

The CFO Agenda for 2024

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Product Marketing/Management, Oracle NetSuite

January 10, 2024



The Association of
Accountants and
Financial Professionals
in Business

ORACLE®
NETSUITE

Speaker



Tom Kelly

Product Marketing/Management
Oracle NetSuite

Responsibilities

- Product Management Global Cloud Financials
- Software, General Business and NFP Verticals
- EPM – NetSuite Planning and Budgeting, Accounting Hub, Period Close, Public Reporting, Account Reconciliation...
- Product Marketing
- NetSuite Analyst Relations

Previously

- Managing Director T-Edward, Inc.
- CFO/CIO for SMB/Startups
- CFO/Finance Deluxe, PepsiCo
- Public Accounting/Consulting – KPMG, CSC



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The Pending Dilemma... Automate or ...

EXIT

Job Security Isn't Enough to Keep Many Accountants From Quitting

Auditors and tax accountants are moving on—or considering quitting the profession—citing technology is important to their job satisfaction

Source: Wall Street Journal September 2023

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Polling Question #1

Regarding your company, are you Optimistic or Pessimistic about 2024?

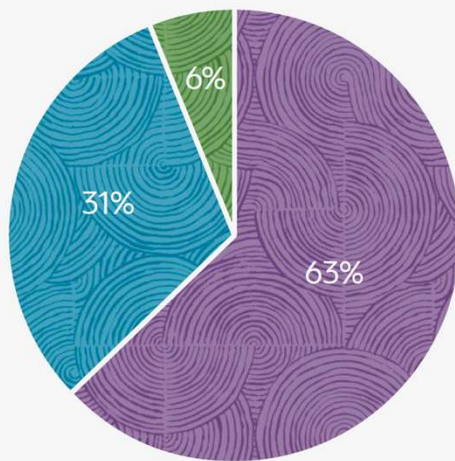
A: Optimistic

B: Pessimistic

C: Warily Optimistic

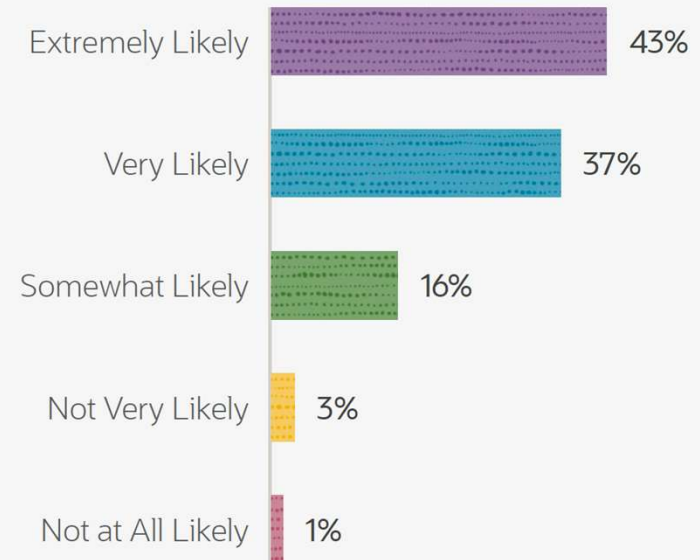
The Role of Technology in Retaining and Recruiting Accountants

How has the importance of technology as a factor of job satisfaction changed over the past 2 to 3 years?



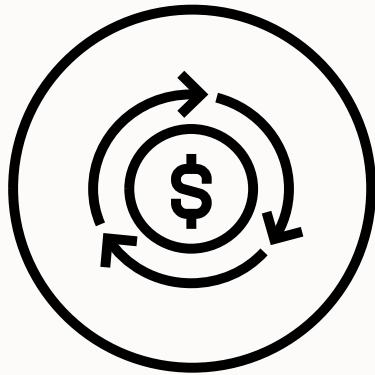
Increased Stayed the same Decreased

How likely are you to ask about technology in your job interview?



Source: FloQast

Automate the Fundamentals



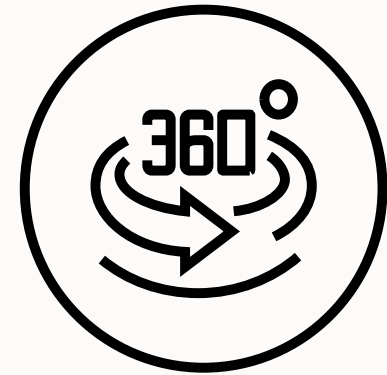
Smart Automation

- AP/AR Automation
- Employee Expenses
- Bank Recs
- Payroll
- Cash Management



Accounting Cycle

- Account Reconciliations
- Period Tasks
- Intelligent Accruals
- Intercompany Automation
- Close Management



