



GUIDE

Step-by-step guide to adopting the Cloud in finance

How to successfully migrate
to a Cloud-based FMS



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Why should finance teams move to the Cloud?

With the demands of the current economic climate, increased expectations from key stakeholders, and improved capabilities among competitors, it is becoming less viable for finance teams to use on-premise solutions for their daily operations. They can arguably no longer achieve the results needed to thrive with these traditional technologies.

Our annual [Finance Trends Report](#) highlighted that **43% of finance professionals are looking to adopt Cloud technology in the next 12 months, and 50% agreed that adopting new systems in the last 12 months enabled their business to work more effectively.**

This goes to show that many are aware of the need for digital transformation, and those who don't go in this direction could be left behind.

There has also been a shift in terms of what is expected from the finance function. During the tumultuous times of the pandemic, the CFO became more of a strategic advisor to the CEO. Good decision-making will be essential, and the CFO can guide others with sound financial data (which they will attain through Cloud technology).



What are the main challenges when switching to a Cloud-based FMS?

Making the jump to a Cloud-based accounting solution is a big change.

The magnitude of this change may be off-putting for those thinking of switching. Also, there may be a lack of clarity around what the new system will be used for.

Another challenge is that **it can be difficult for those in the finance department to find the time to put Cloud implementation into motion**, as they're so bogged down with recurring manual tasks (which, ironically, the Cloud would solve).

Getting buy-in from the relevant stakeholders is a key hurdle to overcome too. Those at the top may not be convinced about the return on investment, while members of the finance team may be comfortable with existing processes.

There's also a chance the existing infrastructure won't be suitable for the new Cloud-based system, meaning even more changes are required. **And long-term employees perhaps won't have experience with this type of technology**, so onboarding sessions would be required to get them up to speed.

Finance leaders must additionally consider **how they will move data from the old system to the new one**. Which data will they take across, and how long will this take? They may need to complete an audit of their data, while also backing it up so it isn't lost.



What are the benefits of using Cloud technology in finance?

In most circumstances, the benefits of implementing a Cloud-based accounting solution outweigh the associated challenges. For a start, **the Cloud makes your financial data more secure**, as it is accessed online rather than via on-premise hardware. There's no need to maintain onsite servers, as most Cloud providers store and protect your financial information in an offsite location.

Our Trends Report highlighted that many finance professionals have trouble being productive when working at home. This is likely because they don't have the necessary tools to work effectively when they're away from the office.

Cloud technology solves this issue, as it **allows employees to work remotely** in a seamless manner, **giving them access to their essential data**.

Cloud solutions are incredibly flexible compared to traditional systems, as providers can add new functionality instantly (which ensures users remain on the cutting edge in their field). **Cloud software can integrate easily with other systems**, if, for example, a business uses multiple platforms. This means the finance function can collaborate easily with other departments and become a visible part of business operations.

Cloud solutions are often consumed through the Software-as-a-Service (SaaS) model, meaning **all support and updates are included** with the recurring subscription. As a result, **downtime is minimised, and issues can be resolved quickly**. Legislative changes are incorporated into software updates too, so **finance teams can remain compliant** without the stress of staying on top of this manually.

The Cloud boosts transparency within the finance team, providing instant snapshots of financial health. There's a single source of financial truth, rather than consolidating data from multiple spreadsheets. **This increases cohesion in the team**, with better standardisation across activities like budgeting and forecasting.

Automation of manual tasks enables faster completion of reporting, sales invoicing, expenses management, and payroll, thus boosting overall performance.

How to prepare for Cloud adoption - Phase 1:

1. Ensure your data and processes are up to scratch

Some finance leaders may assume that technology will solve all their problems, and that simply moving to the Cloud will instantly elevate them to a new level. But any system is only as good as the data it is fed. Poor input inevitably leads to equally poor output.

