

Definitive guide to Harmonising
Global Financial Reporting

For finance professionals in Asia-Pacific





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Harmonisation: getting started.

All too often, the statutory reporting process is too long, relies on too many manual processes, and introduces needless risk, all of which make a strong case for change.

In-country statutory reporting is ripe for harmonisation. As part of the global trend towards finance transformation, as organisations look for new ways to drive savings and efficiencies, the old ways of doing things just don't cut it anymore. By harmonising statutory reporting by standardising, centralising and automating; your organisation not only saves time and money, but greatly reduces the risk of human error that can lead to non-compliance.

But where to start? Harmonising your global financial reporting can bring speed, efficiency, reduced risk and costs, but how can your team realise those benefits? How do we define the key terms, how does the process work, and how do you know whether you have enough central knowledge to ensure compliance? How do you choose a solution that works holistically for your enterprise, enabling people, processes, data and technology to drive a positive transition?

This guide will demystify harmonisation of global financial reporting, helping you to understand how to be ready for harmonisation—and how to make a measurable success of it when it's time to implement.

Challenges of global financial reporting.

Many multinational organisations are going through finance, tax or IT transformation projects in an effort to drive transparency, efficiency and reduce costs. This trend for global hub models continues to develop, organised around Shared Service Centres or Centres of Excellence, to streamline processes and reduce costs as well as risk. Initially focused on harmonisation of the transactional landscape, now more complex added-value processes like statutory financial reporting are on the change agenda.

Finance and compliance teams are expected to operate with efficiency targets and deliver more with less – and harmonisation of your reporting processes can be key to achieving this. Technology really helps organisations to look at the process more holistically, enabling your professional staff to focus on tasks that add strategic value to the whole enterprise.

Generally, the more jurisdictions a company operates in, the more time-consuming, complex and costly the financial reporting process is. Every jurisdiction has a different process and usually the technological specifications involved in reporting compliance vary greatly from one jurisdiction to the next, and local authorities frequently change their policies, regulations and disclosures.

For these multi-entity, multi-jurisdiction organisations, significant challenges emerge from the diversity of reporting and compliance requirements, and the pace of change of these requirements can cause 'compliance fatigue'. Reports must be created for hundreds of legal entities across dozens of jurisdictions, all with distinct local formats, often in the local language, against challenging reporting deadlines and constantly changing regulatory requirements.

Global reporting requirements are evolving to meet new market needs informed by the changing financial and technological climate. As a result, financial reporting is becoming more complex and more stringent. Organisations are having to report and present data at an unprecedented level of granularity, which means more operational and process complexity, and more risk. Additionally, regulators are beginning to jump on the bandwagon, looking to standardise globally with such initiatives as IFRS standardisation and eFiling of the final submission.

This ever-changing regulatory landscape requires technical local knowledge and expertise, which is a main driver of companies retaining their reporting functions in-house, in-country. Logically speaking, this is sound reasoning. The laws and regulations in different countries are often written in the native language, so there are advantages to having people on the ground who understand the local language and legal customs, and who can ensure compliance at the local level while also acting as intermediaries to the larger enterprise. However, having multiple teams in multiple jurisdictions duplicates effort, increases inefficiencies and, of course, fixed costs. Further, organisations that lean ever more heavily on their local experts expose themselves to significant people-risk. In many locations, staff with local regulatory expertise are eagerly sought and recruited by teams from other organisations. A salary hike or some key staff leaving the organisation is sometimes enough to expose this vulnerability. Additionally, if done outside the country of filing in a hub model, the local language aspects needed in many jurisdictions is a further challenge on process and key person dependency risk.

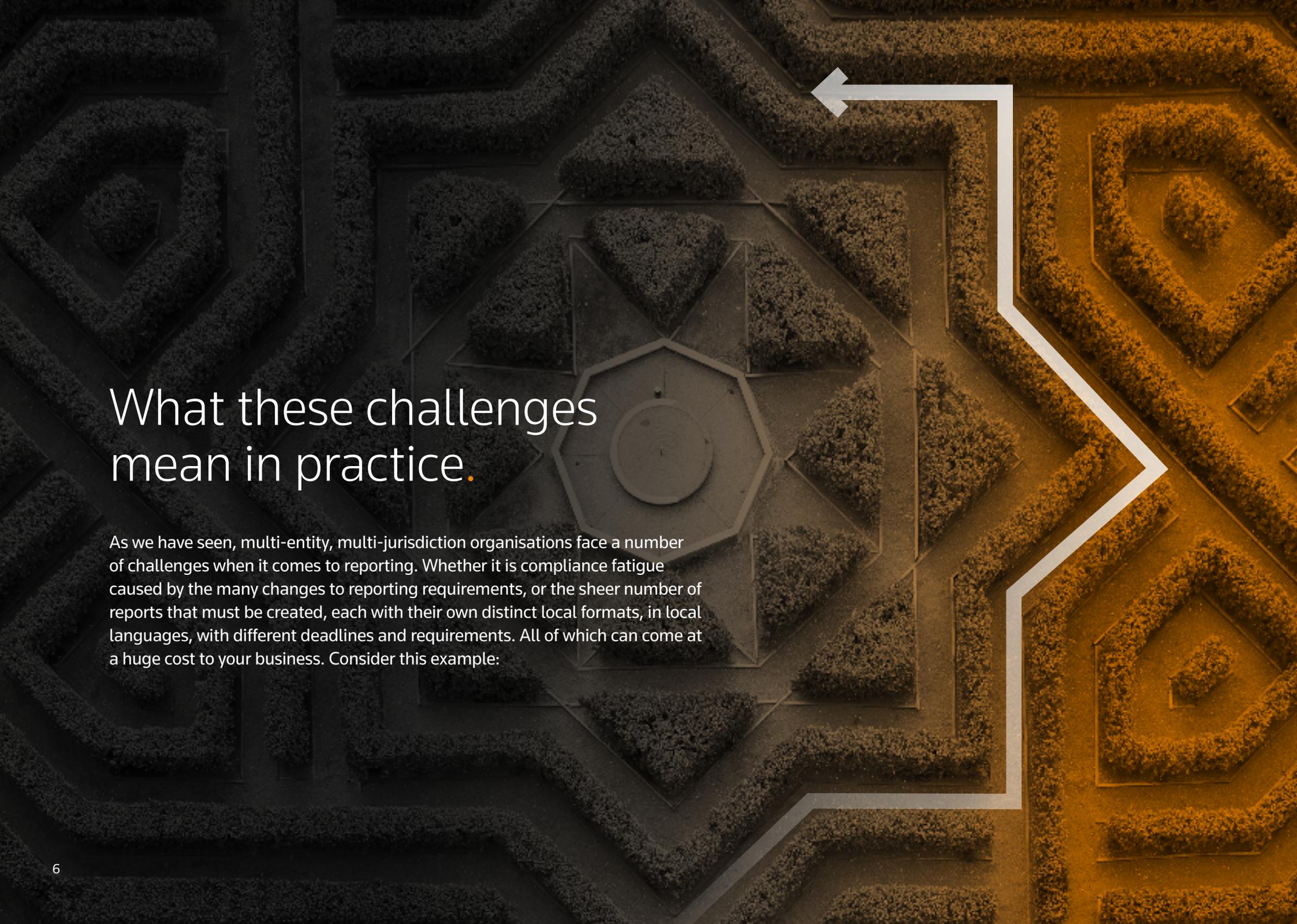
Typically, within most multinational accounting departments, statutory reporting processes are still overwhelmingly manual. Spreadsheets and standard word processing tools are the primary vehicle for data collection and report generation. This antiquated approach lends itself to inaccuracies and inefficiencies. Such processes make an already complex task more difficult, and time-consuming, and can lead to delayed reporting or even non-compliance.