Visibility & Intelligence

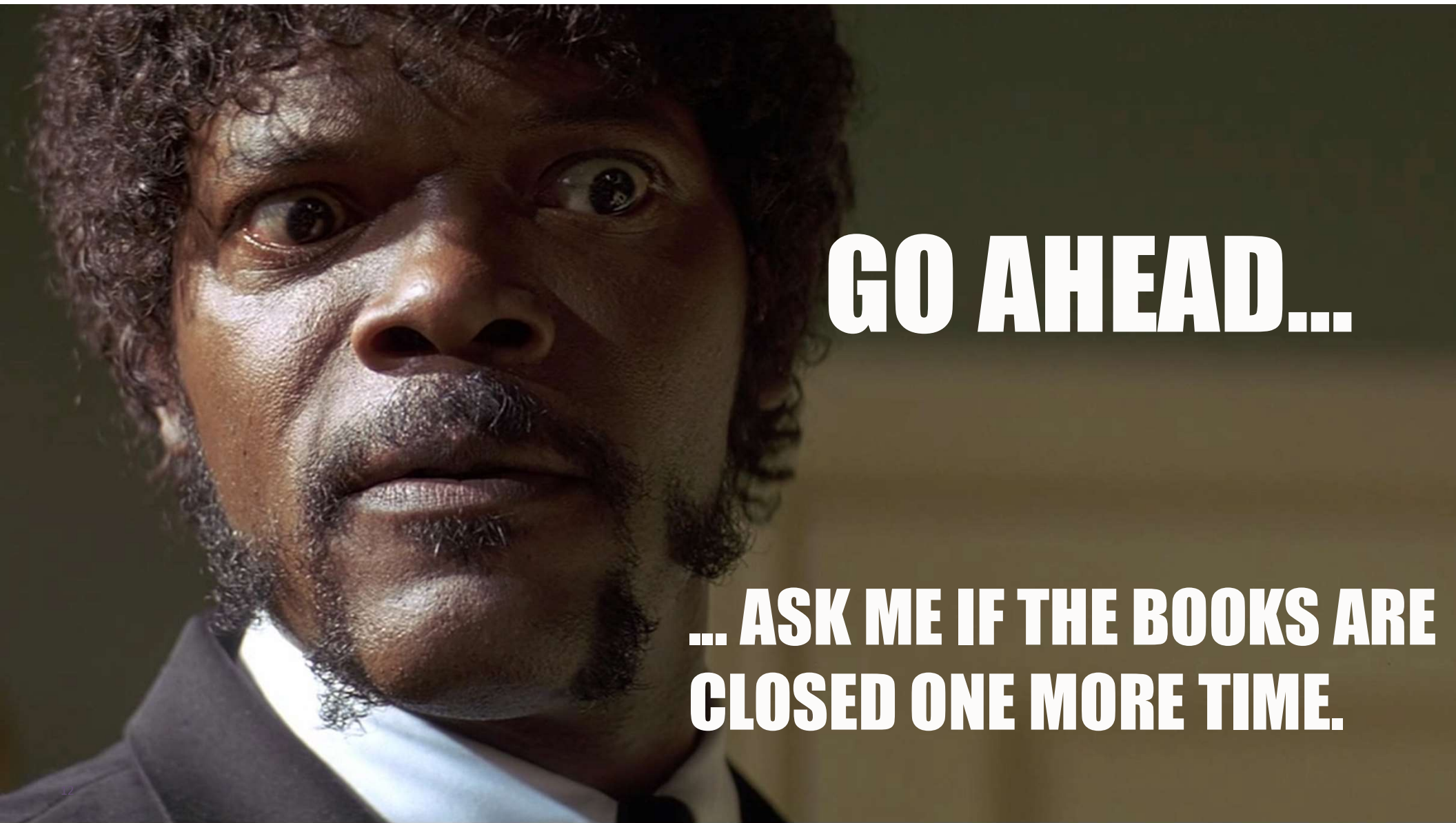
- FP&A
- AI Intelligent Insights
- ESG
- Role Based Dashboards
- NetSuite Analytics Warehouse

An Analysis

World Population	7,984,709,998
10% Not Working	Less 798,471,000
18% Students/Minors	Less 1,437,247,800
Calculated Working	5,748,991,199
Average Firm Size	Divide By 17
Companies Worldwide	338,175,953




4.1
BILLION



GO AHEAD...

**...ASK ME IF THE BOOKS ARE
CLOSED ONE MORE TIME.**



THE CONTINUOUS ACCOUNTING ZONE

Polling Question #2

Adoption of continuous accounting methodology is an important part of your 2024 strategy and beyond.

A: Agree

B: Disagree

Governance, Risk and Compliance/Security - Embedded In Your ERP

CFO's needs to be strategic—but still deliver on Governance, Risk and Compliance (GRC). CFOs can leverage the GRC processes and capabilities embedded in an ERP which evolve as requirements do (ASC/IFRS).



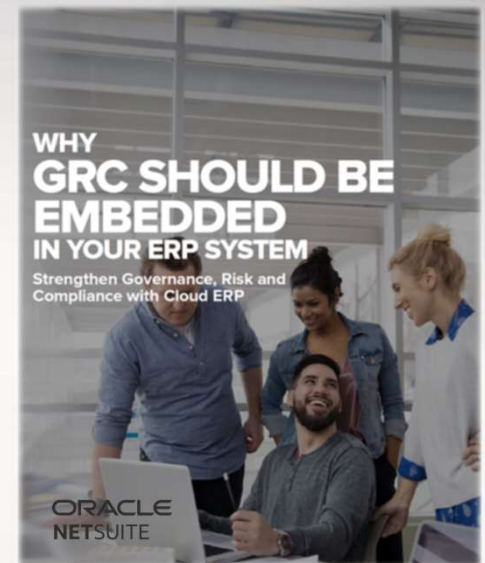
SSAE 16
Type II Audit Complete
FORMERLY SAS 70 II

