

I N V O K E

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INTELLIGENT AUTOMATION

I N V O K E

**“BUSINESS TRANSFORMATION IS  
A JOURNEY; OUR MISSION IS TO  
MAKE IT SIMPLE. ”**

**Finance  
Transformation &  
Process Automation**

# EXECUTIVE SUMMARY AND BUSINESS OBJECTIVE

- Bloomberg is in the process of identifying and implementing opportunities to optimize and enhance their finance function including but not limited to corporate and operational finance
- The objective is to gain operational efficiencies through faster/more efficient processing time, reducing cost and maintaining high quality standards to be achieve best in class finance organization goals
- Bloomberg is interested in leveraging the RPA implementation project to review the end-to-end finance processes and identify opportunities to efficiently utilize digital worker across people, process, technology and governance

## 1. Intrinsic to the RPA project:

- Prioritized list of finance processes for automation
- Automation solution roadmap to achieve defined business value
- Implement recommended solution
- Optimize the business operating and governance model to ensure efficient utilization of digital worker



## 2. Those which are Overarching:

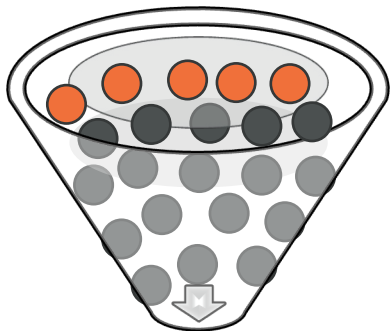
- Business process improvement and standardization opportunities
- Process and finance system gaps and redundancies
- Additional bottlenecks and inefficiencies
- Capacity constraints

# PROCESS DISCOVERY, IDENTIFYING THE AUTOMATION OPPORTUNITY

Use cases based on the automation approach

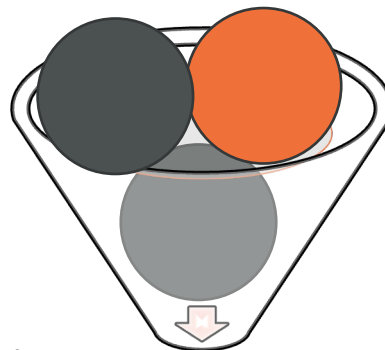
## OPPORTUNISTIC ( BOTTOMS UP/ TACTICAL)

- PROCESSES ARE EVALUATED AND PRIORITIZED ON INDIVIDUAL RETURNS
- COE DRIVES PRIORITIZATION BASED ON AVAILABILITY IN CENTRAL MODEL, FEDERATED MODEL REQUIRES EACH TO HAVE ITS OWN FUNDING
- CROSS FUNCTIONAL OPPORTUNITIES ARE MOSTLY LEFT OUT



## SPONSORED (TOP DOWN/ STRATEGIC)

- INVESTMENT BASED ON TARGET, NOT BASED ON EXISTING PIPELINE
- APPROACH DRIVES SPEED AND SCALE
- INCENTIVES ALIGNED TO MOTIVATE TARGETS ACROSS MULTIPLE LOB'S
- CENTRAL FUNDING REMOVES (ONE) BARRIER FOR LINE OF BUSINESS TO JUMP ON BOARD



# Automation Hot Spots in Finance

## Financial Planning & Analysis

- Pre-population of forecasts using historical and market data
- Loading pre-populated balances into the planning system
- Creating variance reports to pre-population and actuals

## Regulatory & Management Reporting

- Data capture and cleansing to support automated generation of regulatory reports
- Pre-populating complex annual reporting
- Automating the preparation of management review slide decks by collecting data from multiple finance systems and reports

## Accounting Change

- Automating the collection of data for leases or revenue transactions
- Categorizing, summarizing and analyzing data based on history and pre-established parameters
- Producing reports for internal analysis

## Expense Reimbursement

- Automating policy compliance reviews
- Calculation of purchase discounts
- Compliance and management reporting
- P Card or expense program maintenance

## Intercompany Reporting

- Automated checking and reconciliation of intercompany balances
- Basic research and reporting for exceptions

Creating exception file and email report for finance review and approval

## Accounts Receivable Processing

- Credit approvals and customer master file maintenance
- Order processing
- A/R – cash receipts processing and sending late notices via email

## Accounts Payable Processing

- Vendor set-up and maintenance
- Automating the workflow processes and approvals
- Data entry and payments preparation
- Automating processing of payments and bulk payment files for journal entries to sub systems

## Operational Finance and Accounting

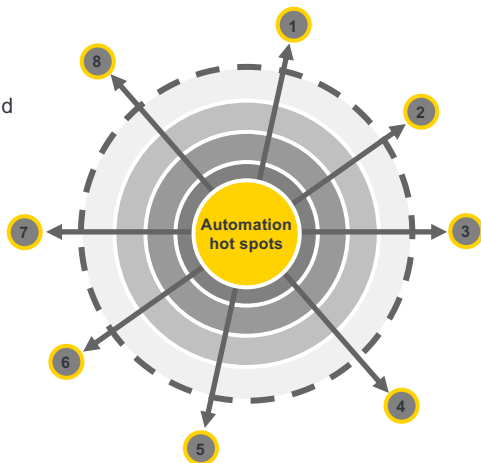
- Automating pricing reviews based on customer contracts and pre-approved price lists
- Calculation and processing of rebates
- Downloading of detailed monthly sales data and calculation of commissions

## Standard Journal Entries

- Creation of standard monthly journal entries using pre-populated templates provided by different business users
- Performing validation analytics
- Posting to ERP

## Account and Bank Reconciliations

- Automating the download of subaccount balances and bank statements
- Uploading detailed transaction data from various sub systems
- Reconciling balances and transactions to core finance sub systems



# HOW INVOKE CAN HELP

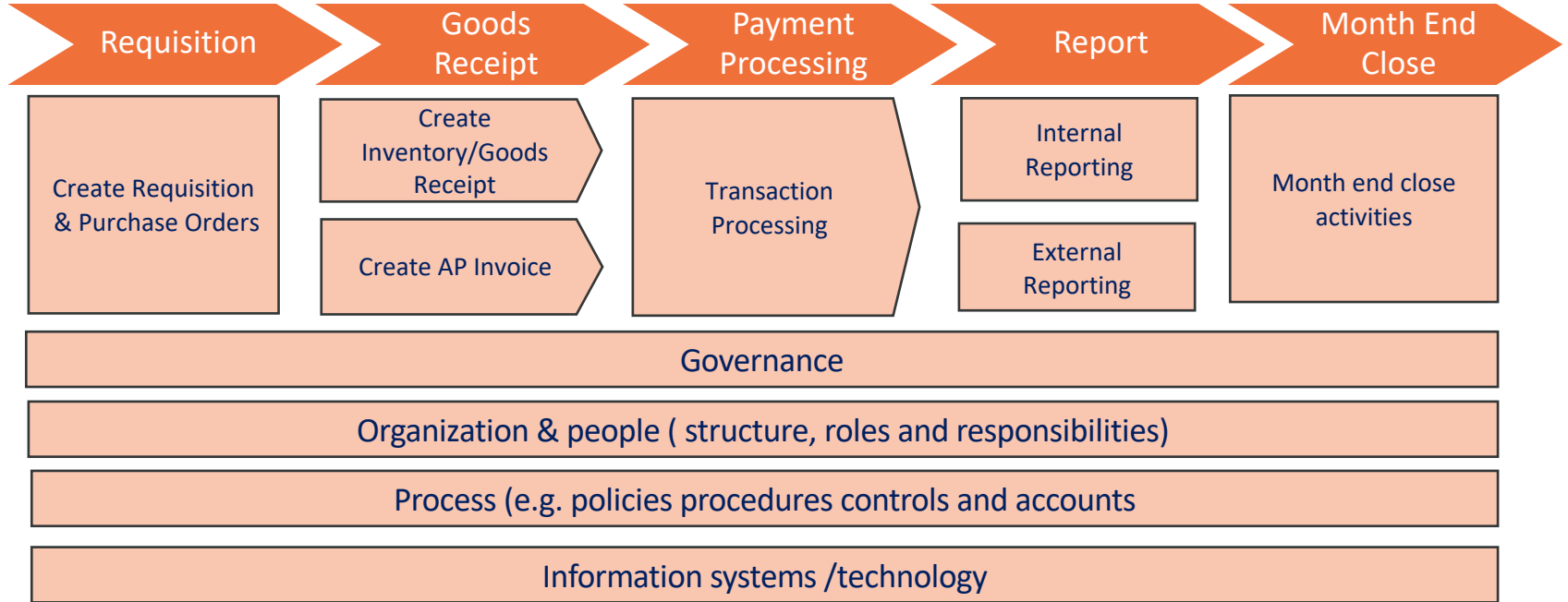
Based on the current state analysis of the Finance function landscape and understanding of IT and business desires to invest and benefits realization, Invoke can help identify and DISCOVER the process areas and Opportunities where you can

