so they prioritise the project requests offering the highest value to the business,” remarks Steven Smith, Vice President - Business Development, Shared Service Centres for Asia and Emerging Markets at Thomson Reuters.

“Consider how the positioning of your request can affect whether it gets dismissed, reviewed favourably, or escalated for approval.”

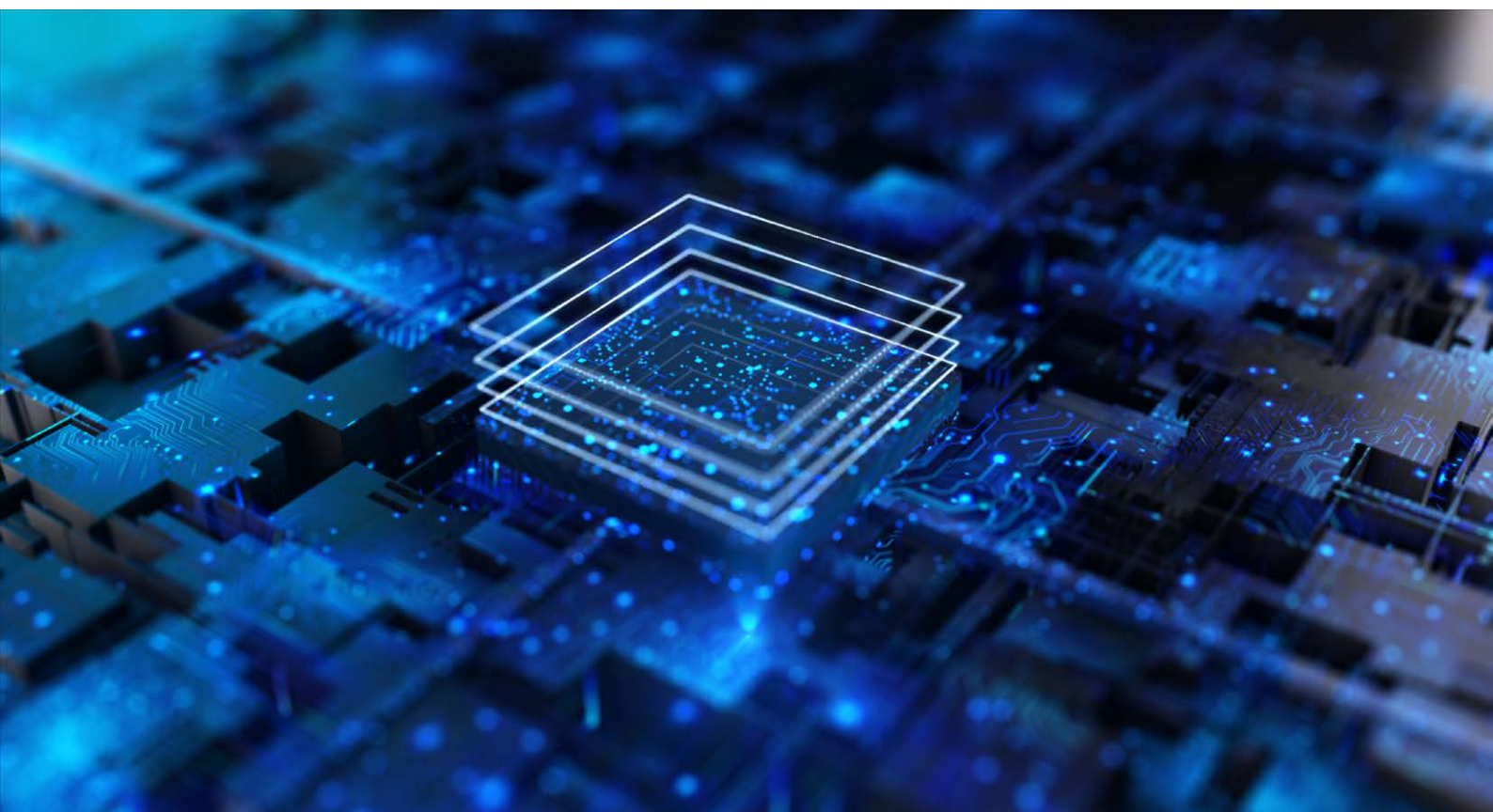
Colleagues and industry peers who recently submitted proposals for technology investments could also provide you with useful information.

