

Business and Technology Directions for a Changing World

Mike Stein
Laurie McCabe

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The word "sage" is written in a bold, lowercase, green sans-serif font.

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Criteria for Full Credit

- ☐ Minutes to Watch: 50
- ☐ Number of completed Poll(s) required: 3

Moderator



Steve Shannon

Director

Partnership Marketing, Business Development

IMA

Featured Presenter



Mike Stein
Product Marketing
Sage

Mike Stein's Biography

- Mike is an enterprise technology professional with 15+ years developing business strategy for brands such as Infor, LiveSource and RedPrairie. At Sage, he leads the X3 US Product Marketing efforts focused on the medium segment and helps drive the go-to-market strategy for Sage's solutions designed to meet the business needs and challenges across the manufacturing, distribution and service industries.
- Mike earned a Bachelor of Science in Marketing from the University of Cincinnati.

Featured Presenter



Laurie McCabe
Co-founder and Partner



Laurie McCabe's Biography

- Laurie brings more than 20 years of experience in the IT industry to her current role at SMB Group. She has built widespread recognition for her capabilities and insights in the small and medium business (SMB) market in several areas, including cloud computing, mobile solutions, business solutions, social networking and collaboration, and managed services.
- Prior to SMB Group, Laurie worked in analyst roles as a Partner at Hurwitz & Associates; Vice President of SMB Insights & Solutions at AMI-Partners; and Vice President at Summit Strategies, where her original research of the emerging cloud computing model earned her broad recognition as a thought leader in this area. Laurie's nine years at Digital Equipment Corporation, including her last role as Director of Market and Competitive Intelligence, provide her with critical experience from the vendor perspective.

Learning Objectives

Upon completing this webinar, you will be able to:

1. Describe how midmarket businesses fared in 2020, and how they are reshaping their outlook and business strategies for 2021.
2. List the top digital transformation drivers, challenges, and business initiatives to invest in and which ones are providing the best returns.
3. Identify how cloud technology can help your company get the efficiencies and insights for the applications you use now—as well as the flexibility you will need in the future.

SMB Group Research Source Discussed Today

2021 SMB Technology Directions for a Changing World Survey Study

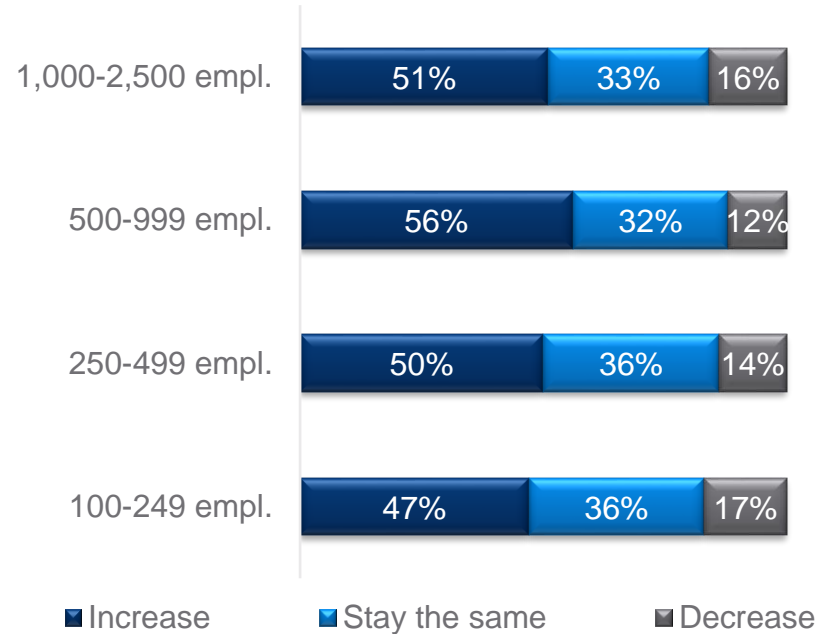


- Data collected February 15 –21, 2021
- Examines how SMBs are currently adapting their business and technology strategies, and the status and plans of their digital transformation initiatives going forward
- 761 completed interviews with North American SMB decision-makers/influencers
- Today's discussion will focus on medium and midmarket businesses (100-2,500 employees, N=415)

2020 Results Were Better Than Many Expected

Y-Y revenue change 2019 to 2020 (reported in February 2021)

- In July 2020, **78%** of medium and midmarket companies reported that COVID-19 had negatively affected their businesses...
- ...but most were able to meet or beat 2019 revenues in 2020



Medium and Midmarket Businesses are Optimistic About 2021

83%

of medium and midmarket businesses
are very/somewhat optimistic
about 2021 prospects