ISAE 3402
CERTIFIED TYPE II

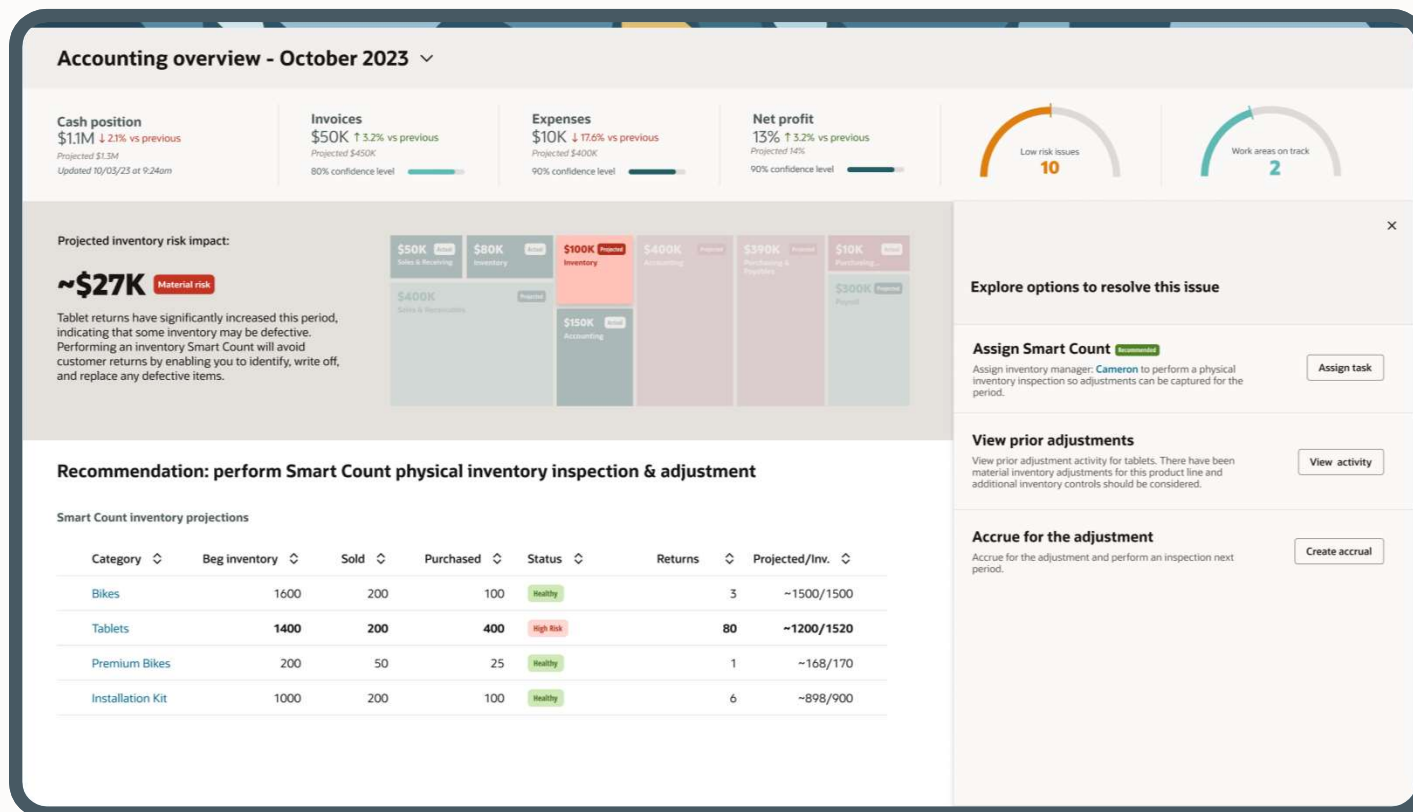


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The (Not Too Distant) Future of the Fundamentals



Accounting overview - October 2023

Cash position

\$1.2M ↓ 1.1% vs previous

Projected \$1.3M

Updated 10/14/23 at 11:25am

Invoices

\$100K ↑ 5.3% vs previous

Projected \$520K

80% confidence level

Expenses

\$100K ↓ 17.6% vs previous

Projected \$400K

90% confidence level

Net profit

10% ↑ 3.2% vs previous

Projected 14%

90% confidence level



Material risks from exceptions may delay revenue with projected impact:

~\$100K Material risk

There are revenue impacting exceptions from draft invoices, unapproved time and incorrect segments that may cause posting errors or delay recognizing revenue and closing the period.



Revenue exceptions to resolve

Quantity exception	Description	Amount	
✓ Awesome Fit: Unexpected invoice charges may result in overstating October revenue	Install base quantity is ~90 units, the last order was approved for qty: 944 Installation.	\$75,000.00	...
<div><div>Draft: Risk</div><div>10/31/2023</div><div>INV-0123-Draft</div><div>Awesome Fit</div><div>Amount: \$75,000.00</div><div>Quantity: 944</div></div>	<div><div>Paid in full</div><div>9/10/2023</div><div>INV-0123</div><div>Awesome Fit</div><div>Amount: \$7,000.00</div><div>Quantity: 94</div></div>	<div><div>Paid in full</div><div>9/8/2023</div><div>INV-0352</div><div>Awesome Fit</div><div>Amount: \$15,000.00</div><div>Quantity: 94</div></div>	
> Missing segment			
Incorrect segment	Description 2023-OCT incorrect class segment for enterprise customer	Amount \$15,000	...
> Time & Expense exception	Description 2023-OCT Delayed time entries with incorrect item and account	Amount \$10,000	...

Explore options to resolve this issue

Update ordered quantity Recommended

Adjust quantity ordered to revise revenue and invoice amounts.

Edit quantity

Review contract

Captured quantity: 94, SO quantity: 944 Risk!

View contract

View Customer 360

View **Awesome Fit** customer activity and contact information including account managers and other details.

View Customer 360

Accounting overview - October 2023

Cash position

\$1.3M ↑ 1.2% vs previous

Projected \$1.3M

Updated 10/31/23 at 9:26am

Invoices

\$560K ↑ 7.4% vs previous

Projected \$560K

100% confidence level

Expenses

\$450K ↓ 7.3% vs previous

Projected \$500K

90% confidence level

Net profit

15% ↑ 3.2% vs previous

Projected 14%

90% confidence level



Projected expenses to accrue:

~\$50K **Material risk**

There are material projected expense accruals to review for vendor bills that have not been posted including received POs, subcontractors and other unposted activity.



Expenses to accrue

Missing bill
HealthTech Bill **Projected Accrual**
Description: 2023-OCT Accrual for HealthTech bill not received
Amount: \$50,000.00

Missing October 2023 VB-15531 HealthTech bill not received Amount \$0.00	Approved September 2023 VB-15531 HealthTech Sept. Services Amount \$25,000.00	Approved August 2023 VB-15531 HealthTech Aug. Services Amount \$27,000.00	Approved July 2023 VB-15531 HealthTech Jul. Services Amount \$24,000.00
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See more

Received purchases
PO Receipts pending billing
Description: 2023-OCT Accrual for purchase receipts
Amount: \$15,000

Missing bill
Description: 2023-OCT Accrual for HealthTech bill not received
Amount: \$50,000.00

Explore options to resolve this issue

Finalize accrual **Recommended**

A draft accrual journal entry can be finalized to close your books faster that reverses next period and would net out with the bill and activity once it's received or approved.

Accrual JE amount

+\$50K Oct 31

Review journal

Record activity **Recommended**

Enter missing bills for hosting and purchase receipts.

Create bill

Explain variance comments

The variance is expected and should not be accrued. Adding comments can be helpful in preparing financial reporting packages with annotations on reports or reviewing financials in the future to easily understand variances.

Add comment

JE-13521

Draft

Journal entry

Status Draft Updated October 28, 2023 Created by System Reviewer Anesh

Dismiss

Finalize

Details

Journal entry purpose
2023-OCT Expense Accruals

Subsidiary
Wyra Inc.

