



Future Ready Finance Survey 2019

Technology, media and telecommunications sector findings



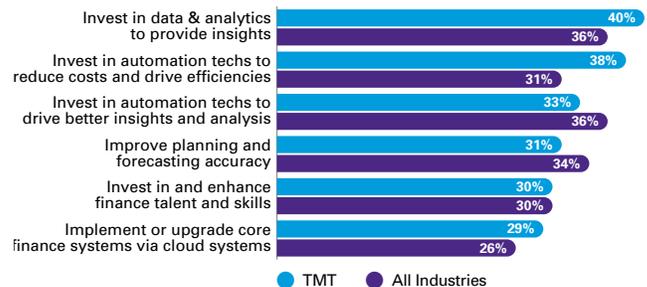
CFOs face a host of forces that have opened up opportunities for Finance to take a leadership role in the enterpriselike never before. The KPMG 2019 Future Ready Finance Survey asked more than 850 senior Finance and management executives across industries and geographies about the priorities, challenges and capabilities most critical to adapting to this rapidly changing business environment.

This Technology, Media and Telecommunications (TMT) industry snapshot provides survey results from nearly 100 companies on some of the key topics, and highlights several areas where this industry's responses differed significantly from those from across all industries.

Finance Strategy

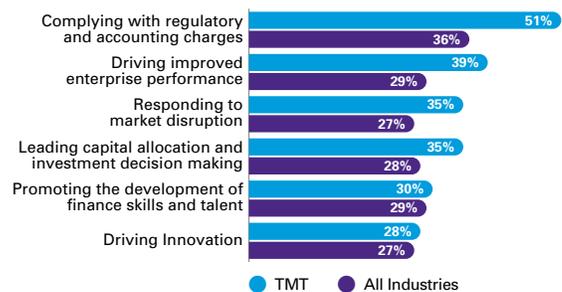
What are the top initiatives for your organization's Finance function to increase its strategic value to the organization? (top 6)

Compared to non-industry peers, TMT Finance functions place greater emphasis on next-generation priorities such as investing in data and analytics (40% vs. 36% for all industries), and investing in automation to reduce costs (38% vs 31%).



How well does your organization's Finance function support the following goals and initiatives? (Very strong support)

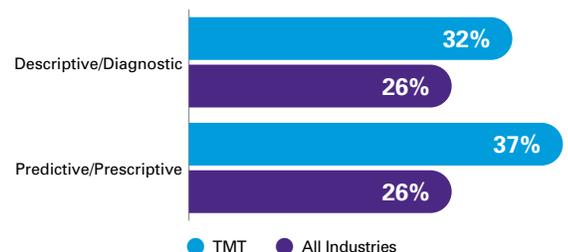
TMT Finance functions generally report higher effectiveness than others in supporting overall corporate initiatives, including complying with regulatory changes (51% vs. 36% for all industries) and driving improved enterprise performance (39% vs. 29%).



Data & Analytics

How mature is your Finance function across the following levels of the data & analytics continuum? (Very mature)

TMT Finance function maturity in data & analytics exceeds that of other industries. However, just 32 percent of TMT respondents consider themselves very mature in descriptive/diagnostic analytics, and 37 percent in predictive/prescriptive analytics, indicating that most can further improve on these capabilities.