Most Optimistic Industries*

Financial
services/banking/insurance: 95%

Construction/real estate: 92%

Process manufacturing: 91%

67%

of medium and midmarket
businesses expect 2021 revenues
will surpass 2020 revenues

Least Optimistic Industries*

Media: 55%

Healthcare/Medical/Dental: 69%

Education: 74%

* Percentage of respondents who are very/somewhat optimistic about 2021 prospects

Shifting Gears to Adapt to New Business Requirements

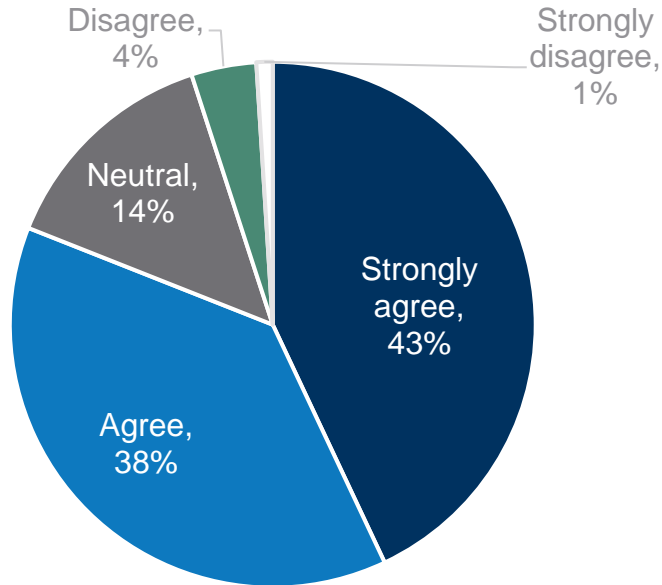
80%

**of medium and midmarket
companies strongly
agree/agree that they are
making significant changes
to their business strategy in
the wake of
COVID-19**

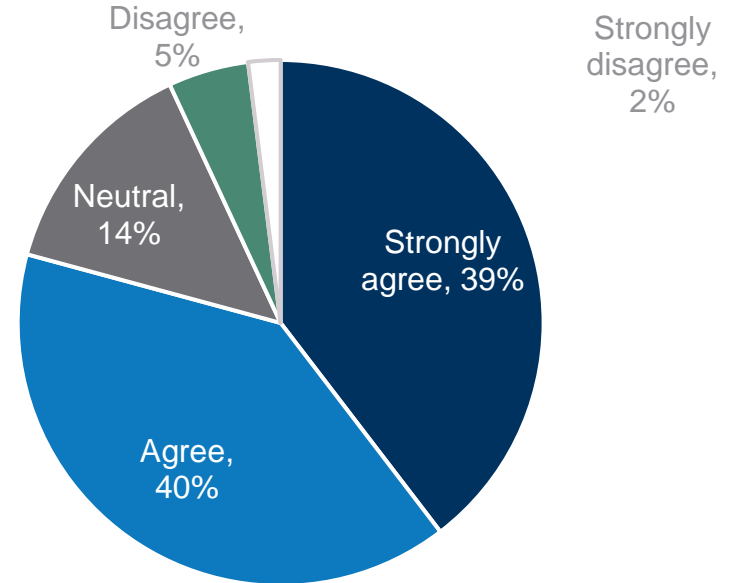
- Accessing capital to support change
 - **59%** of 100-500 employee companies received first round PPP loans, helping them to weather the downturn
 - **50%** of medium and midmarket companies will seek funding in 2021
- Building new strengths through mergers and acquisitions
 - **36%** of medium and midmarket companies are seriously considering mergers
 - **52%** are seriously considering acquisitions