In practice, financial reporting involves tedious, manual work. As teams operate under immense pressure, and are faced with last-minute adjustments, errors can creep into the process. If your reports are being prepared for many entities across multiple jurisdictions, there are likely to be multiple teams involved, with differing sets of data and accounts dependant on who completes it and where. Without adequate standardisation, auditors are likely to spend more time integrating different formats and reviewing different outputs, meaning an increase in the number of manual working hours, and of course, further risk of inconsistency and error. Auditors won't protest, of course, as all this amounts to the proliferation of audit action points and therefore, billing.

It is crucial to get local financial reporting correct and in line with the strict deadlines. Mistakes or delays can result in fines or even criminal proceedings against the filers of non-compliant documentation. Many jurisdictions hold directors personally liable if local financial statements are not correct or submitted late, so both the business and personal stakes are high.

Multiple company operational jurisdictions

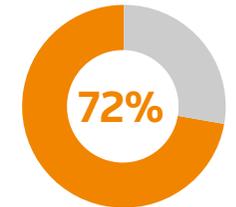


An aerial photograph of a complex maze made of hedges. A white path winds through the maze, starting from the right side and ending at a central circular area. The maze is illuminated with a warm, golden light, creating a strong contrast between the dark hedges and the bright path.

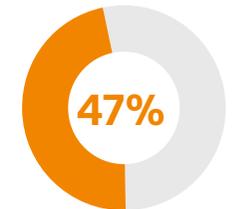
What these challenges mean in practice.

As we have seen, multi-entity, multi-jurisdiction organisations face a number of challenges when it comes to reporting. Whether it is compliance fatigue caused by the many changes to reporting requirements, or the sheer number of reports that must be created, each with their own distinct local formats, in local languages, with different deadlines and requirements. All of which can come at a huge cost to your business. Consider this example:

Country	Entities
USA	30
Canada	20
Argentina	2
Brazil	10
Mexico	2
Chile	1
United Kingdom	15
Ireland	15
Netherlands	15
France	4
Germany	4
Italy	3
Spain	5
Portugal	3
Norway	2
Sweden	2
Finland	2
Russia	2
Australia	5
New Zealand	2
Japan	3
India	10
China	25
South Africa	1
Singapore	10
Total	193



2+ Statutory Reports per entity



4+ Statutory reports per entity

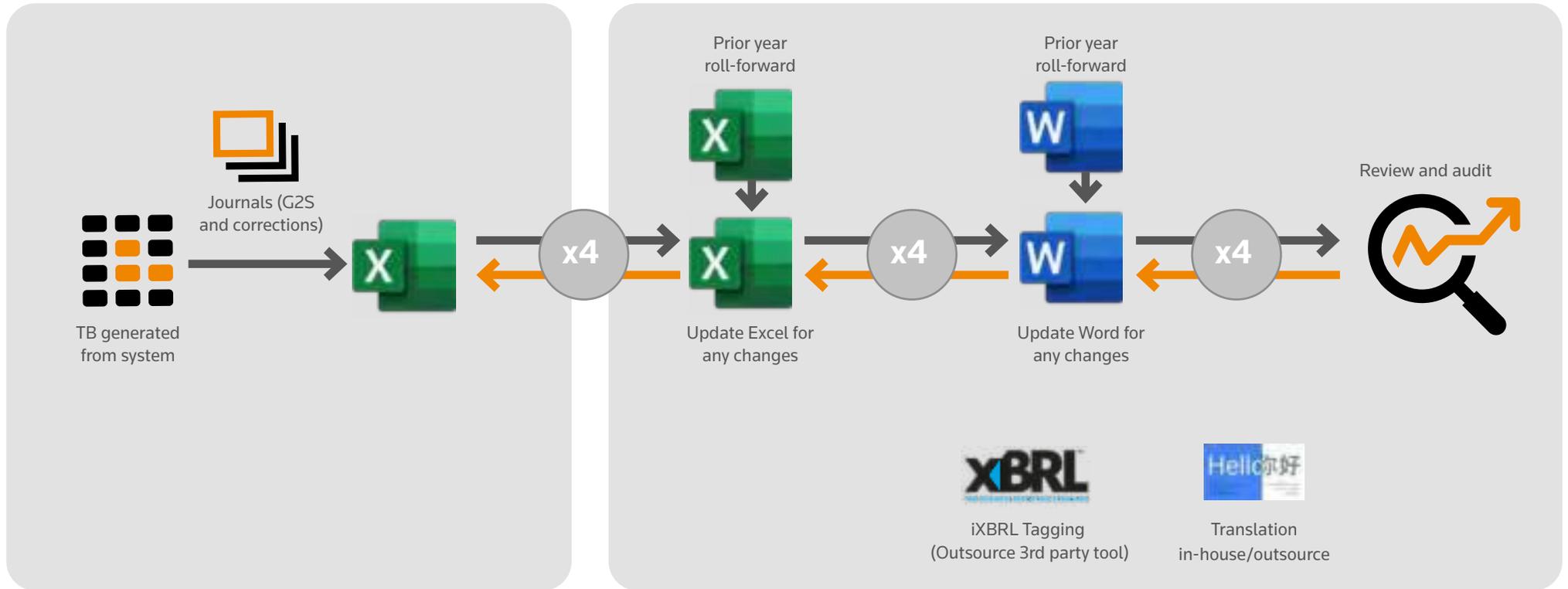
THOMSON REUTERS

We have a US multinational with 193 entities in 25 jurisdictions around the world. They have a Shared Service Centre in India that hires local language experts to prepare the local country financial statements for European countries.

If we disregard entities in the US—as, predominantly, there isn't the need to prepare or lodge financial statements at the individual entity level—we are still left with **163 entities** in **24 different jurisdictions** that require local country statutory reports. Given the local country regulations, reports must be prepared in **12 different languages**.

According to a recent Thomson Reuters survey, 72% of organisations stated that they repeat two or more statutory report drafts per entity, while 47% of respondents repeat four or more. Of course, experience would tell you that there could be several organisations that complete more than 4 drafts per entity.

Now let's look at the manual process and the time it takes to complete each stage.





- Manual manipulation of data required for G2S adjustments, which may be done using different software in different formats and completed by different teams.
- As there are changes to the numbers while the TB is being finalised, there are repeated iterations.



- Research for content updates for regulatory changes.
- Manual work of rolling forward Excel documents, including adding new templates and removing historical ones, checking back to the prior year financials, rekeying prior year numbers, where appropriate, updating formulas for all organisational structure changes and ensuring links in the spreadsheet are not broken.
- Manual work of rolling forward Word documents, including adding new sections and removing historical ones, deleting prior year numbers, formatting all information headers, footers, page numbers, page layout, etc.
- Significant time is spent ensuring that all formatting is consistent across Word and Excel formats, which is compounded by the iterative process as auditors review and recommend changes.



- Initial preparation of primary statements, directors' report wording, accounting policies and full support notes.
- All are different across the various jurisdictions.



- This is the process of manual data input and preparation of the draft of the reports.
- Must deal with rounding, note and page referencing, reconciliations and manual review.
- As changes are made from both internal and auditor feedback, further iterations are likely to be required.



- Final reports are translated into English, or back to local language depending on the process.
- For countries where electronic lodgment through XBRL is required, the reports will be passed over to an external team to prepare.

Process	Iterations	Hours
Data Load	4+	8
Roll Forward		6
Initial Draft		8
Drafts/Final	4+	16
Translation and XBRL		7

Total: 45 hours per entity

Of course, with manual processes comes high risk. As each process and each iteration of that process contains so many human touch points, the potential for oversight, inconsistency and error leading to non-compliance is ever-present. This is only compounded as deadlines approach and the workload becomes even more demanding. Looking purely at the quantifiable cost, when we add up the time for each of these processes and the iterations that take place, we see that it takes around 45 hours per entity. Applied to the example organisation with 163 non-US entities above, we see that the overall effort required is incredibly significant.

