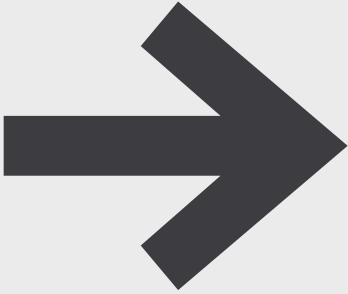# Growing Without Pain:
How Modern ERP Helps CFOs
Manage Growth Challenges

Introduction: growth is good—but often challenging

For many companies, growth is the very measure of success. At the same time, it creates challenges of its own. Processes break down. A flood of new data obscures valuable insights. Technology bottlenecks slow the realization of business opportunities.

Traditional, on-premises enterprise resource planning (ERP) solutions can make these problems worse. As a CFO, you may be tempted just to shore up existing systems. Forward-thinking CFOs, however, use growth as an opportunity to reevaluate their company's approach to ERP. With a modern, cloud-based solution, they gain the agility and scalability they need to grow at the speed of opportunity.

This is especially important because the CFO's role continues to evolve from one of support to more strategic responsibilities. By increasing automation of traditional accounting and financial tasks, you can be free to focus on the future—things like identifying opportunities, ensuring ROI, and optimizing the value chain.

In this e-book, we'll look at some of the ways that digital transformation is changing the growth paradigm and how modern ERP can help.
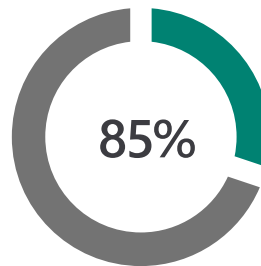
1

The new normal: the digital pace of growth

Digital transformation is unlocking business growth on an unprecedented scale. According to IDC, direct digital transformation investment is growing at 17.5% annually and will reach $7.4 trillion by 2023[1]. Companies classified as digital champions in a BCG report achieved greater competitive advantage, faster time to market, and lower cost than competitors.[2]

Using this technology, business leaders are seeking to deliver personalized, efficient products and services to expand their markets. Many enterprises speed growth by targeting niche and underserved markets, as well as customizing existing offerings. In fact, 85 percent of executives agree that combining customization and efficient delivery is the next wave of competitive advantage.[3]

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[1] IDC FutureScape for Worldwide Digital Transformation 2020, IDC, 2019.
[2] Digital Maturity is Paying Off, BCG, 2018.
[3] Accenture Technology Vision 2019, Accenture, 2019.

As the company geared up for new opportunities, we needed a new, unified core system that would better serve our organization's business complexity and give us the speed to enable continued growth.

Eric Reading
Executive Vice President
Chemonics

2
Why ERP matters in a growth environment

Ironically, while modern digital technology can create new paths to growth, older systems can hit the brakes. Traditional ERP systems typically rely on a high degree of customization that escalates over time. As this codebase grows, with little documentation, it requires more and more specific, organizational knowledge to keep it running.

This leaves businesses with brittle, monolithic systems. Adding new product lines or changing existing ones may require time-consuming custom coding and expensive downtime. Expanding on-premises ERP solutions may even involve provisioning and managing new hardware, and an often-lengthy procurement process.

The limitations of traditional ERP in an environment of rapid growth have organization-wide impact. Operations, finance, human resources, and other departments can find themselves siloed, lacking the visibility necessary to respond effectively to change. Onboarding new employees takes longer than it should. Supply chain inefficiency eats up margins. Employees put forth heroic manual effort to sustain growth. Disparate data and lack of contextual insights make all these problems harder to overcome.

Most importantly, traditional ERP systems don't fit a world where business value comes from rapid innovation, customer-centric personalization, and radical efficiency. These advantages depend on the ability to analyze unified data for insights and opportunities. Cloud-based ERP excels at unifying data and typically offers access to advanced visualization and analytics capabilities that are built in.
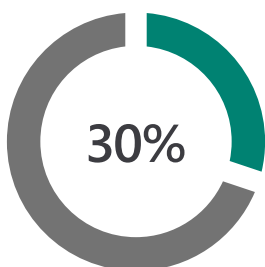
> We were approaching a point where we couldn't keep pace with business demands. We wanted to modernize and create a globally connected environment where we could quickly adapt and respond to the needs of our rapidly expanding retailer, franchisee, and customer base.

Phillip R. Kennedy
Director of Information Technology
Pandora

3
Liberating potential

If your ERP is getting in the way of growth, it's time to explore moving to a modern solution. Many organizations put off this decision because they see this change as expensive, complicated, and risky. In fact, in a growth environment, the opportunity cost of running your core financial and supply chain processes on outdated technology is an even greater risk. As for the expense, by removing the need to manage on-premises infrastructure, enterprises can reduce the cost of IT by as much 30 percent.

You can leap ahead and pave the way for expansion by choosing a flexible, scalable, cloud-based ERP. Here are three ways that a modern ERP can help you grow faster.

30% By removing the need to manage on-premises infrastructure, enterprises can reduce the cost of IT by as much 30 percent.

> With our old systems, I worried about how to manage our fast growth. Now we don't struggle with day-to-day management. We're free to focus on the business itself.

Paolo Fabiocchi
Group Chief Financial Officer
Frette

Discover insights and take action.

Use embedded intelligence and predictive analytics across finance, manufacturing, and supply chains to turn your data into actionable insights that help you seize growth opportunities. Democratize access to insights with built-in reporting, visualization, and analysis tools that anyone can use.

Quickly capitalize on change.

Gain unmatched flexible, adaptable, and scalable deployment options so you can transform specific areas of your business and expand from there. Scale your solution to meet emerging needs without having to deploy and manage physical servers. Adapt business processes with a template-based approach that requires minimal customization.

Unify your business.

Bring together multiple entities in one cloud-based system, simplifying growth through mergers and acquisitions. Give everyone a sole source of truth about business performance to minimize risk and maximize collaboration as you grow. Plus, onboard new employees faster with intuitive, easy-to-use applications that work seamlessly across mobile and in-office devices.

4
Achieving growth goals with Microsoft Dynamics 365

Smart CFOs use high-growth phases to modernize their organization and ERP systems, supporting current business plans while laying out a path for the future. As global industries capitalize on digital transformation, Microsoft Dynamics 365 empowers them to meet the challenges of accelerated growth.

Dynamics 365 Finance and Dynamics 365 Supply Chain Management ensure enterprise-wide visibility, unify data, speed business process evolution, and enable employees to do business nearly anywhere, anytime, on any device with the choice and flexibility of the cloud. By going beyond traditional ERP, Dynamics 365 helps you and your organization grow smarter—and faster.

Our continued growth demands a cloud-based IT solution that provides us with the largest possible scope for action in a completely flexible manner.

Rainer Notter
Joint Managing Director
HSO Enterprise Solutions GmbH

Microsoft Dynamics 365