- ❑ Leverage Intelligent automation integrating RPA solution with BPM and OCR technologies to automate the manual steps and required linkages between the existing systems . This will require comparatively lower investment and effort and faster benefits realization.
- ❑ Optimize processes by eliminating, streamlining and standardizing the current processes in scope before automating
- ❑ Clearly define and agree upon the business operation impact and roles and responsibilities to ensure business continuity

Augmenting existing workforce with digital workers will enhance efficiency and quality of work and eliminate redundancies in the process allowing finance personnel to perform more value-added work

Procure to Pay

# PROCURE TO PAY LANDSCAPE



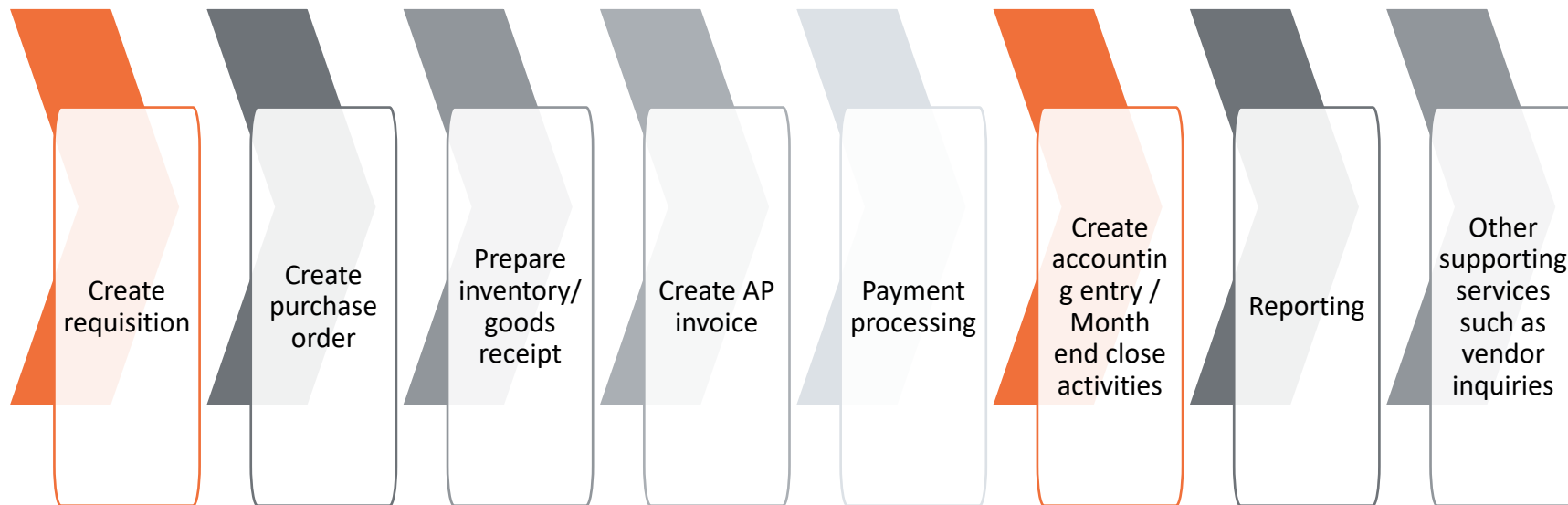
# PROCURE TO PAY

Requisition Processing	Requisition Processing
	Requisition Support
PO Processing	PO Processing
	PO Support
Supplier Master Management	Supplier master management
	Item master and content management
Verification and Approval	Reviewing a database (paper or electronic) for proper authorization
	Preparing activity reports used in after-the-fact reviews for approval
	Review of account or department coding for correctness
Invoice Processing	Receipt and processing of electronic inputs such as EDI, magnetic tapes, etc.
	Check preparation, handling activities
	Account downloads from the ledger to the accounts payables system to reconcile

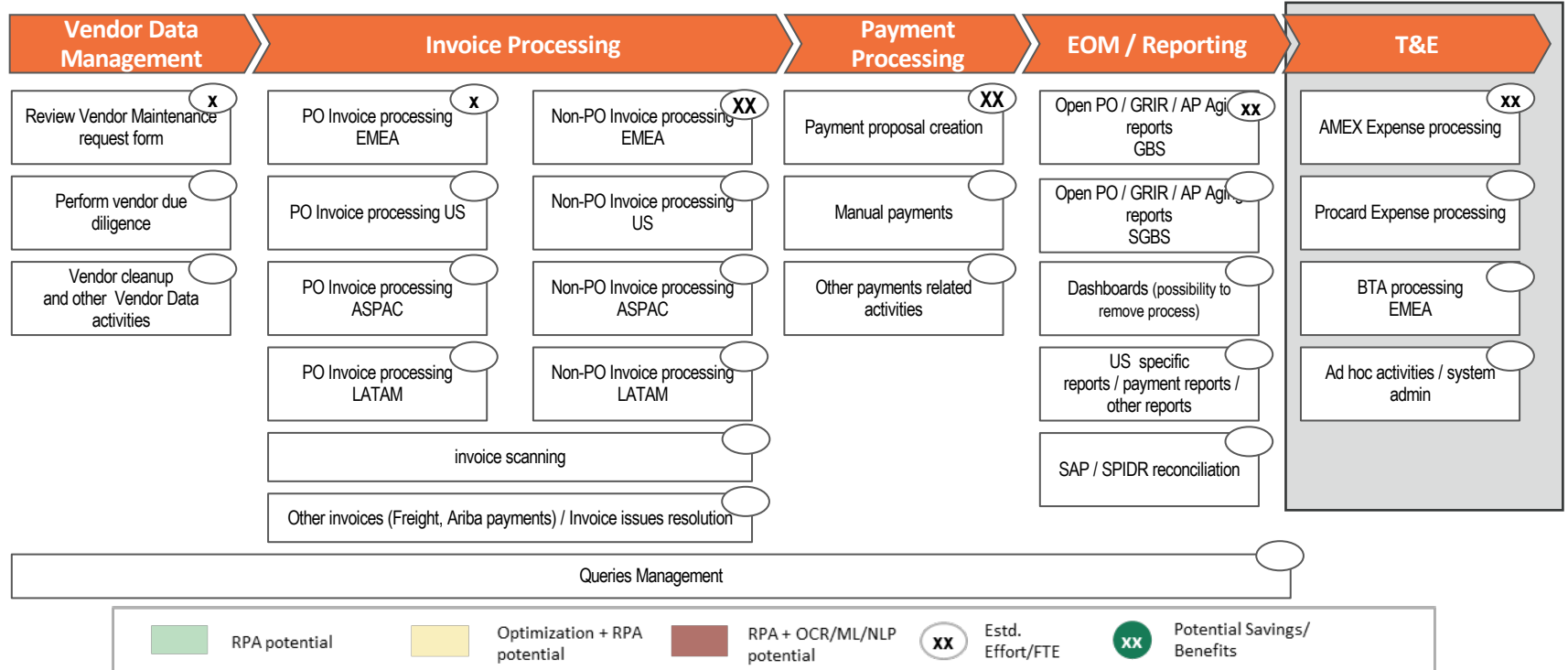
Discrepancy resolution	Identification of discrepancies such as price or quantity differences, short pay, missing or invalid PO numbers
	Follow-up on aged discrepant items
	Correction of errors as received either from systems, audit or sites
Supplier Payment	Outsourcing check preparation costs
	Check preparation, handling, sorting, stuffing activities
	Costs of sending payments, including postage and special mail or pouches
Dispute Management	Dispute Identification
	Dispute Resolution
	Dispute Escalation and Arbitration
	Root Cause Eradication



