

Racing towards Finance 4.0

From merely crunching numbers to applying tech and skills to derive business insights...the role of a financial professional has come a long way. Future-ready talent is now the need of the hour

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As the lines between the physical and the digital world begin to blur, our race towards Industry 4.0 gets even more intense. The disruption in everything - from automobiles and healthcare to media and mining - leaves no exception for the financial services either. After all, finance is the backbone of every industry. At the hands of technologies such as Robotic Process Automation (RPA), artificial intelligence (AI), the internet of things (IoT), blockchain and biometrics, the finance industry finance - as a function - is essentially in the middle of a complete re-haul called Finance 4.0. Gone are the days when the finance department worked in a silo and focused only on the cash flow statements

and business profitability. It has long moved from cost to value; is an integral part of operations, and turns out, it has a prime seat in every boardroom.

Just as these new technologies are being channeled to non-traditional financial services, it could lead to an increase in the volume and velocity of transactions and the availability and reach of financial services to everyone. For enterprises, it will take more than just robots to drive the change. This would mean creating a strong framework that integrates relevant technology with skilled financial professionals who are trained to drive the growth and ride the wave of this revolution.

Changing roles of financial professionals

It is important to note that the impact on the finance industry is not just restricted to automation of transactions, fintech and balancing of books. Even core financial activities like risk assessments and compliance are done by artificial intelligence and machine learning tools. So, with bookkeeping, filing taxes, and tracking the company's financial health taken care of with automation, what does it leave for accounting and finance professionals to do? Introspect closely and you will find that they are now busier than ever before trying to keep pace with the new expectations and a constant drive to upskill themselves to remain relevant. They have more important and meaningful tasks: like meeting investors, raising capital, dealing with vendors, acquiring more customers, and doing tasks that require to apply the knowledge and expertise to build and manage a business. For them, it is all about reinventing finance for a digital world.

Ahead of the curve

As per KPMG International's recently released 'Future Ready Finance Survey 2019 - Learn what high-performing organizations are doing differently, in addition to traditional finance competencies, future finance teams will require process management and exceptional management skills to administer digitally enabled processes. Digital finance experts and data scientists would be required to analyze internal and external data to provide critical insights to the business. This indicates that the finance function across organizations and geographies is experiencing an increasing skills gap as most of these future-oriented skills are in short supply and high demand. The lack of financial talent is a pressing issue that stands in the way of companies wanting

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to shift to a more digital organization. Which is probably why one of the top five goals and initiatives of larger corporations is to invest in and enhance finance talent and skills. Enterprises have no choice but to invest in training their current and future employees in order to bridge the gap, strengthen its backbone and stay ahead of the competition.

On the other hand, as a fresh graduate, the prospect of a rewarding career in finance includes having to compete with a few million other intelligent graduates who are equally good (or even better). It would need some prodigious effort by them to stay relevant. The key here still would be to stay ahead of the curve and be future smart. Besides technical skills, know that a good financial professional will need the ability to analyze trends and numbers, handle big data and be an expert to tell the story behind the data. This would mean possessing good knowledge on how data structures work, understating visualization tools and comprehending régression analysis. Add to that skills like managing conflict, working in small and large teams, ability to communicate - written and verbal, handling stress, correlating different economies, and mastering global laws.

Partnering with the best

It is well established that the finance workforce of the future will need professionals with well-rounded finance technical skills combined with data utilization and technology skills and broader behavioral skills. To build a pool of talent and to bridge the skill gap, corporates need to work close at hand with leading skills and talent development institutes to prepare graduates and finance professionals for finance of the future. KPMG in India has joined hands with NIIT to launch the KPMG NIIT Academy for the Future of Finance to address the changing talent requirements of the industry. This would help in creating a large pool of industry-ready talent who are ready to meet the needs of the finance functions of the future. To gear up for the future, one needs qualified and experienced finance faculty and guest lectures by industry experts who familiarize the participants with the latest industry trends.

The fact of the matter is that the intellectual pursuit of a smart career in Finance 4.0 doesn't have to be a gamble. It would entail learning from the industry leaders on how to analyze data, create value, take charge and deliver in the New Normal.

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