

Do our students understand the foundational processes of the finance & accounting function?

- ❖ Business and accounting students need a foundational knowledge of the forty business services that the finance and accounting function delivers every day in leading organizations.
- ❖ This is how we prepare students to assess if their real-world working environment is still developing stability or is advancing towards market leading performance.

Finance & Accounting Process Cycles: Foundation to Automation

New undergraduate level course for students majoring in business and accounting

Focus on three core process cycles

- 1. Order-to-Cash (OTC)**
- 2. Procure-to-Pay (P2P)**
- 3. Record-to-Report (RTR)**

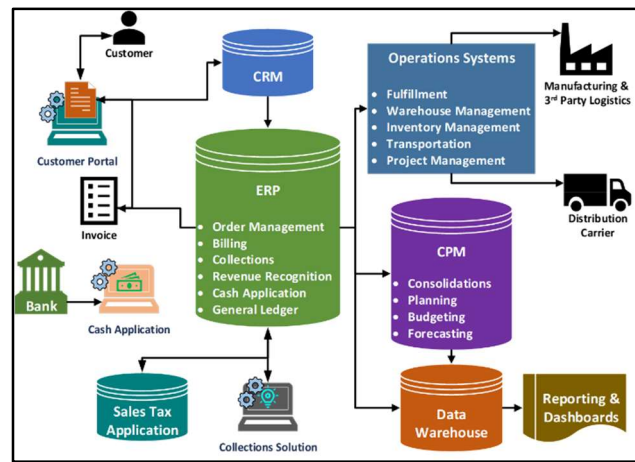
Major Elements of the Finance & Accounting Course

- ❖ **Finance Operating Model**
- ❖ **Service Delivery Model**
- ❖ **Process Cycle Framework**
- ❖ **Internal Controls**
- ❖ **Performance Metrics**
- ❖ **Leading Practices**
- ❖ **Technology Solutions**

Process Cycle Application Architecture

The course will explore the various technology solutions that leading companies employ across the three process cycles.

Each process cycle will be inspected regarding how leading companies use systems and software tools to mimic human actions and carry out a high volume of tasks without manual intervention.



Shared Services (SSC)

- Transaction processing focus
- Serve multiple business units
- Report to corporate level
- Service scope can be regional or global
- Located in lower cost area

Corporate Finance

- Focus on strategic level F&A services and functional leadership
- Oversight of business unit F&A
- Execute entity level compliance, regulatory & management reporting services

Service Delivery Model Components

The instructor will guide the students through the attributes and benefits of each organizational element used to deliver services.

Business Process Outsourcing (BPO)

- Transaction processing focus
- Serve multiple business units
- Service delivered by vendor
- Performance structured by Service Level Agreements (SLA)
- Located in lower cost area

Global Process Owner (GPO)

- Responsible for design & execution of specific process cycle across all business units
- Focused on process standardization, productivity and cost metrics

Center of Excellence (CoE)

- Team specialized in complex process delivery
- Service offered to multiple business units
- Operate out of one central location
- Service scope typically global but could be regional

Retained Organization

- F&A services that are managed and executed by a local business unit
- Can be an SSC or CoE structure but completely dedicated to one business unit

Process Cycle Framework

Each of the three process cycles examined will be supported by a process framework such as the one for Order-to-Cash shown here.

Students will learn about the leading manual and automated practices in each activity in the cycle and the enabling technologies that leading organizations use.

Mega Process Cycle	Opportunity-to-Cash (Op2C)											
Process Cycle	Opportunity-to-Quote (Op2Q)				Order-to-Cash (OTC)							
Process	Sales	Quote, Customer and Contract Management			Sales Order Management		Invoicing & Cash Collection				Reporting	Governance
Sub-Process	Sales Management	Bid/Quote	Customer Setup & Credit Risk Management	Contract Management	Order Management	Order Fulfillment	Billing/Invoicing	Accounts Receivable & Collections	Cash Management	Dispute Management	Reporting & Analysis	Process Governance & Maintenance
Activities	Define markets, customers, and capabilities	Receive and process customer request for proposal (RFP) or quote (RFQ)	Collect, validate, setup customer data in CRM and ERP systems	Establish standard contract terms	Create sales order from quote and contract details	Perform inventory and service planning	Generate, review and transmit invoices to customers	Monitor accounts receivable key performance indicators (KPI)	Manage customer payment receipts and bank reconciliations	Identify and research customer disputes	Produce sales and fulfillment analyst reports and dashboards	Maintain policies and procedures and incorporate changes
	Develop & manage marketing strategy and plans	Develop RFP/RFQ solution and delivery approach	Collect customer relevant data and conduct credit review	Conduct sales contract and terms negotiations	Validate and update sales order details	Product or service job management	Manage payables for shipping	Analyze accounts receivable aging	Perform cash application against open account receivable	Manage resolution of disputes	Produce customer level reporting	Perform periodic customer master data review and maintenance
	Develop and manage pricing of products and services	Perform pricing, discount, and rebate management	Evaluate customer credit data and set credit limit and credit terms	Develop contract performance standards	Perform job planning and inventory forecasting to update orders	Deliver product or service to the customer	Post receivable entries to general ledger	Perform collections and customer dunning	Manage unapplied cash	Process invoice and AR adjustments to settle disputes	Create, review and approve sales, revenue, and AR accrual entries for period end	Review and maintain interface as of CRM, ERP, CPM, and Solution systems to ERP
	Develop and implement sales strategy, market and customer sales plans	Manage customer negotiations and deal or offering approval	Communicate credit terms to customer and finalize quote	Finalize and execute sales contract	Manage and track sales orders	Confirm delivery and obtain acceptance from the customer	Recognize revenue	Engage external collections agencies and legal services	Perform cash forecasting			Review pricing issues and challenges and develop mitigation plan
	Pursue target customers	Manage, maintain, and update product or service specifications	Monitor customer credit limits	Support contract lifecycle management	Manage back orders and communicate updates to customers	Process product returns	Process customer rebates	Process charge backs and write-offs				Manage ongoing process improvement initiatives
	Manage customer sales inquiries and opportunities	Communicate final bid/quote to customer	Conduct periodic review of customer credit limits and credit terms				Perform intercompany transfers	Reconcile accounts receivable and establish reserves				

About the Course Creator



Peter Fazio is a finance and accounting professional with over 20 years of experience as an SVP of Finance, Controller, External Auditor and Management Consultant. He has led several finance transformation projects at large global corporations across Asia, Europe, and North America. He is also an adjunct professor of accounting at a leading university in New York.

Contact Information

Email:
peter@peterfazioconsulting.com

Mobile:

1-646-841-2256

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