# ACCOUNT PAYABLE FUNCTION MAP



# PROCURE TO PAY



# PROCURE TO PAY – END TO END PROCESS USE CASE

**Increased operational efficiency by 50% with end to end process automation by integrating BP and OCR technology**

A media and communication company with multiple lines of businesses, has business operations spread across the globe and deals with millions of transactions both internally and with its vendors and customers on a daily basis



## Business Challenge

- Improve operational efficiency while freeing up time of the resources so they can focus on more value added task and customer engagement
- Create additional capacity to take on new business without investing into additional resource and facility cost
- Reduce the number of audit finding and the cost and effort on internal audit and testing.
- A solution that is robust, secure and scalable and is aligned to the corporate and business strategy



## Deployed Solution

- End to end automation of procure to pay process by leveraging OCR technology to translate the vendor and invoice data in multiple format and languages into a structured format that enabled the BP robot to process it
- Increased operation efficiency by higher percentage of straight through processing and reducing the number of exceptions
- Reduced the number of vendor inquiries and late payment while positively impacting the working capital
- Improved accuracy and reduced number of transaction processing errors leading to better compliance to the policy



## Value Realized

**In 4 Months**

realized more than expected ROI

**Reduced internal audit cost by 30%**

On manual effort spent on testing and backup documentation

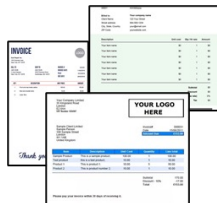
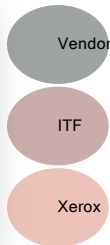
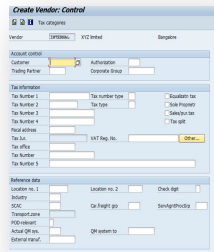
**Reallocated 20 FTEs**

to more cognitive-based tasks

# PROCURE TO PAY – END TO END PROCESS USE CASE

## Automation of Accounts Payable Function

### High Level Process Steps



#### Indexing of Inv Metadata:

- Vendor name
- Invoice Date / Number
- Amount
- PO# if applicable

#### Invoice Headering in SAP

- Currency
- Payment Terms
- Alternate Payee etc.

#### Invoice Coding in SAP

- Applicable GL Account
- WBS Cost Element
- Profit Center etc.



Open PO / GRIR Reports and Vendor Statements



Vendor form submitted to create new vendor in SPE master data

Invoices are the key process inputs. They are received by SSC in electronic format and through various other channels for payment processing

Processing of the invoices requires indexing of the invoice details for 3 way matching (PO) and coding as required (Non-PO). For automated AP in general, posting is submitting for COFA approval.

