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# The Ultimate Finance Tech Stack

Canadian finance leaders on their strategic approach to researching vendors, adding tools and empowering their teams.





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## 01

# Introduction

Corey Bonkowski has worked in finance long enough that when technology vendors come knocking, he knows better than to slam the door in their faces.

“I’ve always been a guy that when I get those cold emails and whatnot, I don’t just ignore them,” the director of EnPowered, a Kitchener, Ont.-based renewable energy semiconductor manufacturer says. “I’ll actually look into what they’re presenting. You never know if there might be a better software solution to solve a problem.”

That kind of openness might seem rare, but rapid changes in technology, coupled with ongoing pressures facing finance and accounting teams, mean identifying and selecting the best tools has become a critical part of Bonowski’s job.

Just as technology has transformed other business functions such as sales, marketing, customer service and HR, finance leaders may soon find building the right “stack” is the only way to meet stakeholder expectations. This includes the need from senior leadership teams for more timely, accurate and insightful information, and third-parties such as auditors who monitor for regulatory compliance.

As with any tech stack, of course, the volume of platforms and point solutions creates the risk of introducing greater complexity, rather than simplifying processes and boosting productivity. Finance leaders need to consider how technology can facilitate collaboration, automate budgeting and forecasting and ease areas such as expense management, invoicing and bill payment.



## 01—Introduction (cont.)



This guide is based on interviews with Bonowski and other Canadian finance leaders who are on the front lines of making these decisions today. Use their feedback to:

- ✓ Recognize the business drivers for reevaluating your tech stack.
- ✓ Assess user experience to ensure the right fit.
- ✓ Learn how to find and bring on the right tools or platform for the job.
- ✓ Get buy-in and drive adoption within your finance team.

We also look at the future of the finance tech stack – specifically, what kinds of new products or features finance leaders are hoping will emerge.



02

# When To Disrupt The Status Quo

When companies first start out, they may be able to manage many day-to-day finance department processes with relatively rudimentary tools. Excel spreadsheets, for instance, remain a highly versatile and easy-to-use tool that finance and accounting pros use for everything from tracking revenue to closing the books.

Those processes can become more time-intensive as companies grow beyond 30 employees, where relying on manual effort produces diminishing returns and creates a negative employee experience. That means finance leaders have to know when to disrupt the status quo in terms of their existing tech stack, and when to leave it alone.



## 02—When To Disrupt The Status Quo (cont.)

Stephen Lennie, vice-president of Oakville, Ont.-based telematics provider GEOTAB, uses what he describes as three “trigger events” to begin changing his team’s tech stack.

The first is the need for greater efficiency – or more specifically, when it becomes necessary to hire more people to handle the volume of demands on the finance team. The second is a rise in errors, which can lead to poor decision-making by senior leaders looking at the numbers to poor results from an audit. Technology can provide a way of ensuring those mistakes aren’t repeated. Then there’s user experience.

“It’s when you begin to hear internal customers of finance start to complain about the process or tools that finance provides,” he says. “I think about expense management systems and tools of that nature. It’s traditionally been a manual process. Employees don’t like filing their expenses, so when they want change, you start to look at how you can automate that or make that process easier for them.”

For Grayce Yuen, vice-president of finance at Toronto-based Tequila Tromba, evaluating the finance tech stack is more of a scheduled event, which she estimates happens about once a year. This is important in part because her firm operates multiple legal entities in several countries, where there can be differences in core accounting systems and multiple currencies to consider.

“It’s kind of like an ongoing conversation that we have with our external accountant, and among ourselves,” she says. “Right now, I think a lot of it revolves around consolidation, and whether or not we’re able to effectively consolidate all of our different countries into one income statement.”

“Employees don’t like filing their expenses, so when they want change, you start to look at how you can automate that or make that process easier for them.”

Finally, the evolution of financial controls and practices at an industry level may also create a tech stack tipping point leader’s can’t afford to ignore.

“If there’s a new accounting pronouncement, like ASC 606 IFRS 17, you probably need to review the software you have to make sure they can accommodate those new rev rec standards,” Bonowski says.