“Find out which technology investments have recently been approved and stalled, and the reasons why. You can then anticipate potential issues and adapt your proposal accordingly,” advises Sakshi Rehani, Statutory Reporting Proposition Lead for Asia & Emerging Markets, Thomson Reuters.

The following screening criteria may help you to anticipate and prepare for stakeholders’ questions about your proposal.

“Your case for statutory reporting software must align with your organisation’s digital strategy. If it does not fit the mould, advocate why the software warrants strategic attention”

**Sakshi Rehani, Statutory Reporting Proposition Lead for Asia & Emerging Markets
Thomson Reuters**



Toolkit: Examples of stakeholder screening criteria for new tech investments

Technical criteria

- Does the vendor offer a global purpose-built cloud-based solution?
- Does the vendor provide real-time security and technical updates to all software users?
- Does the vendor provide customised and ongoing training to users?
- Does the software offer application programming interfaces (APIs), which provides connectivity between existing systems and platforms?
- Can the vendor qualify the return on investment and cost-savings that can be achieved with their software, with proven examples?
- Can the vendor provide a global software license for all your offices and shared services centres?
- Does the software vendor service all major regions, and can they support your company's global operations?

Business criteria

- Does the proposed investment align with the organisation's strategic goals?
- Are there identifiable business benefits from the technology investment? (e.g., increasing efficiencies, boosting talent retention, supporting business growth or the scope expansion of a global capability centre or shared service centre.)
- Does the project have a rollout plan that aligns with internal schedules and budgets?

4

Recruit champions to endorse the change

Implementation of global software to harmonise statutory reporting processes will require the support of division leaders across the business. It is a good idea to identify which peers could be critical to the success (or failure) of your project. Bring them on board before you present your business case. Their influence and expertise could help demonstrate your ability to lead the project.

“The more allies you have in developing and submitting your business case, the more likely it is that senior management will agree to prioritise the new investment,” comments Steven.

Project champion

No project can go ahead without an internal champion. Identify who you would like to lead and sponsor the software rollout. For example, it could be your global lead for statutory reporting or Head of Finance.

“Seniority and influence matters when it comes to stakeholders taking a technology implementation project seriously. You will be counting on your digital champions and allies to support a smoother change management process,” advises Sakshi.

Global project manager

You will also need a global project manager to ensure the sound establishment and delivery of implementation milestones across all jurisdictions. While a project manager can be identified later, lining one up early shows your initiative.

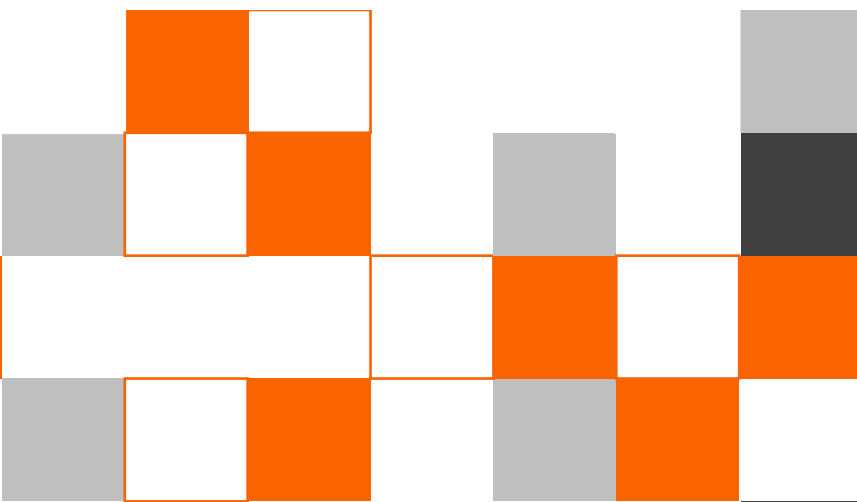
Start by asking colleagues who would be best suited to manage the global rollout. Then, sound out the shortlisted project managers about their interest and experience in this initiative.