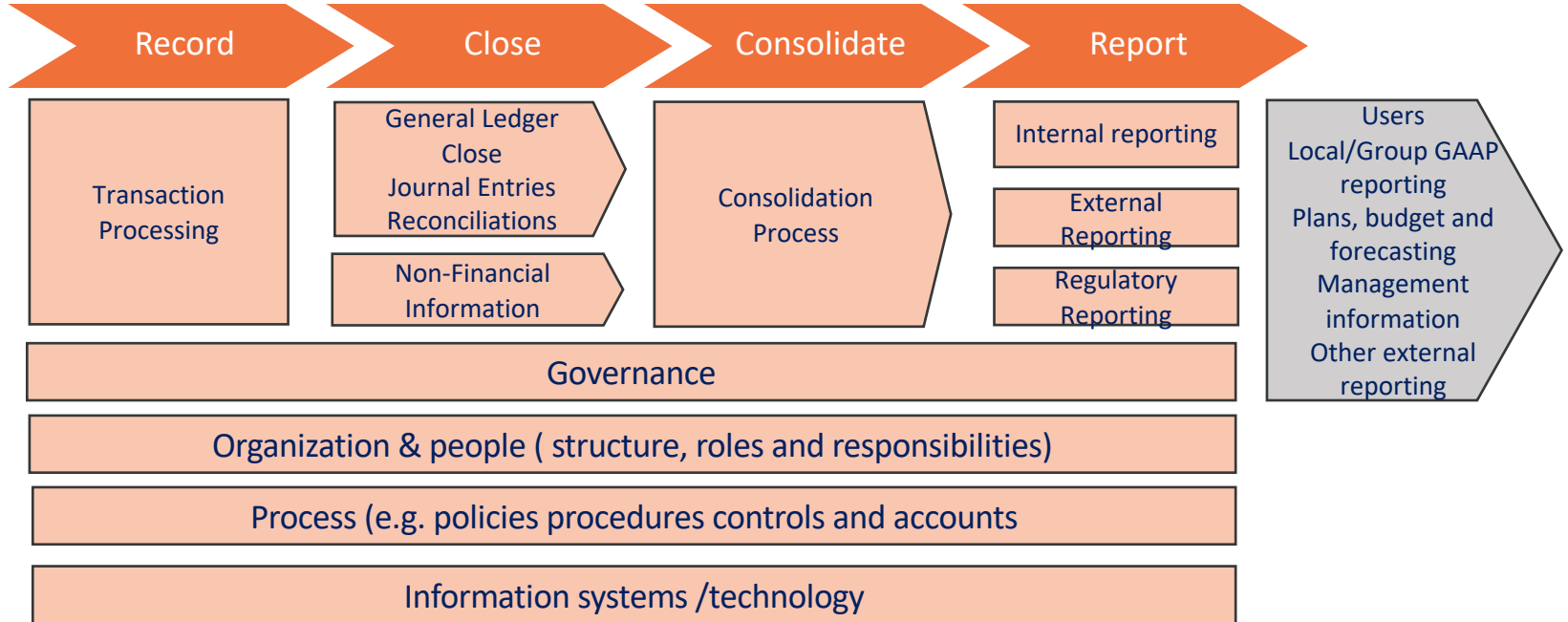
Vendor payment

Generate Report

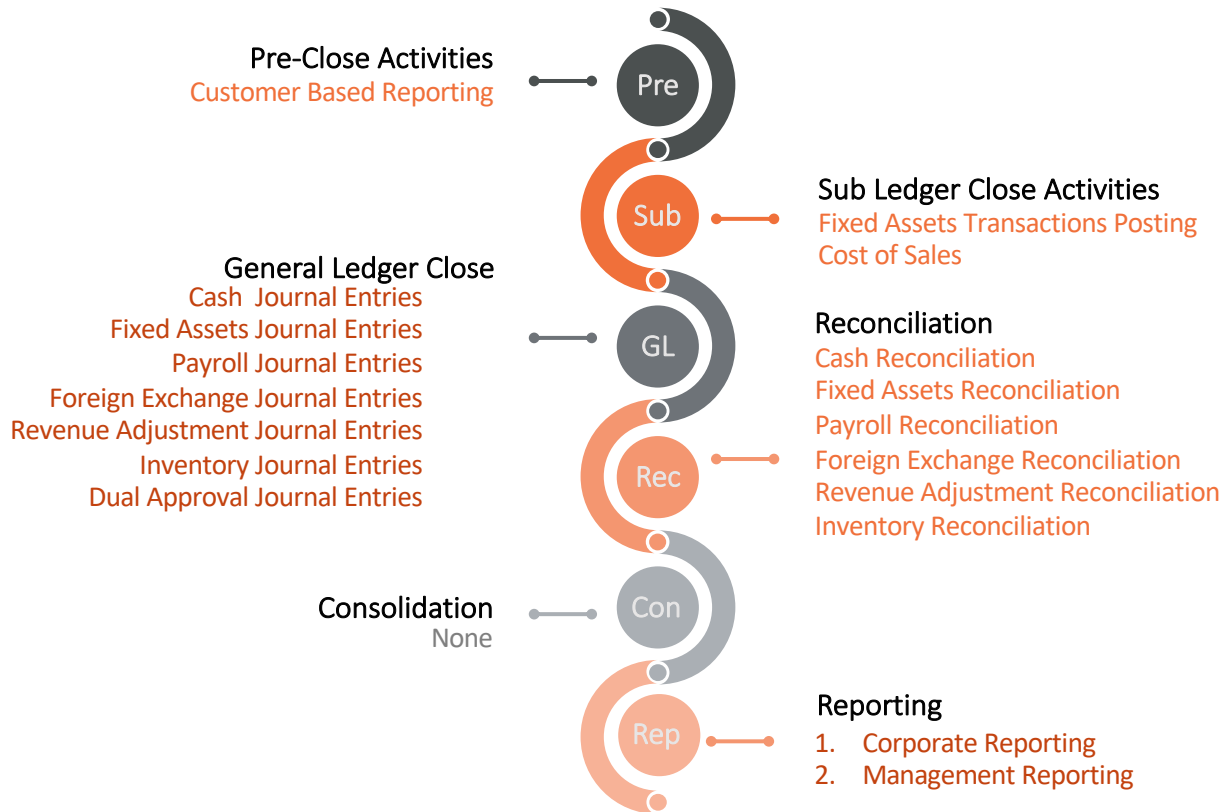


Record to Report

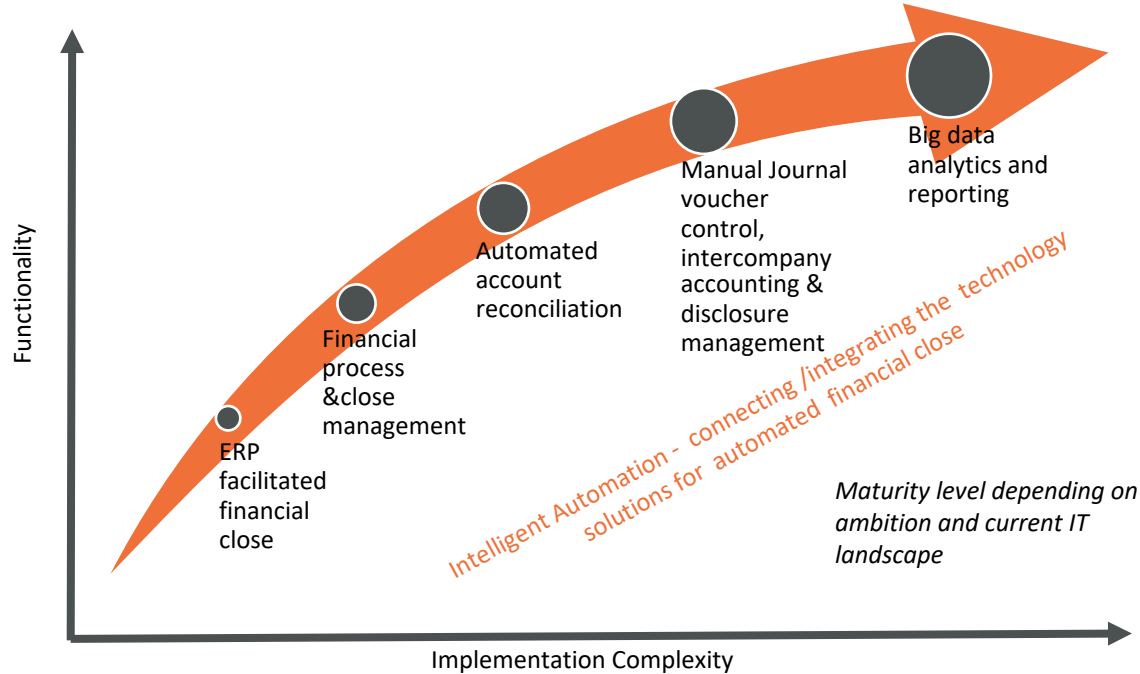
# RECORD TO REPORT LANDSCAPE



# PROCESS VALUE STREAM FOR CLOSE PROCESS



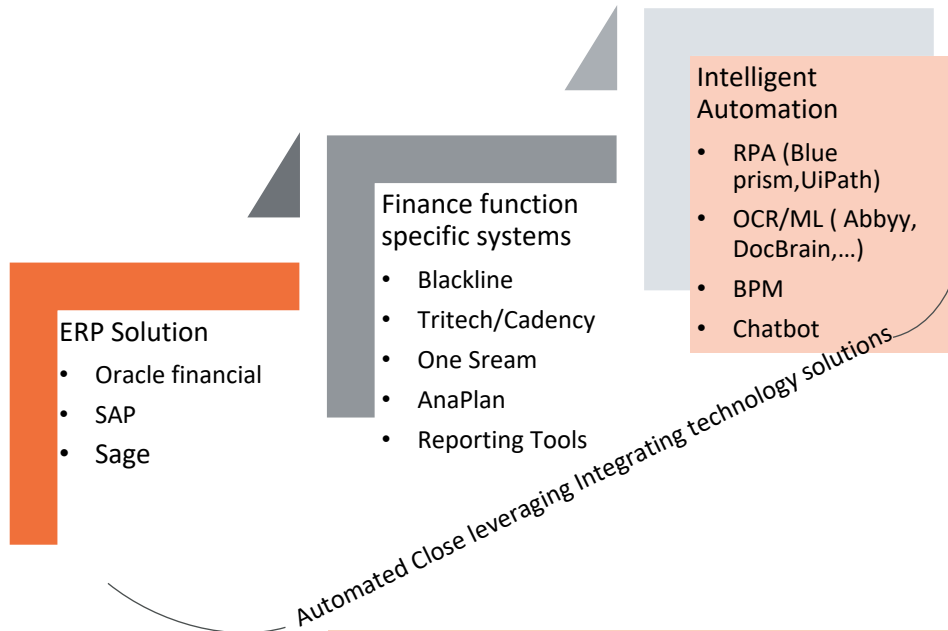
# FINANCIAL SYSTEMS MATURITY MODEL





# INTEGRATED TECHNOLOGY SOLUTIONS FOR FINANCE CLOSE

## Connected RPA - Filling the “gaps” between ERP and enabling technologies



Current ERP and finance function specific systems currently do not automate the full end-to-end Close Consolidation and Reporting process. These systems also do not fully support the linkages and the business process steps and hence end up being performed manually.

This can lead to a fragmented, manual and inefficient close, as well as create inefficiencies throughout the accounting period

Leveraging integrated technology solutions for financial close management improves governance, collaboration and workflow around complex, labor-intensive activities

# FINANCIAL CLOSE SOLUTION COMPONENTS

## Financial Consolidation

The ability to bring together financial information from multiple GL sources, while providing for eliminations for intercompany accounting and booking for joint-venture and non-GL business units

## Financial Reporting

provides financial-accounting-based reporting to meet the demands of regulators, investors and tax authorities, and to inform the organization's operational and strategic financial management.

## Reconciliation Management

manages the financial accounting reconciliations between feeder systems, bank accounts, subledgers and the GL. It is not inclusive of vertically focused operational reconciliations (that is, financial services operational reconciliations)

## Close Management

the ability to manage the FC, including activities spanning accounting cycles. Capabilities include the EFCA functions of close management, close "cockpits" that span ERP and post-ERP processes, and journal entry control.

## Intercompany Transaction

An EFCA function, confers the abilities to approve at a voucher level and to handle accounting transactions across multiple GLs and companies. This function works closely with intercompany reconciliation.

## Disclosure Management

the ability to support multiple regulatory requirements for disclosure reporting, including extensible Business Reporting Language (XBRL) tagging. It may also provide "board book" capability and form the foundation for performance reporting within FP&A.

# GARTNER MAGIC QUADRANT – FINANCIAL CLOSE SOLUTIONS

Vendors in this Magic Quadrant vary in their ability to support different Financial Close processes and use cases. Organizations should draw up their own unique shortlists of vendors, in light of the complexity and scale of their requirement and may well want to include vendors not profiled in this Magic Quadrant.

