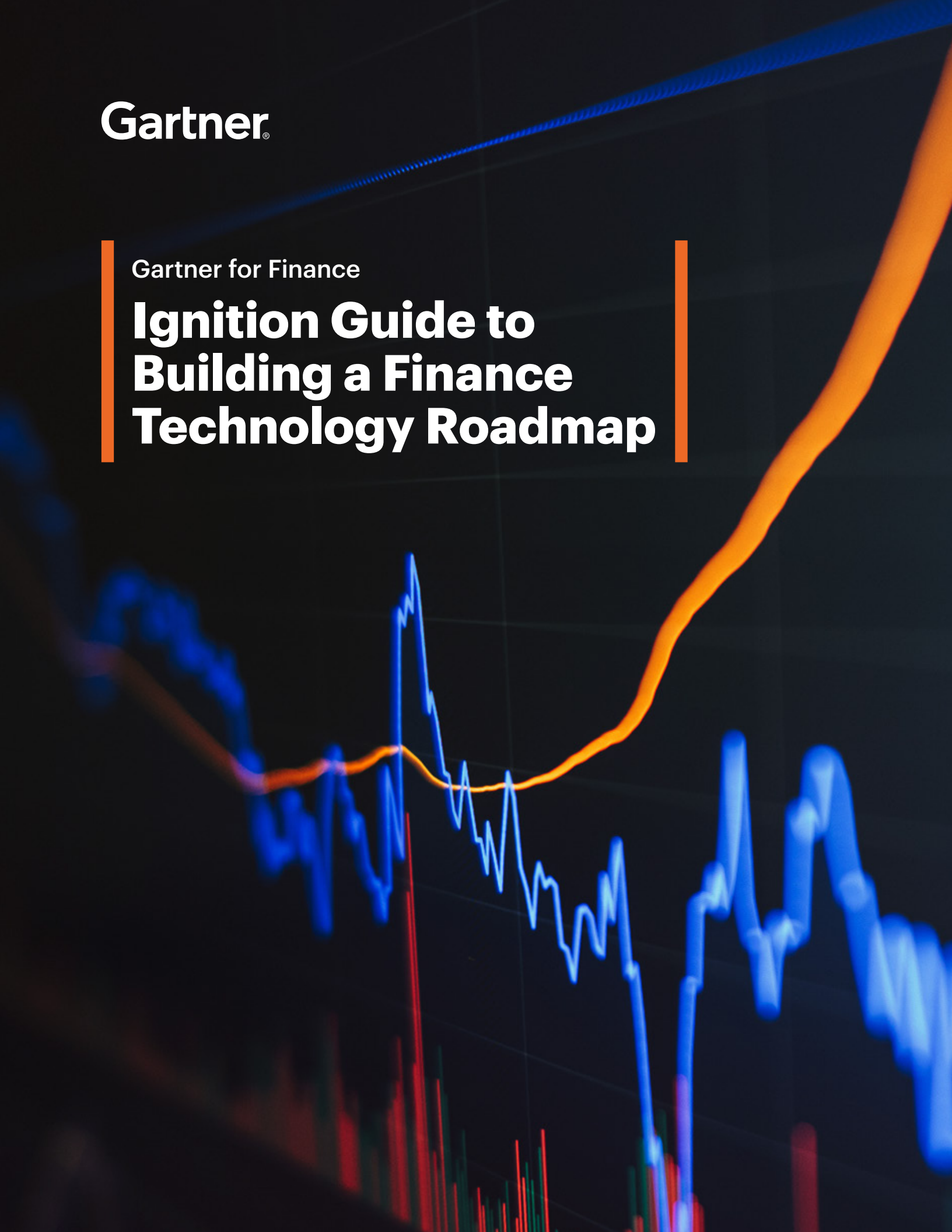




Gartner®

Gartner for Finance



**Ignition Guide to
Building a Finance
Technology Roadmap**

Introduction

Finance leaders trying to set a clear digital transformation vision should use this five-step guide to identify best-fit technologies, prioritize technology upgrade and/or investment opportunities, create a roadmap for technology implementation, and communicate it to relevant business stakeholders.

