![armanino logo]

TECH
ROADMAP

Building a Clear Technology Roadmap

How to upgrade your business systems to drive success

Staying Competitive in Today's Business Volatility Requires a Tech Stack Upgrade

One key characteristic of a successful business today is how its leadership leverages technology. The strongest organizations have taken advantage of high-performing tech stacks to become nimbler, more efficient and more responsive to their customers' ever-changing needs.

Technology Remains a Barrier to Change for Many

Despite all the solutions that are available, many business leaders struggle to implement the technology needed to remain competitive. It's common for an organization's legacy systems to be a barrier to transformation since they are often inefficient, silo-constrained and unable to provide data for decision-making.

This means, for example, that accounting and financial planning and analysis (FP&A) teams are often buried by the rekeying of data, manual reconciliations, uneven workloads, and copying and pasting data and formulas for reporting — a direct obstacle both to getting the time to deliver on more strategic value to the business and to retaining top talent. Sales and marketing professionals are often constrained on how they can personalize their interactions with customers and how they can deliver insights to the rest of the business on customer trends.

A Technology Upgrade Plan Is Essential

The transformation of your organization will remain little more than a pipe dream if you don't evolve your tech stack to cut manual processes and provide visibility for your finance, sales, marketing and other teams. And any technology upgrade requires a plan, from the issues to address and the applications to address them, to where to start and where you're headed.

This is especially essential now that cloud technology has lowered the bar to deploying and maintaining applications, enabling teams across departments to do it themselves. Without a plan, you risk creating chaos with lack of integration and more silos, building the next generation of your technology hairball.

Creating a coordinated plan across all of the solutions needed by a business used to be almost impossible. Long deployments, painful upgrades and virtually no connectivity between apps made piecemeal deployment the norm.

But no longer. Thanks to the efficiency with which cloud-based enterprise resource planning (ERP), customer relationship management (CRM) and other business systems are now deployed, the wide availability of packaged integrations, and the ease of use that enables business owners to make changes, business leaders are now equipped to architect and evolve to an integrated tech stack. This shift in turn provides the analytics and automation that are essential for helping your organization stay relevant and competitive.

Common Challenges of Legacy Tech Stacks

Today's typical business technology landscape has evolved organically, rather than by design. In many organizations, the rapid change in technology over the past few years has led to a diverse array of legacy apps, ad hoc cloud deployments and a significant number of stubborn spreadsheet processes, among other challenges.

Transactional Transformation Varies

Whether you're using older, on-premise systems or newer cloud apps, many manual integration points remain. Employee-facing processes such as purchasing or travel and expense management vary from spreadsheets to hard copies to HR-centric proprietary web apps and cloud apps.

Integration Is Limited

Apps usually don't connect with each other and rely on proprietary integrations or spreadsheet-based "solutions" that are either error-prone or have limited usefulness. Whether processing incoming sales orders, reconciling transactions between the accounting system and bank/credit card systems, or performing three-way matches across POs, invoices and receipts, systems integration is often lacking.

Stubborn Spreadsheet Processes Abound

Budgeting and planning often consists of sending spreadsheets to line-of-business managers, and frequently requires the FP&A team to perform most of the manual entry themselves. This usually means budgets and forecasts quickly become stale and outdated.

In many cases, monthly management and financial reports, or performing analysis, still requires repetitive data extracts from the accounting system into spreadsheets, adjusting formulas and formatting each time, and refreshing pivot tables.

And in accounting, managing the financial close and controls often still means performing thousands of reconciliations, manually entering journals, hunting for account balance variances in spreadsheets, and relying on close and controls checklists based on spreadsheet files, word processing documents and gut instinct.

Outdated Technology Impedes Success

Legacy systems are often a direct obstacle to teams delivering more strategic value to your business and to attracting and retaining top talent.

Workforce Constraints Are Compounded

Last but not least, when it comes to talent, a legacy tech stack can make it difficult to get the right people onboard. Filling key roles can be a hurdle since a legacy system often doesn't make it possible for you to hire remote workers. A legacy system can also discourage new talent from joining your organization since it offers no opportunity for employees to grow their skills on the latest technology platforms. Plus, that physical system will need hands on-site to maintain it. Considering the difficulty of finding qualified candidates, hiring to fill roles for security, data centers and licensing updates, and managing third-party relationships can be tough.