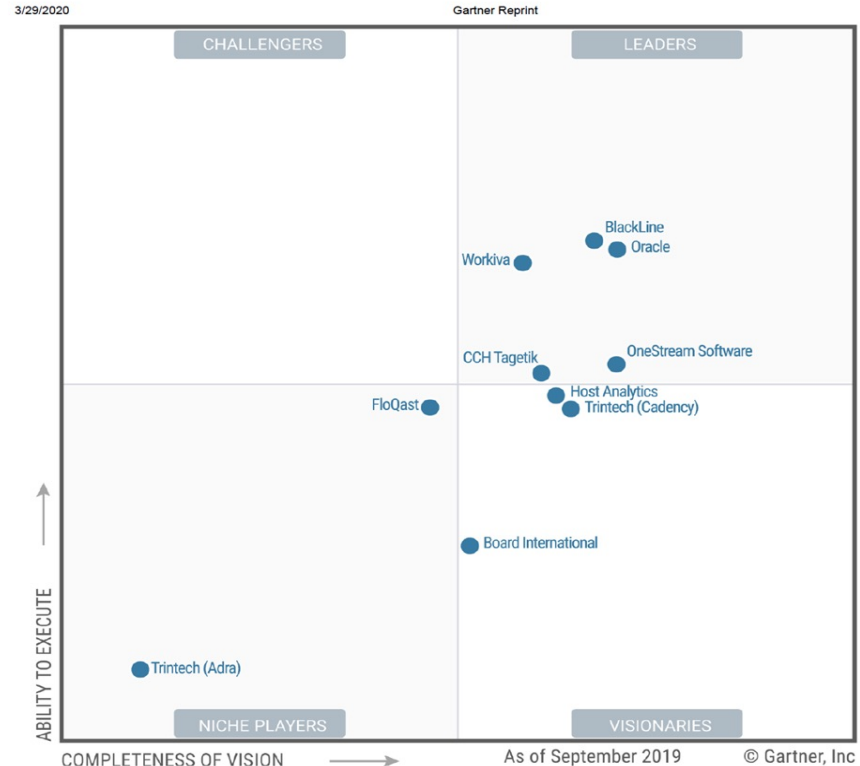


Figure 1. Magic Quadrant for Cloud Financial Close Solutions

# IN SCOPE PROCESSES

As identified and agreed upon with Sanmina in the process workshops conducted in week of Feb 3<sup>rd</sup>, 2020

	Pre- Close	Sub Ledger Close	General Ledger Close	Reconciliation	Consolidation	Reporting
Cash			X	X		X
Payroll		X	X	X		X
Fixed Assets		X	X	X		
Inventory	X	X	X	X		X
Revenue	X	X	X	X		X
Dual Entry		X	X			
Foreign Exchange			X	X		
Management Reporting	X					X
Corporate Reporting						X

# INTELLIGENT AUTOMATION SOLUTION FOR RECORD TO REPORT

## Month End coordination



GL Coordinator maintains the **Month End Calendar** (tasks and owners) by **uploading it on BPM**



GL Accountants are **reminded of the assigned tasks** based on the calendar via an **automatic notification**; **escalation paths** are activated in case task is not complete at the due date



GL Coordinator **accesses real time information on the status of the activities**

## JEs & Reconciliation



Standard JEs are **automatically prepared** and proposed to a reviewer, by **pulling data from ERP and/or other systems** and performing **calculations**



**Non-standard JE requests** such as intercompany entries are submitted to GL Accountants **via BPM**, following a **consistency check** based on business rules (e.g. on account, or procedural **intercompany calculations**); the concept JE goes through the automated approval flow and is posted



**Account reconciliations** are performed by **comparing data from different systems** (e.g. bank statement and bank account movements)

## TB, Reporting & Audit



The Trial Balance is **automatically downloaded** and **anomalies are detected by machine learning**



Notes to **Financial Statements** are **automatically pre-compiled and updated**



**Documents requested by Auditors** are **searched, classified and saved** with no need for human intervention

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# AUTOMATING RECONCILIATION STEPS W/BLACKLINE

Intelligent automation solution automates all the upfront prep works that accountant perform before uploading the data into the Blackline template and also generating any customized report that accountant produce post reconciliation (Lot of it requires cutting, pasting and creating pivot tables in Microsoft Excel. Some of these activities that are performed by the automation solutions include but not limited to

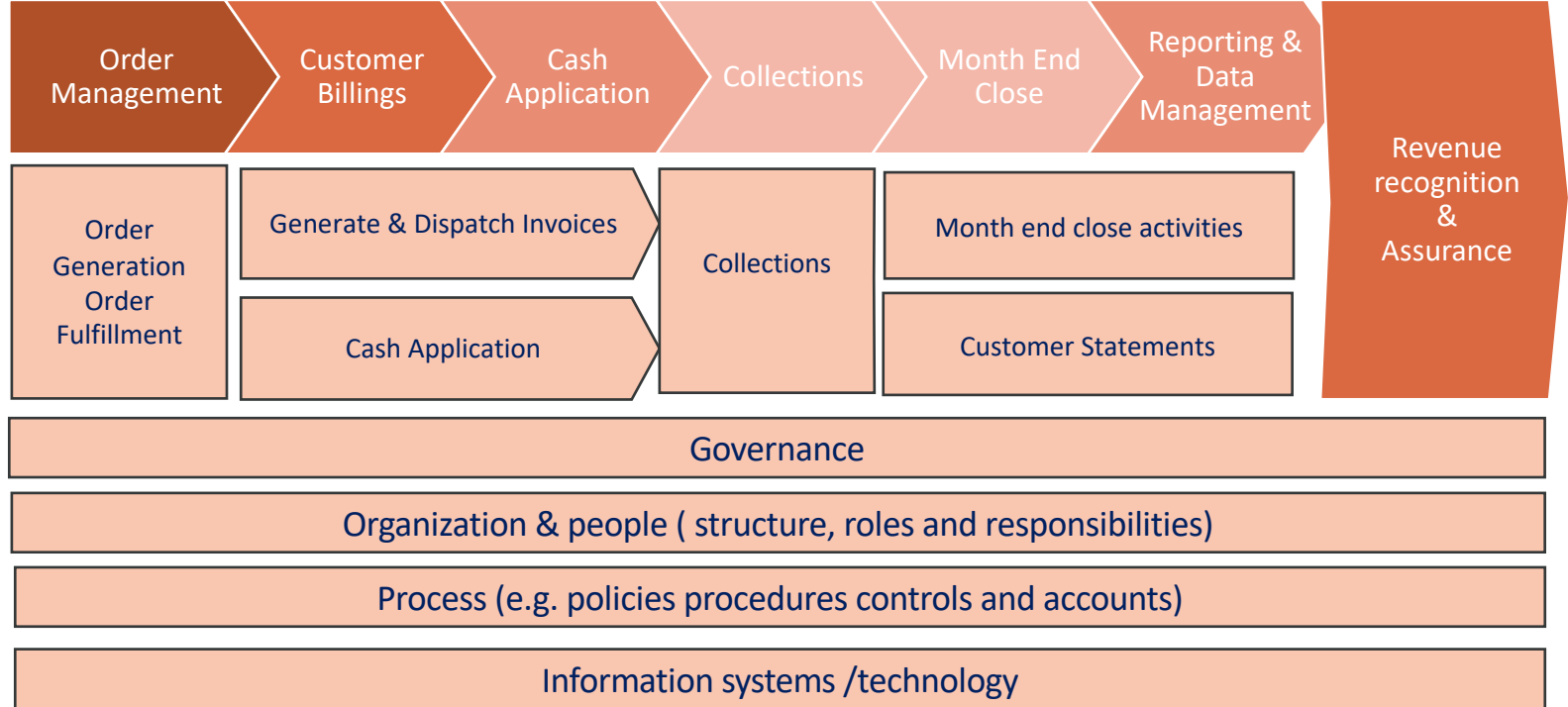
- Ingesting required info/input
- Prepares the reconciling entry
- Handles the evidence
- Submits the recon to your reconciliation system of record

Additionally, if there are business process gaps that for reason cannot be addresses by Blackline, a simple automation script can help customize the solution to meet the business requirement.

The reconciliation solution can be set up separately for each account type with simple rules established and maintained by your accounting team.