163 x 45 = 7,335 hours globally

1,048 days of work

As each organisation is looking to streamline their operations and continually keep the bottom line in mind, the case for harmonising the statutory reporting process becomes much stronger.



Why it's time to harmonise your global financial reporting.

Harmonising global financial reporting is about challenging the status quo. Using dedicated technology to standardise, centralise and automate your reporting processes can deliver greater efficiency, accuracy, and savings. Harmonisation means that your staff can focus more time on the true meaning behind the numbers adding value, in effect, focusing on what financial reports are really all about, properly using the skills they trained over many years to gain and not just trouble-shooting black box spreadsheets.



Through harmonisation, you could eliminate hundreds of hours of work and enable the preparation of full disclosure and supplementary notes, freeing your staff from research, formatting and burdensome manual tasks. Harmonisation technology enables you to automate the simple things in your reports that can cause the biggest headaches, giving you greater consistency and accuracy.

By adopting the right harmonisation solution, organisations can empower their teams with the tools needed to not only maintain compliance in a complex environment, but to also develop a global strategy focused on minimising risk in response to changes in regulations, accounting standards and tax law, as well as drive better business decisions.

Of course, as with any transformation project, some resistance to change is natural and one of the major concerns about harmonising statutory reporting, particularly for organisations with multiple global entities, is the perception that they will be exposed to increased risk as a result of gaps in local knowledge. Compliance personnel are forever haunted by the question, “do you know what you don’t know?”. However, moving to a centralised process with the right content rich technology can ease such worries.

How harmonisation drives the shared services model

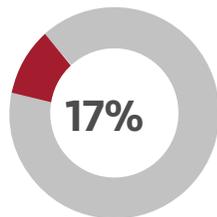
The shared services model has been deployed across multinational organisations for roughly three decades, driving improved, enterprise-wide cost efficiencies and quality services through standardisation and centralisation. The model is predominantly characterised by global service delivery, with centres usually serving multiple countries. Shared services are thus well-positioned to roll out harmonised global financial reporting services.

Financial reporting represents a veritable minefield of compliance and risk, leading many organisations to retain their reporting functions in-country. However, the proven benefits of moving to a centralised approach, organised around a global or regional Shared Service Centre or Centre of Excellence, far outweigh those of remaining in-country. While the opportunity to improve the cost and performance of financial reporting exists, what is holding back organisations is concern around exposing themselves to the risk of non-compliance.

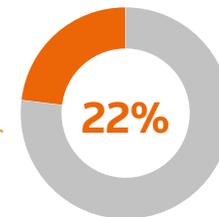
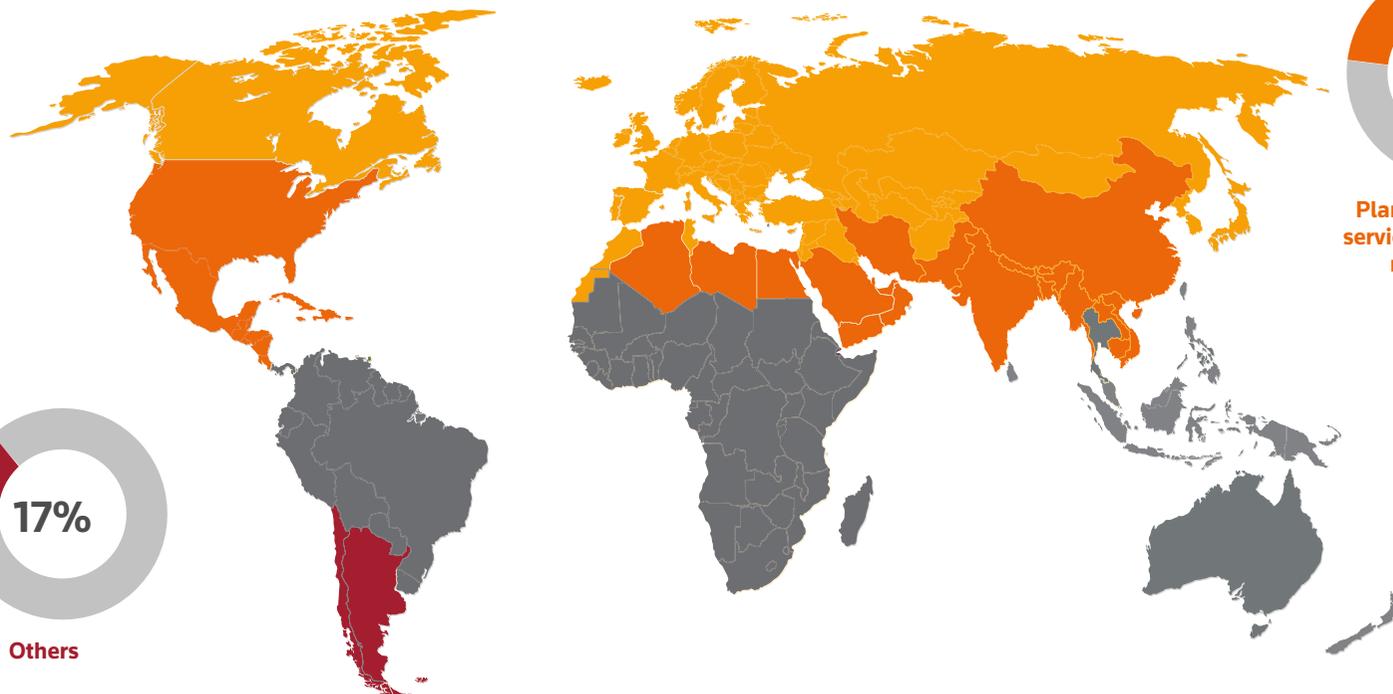
According to a recent APAC survey, around 72 percent of multinationals were either already using or planning to use a shared service centre for statutory reporting within the next three years and 11 percent had no plans to centralise. Clearly those that have not yet centralised their financial reporting functions do not want to get left behind by their competitors who have already embraced such strategy.



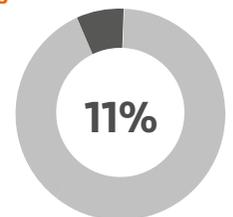
Used shared services centre for statutory reporting



Others



Plan to use shared services centre in the next 3 years

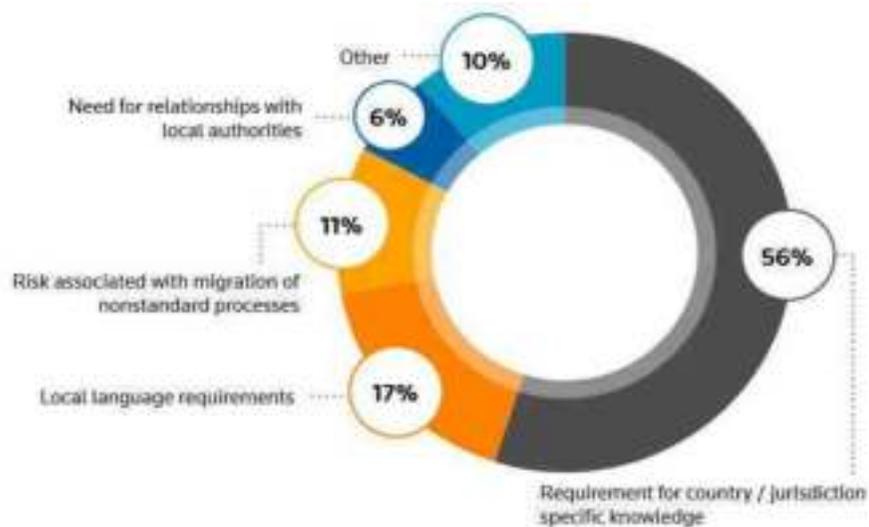


Local finance responsibility, no plans to change

Language is no longer a barrier to harmonisation

Centralising reporting operations in a shared service centre means less work at the local level and less duplication of efforts across the enterprise. Until recently, it also meant having to find ways around regional language issues, as well as the requirement for country - or jurisdiction-specific knowledge, and the need for relationships with local authorities. Indeed, 56 percent of respondents in a recent APAC survey cite the requirement for in-depth local knowledge as a main challenge in harmonising their statutory reporting. Another 17 percent cite local language requirements. Technology means you can overcome these barriers.

