



Finance Transformation Professional Services

Proposed New Finance & Accounting Undergraduate Course

Name of proposed new undergraduate level course:

Finance & Accounting Process Cycles: Foundation to Automation

Background on the need for a process focused course:

Many finance and accounting professional services and corporate finance leaders have expressed concerns to me over the last few years that newly minted accountants coming out of college lack an understanding of the scope of a typical corporate finance function. While working at EY, I lead several multi-day training courses for new management consultants who were provided course pre-readings on major corporate process cycles. These readings were meant to orient them to the case study that was the basis for our experiential training program. Unfortunately, just the foundational reading was not enough for the new hires to identify what a good process looks like within a case study.

High-level course scope:

1. The course will utilize the standard process taxonomy and open-source benchmarking metrics of the American Productivity & Quality Center (APQC) for foundational course content
2. The course will begin with an introduction to the finance & accounting function operating model and how most organizations structure the following five key dimensions to deliver value across the enterprise:
 - a. Process & Policy
 - b. Performance Management
 - c. People & Organization
 - d. Operational Strategy
 - e. Technology & Data
3. The three process areas that the course will explore are Procure-to-Pay (P2P), Order-to-Cash (OTC), and Record-to-Report (RTR)
4. The OTC and P2P process cycle will be examined in the following manner:
 - a. The cycle taxonomy and business activity structure created by Peter Fazio
 - b. Key internal controls
 - c. Leading practices, key performance indicators and benchmarking
 - d. Capabilities of leading technology solutions and automation
 - e. Case study discussion



Finance Transformation Professional Services

5. The RTR process cycle will be examined in the following manner:
 - a. The cycle taxonomy and business activity structure created by Peter Fazio
 - b. Key internal controls
 - c. Leading practices, key performance indicators and benchmarking
 - d. Capabilities of leading technology solutions and automation
 - e. Guest lecture from practitioner in the field of financial analysis that could be an industry accounting professional or a professor who teaches a Data Analytics course
6. There will be two tests during the semester that will consist of multiple choice, matching of terms and definitions, and light performance metric calculation questions.
7. Large format placemats (11"x17") should be printed out and handed out to the students to use a quick reference during class discussions. The placemats contain images of graphics that illustrate key points in the learning objectives. The placemats could also be used as a study aid for the students as they prepare to take a test.
8. The final of the three grades in the class will be a modest case study that the students will complete as a group exercise outside of class. The case study will focus on a company's challenge with either the Order-to-Cash (OTC) or the Procure-to-Pay (P2P) process cycles. The case study will present as baseline brief on the challenge, the current state of processes and systems, and management's goals for the future. All the reference materials that the students will need to complete the group assignment will be in the class slides, reading assignments, and reference materials provided at the beginning of the course. It is recommended that the group size be between 5 to 7 students. The group work product that will be graded consists of a PowerPoint presentation of 9 to 11 slides and an oral presentation of the group's analysis and recommendations.

Course Description

- This course presents three mega process cycles; Procure-to-Pay (P2P), Order-to-Cash (OTC), and Record-to-Report (RTR); that form the foundation for the finance and accounting functions of business enterprises. The course studies the standard process taxonomy, key internal controls, leading practices, key performance indicators, technology solutions, and automation opportunities for each of the three process cycles.

Intended Audience

- This course is an elective for all business program students as an introductory course in the accounting principles sequence. The information provided in this course will serve as a foundation for further study by students who may pursue a career in accounting, business management, and consulting.



Finance Transformation Professional Services

Content Related Learning Goals

- The learning goal for this course is that each student develops an in-depth understanding of the scope of the three major finance and accounting process cycles employed in most business organizations.
- To ensure that the learning objective is achieved, the students will be required to read the designated course materials before class and participate in class discussions on the application of the process cycle frameworks to real world transactional scenarios.

