



Fluence
Technologies

Daily consolidated cash flow

Four key requirements for corporate
responsiveness and relevance in an uncertain time





Volatile markets require daily visibility

As a monthly exercise, manual cash flow consolidation is technical, tedious, and time-consuming. As a daily task, it's entirely untenable.

In 2018, [81% of CFOs](#) said they were preparing their organizations for an increasingly volatile future. Recently though, market conditions have starting changing so fast that data becomes obsolete, seemingly overnight. A true 'Black Swan' event, COVID-19 came as a surprise and created a far-reaching ripple effect. Corporations are dealing with entirely new operating environment that looks different from day-to-day, due to an overwhelming convergence of factors:

- Changes in purchasing patterns for businesses and consumers
- Volatile markets and foreign exchange rates
- Surplus inventory
- Supply chain and capacity disruptions
- Delays in receivables collection
- Shutdowns and closures
- Evolving relief packages and tax provisions

Factors that would normally be static throughout the month are now changing rapidly and having a significant impact on models and forecasts. What's more, decisions that would normally be made at an annual or quarterly plan-level are now being revised ad hoc.

It's a bit of catch-22 —

Leaders are more dependent than ever on up-to-date insights, but it's harder than ever to keep insights up-to-date.

Challenges with cash flow visibility

A daily consolidated cash flow report is a crucial input for corporations looking to make contextually-relevant decisions in an increasingly uncertain world. The challenge, however, lies in the traditional approach to managing this process.

While the world's largest enterprises benefit from bespoke consolidation solutions run by specialized teams, the vast majority of corporations take a more hands-on approach that blends manual processes with point technology solutions. The resulting data is error-prone and unreliable and takes far too long to produce on a daily, or even weekly, schedule.

Under more predictable conditions, corporate leaders focus on period-based profit and loss, without much concern for the timing of payables, conversion of receivables, or other

standard operations. Now, incoming and outgoing cash flow have been put under a microscope, and executives are looking for daily updates on performance and outlook in order to make decisions.

In order to succeed in this new normal, corporations need:

01 Automation

02 Flexibility

03 Usability

04 Connectivity

01

Automation

Finance organizations require a high-degree of automation in order to meet the new reporting and analysis demands.

While this directive is far from new, most finance teams still spend about [80% of their time](#) on manual data collection, consolidation, and validation. Cash flow forecasting is especially time-consuming. According to [PwC Global Treasury Benchmarking report](#), “cash flow forecasting is still one of the most manually intensive reports used by treasury.”

In the report, leaders ranked collecting accurate data input as the primary forecasting challenge. Larger corporations with multiple entities, currencies, and ERPs face an especially steep climb on this front. Leading organizations are relying on automation to scale up reporting frequency without superhuman staff effort or compromised accuracy and control.

Fluence connects to each of your data sources to automatically collect accurate, up-to-date information. Its dynamic consolidation engine then manages intercompany eliminations, foreign exchange translation, and dozens of other technical calculations in order to generate analysis-ready reports on demand.

02

Flexibility

Automation brings efficiency to specific processes. Flexibility is needed to direct it appropriately.

Many corporations with streamlined period-end reporting processes have still struggled to keep pace with the new demands for data and analysis—in large part, because overly rigid systems and processes make it difficult to quickly pivot to face unforeseen challenges.

Even simply transitioning from monthly to daily cash flow forecasting can be a large undertaking with a traditional consolidation solution. These complex systems require a consultant to architect the new processes, an IT team to implement, and a host of change management communications to convey the new process to staff. The best-fairing corporations are much more agile. They're able to make process or output changes independently and immediately, and respond to new demands in real-time.

Fluence uses a no-code graphic interface that lets finance users intuitively manage processes and quickly respond to new circumstances without IT involvement. Managers can plan new processes, assign tasks, configure templates, and track progress. Users get alerted in new tasks in real-time and are guided through their work with contextual reminders and supporting instructions.





03

Usability

Finance professionals are more pressed than ever to deliver and they don't have the bandwidth to try to make a square peg fit in a round hole.

Even when systems are in place, professionals often default back to spreadsheets because of the flexibility they provide in modeling ad-hoc scenarios, amending rules, and responding to changing reporting requirements. [84% of finance organizations](#) with a designated FP&A solutions report that they still end up using Excel spreadsheets during their process.

Rather than look to eliminate spreadsheets all together, leading finance executives are equipping them with all the controls, automations, and safeguards that are built into traditional heavy-weight financial reporting and planning platforms. This lets business users quickly adapt to new templates, processes, or reporting requirements without navigating a learning curve and eliminates the need for poorly controlled work arounds.

Fluence leverages Excel as a window into source data and as a platform for analysis. It eliminates the 'black box of accounting' by providing visibility into every number and gives finance users the familiarity and flexibility to maintain controls while responding to quickly changing internal and external demands.

04

Connectivity

Consolidating historical data is only half the battle when it comes to cash flow forecasting.

Inaccuracies and bottlenecks are compounded as teams compare performance to plan data and model different scenarios. This part of the process turns data into insight and is crucial for strategic decision-making, yet it's also manual and error-prone.

In order to effectively use historical data in such a quickly changing environment, finance teams need their consolidation engine and FP&A solution to work as one. It needs to offer a single version of the truth, as well as visibility into where each number came from and why it makes sense.

Fluence manages consolidation and planning within one solution so that processes run smoothly from start to finish. It increases efficiency and provides centralized access to financial and operational indicators in real-time.





About Fluence Technologies

Fluence is purpose-built for finance teams that want cutting-edge efficiency and enterprise-caliber data, without the overhead traditionally associated with consolidation and planning systems.

Specifically designed to support the constantly evolving needs of modern finance organizations, Fluence lets you deliver financial statements in record time with out of the box workflow and a dynamic calculation engine.

It eliminates the learning curve by using Excel as a window to your data, reduces reliance on IT with a no-code interface and intuitive design, and provides the control, automation, and logic needed to meet new challenges head on.

As an intuitive out of box solution, Fluence can be implemented completely remotely and be fully operational in a few short weeks.

[Learn more now >](#)



Fluence
Technologies

Fluence Technologies
47 Colborne St, Suite 201
Toronto, ON, M5E 1P8
fluencetech.com

© 2020 Fluence Technologies

The Fluence Technologies logo is a trademark of Fluence Technologies and/or its affiliates.
All other company or product names are the property of their respective owners.

