



The Global Financial Leadership series

Part 2: Technology and talent—Strategies
for optimising your most valuable resource



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The growth of globalisation

Globalisation is a key strategy for businesses across many sectors. As the Internet and the vehicles it empowers—everything from e-commerce to social networking—becomes increasingly accessible around the globe, the world continues to grow smaller and the areas of opportunity ever more broad. While the BRIC countries (Brazil, Russia, India, and China) have been a strong area of focus in recent years, businesses are expanding their horizons to a new tier of emerging markets, such as Indonesia, Malaysia, the Philippines, South Africa, Thailand, Turkey, and Vietnam.¹

Research shows that the globalisation trend is growing. In “Building on the BRICS,” part of a Business Trends 2013 series, Deloitte LLP found that direct investment outflows from the new tier of emerging markets increased to \$39 billion in 2012, and 36% of executives based in Southeast Asian markets are making new market expansion a top priority.²

This level of activity reflects new levels of opportunity, ones that may have seemed far-fetched a short time ago, but that are now realistic and viable for companies of all shapes and sizes. Globalisation isn’t solely the domain of the big or even necessarily the bold. It is fast becoming a standard and necessary way of doing business.

However, just because globalisation is becoming more commonplace, that doesn’t mean it is any less complex. Success is by no means guaranteed; and as more small- and medium-sized businesses enter the fray, they are finding themselves less prepared than their larger counterparts on many fronts, from resources to experience to systems. Regardless of company size or the specific market and opportunity, one thing is clear—being prepared is essential.

In this series of short-form white papers, we’ll explore two of the most critical issues for companies going global and identify areas where companies frequently make mistakes. This paper, Part 2: Technology and talent—Strategies for optimising your most valuable resource, focuses on a growing challenge for organisations, particularly for those expanding outside their own borders—finding and retaining the talented individuals needed to make any international venture a success.

How to optimise your most valuable resource

Talent recruitment and retention is a growing challenge for organisations. A stubbornly sluggish economy and unemployment rates that seem reluctant to budge are very real factors facing businesses, but deceptive when it comes to defining the talent pool, especially for the area of finance. According to the US Bureau of Labor Statistics, the unemployment rate is 1.8% for CFOs and 4.6% for accountants, compared to 7.9% nationally.³ Many parts of the world are seeing a similar trend. In research compiled by the International Accounting Bulletin, the global job market for accountants was strong in 2012, with 58% of global firms surveyed indicating that hiring would increase.⁴ In 2013, the German accountancy market appeared to be maintaining momentum, Canadian accountancy firms demonstrated growth, and Brazilian firms reported strong growth despite an economic slowdown, thanks in part to upcoming sporting events like the FIFA World Cup and the Olympics.⁵

1 Building on the BRICS, Business Trends 2013; Rao, Kishore; Kalish, Ira; McClain, Simon; March; March 19, 2013; Deloitte LLP

2 Building on the BRICS.

3 CFO One-on-One: Paul McDonald of Robert Half; Zwiir, Ed; May 6, 2013; CFO.com; http://www3.cfo.com/article/2013/5/newsletter_taking-on-talent-management

4 World - Job market for accountants forecast to be buoyant in 2012, International Accounting Bulletin, December 20, 2011, Staffing Industry Analysts, <http://www.staffingindustry.com/eng/Research-Publications/Daily-News/World-Job-market-foraccountants-forecast-to-be-buoyant-in-2012>

5 Country Surveys, International Accounting Bulletin, www.internationalaccountingbulletin.com



It's not surprising then that CFOs still listed attracting and retaining top talent as one of their top five concerns in a recent study conducted jointly by Duke University and CFO Magazine.⁶ The challenges are particularly acute for multinational financial executives.

A recent Wall Street Journal article noted that multinational CFOs often cite finding local financial staff quickly enough to scale their businesses for growth as their biggest challenge. Hugh Johnston, Chief Financial Officer of PepsiCo Inc., said that emerging and developing markets are expected to comprise two-thirds of the company's business in the future and that they must often compete for a limited number of skilled financial professionals.

Multi-language is an obvious requirement for global companies and one that most technology vendors will offer on some level. However, it's not just about different translations of the software. Multi-language also means being able to run a single system, while allowing users to access it in the language of their choice. This is an essential component of deploying a single system across all locations, which can increase both standardisation and control.