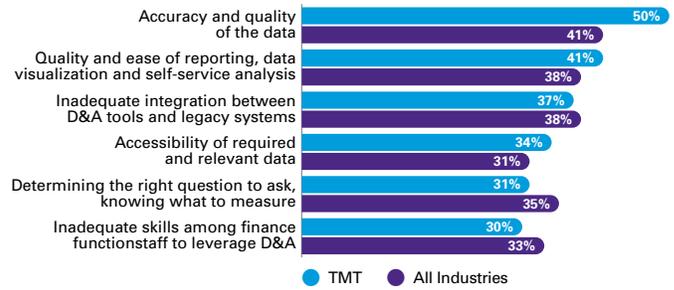




Automation

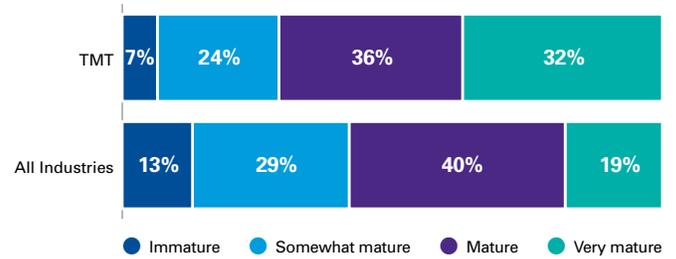
What are the biggest barriers to your Finance function improving its maturity in using data & analytics? (top 6)

Data quality stands as the biggest barrier to Finance improving data and analytics capabilities, even more so at TMT companies than at others (50% vs. 41% for all industries).



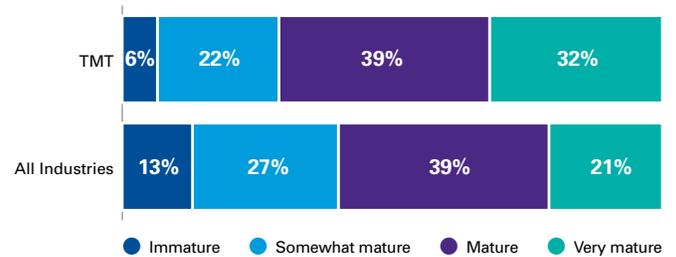
Where is your organization's Finance function in terms of adopting and deploying robotics process automation (RPA)?

TMT Finance functions have adopted robotic process automation to much greater effect than other industries, with 32 percent classifying themselves as very mature, compared to 19 percent in other industries. Just 7 percent of TMT companies report they are immature in RPA.



Where is your organization's Finance function in terms of adopting and deploying artificial intelligence (AI) and machine learning (ML)?

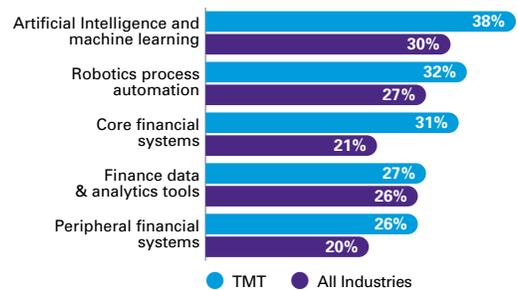
TMT Finance functions also report higher maturity levels in deploying AI and ML than peers in other industries, with 32 percent very mature in AI and ML, compared to 21 percent in other industries.



Cloud

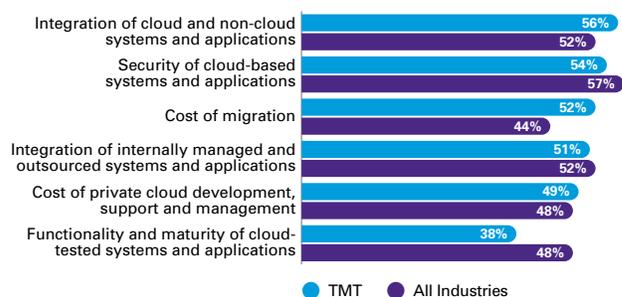
What is your Finance organization's approach on the adoption of cloud-based solutions for the following technologies? (Focused on cloud)

TMT companies are more likely than others to utilize cloud across all major types of Finance systems. They rely on cloud most heavily in AI and ML (38% vs. 30% for all industries), RPA (32% vs 27%) and core financial systems (31% vs. 21%).



What are the key challenges to your organization adopting cloud-based solutions for Finance applications and systems?

TMT companies generally face similar challenges as other industries in making greater use of cloud-based solutions for Finance systems, with the integration of cloud and non-cloud systems (56%) and security of cloud-based systems (54%) topping the list.

