The Finance Transformation Magazine

For Finance Leaders

SPECIAL EDITION

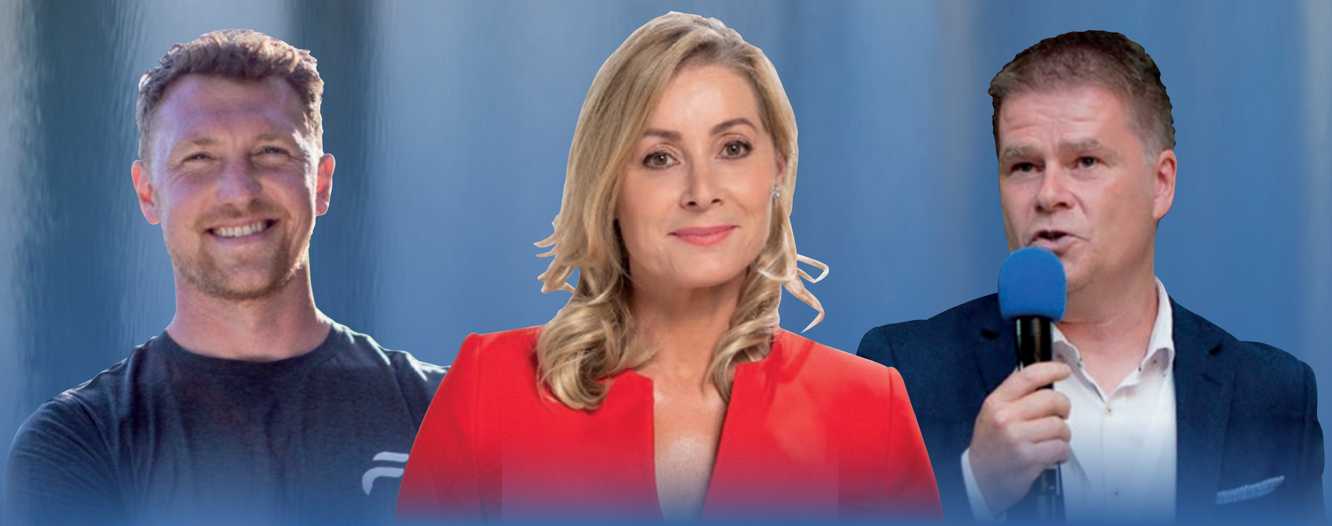
A New Way to Row

Alex Gregory MBE

Finance Transformation Magazine *Invites you to...*

Mindset Drives Change

Thursday 23rd March, London | 8.30am-10.30am



Alex Gregory
Olympic Champion

Trish Lynch
Presenter

Michael Ryan
Finance Leader

Winning Strategies from Sport & Media to drive Finance Transformation

Register your place

Venue:
The Warehouse, London SW18

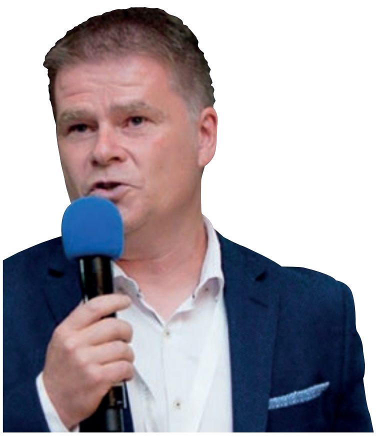
Editorial

Welcome to this Special Edition of Finance Transformation Magazine marking our first in-person Networking Event. 'Mindset Drives Change' is the first in our Breakfast Briefing series featuring the Stars of Finance Transformation Magazine.

'Mindset Drives Change' features Double Olympic Gold Medallist **Alex Gregory MBE** and Media Star **Trish Lynch**. They are joined by Editor and Managing Partner of Finance Transformation UK, **Michael Ryan**.

Many of our Contributors are attending to support our Keynote Speakers and network with the audience, all of which are subject matter experts across the field of Transformation. Thank you for supporting the Magazine over the last two years and we look forward to many in-person events throughout 2023 across the UK.

Best Regards,



Michael Ryan

The Finance Transformation Magazine

Editor
Michael Ryan
0203 146 6878
michaelryan@financetransformation.co.uk

Contributors

Chris Vincent
Philip King
Martin Kirby
Liz Barclay
Howard Trenam
Jason Cobine
Mark Saywell
Alex Gregory MBE
Trish Lynch
Robert Brooker
Terry Corby
Gary Cole
Nigel Coffey
Melanie Goodman

Design and Production
Andy Peat
andy@andypeatdesign.co.uk

Finance Transformation
Transform Finance Faster

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Finally...Digitally Connecting Billing to Payments!

Chris Vincent talks about the new Request to Pay (RtP) secure messaging service from Pay.UK and why it's the missing piece of the digital jigsaw which will transform the Order to Cash process.

Request to Pay

Request to Pay, introduced by Pay.UK, the Authority who manage the UK's primary payments schemes is the future of billing and payments. It is the brand new eco-system that's available for adoption and pilots from this year. The benefits for billers and payers are significant, from an improved user experience to administration benefits from the sharing of structured (ISO20022 compliant) transaction data.

Exela (formally BancTec) is a business process automation (BPA) leader, leveraging a global footprint and proprietary technology to provide digital transformation solutions enhancing quality, productivity, and end-user experience. With decades of expertise operating mission-critical processes, Exela serves more than 4,000 customers in 50 countries, including over 60% of the Fortune® 100.

Exela is best known for its payments platforms and services that underpin the UK's payments backbone along with cash management services for corporates. In 2017 Exela partnered with Mastercard/Vocalink to deliver the Image Clearing System (ICS), the digital cheque clearing platform, to Pay.UK.

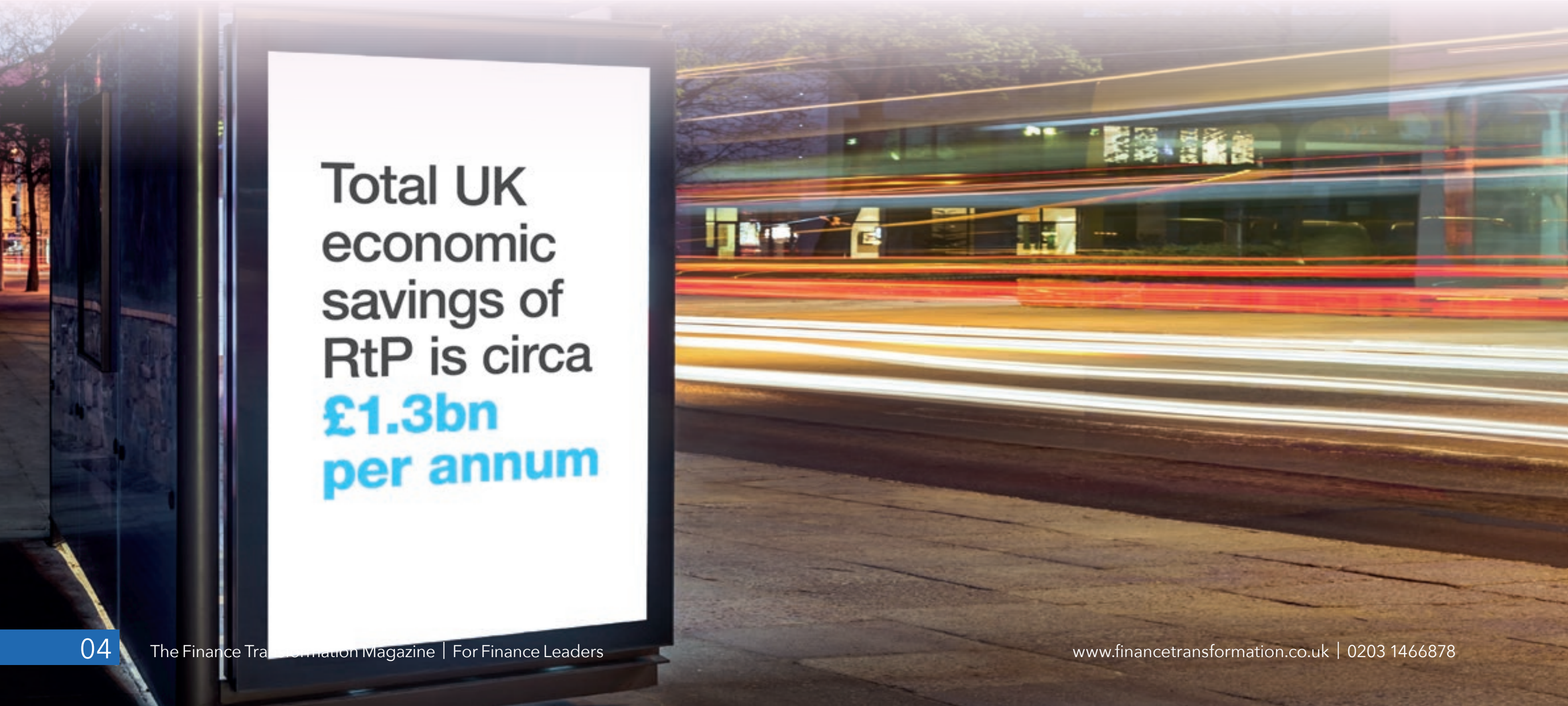
Today, 100% of UK cheques flow through Exela's image and workflow technology under the Mastercard partnership. **In 2020, Exela again partnered with Mastercard to develop Request to Pay**, the UK's latest payments overlay, designed to digitise and standardise Billing and Payments.

The Future of Payments

Billing and Payments are transforming at pace and this is what every finance and payments professional need to know.

The UK is a world leader in payments. It pioneered real time payments and was one of the first countries to introduce Open Banking, a feature being widely adopted in all major payment zones globally. The UK has now set out its vision for the future with its **New Payment Architecture (NPA)** blueprint.

Real time payments called Faster Payments, or FPS in the UK underpin the future direction of payments. FPS allows funds to be transferred between two accounts almost instantaneously and at minimal cost. These payments are called **Account to Account (A2A)** transfers and are important because, like the name suggests, there's no intermediary getting in the way of the payment, no delays, and minimum cost overheads.



Things became more interesting with the introduction of Open Banking, which:

- Allows access and control of consumer bank accounts via third-party applications
- Has enormous potential to transform the banking and competitive landscape, and to transform the consumer experience.

This is all great! We have a fast and efficient payment system (FPS), we have some enhanced protection against scams through Confirmation of Payee (CoP), and finally we have a more flexible way to initiate the payment – Open Banking.

But what about the process before the payment? Billing and payments is currently a separate, largely un-connected process.

There are a few ‘closed’ networks for ‘payment requests’, but only unified and standardised such as Pay.UKs RtP will drive adoption.

Now Bring on Request to Pay!

RtP is not actually a payments system, it’s a secure messaging system, a precursor to a payment. It follows standards and accreditations mandated by Pay.UK, the UK’s retail payments Authority. Pay.UK also manage the key payments schemes, including FPS, BACS and ICS, so you can see why some call RtP the missing piece of the puzzle.

RtP is one of two NPA overlays, the other is Confirmation of Payee, the scheme that’s been name checking payments for the last year.

How Does RtP Work?

Secure Messaging

Think of RtP as email, but a secure email system where users are ‘onboarded’ to this messaging system and whereby they, along with all other users agree to some rules, standards, and a pre-defined set of outcomes (pay all, pay part, no-pay, request extension, message biller).

Know Your Client

The Scheme requires providers to perform a level of checks (known as KYC) and bad actors can be blocked or excluded. Part of the Scheme’s aim is to enable compliance, trust and automation.

Connection

The key here is that RtP finally connects digitally, the payment request to the act of payment initiation. If there is a need to request more info, then this can be requested digitally, all within the RtP messaging eco-system. A digital payment request means that we have richer data associated with the request, such as line items of an invoice, PO numbers or PDF images of bills (or maybe agreements).

The Benefits of Request to Pay:

1. It can utilise FPS, the UK’s cheapest and fastest Account to Account payment system
2. Improved liquidity – Immediate funds through Account to Account transfer
3. It allows the Payer to request a delay, reducing ‘payment breakage’ and Collections cost
4. It can facilitate an electronic dialogue
5. It delivers trust, as a Payee needs to request a relationship with the Payer
6. It can facilitate early payments through dynamic discounting.

Request to Talk

I’ve been working on the new RtP eco-system for the last three years, helping to bring RtP to market. As an active participant at the industry level, I’m keen to talk to individuals who think their business may be a good candidate for an RtP Pilot. Feel free to contact me if you’d like to discuss RtP or any of the other innovations discussed.

exela TECHNOLOGIES

About the author:
Chris Vincent

Working in banking, payments and F&A outsourcing, Chris has been helping banks and corporates to transform and automate their billing and payments operations for over 20 years. He has been instrumental in a number of new payment innovations such the UK’s Image Clearing System (ICS), Confirmation of Payee (CoP) and Request to Pay (RtP).

