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WHITEPAPER

Overcoming Innovation Obstacles as a Credit Manager

Introduction

Innovation. The word has been flying around us for years and we no longer seem able to avoid it. Businesses adapt their way of working, implement innovation initiatives and just about every department takes innovation into account in their annual plans.

Yet innovation almost always faces obstacles and resistance. As a credit manager, or finance leader, you sometimes have to decide to launch an innovation-oriented initiative, but you are also the person who can encourage such an initiative. How does today's finance leader adapt his mindset to be able to perform in these turbulent times? In this paper we will be discussing 5 ways to tackle innovation barriers.

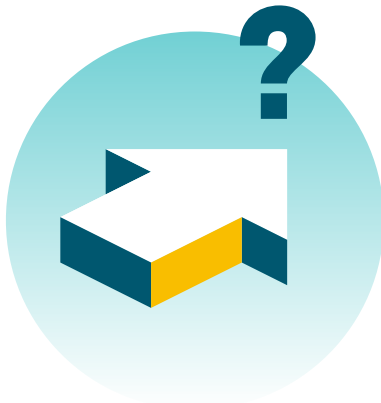
Five ways to tackle innovation barriers





Embrace the uncertainty

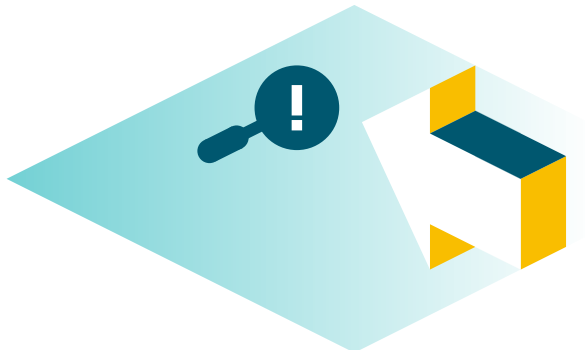
No finance leader has the luxury of being able to bury his or her head in the sand. **Change will keep coming, and embracing it is simply much less painful.** Automation is radically changing the composition and mindset of the financial departments. The heavy work is already being outsourced by many of them. This ensures that employees remain agile and can do the 'real' work: extracting value from data through analytics. **Surround yourself with people who are inspired by the change.** Many finance leaders spend a great deal of time and effort understanding what is happening in the present, when — now in particular — they should be working to help their organization move forward.



2

Don't look for problems for solutions

Innovation should not be an end in itself, but should serve the organizational goals. You shouldn't use things like automation and AI "because we need to do something with them", but because they really add value. For example, one question that is often asked is: "How can we use AI in our business?" Of course, that is not the right question to ask. A better question is: "What are our business goals and challenges, *and* is AI an appropriate solution to any of those challenges?" So in this case, you are looking for concrete applications of AI. In other words: **you're not looking for a problem for your solution, but rather a solution to your problem.** After that you figure out how you can tackle it. Tip: Also read about how other businesses have gone before you. Case studies show you how others have moved from a problem to a solution, and what the actual result is.

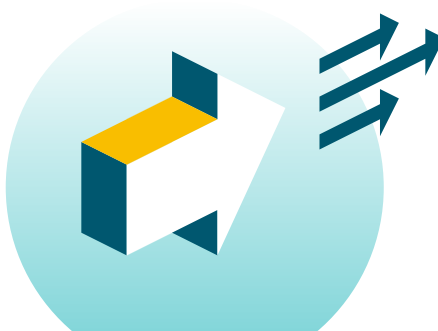


3

Divide up major changes

Businesses waste hours and hours dealing with things that are too complex and not sufficiently profitable. As senior finance, you have to be brave and willing to go along with the business. Look for ways to simplify the business. It's hard to transform if your innovation idea is too complex. By starting to innovate on a small scale, you can deal more easily with the impact of a change, with the added bonus that you make it easier get the rest of the organization on board by giving them time to get used to the change.