What do you consider the main challenge in moving statutory reporting to a centralised/SSC model?



Source: Thomson Reuters and SSON APAC Survey Report

Choosing a harmonisation solution that fully integrates a universal language-translation function can essentially 'de-language' the entire statutory reporting production process. Without having to overcome the language barrier, it is much easier to transfer data and documents from different jurisdictions to a centralised operation, where it can be processed much more efficiently and easily integrated into the organisation's overall workflows. Centralisation does not have to mean that you expose your organisation to increased risk due to a lack of in-depth local knowledge.

Similarly, technology can offer standardised delivery of statutory reporting processes and assure that content-based knowledge and translation facilities address any localisation concerns. As the technology and its expertise within has improved, the compliance concerns that were traditionally thought of as untouchable can now be successfully addressed through a centralised shared services model. Ensuring your solution integrates current local best practice content from the Big Four is critical to successful harmonisation as it will provide assurance that mandated local compliance rules are met fully and correctly.

The process-based nature of financial reporting aligns itself well with the Shared Service model. From a process perspective, a lot can be harmonised through these centralised teams. Consider this break-down of the reporting process as highlighted in previous pages:

- Confirming primary numbers within ERP.
- Importing those numbers into statutory books.
- Taking the necessary steps to ensure those numbers are correct to local accounting.
- Disclosure management and assessment of applicable reporting for each financial entity.
- Updating changes from internal review and external audit.
- Roll forward and regulation update of the jurisdiction reporting requirements.

All of this lends itself to being standardised and automated, enabling you to spend less time on tediously labouring for data consistency, and more time focussing on increasing efficiency, improving controls, ultimately saving you time and money.

Key benefits of harmonising global financial reporting.

-  **Speed** Harmonising your global financial reporting facilitates the completion of financial statements earlier in your financial process. It enables you to spend less time on data collection and managing multiple report iterations, allowing for quicker access to the data you need for downstream processes.
-  **Transition from GAAP to local statutory** Reconciling the walk from GAAP to local statutory becomes simpler than ever. A harmonisation solution ensures that you can easily load General Ledger data in multiple formats with audit trails for all data sources.
-  **Finance transformation** Harmonisation means you have one provider for a standardised process—a consistent, centralised platform for global control of your financial reporting.
-  **The simple things** These include pre-linked disclosures, automated rounding, dynamic note and page number referencing, annual roll forward, linking data, pre-tagged XBRL reports, adding/removing/customising disclosures quickly, and standard work papers. A harmonisation solution means that you can capture and store your data once to improve the quality of your reports and prevent re-keying errors, reducing the risk of non-compliance.

Harmonisation in practice: case study.

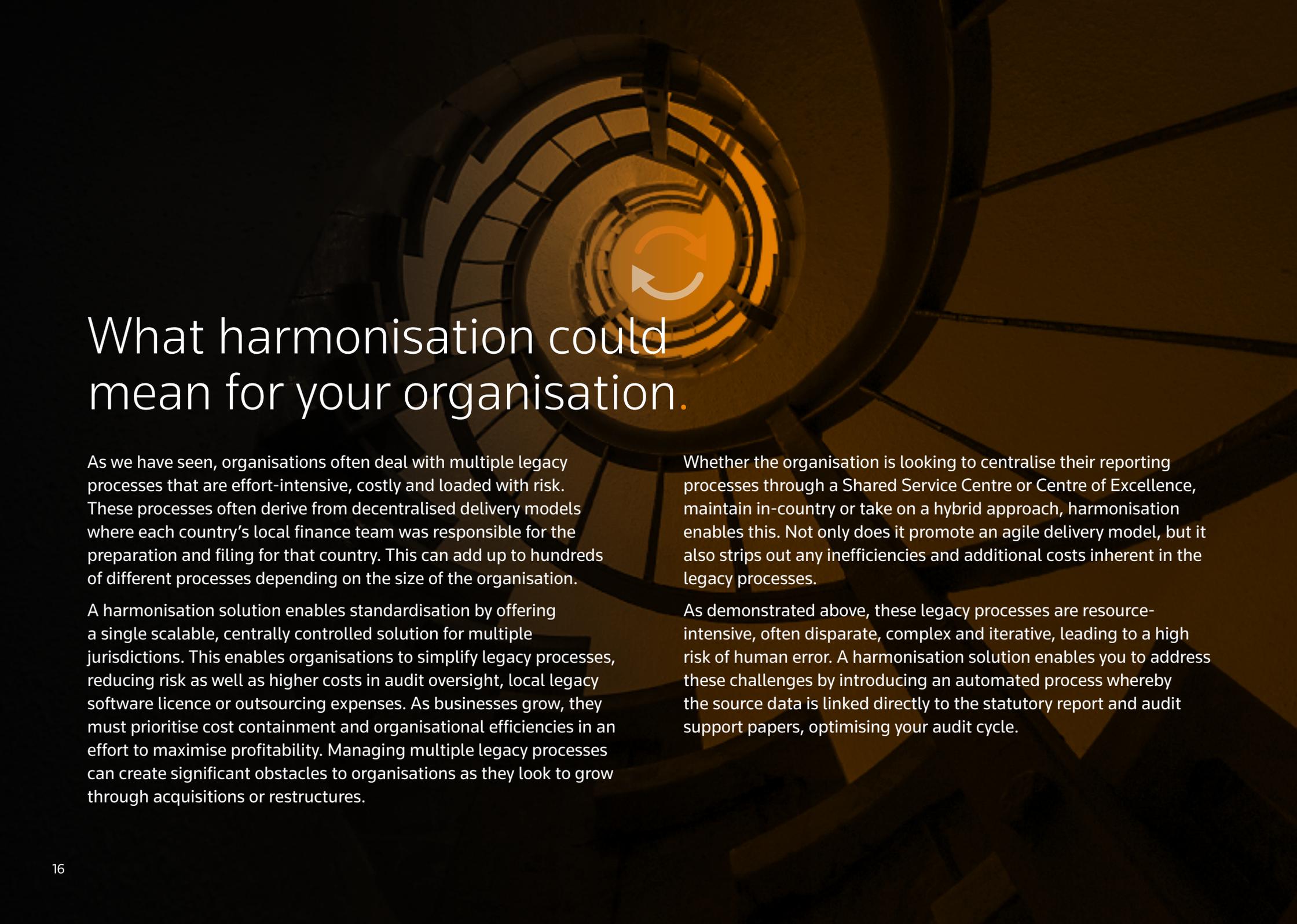
An early adopter of a harmonisation solution, this industrial-focused multinational, present in more than 100 countries, sought to improve the last mile of its statutory reporting. It had significant statutory reporting responsibilities, and the local reporting processes that it used were increasingly costly. There were approximately 500 ERP systems in use, reliance on Microsoft Excel was heavy, and there were many tools involved in consolidating their local reporting process. The complete process took too long, relied on too many manual processes and introduced needless risk.

The time was right to make a structural change to turn the patchwork system into a process that was scalable by allowing the user to do statutory reporting in-country as well as in a centralised hub. This approach would control costs and prove to be more resilient. The primary macro indicator for success was reducing total costs associated with jurisdiction-specific statutory reporting. The team also tracked the accuracy and quality of each filing.

The team needed an automated process that enabled standardised regulatory disclosure compliance at scale, part of an overall improved process for statutory reporting. The best-practice approach to achieving these goals was to standardise, centralise and automate the financial reporting process using harmonisation software.