Technology is Key to Implementing Business Change

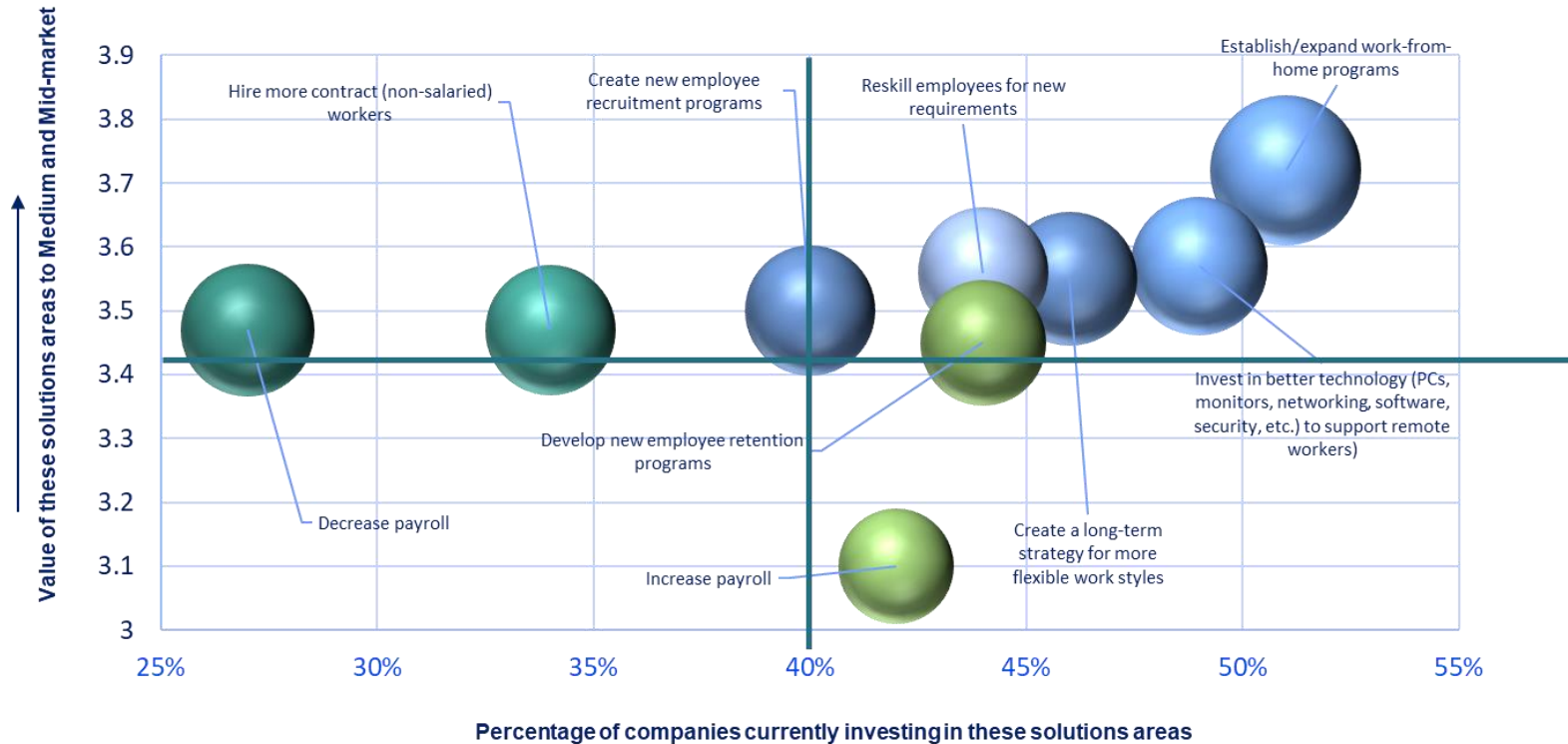
Effective use of technology is key to business growth:



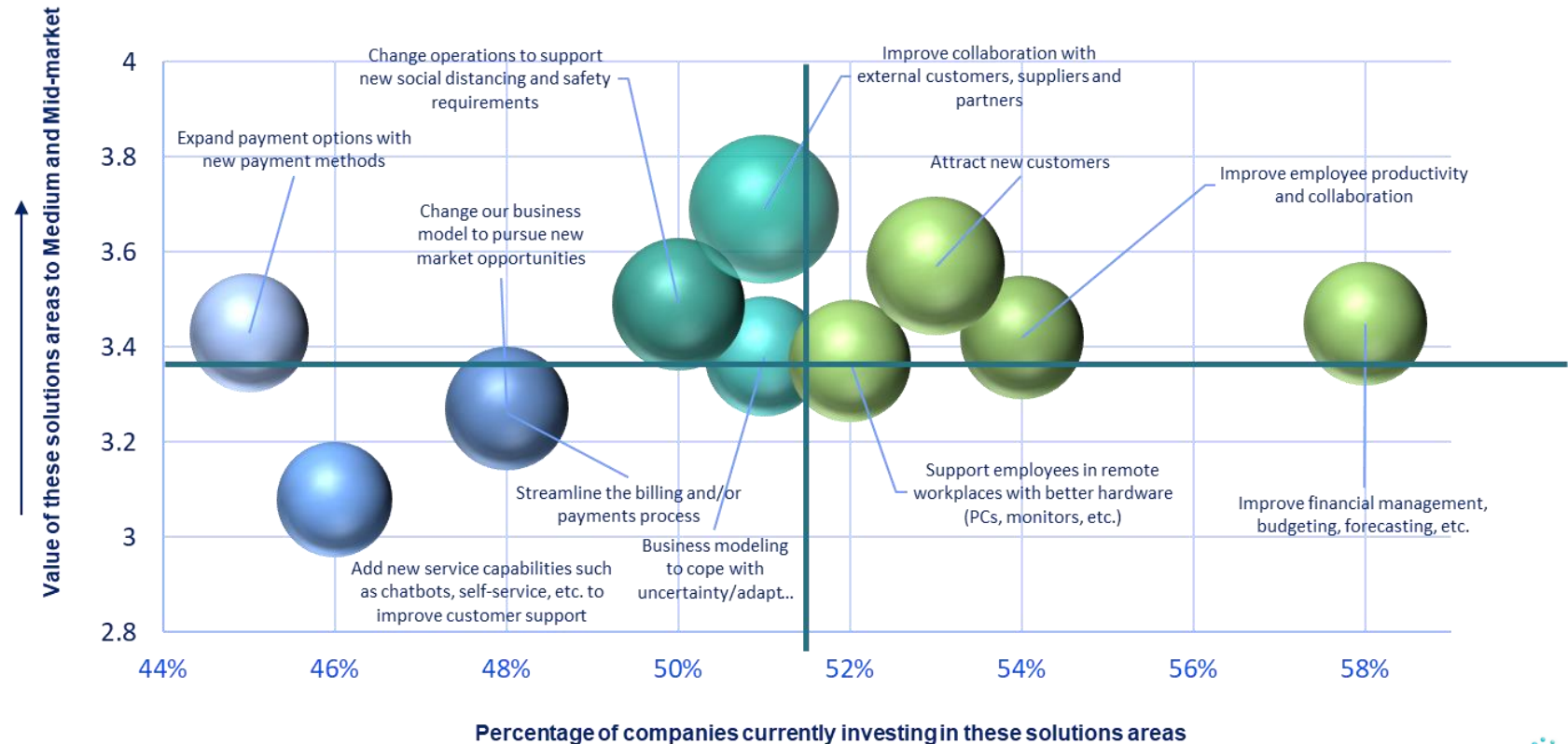
We have made significant changes to our technology strategy in the wake of COVID-19:



Workforce Changes and Their Business Value

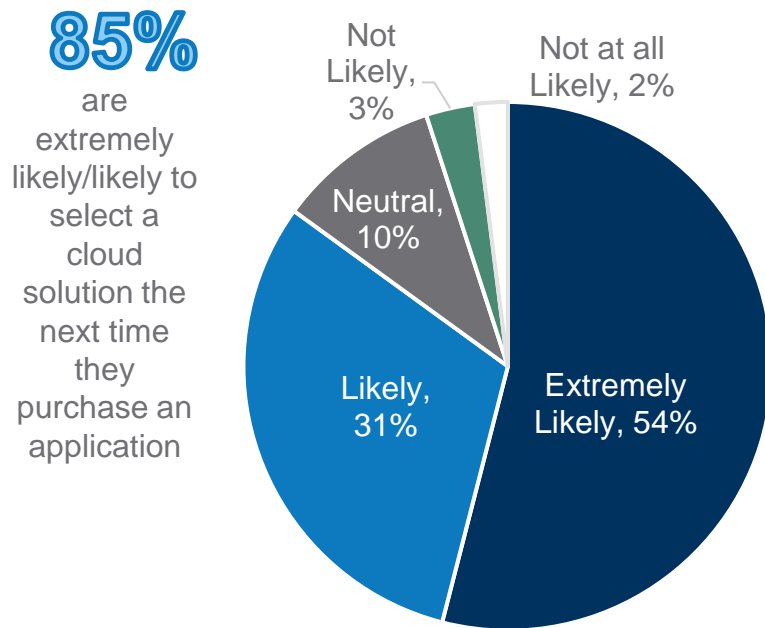


Technology Investments and Their Business Value

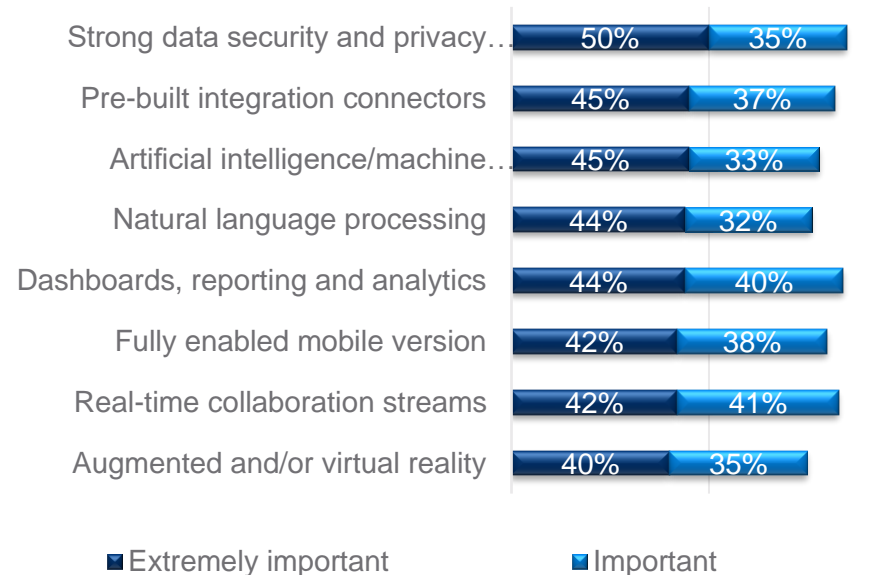


Medium and Midmarket Businesses Prefer the Cloud

Likelihood of Selecting a Cloud Solution



Importance of embedded solution capabilities when selecting new technology solutions



The Cloud Facilitates Digital Transformation—Enabling Growth

Businesses executing on digital transformation are roughly **3x** more likely to select cloud solutions when they need to buy new applications than those that have not begun the digital transformation journey

Businesses that have begun executing on digital transformation were **61%** more likely to have enjoyed an uptick in revenues from 2019 to 2020 than those with no plans...

...and **72%** more likely to expect revenues to rise in 2021 than those that are engaged in digital transformation

Polling Question 1

What is the biggest challenge to adopting new technology?

- a) Security concerns
- b) Too much data
- c) On-premise financial system
- d) Budgetary constraints
- e) Integration challenges
- f) Lack of expertise

Polling Question 1 Results (Placeholder)

Sage



Almost

80,000

Accountants who actively
advise and sell
Sage solutions



40,000

Value Added Resellers
(VARs) who sell and
implement Sage
Solutions



~500

Independent Software
Vendors (ISVs) who add
further functionality and
vertical customization to
Sage solutions