Regional heads

Identifying synergies between projects or teams could help you to make a stronger case for prioritising technology investment. Speak with colleagues across business units or within your global capability centre or shared service centre to identify their pain points.

“The challenges facing your team may not be in isolation. Consider partnering with colleagues in other departments to build a stronger case for investing in the new software,” says Steven.

Bring regional heads on board as early in the process as possible and include their feedback in your business case. Doing so could help to convince stakeholders that the investment has global importance and application.





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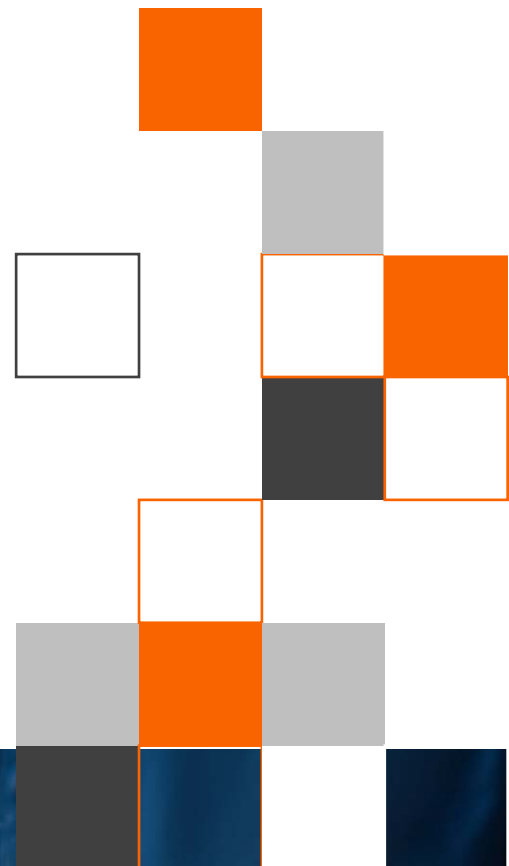
Identify critical weaknesses in existing processes and systems

Stakeholders will ask why your organisation’s current technology stack does not cut it. “To make the case for investing in statutory reporting software, you’ll need to present details of the systemic gaps, process weaknesses and compliance risks posed by existing methods of reporting,” comments Sakshi.

The most effective way of gathering this information is to conduct a quick international survey. Recruit the business units and shared services teams involved in statutory reporting processes to complete it.

Read on for our 10-point survey to help identify the pain points in existing processes and systems. It can highlight the critical issues that are undermining the quality, consistency, and transparency of reporting.

“Decision makers need data, not arguments. Your survey results should prove that the financial costs of maintaining the status quo far outweigh the investment costs of automation-powered technology,” says Steven.



Toolkit: 10-point survey on statutory reporting processes and systems

Time and budget needed to comply with regulations



1. Consider the process as a whole and how many people are involved. Calculate the number of hours that go into manual processes across all jurisdictions that your organisation operates in. Excessive time spent on these processes may be causing more problems that ultimately cost additional time and money.

Consider breaking the process into steps involved and map time spent on each step for entities across jurisdictions. This includes the number of iterations needed for:

- Data load
- Roll forward
- Initial draft of financial statements and notes/ disclosures
- Drafts/final
- Translation/XBRL



2. How do you deal with legislative/regulatory changes across multiple jurisdictions?



3. Without adequate standardisation, are your auditors spending more time integrating different formats and reviewing different outputs, resulting proliferation of audit action points and therefore, billing?



4. How do you currently manage translating the reports for review by non-local language speakers?



5. How much do you spend on your current processes? (Consider audit overruns cost, outsourcing costs, labour cost, translation costs, penalties etc.)