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The Future of **Credit Management!**

Philip King, the UK's foremost Strategic Leader in Credit Management talks to **Martin Kirby**, Head of Credit Risk & Collections at Business Stream about the Future of Credit Management.

Philip, with over 40 years' experience in Credit Management, is a former CEO of the Chartered Institute of Credit Management (CICM) and UK Small Business Commissioner. He is passionate about cashflow, credit management and helping small businesses.

Earlier this month he caught up with Martin Kirby, whose career has spanned multiple senior level Order to Cash positions at Kier Group, Adecco, Hays and Bupa to name but a few.

Over coffee they reminisced about careers in Credit Management which have collectively spanned 80 years and talk inevitably turned to the future.

In these unprecedented times, with the pandemic having caused major business disruption and still very much with us, Martin asked Philip what he thinks the Future of Credit Management holds.

In my view, progress has fallen behind many other facets of life. While processes have been made more efficient and quicker through automation, the life-changing developments seen elsewhere haven't materialised in quite the same way.

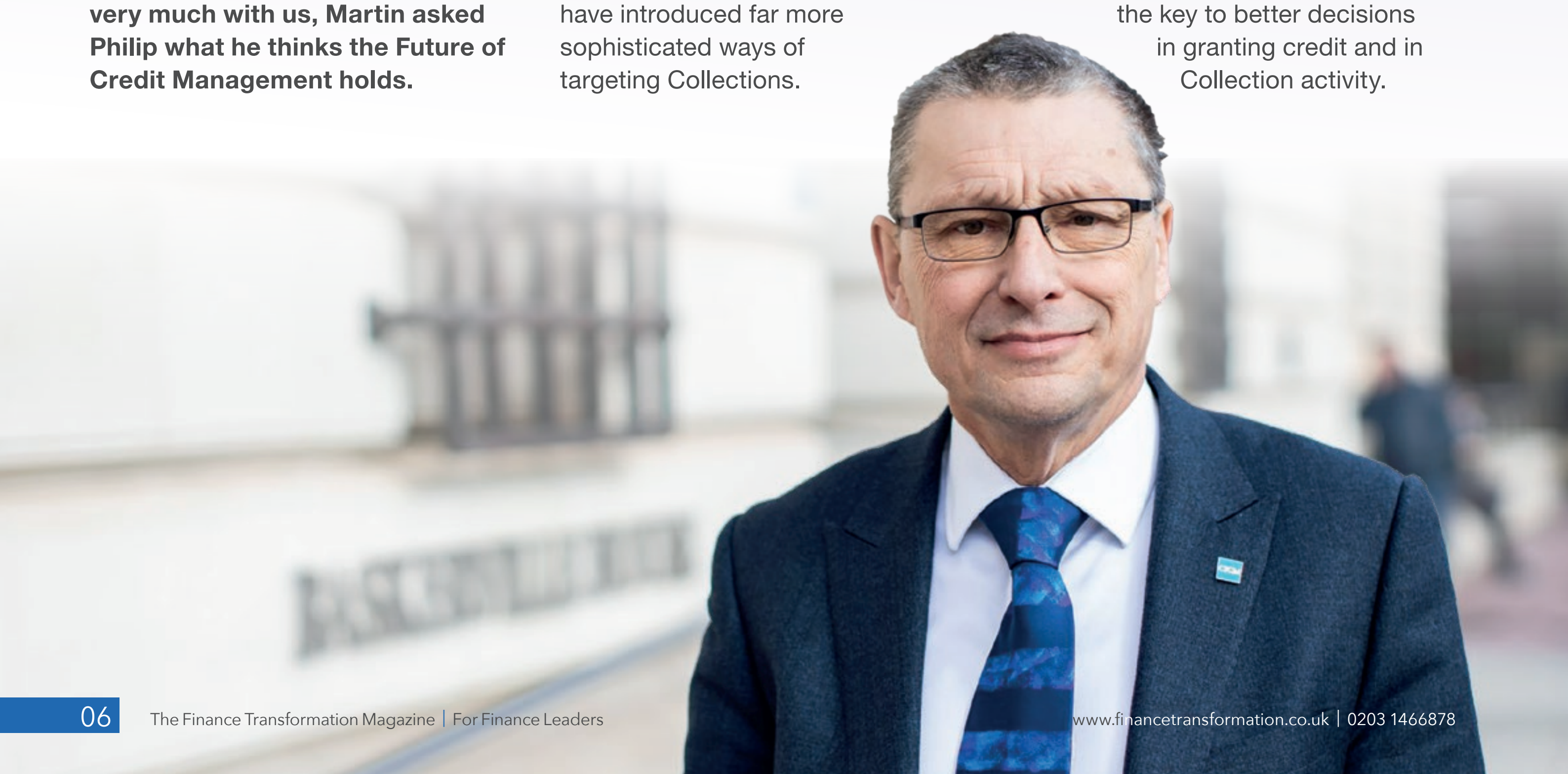
Risk assessment has moved from Dun & Bradstreet registers to highly sophisticated credit risk reporting systems using algorithms to predict failure and linked to tools that allow sales to be maximized. Not before time since, above all else, the provision of credit is a sales tool – why else would anyone have ever said a customer could wait 30 days or more before paying!

Automation has allowed collection activity to be far more efficient and effective, and artificial intelligence and machine learning have introduced far more sophisticated ways of targeting Collections.

At its heart, effective Credit Management is all about the customer and the strength of that relationship. The mechanics will always involve an unpaid Invoice and a means of customer contact. Technology can greatly influence how efficient that contact is made but at its heart the relationship is king, and I don't see that fundamental principle changing.

Despite not being a Technology guru, I do however believe we will see more revolutionary and transformational changes.

I can see advancements in risk analysis delivering far greater predictability using the hugely increased information available, accessibility to open data, and analysis of behaviours and trends. More accessible data will provide the key to better decisions in granting credit and in Collection activity.



Some of this additional data will arise from commercially available sources. Some will come because of developments in transparency requirements from government and, I hope, the sharing of quality data that will facilitate better decisions while not being to the detriment of confidentiality. Think how Open Banking is transforming finance systems.

In my view the lesson of the last 18 months is the need for more immediate insight into Customer resilience. Customer data capture in real time, not 6-12 months old is the requirement going forward. In addition, I feel that Sector analysis has never been more important.

Real time decisioning is demanded to ensure the appropriate risk is undertaken. In fact, the Pandemic is thus acting as a catalyst for the faster adoption of new techniques and the future may be with us faster than we think.

I agree that Open Banking is transformational, but my concern is what is the uptake in a B2B environment and consequently how can we drive adoption to reap the benefits it offers?

The days of Collection letters and dunning cycles will be superseded. Think how Amazon uses its data to personalise its marketing, and similar data manipulation could personalise contact with customers about unpaid invoices.

Robotics will allow many routine clerical tasks to be undertaken without the need for human intervention or involvement and this will free time for staff members to undertake more productive activity. Think how automated cash allocation tools have revolutionised previous methodologies.

I totally agree, advancement in communication methods is moving at pace. However, this technology is today relatively expensive, and many older organisations may find it difficult to leverage with their existing systems.

However, I also feel that traditional dunning techniques and letters will have a place for many years. Whilst the delivery mechanism may change and move more electronic, companies will feel safe in the knowledge of a default process tried and tested. This process is useful when compiling litigation requests, for example.

"Communication, not technology, is the prerequisite for good business relationships"

Fair challenges Martin and one to debate in the Webinar to follow. I do believe if we look at Collections, an area that traditionally lagged in automation terms, efficiencies are being driven forward at pace by the adoption of artificial intelligence and machine learning. In future, activity will be able to be targeted, driven by the analysis of trends in payment behaviours.

These will determine the timing and methods of contact that offer the greatest chance of success. Advancements in communication methods will provide new and innovative ways of interacting with customers.

I think the big challenge for the Technology Industry is to incorporate cutting edge capabilities into their standard ERP solutions and that they are not always a bolt on, driving additional cost, complexity and system proliferation.

Yes, I agree Martin, the relative cost of all Technologies will be a critical factor in developments and successful adoption over the next 10 years. There will be continuing progress across all relevant areas, and these will make for a very different credit management environment from the one we saw 40 years ago and the one we see now.

But, and it's a big but, I believe as I said earlier that the fundamental principles have not changed and will continue unchanged. Just as people buy from people, not from organisations as such, so people pay people. We do business with individuals and are more likely to buy when we trust them, and we are similarly more likely to pay and be paid if there is a positive relationship.

One of my mantras about risk assessment has always been that, particularly where significant amounts of credit are involved, it's important to have looked the customer in the eye and seen their operation firsthand. Communication, not technology, is the prerequisite for good business relationships.

These qualities and relationships have always been required, they were needed in 1979, they're essential now, and they'll be just as important in 5, 10 or 50 years' time.

In my view, Credit management is fundamentally based on communication skills and that will never change.

Responsible Payers Drive Economic Growth

Liz Barclay, Small Business Commissioner for the UK, explains why small businesses are the backbone of the economy and how the current Payment Culture undermines this critical contribution and as a result, undermines economic growth.

Small Business Commissioner

Small businesses are the backbone of the UK economy. How many times have you heard that and agreed?

Why then is it so hard to get small firms a seat at the table, a voice in the debate, treated with respect and paid fairly?

5.6 million small businesses from freelancers and sole traders to micro businesses and those with up to 50 employees are hugely significant.

They may not all want to grow into the next industrial or technological giant but together they are responsible for 50% of employment, 50% of growth and 75% of innovation.

Given the right support they will level up, underpin the drive to Net Zero and lead the charge out of recession. Yet there seems to be a perception that small equals insignificant.

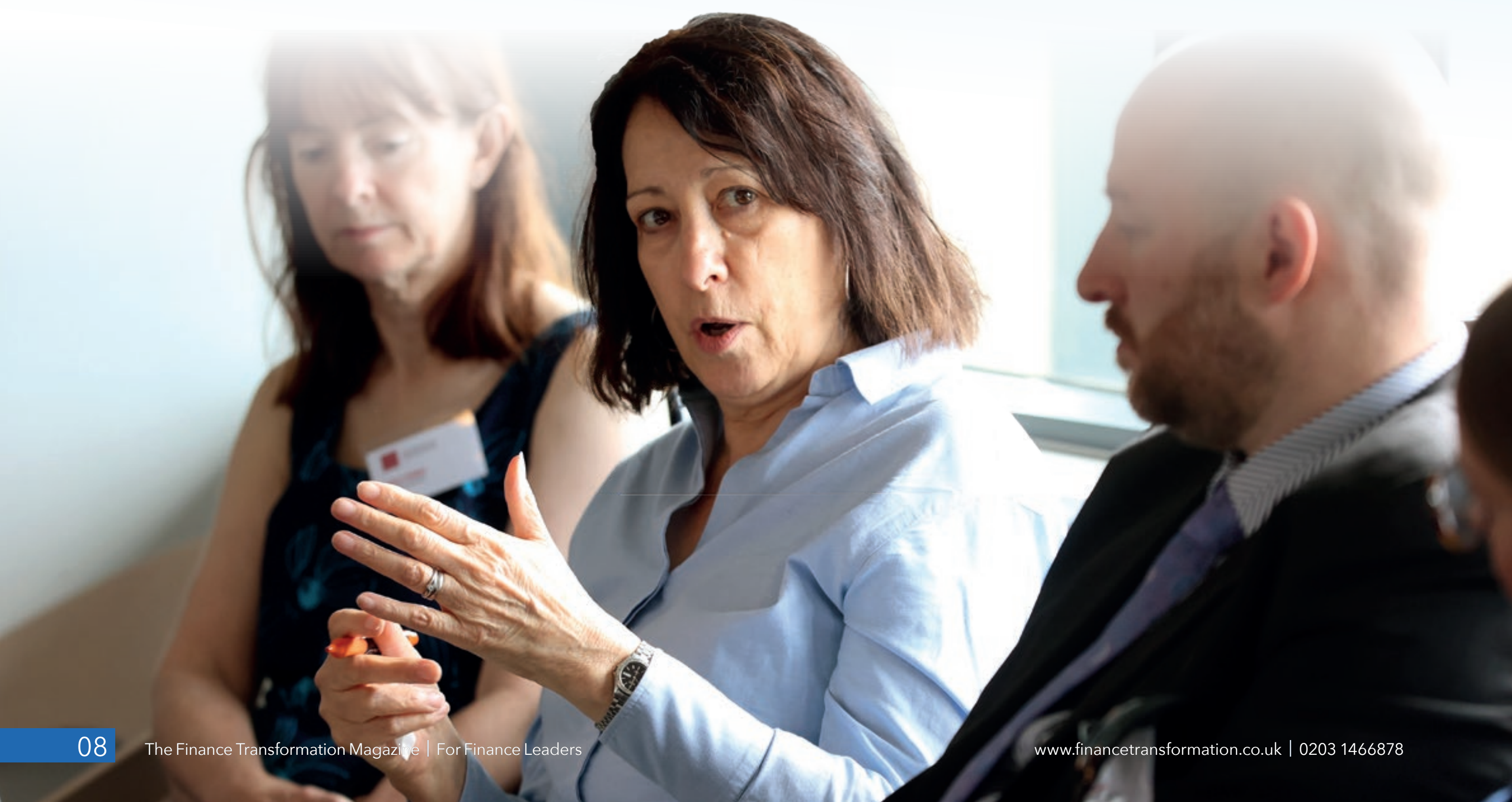
Since I took on the role of UK's Small Business Commissioner 18 months ago, I've strived to push the concerns of small businesses up everyone's agenda.