Transaction date
10/31/2023

Supporting documents
2 attachments

Posting period
October 2023

Summary (USD)

Total debits 50,000

Total credits 50,000





Balanced \$0.00

Net income impact -\$50,000

Journal entry lines

4 lines

Add line

Account *	Debit	Credit	Description	Name	Actions
6705 Professional Fees	\$25,000		2023-OCT Accrual for HealthTech...		 
6550 Marketing Material	\$15,000		2023-OCT Accrual for purchase re...		 
6400 Legal Fees	\$10,000		2023-OCT Accrual for legal fees		 
2290 Accrued Purchases		\$50,000	2023-OCT Expense accruals		 

System Notes

Accounting overview - October 2023

Cash position
\$1.3M ↑ 1.2% vs previous
Projected \$1.3M
Updated 11/1/23 at 11:37 am

Invoices
\$560K ↑ 7.4% vs previous
Projected \$560K
100% confidence level

Expenses
\$500K ↓ 7.3% vs previous
Projected \$500K
100% confidence level

Net profit
14% ↑ 3.4% vs previous
Projected 14%
100% confidence level



Close Summary

Ready to close

Completion 24/24

100% ↑ BD 1+0 Days 2 new role/delegates

Close period

The team is close ready on time while increasing controls and performing additional inventory counts.

Only two processes required delegates and there were 2 newly created roles engaging in close activities.

Revenue growth looks great and all other activity had no material shifts.



Insight

Revenue Growth
Reseller channel +\$150K/35% (MoM)
Exceeded qtr. revenue targets 10%



Review

Controls

Risk recommendation
Smart Count
Inv. adjusted 10/14/2023 By: Cameron



Review

Adjustments

Accruals
Expense accrual \$50K
BD1 +0 By: Anesh



Review

0 pending tasks

Search

Audit View

Process Flow



Accounts payable 100% completed (3/3)

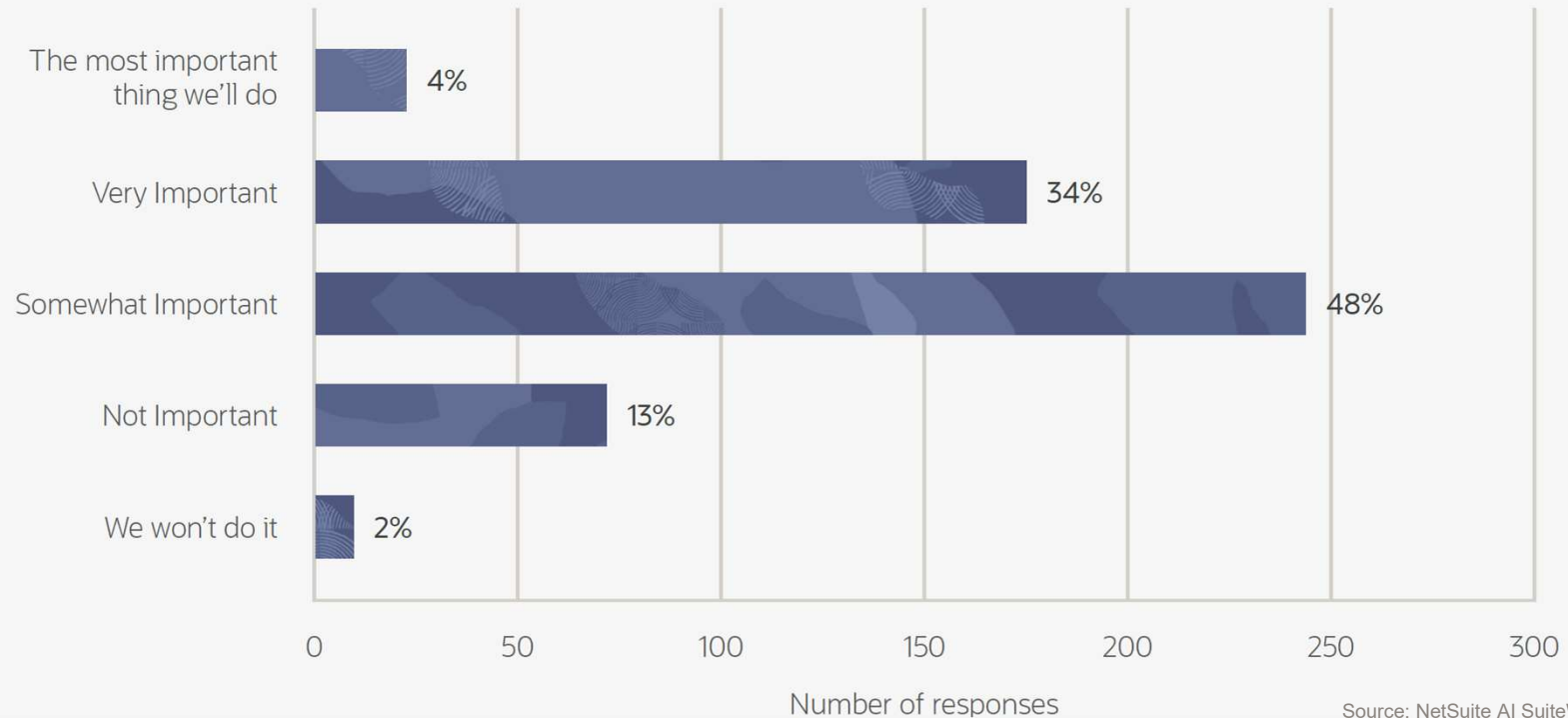
Task	Date Completed	Completed/Reviewed	Status	Working Papers/Support	Exceptions	Actions
Approval Reminders	10/28/2023	System	Completed	Unapproved Bills	-	...
Expense Accruals	11/1/2023	System/Anesh	Completed	Expense Accrual WP 202...	-	...
AP Reconciliation	10/31/2023	System/Anesh	Completed	AP Recon WP 2023-OCT	-	...

Payroll 100% completed (3/3)

Run Payroll	10/28/2023	System/Beth/Anesh	Completed	Payroll WP / Labor Distri...	-	...
Payroll Benefits/WH Disbursements	10/28/2023	System/Anesh	Completed	RP-1002 / PR Distributio...	-	...