"As quickly as you can fill the positions, you have new needs because the businesses are just growing that rapidly," Johnson said.⁷

There are a number of theories as to why this is happening. According to Paul McDonald, Executive Director of Robert Half Management Resources, money isn't the problem, since salaries have been on the rise for those in the finance profession. He says that unhappiness with management, limited advancement potential, and lack of recognition all factor ahead of salary.⁸ Others list perceptions among college-age students of finance as a dull and unrewarding profession and changing regulatory requirements that make it difficult to keep skill sets current as major contributors to the problem. Multinational companies can add a whole host of potential causes, ranging from the highly specialised skill sets that are often required and cultural gaps to employment laws that vary greatly by country.

These challenges leave little doubt that solid talent management strategies have become a necessity for all companies, particularly multinationals; and technology is increasingly being viewed as an essential component of building them. In a 2012-2013 Global Talent Management and Rewards Study, Towers Watson found that technology is integral to improving the delivery of talent management and total rewards programs.⁹ And Deloitte LLP has predicted that businesses will increasingly focus on building global HR services delivery models, looking for ways to take advantage of social media technology, and replacing aging HR/talent systems.¹⁰

Clearly, business software and tools should support talent management strategies rather than driving them; however, having a cohesive technology strategy and the right tools in place is essential for competing in the global marketplace. In this white paper, we'll take a look at six ways that global organisations can use technology to help improve efficiency, job satisfaction (both within the department of finance and across the business), and management of their most valuable resource—their people.

⁶ Duke/CFO Magazine Global Business Outlook Survey; June 2013; www.cfosurvey.org

⁷ CFOs say recruitment in emerging markets is their top challenge; Chasan, Emily; CFO Journal, June 21, 2013; <http://blogs.wsj.com/cfo/2013/06/21/cfos-say-recruitment-in-emerging-markets-is-their-top-talent-challenge/>

⁸ CFO One-on-One: Paul McDonald of Robert Half; Zwirn, Ed; May 6, 2013; CFO.com; http://www3.cfo.com/article/2013/5/newsletter_taking-on-talent-management

⁹ 2012 – 2013 Global Talent Management and Rewards Study, September 2012, Towers Watson

¹⁰ HR, Leadership, Technology, and Talent Management Predictions for 2013; Bersin, Josh; Forbes.com; January 11, 2013; <http://www.forbes.com/sites/joshbersin/2013/01/11/hr-leadership-technology-and-talent-management-predictions-for-2013/2/>



Get a unified view of talent worldwide

Multinational organisations face a unique set of challenges when it comes to gaining company-wide visibility of their talent pools. It's very common for multiple HR and finance systems to be in place, particularly when expansion has occurred through acquisitions. Processes are also likely to vary from geography to geography. These challenges can create many issues, not the least of which are reporting (see Part 1 of this series: Financial management essentials) and the complexity of managing your human resources. Without a global view of existing talent, it's extremely difficult to identify needs and opportunities.

While business software can't eliminate the obstacles inherent to international talent management, companies are increasingly turning to unified human capital management (HCM) technology to make them more manageable. This technology can facilitate the sharing of data and processes across different systems, without forcing users to replace those systems. Rather than having information sit in silos, data about employees across all geographies can be linked to provide a single view, company wide. When an employee in Spain is qualified for a higher-level position in France, for example, unified HCM makes it possible to identify that potential match. Employees have more opportunities, while employers are better able to fulfill their talent needs.

In a Deloitte report on unified human capital management, they noted:

"The first step in developing a broad talent management plan is to establish a baseline by conducting an organisation-wide inventory of existing talent that identifies high-quality performers and organisational talent gaps. From this inventory, a plan is developed that includes creating strategies for retaining existing talent, developing employees' skills and leadership abilities to fill future needs, and sourcing talent as required. Effective execution of the plan requires buy-in and functional alignment across the organisation. Unified, integrated technology solutions can help organisations efficiently execute their plan."¹¹

The capabilities and applications of unified HCM are quite broad and can be used to build a single talent management strategy globally; but the first step is getting everyone on the same page. Human resources and financial staff with varying background and priorities must all buy in to the process before it will have value. With the right approach, however, unified HCM becomes an easy sell, as all stakeholders will ultimately benefit.

Improve the technology user experience

User experience in this case refers to the interfaces of the various business systems that employees use to get their jobs done. As discussed above, a variety of systems are often in use. The level of technological sophistication across different geographies can vary widely, with companies frequently relying on dated applications that are adequate at best and at worst, cause almost as many problems as they solve. This is particularly common in the area of finance, where systems traditionally lock companies in to certain methods for handling key tasks. Going global means that needs in areas like reporting and tax management change significantly; but too often, systems do not. This results in manual processes, high error rates, heavier than necessary workloads, and frustrated employees.