If your financial dataset is disorganised and inaccurate, **be sure to remedy this before switching systems**. You should look at the bigger picture, considering all financial management activity, as well as data from other interconnected departments. Bringing all this across will ensure you can immediately get the most from your new Cloud capabilities.

The same is true for your existing work structures. Are you lacking the necessary resource to manage and maintain the technology once it's in place? Are your current processes inefficient or inadequate? If so, **you should look to rearrange these accordingly**. Think about the business problems you're trying to solve, and don't fall back into the way you've always worked once the software is in place.

2. Assess your business objectives

Before selecting a new system, **the finance manager should conduct a self-assessment of the finance function**. They can determine what the current capabilities of the team are, which will help them to select a solution that is in line with their scale and capacity.

They should also assess the requirements and pain points of the finance team, as this will ensure they can prioritise the right functionality when looking at Cloud-based accounting solutions. What roles and responsibilities must employees fulfil daily? Any software that assists with these will be beneficial.

Cloud adoption should be aligned with your business goals and objectives. That's why it's important to ask questions like, what is the main motivation for implementing the Cloud, how will it meet your needs, how will it specifically be used, and how will it benefit employees?

3. Get buy-in from the finance team

Any kind of digital transformation is going to be challenging if the finance team aren't on board from the very beginning. Employees will be the ones most impacted by any new system, as they will be using it every day. They will also be central to drawing value from the Cloud accounting system. If they underutilise it, the software will become a wasted investment.

There are several reasons why employees might not be keen on Cloud adoption. They may see it as a threat to their position (or think it will diminish their importance). They'll also be aware that it will require a significant amount of effort to learn the ways of the new system.

Good communication is key when seeking buy-in. Transparency can help to squash unfounded fears and dispel negative myths. Openly explain how the technology will make their lives easier and allow them to have a bigger impact. It's important to choose software with a good user experience (UX), as simplicity will make the transition smoother.

Get the finance team involved with implementation from the beginning, as this will give them a sense of ownership over the project.

4. Get buy-in from the C-Suite

If director-level individuals haven't bought into the idea of the Cloud, this will be problematic for your transformation prospects too. They are ultimately the gatekeepers of the budget. Finance employees may have identified the Cloud as an improved way of working, but thus far they have failed to get the go-ahead from the CFO.

Anything that requires a significant financial outlay will inevitably come under a lot of scrutiny before it is approved. Those in the C-Suite perhaps can't envisage the benefits of the Cloud and are focusing solely on the cost. Or they may have the "if it isn't broken don't fix it" mindset, failing to realise that standing still can be extremely damaging.

C-Suite members are used to making decisions based on cold hard facts. **So, be sure to show them the specific numbers** where possible when looking at a return on investment, as this will be speaking their language. And if this data is aligned with organisational targets, even better.

Provide them with a list of options to choose from. If there's minimal effort required from their end when researching Cloud options, they'll be more likely to give the green light.

How to prepare for Cloud adoption - Phase 2:

5. Prioritise the right functionality

Once you've achieved buy-in from the appropriate people, the next step of Cloud adoption is **choosing the right system**. As we've already touched upon, it's important to think about what the finance team need, as this will inform the functionality that should be prioritised.

Cloud capabilities provide a good foundation, as this allows employees to work remotely. If the chosen accounting software also has functionality for the likes of accounts payable/receivable, general ledger, bank reconciliation, sales invoicing, and more, this will ensure a lot of the key finance functions are covered.

Integration and flexibility are other key characteristics to prioritise, both in terms of being able to link activities from across the department and being compatible with best-of-breed solutions on the market. This cohesion creates one version of the truth and ultimately streamlines processes. It also facilitates the automation of manual tasks, which allows finance professionals to focus more on analytical work.

6. Research potential providers

Once you have identified the specifications you're looking for, it makes sense for the next step to involve **finding the right Cloud provider**. This is an important choice, as it's not just software you are assessing, it's a potential technology partner (who will guide you for many years to come).