More on This Topic

This is part of an in-depth collection of research. See the collection:



Overview

This guide will help you:

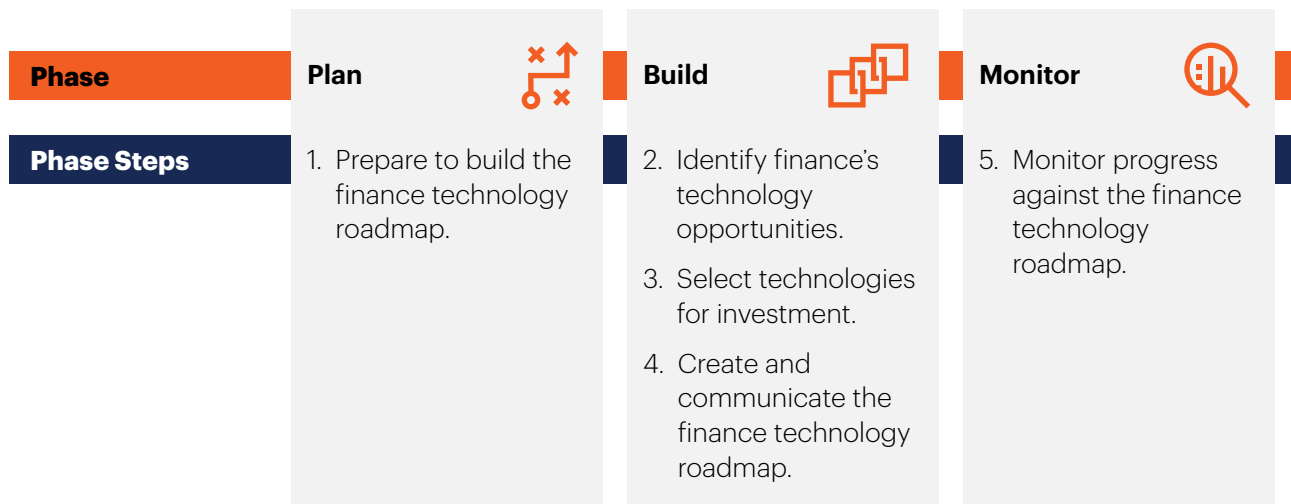
<p>Identify gaps in finance's current technology portfolio.</p> 	<p>Identify emerging technologies that can help realize finance's objectives.</p> 	<p>Define finance technology investment opportunities.</p> 
<p>Prioritize finance technology investment opportunities.</p> 	<p>Visualize and communicate the finance technology roadmap.</p> 	
<p>Time 8-12 weeks</p>	<p>Effort 1-3 FTEs</p>	<p>Inputs</p> <ul style="list-style-type: none"> • Finance's strategic objectives • Data on finance's current technology use

*Time refers to the total duration for completing the activity end-to-end.

**Effort refers to the total number of FTEs required to execute the activity.

ESSENTIAL Steps marked as Essential have been identified as critical for the successful execution of this project.

Steps



Prepare to Build the Finance Technology Roadmap

Lay the groundwork for creating the finance technology roadmap, and ensure all participants understand their responsibilities, process timelines and expected outcomes.

Project Objectives

Project Outcomes	Problems Addressed
A clear understanding of the functionality and quality of currently deployed systems, and the market technology landscape to support key finance activities.	Finance teams struggle to assess the quality of their existing systems and the value of new technologies in a comparable and comprehensive manner.
An assessment of value and risk drivers to prioritize technology opportunities that enhance key finance activities.	Finance teams find it hard to evaluate and prioritize technology opportunities based on their net business value.
A technology roadmap for finance with well-defined technology opportunities and implementation timelines.	Finance teams find it hard to identify a proven framework and thorough methodology to build a technology roadmap.

Get Started: Ignition Project Manager (.xism) (Available to Gartner clients)

Roles and Responsibilities

Role	Responsibilities
<p>Head of Finance (e.g., CFO, VP of finance)</p>	<p>Provide executive guidance on the roadmap development and ensure it aligns with strategic goals. Appoint finance technology lead and sign off action items, timelines, deliverables and responsibilities.</p>
<p>Finance Technology Lead (Often head of finance operations, head of finance transformation or head of shared services)</p>	<p>Responsible for building the roadmap, leading the PMO effort by monitoring and tracking progress, assigning responsibilities for implementation, and evaluating the cost of technology to ensure the implementation remains on budget.</p>
<p>Finance Process Owners (Often midlevel finance managers or functional team leads)</p>	<p>Review finance objectives and provide inputs on process-level technology requirements for supporting finance capabilities.</p>
<p>Finance Technology Roadmap “Tiger Team” (Typically comprises finance capability owners and cross-functional representation from central IT and procurement teams)</p>	<p>Gather data on current systems deployed to support finance capabilities and evaluate new technologies for investment.</p>
<p>IT Business Partners</p>	<p>Provide consultative support on auditing current technologies and future technology investments</p>

Before You Start

- Understand how finance’s objectives align with your enterprise’s strategic objectives.
- Set up a finance technology roadmap tiger team to drive this effort. The team should include relevant stakeholders from the finance, IT and procurement teams.
- Create an inventory of current technologies/systems that support various finance activities in your organization.