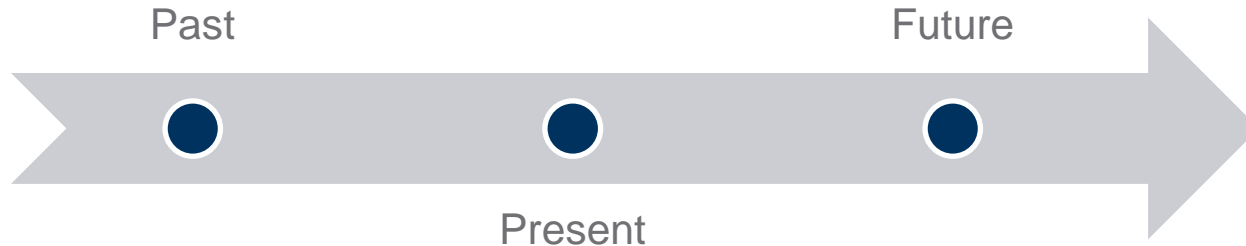


Dozens

of Strategic Alliances with
some of the biggest
names in technology



Brief History of the CFO

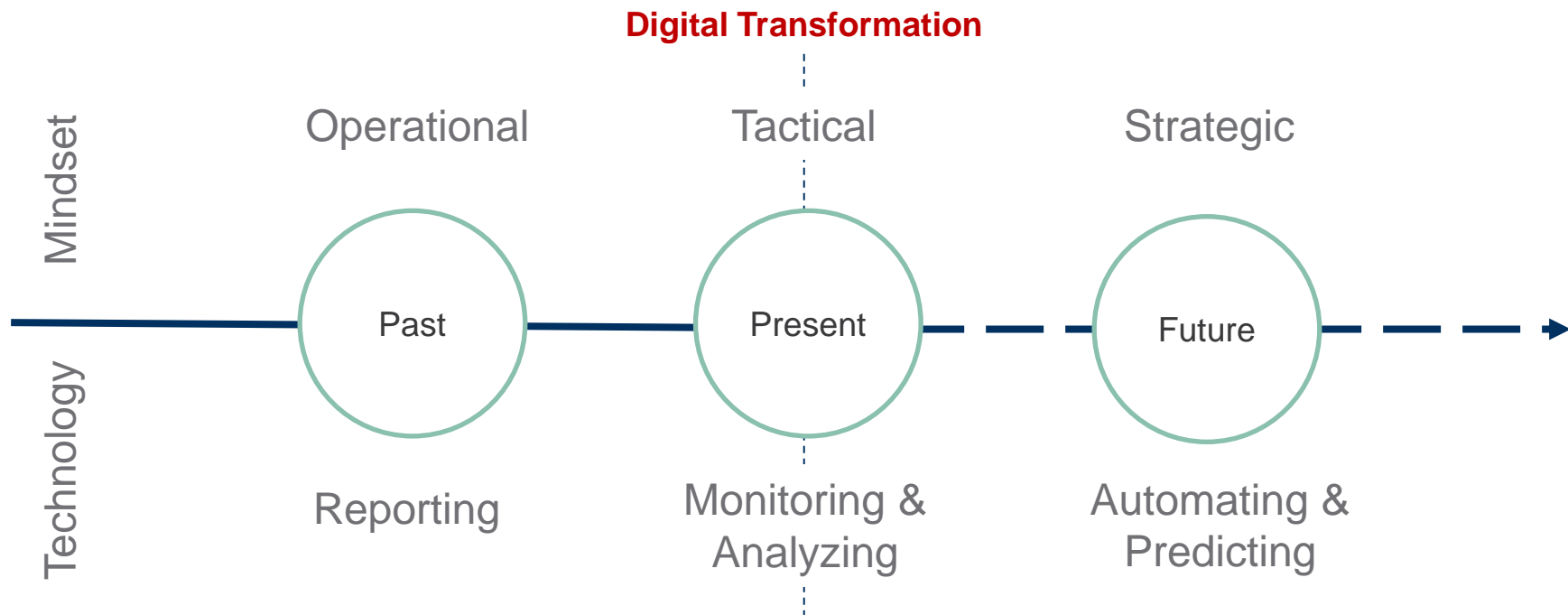


- Reporting on what has happened
- Keeping books up to date
- Reconciling profit and loss

- Digital Transformation
- Automation of financial processes
- Responsive / Tactical mindset

- Artificial Intelligence (AI)
- Strategic mindset

Brief History of the CFO



Challenges

- Regulation requirements
- Globalization
- Technology is evolving
- Risk management
- Strategy validation and execution

Polling Question 2

What is the most challenging aspect of your job?

- a) Regulation requirements
- b) Globalization
- c) Technology is evolving
- d) Risk management
- e) Strategy validation and execution

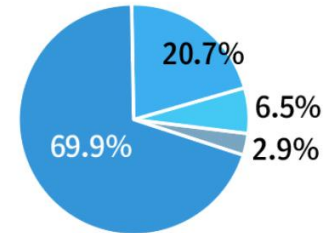
Polling Question 2 Results (Placeholder)

Vital Roles for CFOs

- Strategist
- Cross-Functional Expert
- Data Storyteller
- Crystal Ball Reader
- Driver of Digital
- Technology Researcher

School Days

The most popular undergraduate majors for CFOs.



■ Business
■ Liberal arts
■ Engineering
■ Sciences

Source: Crist | Kolder Associates
Volatility Report. Data is as of
December 31, 2020.

Data Storyteller

- Telling a story, not simply reporting numbers
- Communicate a character-driven story about their business
- Walk people through the meaning



Anatomy of BI

- One solution that connects to all your systems
- Templates that help you understand your data from day one
- Self - service puts the power into your own hands
- Access anywhere, any time with mobile
- Security & collaboration



The Changing Role of Finance Professionals

‘Time management’ is the most challenging aspect of their job (47%) along with technology issues (45%) and balancing needs (43%)



Healthcare (51%) and C-suites (48%)

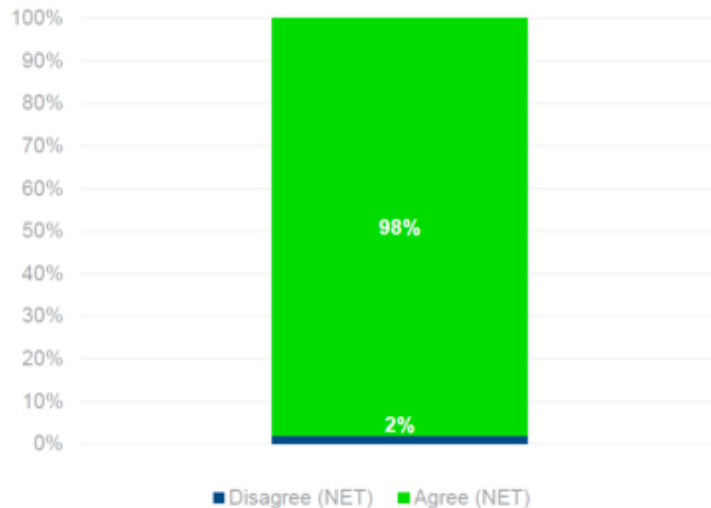
Professional Scientific & Technical (52%) and C Suite (46%)

