

Dynamic investment

Creating the financial connection between IT spend and business value

In a market speed operating model, businesses can rapidly pivot, seize new opportunities, quickly exit poorly performing investments, and de-risk large initiatives. For the IT organization to run at speed, re-engineering the finance and funding process is one of the most significant areas of focus.

The challenge

Traditional technology funding methods can no longer support today's organizations who need to quickly adapt, at scale and speed, to changing market conditions.



Money talks

Money will always drive financial decisions across every level of the organization



Decentralized control

Funding of technology is increasingly outside of the traditional IT organization



Accounting rules

Current accounting treatment of technology is actually reducing CapEx opportunities



Investing in technology is changing and influencing how IT capabilities are delivered:



> Incorporates more frequent reviews and the permission to change direction



> Requires an "all-in" approach to changing financial methods



> Entails a decision by the financial organization to do things differently



> Enables dynamism in how and where financial resources are allocated

The opportunity

The principles of Dynamic Investment are specifically related to the finance elements of the IT. Streamlining decision-making, applying different accounting treatments and practices to new technologies and ways of working, and reimagining the planning, budgeting, and forecasting cycle.

Digital leaders have transformed in six key areas around finance and accounting:

Replace budgeting with dynamic funding

Adopt leaner business cases

Implement product financial management

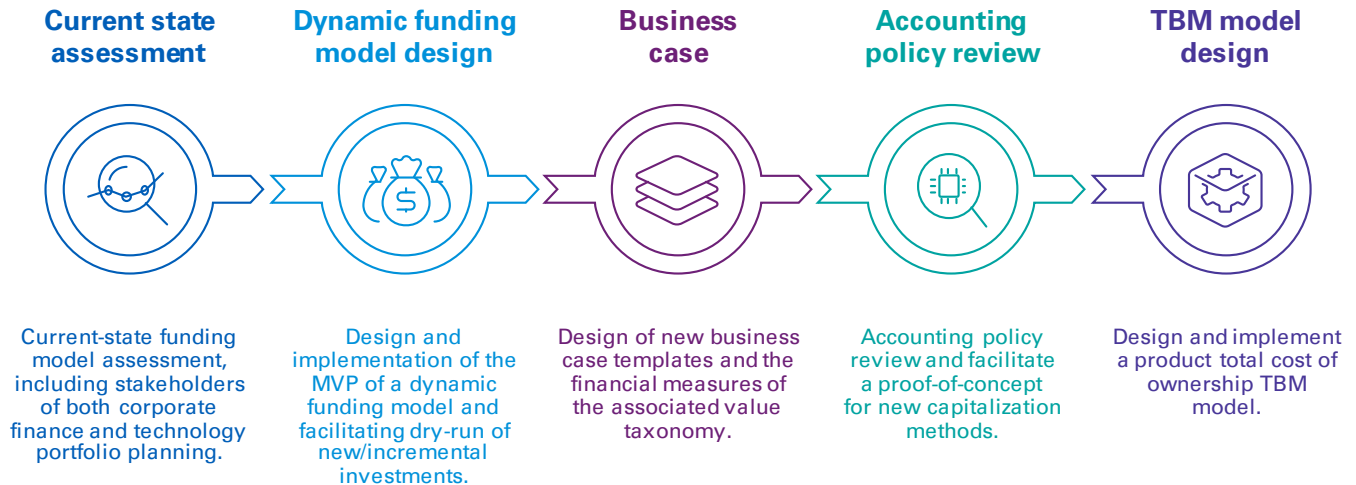
Update capitalization policies

Change funding governance

Evolve financial analytics

The KPMG approach

Wherever your organization is in its understanding of dynamic investment, KPMG firms can help you assess and transform the value technology funding within your business.



Getting started

The hardest part is often knowing where to start, but as good a place as any is asking yourself some critical questions:



Is your organization currently innovating and developing capabilities that are having a hard time getting funded or measuring the value?

Do you understand the implications of funding and accounting in an agile, cloud-native environment?

Do you have transparency to the connection of IT costs and the business outcomes they are influencing?



KPMG firms are here to help, wherever you are on your transformation journey. To learn more about how you can become a market speed organization, please visit: home.kpmg/Future-IT

Contact us

For further information on how KPMG professionals can help your business, please contact us:

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