My core remit is to make sure small suppliers get paid quicker by their bigger customers and to help them resolve disputes if those arise. I've concluded that fair payment practices are fundamental, not just for the small firms but to the UK economy as a whole.

If bigger customers hold onto their cash to safeguard their own businesses, and make the small suppliers wait for invoices to be paid, beyond the due date, how is that fair? That amounts to using your small supplier as a bank for your own convenience.

The inevitable outcome of many overdue payments is that the small business can't pay its own suppliers, bills and wages and is forced to cease trading. There are financial products available to tide firms over and fill the cashflow gap, but those options are not always available or affordable for the smallest businesses.

As a result business and personal credit cards and overdrafts are



maxed out, family and friends are tapped up to the limit and the only person who will lend is the one down the pub with alternative methods of debt collection. Often overdue payments are down to poor processes rather than intention to pay late so those processes need to be updated as a priority to avoid these nightmare scenarios.

Overdue payments aren't the only problem. Some bigger customers flex their muscles at the point of procurement and offer poor payment terms of 60/90/120 days or even longer, on a take it or leave it basis.

Many small suppliers won't negotiate for fear of losing the work. Many take on work without knowing when they'll be paid. Many contracts don't mention payment terms. Many aren't written so if there is a dispute there's no proof as to what was and wasn't agreed. All this amounts to poor payment practices.

Ultimately, whether poor payment culture or poor processes lead to payments being overdue, everyone is harmed. Customers risk losing good suppliers and it costs time and money to find and recruit new ones.

The small supplier goes to the wall taking their wealth of talent and expertise with them and their families, employees, families of employees, local communities and wider society all suffer.

The reputation of poor payers eventually catches up with them and people don't want to trade with them, work for them, invest in them. Chasing payments costs small firms inordinate amounts of time and money and ultimately many payments are simply written off.

This all adds up to a loss of time and money that could go into planning and investment. That's one glaring reason why the UK has a productivity problem. Is this really what we want for our economy?

Now more than ever we need to get payments into bank accounts as quickly as possible so small firms have the certainty to invest, innovate and grow.

Good, quick, fair payments are key to growth, productivity and jobs. The other issues that small firms face such as access to funding, competing for skills, the cost of doing business, can be alleviated by knowing when and how quickly payments will be made.

Waiting causes sleepless nights and anxiety. We're hearing increasingly from small business owners struggling with their mental health and giving up once profitable businesses because they can no longer cope. We can't afford to lose those skills and that talent from the workforce.

We need business leaders who put payment practices at the top of the company agenda. Chairs and CEOs need to ask 'how well do we treat our small suppliers'. Payment practices aren't just an operational issue.

They are about being ethical, building reputation, embedding a strategy of doing the right thing. Payment practices are a governance (G in ESG) issue, a social (S in ESG) issue given the wider social impact and the role in levelling up.

> ***"There seems to be a perception that small equals insignificant"***

The E in ESG applies too. We won't reach Net Zero unless small firms are in on the act. They won't be if they don't get paid.

For the sake of ESG, the UK economy, wider society, local community, jobs, innovation and growth, let's get our small firms paid quicker. #PayDontDelay #EveryoneBenefits.

And there's the velocity of cash argument… a discussion for another edition.

About the author:
Liz Barclay

Liz is Small Business Commissioner for the UK and a former freelance small business and personal finance journalist, writer and broadcaster and small business owner. She is an experienced Board Chair, NED and HR and Remco Chair across private and third sector organisations and is an Internal and external Communications Consultant and Trainer, Conference speaker and Facilitator.

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Cashflow Kings Share Payment Data!

Howard Trenam, Global Lead at Dun & Bradstreet focussing on Payment Behaviour and Predictive Analytics, explains to CFOs why sharing Payment Data can help protect your Cashflow.

dun & bradstreet

The last couple of years have been interesting to say the least. With the relentless commentary from the press, politicians and scientists saying that we're living through 'unprecedented times' you could be forgiven for being desensitised. However, we truly are in an extraordinary period. Very few events in history have had such a global impact on the people and economies of the world's nations.

With so much uncertainty of what lies ahead businesses face challenges to adapt and change with increasing speed whilst attempting to predict what the coming months and years will look like.

One thing that has become apparent during the pandemic is the public's appetite for insight through data and their ability to absorb and apply it. No longer is the use of data analytics the reserve of academia, industry and commerce. The future will likely be one where consumers require ever increased insight on the businesses, they give custom to.

Following COP26, it's become apparent that public awareness of societal and environmental issues is ever growing so it's likely that regulation surrounding Environmental Social & Governance (ESG) reporting will continue to increase dramatically.

Banks are increasingly providing preferred lending rates to companies with good ESG performance so it's only a matter of time before large investors give disclosure requests into supply chains on the ESG activities of private companies.

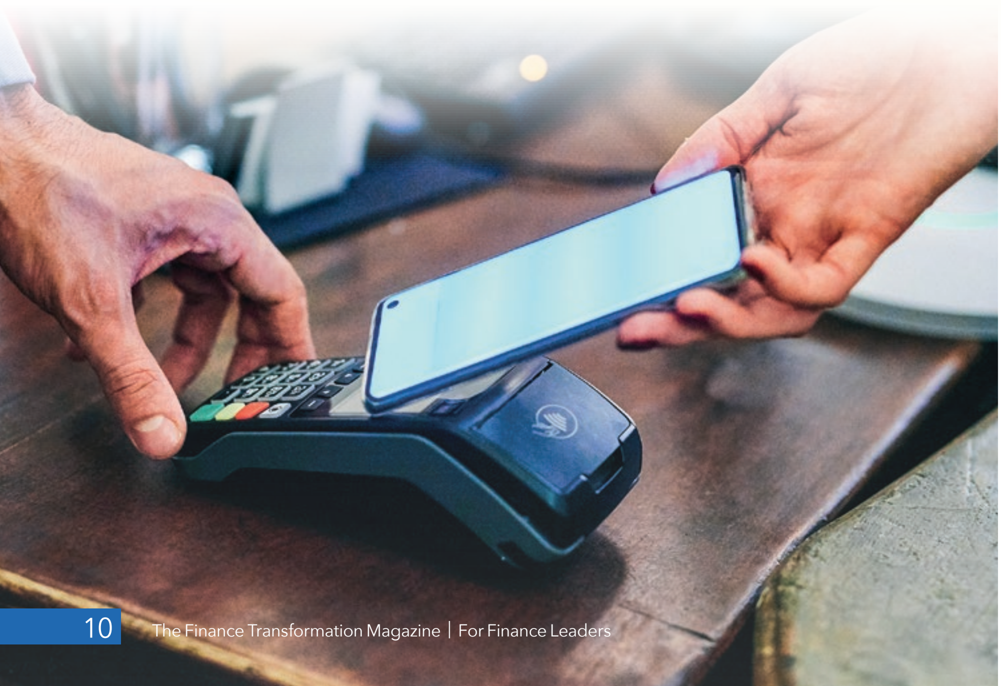
It's undeniable that the future for business is to expand Anti Money Laundering (AML) and Know Your Customer (KYC) insight. Organisations are having to look towards data-led approaches and automation with there now being a move to **'Perpetual KYC'** models to improve compliance processes and reduce costs.

To follow a data-led approach will require good quality data something that can be difficult to achieve when having to align legacy systems to produce a single source of reliable data and to then manage any changes accurately. This is where many businesses seek the support of data specialists such as **Dun & Bradstreet** to help monitor risk and compliance.

The future is one of an ever-increasing drive for new and greater insight on businesses which will naturally create pressures. Whilst we look to new sources of insight it will be essential to continue to remain focused on traditional data insights such as financial strength and payment behaviour to reduce risk and improve collections.

So, what of the economic outlook for the UK. Although avoidance of a Brexit no deal did help to improve the economic forecast challenges remain. There is a deterioration in the labour market with longer term vacancies, issues with isolation and gaps in skilled workers in certain industry sectors.

There are inflationary pressures with fuel costs rising, supply chain issues and production lag. **Dun & Bradstreet's Covid-19 disruption analysis put the proportion and**



number of pandemic impacted businesses at 39% (84m) Globally in 2021. SMEs are naturally showing signs of trying to protect against the volatility they face by trying to increase cash reserves.

We are seeing that businesses are beginning to rely on slowing payment to their suppliers to achieve this. Pre-pandemic prompt payment figures for the UK were 46.8%, in 2020 it declined as low as 41.8% and it now sits at 43.4%.

> *"More than 90% of businesses that fail exhibit a slow-down in payment to their suppliers six months prior to failure"*

Over the last couple of years, we have seen that payment data has increased in relevance with our clients. Now more than ever suppliers need up to date insight in to how their customers are behaving, and payment behaviour trends are one of the most predictive indicators of financial stress at an organisation.

More than 90% of businesses that fail exhibit a slow-down in payment to their suppliers six months prior to failure making access to payment behaviour insight an incredibly powerful tool for mitigating and forecasting risk.

In the coming year it's expected that the 'green shoots' of recovery will take hold and a true picture of the damage caused to the economy will be unveiled. Payment data is proving key in predicting what that picture is likely to look like. During lockdown payment data was being used to identify signs of life where businesses had stopped or reduced trading but were still making payments and ticking over.

Even though I have the pleasure of working with the **world's largest Global Payment Database at Dun & Bradstreet** I still believe that many businesses are neglecting the power of this trading insight. Indeed, many businesses remain reticent to share their payment data with credit reference agencies.

As individuals our credit ratings are governed by extremely high levels of scrutiny so why should a business not be held to a similar level of scrutiny? Aside from payment reporting providing vastly increased intelligence on how a business is operating there are tangible operational benefits to be realised by providing the data.

There is a tendency to view providing payment data as a way to punish slow payment but there is a more significant positive reason to provide. Most ledgers that we see tend to have an 80/20 split, with 80% of customers paying well and the remaining 20% failing to meet terms and creating the work.

By providing your payment data you will not only be reporting poor payment but also the good payment and reporting this, will have a positive effect on their scores. With positive credit scores their ability to raise funds and accelerate growth will improve likely resulting in more orders to you as a supplier. In addition to rewarding your prompt payer's, payment data is also invaluable in helping forecast and mitigate risk whilst supporting improved collections.

Dun & Bradstreet enters a partnership with our payment data providers and in return for participation in the **Payment Data Exchange** program and without cost we provide in-depth insight on the payment habits of your customers.

Being able to see how customers are paying their other suppliers provides actionable insight. By focusing efforts on chasing customers that pay others quicker is likely to return better results.

In my role I often work with our partners to use payment differential analysis to successfully streamline collections strategies. With credit control departments being placed under ever increasing pressures on efficiency surely any insight that will allow for maximised results with restricted resources should be welcome.

Data is the keystone of business intelligence and with the increasing pressure on companies to know their customer in greater detail we should all be embracing the sharing of data.

About the author:
Howard Trenam

Having worked in Dun & Bradstreet's Payment Data Team for 15 years, Howard is passionate in promoting the value of payment behaviour data as a highly predictive indicator of financial stress. Currently as Global Leader of the Payment Retention and Analytics Team, he supports global clients to improve collections strategies and mitigate risk.

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Insure for Cyber Security

Jason Cobine, Managing Director of Cobine Carmelson, protecting Assets, Income and Reputations, discusses how best to insure for Cyber Security.

Cobine Carmelson Ltd
Not just insurance - Reassurance

Before we get started, let's deal with the issue of paying a ransom if hackers get in. I have seen the articles stating that hackers will target companies that have insurance that pays ransom demands. The "risk management" advice was to make sure that your insurance documents were well hidden, so they couldn't hack in and find them. Other advice was not to buy insurance that pays ransoms.

Yet what if the cyber thieves had access to insurance company databases? What if they divided them into those that do and those that don't have cyber insurance? What if one gang targeted those with insurance and another targeted those without it?

Hiding your documents wouldn't work. Not buying the insurance makes you less resilient if you are caught up in an attack. Not only do you not have cover for ransom, you don't get access to the experts in such negotiations which is vital. It will be the organisation paying the ransom. The insurance policies pay it back to the organisation.

Do not make the mistake of thinking that insurance companies treat their employees so well that they would never imagine stealing data. It is quite the opposite. There are court cases every day about employees being poached. It would be naïve to think they don't take data with them. If a "bad leaver" can access the data, "bad actors" can too.

So if an insurance company has a problem with data security, make sure it remains their problem. Don't pay too much attention to those that come up with reasons why you shouldn't buy insurance for ransoms. Or at least think about their motivation for making such statements.

