

UNIT4

In Business for You

BREAKING NEW GROUND

PROFESSIONAL SERVICES ORGANIZATIONS
INDUSTRY FOCUS



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Lay of the land

Professional services today

The professional services industry is still growing and the front-runners are still reporting record results, but there may be trouble ahead.

The professional services (PS) industry is growing, with revenues, headcounts and profits soaring across the board. But serious cracks in underlying workforce productivity are starting to show, and the industry has been issued with a stark warning.

Meanwhile, in the Everything as a Service (XaaS) economy, professional services organizations (PSOs) have to respond to increased competition while meeting changing regulation and exceeding expectations from staff and clients. In the background, legacy IT is holding many PSOs back, while emerging technologies are driving software design forward.

The challenge for PSOs, as they undergo digital transformation, is to respond to the trends of the XaaS world, capitalize on the opportunities it presents and overcome the barriers. That's what this brochure is all about.

We'll hear how the industry front-runners are using technology to do just that. And we'll soon discover that it's never been more critical for your people to spend less time on tedious, manual tasks and more time on the work that really matters.

We believe digital transformation is not about technology, but people. At Unit4, we've specialized in software products for project-focused professional service organizations where people make the difference. Our technology is central to the organizations we serve — it improves efficiency and productivity, and allows people to spend more time on meaningful work. Read on to discover the reasons why your organization should embrace the right technology, and how it can capitalize on the opportunities of a digital future.

So, is it time for you to change?



Office workers spend **one-third** of the working year completing administrative or repetitive tasks.



This lost productivity costs the service industry more than **\$5 trillion USD** annually.



Most office workers, especially young professionals believe **new technology** would improve their productivity

Let's look at the global trends affecting professional services organizations >>>

New ground

Professional services industry megatrends

The XaaS economy — a world where almost anything can be offered as a service — is influencing business models, client expectations and industry regulation. No professional services sector has been left untouched. From engineering firms to management consultancies; IT services to technology firms and accountancy firms, the impact is evident.

1. Increased competition

XaaS has created a dynamic business landscape characterized by five dominating strands: subscription billing, low barriers to entry, the gig- economy, location independence and the land-and-expand concept. As a result, the appearance of new rivals has been accelerated, competition has been amplified, and disruption has become commonplace in almost every sector.

2. New business models

In this new landscape, consultancies are developing new business models to survive and adapt to its changing rules and to thrive by seizing the new opportunities it creates. We're seeing remodeling of every business process including the management of sales opportunities, project delivery, workforces and finances. We're seeing more agile processes, faster delivery models, greater collaboration and more innovative service creation.

3. Heightened client expectations

Because of increased competition and contemporary business models, everyone expects better service, more personalization and more urgency; there is a relentless need to improve services. Not doing so means there's a serious risk of losing the trust, support or market share on which future success depends.

4. Regulation at the speed of digital

As a result of higher expectations, regulators demand more transparency and accountability. Across all professional services industries, reporting and integration requirements are becoming more complex, while regulations are being updated more often. Digitalization is needed more than ever to meet compliance demands in a simple way.

Unit4 Enterprise Resource Planning (ERP) is supporting Grant Thornton UK LLP's finance transformation, enriching user experience for more than 5,000 users, standardizing best practices across 27 UK offices and providing improved business insights to enable better decision-making.

“Unit4 Business World [Unit4 ERP] will be transformational for us. We are a people business, fully committed to providing the best systems to support everyone in their work. Business World [Unit4 ERP] will touch every part of our business, helping us successfully navigate the business challenges we face.”

Mark Reddy, Finance Director

5. The battle for talent is getting harder to win

The XaaS economy comes prepackaged with a fluid workforce defined by the gig economy and location independence. To compete effectively for talent in this reality, service organizations need to make systems automated to not only improve productivity, but also to enhance employee engagement by matching their digital experience at work to that in their personal lives. For businesses so utterly dependent on their people, ignoring this trend could spell rapid defeat.