By using templates developed for major jurisdictions, the company was able to reduce its reliance on in-country expertise and thus its cost. Moving forward, advances in on-demand translation could deliver even more flexibility in this regard. For many jurisdictions, the company was able to work with its supplier to develop templates created in conjunction with a Big Four accounting firm to meet local country regulatory requirements. Regular updates ensured that the content remained compliant, adding further value to the transformation.

Adopting the harmonisation solution was a seamless transition resulting in significant total cost reduction for statutory reporting, considerably fewer ERP systems, reporting templates for major and less popular jurisdictions, leading to the standardisation of nearly 50 countries' reports.



What harmonisation could mean for your organisation.

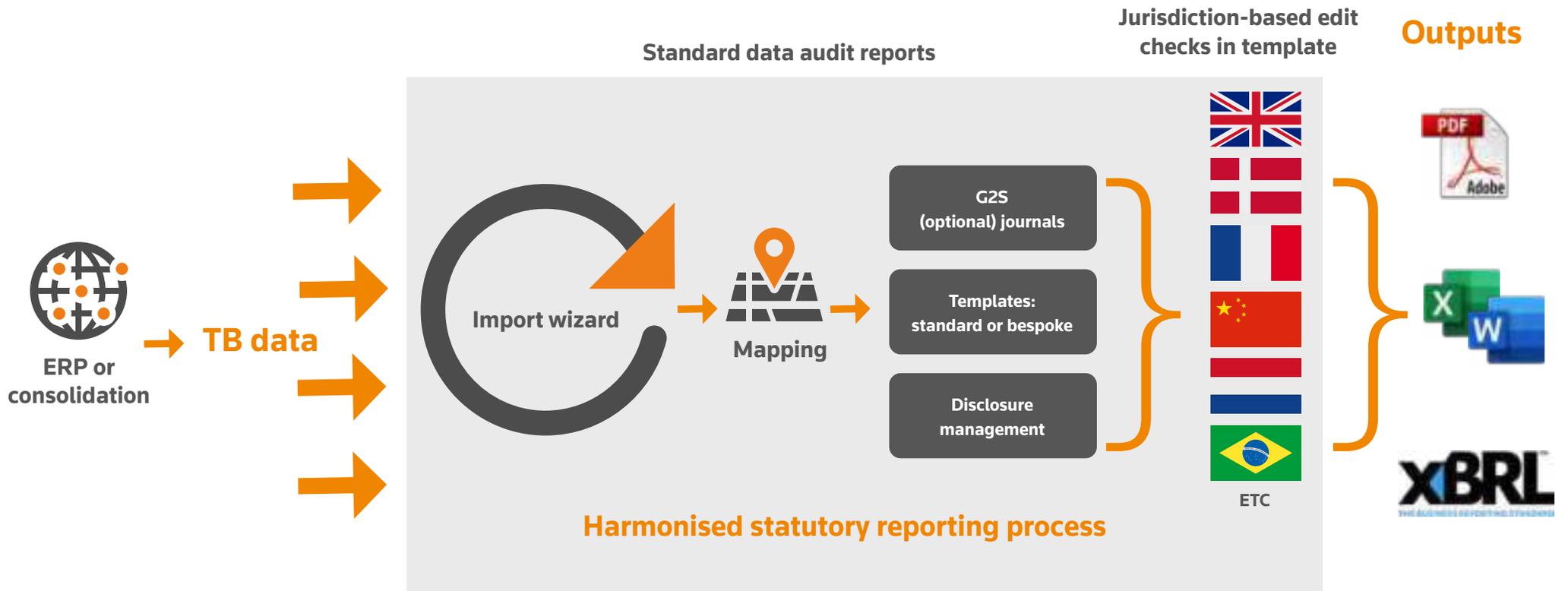
As we have seen, organisations often deal with multiple legacy processes that are effort-intensive, costly and loaded with risk. These processes often derive from decentralised delivery models where each country's local finance team was responsible for the preparation and filing for that country. This can add up to hundreds of different processes depending on the size of the organisation.

A harmonisation solution enables standardisation by offering a single scalable, centrally controlled solution for multiple jurisdictions. This enables organisations to simplify legacy processes, reducing risk as well as higher costs in audit oversight, local legacy software licence or outsourcing expenses. As businesses grow, they must prioritise cost containment and organisational efficiencies in an effort to maximise profitability. Managing multiple legacy processes can create significant obstacles to organisations as they look to grow through acquisitions or restructures.

Whether the organisation is looking to centralise their reporting processes through a Shared Service Centre or Centre of Excellence, maintain in-country or take on a hybrid approach, harmonisation enables this. Not only does it promote an agile delivery model, but it also strips out any inefficiencies and additional costs inherent in the legacy processes.

As demonstrated above, these legacy processes are resource-intensive, often disparate, complex and iterative, leading to a high risk of human error. A harmonisation solution enables you to address these challenges by introducing an automated process whereby the source data is linked directly to the statutory report and audit support papers, optimising your audit cycle.

What could a harmonised statutory reporting process look like?





If we revisit our earlier example, we can see how a harmonisation solution provides enormous benefits and equates to huge time savings. While the manual legacy process took around 45 hours per entity, a harmonised process would take only 15 hours to complete per entity.

Using a harmonisation solution with automation, internal reconciliations and pre-tagged templates, not only saves you time, but you would also produce higher quality financial statements. You reduce the number of iterations needed for the data load process, which is automated and mapped to the relevant country-specific disclosures. In turn this reduces the time taken to complete Roll Forward process from 6 hours to 1.

Choosing a solution that includes best practice local country content would reduce the time taken to produce the initial draft from 8 hours to 2. Similarly, a solution that includes translation and XBRL tagging tools, delivers significant time savings.

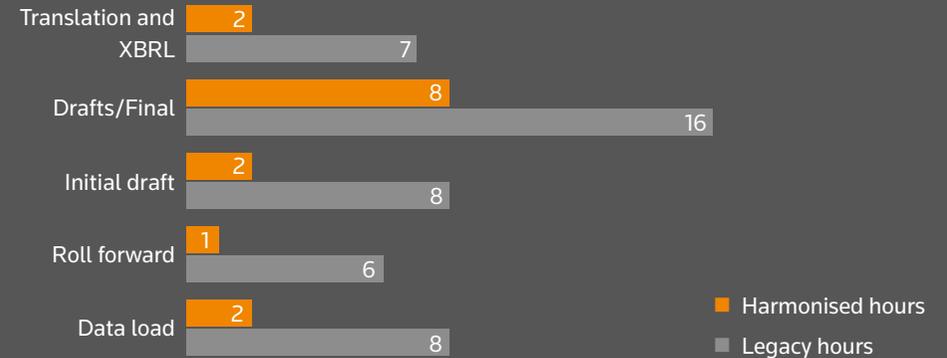
Process	Iterations	Hours
Data Load	1-2	2
Roll Forward		1
Initial Draft		2
Drafts/Final	1-2	8
Translation and XBRL		2

Total: 15 hours per entity

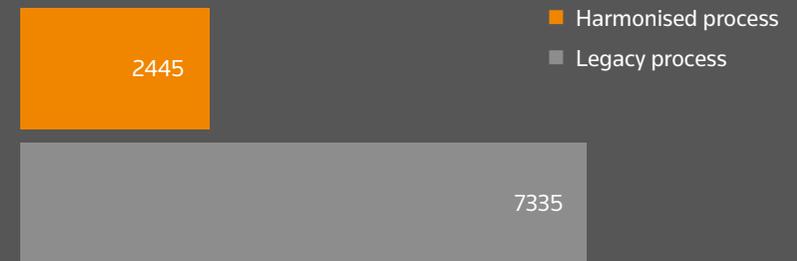
Applied to our example organisation with 163 non-US entities, a harmonisation solution delivers a dramatic time saving to your statutory reporting.