Legacy systems and approaches to statutory reporting



6. How easy is it for statutory reporting teams to instantly access vital information in the format they need, wherever they are?
(Rating scale: 1 being very difficult, 5 being very easy)



7. Consider how you collect your data and how your contributors submit it. Is it consistent in format and language? Are there discrepancies and duplication? Then consider how you organise that data to ensure that other teams can more easily understand it. Is there a recognisable link between the source data and all its destinations?
Potential compliance risks posed by existing processes



8. Are all financial records for [jurisdiction] stored in a central cloud-based location and in a standardised format?



9. How easy is it for team managers to identify possible data inconsistencies, reporting errors or non-compliance in [jurisdiction]?
(Rating scale: 1 being very difficult, 5 being very easy)
Harmonisation challenges facing teams around the world



10. How easy is it for your team to globally harmonise its statutory reporting processes? How easy is it for the shared services centre or global capability centre to scale the process?
(Rating scale: 1 being very difficult, 5 being very easy)

6 Demonstrate the business benefits of the technology investment

By now, you will have:

- (i) Identified the main decision-makers for technology investments.
- (ii) Considered their expectations, workloads, and priorities.
- (iii) Found internal allies to help you make the case for the investment.
- (iv) Conducted an internal survey on the systems and processes that the software can improve.
- (v) Identified the critical issues undermining the quality, consistency, and transparency of statutory reporting.

The next step is to identify how the global statutory reporting solution can strengthen your organisation’s financial disclosures.

“Highlight how investing in the software will deliver wide-ranging business benefits. For example, demonstrate how the solution can reduce compliance risks, promote efficiency, and increase talent retention,” comments Steven.



Toolkit: Making the case for investing in ONESOURCE statutory reporting

1. Standardisation and automation of statutory reporting processes

- **Business case:** A standardised and automated approach to report creation removes the need for multiple iterations and reviews. It also ensures consistent data standards across all offices, delivering greater data quality and accuracy worldwide. It is easier to scale a standardised process than try to extend multiple specialised ones.
- **Issues addressed:** Data entry errors, data inconsistencies, data misstatements, process inefficiencies, multiple internal reviews, multiple auditor reviews, multiple iterations of disclosure procedures.
- **Efficiency drivers:** The software includes standardised reporting templates in line with local regulatory requirements (including XBRL filings) for over 45 major jurisdictions, including Global IFRS template.

2. Time and cost-saving automation tools to eliminate manual processes and errors

- **Business case:** Much time is needlessly spent by finance and accounting teams on routine financial processes. Many of these can easily be replicated by technology in a fraction of the time and to a premium standard. Highly skilled staff can then focus on adding business value through innovation or higher-value work.
- **Issues addressed:** Human error, lengthy manual tasks, process inefficiencies, productivity costs, attrition of skilled staff.
- **Efficiency drivers:** The software has numerous built-in time-saving tools, including automated rounding, annual roll forward, and dynamic note and page number referencing.

3. Timely updates on regulatory changes to reporting rules and templates

- **Business case:** A key challenge facing your business is keeping up to date with critical policy changes in every jurisdiction in which you operate. New reporting requirements and templates are announced sporadically in different mediums, languages, and formats. Identifying regulatory updates is a time-consuming and labour-intensive process.
- **Issues addressed:** Staying up to date, process inefficiencies, late filings, risk of compliance breaches, risk of penalties, risk of reputational damage.
- **Efficiency drivers:** To help ensure local and global compliance, the software provides best practice, country-specific reporting templates and content updates for over 45 jurisdictions, compliant with local GAAP and in the reporting language. The translation tool should help alleviate the challenge of managing multiple languages from a regional or global centre.

4. A full audit trail of financial records and reports worldwide

- Business case: Regulators are increasing scrutiny of multinationals and imposing hefty penalties for compliance breaches. Our stakeholders need instant access to all financial data behind draft disclosures to fulfil their roles and manage risks.
- Issues addressed: Data errors, data omissions, data misstatements, inefficiencies, auditor fees, lack of transparency, risk of embezzlement and corruption, risk of regulatory penalties, risk of reputational damage.
- Efficiency drivers: Helps spend less time managing data and fixing errors. Enter data just once and see it flow automatically to all relevant reports. Substantiate your reports with standard workpapers, providing a full audit trail.