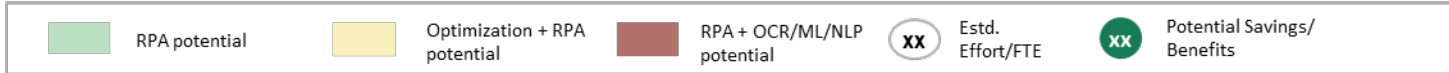
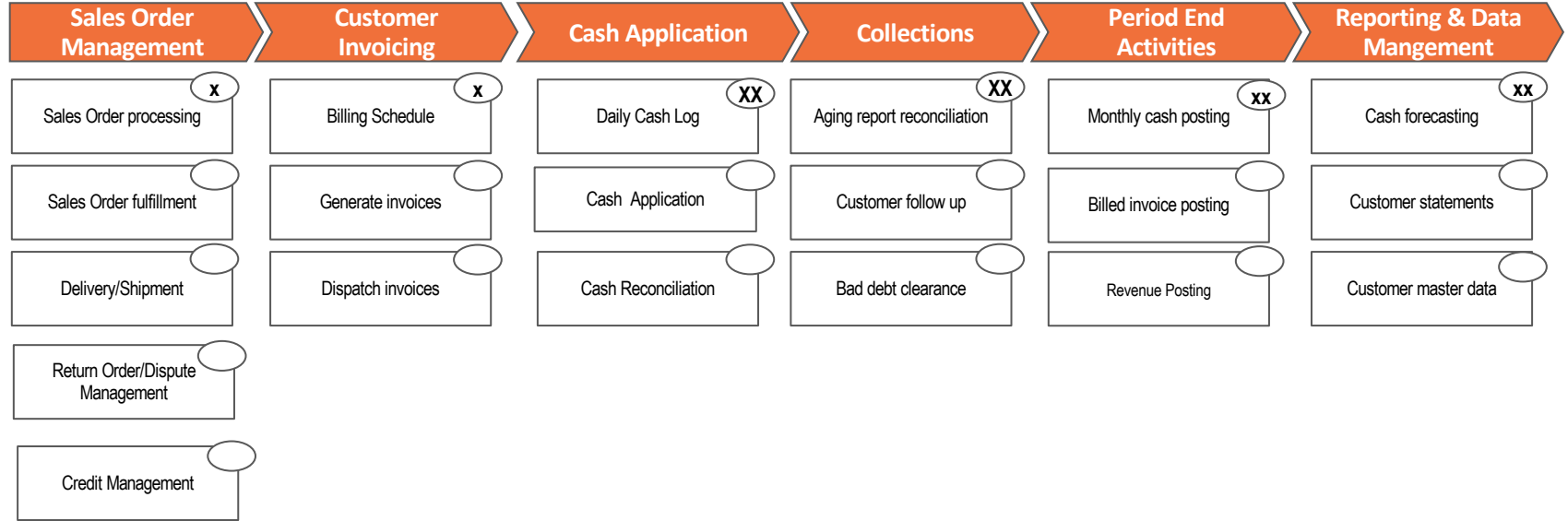
Order to Cash

# PROCESS AREA – ORDER TO CASH





# ORDER TO CASH



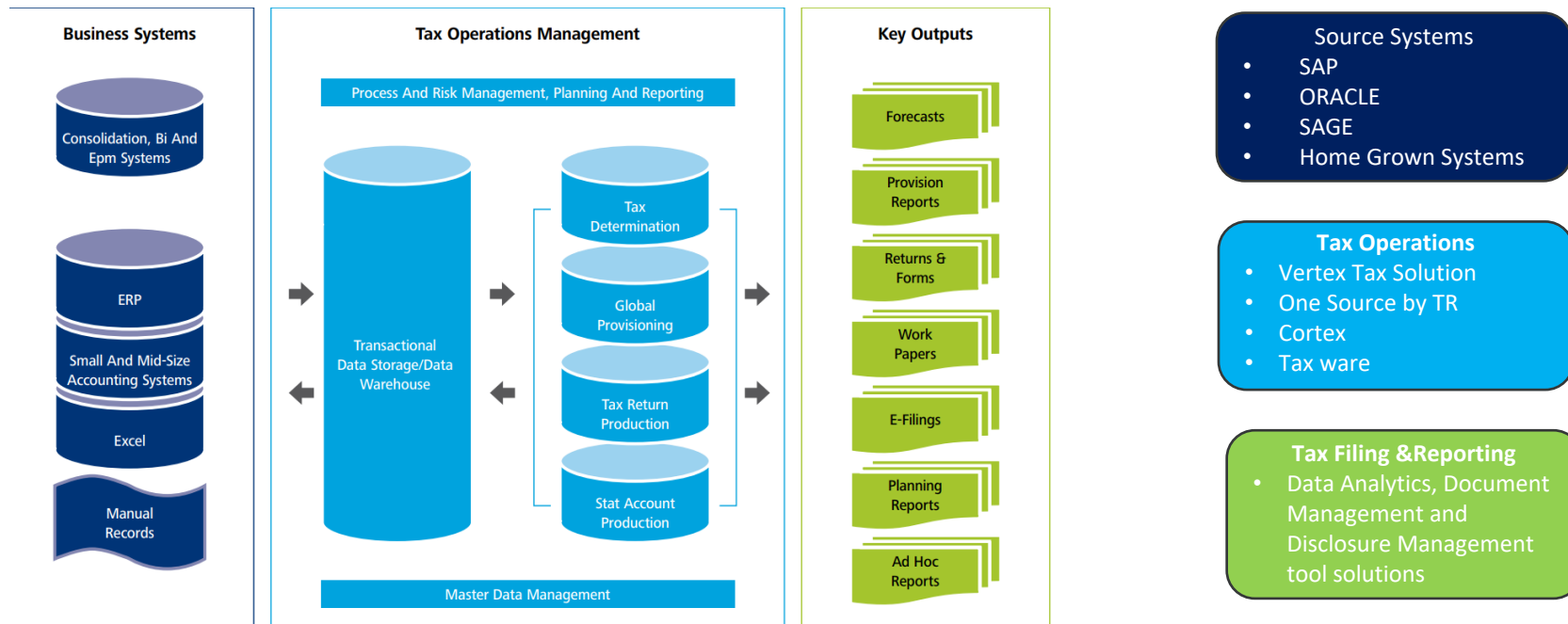
# ORDER TO CASH

Quote and order Management	Contract and Customer approach
	Quote Process
	Customer Profitability
	Financing and Payment Methods
	Order Entry
	Order Processing
	Customer Service
Credit Management	Contract Administration
	Customer Segmentation
	Customer Credit Management
	Credit Policy
Customer Billing	Commercial Interface
	Unbilled management and Billing Triggers
	Bill calculation and verification
	Customized Billing
Cash Applications	Credit Note Processing
	Cash Posting