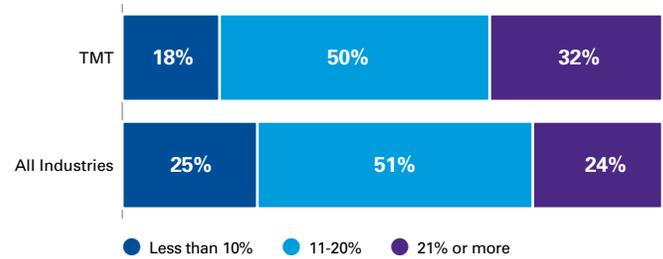




Talent

What proportion of your Finance workforce do you expect to be significantly impacted by automation in the next 2 years?

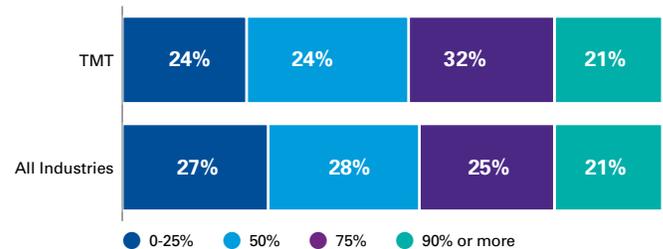
TMT companies anticipate a larger proportion of their Finance workforce will be impacted by automation in the next two years than other industries, with roughly a third expecting more than 20 percent, and 82 percent expecting more than 10 percent of Finance staff to be affected.



Service Delivery Model

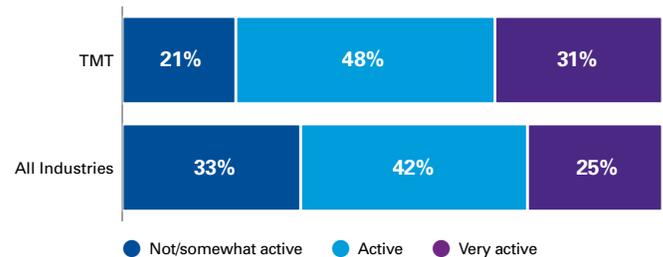
What percentage of your organization's Finance staff impacted by automation will be retrained/reskilled for new roles as opposed to being made redundant?

TMT companies' plans for retraining/reskilling Finance staff impacted by automation mirrors that of other industries. Nearly half report they will reskill more than 75 percent or more of impacted staff, perhaps an overly optimistic expectation.



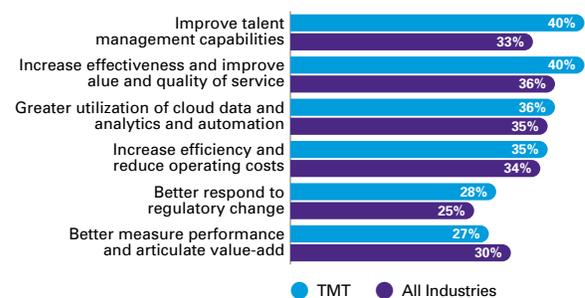
How active is your organization in overhauling its Finance service delivery model?

TMT companies are highly active in overhauling Finance service delivery models to adapt to changing business conditions. 79 percent are actively redesigning delivery models, with 31 percent of those very active in doing so.



What are the most important new capabilities your Finance organization will introduce as a result of its Finance service delivery model overhaul? (top 6)

While the focus of TMT companies' service delivery model redesign mostly reflects that of other industries, TMT is more focused on improving talent management capabilities (40% vs. 33% for all industries) and improving service value and quality (40% vs. 36%).



Source: Future Ready Finance Survey 2019, KPMG International

Technology, Media and Telecommunications company

Finance organizations lead other industries in the adoption of next-generation automation technologies and the use of data and analytics to improve the quality of insights. This leadership, however, comes with a price: TMT companies face greater challenges with data quality, and expect a higher proportion of Finance staff to be impacted by automation than other industries. Successfully tackling challenges such as these is critical to the Finance organization of the future.

Further information

Stephanie Terrill

Global Lead of Financial Management
KPMG International
E: sterrill@kpmg.ca

Li-Ching Ang

Director, Finance Transformation Center of Excellence
KPMG in the UK
E: Li-Ching.Ang@KPMG.co.uk

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

© 2019 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation. 8492MGT

kpmg.com/socialmedia