Skills Related Learning Goals

- The course will provide opportunities for the students to develop the following skills:
 - Communication abilities:
 - Through in class discussions and working in groups on case studies.
 - Ethical understanding and reasoning:
 - Emphasis will be placed on the design and execution of key internal controls to ensure the integrity of the financial statements.
 - Business scenarios will be discussed on the corruption of business activities within a process cycle to enable fraud.
 - Analytics:
 - The examination of the Record-to-Report process cycle will provide an opportunity for the student to see the critical importance of data analytics to identifying business performance issues.
 - Use of information technology:
 - Leading technology solutions to enable each of the three major process cycles will be examined.
 - Opportunities for the automation of specific business activities within a process cycle will also be discussed in class as well as included in the case studies that will be reviewed in class.



Finance Transformation Professional Services

Required Course Reading Materials

- Financial Supply Chain Management, Article, published by Driver Logistics, August 2023
- End to End Global Process Ownership in Finance, Article, August 17, 2020; American Productivity & Quality Center (APQC)
- Insights on automating desk work with Robotic Process Automation (RPA), by Keyence Corporation, 2023
- How AI Could Keep Young Workers From Getting The Skills They Need, by Matthew Beane, Article, July 26, 2024, Wall Street Journal
- Finance & Accounting Headcount Key Performance Indicators, by Peter Fazio, Point-of-View Presentation, March 2024
- Gallagher, P2P Case Study from APQC
- Cargill, OTC Case Study from APQC

Additional Materials for Instructor Illustration of Teaching Points

- Order-to-Cash: Credit & Collections
 - Supplying Saks Was a Soapmaker's Dream Until He Got a \$74 Check, by Nicholas Miller, Article, August 8, 2024, Wall Street Journal
- Record-to-Report: Profit Margin Analysis
 - Volkswagen Earnings Beat Market Expectations; More Cost Cuts Coming, by David Sachs, Article, August 1, 2024, Wall Street Journal

Materials Provided to Students for Reference & Case Study Support

- Process Classification Framework, Version 7.2.1, Created 01/09/2020, American Productivity & Quality Center (APQC)
- Glossary of Process and Performance Excellence Terms, K05313, 2018, American Productivity & Quality Center (APQC)
- APQC's Open Standards Benchmarking Measures List, 02/21/2023, American Productivity & Quality Center (APQC)
- Three Process Cycle 11x17 Placemats Containing Key Graphics from Course Slides

Evaluation (Grade Determination)

- Exam 1: 30%
- Exam 2: 30%
- Group Case Study: 30%
- Attendance: 10%



Finance Transformation Professional Services

Instruction Sequence

Sequence #	Section Name	Total Teaching Periods Required (1 Period = 50 Minutes)	Student Reading Assignment
1	Finance & Accounting Function Overview	3	<ul style="list-style-type: none"> Financial Supply Chain Management, Article End to End Global Process Ownership in Finance, Article 3 Process Cycle Placemats for OTC, P2P, and RTR
2	Business Process Framework, Performance Measurement, And the Foundations of Process Automation	3	<ul style="list-style-type: none"> Process Classification Framework, APQC Finance & Accounting Headcount Key Performance Indicators, POV Presentation Insights on automating desk work with Robotic Process Automation (RPA) How AI Could Keep Young Workers From Getting The Skills They Need, Article
3	Business Process Analysis Methods	5	<ul style="list-style-type: none"> None
4	Test #1	1	<ul style="list-style-type: none"> None
5	Order-to-Cash (OTC): Leading Practice View of Process Cycle Structure and Service Delivery	4	<ul style="list-style-type: none"> Process Cycle Placemats for OTC Cargill OTC Case Study
6	Procure-to-Pay (P2P): Leading Practice View of Process Cycle Structure and Service Delivery	4	<ul style="list-style-type: none"> Process Cycle Placemats for P2P Gallagher P2P Case Study
7	Test #2	1	<ul style="list-style-type: none"> None
8	Record-to-Report (RTR): Leading Practice View of Process Cycle Structure and Service Delivery	3	<ul style="list-style-type: none"> Process Cycle Placemats for RTR
9	Group Presentations of Case Study	2	<ul style="list-style-type: none"> Group Case Study Document
	TOTAL:	26	