



Companies should use integrated financial software as a critical enabler for business

By Elize Pretorius, Managing Director, Modfin Systems (Pty) Ltd

Financial software should be used by companies, and these include the SME's market, as a critical enabler to drive their business forward. But this can only happen if these companies ensure that they have an integrated end-to-end financial solution driving both their back end and front end processes.

This is the view of Elize Pretorius, managing director at Modfin Systems (Pty) Ltd, whose company is the sole distributor for Exchequer in South Africa.

"While the perception has always been that it is only smaller companies that use tools such as spreadsheets to manage their financial processes, you would be surprised at how many large corporates still run their business in this manner. The question is why are they still using these platforms?"

Pretorius says that very often these companies have large legacy systems to worry about and also issues such as the fear of change and disruptions that introducing new technology will entail and the training required for staff in this regard that stays an organisation's hand when it comes to choosing the right financial software to drive their business forward.

"Instead, these players tend to make do with a number of disparate systems that often cannot integrate, which ultimately leads them to a point where their processes end up in pieces and with no logical workflow in place. This also attributes to duplication which in turns creates a problem of human error," she says.

"Financial managers need to look for integrated solutions and systems that can support their company's business. No business can succeed when its front and back office systems cannot communicate, and by that I mean they have to communicate successfully! After all, financial success and immediate access to correct financial information in any organisation, no matter how small or how big, ultimately ensures the overall success of that company."

Financial managers must realise that their roles have changed. Where they were once regarded as only making decisions regarding transactions going out and coming into the company, they are now expected to empower businesses with the right technology that will drive that business forward in every facet of operations! What this implies is that where systems were once expected to only record transactions and spit out reports, it is now expected that systems will proactively drive business through functionalities like workflow, alerts, notifications and business intelligence over and above the mere recording of transactions and printing of month-end reports.

Management and IT managers in particular must decide if the company's business can be driven forward by stand alone accounting applications providing transaction recording and historical reporting capabilities that do not or only communicates with front office systems manually or through interfaces.

The answer to that question will determine if a change to your current software in use is required and the choice of that new software.