163 x 15 = 2,445 hours globally
349 days of work

Comparison: legacy vs harmonised processes



Comparison: total number of hours per entity, legacy vs harmonised process



Comparison: number of days work, legacy vs harmonised process



Getting started: a buyer's guide.

Here are the key features to consider when choosing a harmonisation solution:

Up-to-date Big 4 content: Harmonising your global financial reporting is all about ensuring compliance and minimising risk. Choosing a solution that incorporates best practice content provided by the Big 4 accounting firms gives you that peace of mind. Check whether your solution provides regular content releases, helping you to comply with updates to accounting standards and other in-country regulatory disclosures and requirements.

Language translation: Harmonise your reports globally choosing a solution that incorporates a language translation service.

Automation: your harmonisation solution should save you time and increase accuracy when preparing your reports by utilising automatic rounding, dynamic note/page numbering, referencing and a roll-forward process. Ideally your solution will enable you to generate supporting work papers that link your source data to your report for easy audit.

Ease of regulatory updates: Choose a solution whereby new mandated disclosures can be applied easily to your reports, enabling you to stay up to date with changes to accounting standards and other in-country regulatory disclosures and requirements.

Capture data once: Ideally your solution will be able to capture and store your data in one location to stop re-keying errors and ensuring that any changes need only be made once to be reflected throughout your reports and enabling flexible maintenance of these reports.



Complete audit trail: Substantiate your reports with standard work papers providing a full audit trail from your trial balance, including adjustments, to your reports.

Flexible, personalised disclosures: Your solution should enable you to insert and personalise new disclosures in your reports using standard templates, as well as creating and controlling your own specific disclosures if required.

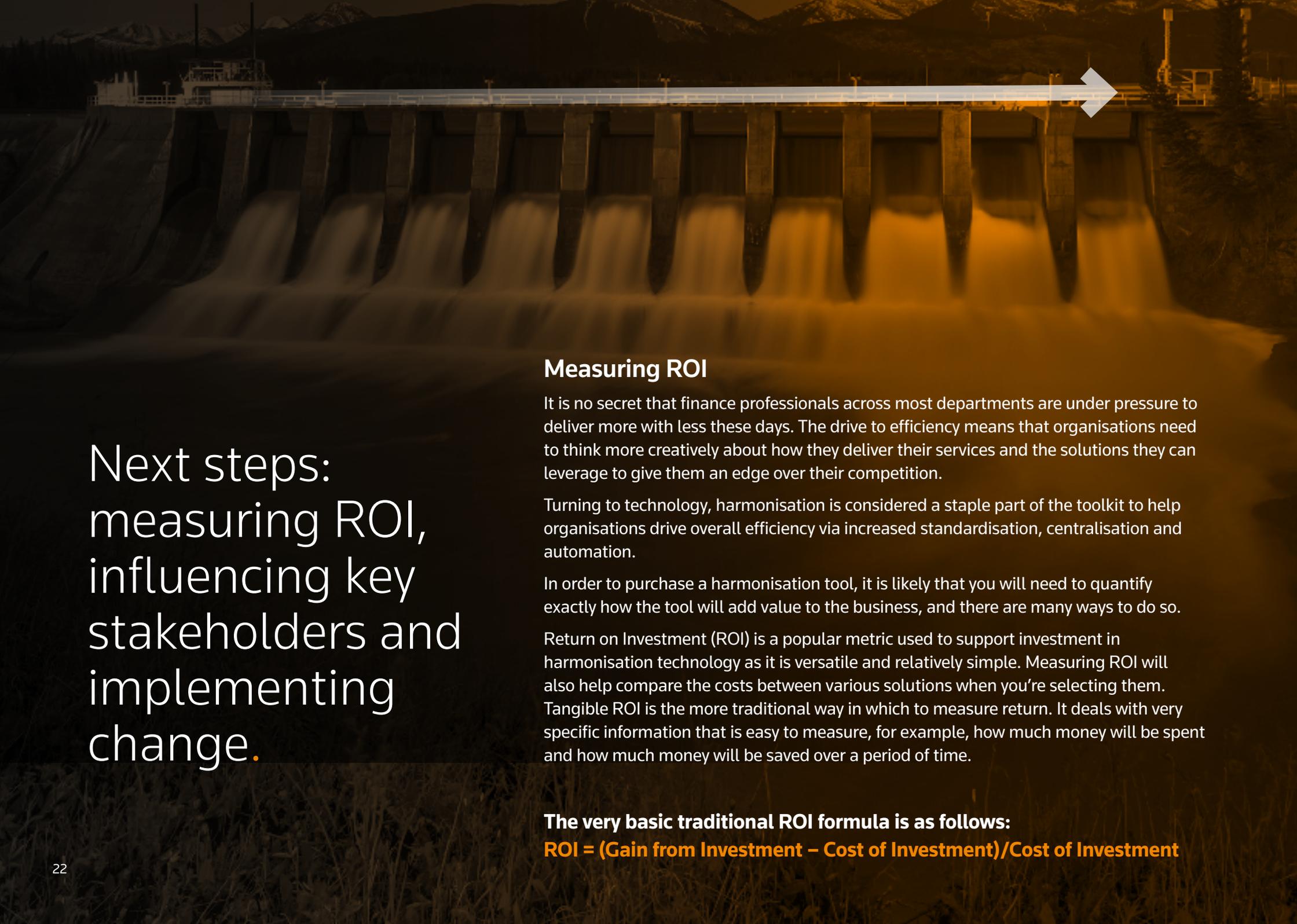
Maintain corporate standards: Maintain the accuracy, quality and consistency of your corporate reports by controlling the updates to common notes and disclosures across your group.

Smart table editor: Choose an intuitive, user-friendly solution that allows you to dynamically tailor your tables, choosing what information to disclose and change formatting.

Create formulas and variables: Create and control your own formulas and variables to link and reference data throughout your report, in core tables and supplementary text.

Researching the available products with these features will enable you to choose the right solution for your organisation's needs.

Next, build your business case.



Next steps:
measuring ROI,
influencing key
stakeholders and
implementing
change.

Measuring ROI

It is no secret that finance professionals across most departments are under pressure to deliver more with less these days. The drive to efficiency means that organisations need to think more creatively about how they deliver their services and the solutions they can leverage to give them an edge over their competition.

Turning to technology, harmonisation is considered a staple part of the toolkit to help organisations drive overall efficiency via increased standardisation, centralisation and automation.

In order to purchase a harmonisation tool, it is likely that you will need to quantify exactly how the tool will add value to the business, and there are many ways to do so.

Return on Investment (ROI) is a popular metric used to support investment in harmonisation technology as it is versatile and relatively simple. Measuring ROI will also help compare the costs between various solutions when you're selecting them. Tangible ROI is the more traditional way in which to measure return. It deals with very specific information that is easy to measure, for example, how much money will be spent and how much money will be saved over a period of time.

The very basic traditional ROI formula is as follows:

ROI = (Gain from Investment – Cost of Investment)/Cost of Investment

The less tangible benefits of harmonisation can also be very powerful justifications for investment. For example, more accurate reports that are consistent across the whole enterprise and delivered more quickly can be at least as beneficial to your organisation as the more tangible ROI measures, even though they are qualitative and more difficult to measure.

The benefits of adopting modern technology solutions for more reliable and efficient statutory reporting are measured partly in cost, but also in the ability to further leverage the core benefits of these tools. Language integrated into your solution, for example, reducing the risk of errors creeping into translations; similarly, automated processing eliminating human error and operating around the clock.

Another important aspect of leveraging technology across jurisdictions is that centralised platforms support and enable finance transformation. It is easier to scale a standardised process than try to extend multiple specialised ones

Start by mapping out your current process.