Dividing the tasks into specific steps helps to redefine and evaluate the roles of the staff. Re-invest the time that is created and use the talent of your employees in the right way. It is therefore not always necessary to hire more employees for a specific innovation project - instead, you just deploy existing employees in a smarter way. For example, you can automate routine tasks. You can also use new technologies to take the pressure off team members. This ensures that you immediately get value from new technology. **Be aware of the barriers that need to be overcome as a team and look ahead to the improvements that innovation will bring.**



4

Break through silos

The fact is that as a finance leader you can be as progressive as you like, but if you get your people on board, you're not going anywhere. **Crossing the boundaries between functions can be a very effective way to change the mindset and move your organization forward.** That this can only take place in smaller businesses is an illusion. At large businesses too, the right mindset of leaders can provide a bridge between different departments. The finance, marketing and HR departments thus each tend to form their own islands. It is important to prevent this happening. When all departments join forces, targeted plans emerge that are widely supported by the organization. As a finance leader you play an important role in this and prevent the formation of silos, also known as islands.

An illustration on the left side of the page. It features a stylized bridge with a yellow and blue arch over a light blue path that leads to a large light blue arrow pointing right. Below the path are three dark blue silhouettes of people.

“If you wanna go fast go alone,
if you wanna go far go together.”

In order to work optimally, for example, you need your sales team to offer a forward-looking view of what the sales will be. **A good start in this is to streamline data in the organization.** In this way, all departments look to a single source of truth. More than half of all businesses know that their internal data could deliver better business, but have not yet taken strategic steps to materialize the data. As a result, they watch powerless as new players slowly gain ground in the market. Linked data that flows through the entire organization ensures a true business boost. There's no excuse not to start today.

5

Use your data in a smart way

Real-time data and creativity are essential in bringing about innovative changes. After all, decisions based on incorrect data can have devastating consequences. The start of the innovation process is to examine what data you have and what you would like to use it for. The good news is that as a finance professional, you don't necessarily have to be the creative one in this process. You just need to know where to find the right people with a healthy dose of creativity and make sure you come up with an innovative idea together. **Be curious about what you can do with your data and look beyond the data circulating within your department.**

Data-driven innovation is more than just a hype. It is a success formula that enables you to swerve around opinions, risk-taking, ifs and buts, so that you go straight to your business goals. Because thanks to data, you can gain insight into your markets and find out everything there is to know regarding customers, products, prospects and suppliers. It is no surprise then that data-driven businesses perform much better.

“Data-driven businesses are
23 times more likely to acquire
new customers and 6 times more
likely to retain existing ones”

Source: McKinsey

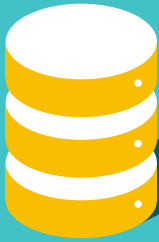


Conclusion

Precisely because of his role, the finance leader is the ideal linking pin within the organization, to take the lead in innovation projects. By daring to innovate and to embrace uncertainty, you can contribute to innovation within your organization. Collaborating with other departments and breaking down large innovation projects also helps to overcome innovation obstacles.

The potential and importance of data for innovation is immense. The professional use of data enables credit managers, finance leaders and CFOs to be more proactive than they have ever been. And as a finance professional you can innovate by working together with other departments and supporting them in creative innovation ideas, instead of shooting them down. By basing these ideas on data, you can look to the future with greater confidence. Data makes it possible to challenge conventional thinking from a much more solid foundation, based on facts.

Data, Altares and innovation



Altares Dun & Bradstreet is keen to help you with smart insights into your own and external data, to enable continuous innovation. We help organizations to create a corporate culture in which data is a strategic weapon.



Why? Simply because we believe in the power of structured data that is used for a specific purpose. Our team is passionate about data, analytics and innovation. For this reason, we are not just advisors or helpers, but inspirers. Our Dun & Bradstreet data cloud is an inexhaustible source of information, with insights consulted daily by 90% of all Fortune 500 businesses.

Get inspired by the stories
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Efficiency through insights from the D&B data cloud

“We have full confidence in our many years of cooperation with Altarex Dun & Bradstreet, and once again they have shown that this confidence is deserved. With Portfolio Manager, Altarex Dun & Bradstreet has been able to help Alpro set up a sustainable business strategy from ad hoc to a continuous basis.”

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Manpower

Towards a data-driven approach: the renewal of Manpower

“Thanks to the close cooperation with Altares Dun & Bradstreet, my colleagues on the shop floor noticed as little as possible of the renewal process. This made it possible for us to introduce my colleagues at Manpower to our data-driven approach very gradually. It also reduced the complexity of the work and the required knowledge of the tool.”

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Tyco: Custom solution sharpens business orientation

“Our process of credit assessment is not only faster, we have more qualitative insight, it is universally deployable and it enables optimal cooperation between credit management and sales. This makes it more than just a system for setting credit risks and limits. It really reinforces our business orientation.”

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Are you curious to find out how we can help your organization innovate?

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