Compounding those challenges are the expectations of employees, both younger generations just entering the workforce and experienced workers who have a rapidly growing level of technological sophistication. When they can change the channel on their TVs using an iPhone® while waiting for a plane to take off, why can't they get the information they need at work without accessing three different systems—or better yet, access it on that same iPhone when takeoff is delayed? Established employees are increasingly expecting the technology in their work lives to mirror that in their personal lives, and younger workers can't imagine anything else. The bottom line? Job satisfaction and technology user experiences have become closely entwined.



Clearly, user experience cannot be the sole driver for replacing or upgrading dated systems. Those types of initiatives and investments warrant a much deeper business case. However, when making decisions about technology, user experience needs to be considered. The good news is that finance and HR systems (along with many other categories of enterprise software) have experienced a period of accelerated development and are now able to deliver a far more sophisticated experience than ever before. Companies no longer have to sacrifice form for the sake of function, or settle for having different user interfaces across every application. Systems are available today that look, feel, and behave very much like consumer technology.

At the end of the day, user experience is about more than just beauty. It's about allowing employees to work in ways that are familiar, consistent, enjoyable, and ultimately more productive. It's taken a long time for the enterprise business software market to catch up, but employees are likely to think it was worth the wait.

Remove IT as the gatekeeper of information

Global businesses must be able to effectively manage a broader and typically more complex set of requirements in areas like reporting, taxation, and regulatory compliance. The need for analysis and oversight is significant, but the resources available to perform these key tasks are often in short supply. Technology has been both an enabler in this area and an obstacle, as analytics and business intelligence tools have also historically required a high degree of technical expertise. As a result, IT departments have been put in the position of being information gatekeepers, while finance departments have been at the mercy of shrinking technical bandwidth. With finance playing an increasingly strategic role in the organisation at the same time that demands for analysis from all parts of the business are increasing, the traditional model is becoming unsustainable.

In response to the increased demand for analysis, analytics and business intelligence (BI) technology have evolved, giving rise to a trend known as the "democratisation of data." The concept is simple—give end users (both inside of finance and outside) direct access to business data that will improve their ability to do their jobs. It's being accomplished in a variety of ways. One is through BI tools that have been designed with end users in mind, reducing or even eliminating the need for technical expertise. Another is contextual analytics, which is technology that delivers relevant data to users automatically as they're doing their jobs—no searching or analysis required. So when a finance employee is processing an invoice, for example, the customer's payment history over the last six months can be automatically displayed on the screen to provide context around any decisions.

For global companies, the democratisation of data is all about responsiveness, improved decision making, and the ability to do more with less. By removing barriers to information, employees are more likely to be both satisfied and productive, which is good news for executives tasked with managing multinational operations.

You can learn more about this topic in our white paper "The democratisation of data," available at <http://www.infor.com/content/whitepapers/democratisation-of-data.pdf/>.

Allow employees to work the way they live

In geographies around the world, the use of mobile devices has taken off. Recent research from GSMA and PWC predicts that more than 1.5 billion mobile connections will be added in Asia by 2017, which will fuel the growth of a so-called "connected life."¹² The transformative nature of mobile technology is undeniable and it appears at this stage, unstoppable.



Once the domain of email alone, mobile access within a business environment is now being expanded to include core systems, like financial management. Although security was once a major obstacle and is still a concern for some, businesses are increasingly deciding that the benefits of expanding mobile access outweigh the risks. Employees love it (and are increasingly demanding it) because they can match their jobs more closely to their lifestyles, while employers are benefitting from on-demand access to their workers—anytime, anywhere.

For global businesses, the potential of mobile technology and the role it can play as a talent management and retention tool are hard to underestimate. In some geographies, mobile technology is so pervasive that the line between personal and business uses has virtually ceased to exist; countries that have not yet reached this point are unlikely to be far behind.

Having a mobile strategy in place will be key to creating an environment that workers feel is complementary to the way they live their lives.

Find out if you're on the right road to mobile enablement by reading our white paper, "The mobile (r)evolution" at <http://www.infor.com/content/whitepapers/mobile-revolution.pdf>.

Capture and use knowledge from all parts of your business

It can be tough for multinational businesses to capture and use knowledge that resides in geographically diverse business units and operations. Facilitating collaboration among employees can be difficult even when they're in the same location, much less spread across countries. Yet doing so represents a significant untapped source of knowledge that businesses can take advantage of, and technology is playing a key role in these efforts.