Common Pitfalls and Keys to Success

Common Pitfalls	Keys to Success
<p>Focus on Short-Term Gains</p> <p>Investing in low-effort, low-complexity technology solutions (such as piecemeal automations) to shorten payback periods. This is often at the expense of opportunities (such as setting up an RPA CoE) that can yield long-term business value.</p>	<p>Delineate Value-Adding Technology Investments</p> <p>Assess the value and risk drivers associated with technology opportunities to prioritize them on the basis of net business value. Ensure an optimum balance of short- and long-term initiatives in the roadmap.</p>
<p>Selection of Technologies Based on Hype and Market Trends</p> <p>Investing in new technologies that seem to offer quick efficiency gains, risking misalignment of technology investment strategy with finance objectives and diminishing the utility and effectiveness of these investments.</p>	<p>Select Technologies Based on Finance’s Needs</p> <p>Carefully review finance activities and understand how they align with strategic business objectives. Evaluate and determine their relative importance to select and prioritize the right technologies for investment.</p>
<p>Identify Technology Opportunities in Silos</p> <p>Limited visibility into the organization’s other IT efforts, leading to overlaps and conflicts among different finance teams or with central IT. This creates confusion and leads to a disjointed finance technology roadmap.</p>	<p>Involve Cross-Functional Stakeholders Early</p> <p>Consult, collaborate and coordinate with the other finance teams and central IT team to understand their perspectives at each step of the roadmap process. This also facilitates buy-in for technology selection at a later stage.</p>

Identify Finance's Technology Opportunities

Evaluate the quality and functionality of current systems supporting key finance activities to identify gaps in the technology portfolio. Based on this assessment, identify key technology opportunities that are prospective candidates for the finance technology roadmap.

Tasks

2.1 Determine gaps in finance's current technology portfolio. ESSENTIAL

Assess the effectiveness of current technologies and/or deployed systems supporting key finance activities. Leverage the finance technology roadmap tiger team, including IT partners, for this task.

Get Started: Finance Technology Assessment Tool (.xslm) (Available to Gartner clients)

2.2 Assess the market landscape to identify potential upgrades and investments.

Scan the finance technology landscape to identify existing and emerging technologies that will help build new finance workflows and strengthen existing ones. Leverage Gartner research (see Table 1) and IT partners' expertise for this task.

Table 1. Key Gartner Research on Finance Technologies

Category	Description	Key Research
Core finance	Technologies related to the functional areas of general ledger, accounts payable, accounts receivable, fixed assets, project accounting, project costing and project billing	<ul style="list-style-type: none"> Forget What You Know and Start Fresh When Implementing Cloud Core Financial Management Suites How to Develop and Jump-Start Your AI Strategy for Core Finance
Financial close	Technologies related to financial consolidation, financial reporting, reconciliation management, close management, intercompany transactions and disclosure management	<ul style="list-style-type: none"> Magic Quadrant for Cloud Financial Close Solutions Critical Capabilities for Cloud Financial Close Solutions

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Table 1. Key Gartner Research on Finance Technologies