- **Consider how you collect your data and how your contributors submit it.** Is it consistent in format and language? Are there discrepancies and duplication—does information appear differently across tables or charts?
- **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?
- **Does your process allow for collaboration across different geographical centres at the review and audit stage of the process?** Documents may be created in isolation meaning there is a lack of true collaboration and files may be saved on personal computers or locked for individual use.
- **Take the process as a whole** and think about how many people are involved, and the number of hours that goes into a manual process that could lead to several problems that ultimately cost time and money.

There are undoubtedly efficiency savings to be made from a harmonisation solution. The process is faster, more accurate and consistent, eliminating human touchpoints and thus risk, and ultimately improving the bottom line.

Influencing key stakeholders

Change projects can be difficult to get off the ground, because of the perception that change implies that you're doing something wrong or that you haven't achieved your goals. However, standing still, even if it is comfortable, is going backwards and so shouldn't be an option. The organisations that embrace change and refine their ability to react for competitive advantage, are the ones that thrive.

If you've decided that you need to harmonise, then you've made an important step towards a faster, more efficient service that is lower risk and lower cost. However, your decision alone is unlikely to be enough. There are other key stakeholders in the business who will be affected by, and have an interest in, your decision to implement a new solution.

You need to understand the organisation's culture, values, people and behaviours as all of these must embrace the need to change in order to deliver the desired result. You want to explain to them why the transformation is necessary and what benefits it will bring to their day-to-day role as well as to the organisation at large.

Here are their main challenges, and how to address them:

Shared Service Business Manager

A mature organisation. To enable shared service centres mature and become fully fledged internal profit centres, their leaders are striving for efficiency, to ensure the books balance to increasing cost reduction and efficiency pressures. Additionally, they are faced with increasing job market competition for their best staff. To achieve these goals, shared service business managers are increasingly turning to innovative digital process technology, enabling more for less; they are in fact some of the primary marketplace drivers for such technology.

Drive for standardisation. A shared services centre business manager is seeking ways to reduce the time, costs and risks associated with disparate, complex and inconsistent processes, making the need for standardisation more apparent. Harmonisation solutions with local knowledge and translation tools ensure that standardisation and centralisation can go together, dispelling the notion that statutory reporting can only be done in-country.

Staff retention. As demand for centralisation expands globally, managers are seeing increasing challenges in risks associated with key person dependency. Competitive and buoyant job markets mean staff retention is something that keeps shared service centre management awake at night. Standardising, centralising and automating statutory reporting processes frees up time for staff to focus on tasks that add value to the organisation. Further, as the Millennial and Generation Z mindset becomes significant in the workplace, technology that provides such opportunities becomes essential to staff attraction and retention.



Head of Sourcing/Procurement

Right-sourcing/risk mitigation: Make sure they understand the wider resource impact of implementing a harmonisation solution. Provide the hard numbers around time and cost savings that will result from standardising, centralising and automating your reporting processes.

The right supplier: Ensure that procurement understands the value of your chosen solution over the others, particularly if they vary in price. Breaking product features down simply, and explaining how the solution addresses business needs, security, integrations, ease of use and scalability are key to making procurement comfortable that you've chosen the right tool.

Predictable costs: Procurement hate surprises, particularly expensive ones. Make sure suppliers have explained their pricing policy with clarity — including training and implementation — and any costs that would be incurred by adding extra users, features or integrations further down the track.

Request for Proposal (RFP): Nothing makes procurement more comfortable than a rigorous RFP process. Asking suppliers to engage in this to communicate the product features and value to procurement in a language they understand.



Finance Director

Business growth and profitability: Make clear to your finance director the ROI they can expect from the solution. Consider quantifying both the time and cost savings and demonstrate how these metrics impact the organisation's bottom line.

Efficiency: Harmonisation ultimately enables teams to produce standardised, consistent reports on time with less risk than a manual process. Not only this, but it enables teams to focus more time on the true meaning behind the numbers adding value, in effect, focusing on what financial reports are really all about.

Managing risk: Thorough, transparent planning and proper scope should allay the fears here, but it's also worth considering factors like how much training is required, how long will implementation take, what are the security standards of the tool, and will there be a pilot scheme prior to full adoption?

Staying competitive: Find out which other firms use harmonisation tools. Work out where harmonisation would be a competitive and strategic advantage and make the case to your finance director.



Chief Information Officer

Cost reduction and ROI: The CIO wants to be able to show ROI and demonstrate cost efficiencies at their level. Make sure they see quantified cost impacts that they can report.

Employee engagement: Deployed correctly, new technology can revitalise employees, liberating them from mundane work so they can focus on high-value tasks. Make sure the solution is communicated in this way, so your colleagues don't feel they're being automated out of a job.

Technical details: Your CIO will have numerous questions around security, data management, integrations, compatibility, upgrades and maintenance: make sure you're ready to answer these questions if you hope to sell the CIO on the solution. Red flags against any of these will raise too much risk for a CIO to sign off on new technology.

Implementing change

To execute a successful finance transformation, it's worth taking a step back and looking at the overall process more holistically, while keeping four basic factors in mind: people, process, data, and technology. Ultimately—and ideally—all four need to work in harmony; otherwise, the project may not deliver the intended results.



People

Identify the people that need to be involved. Define roles and responsibilities and hold individuals accountable. Ideally you will have someone who "owns" the process. This person shouldn't just be the global controller, either—they should be responsible for overseeing the entire project in detail. Having a dedicated project manager who keeps track of goals and milestones, conducts regular check-ins, keeps track of project details and ensures consistent buy-in from other key stakeholders is vital to successful implementation.