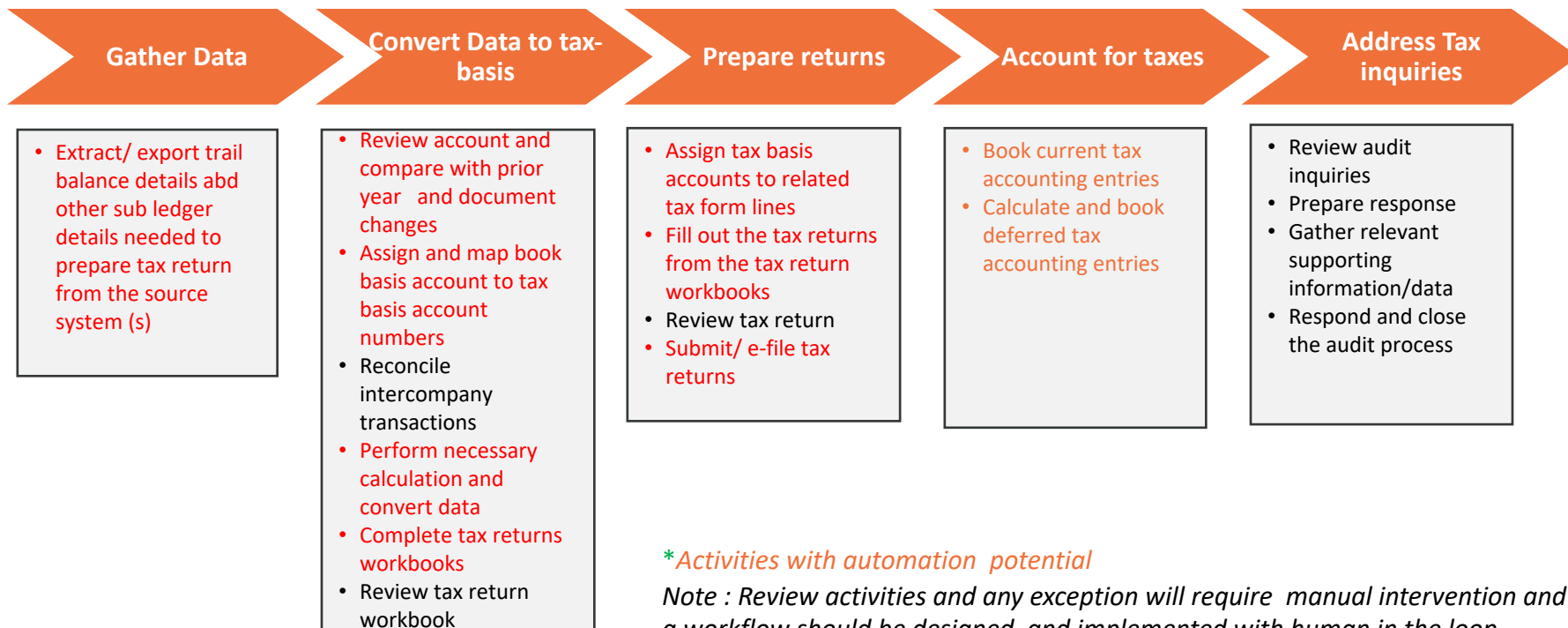
Quote and order Management	Contract and Customer approach
	Quote Process
Cash Applications	Cash Posting
	AR Reconciliation
	Unallocated and unapplied cash
	Short payments
Collections Management	Collections Approach
	Collections Activity
	Targeting
	Litigation and Debt Provision

# Tax Compliance & Reporting

# TAX COMPLIANCE & REPORTING SYSTEM LANDSCAPE



# TAX OPERATIONS – HIGH LEVEL PROCESS MAP



*\*Activities with automation potential*

*Note : Review activities and any exception will require manual intervention and a workflow should be designed and implemented with human in the loop consideration.*

# OPPORTUNITY AREAS

## Extracting information from systems

- ✓ Extract book trial balance and key balances such as accruals, fixed assets, M&E or other tax sensitive
- ✓ Accounts

## Formatting and work paper creation

- ✓ Formatting, cutting, pasting to get info ready to be entered into the tax computation system
- ✓ Manipulating trial balances before importing into tax tool
- ✓ Rollover balances and input into tool

## Data validation and roll forwards

- ✓ Validating information by referring to a checklist of items to ensure that the checklist is complete
- ✓ Fixed asset or quarterly payable roll forward

## Inputting data into tax systems and forms

- ✓ Entering tax data by pushing of tax specific data from a work paper into the tax application for federal, state,
- ✓ Moving trial balance data from GL into tax reporting systems
- ✓ Tax return processing

## Generating reports

- ✓ Download of specific reports at specified times and emailing them to stakeholders

## Reconciliations

- ✓ Identify unreconciled items and send alerts
- ✓ Checking and reconciliation of various tax balances to triage exception items for review
- ✓ Reconciliation of balance and transactions in the finance system

## Disclosures and attachments

- ✓ Checking returns to ensure proper attachments and elections are included

## Clearing diagnostics for eFiling

- ✓ XML to return reconciliation
- ✓ Print or email eFiling acceptance notification or rejections or emailing to a specified person

## Saving work papers and tax returns

- ✓ Save to designated file with correct naming convention
- ✓ Maintain historic tax data for audit purposes

# SALES, USE, & ANCILLARY TAX: HIGH-LEVEL ANALYSIS

## Opportunity Analysis

- Highly Manual effort to pull data from Vertex and SAP and save it on shared drive for all each of the 13 states – Can be multiple downloads per state, roughly 40+ downloads monthly in Vertex.
- Multiple manual steps to cut and paste the data from one excel spreadsheet to other (replicate the spreadsheet from prior month)
- Built in Macro spreadsheet perform the initial matching steps of reconciliation and highlights the variance
- **Variance analysis and research steps are performed by the Tax analyst for each tax type**
- Once recon is complete, manual steps to populate and upload the JV in SAP
- The reconciled spreadsheet is converted into the right format to upload to Vertex Returns
- Final returns are converted to appropriate file type (XML, other) to upload to respective state site
- File the returns to respective state website (Upload the final)

## Automation Potential/ Benefits



70-80%  
Automation  
Potential



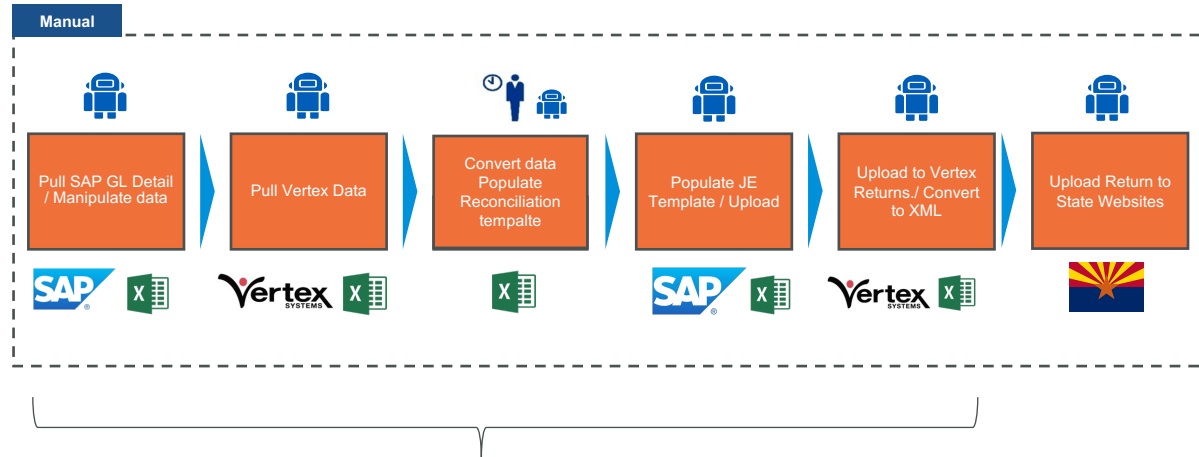
Reduced  
manual error.  
Detail audit log  
on tax prep  
steps



Eliminate  
manual steps  
(Spend more  
time on analysis  
and value-  
added activities)



Increased  
process efficiency  
(eliminates wait  
time on the admin  
task )



*Repeatable process for each state*

# TAX COMPLIANCE & REPORTING SYSTEM LANDSCAPE

This diagram shows the overall technology landscape for the global business tax record to report cycle. It sets out the major product categories and the major products in those categories. There are some 'adjacent' product categories not shown, for example:

- Customs and Excise
- Fixed Assets
- Research and Development
- Employment Taxes
- Environmental Taxes
- Travel and Expenses

## Portals

- TR ONESOURCE Workflow Manager
- SharePoint
- SAP Netweaver
- Oracle
- Vertex Enterprise

## Process Management

- K2 Black Pearl
- OpenText (Metastorm, Global 360)
- IBM Business Process Manager (previously Lombardi)
- TR ONESOURCE Workflow Manager

## Knowledge

- CCH
- Checkpoint
- IBFD
- Web
- LexisNexis

## Data Analytics

- CaseWare IDEA
- SAS, IBM SPSS and Revolution Analytics (R)
- Microsoft PowerPivot
- HP Records Manager (HP Autonomy)
- Qlikview
- Tableau

## Document Management and Storage

- TR GOFILEROOM
- EMC Documentum XCP
- SharePoint
- ERP Systems
- HP Records Manager (HP Autonomy)
- SAP Disclosure Management
- CCH Document Management

## Business Systems

### ERP systems

- SAP
- Oracle
- Oracle JD Edwards/PeopleSoft
- Microsoft Dynamics
- Digita Professional Suite
- Sage ERP
- Intuit QuickBooks