Typical Systems of Record

Sales

FP&A

BI and Analytics

Typical Integration Challenges
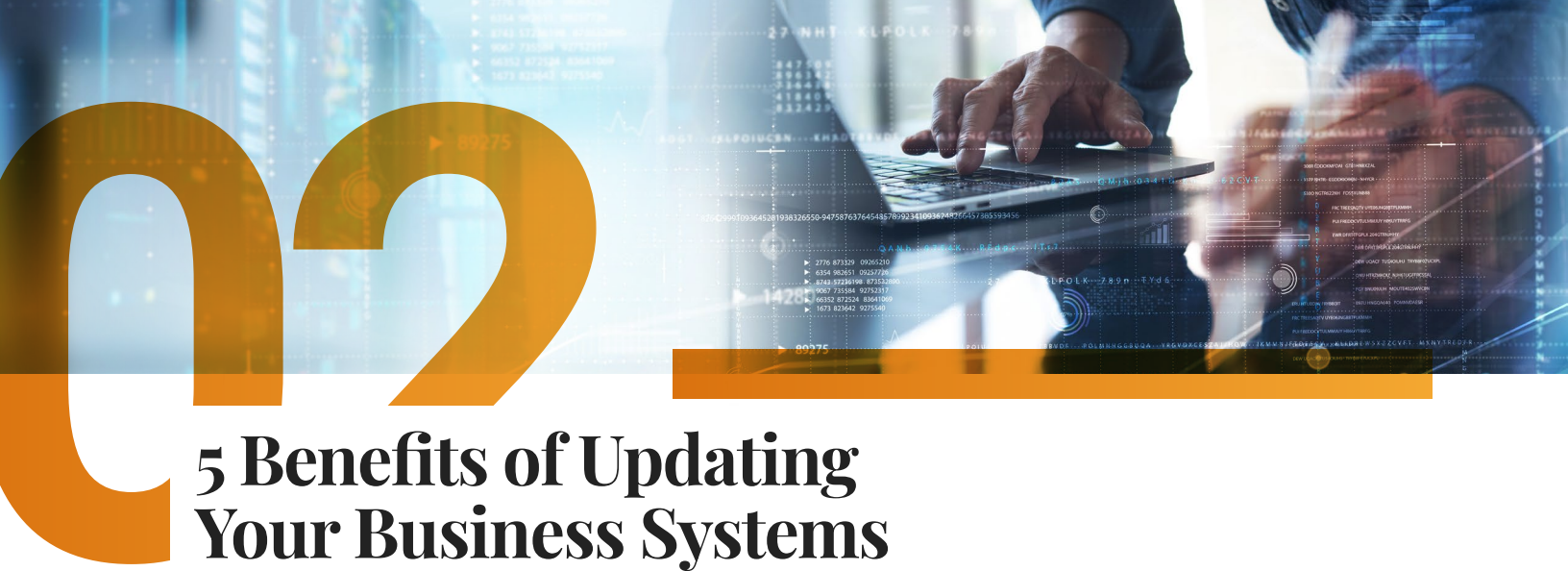Code | Limits | Rekeying | Spreadsheets

Close Management

Controls Management

Travel and Expense

AP Automation

5 Benefits of Updating Your Business Systems

A well-planned technology stack that takes advantage of the current wave of cloud-based solutions can deliver significant near- and medium-term benefits:

1

Efficiency and resource allocation
Taking an intentional approach based on each software component working together helps eliminate the need for manual, spreadsheet-driven workarounds that plague business processes and the efforts to get data from one system to another.

2

Better, more contextual access to data and analytics
AI enables improved analytics and real-time visibility into KPIs, and eliminates the need for additional business intelligence tools. It processes data, identifies patterns and provides actionable insights, driving efficiency and informed decision-making. By incorporating AI into the roadmap, organizations align technology strategy with business goals.

3

Scaling for growth
Adding business units can break manual, spreadsheet-based processes. Deploying the right tech stack can provide the infrastructure needed to handle planned future growth.

4

More standardization, governance and control
By using workflows designed within modern software platforms, accounting teams, for example, can increase controls through segregation of duties, stronger audit trails, repositories for documentation, and task lists to ensure vital processes don't fall through the cracks.

5

Reduced risk and dependency
With aging systems, spreadsheet-centric planning and undocumented integration steps, it's often risky when individual employees leave — because they take their knowledge with them. By formalizing integrations and reducing spreadsheet use, there's less dependency on tribal knowledge.

The Elements of an Effective Tech Stack

Integration of ERP and CRM systems can provide various benefits to an organization. By enabling departments to share data efficiently, it leads to better decision-making and improved analytics and reporting. Integration also helps in eliminating redundant data entry tasks, increasing efficiency and productivity while streamlining business processes. Furthermore, it allows organizations to provide a better customer experience, with real-time data access that helps customer service representatives respond quickly and resolve issues more effectively, resulting in improved customer satisfaction and loyalty. Packaged integrations between well-established apps provide solutions for standard business processes, with cloud apps playing well with existing on-premise and legacy investments.

These are the four critical ingredients for a robust departmental tech stack:

1. Best-of-Breed

A good tech stack means you haven't compromised on any software component. Each application within the stack is best-of-breed — recognized by analysts and industry peers.

2. Scalable

It's not uncommon to outgrow solutions, but each app should sustainably support growth in your head count, transactional volumes and complexity for the foreseeable future.

3. Agile

Each new application should be designed for the cloud and must be flexible enough for business users to implement, adjust and maintain without requiring expensive technology consultants.