Approach AI with a Bias for Action

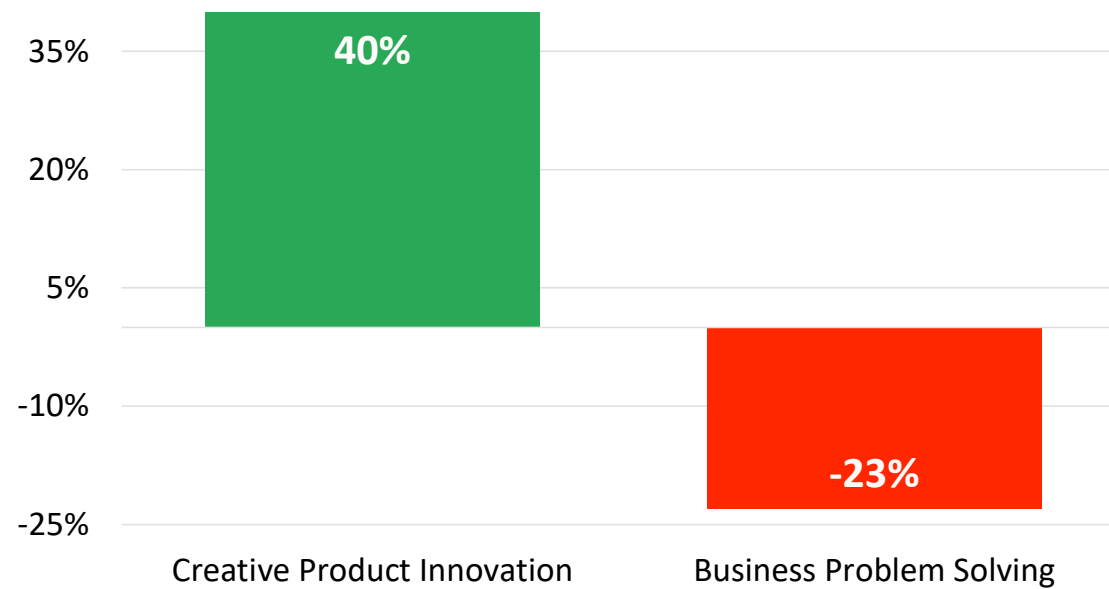
Question: How important will new/increased AI adoption be to your company over the next year?



Source: NetSuite AI SuiteWorld Survey, October 2023

Train AI with Your Own Data

Generative AI Boosts or Hurts Performance Depending on Type of Task



Source: BCG Human-Generative AI Collaboration Experiment

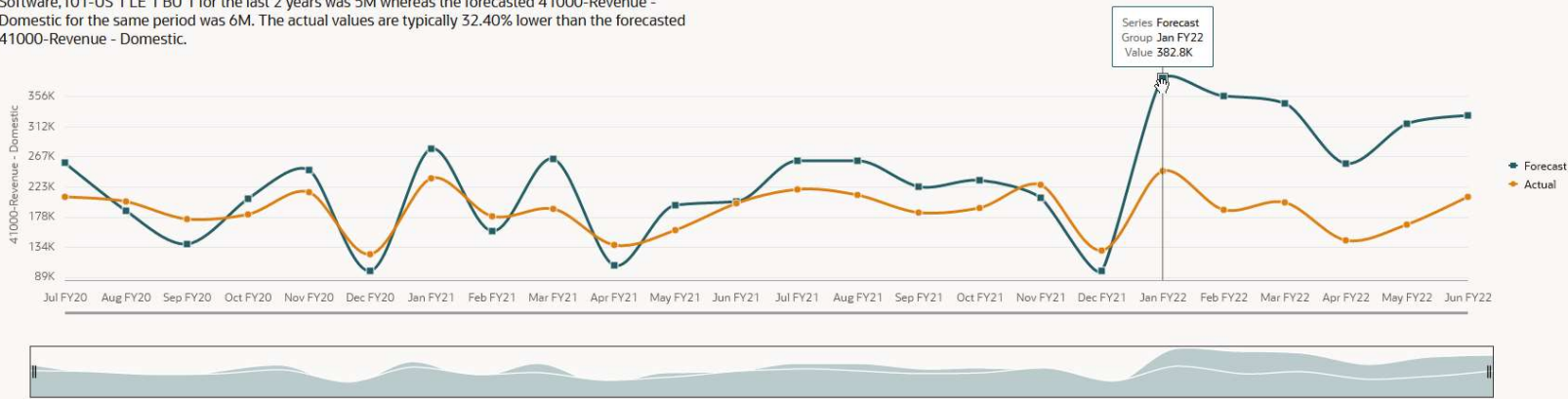
Intelligent Insights...

Actual 41000-Revenue - Domestic 32.40% lower than forecast

Forecast Variance & Bias | 41000-Revenue - Domestic-Sales US - West-171-PC Software-101-US 1 LE 1 BU 1

Cancel Dismiss

The actual 41000-Revenue - Domestic for 41000-Revenue - Domestic,Sales US - West,171-PC Software,101-US 1 LE 1 BU 1 for the last 2 years was 5M whereas the forecasted 41000-Revenue - Domestic for the same period was 6M. The actual values are typically 32.40% lower than the forecasted 41000-Revenue - Domestic.



What would you like to do?

	Variance %	Variance \$	Jul FY20	Aug FY20	Sep FY20	Oct FY20	Nov FY20	Dec FY20	Jan FY21	Feb FY21	Mar FY21	Apr FY21	May FY21	Jun FY21	Jul FY21	Aug FY21	Sep FY21	Oct FY21	Nov FY21	Dec FY21
Forecast (OEP_Forecast)			258K	188K	138K	205K	248K	99,613	280K	157K	265K	107K	196K	201K	262K	262K	224K	233K	207K	99,429
Actual	32.40	1M	209K	201K	176K	183K	216K	123K	235K	180K	190K	137K	159K	198K	219K	211K	185K	197K	226K	129K

Prognosticate – Automate – Eliminate – Just Don't Procrastinate

PLANNING

Planning and
Budgeting

Profitability
and Cost
Management

FINANCIAL CLOSE

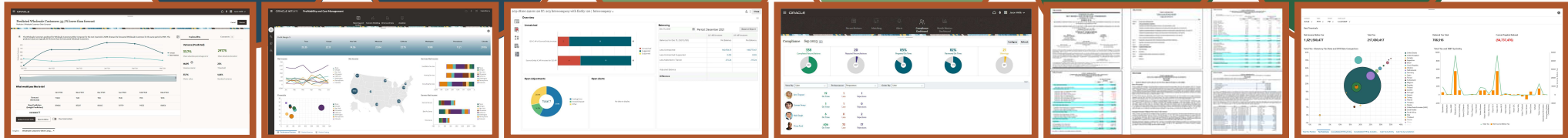
Account
Reconciliation

Finance Close
Management

REPORTING

Narrative
Reporting

Corporate Tax
Reporting



Your Checkbook or Your Cash Desk? Automate-Investigate-Iterate



Polling Question #3

Quick adoption of AI in finance and accounting is a key objective for us in 2024.