Taking the moral high ground could prove to be an expensive mistake.

Assess the risk! Yet make sure your risk assessment covers the intangibles such as intellectual property and culture.

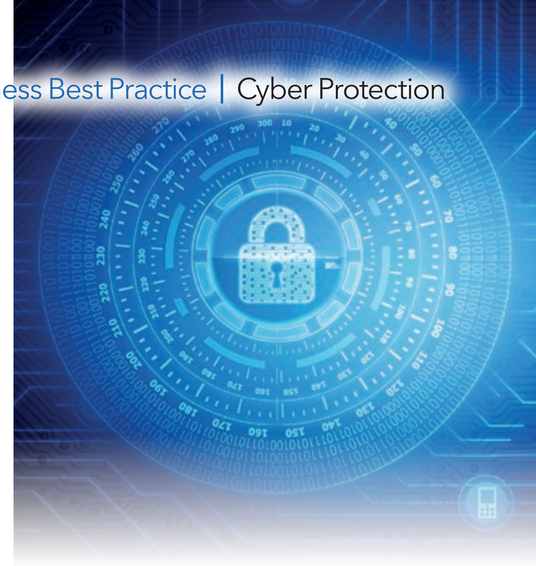
Keep in mind that France has banned the sale of insurance that pays ransoms, so we'll keep an eye on them and see how it pans out. If it works out well, we can all stop buying insurance for ransoms.

CISOs Under Pressure

At a recent conference for CISOs (Chief Information Security Officers) it became clear that there is a conflict between IT/data security and insurance. Over the last few years, CISOs have found it increasingly difficult to carry out their role.

CISOs do their absolute best to make sure the IT is secure, and then insurance companies dictate standards that are unnecessary and, in some cases, make no sense.

Yet insurers still insist that the organisation must meet these standards. The fact that these



standards may have been built by banks or other sectors is lost on the underwriters.

There are even cases where companies have received 60 page questionnaires from insurers, such antics act as a barrier to doing business together, it certainly does not remove friction.

So how can the road be smoothed and gaps between IT security and insurance be narrowed?

Insurance companies will listen, if they are motivated to do so. IT teams and CISOs will make better decisions about insurance if they think insurers are listening and making sense. The underwriters at insurers must be motivated to listen. They do that when they see profitable opportunities. What they often feel is “I’ll get sacked if this one goes wrong”.

Insurance must be seen as a last resort. The fact that insurers provide services in the event of a digital interruption, rather than purely cash, shows that cash is often useless without support.

A risk assessment will determine what is most important, yet don’t forget the intangibles. For example, a lot of risk assessments end up requiring “more security” or “more insurance” yet they are 4th and 2nd on the list of methods of reducing risk. There are other ways of reducing risk and they must be investigated.

The risk that will cost you the most is the one to concentrate on. Why are your most valuable assets not in the safest place that you know about? When you’re at home, you don’t leave cash, devices or other forms of currency in the open?

> ***"Taking the moral high ground could prove to be an expensive mistake"***

The relationship has to be built with bridges of trust and grey areas have to be made black and white. You can do that by highlighting risks (instead of hiding them) and reflecting what you have done about it.

If you did all you could to reduce risk and presented that clearly, an underwriter would give you a better deal.

When you assess the risks to your organisation, it cannot be too generic so don’t forget the intangibles. Work out which ones you can cope with, insure the unmanageable and accept an excess on your insurance. An underwriter will love it if you’re sharing the risk with them voluntarily.

Where do we Draw the Line?

Never an easy thing to decide, yet you should only insure the things that you can’t afford and definitely not be trying to cover the things that you can.

If you can’t move it to the safest place on the planet, can you move it to somewhere safer than it is?

You can’t 100% stop people getting in, yet you can make it more difficult. Please don’t “bury” your back up. You might need it. Insurers preference is that you have a backup that is kept nowhere near your systems. Yet it must be accessible and retrievable, I’ve lost count of the amount of untested backups

The Culture of Risk

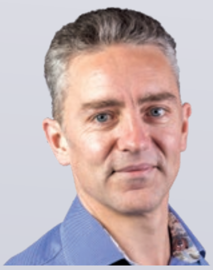
If people don’t use the controls, is adding more going to work? Or do the people need more encouragement to take action?

Before you add controls, you really should find out why the existing controls are not being used. And please listen. Don’t behave like Insurance companies, they ask us for feedback daily yet they never, ever seem to act upon it.

Have you asked your marketing department to get involved in your data security communications? People do need strong messaging and reinforcement yet that must be tested and measured. Like all your marketing activities. Test and measure your messaging before adding more layers.

We need to stop applying more rules to those that are not working. IT security can go unused or switched off if staff are “unengaged”. Getting the culture right is so very important.

Keep in mind, no matter what level of security and insurance is in place, we do leave our assets exposed if our company culture is not right. Organisations waste a lot of money on security and insurance when it is their culture that has to change. There are tools to assess this risk too.



About the author:
Jason Cobine

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Jason Cobine is an Insurance Broker working with Managing Directors, Partners, Business Owners and Founders who are not 100% certain they have the right cover for claims they want to make (or defend). For more than 25 years Jason has been helping organisations mitigate exposure of their assets, income streams and reputations, in essence, protecting their organisation against the unthinkable.

Avoid Implementation Cash Traps

Mark Saywell, Managing Director of Nurxure talks to us about how to avoid the cash traps in selecting and implementing business systems

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STRATEGY · TRANSFORMATION · SYSTEMS

There is growing external pressures on businesses to transform their IT landscapes; whether it is to facilitate statutory prerogatives such as Making Tax Digital; to better communicate PAYE and leverage the Coronavirus Job Retention Schemes digitally or simply to unlock greater remote working potential as part of business contingency planning.

The prima facie appeal to CFOs for low cost 'out of the box' solutions or 'quick start' implementations is clear, but these always come with a 'buyer beware' warning. Not all businesses are geared up to 'accept' an out of the box solution without considerable business change or unplanned cost. Not all system solutions are created equally. Simply because a software vendor offers you a good acquisition price, does not guarantee it is the most suitable product for your business. Just as an off the rack suit can be tweaked and tailored to look like it was made to measure, sometimes it is worth spending a little extra time and money to find the best fit business, technical (and cultural!) solution for you, not just the most appealing price tag.

Many 'Out of the box' solution providers offer quick start deals with fixed implementation consulting hours and higher 'rack rate' hours for any extras after the statement of work is signed. Data migration, technical system integration, and business change are three key cost drivers that are routinely forgotten at the point of contracting and can lead to exorbitant Change Request fees during the implementation life cycle.

Another common cash trap can occur when businesses attempt to deploy a system solely using internal resources. It is understandable

that CFOs wish to keep the cost of a project down, and that is a challenge if you have a band of consultants camped full time in your office throughout a project lifecycle. Timely and strategic use of external expert advice can help avoid some of the costly pitfalls and risks that non-systems Project Management resources, or business process experts simply will not be aware of.

So how can the team at Nurxure help you? We provide high impact, ‘Big 4’ quality advice and guidance in affordable, strategically focused initiatives, designed specifically to help you mitigate the cash traps that ‘simple’ systems implementations can pose.

"It is worth spending a little extra time and money to find the best fit"

- **Solution Scoping –** many organisations fail to define their solution scope beyond ‘a need to modernise our current system’. Most ‘off the shelf’ systems tend to do far more than your business needs. We recently supported a UK based Professional Services organisation with a Project Assurance healthcheck for their ERP implementation. Their agenda had been defined to ‘deploy vanilla processes and adapting them when the system is live’. An upfront scoping exercise facilitated by Nurxure’s expert advisers would have been in the order of £12,000 and could have saved the project enormous overruns totalling hundreds of thousands of pounds in lost time and wasted Implementation consultancy fees.

- **System and Vendor Selection –** not all systems are created equally. In the ERP world, some solutions provide greater emphasis on Human Resource and Man Management processes, others prioritise manufacturing, whilst emphasise performance in financial processing and controls. A solution provider may offer you an irresistible deal on their software, but you may find your business is shoehorned into a poorly tailored system, by an organisation that does not understand your business. Nurxure can help you source the best fit system and implementation team, assessing your functional, technical, and cultural requirements, and providing expertise based on extensive cross industry experience. Dependent on the maturity of your business requirements, Nurxure can tailor and support your procurement exercise providing light touch advice and assurance from just £1,000 per day, to a fully managed Procurement exercise from £20,000.

- **Expert Assurance –** a recent manufacturing client insisted on deploying their new ERP system using exclusively internal IT and Project Management resources and encountered significant challenges, postponing, and deferring their Go Live multiple times. Nurxure were engaged to provide an independent healthcheck and Go Live review. Nurxure provided significantly more value than a simple readiness audit, providing toolkits to enable a more considered and practical approach to Go Live and diagnosing improvements to Project Management, Change Management and Project Controls allowing the organisation to take a sensible and risk managed approach, and successfully deploy their solution. The one-off deep dive healthcheck gave considerable value for just an £8,000 investment. Had the client opted to leverage a programme of regular, smaller health checks, the overall cost may not have been significantly higher, but could have allowed for time and cost savings across the whole programme, and an earlier, successful system deployment.

Systems implementation does not have to cost the earth. Spending a little on strategic consultancy can save you a lot in time, money and ensure successful business adaptation.

About the author:
Mark Saywell

Mark Saywell is a Business Transformation Director with Nurxure and has over 20 years’ experience advising, supporting, and implementing business systems to large corporations, SMEs and start-ups.

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Discover a new way to Row

Double Olympic Champion, **Alex Gregory MBE** talks about his incredible journey to becoming a success and the mental challenges this involved, which eventually inspired him to launch **Fluenta** and share his passion for rowing with you.

It wasn't until I was 17 that rowing appeared on my radar. I'd never watched it on TV, I knew no rowers and to be frank I wasn't the least bit interested in finding out either. But, after some persistent persuasion from a school mate, something about the sport took me by the shirt collar and dragged me in.

Downward Spirals

The journey over the subsequent 8 years was closer to a miserable Helter-Skelter than the peaks and troughs of a roller coaster. I found myself on a path of discovery that continued to show weaknesses and failings rather than strengths and successes. Unbeknownst to me I had fallen into a state of mind that trapped me, blinkered me and sent me into despair.

The thing is, I was a good kid. I tried hard, I was committed to something I set out for, to a fault, which had turned into the pursuit of Olympic Gold. Relatively quickly I found myself competing at World Championship competitions only to fall short time and time again.

I'd found myself in this incredible environment of High performance and success without managing to achieve any of it. I was part of the British Rowing team where nothing but Gold was good enough.

Disaster followed disaster. I 'failed' time and time again, often in quite a public manner. I felt I was letting myself, team and country down year after year. I was on a downward spiral, filled with despair, empty of confidence and intensely anxious. Time to give it all up and "go get a proper job".

Lifeline

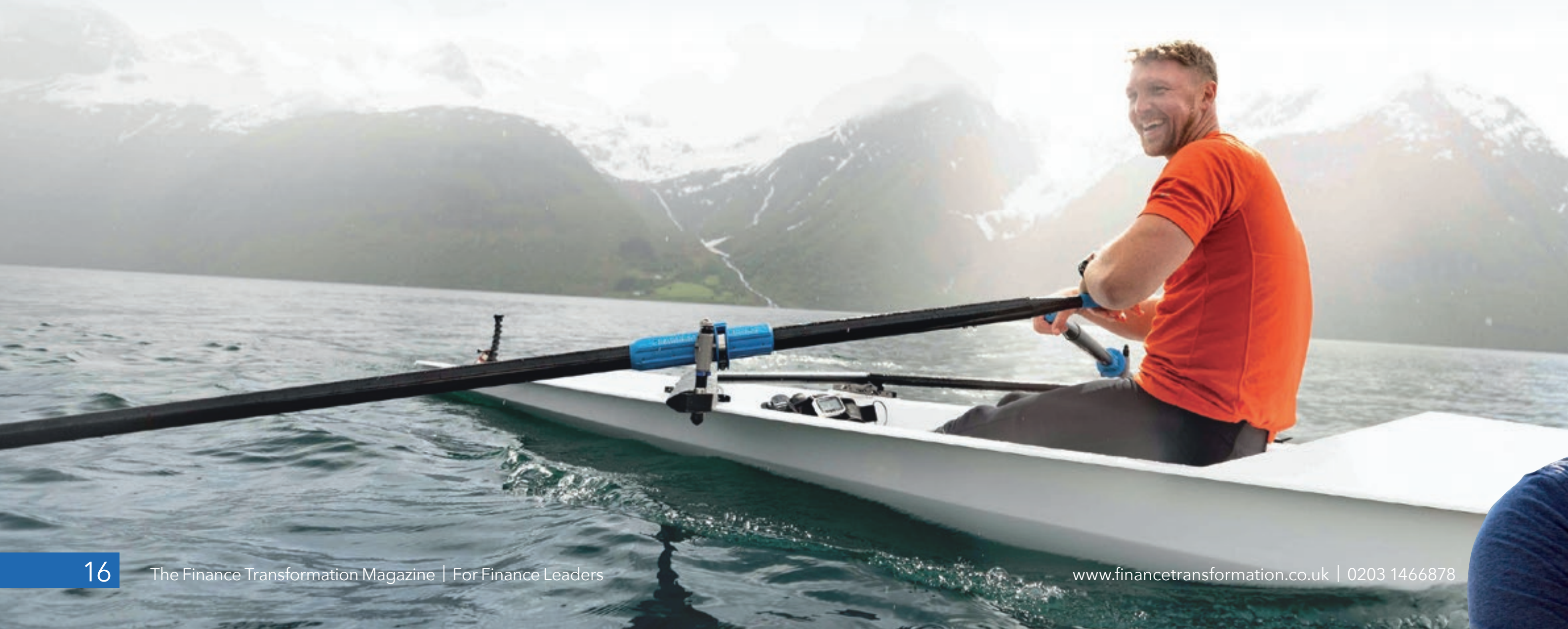
Jurgen Grobler, the British Men's chief coach threw me a lifeline. He gave me an opportunity to support the team as reserve in the 2008 Beijing Olympics. The trajectory of my life changed forever.