4. Connected

No app is an island. To handle all the needs of your department, you'll need multiple solutions. Each must provide packaged integrations to deliver connected business processes to other cloud apps or existing on-premise investments without requiring code.

While there is no one-size-fits-all tech stack, the key is to make sure that each of your technology investments is best-of-breed, and that your vendors are continually innovating and improving integration with one another.

A Robust Departmental Tech Stack Must Be Scalable.

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03

Key Steps to Building Your Technology Upgrade Plan

Assemble a Team That Will Be Responsible for Driving Your Technology Strategy

Laissez-faire is never a strategy. Whether designing blueprints for a house or establishing a vision for business technology, it's always better to have a defined team to build a strategy and execute on it.

The team should:

• Be responsible for establishing a vision, determining business requirements, penciling in best-of-breed ERP and CRM providers and evaluating essential integrations between apps.

• Have visibility over the entire organization to know what solutions are going in where and how to leverage them across the organization to address pain points.

• Meet regularly to review, adjust and plan.

• Be championed by an executive or board member.

Get Stakeholder Buy-In

- Up-front stakeholder involvement will help your team adapt to the new technology and adopt the new processes.

- Some employees may equate automation with job loss, so make sure your staff understands the goal is to empower them by eliminating low-value, manual tasks.

Analyze Your Cybersecurity, Data Privacy and User Access Needs

- What kind of integrations will be required to meet all of your data integration needs?

- Could these integrations create data silos anywhere across your existing tech stack?

- Consider access needs for a remote, outsourced and digital workforce.

  - How many users need access to the solution?

  - How many users need to access your systems remotely?

  - What documentation and resources are made available to users?

  - Do you have separate roles and permissions for different user types? Are levels of access segregated by only what is necessary to do their job?

Research Solutions and Providers

- Identify the best person(s) to do an evaluation for each solution.

- Consider whether the solution aligns with your organization's needs.

- Make sure the solution is agile and stable enough to meet your strategic plans.

- Understand ROI goals and potential.

- Do you have the expertise in-house to champion the solution? Decide if you want to appoint, hire or outsource these champions.

Create an Integrated Technology Roadmap

It's impossible to build a coordinated technology plan without a roadmap. To create your roadmap, you need to document all of your business requirements for each area, measure your potential solutions against those requirements, and determine which are better to handle your needs. Once you've arrived at your short list of solutions for each area, map together business processes between them to understand what data is going to be flowing from which system to which.

Want to break down silos and avoid fortifying internal fiefdoms? Keep in mind any technology decisions that departments like sales and services are making that may intersect with finance business processes. Build a partnership and plan together.

- Start by outlining the solutions you've chosen and indicate how they cover your core processes, which may include:
  - Online vendor management and bill payment
  - Expense and credit card management
  - Financial planning and analysis
  - Budgeting
  - Converting leads into customers

- Once you've outlined your solutions, take action by:
  - Determining the internal teams and/or departments that will be involved and assessing their capacity to take on these projects
  - Gaining an understanding of the interrelatedness of the various teams who will own the data and who can contribute to the database
  - Crafting a shared language for data that will be shared across multiple systems

- Researching and identifying ideal partners for service and support

- Identifying your ideal implementation timeline and go-live date and discussing the feasibility with your implementation partners

- Pinpointing the specific integrations needed

• Don't forget to create a change management plan for user testing, training, adoption and support. These system changes will impact everyone in your organization, and it is critical that they trust in the data provided to them.

Sequence Change for Less Risk and More Resources

You also need to consider the sequence in which you'll implement your solutions. Your roadmap should ensure that each step of the plan builds on the one before, and that prior investments aren't wasted with subsequent upgrades.

While some organizations decide to start with the financial close to free up resources, for example, others may need to fix their ERP foundation before moving on to other components of the stack. The right implementation partner can help you assess your situation and map your sequence based on the impact in your environment, the impact to your team, etc.

In general, the financial close and FP&A processes both can be addressed regardless of the ERP, and they are mutually complementary. They are the least disruptive upgrades, typically replacing spreadsheets, and both deliver relatively fast time to value. Usually, there's no need to rip and replace old technology. Many apps provide connectors that integrate with legacy and newer ERPs, AP apps and CRMs.

Plan for the Unexpected

As you evolve your technology stack, there will be unforeseen hiccups due to data migration, unanticipated requirements or an unexpected integration gap. Choosing best-of-breed providers for both your CRM and ERP helps reduce the risk because these providers typically have well-rounded capabilities and have seen most types of integration.

Summary

Today's finance, sales and marketing teams must be more efficient and agile, and become strategic leaders for their businesses. This requires the right technology and a coordinated technology plan.

Cloud applications can address your needs for virtually every sales, marketing, accounting and finance business process, including core CRM, ERP, FP&A, account reconciliations and close management. By implementing best-of-breed applications, and by integrating and sequencing the upgrades to ensure all the parts fit together and add value to each other, you can build an efficient technology stack that provides the analytics and automation that are essential for the success of your organization.

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