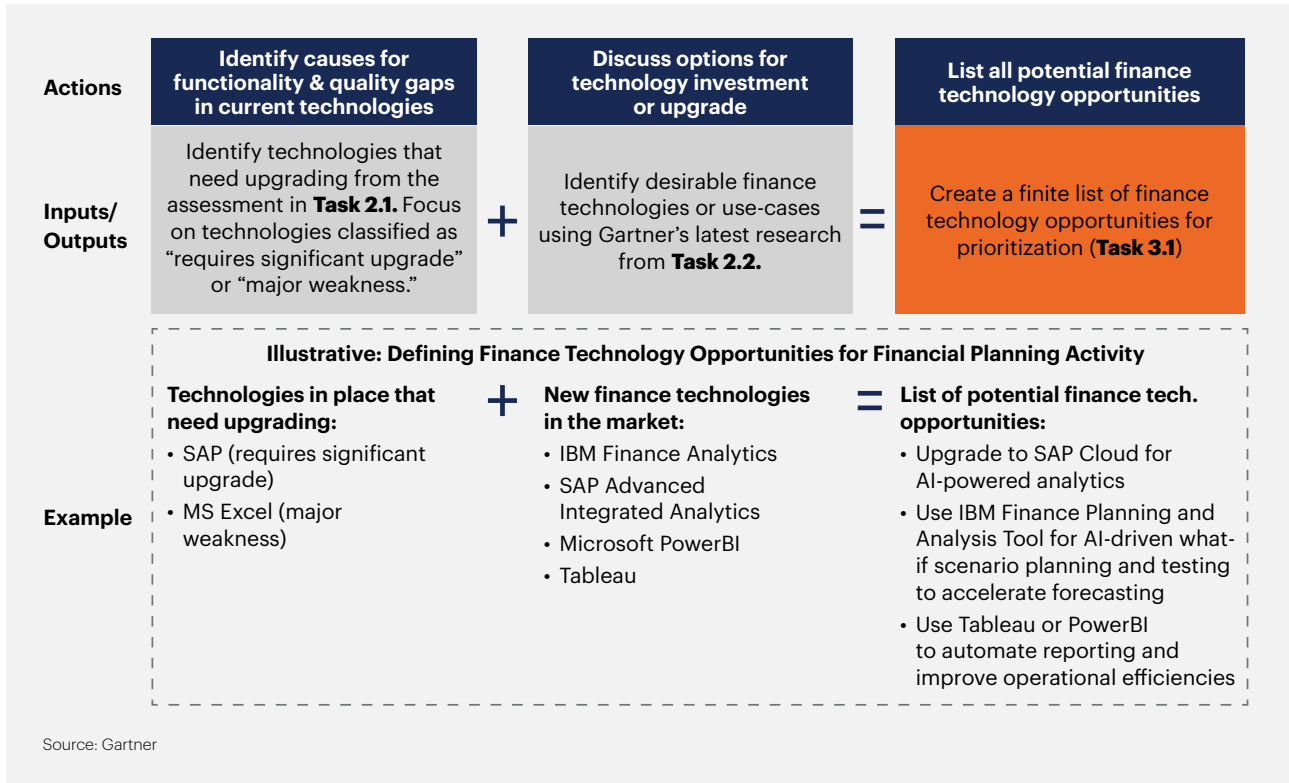
Category	Description	Key Research
Financial planning and analysis	Technologies related to financial budgeting and planning, integrated financial planning, financial forecasting and modeling, and management and performance reporting	<ul style="list-style-type: none"> • Magic Quadrant for Cloud Financial Planning and Analysis Solutions • Critical Capabilities for Cloud Financial Planning and Analysis Solutions • Innovation Insight for Extended Planning and Analysis (xP&A)
Finance automation	Technologies related to using robotic process automation (RPA) and scaling it into other finance subfunctions, such as procurement and tax	<ul style="list-style-type: none"> • Move Beyond RPA to Hyperautomate Finance • Magic Quadrant for Robotic Process Automation • RPA Use Cases in Tax • Finance Hyperautomation Use Cases
Data and analytics	Technologies related to data and analytics	<ul style="list-style-type: none"> • Advanced Analytics Use Case Library
Latest trends	Upcoming trends in finance technology	<ul style="list-style-type: none"> • Top 10 Finance Technology Trends for 2020

Source: Gartner

2.3 Define technology opportunities for finance. ESSENTIAL

Based on the gaps identified in current finance technologies (Task 2.1) and the finance technology market landscape (Task 2.2), define a comprehensive list of technology opportunities (see Figure 1). CFOs, midlevel managers and process owners are expected to act as key participants in this process.

Figure 1. Defining Finance Technology Opportunities



2.4 Discuss finance technology opportunities for alignment with central IT. ESSENTIAL

Collaborate with IT business partners to screen technology opportunities based on their potential impact on IT’s ability to deliver services and advance its strategic goals.