The first thing to consider is their reputation, both in the finance sense and the technological sense. Online reviews can be helpful in this regard, as you can see the outcomes they've delivered for others. This may also highlight their track record with aspects like data security.

Do they include elements like support and software updates as part of their service? This will determine whether they're likely to keep you up to date with the latest trends and regulations, as well as how quick they'll respond to possible issues.

Be sure to look at their product roadmap so you can see what direction they're heading in. And ensure they're aligned with your business values, so you have a smooth journey together.

7. Calculate the ROI (Return on Investment)

The functionality and provider are key factors, but the financial component must be considered too. By agreeing upon a budget, you'll be able to immediately narrow down your options. As with any purchase, it's wise to find the best deal for you, as it's essentially an economic decision for the business.

However, **be sure to gain a detailed view of the ROI too**, as this may alter what your perceived budget is. Many providers will give you access to an ROI calculator, so you can see the true value you're getting. This should involve looking at your existing costs and seeing how Cloud accounting would reduce these. If the boosted efficiency will lead to significantly lower spend, you may be willing to pay out a larger initial investment to achieve this outcome.

On top of this, there is the strategic value that can be gained too. Cloud technology allows you to spend more wisely, invest at the right times, gain an instant overview of financial health, forecast economic threats, and grasp helpful insights from powerful reporting.

Continue to assess this technology against key KPIs once it's in place.



How to prepare for Cloud adoption - Phase 3:

8. Put the necessary infrastructure in place

If you want to get the utmost from your Cloud accounting solution, **you must have the right technical infrastructure in place**. Digital transformation may seem like the answer to all your financial management woes, but if your processes aren't ready, you may be left unprepared.

The Cloud provider will take on some of the infrastructural burden. They'll likely take care of data storage, so you don't have to worry about maintaining your own servers. You'll also access the system online, rather than having it installed physically in your office.

But there are elements that will fall within your remit. Do all employees have access to a laptop and a stable internet connection when they're working at home? Is the network secure? Do staff have the appropriate home setup (such as a desk and a chair)? How about access to instant communication tools?

It's wise to appoint some technical experts, as they can serve as a point of contact with the provider, and deal with any IT issues internally.

9. Bridge the digital skills gap

The rise of Cloud-based accounting has created a unique challenge in finance. There is now a disparity between the skills many finance professionals have and the skills they need to be effective. This is known as the **digital skills gap**. If this isn't addressed, it can be disenchanting for employees, as they'll feel like they can't do their job properly.

There's also a generational gap that has emerged. Gen Z, for example, are a generation that have grown up using digital tools and are therefore comfortable with new technology. That being said, businesses shouldn't make the mistake of assuming their whole workforce are adept in this regard, as this could neglect some of their more experienced staff.

The pace at which Cloud technology changes means it's not as simple as hiring new people. Companies must take matters into their own hands to bridge this skills gap. They need to **provide adequate learning opportunities**, which helps with both attracting and retaining talent. One option is to lean on the software provider to see what training they offer.

10. Nominate a project leader

It can be helpful to view Cloud implementation as a change management project. As with any project, **you need to assign a leader to take charge of proceedings**. They can cut through the noise and be the authoritative decision-maker when others are stumbling. You could bring in an external consultant to fulfil this role on a short-term basis, as it may be advantageous to use someone who has previously completed this process end-to-end.

The project leader will serve as a central point of contact. This means others have someone to go to if they have concerns or questions about where they fit in with implementation. This leader can push the project forward so it doesn't become stagnant, while ensuring any bottlenecks are removed quickly.

It's important to **ensure this person has the resources needed to achieve their goals**.

The appointed individual will oversee all elements of the adoption journey, including planning and data migration, as well as the maintenance and security elements once the system is up and running. They will be integral for task delegation, ensuring cost-effectiveness, and providing structure.