6. People are better matched to demand

Successful, people-centered organizations have discovered how to optimize billable resource utilization by attaining 360-degree visibility over constantly changing data — and it’s become a trend. By implementing cloud ERP they have gained panoramic visibility over every team member’s skill set, experience, availability and seniority, and are then matching them to the right job at the right time to meet demand. They are achieving superior resource utilization rates, meeting heightened client expectations and reducing staff attrition.

7. Microservices replace megasuites

In the recent era of the megasuites, the trend was for seamlessly integrated, all-in-one ERP solutions so that businesses could have everything from the same provider. In the XaaS economy, customers want the flexibility to switch services on and off, or add solutions addressing specific use cases, requirements and business objectives as they change. Today’s technology trend is for platforms with microservice-driven architecture, loosely coupled services, interoperability and extensibility. It’s a trend that allows organizations to implement ERP throughout the enterprise, one process at a time, sometimes on a trial basis.

8. Automation is everywhere

Artificial intelligence (AI) and machine learning (ML) are the keys to automation. They are no longer theoretical notions being developed by futurists locked away in labs somewhere, far away from the real world. We will see more and more modern, cloud ERP applications feature AI capabilities while an awe-inspiring amount of data is managed autonomously. (Which is a good thing, because more and more web-enabled devices, including our more obvious ‘smart’ devices, are gathering data as part of the Internet of Things). Automation is becoming faster, more capable and ever-present, while AI is already driving the design of revolutionary software experiences in both our personal and work lives.

With 7,000 employees in the Nordics and Belgium, integrated facilities management services firm, **COOR**, partnered with Unit4 to help it manage company growth and constant change while maintaining a high quality customer experience during continuous acquisitions.

“Whatever new information we need and whatever changes in direction that arise, I really never worry about Business World [Unit4 ERP]’s ability to support us. We view our relationship with Unit4 as a trusted partnership and whichever way our strategy takes us, we consider Business World [Unit4 ERP] to be a core part of any changes we make.”

Anna Malmros, Finance Manager

Let’s see what the analysts say about the professional services industry >>>

The great productivity challenge

Global industry analysis

Here's what the researchers, analysts and experts are saying about the professional services industry.

Workers lose one third of time to admin

Labor productivity growth in the US and Western Europe is at "near-historic lows". Lost productivity is costing the service industry more than \$5 trillion a year² with the average worker spending one third of their working year completing administrative or repetitive tasks — time that could be better spent on their primary job duties. Yet, more than three quarters of office workers believe technology can improve their productivity, with nine out of ten workers in many countries saying they would use technology like digital assistants and software applications to manage repetitive tasks.

Digitalization set to drive productivity

Around 60 percent of the productivity boosting opportunities over the coming decade are set to come from digital. These include technologies that boost operational efficiency, reduce costs, streamline labor requirements and enhance innovation, as well as those that are reshaping entire business models and industries and changing barriers to entry

Focus on operational excellence

Introducing standardized and structured procedures across your firm will enable your team to spend less time on routine, administrative work and more time on managing exceptions. Your team needs full transparency on KPIs such as margin per project, resource utilization rates, and days sales outstanding. Receiving this information with a few clicks instead of having to spend time collecting information from multiple sources represents a major benefit.

Now let's hear from a global benchmarking study >>>

Global productivity study:

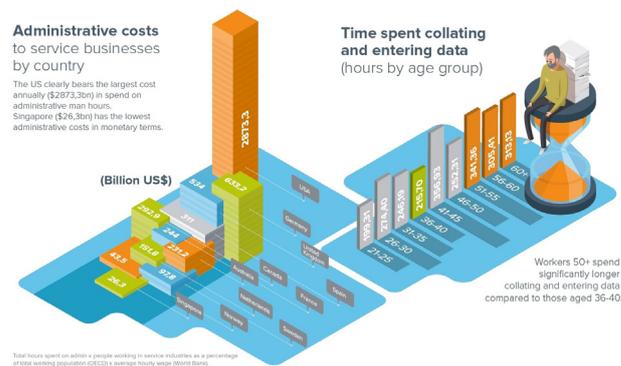
People spend 69 days on admin annually that could be spent on primary job duties.