### Consolidation, BI & EPM systems

- Oracle Hyperion Financial Management (HFM)
- IBM Cognos
- Longview Performance Management
- SAP EPM (Financial Consolidation, Business Planning and Consolidation)

## Transactional Data Storage/Data Warehouse

- Vertex Enterprise
- Microsoft Dynamics
- CCH Global Integrator
- ERP
- Bespoke

## Indirect Tax Determination

- TR ONESOURCE Indirect Tax
- Vertex Indirect Tax
- Taxware
- FuelQuest Zytax Determination
- ERP

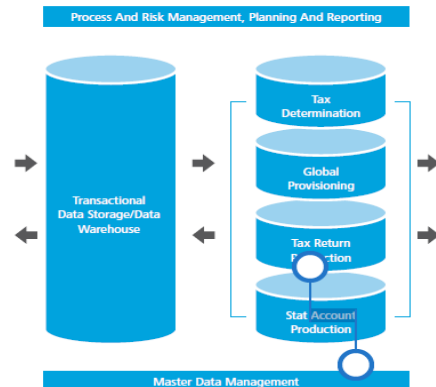
## Global Provisioning

- Longview Tax
- Corttax Provision
- Vertex Tax Accounting
- Excel
- CCH Global Integrator
- Oracle Hyperion Tax Provision
- TR ONESOURCE Tax Provision

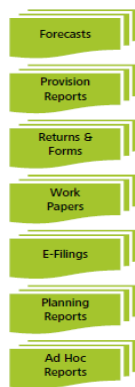
## Business Systems



## Tax Operations Management



## Key Outputs



## Record Retention

- DART
- Transactional data store

## Scenario Planning and Forecasting

- Corttax
- BNA Corporate Tax Analyzer
- TR ONESOURCE Global Tax Planning

## Tax Audit Management

- Collaboration Software/SharePoint
- Excel
- TR ONESOURCE Audit Manager
- CCH Audit Automation

## Transfer Pricing

- TR ONESOURCE Transfer Pricing
- Corttax Transfer Pricing Architect
- PebbleAge - Hyperion Transfer Pricing
- SAP and Oracle/Hyperion
- Bespoke tools
- Transfer Pricing Documentation Solutions

## Tax Return

### Direct Tax

- Corttax (US)
- TR ONESOURCE Corporate Income Tax (UK, US, IR, NL, HK, other APAC)
- Datov (AU, DE, CZ, IT, PO)
- Alphatax (UK)
- CCH Global Integrator

### Indirect Tax

- TR ONESOURCE Indirect Tax
- VAT Applications (VAT Reporting)
- Other (including US Sales and Use Tax products)

## Accounts Production

- CaseWare Accounts Production
- CCH Accounts Production
- IRIS Accounts Production
- TR ONESOURCE Accounts Production
- Sage Accounts Production

## Disclosure Management

- IBM Cognos (previously Clarity)
- Oracle Hyperion Disclosure Management
- SAP Disclosure Management
- Trintech Cadency
- WebFilings

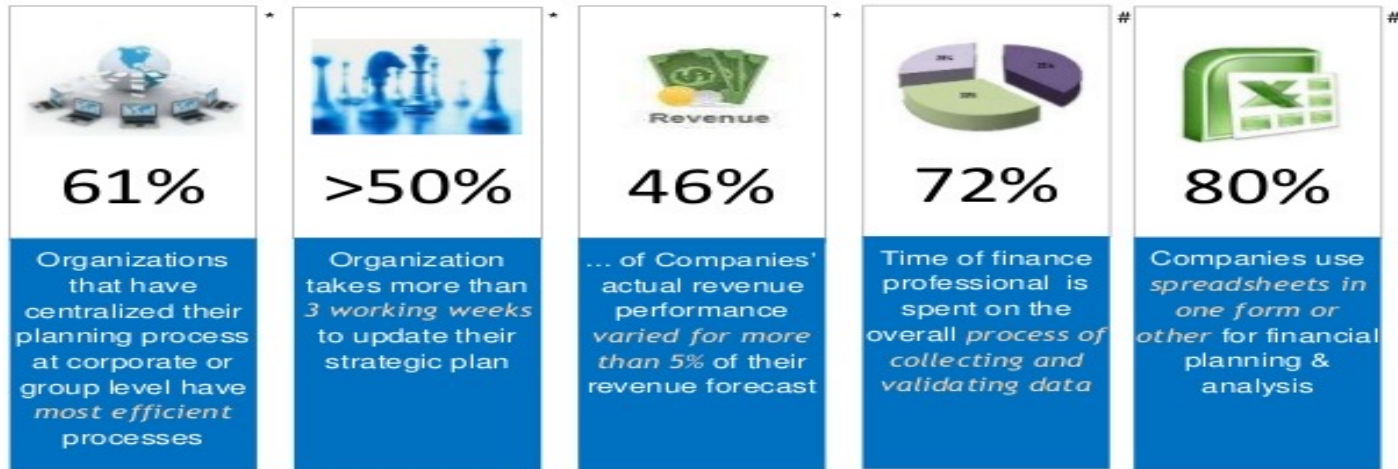
## Master Data Management (MDM)

- IBM InfoSphere MDM
- SAP Netweaver MDM
- Oracle MDM Suite
- Microsoft SQL Server Master Data Services



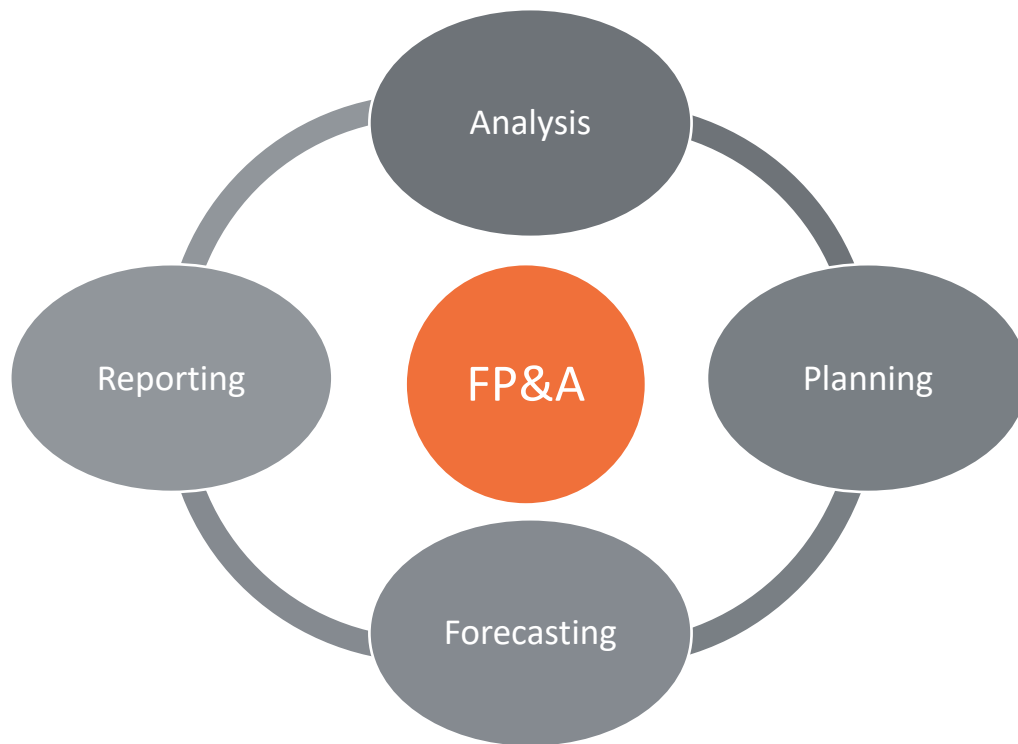
# Budgeting & Forecasting

# KEY FINDINGS FROM CFO.COM SURVEY



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# FP&A BUSINESS PROCESS LIFECYCLE



# FP&A SOLUTIONS IN THE MARKET

- Anaplan
- One stream XF
- Workday
- IBM Planning Analytics
- SAP Analytic cloud
- Planful
- Jedox



# FP&A – SYSTEM LANDSCAPE