5. Centralisation and harmonisation of global statutory reporting

- Business case: Our dependence on in-country experts and local language translation services increases the risk of non-compliance. A tool that centralises and harmonises data records and financial disclosures can better equip senior management to manage risk.
- Issues addressed: Dependence on local experts, language translation services, lack of transparency, risk of non-compliance, business oversight, strategic decision making, risk of regulatory penalties, and risk of reputational damage.
- Efficiency drivers: Access local language, best practice, country-specific reporting templates and content updates by leading experts. The software has universal language translation functionality allowing for software and reports to be translated quickly and simply into English.

6. Technology built for multinationals and shared services centres

- Business case: Remote working has become the norm for departments and shared services centres. Statutory reporting personnel need access to an intuitive, user-friendly, and cloud-based platform while working from their homes or offices.
- Issues addressed: Access to records, communication delays, legacy system gaps, data protection, data security, risk of compliance breaches, risk of regulatory penalties, risk of regulatory damage.
- Efficiency drivers: The software delivers seamless global connectivity for a best-in-class and modern working experience. Its cloud-based platform helps ensure all data is processed centrally and securely.



7 Partner with your vendor to highlight the software's value drivers

Now that you have demonstrated issues within existing statutory reporting processes, the next step is to highlight wide-ranging benefits.

“Be prepared to disclose your implementation timeline, what resources are needed, and any roadblocks that may arise. Choose a vendor with a proven track-record of global rollouts,” advises Sakshi.

How your vendor can help

Your vendor's representatives can help you to answer stakeholders' questions and gain their buy-in for the software. For example, your vendor can work with you to:

- Identify the business inefficiencies and compliance risks that the software addresses.
- Explain how the software can work effectively with legacy systems until they need to be replaced.
- Answer stakeholders' questions about the effectiveness of the software.
- Provide testimonials from other multinationals that have benefited from the software.
- Prepare an implementation schedule and budget in line with best practices.
- Deliver training on how to use the software's key features to maximum effect.
- Provide tips on how to maximise the software's return on investment.

“A vendor that is focused on building long-term relationships with clients can be an invaluable partner. They will help you prepare your business case and tailor the implementation journey to suit your requirements,” says Sakshi.

Scenario: The cost of status quo

Let us say you are an organisation who prepares financial disclosures without the support of specialised software. A single entity may take dozens of hours and several iterations to create one financial disclosure.

The cost of maintaining these outdated manual processes would be sky high. Investing in automation-powered statutory reporting harmonisation software would result in substantial efficiencies and support growth.

What if you created your own scenario for your department's circumstances? It would enable you to highlight the return on investment you would get from statutory reporting software.



8 Consider the timing of your software roll out

You have now reached the semi-final stage of creating your business plan for investing in statutory reporting software. This involves putting together a draft plan for rolling out the software across your business.

“Implementation roadmaps vary by organisation. Some opt for a phased approach where they introduce software efficiencies gradually, whereas others launch many all at once. It depends on the culture within the team, headcount available, and of course the business objectives,” says Sakshi.

Work with the team leaders you brought on board, including the global project manager, to fine tune your proposed implementation schedule.