A: Agree

B: Disagree

ESG...

1/3

of all food produced globally is wasted, in an age where one billion people go hungry.

9%

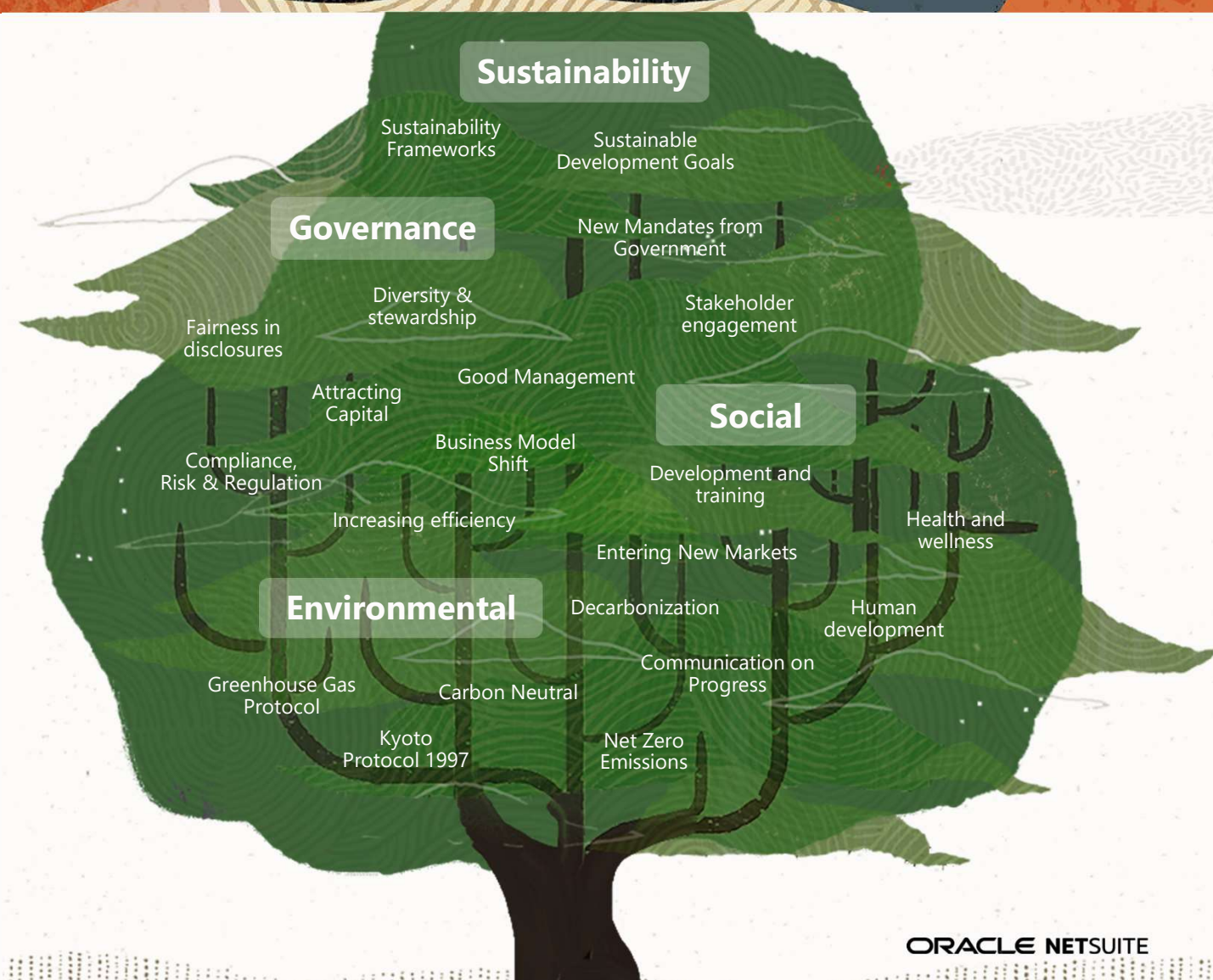
of plastic ever produced has been recycled, whilst 79% can now be found in landfills, dumps or the environment and 12% has been incinerated.

\$7.9T

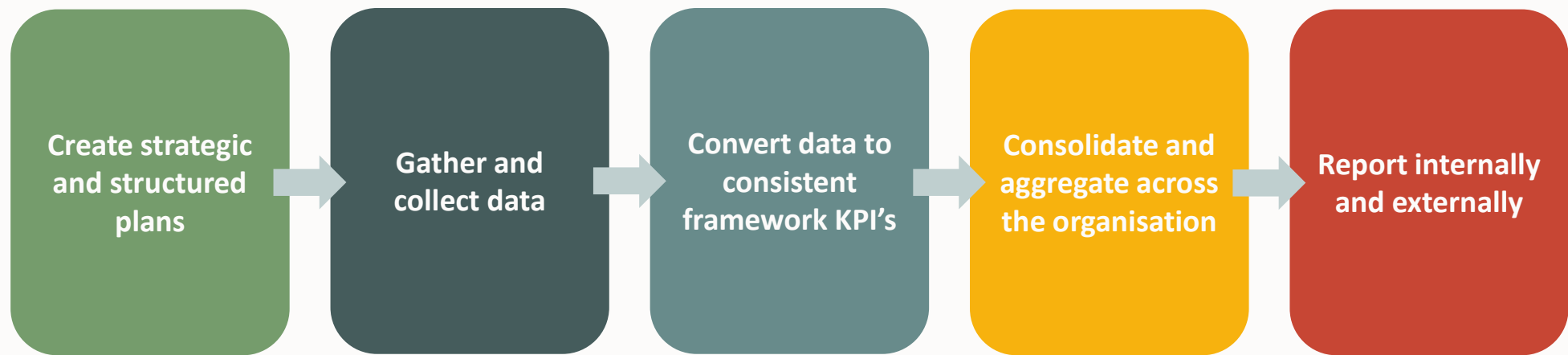
Climate impacts are projected to cost the world economy \$7.9 trillion by 2050

50%

Current levels of greenhouse gas emissions must be halved by 2030 and reach net-zero by 2050 in order to limit warming to 1.5C



What does a High-Level ESG Reporting Cycle Involve?