Witnessing the Olympic Games caused a paradigm shift and showed me with crystal clarity my **Why**, **What** and **How**. The experience brought purpose to my journey, everything changed.

In 12 months I became World Champion, in 4 years, Olympic Champion at the London 2012 Olympic games and in 8, Olympic Champion for the second time.

Perspective

What was the difference? Everything boils down to people. I'd grown up believing that as a sportsman I needed to be tough, to know what to do, how to do it and to be able to cope. As a consequence, I spoke to no one, not a soul.



Not a single person on the planet knew how I was feeling or what was going on in my head. The result: Pressure, intense stress, fear, anxiety, physical injury and constant illness. The crushing pressure I was putting on myself nearly defeated me…but not quite.

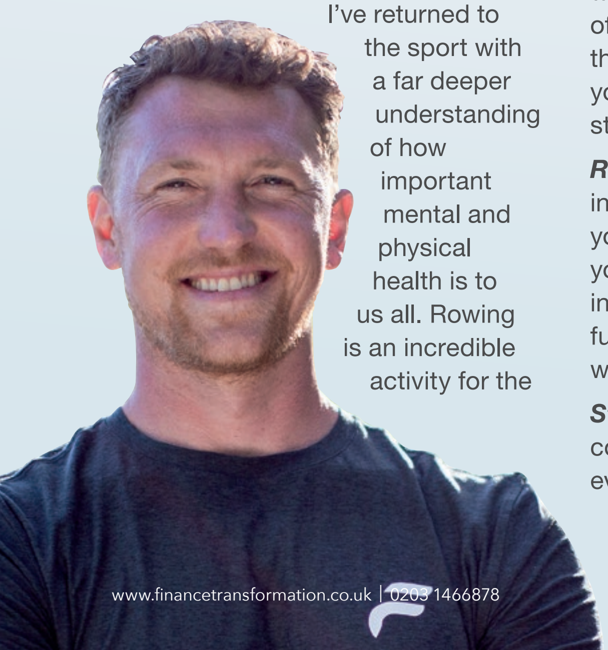
No one can do anything worthwhile alone. I'd isolated myself unnecessarily. To win I needed to allow people in.

I started to talk and I learnt very quickly that:

1. **Vulnerability** is far from a weakness, it's an immense strength and can become a strong leadership quality
2. **Honest communication** can change not only what a team thinks but what they produce. Direct results come from effective communication
3. **Consistency is Gold:** The value of being consistent far outweighs that of the odd exceptional performance. Create a team of consistent people and you become unstoppable
4. **Help others and you'll help yourself:** The power of service to others is that you become their strengths as they become yours. The team becomes greater than the sum of its parts.

Fluenta

After sharing my journey to hundreds of organisations around the world, I've returned to the sport with a far deeper understanding of how important mental and physical health is to us all. Rowing is an incredible activity for the mind as well as the body. Fluenta is my answer.



I've created an online fitness platform for anyone, any age, any experience with any rowing machine!

In a departure from the traditional view of rowing, where the rowing machine is viewed as a bit of a torture device in the dark recesses of the gym, Fluenta brings it to the forefront.

> "I was part of the British Rowing team where nothing but Gold was good enough"

We create inspiring, interesting and motivating content, beautifully filmed by our team of **National Geographic filmmakers** turning a rowing workout into an experience. Our catalogue of content is ever growing and we have a range of options available:

On water experiences – Immersive workouts transporting you to some of the most amazing places to row in the world. From your rowing machine you join me in the boat as I we row stroke for stroke together.

Row trips – Designed as an informative travel experience where you get a great workout, while I show you around cities of the world delving into historical and cultural events. A fun escape, allowing your mind to wander while you exercise.

Studio rows – The most comprehensive rowing workouts ever made. These are filmed from all angles giving you the technique, information and motivation you need to take your rowing to the next level.

Weekday workouts – Filmed from my home studio, I release these twice per week and work towards a specific theme. These are progressive, informative, filled with technical insights, stories and information.

Meditative rows – Lock into the repetitive motion that rowing brings while you travel down beautiful waterways and lakes of the world.

Fluenta is not just about rowing. It's about giving ourselves the best chance in life. My passion is helping people create an environment for themselves that gives them what they need.

Health, fitness, mental wellbeing and happiness at their own pace. This isn't easy, it takes time, commitment and consistency, but no one can really do it alone. I'm here to make that a little more manageable for anyone willing to row with me!

About the author:
Alex Gregory MBE

Alex is the founder of Fluenta, the online rowing fitness platform. The father of three is a motivational speaker, author and high performance coach.

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Delivering CFO Star Quality

Trish Lynch, News Anchor, Reporter and Moderator, explains the benefits to the CFO of taking a professional media approach to corporate and personal promotion.

I am here to champion the professional moderator. Professional moderators engage live audiences, secure that winning interview, and get your company noticed, by using their experience of thousands of news interviews, round tables, conferences, and hybrid events to remain unflappable, whatever pressure is thrown at them.

As a news anchor and moderator for the last 29 years, I've covered hundreds of hard-hitting topics and interviewed thousands of people all over the world. I've hosted live events in multiple languages at the United Nations, interviewed politicians, celebrities, death-row inmates, CEOs, and chatted to hundreds of people in the streets to get their perspective on a wide variety of issues.

It's fair to say that I've been there, done that, and bought not just one T-shirt but the entire collection.

My career demands that I secure the story, help communicate opinions clearly, and, above all, that I get the impactful soundbites that will draw viewers in and make it impossible for them not to investigate further.

The job requires a combination of steely resolve, incisive questioning, good humour, experience … and not forgetting a bit of charm!

So, what does a professional moderator bring to an interview?

Information is Power

The pre-interview research and planning that I do are the most important parts of the job – and that applies to online interviews as well. I need to investigate the interviewee's background or credentials and what their areas of expertise might be.

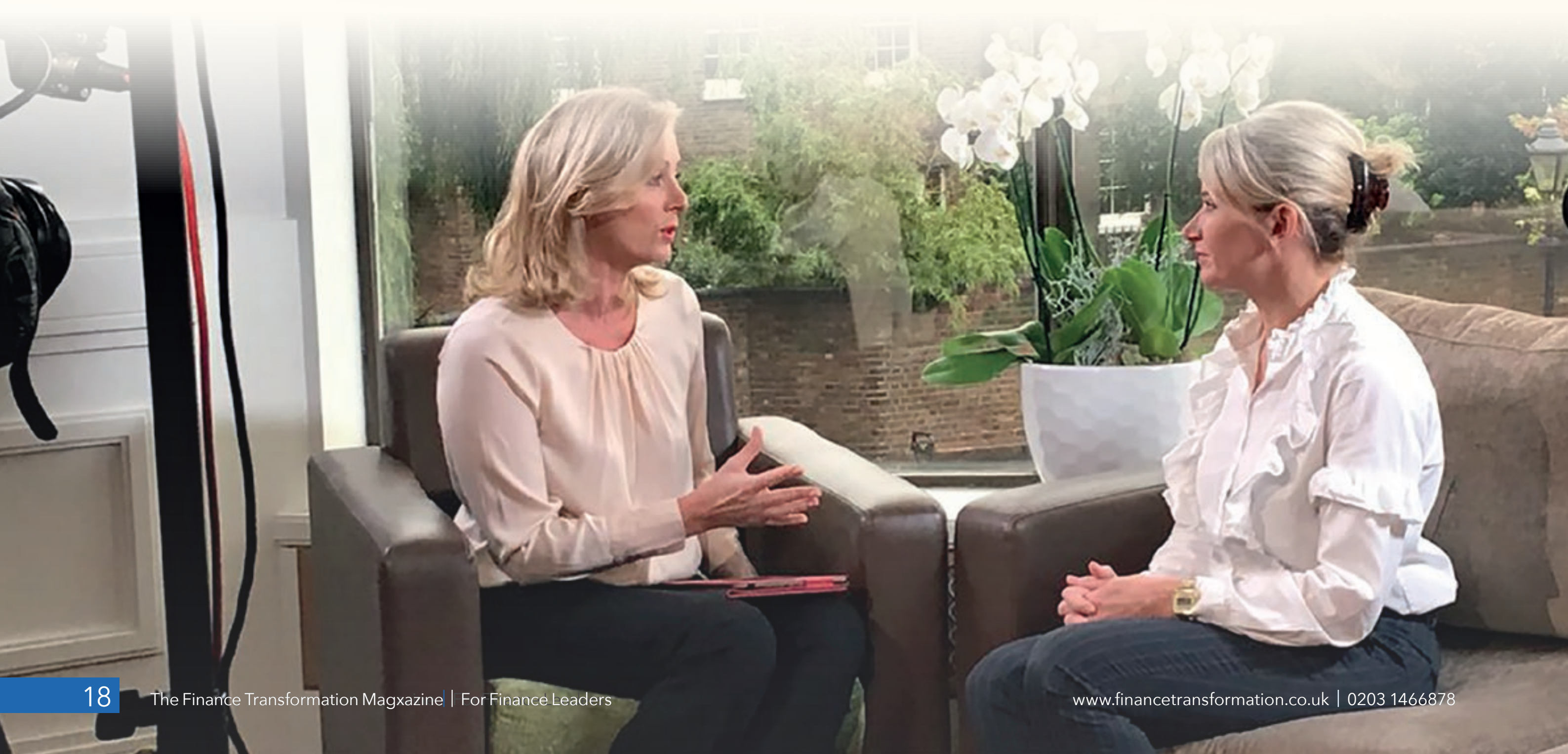
I may read articles they have written, and I think carefully about what they will want to get from the interview. I need to be aware of any no-go topics or sensitive subject areas. And I plan thoroughly as it's all too easy to lose sight of the primary objective of an interview if it has no structure.

Hard work put in before the interview will ensure that I don't waste a single opportunity and get value from every question and every answer.

Prep the Interviewee

I believe that the interviewee should know a few of my questions in advance. I won't tell them everything I plan to ask but it's a good idea to provide a general idea of the key points and the topics that will be covered.

My style is to aim for an element of spontaneity without catching people completely off guard – the interviewee should see me as part of their team and not the opposition.

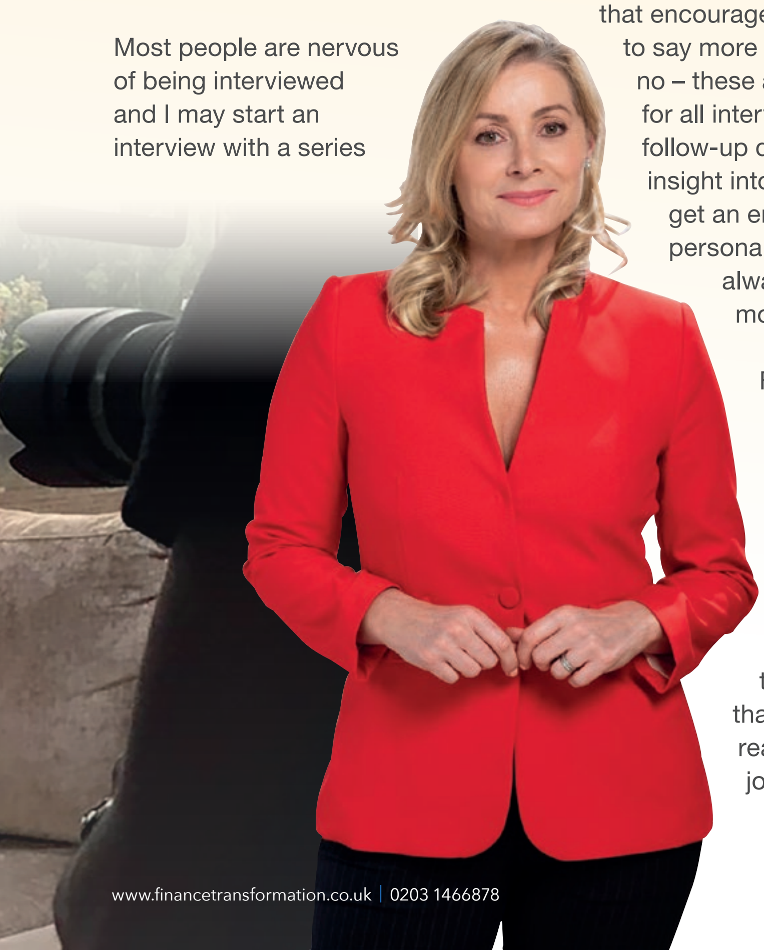


"The role of a professional moderator is to take away the stress from your event"

Eye Contact and Camera Angles

Maintaining eye contact when face-to-face can feel uncomfortable and many interviewees look away. I often break the tension by using small hand gestures, a nod of my head, or even the occasional use of a person's name – all of these allow the interviewee time to collect their thoughts and will stop them from feeling as if they are being interrogated.