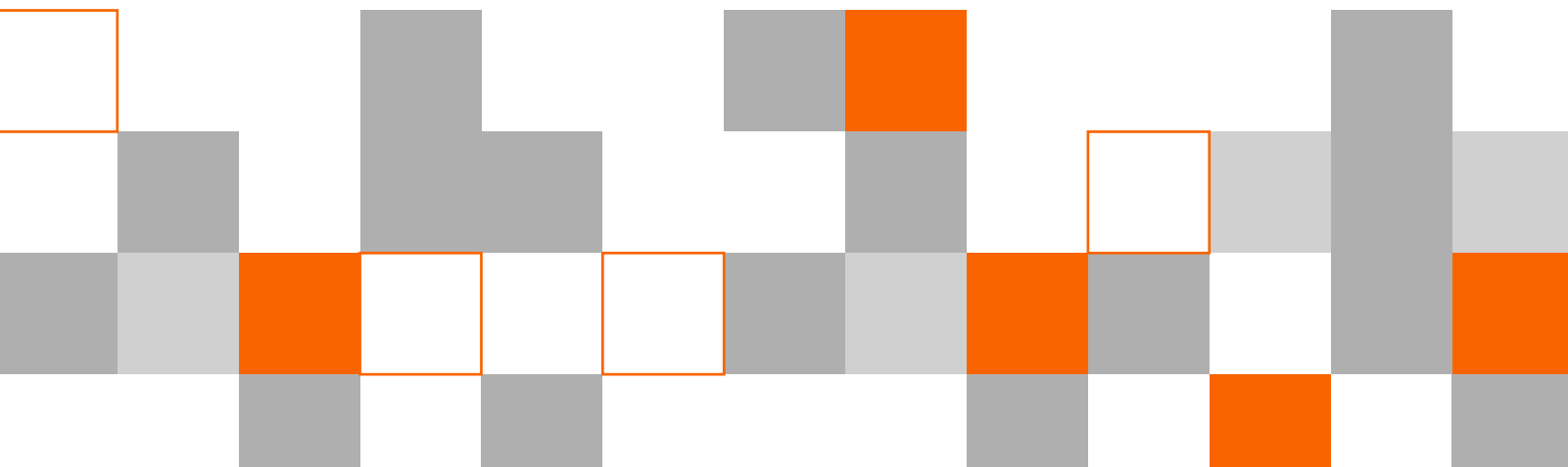
“An implementation schedule will demonstrate to stakeholders that you are serious about the project. It will also show that you can manage any impediments, keep within budgets, and adhere to deadlines,” says Steven.

Start by creating a checklist of tasks and putting together a rough timeline for achieving each of them.

“Remember to build in enough time buffers for the unexpected, but equally don’t be so conservative with your implementation schedule that stakeholders are put off by the amount of time needed to obtain a return on investment,” advises Sakshi.

For each proposed project milestone, be sure to include draft deadlines and requested resources (e.g., IT support).

“At this stage, it is important to show decision-makers that you have a clear strategy for the product rollout. All plans can be revised later as needed,” says Steven.



9

Share testimonials for the software

The reputation of the company providing the statutory reporting software can make all the difference. Conclude your proposal with product testimonials from comparable organisations to alleviate any concerns about the product's effectiveness.

"It helps to work with a provider that has a strong brand and a sound reputation in the market," advises Steven.

ONESOURCE Statutory Reporting has been at the forefront of statutory reporting compliance for many years and offers a purpose-built solution. Armed with professional teams spanning across the region, we work closely with hundreds of organisations and accounting firms. Our expertise enables successful global roll outs that deliver unparalleled country content.

Toolkit: Testimonials from ONESOURCE Statutory Reporting customers

Organisations that have implemented ONESOURCE Statutory Reporting solution have noted numerous efficiency gains to date.

"There is a lot more efficiency, control over processes, and centralisation and standardisation of systems seen after investing in the right technology," comments a Global Statutory Reporting Practitioner for a Global F500 corporation.

"Addressing statutory reporting was just a logical evolution of everything else we did. I think the purpose of the whole shared services centre that we have set up has moved away from just cost optimisation to bringing in efficiencies," says the Vice President of Finance Global Shared Services at a French multinational with an Indian shared services centre.

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Submit your proposal!