One strategy is to implement a company-wide knowledge base that stores information about company policies and procedures. Employees can get a global view of all their questions in a single, shared location, so they can use knowledge from areas across the business to solve problems and work more efficiently.

Kellogg is one company that has taken this approach. Speaking of their partnership with Infor®, Anne Paterra, Kellogg's Senior Director, HR Shared Services, said: "Our number one priority was to implement a standardised and centrally governed system. Infor HR Service Delivery provided a personalised HR portal to drive employee and manager self-service. Our goal was to maximize self-service adoption, and our survey results show employees as 'very satisfied'."

A second strategy is to use social business—technology that is very familiar in personal usage as social media, but that is just starting to take hold in business environments. Increasingly, companies are viewing social business as both a new answer to some age-old problems and an opportunity to get ahead. In a recent study on social business adoption trends and key performance indicators, Gartner noted: "...businesses are now focused on marketing, customer support, research and development, human resources, sales, manufacturing, distribution and executive leadership departments across multiple industries and geographies. Companies are implementing social strategies to achieve objectives aligning to their prime metrics."¹³



Collaboration, knowledge capture, and interaction with information are the primary focus of social business technologies. According to a study by the McKinsey Global Institute, the average employee devotes 28% of work time to reading, composing, and managing email.¹⁴ Social business is viewed as an opportunity to tackle this problem. McKinsey estimates that social technology can reduce email loads by 20% to 25% for interaction workers.¹⁵

But the greater opportunity perhaps lies with taking collaboration to the next level and changing the way the employees interact with information. Social business technologies can embed collaborative tools directly into core systems, rather than having them sit on top (a significant limitation of email and other collaboration tools). This makes it possible to capture and track vital corporate knowledge that is normally lost, and to make that information come alive through powerful enterprise search capabilities and even alert systems that deliver data automatically to end-users.

For global businesses, social business provides new ways to capture knowledge, make collaboration across all areas of the company a standard way of doing business, and give employees access to tools that use concepts they already know and love. Executives are seeing the potential for a big win on many fronts as a result.

Reduce bureaucracy

Most of us have experienced it, the frustration that comes from taking care of the minutia associated with simply being an employee. The larger the organisation and the more geographically diverse, the harder it can be to get answers to what should be basic questions. In one study out of the UK, researchers found that British workers spend an average of 35 days a year on administrative tasks. The time wasted on these processes—from changing an address to adding a dependent to an insurance plan—is frustrating for all concerned. Both employees and employers want time to be spent productively.

Administrative tasks will never go away, but companies can drastically reduce the amount of time required to complete them. With the right combination of technology and policy, companies have been able to decrease the amount of administrative tasks that require HR intervention by up to 70%, giving employees a greater degree of control and increasing satisfaction around performing these tasks, while still protecting privacy and confidentiality. And as discussed earlier, the experience that employees have will more closely match the way they manage similar activities in their personal lives. The combination of more time and less frustration can have a significant impact on morale for employees in general and for those (like HR and finance) responsible for administrative execution.

Attract the best and brightest

Businesses have long known that people provide the greatest potential for building competitive advantage. In multinational environments where the demand for skilled workers, particularly in the area of finance, is on the rise while the corresponding labor pool appears to be shrinking or remaining stagnant, attracting and retaining top talent is an initiative that requires on-going attention and fresh, innovative ideas. Technology is not a panacea, but it can provide a solid foundation for a unified talent management strategy. Companies that use it wisely are likely to find themselves with a powerful ally in the battle for the best and brightest.

¹⁴ How much time you really spend emailing at work; McGregor, Jena; The Washington Post; July 31, 2012;

http://www.washingtonpost.com/blogs/post-leadership/post/how-much-time-you-really-spend-emailing-at-work/2012/07/31/gJQAI50sMX_blog.html

¹⁵ The social economy: Unlocking value and productivity through social technologies, McKinsey & Company, July 2012;

http://www.mckinsey.com/insights/high_tech_telecoms_internet/the_social_economy



About TRG International

We are a genuine consultant and partner who deeply understands the challenges of our customers business and is always ready to go the extra mile to deliver exactly the right solution for them.

It's not about **what we sell**, it's all about **how we think**

Let us be **your preferred partner** to provide systems that work:

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- ✦ Enterprise Performance Management
- ✦ Hospitality
- ✦ Retail Management
- ✦ People Performance Management
- ✦ HR
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