Most people are nervous of being interviewed and I may start an interview with a series of short questions to help to put them at their ease – a good moderator will spot the signs of nerves and act accordingly. And my understanding of the use of different camera angles gives your company the opportunity to re-edit and re-use content for different platforms, adding more potential value to the initial interview.



Ask Open-ended Questions

Open-ended questions are ones that encourage the interviewee to say more than just yes or no – these are the Holy Grail for all interviewers. I ask open follow-up questions to gain more insight into a larger topic or to get an emotional share or personal reaction, things that always make an interview more interesting.

For example, 'How did you feel when you were nominated for the lifetime achievement award?' or 'What made you realize you could make a difference?' It's this type of question that will tap into the real person behind the job title.

Stick to the Plan

If I am hosting a conference with virtual delegates, several cameras, and multiple speakers it's vitally important to keep to strict timings. An entire day falls to pieces if a schedule is ignored. It's the job of the moderator to help the speakers to finish on time … and even to usher them nicely from the stage if necessary.

It can feel difficult to move an event along by walking onto the stage while the speaker is in full flow, but a professional moderator will have done this many times and will not be fazed.

Above all, the role of a professional moderator is to take away the stress from your event and to allow you to do what you do best.

About the author:
Trish Lynch

As a News Anchor and MC for over 20 years Trish Lynch has reported on hundreds of hard hitting topics and interviewed CEOs, Politicians, and Celebrities alike from around the World. Trish has also been a Moderator for the United Nations and a Reporter on News, Current Affairs and Conferences globally.

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New Legislation Needed to Fight Cyber Crime

Robert Brooker is Head of Fraud & Forensics at PKF GM, Chairman of the London Fraud Forum and nationally recognised expert in Fraud prevention. Robert explains why he believes the Fraud Act of 2006 rapidly needs updating to challenge todays Cyber Crime threat.

Action Fraud saw a reported £9.6million lost by victims of cyber crime in 2020/21 and the UK economy is reported to have lost £2.5billion to fraud and cyber crime in 2021. Increasingly more activity occurs online, and this is a growing trend, so why is fraud so prevalent, and what are the Government doing about it and what can we all do to help, if anything?

Technological progress, including the move to additional online business models following the Pandemic, means that many UK businesses now work as hybrids; online and remotely. They may also have international operations supported from offshore hubs. Eventually, advances in the metaverse will have an impact on how fraudsters perform, however it is too fresh to understand the impact of this yet.

One of the key ways that technology can mitigate these developing risks, is by humanising and encouraging how to keep personal details safe in a digital world. An absence of understanding or awareness exposes individuals to online fraud, victims often have their personal details or money taken because of online fraud and receive little assistance from law enforcement. This is often because the fraudsters are based outside of the UK, making practical and effective law enforcement action difficult.

Technology and the appreciation of online activity enables global fraudsters to be able to access the UK public with little chance of punishment, and this is only likely to upsurge in future as technology becomes implanted as a way of life.

The obstacles to tackling global fraud are numerous, the most impacting being the complexity of cyber crime. The online fraud that we see often includes a multitude of websites and platforms connected, often based overseas, with various methods of communication used and international groups involved.

Additionally, the use of offshore bank accounts ensuring the money leaves the UK immediately the fraudsters receive it, making it difficult to

recover. The speed at which technology is developing only adds to this complexity, and fraudsters can continue with these trends quicker than law enforcement can trace them.

Consumers today are much better informed around the risks of fraud than ten years ago, but although individuals receive and recognise the big messages around fraud risks and what to look out for, it is not the first thing that they think about. Whilst awareness is greater than ever before, when pressure is applied, individuals do not recognise fraud still, until often it is too late. There continues to be a lack of consistency on where to go for advice or how to report a fraud.

introduced in 2006 as specific legislation defining Fraud and its remedies were greatly needed. It has allowed law enforcement to treat fraud as a criminal offence and the public to recognise fraud.

Unfortunately, due to the ever-changing nature of fraud, we believe the Act at 15 years old, is now outdated, because it does not reflect the issue and complexities of digital fraud or recognise the impact of the Insider Threat. Coupled with the maximum sentence only being 10 years and the

"One of the key ways that technology can mitigate these developing risks, is by humanising and encouraging how to keep personal details safe in a digital world"

Unfortunately, a long-standing perception that fraud is a victimless crime, certainly when it is committed against a business does not help. Whilst this is changing as the issue grows and more individuals are impacted, this perception leads to a less favourable experience for fraud victims, across both public and private sector, as well as within the general neighbourhood.

Fraud is not a victimless crime and the impact is severe in terms of financial loss, the cost of the investigation, replacing staff if an insider fraud, the loss of goods, the reputational damage to a business and subsequent, loss of confidence to the proprietors. All are unseen to the outside world.

The Fraud Act was an excellent and necessary requirement, when

value of fraud dramatically increasing, this seems a little inadequate for £10/20M worth of fraud.

There needs to be legislation which covers the online space and digital fraud – the Online Safety Bill will likely address some of these areas, but digital fraud will need to be defined in legislation. A legislative remedy to encourage the private sector to be more engaged with combatting fraud could be to include a Failure to Prevent section, similar to section 7 of the Bribery Act 2010.

Additionally, the newly introduced Economic Crime Bill will aim to tackle economic crime, including fraud and money laundering, by providing greater protections for consumers and businesses. David Postings, Chief Executive of industry body UK Finance, welcomed the provisions made in the Bill to tackle fraud and scams, which he described as the "most prevalent type of crime" in the country. "This Bill should focus on measures that prevent fraud happening in the first place and provide greater enforcement powers to tackle those who commit economic crime,"

Fraud continues to breed at a rapid pace with no signs of letting up anytime soon. The fraudsters recognise the weaknesses in recognising victims. The Fraud Act at 15 years old, is now outdated, does not reflect the complexities of digital fraud, or recognise the impact of the Insider Threat. The Online Safety Bill may address some of the voids, but until such time, as legislation may act as a deterrent, fraud will continue to be the crime of choice.

About the author:
Robert Brooker

Head of Forensics and Fraud PKF GM, Robert has worked in private and public sectors within financial crime for over 20 years. He is also Chair of the London Fraud Forum, (NFP) bringing public/private sectors together to fight fraud, bribery and corruption.

Scan the QR Code

Good Business Pays Instinctively

Terry Corby, Founder of Good Business Pays, explains his motivation to establish it at the start of the Pandemic. He is working tirelessly to recognise and reward those Firms who instinctively pay on time with his Good Business Pays Awards.

In March 2020, the Prime Minister announced a nationwide lockdown to curb COVID-19, closing many sectors and ordering the public to stay at home. At the time, I was Chief Commercial Officer for the Creative Industries Federation.

As theatres closed, film and TV production slowed, music events were cancelled, those in the creative sector suffered and much work was lost. Tales from across the sector of slow and late payment causing small companies to fail began to drift in my direction.

I wanted to help and quickly learned about the brilliant tools and processes that a large company could utilise to pay their suppliers fast. But for that to happen, it would require the support of the CFO at a large company. I spoke to many CFOs in large companies and the responses were almost identical.

“Faster payments to small suppliers – yes that’s very important. We are fine though, it’s everyone else that’s the problem.”

It was then I realised how I could help. This required a hearts and minds campaign, something I understand. In the 1980s, I had worked successfully with major Retailers to campaign for Sunday Shopping and the Sunday Trading Act. I understood the mechanics of a complex campaign to bring about big change.

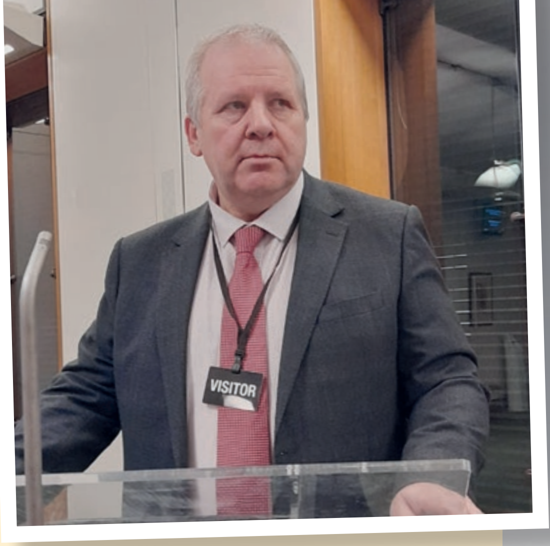
Good Business Pays was born. I was lucky to have the initial help of a Fintech called Previse, Mastercard and some funding from the Banking Competition Remedies fund to get us started.

At the beginning of 2021, I became the founding CEO of Good Business Pays, quickly gaining the support of the five biggest business organisations in the UK: **The Federation of Small Businesses (FSB)**, **the CBI**, **Institute of Directors**, **Make UK** and the **British Chambers of Commerce**.

Credibility built gave us a route into the **BEIS** and to **the UK Small Business Commissioner**, both of which have been important to our work. The out-of-date, slack regulatory environment around payments has not helped our cause to bring an end to slow payments.

In 2017, when it became a statutory duty for large companies to report their payment practices every six months, 10,000 companies filed reports.

In 2023, around half that number bothered. In the past seven years only 18 companies have been chased because of non-compliance. No legal



action has been taken, no-one has gone to jail. Companies have learned that it doesn't matter if you fail to comply. We are working hard with all parties at Westminster to change this and hope the current **Review of Payment Practices** will see a strengthening of these regulations.

In the meantime, we have focused our campaign on the heroes and villains of payment practice. We analyse this stuff every day and we know what good and bad payment behaviour looks like – and we call both out.

In 2021, we created the **Fast Payer Awards** to recognise the fastest paying big companies. Winners need to pay in 27 days or less (average), pay 95% or more of all their invoices within agreed terms AND deliver these results over a full twelve-month period.

The awards are now in their second year and in November 2022 we were happy to award nearly 300 companies with our award.

However, only 270 out of 5,158 reporting companies qualify, so it's not hard to work out that most companies still take a long while to pay. So, we also call out the worst performers in the press and in our **Late Payers Lists**.

It may sound petty but calling out bad payment behaviour influences change – and fast! In the past 18 months, we have called out some of the slowest payers, including Rolls-Royce Power Engineering, Tui Travel,

"Strong Values and a Culture that really brings that to life is how we achieved paying >98% of suppliers within 30 days"

Nick Potter, CFO Simplyhealth, Good Business Pays award winner

Tennent Calendonian Breweries and Sainsbury's Bank.

As a result, we have seen major improvements in terms of time to pay by all these names, some almost cutting payment time by half or more. All this within a few months. So, we KNOW that changing your payment culture doesn't have to take long.

I also wanted to understand if the fast-paying companies shared other characteristics beyond paying fast. So, we carried out in-depth research of the **100 Fast Payers** we first recognised in 2021, and we did indeed discover some important characteristics that Fast Payers share:

- Fast Payers just get on with it without shouting about it!
- Fast payment is a behaviour set by the CFO and followed by management
- Payment culture aligns with their broader company culture
- Fast payers are led by leaders with many years' experience in their company.

Although they may seem obvious, these findings are important, because they confirmed my hypotheses that fast payment is a choice. It was heart-warming to see. Because in my two years developing the Good Business Pays movement, I have met many business and finance professionals that want to make that choice. Our role is to create the environment for them to do so, and we are making tremendous progress on that journey.

To read our Report **"Understanding Payment Culture"** or to check the payment performance of any reporting UK company, visit our website, **www.goodbusinesspays.com**

About the author:
Terry Corby

Terry Corby is a Board level Executive for over 30 years. He is a former Partner at both Accenture and KPMG. He started his career in the Media before holding Executive roles at Sainsburys, American Express and Creative Industries Federation.

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Predictive Maintenance Delivers Savings

Gary Cole, CEO of Lumilinks, explains how tapping into existing data can allow you to predict, prioritise and pre-empt maintenance on your systems and equipment. So, you can reduce repairs and cut costs. You already have the data you need; you just need to know how to use it.

lumilinks

Increasingly, organisations understand the value of data in informing customer relationships, guiding effective marketing campaigns, and driving sales. But, data can supercharge internal processes too. There is money to be saved in how you handle equipment repairs and maintenance, and predictive maintenance is the key.