Medium-sized business and >\$50m turnover (both are 44%)

The Changing Role of Finance Professionals

98% say that their role has changed in the last 5 years

The role of finance professionals has changed over the last 5 years



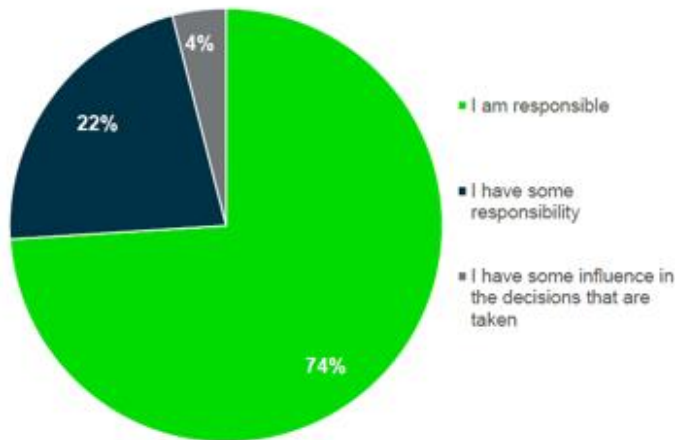
Those who tended to strongly agree:

- ✓ Healthcare (40%)
- ✓ Professional Scientific (38%)
- ✓ Midwest (38%)
- ✓ South (37%)
- ✓ C Suite (35%)
- ✓ >\$50m turnover (35%)

The Changing Role of Finance Professionals

Around three quarters of financial decision makers drive digital transformation in their business

Involvement with digital transformation at work



Those driving digital transformation:

- ✓ C Suite (76%)
- ✓ Medium-sized business (76%)
- ✓ >\$50m turnover (75%)

Polling Question 3

What is driving your technology investments?

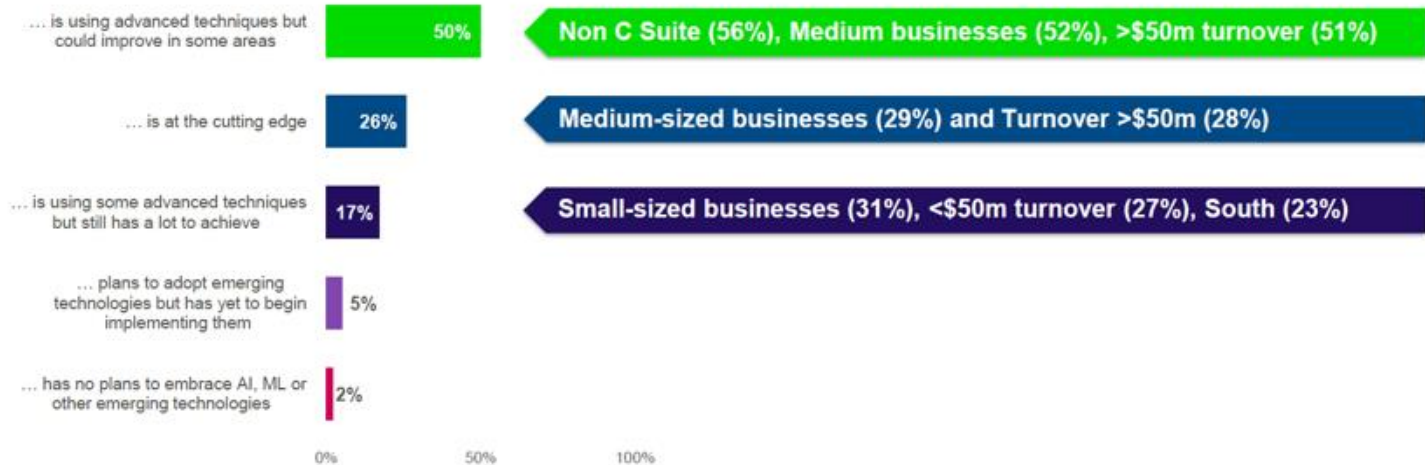
- a) Improving employee productivity
- b) Attracting new customers
- c) Improving financial management
- d) Streamlining billing and payments
- e) Business modeling