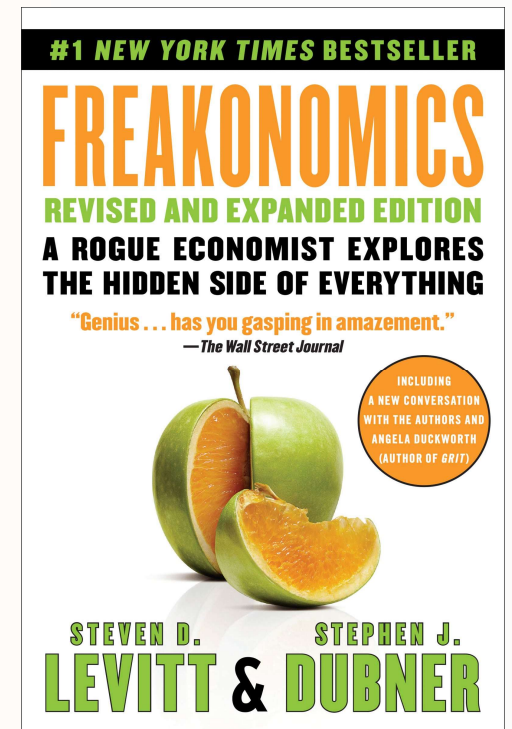


Localizations, Taxes and e-Invoicing



Think Outside The Box on Measurements

Get Your Freak On!