The cost of lost productivity to the service industry

Administrative costs to service businesses by country

The US clearly bears the largest cost annually (\$287.3bn) in spend on administrative man hours. Singapore (\$26.3bn) has the lowest administrative costs in monetary terms.



Time spent collating and entering data (hours by age group)

Workers 50+ spend significantly longer collating and entering data compared to those aged 35-40.

Total hours spent on admin a people working in service industries as a percentage of total working population (OECD's average hourly wage (World Bank))



Get the infographic
 See the details behind the Global Productivity Study

¹ McKinsey Global Institute (2018), [Solving the productivity puzzle](#)

² DJS Research (2017), [Office workers lose a third of their work time to admin](#)

Driving operational excellence

Strategic responses to continuous change

A pattern is emerging. In response to these trends, leading professional service organizations are reacting in the same key ways. They are focusing on the people who deliver their services, the projects their people work on, and the clients that these services and projects are delivered to. Finally, they focus on financial transparency across all of these three areas to ensure the continued success of their business.

Building better client relationships to win more business

To fend off competition and win more of the right business, the PS industry leaders are building visibility into their pipelines, aligning sales and service delivery teams and creating a consistent bid evaluation process. Therefore, they are discovering where to compete and creating accurate proposals based on past (successful) projects, while learning from previous not-so-successful ones. To do all this, these leaders rely on an industry-specific cloud ERP, with a single, real-time source of truth for projects and services, a unified user interface and greatly enhanced experience.

Equipping people with modern tools to solve the talent puzzle

To win the battle for talent, improve productivity and optimize billable staff utilization, all the leading PSOs are equipping their people with modern HRM tools. With the support of an open, collaborative organizational culture, this improves employee engagement and productivity, it

creates space for staff to focus on meaningful work and provides the best insight to utilize billable staff better across projects. To solve the talent puzzle, the industry front-runners are implementing an enterprise application with HCM capabilities built into their core system — a system that's designed for people-centered organizations, and built specifically for their sector.

Adopting new models and platforms to execute profitable projects

Poor project performance is the hidden profit killer and top-performing PS organizations know that. So, in response to heightened client expectations and the move to usage-based consumption, PSOs are building new business models which package and productize their services, making them easier to buy for consumers which demand ease, access and instant gratification. To facilitate this, they are investing in enterprise applications platforms which allow them to create standardized, repeatable processes. They also take full advantage of the real-time, 360-degree visibility over project plan, schedule, cost and budget which the technology gives them.

Managing financials better to bill with precision

All the leading PSOs are increasing their use of ERP with integrated corporate performance management (CPM) capabilities to more accurately collect, bill and report financial transactions. They are using real-time analysis tools to supercharge decision-making. And, through modern technology, these trailblazers are transforming planning, forecasting and budgeting into a more proactive, regular, streamlined, organization-wide process. They are investing in all these technologies so they can gain transparency on KPIs, meet unique financial management requirements more easily, and adapt to regulation changes, such as tax reporting, in a faster, more agile way.

But there are barriers to achieving the positive outcomes from these responses >>>

Winning through

Overcoming the barriers to success

From engineering firms to management consultancies; IT services to technology firms and accountancy, the barriers to success are becoming more numerous and impassable.

A range of external barriers are preventing service organizations from achieving their goals: changes in legislation and customer demographics; shifting economic and political landscapes; and new services from new providers with innovative business models (enabled directly by new technology or indirectly by new ways of working).