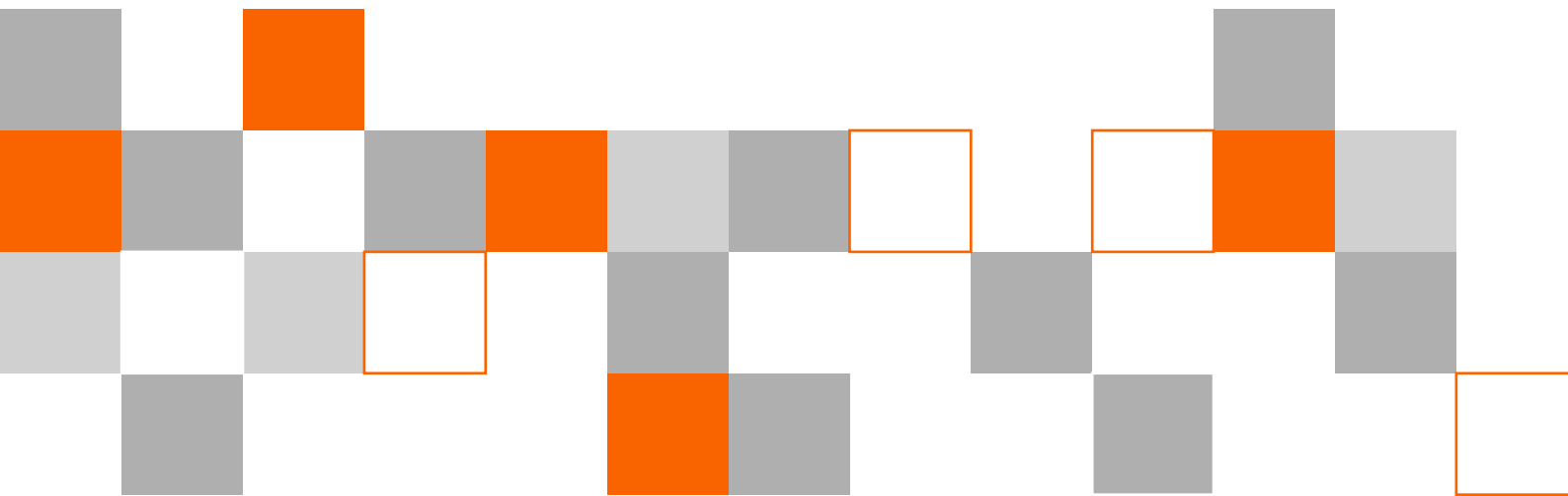
Using the tools in this guide, you have:

- (i) Identified the main decision makers for technology investments.
- (ii) Considered their expectations, workloads, and priorities.
- (iii) Found internal allies to help you make the case for the investment.
- (iv) Conducted an internal survey on the systems and processes that the software can improve.
- (v) Identified the critical issues undermining the quality, consistency, and transparency of reporting.
- (vi) Demonstrated the wide-ranging business benefits of the technology investment.
- (vii) Worked with your vendor to bring stakeholders on board.
- (viii) Created a draft schedule for rolling out the software across the business.
- (ix) Concluded your proposal with strong testimonials from other multinationals that have benefited from using the software.

You are now ready to convince upper management that a global statutory reporting solution will deliver wide-ranging benefits. It is time to submit your proposal and schedule a meeting with key decision makers to talk them through it.

Connect with a content-driven software provider

ONESOURCE Statutory Reporting drives efficiencies across business units, shared services and global capability centres for large multinational organisations all around the world. Ready for a cloud-based platform that offers unparalleled content? Speak with a specialist at Thomson Reuters, today.





Contributors



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Steve is a leader in the SaaS space whose role is to help companies automate and augment the value of their shared service centres. Steve ensures Thomson Reuters' customers are getting the most out of their digital capabilities through unique, content-enabled technology. With over 20 years of experience in taking technologies to global markets, Steve is committed to supporting the bright future of shared services centres.



Sakshi Rehani, Statutory Reporting Proposition Lead, Asia & Emerging Markets, Thomson Reuters

Sakshi has over a decade of professional experience in the tax and tax technology industry. She works closely with Shared Service Centres and multinational customers propelling their adoption of technology to meet global tax and financial reporting requirements. She is a Chartered Accountant from the Institute of Chartered Accountants of India.

About ONESOURCE Statutory Reporting

ONESOURCE Statutory Reporting is a leading cloud-based global disclosure management tool that automates the financial statement preparation process, saving you time on tedious manual work and driving data quality improvements. Serving in over 45 jurisdictions, our software helps you remain compliant with features that includes local language, country-specific reporting templates, and timely best-practice content updates from the Big Four accounting firms and in-house content experts. Whether you are looking to centralize your statutory reporting process through a shared service centre, maintain it in-country or take a hybrid approach, ONESOURCE Statutory Reporting enables you to be flexible with your operational delivery model whilst driving standardization, efficiency and control.

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