11. Map out a timeline of events

Another part of the project leader's role will be to **lay out an estimated timeline for the Cloud rollout**. This helps to keep things moving, as it creates hard deadlines that people must stick to. It also boosts transparency, as those involved have clear expectations around when they must fulfil their part. This authority figure can map out realistic timeframes by analysing the resource on hand for each obligation.

Once the finer details have been ironed out, you must **ensure these are effectively communicated via the relevant channels**. Times of change can be very daunting, but this fear can be eradicated by simply offering clarity, eliminating ambiguity, and keeping everyone in the loop.

It can be beneficial if this timeline is presented as a Cloud implementation roadmap. This way there is a breakdown of key milestones and a checklist of the activities involved. At the earliest possible opportunity, you should map out what new routines and processes will look like going forward. This could serve as a post-implementation guideline and create certainty around the cut-off point for old methods.

How to prepare for Cloud adoption - Phase 4:

12. Select a Cloud deployment model

There are many Cloud deployment models to choose from when adopting a Cloud-based accounting solution. You should **select the model that best fits your business**, both in terms of your needs and your goals.

By thinking about your organisational capabilities, you can determine the approach that is most in line with your scale.

The most well-known Cloud deployment models are **private, public, and hybrid**. The Private Cloud model is often a setup that is dedicated to a single organisation. It utilises their existing data infrastructure, with most of the burden on them to run their own servers and maintain an IT infrastructure. This model gives businesses more control over security and data, but it can be an expensive option that requires a lot of in-house expertise.

The Public model is perhaps the most popular option for businesses. With this setup, the provider gives a shared Cloud infrastructure to anyone who wants to purchase the service. The provider takes care of maintenance, data storage, security, etc. This is a scalable approach as businesses can grow without expanding physically. The hybrid deployment model takes elements from both Private and Public, offering control and scalability. But this option can be time-consuming as it's tailored to one business.

13. Select a Cloud service model

Finance leaders must also **agree upon a Cloud service** model that fits their team's needs. The service model is essentially the way they'll consume and access the Cloud software. The most well-known models are **Infrastructure-as-a-Service (IaaS)**, **Platform-as-a-Service (PaaS)**, and **Software-as-a-Service (SaaS)**.

IaaS is where the provider will give access to an online IT infrastructure, but the user will manage this themselves. The provider will take care of aspects like servers and data centres, but the company will be able to virtually alter the scope and makeup of this infrastructure. PaaS is where companies manage the intricacies of a software solution without worrying about the infrastructure side of things. This is a good option if they have in-house developers, as they can build the application to suit their needs.