Then there's the biggest barrier of them all...
TECHNOLOGY THAT IS NOT FIT FOR PURPOSE

Using generic applications that are not fit for organizations with people and projects at their core creates a barrier to productivity, operational excellence and innovation. This situation is costing many professional service organizations time, money and market share. Using the wrong IT like this makes it harder to:

1. know where to compete, create accurate proposals based on past (successful) projects, and learn from previous not-so-successful ones

2. attract and retain the right talent; optimize staff engagement and boost productivity
3. match the right people to the right projects at the right time
4. align siloed teams and encourage collaboration between them
5. gain 360-degree visibility over project plan, schedule, cost and budget
6. transparency on KPIs like margin per project, resource utilization rates, and days sales outstanding
7. make well-informed decisions and forecasts
8. reduce invoice disputes and delayed payments
9. meet rapidly changing reporting and compliance regulation
10. keep technology costs low

But it needn't be that way

The solutions for clearing the obstructions caused by outdated technology are already commonplace. Hundreds of forward-looking professional services organizations are improving project performance and operational excellence to make their customers more successful. And it's done, partly, by reducing — or eradicating — low-value tasks to create space for people to do more work that really matters.

So, what is the answer? >>>



We have a new story to tell, one centered on People Experience.

It's all about the people we serve, whom they serve and how they work best.

Purpose-built for people-centered organizations, our enterprise software sets people free.

Self-driving, adaptive and intuitive, our solutions guide people to the right answers, right now, every time.

The work that matters stays front and center, while low-value tasks run in the background, automated.



Game-changing solutions

Unit4 People Experience Suite

Unit4’s next-generation enterprise software helps you deliver an exceptional People Experience for everyone your organization serves.

People Experience is a discipline applied to software development that prioritizes human impact — making work more productive, efficient and inspiring.

Our cloud-based enterprise software is easier to use and manage, since real people, not just tech experts, use it. You can manage projects and processes that deliver value across the service industries, quickly and flexibly, according to your specific needs.

What This Means for You

You can transform work to be more meaningful through software that’s self-driving and adaptive, intelligently automating administrative tasks. This elevates engagement and helps you attract and retain the best people.

But People Experience is not only about personal motivation — it’s also about managers and staff working better together to improve organizational results. In all, freeing people to focus on what matters improves how work feels, and means you can better serve your people.

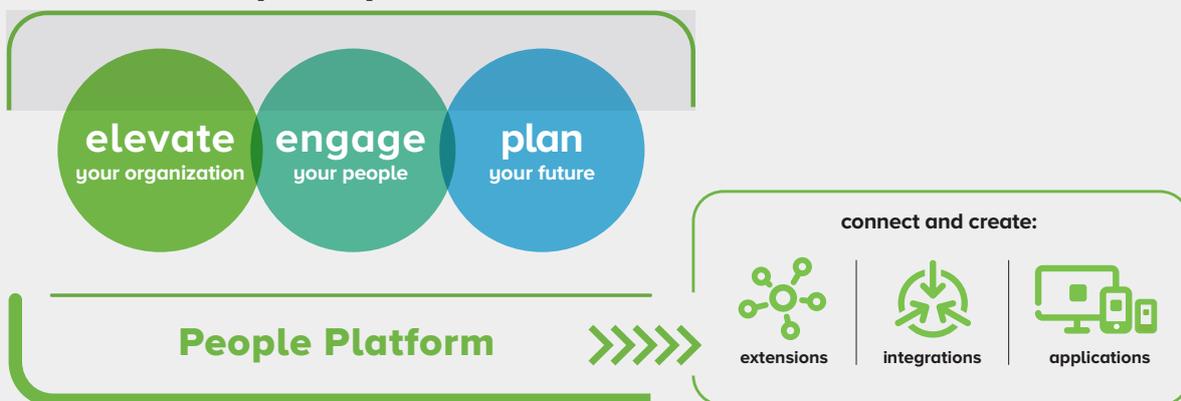
Unit4 People Experience Suite:

- Unit4 Enterprise Resource Planning (ERP)
- Unit4 Human Capital Management (HCM)
- Unit4 Financial Planning & Analysis (FP&A)



Discover how Unit4 can help your organization

Unit4 People Experience Suite



UNIT4
In business for people