Turning an Uncontrollable Cost into a Controllable Cost

Influencing Workers Comp
Premium @ Pepsi



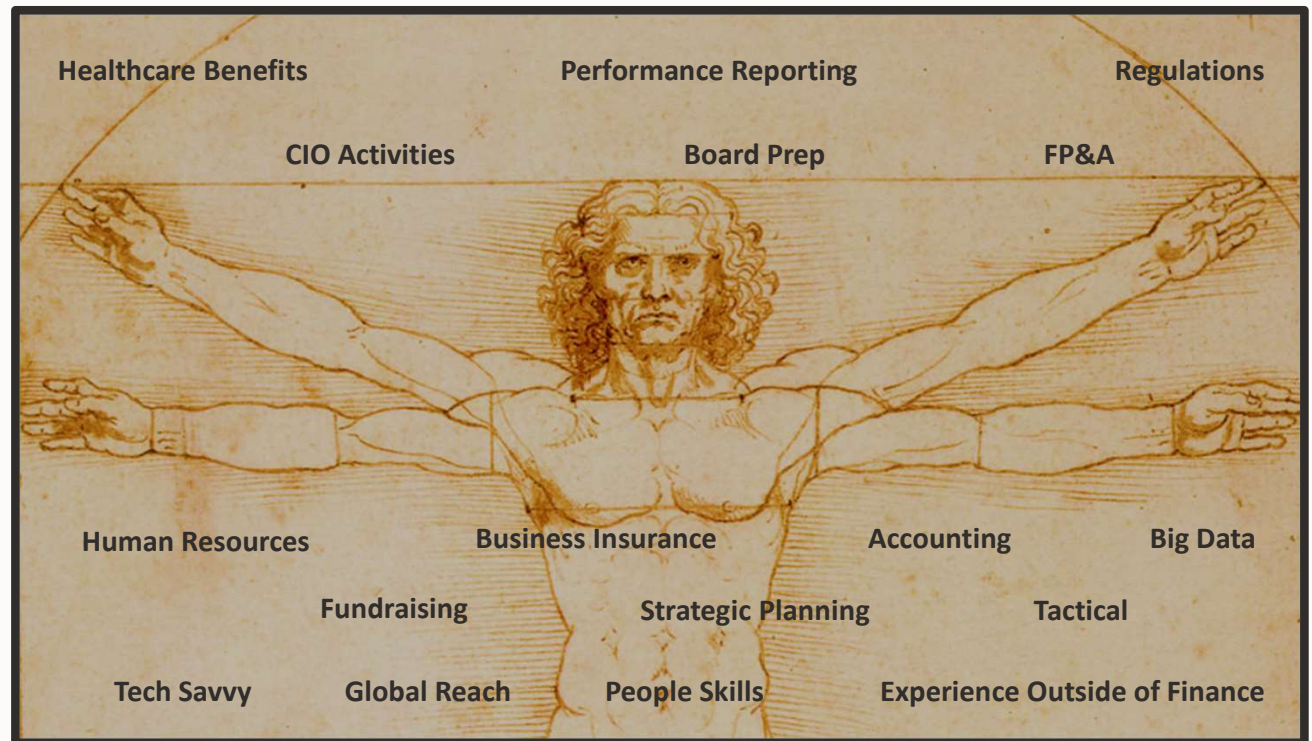
ReleaseSpeed	VertReleaseAngle	HorzReleaseAngle	SpinRate	SpinAxis	Tilt	ReleaseHeight	ReleaseSide	Extension	VertBreak	InducedVertBreak	HorzBreak	PlateHeight	PlateSide
90.69909913	-2.518075637	-3.537497506	2198.231871	182.1460134	12:00	5.474578173	2.928842583	6.181542336	-24.93327507	8.417662537	0.316473337	1.06589	-0.315164229
83.41582781	-0.784730984	-3.579728311	2562.383577	86.72695189	9:00	5.029325657	3.399026893	5.455956351	-40.76446948	-0.330630687	-5.19183609	0.896313347	-0.388541102
83.28472086	0.445347053	-2.82263554	21.066	2759	0	5.11	3.27	5.683	55374	54403	-5.076058995	2.057353016	0.203285404
83.71584207	-2.153012145	-5.43610038	92.3	9.16093	4.95	3	3.2	5.914	919	865	-7.0022895	-0.960879844	-2.342489254
84.50947794	-1.188681765	-5.18593451	60.40148	0.99863	02	5.665	5.6	5.8	58	58	-5.448419851	0.350991654	-1.935332861
84.93091664	-0.097945321	-3.80097609	89.40559	5	5	5.423	5.72	5.9	5	5	-4.633737794	1.527670117	-0.452337291
83.68962981	0.988025298	-3.28065532	0.99863	15	5	5.443	5.53	5.2	5	5	-5.869192117	2.468627056	-0.252530071
84.3167529	0.319537457	-3.66283617	37.01	35176	45	5	5	5.51	5	5	-6.108076835	1.655449773	-0.65770905
83.84796576	-0.782945245	-3.76571471	4.9168	423	45	5.5	3.2	5.018	-4	5	-6.826979143	0.561407259	-0.85352368
91.43452761	-0.341049597	-4.04218627	2245.434434	189.3438221	11:30	5.486745144	3.053684612	5.85031895	-23.93274717	8.73133631	-2.192926147	3.176235564	-0.873587114
85.13587229	0.142155158	-3.448831543	2527.888646	54.14357116	7:45	4.983177703	3.41499342	5.64912885	-41.90236075	-3.74230024	-5.134035281	1.624130007	-0.233137372
85.71956135	-1.031654715	-4.220214957	2587.736339	57.05885339	8:00	4.886628391	3.33176523	5.715180445	-42.31565123	-4.241332632	-6.496783171	0.396668403	-1.147694043
90.69909913	0.113033657	-3.600608037	5956	18	07	5.7434	3.3	5.90	-24	8248674	-2.550846304	3.121251895	-0.201058665
84.91002167	-0.525936427	-3.973848751	2	594	4025	5.6	3.2	5.64	-4	39712	-4.028401449	1.03328776	-0.755313531
90.67428132	1.059403868	-4.502499543	224	55618	0	5.174	3.1	5.96	2	04	-2.164840682	4.249078434	-1.187254587
90.26089976	1.970053023	-3.696182572	2116	81607	45	5.2626	3.1	6.02	24	46818	-1.906379609	5.067573472	-0.411925646
84.99381607	0.568398482	-3.095290823	2524.43	71.222340	5	4.8967	3.4	5.70	-4	36852374	-6.190072548	2.024289854	0.025382793
85.87601707	-1.140381367	-5.204575151	2562.38	72.641458	0	4.9089	3.4	5.80	-23	110251	-6.144516456	0.542083283	-1.940342027
91.80599885	-0.659847547	-3.249548052	2121.06	18.564848	0	5.3323	3.34	5.8	-27	5323	4.112150942	2.300181332	0.660591681
91.66191209	-1.15570864	-3.553805677	2124.89	22.0528647	0	5.3280	3.3280	5.8791	-25	555	6.522163128	1.965985024	0.572575868
84.97727134	-1.0898147	-4.795726245	2517.770937	66.05934125	8:15	5.094110885	3.217443603	5.68744986	-44.30682436	-4.740223517	-10.6021391	0.382544652	-2.1458543
90.63123581	0.449297347	-3.785943232	2146.503953	180.9648435	12:00	5.197620268	3.229446909	5.828543852	-23.85366407	10.26574124	0.17336753	3.628347702	-0.280177464
91.25742816	-0.541594293	-3.88681648	2251.852397	180.28907	12:00	5.334399924	3.083880681	6.089502443	-23.85366407	13.05562488	0.066009298	3.143531831	-0.511141004
85.25425603	-1.091443674	-4.52829457	68	379	3.44021	5.879	3.44021	5.879	107	-10.22211775	0.330775001	-1.648399515	
83.60845946	-0.009162858	-3.097274	2459.5	58.88377	0	4.8570	3.67471	5.88	-23.85366407	5400423	-6.39352467	1.199104709	0.247310021
85.8738279	0.415778177	-3.869420	70818	37.75164	15	4.8176	3.43379	5.660	-23.85366407	309996	-3.019700272	1.726600148	-0.431201941
91.58644378	-0.886776328	-4.135133454	210.9776	0	5.1636	3.36328	253	56407	3.45325275	2.103486339	-0.168450164		
85.66619737	0.283948019	-2.938730637	2577.8	75.86200	80	4.8472	3.43618	5.760	-23.85366407	2492031	4.102180203	1.917592594	0.356976199
85.16986178	-0.952523682	-4.418346	2649.5	47.90220	80	4.81596	3.5993	5.787	-23.85366407	6121432	-4.221235152	0.385511556	-0.870502972
90.67428132	1.059403868	-4.5024995	168.4555	0	5.174181	5.964	3.4	5.964	-23.85366407	7056786	-2.164840682	4.249078434	-1.187254587
90.26089976	1.970053023	-3.696182572	224	81607	45	5.262631906	3.174326438	6.028198501	-23.85366407	5.613846818	-1.906379609	5.067573472	-0.411925646
84.99381607	0.568398482	-3.095290823	2524.431979	71.22234029	8:15	4.896768306	3.427584251	5.707176842	-23.85366407	-2.136852374	-6.190072548	2.024289854	0.025382793
85.87601707	-1.140381367	-5.204575151	2562.383577	72.64145816	8:30	4.908890548	3.424515576	5.807245325	-23.85366407	-1.952110251	-6.144516456	0.542083283	-1.940342027

KNOW
YOUR
STUFF



Counting and Growing the Beans

The Vitruvian CFO



Polling Question #4

Do you feel that companies are expecting too much of the CFO?

A: Yes

No

Secure the Right Technology





*Accounting is the
language of business.*

•••Warren Buffett

- 1990's



Oh Really?

••• Luca Pacioli
- 1490's

AI – Automation – Technology – Accountants



AI, automation and technology will not replace accountants.

Accountants trained and leveraging AI, automation and technology will replace accountants.

.....

Someone, at Oracle NetSuite

- Open Your Eyes
- Adapt/Adopt
- The Only Thing to Fear



ORACLE NETSUITE

Questions and Answers

Tom Kelly
Product Marketing/Management
Oracle NetSuite



The Association of
Accountants and
Financial Professionals
in Business

ORACLE®
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Thank you!

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Financial Professionals
in Business

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QUESTIONS