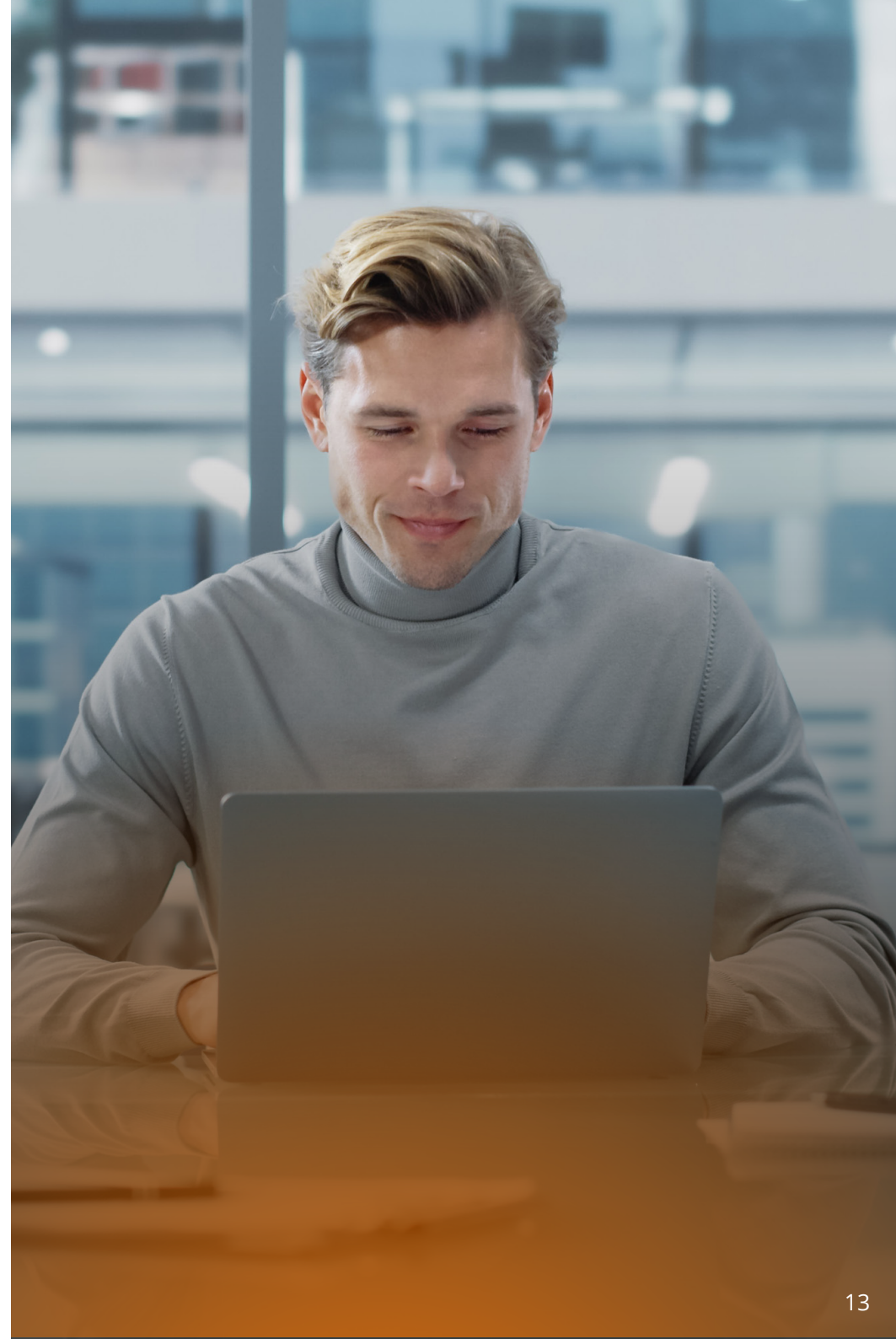
SaaS is essentially the full package. Businesses will pay for access to a fully built solution that is hosted and updated on the Cloud, all of which is taken care of by the provider. This is perhaps the most popular choice for finance teams. They pay for the service under a subscription model, ensuring they pay a fixed price every month. This cost will cover maintenance, software updates, and any support that is needed.

14. Choose a Cloud migration strategy

The final Cloud element to decide is the migration strategy. The journey to the Cloud is just as important as the end destination. You must **consider the logistics of how you'll get from the old system to the new one**. What will happen to your existing structures, and how will you move your data across? By assessing your current setup, you can see what is realistic, and by speaking to your provider, you can outline what is possible. Businesses usually select one of the **6 Rs** when it comes to [facilitating Cloud migration](#).

Rehost is considered one of the quickest and easiest methods. This is essentially a lift and shift approach, as your data assets are simply transferred from your on-premise infrastructure to the new Cloud infrastructure. The **refactor** strategy is when your existing applications are rewritten to become compatible with Cloud architecture. **Replatform** is a slightly more complex version of the rehost approach, with an extra step for small architectural changes.

The **retain** method comes into effect when some of your existing assets are not suited to the Cloud, so you'll keep them on-premise and go for a hybrid deployment model. The **retire** approach is when some of your applications aren't fit for the Cloud, but also are no longer needed, so you'll discard of them completely. **Repurchase** is possibly the most convenient strategy for finance teams. With this they find a Cloud-based solution with similar functionality to their existing legacy system and purchase it via a SaaS subscription model.