Process

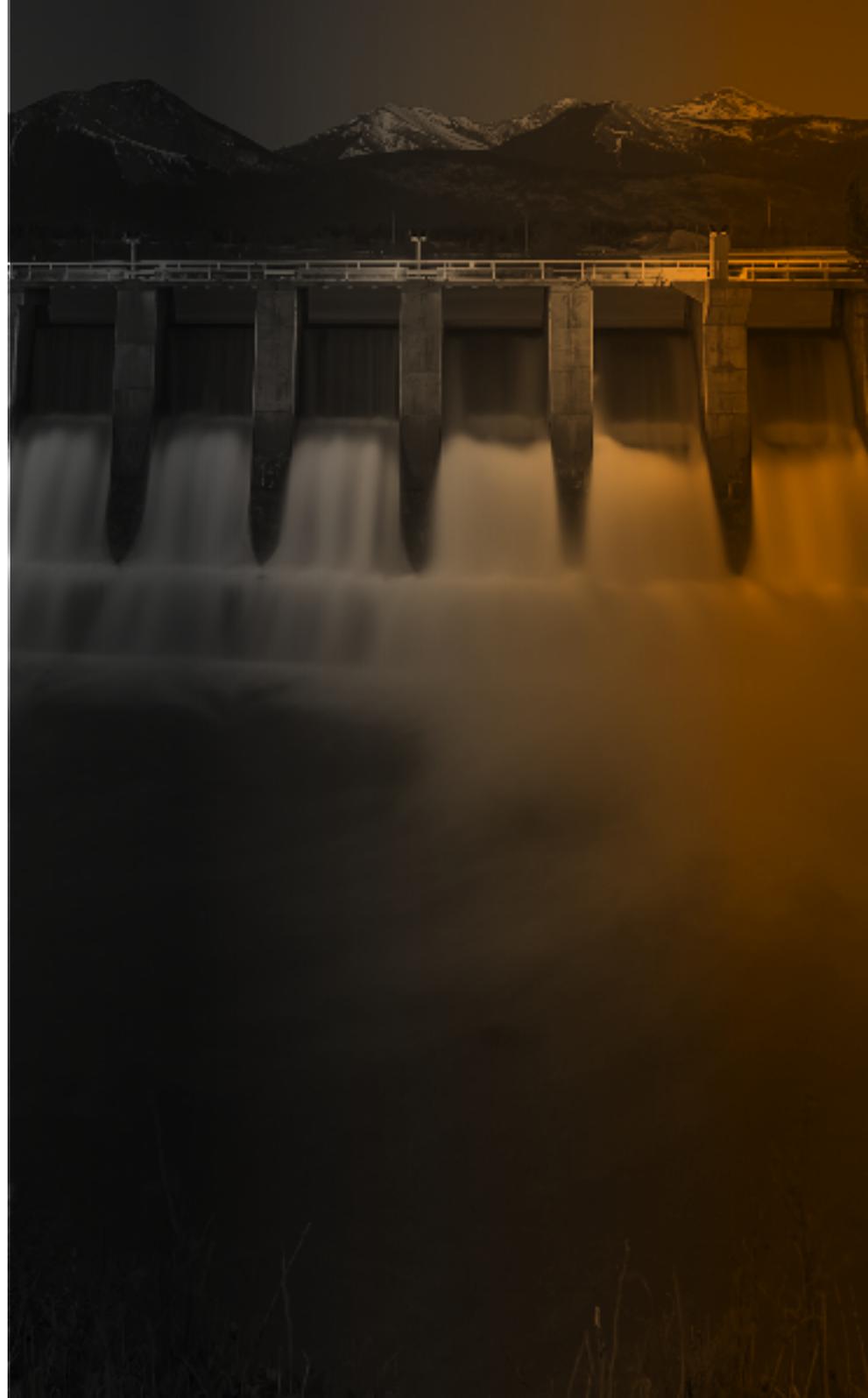
Understanding your existing manual process and how—and why—you want to change it is key. Try to understand how these processes will work post-harmonisation and whether there are other elements of work that can be changed. Having personnel available who are intimately acquainted with the entire process, from start to finish, will make it much easier to realise the benefits of harmonisation and take advantage of the synergies it provides. For example, in multinational finance departments, most of the statutory reporting work is completed before tax returns are prepared, and much of that statutory information can be re-purposed to avoid duplication. But for that data to get where it needs to go, everyone involved needs to understand what their colleagues are trying to achieve, what data they need, and in what form they need to receive it. Silo thinking won't work; communication between stakeholders and a shared understanding of the process are essential for a centralised system to function properly. That need for communication extends to external auditors, who need to be alerted to internal process changes and notified what to expect on their end.

Data

Assess your organisation's data needs. Data underpins harmonised activity, so ensuring that you have reliable and consistent access to clean structured data is key. In many instances, fixing the data will require going upstream. A good approach is to pick out the most common entities and make adjustments upstream.

Technology

Identify the technology that can best facilitate the current and future vision of the organisation. Technology is the enabler that brings it all together, reducing manual activity, risk and cost. Ensure that teams are properly trained on the solution and that they have access. Technology can help to drive improved controls and efficiencies, especially where working across virtual teams. Cloud-based platforms are particularly well-suited for this type of work because they allow global enterprises to consolidate operations through a system that all stakeholders can access, whether they are physically in the central office or not. Local representation can still exist, but their roles change, and their communications are channelled through the central system. Cloud-based platforms also allow organisations and their clients to share data more easily and can be scaled to meet the specific needs of an organisation as they grow and evolve.



Conclusion.

With finance teams expected to deliver more with less and operate with efficiency targets, it's a perfect time to consider harmonisation within your financial transformation project. Adopting the right solution can mean eliminating hundreds of hours of burdensome manual tasks that can lead to errors and inconsistencies, which is all the more vital in a changing, regulatory landscape that is more complex and stringent across many jurisdictions. New technology also means that language and local regulatory knowledge no longer have to be barriers to harmonisation. Choosing a harmonisation solution that fully integrates Big 4 content and a universal on-demand language-translation function can essentially 'de-language' the entire process.

Harmonising the statutory reporting process is well worth the effort, particularly for organisations that operate across multiple jurisdictions or have complex regulatory reporting requirements. Efficiencies delivered through harmonisation will certainly pay off.

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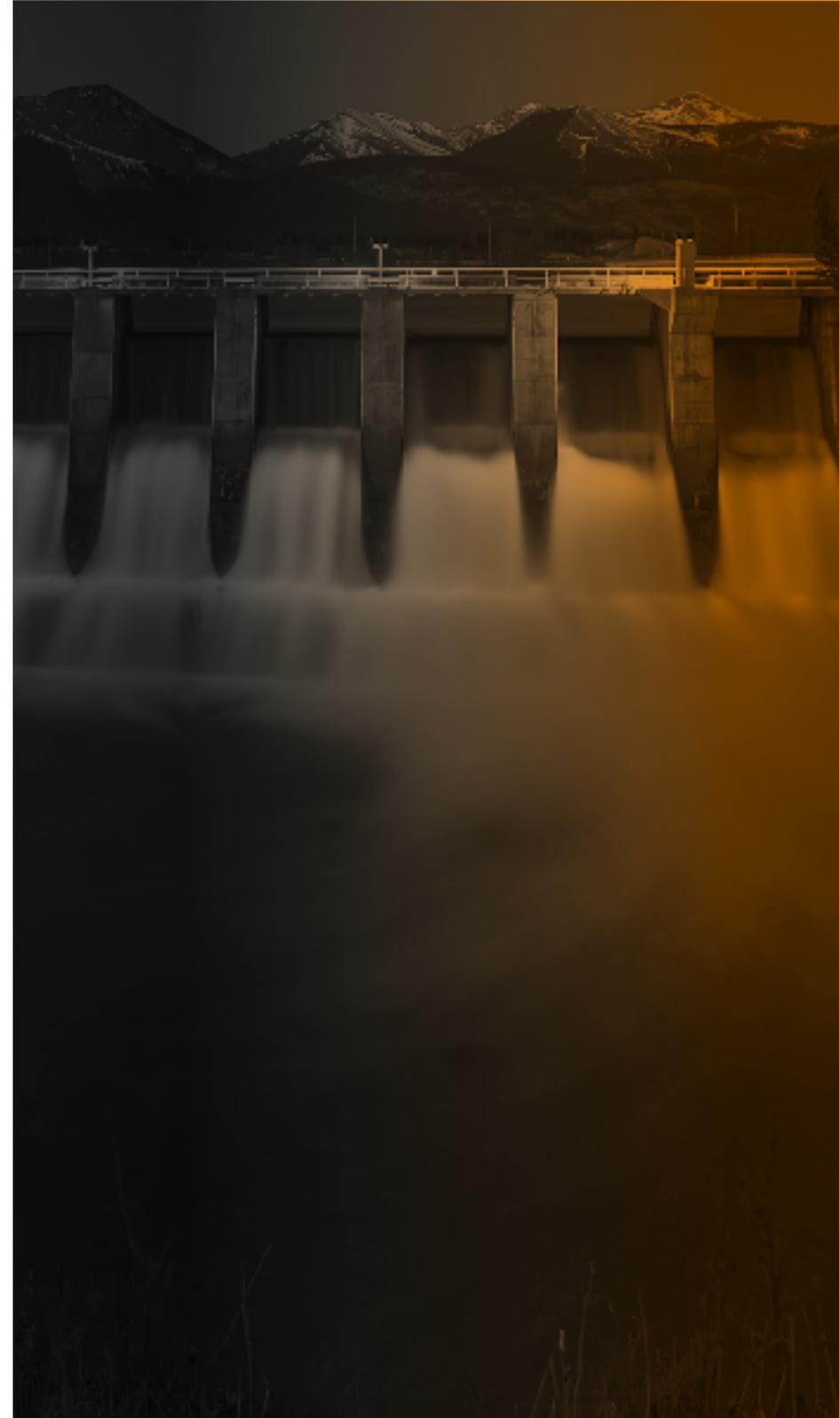
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