# 3 Trigger Events To Change Your Tech Stack

**1** When you need to hire more people to handle the volume of demands on the finance team

**2** A rise in errors, from people being over capacity

**3** When internal customers of finance start to complain about the process or tools that finance provides



# Buying (And Building) A Better Tech Stack

All the finance leaders we talked to agreed that the foundation of a modern tech stack is a core accounting system. This is a category of software that can maintain account books, record transactions and balances and help with producing reports.

From there, companies can begin laying on additional platforms and tools to assist with invoicing, bill payment, expense management and even visualization applications to help put data in context for senior leaders. If finance leaders hesitate to enrich their tech stack, it's largely out of a concern of potential disconnects.

"For me, the important bit is the way that data talks across those systems," Lennie says. "The worst thing from a finance perspective, especially nowadays, is to have finance stuck in a silo, right? There's no point in having great data in that system if you can't get it out."

Yuen agrees. "The more platforms a company has, the more reconciliations you have to do," she points out. "When everything is in one place it's easier for us to keep track of the data and to reconcile it as we need."

Many vendors are attempting to address this by adding features and functionality to core accounting systems, or using application programming interfaces (API) to ease the integration of disparate tools. This can put finance leaders into a relatively new role in consulting with their IT team on how best to tweak aspects of their tech stack to achieve a desired outcome.

"We've actually taken an Excel spreadsheet from our portal and we've integrated it into an invoice template that rolls right up into QuickBooks online," says Andrew Platten, vice-president of finance at Regina-based freight and package transportation company StoreToDoor. "That saved us an average of seven hours a week in terms of accounting time, which for a little organization like us is enormous. I went from a 10 hour a week job to a two and a half, three-hour job, depending on the number of invoices."

In some cases it might make sense to invest in a standalone, bespoke tool for areas such as consolidation and close, but cost and maintenance need to be factored in.





## 03—Buying (And Building) A Better Tech Stack (cont.)

“The more integrations you have to maintain, I think that becomes a challenge and there's overhead to that,” Lennie says. “I think there's a need to strike a balance between having everything under one umbrella and managing standalone solutions.”

Yuen, whose firm was in the midst of deploying a new inventory management platform, agrees.

“It does require a lot of manpower to jump onto a new platform,” she says. “You always need one full, dedicated person putting it together, troubleshooting it, making sure that the priorities that we've listed for that platform are working and flowing smoothly.”

This relates to another consideration: once a new addition to the finance tech stack has been fully deployed, how much human intervention will be required on a regular basis to ensure it performs as expected?

“You have to think about the maturity of the team,” says Wassim Karawani, head of finance for Montreal-based Shakepay, which facilitates purchases and payments using Bitcoin. “If you've achieved a certain level of growth but you're still solidifying the core of your team, you can't afford to be spending a lot of time on new tools. You're spending more time on building the team. Once you get to that stage where you have a powerful team, then you can start automating some of the junior tasks.”

Even at that point, making the right choices goes way beyond the actual product. As Lennie points out, there can be big differences in how well vendors are prepared to support their customer post-purchase.

“I've realized the most important thing when you invest in any software is the relationship and the people that are managing my account.”

“Something we often underestimate is the switching cost of running upgrades all the time, switching to new products or evolving up the tech stack across various vendors,” he says. “You really want to look for someone that shares your longer term vision of what your tech stack could become.”

This tends to prove itself out (or not) when challenges with the tech stack emerge, Yuen said. It's not just a matter of whether vendors can solve problems, but how quickly they respond.

“With a lot of these tools and platforms, the software itself is pretty straightforward,” she said. “I've realized the most important thing when you invest in any software is the relationship and the people that are managing my account.”





## 04

# Qualities That Define Best-In-Class FinTech

Once the pieces of the tech stack are in place, success depends on what those in finance and accounting roles see, think and – perhaps most importantly – feel as they’re using those platforms and tools.

At a high level, Borowski says he looks to ensure that any accounting, bill payment, invoicing or expense management solution will scale as his company grows. This is bearing in mind that scale can happen quickly, where the volume of data that needs to be supported surges exponentially with little warning.

“Another thing I look at is controls – being able to prove out during an audit that you have the right controls in place,” he says. “A lot of the time, having an Excel or a Google sheet isn’t offering a good audit trail.”