Next Steps

Find your permanent software residency with Advanced

Advanced is one of the UK's largest providers of business software and services with a £220m turnover, employing 2,000 people, and serving 20,000 customers.

We use our experience and expertise in digital transformation to help you on your journey to the Cloud. We act as your digital partner, working with you every step of the way, from research, right the way through to go-live and training.

Ultimately, our aim is to help businesses transition to the Cloud at the right time and in the right way, so they can grow, innovate, and prosper.

Why Advanced?

- We're not going anywhere - join forces with an organisation that has long-term viability
- We hold a reputable track record of supporting organisations in their digital transformation journey via our [PACE programme](#)
- A move to the Cloud means you are always on latest versions and remain compliant

It is possible for finance teams to embrace the digital era confidently - even if you have critical legacy applications to integrate. The Cloud can help deliver positive changes now, and in the future.

By reimagining your business processes, workplace productivity will increase, customer satisfaction will soar, and business information will be more accessible. This will all help to support strategic, informed, and proactive decision-making.

Digitally transform your finance team with Advanced

Advanced Financials

Advanced Financials provides rich and robust financial management functionality through a simple interface. By using accurate financial data at the core of their processes, finance teams can make truly informed decisions.

Automate manual tasks and gain real time business insights through continuous accounting in the Cloud. Give time back to your finance team to focus on performance and business strategy.

Collaborative Planning

Advanced Collaborative Planning is forecasting software that delivers flexible budgeting and accounting for organisations (across both the public and private sectors). Automation of the entire budgeting cycle provides finance professionals with one version of the truth.

Trusted by more than 200 organisations, our web-based solution provides a flexible framework to support all your planning needs.

MyWorkplace®

We built MyWorkplace® to make work easier for everyone, from the CEO, the finance manager, all the way through to apprentices. A single sign-on gives your team access to all the software applications they need, exactly when they need them, all in one place. Raise a PO, book annual leave, request travel, and buy stationery, all at the click of a button.

Advanced Payroll

Our payroll software, Advanced Payroll, offers you the framework needed to create an accurate, compliant, and efficient payroll experience for every pay cycle. Real time calculations, super-quick processing, and intuitive reporting all come together to ensure you have the required visibility and control.

Decision Time

Our integrated risk management software, Decision Time, allows you to practise good governance, manage risk appropriately, and achieve strategic objectives. Transform your governance processes and bid farewell to incompatible tools, complicated spreadsheets, and separate board portals/risk registers.

With Advanced, you can do it at your PACE

Our [PACE programme](#) makes your journey to the Cloud simple and allows you to do things at your own speed (without complex pricing models or confusing implementation strategies).

Our experts can help to tailor your route to the future, so that your Cloud migration is seamless. This way you can streamline and secure your work without distracting from it.



What are the benefits of the PACE programme?



Pace yourself

Our Start, Flex, and Ultra plans help to simplify the jump from on-premise to Cloud services. Our standardised templates help to make the migration as smooth as possible. Additionally, customised options are available for organisations that request them.



Welcome to MyWorkplace®

Transform the way you work, with an all-in-one workplace that has all your business systems in one unified platform. Making your job easier so you can work more efficiently and not get bogged down or distracted by routine admin.



Onboarding and customer success

With our onboarding, we'll help to get you up and running as fast as possible with your new Cloud technology. Our Customer Success Managers provide valuable reminders, as well as insights around best practices that boost productivity, efficiency, and financial health.



No expensive maintenance


Structure your payments in a more manageable way, with complete transparency and no hidden costs. Updates, maintenance, and support are all included with your service. On-premise systems require onsite infrastructure and maintenance, which can be costly. With our Cloud technology, all your upgrades and fixes are managed by us, so you can focus on what you do best.



We would love to hear from you

Hopefully this was a helpful guide for adopting the Cloud in finance. If you'd like to find out more about the ways our solutions can help your business (both now and in the future), be sure to get in touch today.

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