Polling Question 3 Results (Placeholder)

The Impact of Digital Transformation

Half are using advanced techniques at their organizations but there is still room for improvement

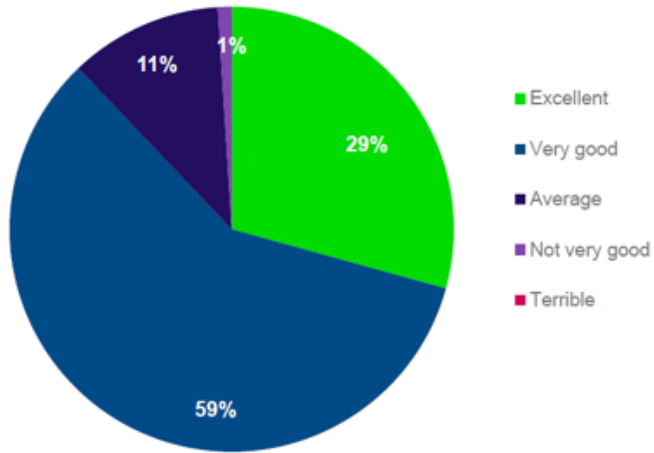
The extent that their organizations embraced emerging technologies



The Impact of Digital Transformation

Most financial decision makers feel that their organizations' efforts and investment to automate FM are 'excellent' or 'very good'; possibly unsurprisingly as they are the ones generally wholly or partly responsible for driving these initiatives.

Rating of organization's efforts and investment to automate financial management and accounting tasks



- ✓ Hospitality (93%)
- ✓ Medium-sized businesses (89%)
- ✓ >\$50m turnover (89%)

Polling Question 4

Do you agree or disagree with this statement: Using digital technology effectively is key to business survival and growth.

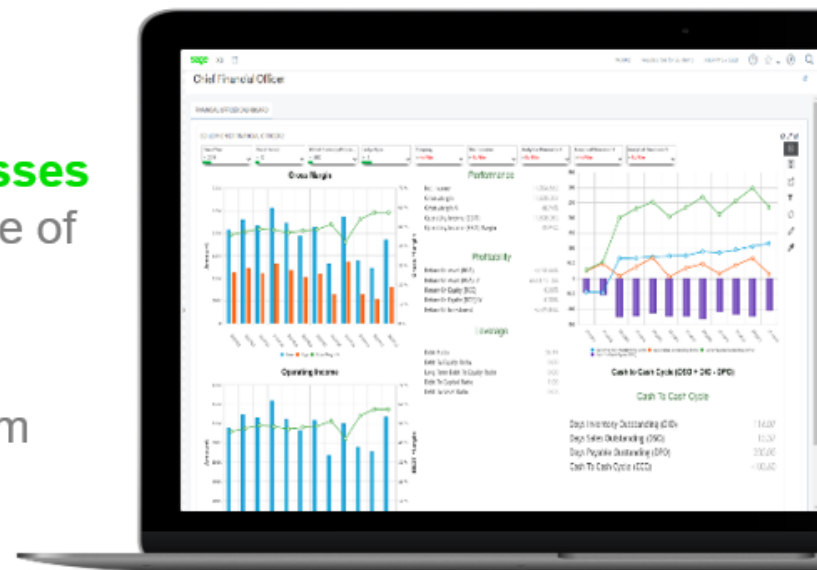
- a) Agree
- b) Neutral
- c) Disagree

Polling Question 4 Results (Placeholder)

Sage X3

Sage X3 provides **faster** more **intuitive** and **tailored** business management solutions than conventional ERP for **product-centric businesses** looking to thrive and stay competitive in the face of growing complexity.

Sage X3 transforms how businesses manage people, processes and operations allowing them to **embrace change at speed**



CUSTOMERS



Questions & Answers

Use the Q & A Panel to send your questions to our panelists.



Mike Stein
Product Marketing
Sage



Laurie McCabe
Co-founder and Partner
SMB Group



Steve Shannon
Director of Partnership Marketing,
Business Development
IMA



Thank You to Our Featured Presenters!



Mike Stein
Product Marketing
Sage



Laurie McCabe
Co-founder and Partner
SMB Group

Final Reminders

- ▶ **Complete the Evaluation poll** – 2 options
 - On your screen
 - Evaluation Survey icon at the bottom of your console
- ▶ **Access to your CPE Certificate** – 2 options
 - Click the “CPE” icon at the bottom of your console
or
 - Click the link in your post-event e-mail
- ▶ Please print a copy of the CPE certificate for your records.
- ▶ Your CPE credit will be automatically recorded in your transcript.



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