Platten offers almost the reverse perspective. If he’s trying out a potential addition to his tech stack – such as financial planning and analysis (FP&A) software, he asks himself a key question: is this markedly better than traditional tools?



Scale can happen quickly, where the volume of data that needs to be supported surges exponentially with little warning.



## 04—Qualities That Define Best-In-Class Finance Technology (cont.)

“I’ve certainly looked at some of those applications, but I’ve never actually pulled the trigger on them, to be honest,” he says. “You can do a lot of things in an Excel spreadsheet. And Google Sheets, which in some ways is a competitor to Excel but is also extremely handy.”

Karawani has similar sentiments, pointing out that finance leaders may be under greater scrutiny than almost any other department to demonstrate the return on investment (ROI) for adding technology is justified.

“It’s as simple as, does it do the job and is it ROI-positive,” he says. “It’s not just about having a nice tool. It’s making sure you’re getting two bucks back on every buck requested.”

Some of that ROI may need to be thought through and articulated, though. Some tools will offer powerful analytics, for example, which Borowski said could provide value that isn’t immediately obvious.

“It’s also important to see how quickly we can get the data out of the system,” he adds. “That’s something I look at as well. integration as well. I mean, it’s very easy to fall in love with a lot of different pieces of software, but you want that one source of truth.”



## 05

# How To Apply Change Management As Your Finance Tech Stack Evolves

The phrase “build it and they will come” became famous in the late 80s thanks to the movie Bull Durham, but that was long before technology transformed the workplace. Finance leaders will increasingly need to weigh the potential benefits of new tools with the potential reluctance or outright resistance of those asked to use them.

Yuen addresses this by making sure her team members see the introduction of new technologies as an opportunity for professional development, rather than a process overhaul. She recalls a time when members of her team were still using Excel when they could be performing more advanced calculations more quickly using Power BI, for example.



## 05—How To Apply Change Management As Your Finance Tech Stack Evolves (cont.)

“The way I typically approach it is to explain, ‘This is a really good way to learn a new skill. This is going to be really helpful for you in your career – not just with us, but in the future,’” she says. “If you want to be an analyst, it could be a skill set that you could put down in your resume. And I’m providing you the training for free. Accountants relate to that, because professional development is drilled hard into us with all the exams we take.”

Finance leaders could also learn from their peers in sales, Karawani says, where CRMs transformed the role of sales reps, or CMOs, whose team members have digitized and automated multiple aspects of marketing. Being mentally prepared to sell the additions to your tech stack may be important too.

“You’ll never see a team not reacting negatively to a change in tool, at least to a certain extent or a certain period,” he says.

“It takes time to adapt. What works well, I think, is identifying champions in your team, letting them understand the why and how it makes their life better.”

Platten adds that pilot projects and full deployments should be scheduled with enough room to encourage the right attitudes and secure buy-in, as well as working out any technical kinks.

“Maybe it means you run new systems for a few weeks to make sure that your process works the same as the old process before you abandon the old tool and go all-in,” he suggests. “There’s enough smart accounting people that I think people can get there. It’s just putting in the time and figuring out what works.”





06

# The Finance Tech Stack Wish List



There's always room for more innovation, and successful finance leaders are already thinking about gaps in existing product lines that are waiting to be filled.

Lennie, for example, cited challenges with the exchange of financial information back and forth between companies and their partners, suppliers and other stakeholders.

"It still seems to be lagging for a variety of reasons. Everyone's got their own format, their own processes and their own system. I think there are a lot of great products making a lot of advancements in that area, but it's one that still surprises me how much that lags and how much still requires manual intervention."

Borowski points to a gap in terms of a trial balance feature as companies move from basic core accounting software to more complex systems like an ERP.



## 06—The Finance Tech Stack Wish List (cont.)

“I think it's a huge jump. You know, like a lot of companies they use core accounting software probably for far too long before they switch to a more enterprise solution.”

Karawani suggests more companies need to think about small improvements to workflows that could make a big difference for finance professionals and broader business users. He notes how Float, for instance, provides payment notifications that keep employees up to date, as well as the ability to automatically upload your invoice or your receipt by taking a picture of it.