Get Started: Discussion Guide: IT Alignment of Finance Technology Opportunities (.pptx)

(Available to Gartner clients)

How to Set Up for Success

Success Criteria	Red Flags
A list of well-defined key finance activities to be supported by technology.	Dissent in the finance team due to various factors (such as hesitation, lack of interest, rigid mentality, or fear of losing their job) leads to inadequate identification of technology needs.
A comprehensive analysis of the finance technologies prevalent in the market and a thorough understanding of finance technology use cases.	Cross-functional stakeholders (such as central IT) are not involved in analyzing the current systems and identifying new finance technologies.

Select Technologies for Investment

Evaluate finance technology opportunities to identify and prioritize the best-fit technology opportunities for your organization.

Tasks

3.1 Prioritize finance technology opportunities. ESSENTIAL

Evaluate and prioritize finance technology opportunities (defined in Task 2.3 and 2.4) against a finite, standardized set of value criteria, success factors, risks and inhibitors to get an objective comparison of their net business value.

[Get Started: Finance Technology Opportunity Prioritization Tool \(.xlsm\)](#)

(Available to Gartner clients)

3.2 Discuss technology opportunities with a Gartner analyst.

Leverage our [Gartner BuySmart™](#) service to validate your prioritized list of finance technology opportunities against external market parameters (e.g., technical, financial) and industry best practices.¹

How to Set Up for Success

Success Criteria	Red Flags
An objective assessment of technologies that will advance the finance function's critical objectives.	All finance objectives are ranked high on business value making it hard to prioritize corresponding technology opportunities.
Identification of technologies that no longer serve the critical objectives and should be upgraded, replaced or retired.	Finance technology opportunities conflict or overlap with central IT's ongoing projects.

¹ BuySmart is Gartner's trademarked approach for using data-driven insights and situational analysis to acquire (buy or rent) technology solutions across all categories of spend (software, SaaS, cloud, infrastructure, services, devices, network).

The BuySmart approach is "applied" research. It's a pragmatic approach that combines enterprise-specific situations with our deep research base, across technology markets, to enable clients to buy with confidence. The BuySmart approach guides clients through the strategy, vendor selection and negotiation phases of a deal. BuySmart is designed to ensure we've addressed the five R's of a deal profile: the right requirements, right vendor, right structure, right quantity at the right price.

Create and Communicate the Finance Technology Roadmap

Determine the final roadmap elements (from the previous steps) and the timelines for execution. Document and share the roadmap with relevant stakeholder groups.

Tasks

4.1 Define the roadmap for finance technology implementation.

Define the timelines for implementing selected technologies according to your business needs and readiness. Assign stakeholders (individuals or teams) responsible for their successful implementation and graphically illustrate the timelines for stakeholders.

Novel approaches to visualizing roadmaps include moving away from the traditional Gantt-like feel to methods such as following a path, and even visualizations that simulate traveling down a physical road.

4.2 Document and communicate the finance technology roadmap.

Document key components of the technology roadmap from the previous steps. Share the finalized roadmap with internal stakeholders. Tailor your communication according to the information needs of different stakeholders, such as IT and procurement.

[Get Started: Finance Technology Roadmap Template \(.pptx\)](#)

(Available to Gartner clients)

How to Set Up for Success

Success Criteria	Red Flags
A clear representation of the key elements of the finance technology roadmap, including execution timelines.	Too many technologies scheduled for implementation at the same time leads to challenges in adoption and implementation.
A shared understanding of the roadmap by the finance function, IT team and other relevant business partners.	Stakeholders are unclear on the business assumptions underlying the strategy.

Monitor Progress Against the Finance Technology Roadmap

Review the progress and effectiveness of the roadmap, and track uptake and action.

Review Your Performance

- Track adherence to the roadmap and collect feedback from key stakeholders on the technology roadmapping process.
- Document the lessons learned for future roadmapping exercises.

Keys to Continued Success

Key	Description
Track Emerging Finance Technologies	Leverage Gartner’s expertise to regularly monitor the finance technology landscape and stay on top of new technology launches, trends and industry reviews.
Identify Opportunities to Retire Low-Value Systems	Periodically assess finance’s systems on their business criticality and ease of use to identify redundant and overly complex functionality.
Periodically Refresh the Roadmap	Follow an annual cadence to refresh the roadmap with new technology opportunities to ensure its relevance to changing business needs.
Align Human Capital With Key Projects	Understand how finance technology implementation will cause staff roles to change. Determine which new roles will be required and which existing roles will change to meet future objectives.

Actionable, objective insight

Position your finance function for success. Explore these additional complimentary resources and tools:



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