Predictive maintenance is a familiar concept: data analysis to get ahead of repairs. It's a technique that detects anomalies in your operation, possible defects in equipment and processes, and future maintenance requirements, so you can fix issues before they result in failure. Also know the ideal time to retain or sell an asset.

Ideally, the predictive method keeps maintenance to a minimum because it prevents unplanned reactive maintenance and makes expensive preventive maintenance redundant.

You may be familiar with predictive maintenance systems that utilise a network of Internet of Things (IoT) devices to paint a real-time picture of your system's health. Monitors and sensors attached to all parts of an asset produce a constant stream of data, which is then processed using machine learning and AI techniques to make predictions of future maintenance needs.

Predictive maintenance of this kind is expensive to set up and run. Its output is powerful and accurate, but it requires costly IoT devices, large data storage infrastructure, high computing power, and a time-intensive program of modernisation before you can begin to access useful data. At Lumilinks, we have a solution that realises ROI faster.

The question surrounding predictive maintenance is, 'Can you harness the benefits without incurring the costs?' At Lumilinks, we believe the answer is 'Yes.' In response, we have developed a predictive maintenance model that produces similar results without the set-up and maintenance costs.

Our technique uses statistical analysis to build a proportional hazards model for your assets using the maintenance data you already have. The technique produces predictions about which parts will break next, the proportional risk posed to the entire asset, and the cost of repair in relation to the cost of potential failure. You can then prioritise critical maintenance, reduce downtime of key assets, and discontinue expiring assets before they cause damage.

For businesses with multiple or complex assets, this is a game-changer. It's an opportunity to reduce maintenance costs while increasing maintenance value by drawing up a viable and effective schedule and using it to inform asset management.

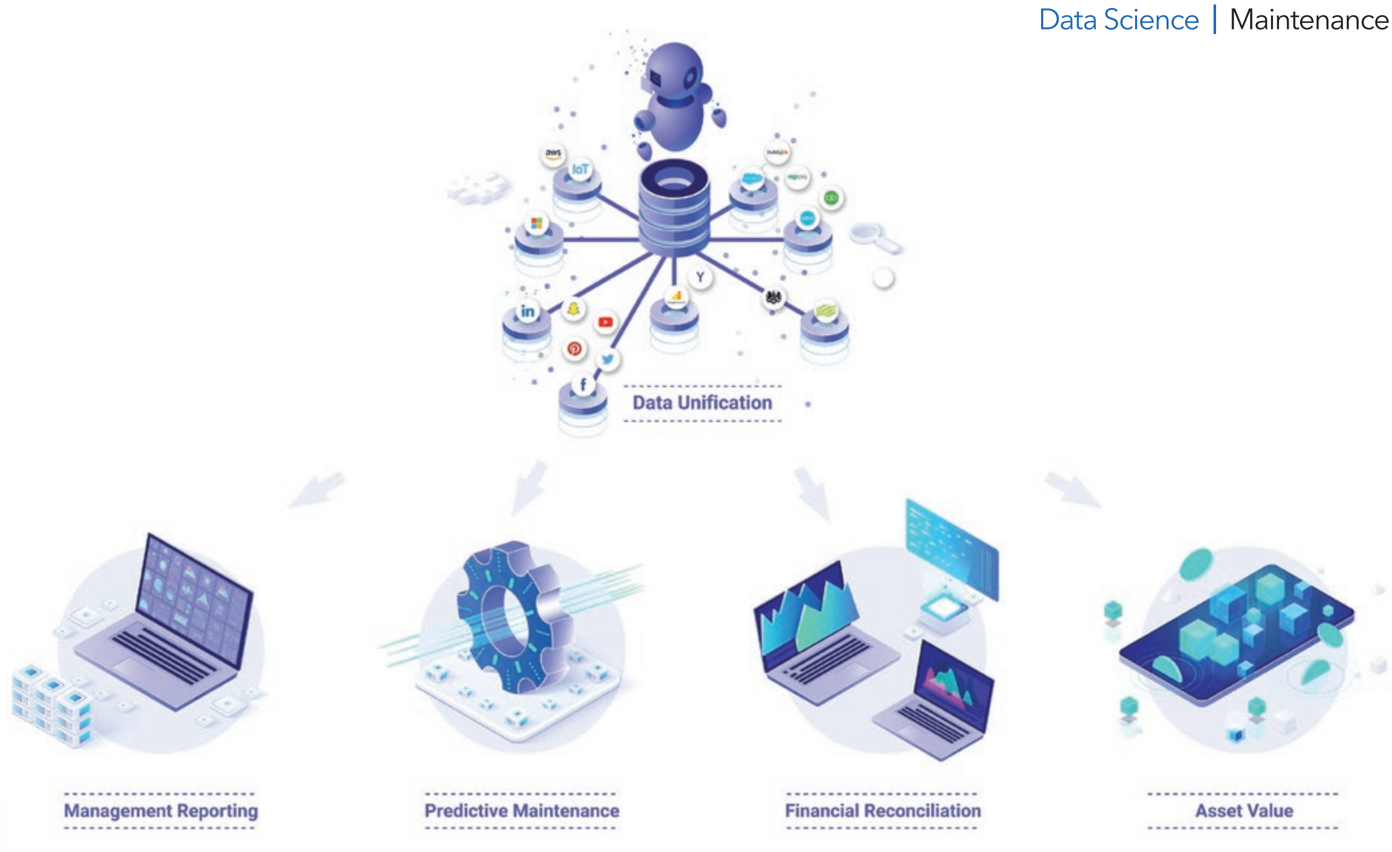
Client Story – Dawson Group

Dawsongroup plc

"The partnership between Dawson Group and Lumilinks has opened our eyes to what is possible. One of the biggest assets within Dawson Group is data, but a recent study revealed that we do not use our 25+ years of historical data in the most effective manner. While we have numerous in-house accountants, we do not regularly analyse the data in any great depth. Ad hoc analysis takes time, and the important message may be missed due to data overload. This is where the partnership with Lumilinks has been a real benefit.

"The data analysis undertaken by Lumilinks will enable Dawson Group to manage its fleet more efficiently, reduce costs, increase revenue, and provide better solutions for our customers. As an example, we can now predict when will be the optimum time to dispose of a vehicle, taking into consideration our own data on ageing repair and maintenance costs, as well as external data such as second-hand market values."

By Adrian O'Reilly,
Group Accounting Director



What are the Benefits of the Lumilinks Solution?

- **Minimise set-up and maintenance costs**
  Predictive maintenance that leverages existing data requires a smaller investment in new data-collecting infrastructure than intensive AI solutions. New monitors, sensors, and IoT devices would also require additional costly maintenance, but with the Lumilinks solution, you keep setup and ongoing costs to a minimum.

"For businesses with multiple or complex assets, this is a game-changer"

- **Realise ROI faster**
  With lower set-up costs and a smaller installation process, the Lumilinks solution lets you access useful data faster, which means a quicker ROI.

- **Prioritise maintenance**
  Predictive maintenance allows you to identify which critical assets will need maintenance and when, and balance this against the maintenance needs of everything else.

- **Plan a maintenance schedule**
  With better insights into system and asset behaviour, you can draw up a schedule that reduces costly and overzealous preventive maintenance and means you won't be unwittingly replacing perfectly good parts.

- **Adapt pricing models**
  Proper insight into which parts of your business and which clients cause the most damage and are the most expensive allows you to devise proactive pricing models that will keep you ahead of future costs and improve your product offerings.

There is value in your business data, and correlating data across your business helps you uncover patterns, learn from experience, and make smart, effective decisions. Using this data to develop a proper preventive maintenance plan will, in the long run, save money and help you plan future asset acquisitions.

Lumilinks is turning data into a Single Source of Truth, making data management accessible to all and encouraging better data hygiene. This is what makes money-saving techniques such as preventive maintenance possible.

To find out more about Lumilinks data services, visit **www.lumilinks.com.**

About the author:
Gary Cole

Gary Cole founded Lumilinks in 2019 alongside Jo Dudley-Smith and Dr Tim Drye who is a former DataIQ Data Scientist of the Year. On a mission to disrupt the traditional SaaS status quo, Lumilinks offer analytics as a service using A.I. decision-making models to empower users to identify the optimum route to goal, helping organisations to efficiently and strategically achieve their business objectives.

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Ireland, a Global Village

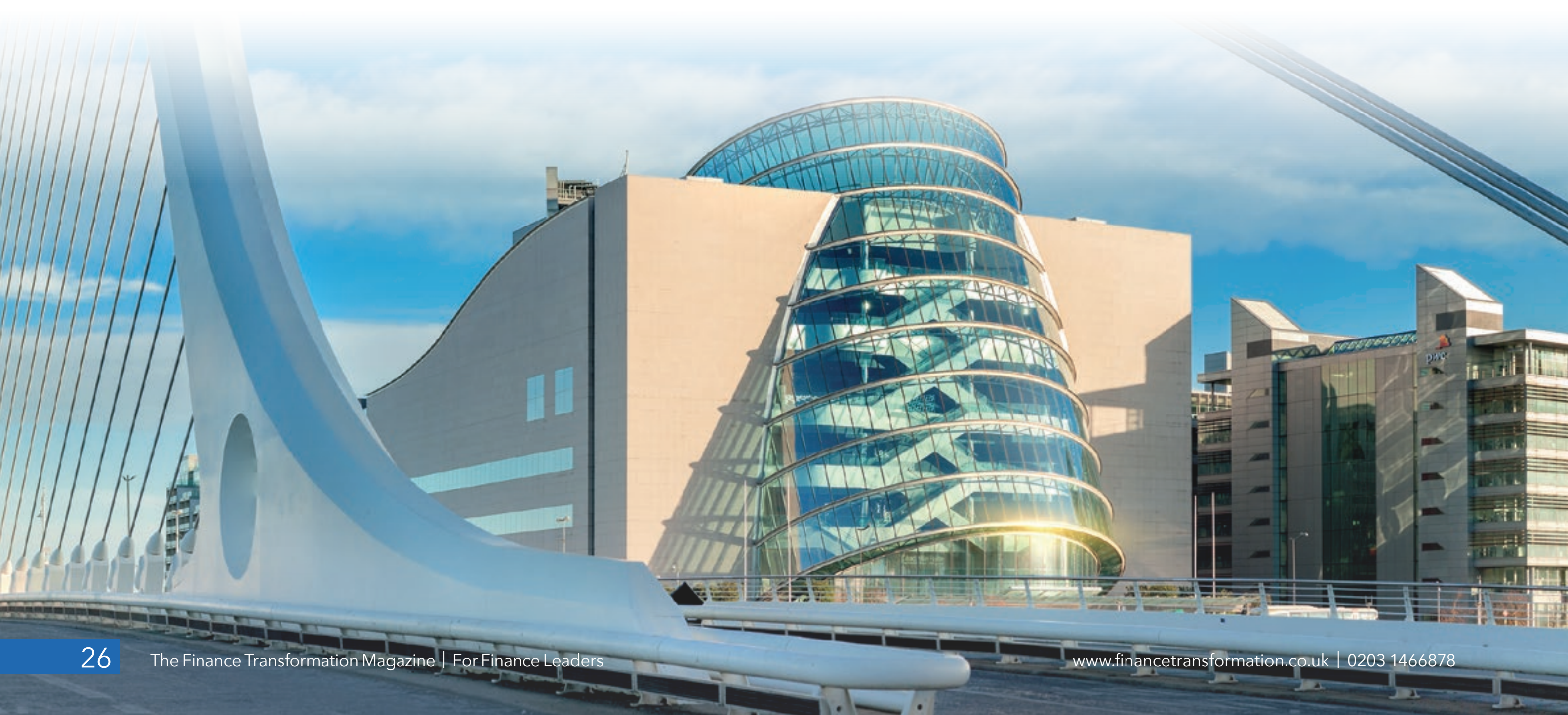
Nigel Coffey, Head of Finance Operations at Alnylam Pharmaceuticals, with a Shared Services leadership career spanning 30 years, tells Finance Transformation UK why he believes Ireland is still a winning location for Shared Services.