“It's solving a huge pain point,” he says. “A lot of the reason some people will want to use their own credit card is because they don't want to have to email invoices or receipts at the end of the month.”

Another greenfield opportunity, according to Platten, is to reimagine finance technology from a vertical-specific lens. There can be a big difference, for example, in managing finances for a technology company than those serving other sectors.

“If you were to use an FP&A model for a utility, you might only see 1% growth in customers over a period of time,” he says. “That's all great, but when you start talking about a software company, sometimes there's that hockey stick effect where your growth just goes exponential. I think there's space for forecasting tools specific to those kinds of businesses.”





07

# Next Steps: The Finance Tech Stack At A Glance

The first question that comes to mind as you build out your finance tech stack is probably, “What are other people using?” Fortunately, there are a number of ways to answer that question.

Now in its fourth year, for example, [The Finance Accounting Tech Stack Survey](#) is developed by Ben Murry, a fractional CFO and blogger at The SaaS CFO.

It contains a lot of data about some of the most commonly-used tools across finance.

A similar piece of research is the [CFO Technology Stack Survey](#), which not only explores the range of available tool but provides statistics on the top priority areas of IT investment among finance leaders.



## 07—Next Steps: The Finance Tech Stack At A Glance (cont.)

Some of the most common options you'll find in these and other resources to add or weave into your finance tech stack include:

### Accounting

A central hub for managing core data such as financial transactions and general bookkeeping, many vendors are offering integrated software suites to provide the basics for startups and small and medium-sized businesses. Many companies can continue to work with these suites as they grow, but mid-sized and larger entities often upgrade to enterprise resource planning (ERP) systems that can handle greater volumes and complexity of data. ERPs were once monolithic and difficult to deploy, but many vendors now often quarterly release updates to ease ongoing maintenance and upgrades. An article on Diginomica provides some helpful insight into how these are becoming much more than the general ledger systems of yesteryear.

### Invoice Management

A 2022 study of finance professionals in the U.K. found that 68% were still manually typing invoices into their accounting system or ERP. As a result, you'll likely want to look for solutions that can automate and streamline the invoicing process to boost speed and productivity. Comparison site G2 notes that finance professionals are often looking at how well invoice management tools can help them manage cashflow, provide templates and layer into consolidation processes.

### Bill Payment

Sometimes referred to as AP software, this category can also help finance teams get more done by automating approvals based on pre-defined business rules. A survey from PYMTS in 2022 suggested this toolset should help provide greater visibility into the relationship between costs and operations in order to optimize cash flow. It's possible that we'll see bill payment and invoice management – in other words, AR and AP functions – consolidated more often into a single solution unless your finance department has highly specialized needs.

### Expense Management

Almost every business finds employees incurring regular expenses, whether from travelling to conferences and client sites to simply ordering much-needed supplies. This category comprises tools that simplify collecting, submitting and tracking all that data – a process that employees hate so much, a 2022 survey from American Express found they would rather sit in back-to-back virtual meetings all day.

*Float can help with many of these pain points, and you can find out more about our approach at [floatcard.com](https://floatcard.com)*



## 07—Next Steps: The Finance Tech Stack At A Glance (cont.)

### Payroll

One of the other biggest areas of spend in most organizations is on talent. This takes the form of salaries, benefits and tax payments, all of which become data that creates a more complete picture of an organization's financial position. A 2022 survey found 86% of companies experience limitations with their payroll technologies. The biggest areas to consider, the report suggested, are scalability, resiliency and strong security.

### Financial Planning & Analysis (FP&A)

Successfully managing a finance and accounting team means you have to bring the story behind the numbers to life – and to help imagine what the next chapter will look like. FP&A software accomplishes that with features such as scenario modeling, as well as automating key processes such as financial consolidation, close and reporting. This category is built out of many traditional business intelligence (BI) software solutions, sometimes called corporate performance management or business performance management. Consultancies like BPM Partners offer buyer's guides and a lot of free insight on its blog that can be helpful here.

There are plenty of other tools you can add to your tech stack – from software to manage debt, equity or even platforms to manage vendor relationships. Whatever you bring into your tech stack, make sure it's compliant with relevant industry regulations, that it can integrate easily with what you already have, and that it will scale as quickly as your business does.



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