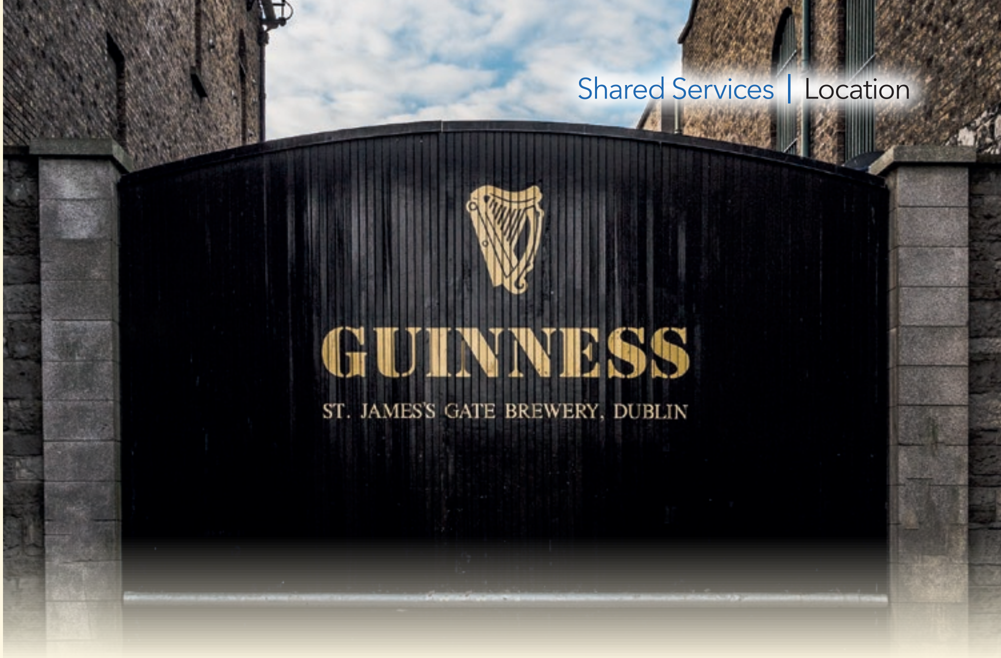
Over the years people have asked me why there are so many Shared Service Centres (SSCs) in Ireland. Their initial assumption is often that its all down to low taxes. They have been somewhat surprised when I inform them that taxation is probably one of the last criteria considered when companies are choosing to set up a shared service centre in Ireland.

Shared Service centres are not profit centres. They are not operational constructs designed to minimise a corporates tax burden. Shared Service Centres are a foundational base upon which the company is supported and built. SSCs are the engines of transformation and change across an organisation, the enablers of best practices, policies and procedures, controls and compliance. They allow for flexibility and agility at speed. Increasingly, they are test beds for digitisation, automation and improving both customer and colleague experiences. Shared services are an enabler for the business, partnering with stakeholders to identify and unlock value. Ultimately however, Shared Services are all about people. People! The single most important factor which has led to more than 200 organisations setting up shared service operations in Ireland.

There are multiple hurdles that must be overcome in determining your location strategy for a shared services organisation. While the macro environmental factors such as a stable political and business environment, infrastructure, communications, sustainability and cost are all critical factors that must be considered, your ultimate success or failure will be decided based upon the decisions you make in relation to your people.

The Irish have long been regarded as highly educated, hardworking, fun loving and flexible. Those qualities are enablers of a good environment in which an SSC can thrive and be successful. But Ireland is not just about the Irish. Ireland is seen as a very attractive place to live and bring up a family. This attraction has led to a truly multinational workforce. Over 15% of workers here are international with only Luxembourg and Cyprus having a higher percentage of overseas workers.





Coupling that strong multinational workforce to a young and dynamic home grown talent base has led to a unique environment that is now demonstrating its capability on the global SSC landscape. The growth of Ireland as a nexus for global SSCs has also served to make it increasingly attractive to prospective talent. People are seeing an opportunity to develop their careers in world class organisations that view Ireland as a part of their long term growth strategy.

But what about the threat of offshoring and outsourcing? How can Ireland compete with other nearshore/farshore locations with lower wage rates. Simply put…we don't! Clearly far shore locations will offer an attractive wage arbitrage proposition. Historically, offshoring was the main viable proposition for transaction based activities to reduce net cost. Increasingly however, Automation and Digitisation are becoming much

> **"Shared Services are all about People and you can find them in Ireland"**

more viable as an alternative to far-shoring. In this regard Irish based organisations can play a role as the digital enablers of the new future state for shared services. There will always be an opportunity for a hybrid model in terms of a multinationals global SSC strategy but Ireland can play a leadership role in supporting that strategy with its highly educated and experienced workforce.

Productivity can also outweigh cost. While Irish labour rates are broadly in line with the European average, Ireland has recently ranked No. 1 globally in productivity in industry. In my experience, that productivity translates into the shared services landscape. When coupled to a customer focus, flexibility and quality mindset, this ensures that companies can achieve value for money in terms of their shared services operations. Ireland is not the cheapest location in Europe from a salary and overhead perspective but in my experience the productivity and quality outcomes delivered per FTE still makes a very compelling case. I am yet to be convinced that other near shore locations can offer a better overall return beyond the very transactional type activities which should probably be offshored/transitioned to a BPO or automated in any case. Ireland has also been the leader in value for multiple years in a row in the IBM Global Locations Trends report.

Other people related factors that must be considered, where Ireland scores well include the following:

- Overall population and size of labour market
- Availability of staff/talent pool with the required qualifications and skills
- Access to graduate markets
- Availability of required language capabilities
- Capacity to meet future growth
- Level of competition for resources.

Overhead in terms of site set up and ongoing operations is a factor that must be recognised. The emergence of increased home working as a viable and indeed necessary operating model to attract talent post Covid will go some way towards alleviating the need for as much office space and the associated cost for most companies.

In conclusion, Ireland will continue to be an attractive location for high quality shared services organisations. Ireland Inc. will continue to offer an attractive base to access both European and global markets. Ultimately, the ongoing availability of sufficient, highly qualified talent will make it successful in attracting and more importantly retaining shared service operations in an increasingly globally competitive environment.

About the author:
Nigel Coffey

Nigel Coffey is currently Head of Finance Operations at Alnylam Pharmaceuticals and is a globally recognised Shared Services Leader with a career that has involved establishing Shared Services for major corporates such as Pfizer, Shire and PepsiCo.

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CEO Profiles Drive Business Growth

Melanie Goodman, Founder of Trevisan, an award winning LinkedIn Consultancy supporting leaders in the Financial and Legal Sectors, explains how a CEO can better leverage LinkedIn to help grow their business.

While it is common knowledge that you can use LinkedIn to build your personal brand, many CEOs overlook how they can also use it to draw people to their business. The CEO.com 2015 Report revealed that most Fortune500® CEOs are not on any form of social media and 61% have only a paltry presence, yet 70% of those who are active *are* on LinkedIn.

I have often faced the challenge that CEOs find social media is too risky, but I believe the benefits outweigh the risks when you adopt an effective LinkedIn strategy.

Profile Posts

You may think that Posting to your company's LinkedIn page is as effective as Posting to your personal Profile, yet this is not the case. In fact, when you Post something to your own Profile, it will likely fetch you far more traffic. This is because your followers know and respect you.

Additionally, the best part is these are not people from your network alone but also people from the network of your followers: When someone reacts or comments on a Post, their network will also be notified and likely shown the Post by LinkedIn.

Personal LinkedIn Strategy

1. **Share:** However, ***do not*** use the LinkedIn Share button, instead follow my Top Tip to gain the highest reach – Click the 3 dots in the top right of your Company Page Post and copy, then start a new Post in your Personal Profile and press paste
2. **Highlight Content:** Add your best content to your Profile 'Featured Section'
3. **Articles:** Share Articles that are likely to find maximum resonance with your followers and follow this up with actionable content they can easily implement. Something that is unique, entertaining, and relevant – for example, the "how-to" Posts
4. **Feedback & Comments:** Actively encourage feedback and comments. I recommend starting Posts with a question to immediately engage followers – the key is to get them to click the "press more" button
5. **Timeliness:** To play to the LinkedIn algorithm, reply to Comments on your Post within the first **"golden hour"** after Posting
6. **Tagging:** Tag the Author of an Article you are sharing in a bid to encourage other valuable members to connect with you.

Promote Your Company Page

To maximise your LinkedIn marketing like and re-share your Posts on the company LinkedIn page. This will popularise the page to a greater extent, which otherwise remains hidden from the spotlight. These Posts are company updates or achievements of staff and employee advocacy is one of the key reasons that you need to be active on LinkedIn.

Employee Advocacy

Sharing team accomplishments on LinkedIn is a huge morale booster for your own staff and shows people how appreciative you are of their contributions to the company.

Research conducted by Hootsuite, in partnership with LinkedIn, found a 40 per cent increase in employee engagement as a direct correlation to CEO engagement. Interestingly, when your teams are engaged on social media, they're 50 per cent more likely to achieve sales quotas!

> ***"Research found a 40 per cent increase in employee engagement as a direct correlation to CEO engagement"***

An active LinkedIn presence will allow you to keep abreast of your company culture and pick up on issues that might not otherwise come to your attention. Therefore, these LinkedIn marketing efforts not only help to elevate your company's image but also help to improve your brand value and performance.

Audience Engagement

Make sure you engage with your followers Posts as well. If done meaningfully this will demonstrate your industry **'thought leadership'**. However, the LinkedIn algorithm "ignores" comments of less than ***5 words*** so "good post" will not cut it! This will build a strong connection with your followers and increase the likelihood they will engage with your Posts.

Strengthen this bond by adding a human touch through video. This concept is often alien to a CEO just starting out on their LinkedIn journey. However, they can easily be shot from your mobile phone and immediately uploaded via the LinkedIn app. Videos bring the personal touch, so be brave!

A CEO could use video to highlight their interests and skills, great team performance or express an opinion on the latest industry hot topic. For inclusion, do ensure your videos have subtitles since people are more likely to watch them with the sound muted and I recommend the app **Zubtitle** for this.

Strategy and Targeting

I recommend having a CEO LinkedIn strategy, in place. I am aware that for a busy CEO, the task of Posting regularly on LinkedIn to grow your business can become overwhelming.

As a first step, import your Contacts from your registered email ID, Outlook and other devices. And use suggestions from the "My Network" page to connect with other LinkedIn members. You can also connect to people who are visible on your Home Page or use the Search tab filters to discover your target audience.

To improve the acceptance rate of your connection request, always add a personalised note to your connection request. Use psychologically appealing words such as *"open to"* and *"would you be against"?* to maximise acceptance rates.

Conclusion

LinkedIn is a great marketing tool with its reliability, reachability and relevance, so update, enlighten and captivate on this platform to build both your own personal brand as the CEO and accelerate the growth of your business!

About the author:
Melanie Goodman

Melanie is Founder of Trevisan, an award winning LinkedIn Consultancy which delivers bespoke LinkedIn marketing strategies and LinkedIn training for leaders in the financial services and legal sector. Melanie holds degrees in both Economics and Law and is a regular contributor to publications such as *The Entrepreneur* and *Wealth Briefing*.

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Accelerating
Target Operating Model Design

Finance Transformation
Transform Finance Faster

Michael Ryan explains how Finance Transformation UK is turning the traditional Consulting approach to Target Operating Model (TOM) design on its head. To design a Finance TOM takes on average 3 to 4 months, depending upon the size of the Business, its complexity and the resources deployed.

However, **Finance Transformation UK** believes that the direction of travel is known with a high degree of certainty within the first two weeks. In our experience the preferred Finance TOM high level option will not change after this point. In effect what takes place in the remaining 3 months is a due diligence' exercise on the preferred option.

Therefore, based on our experience we developed '**ATOM**', which is a two week Accelerated Target Operating Model design program. It is based on a peer to peer interaction between Client C Suite members and their opposite number in the **Finance Transformation UK Advisory Board**.

The Advisory Board concept was developed by Finance Transformation UK to give our Clients cost effective access to highly experienced Partner level subject matter experts from the Finance Transformation UK Network.

This expertise covers Record to Report (R2R), Purchase to Pay (P2P), Order to Cash (O2C), Program Management, Data Science, Location Strategy, Cyber Security and Analytics. The Advisory Board can be augmented with specific industry focus as required.

The approach focusses only on the Strategic TOM Options and does not expend cost, effort, or resource on lower level activities such as process mapping. Its pure focus is to educate the Client CFO on the art of the possible, within the context of their Business whilst bringing to bear the collective experience of multiple Consulting Partner level resources to drive out the best direction of travel.

The advantages to the Client are:

1. **Cost effective:** A two week **ATOM** engagement will give comfort to the CFO on their preferred Finance TOM, whilst facilitating the Client teams completing the due diligence within the framework of the CFO's preferred TOM
2. **Peer to Peer Challenge:** The CFO gets a concentrated period with equivalent level Consulting resources, increasing the value of Peer to Peer challenge in TOM design. This we believe leads to far greater blue sky thinking and strategic challenge then if we start to delve deeply into the processes
3. **Road Testing:** In many instances the CFO will have a preferred Finance TOM in mind and the main challenge will come from within the Business. The **ATOM** program places a high degree of emphasis on socialising the preferred TOM at Executive level within the Business Units. Our Advisory Board members meet with and challenge the Business Unit Directors to drive out a consensus.

Michael Ryan

With 25 years' experience across multiple Sectors, as a Finance Transformation Leader, Michael is uniquely placed to advise Clients on transforming their Finance function faster based on real experience!

0203 1466878
michaelryan@financetransformation.co.uk
www.financetransformation.co.uk

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