

## *Digitalization in Accounting:*

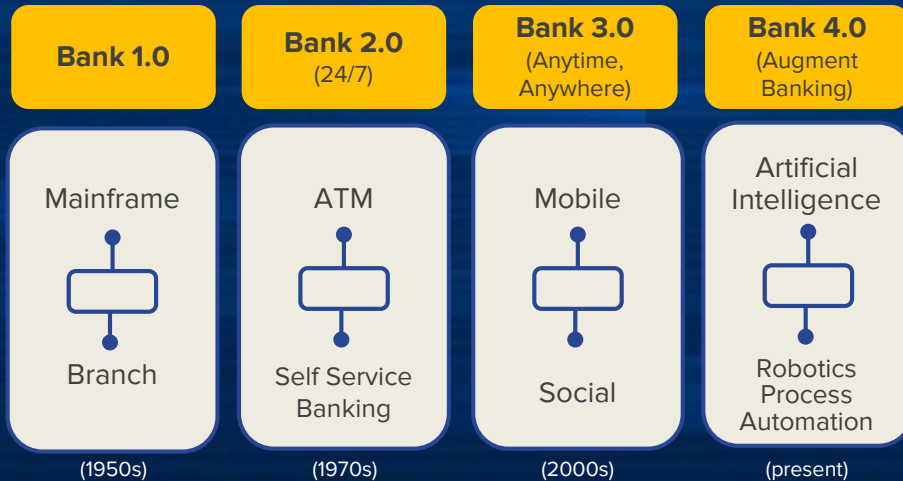
*How accountant must adapt  
to thrive in the future*

**?**

# Financial Industry Evolution?

## The evolution of banking

The pace of financial services innovation has accelerated from leisurely to turbo-charged.



## What is Driving Digital Transformation ?



**Consumerization of the User Experience**



**Mobile, Tablet & Wearables**  
Rapid growth and early adoption

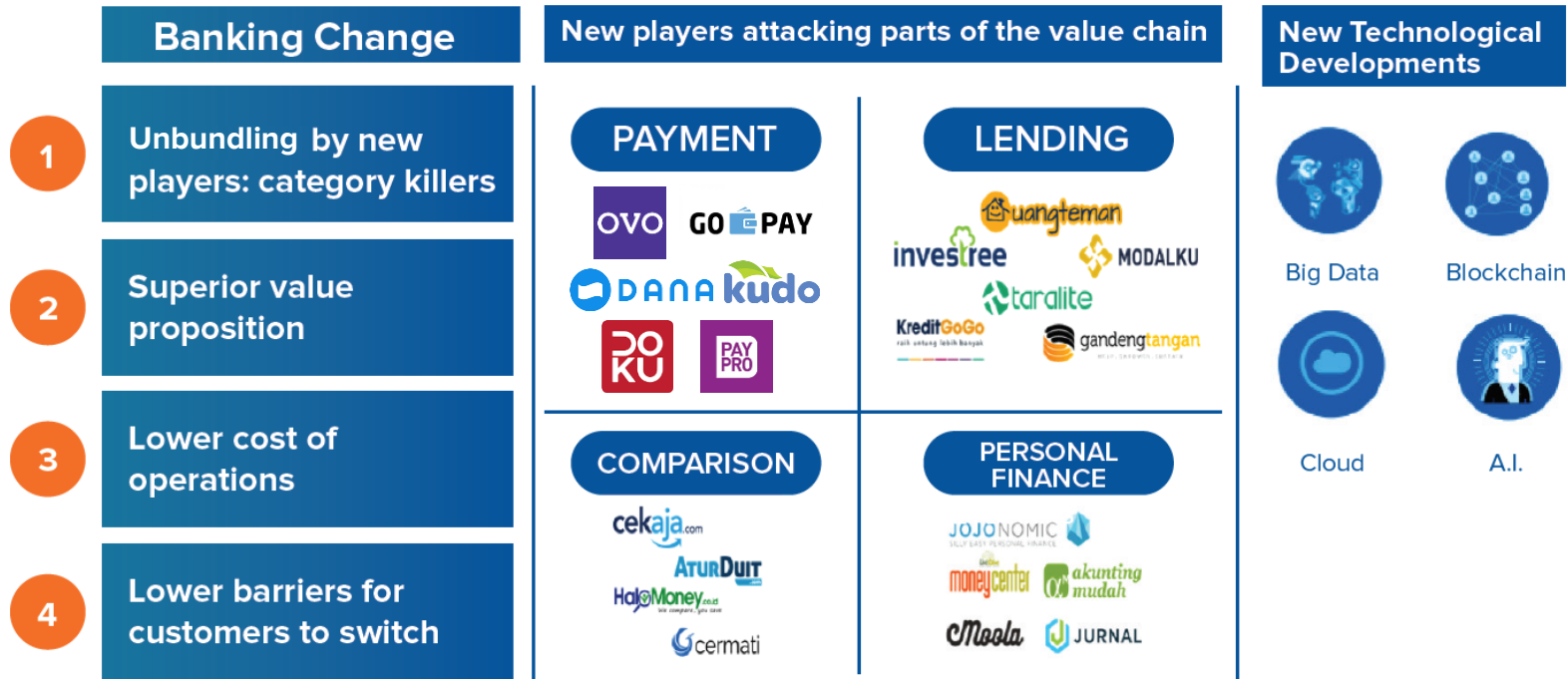


**OMNI-Channel Expectation**



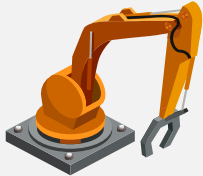
**The Millennial Generation**

# Banking Change at a Fast Pace - Fintech Unbundling



# 4 Digital Technologies Will Reshape Finance Function

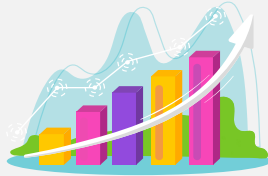
## Automation and robotics



### To improve processes

- Enable planning and budgeting platforms in cloud-based solutions
- Automate data reconciliation for single source of truth
- Apply robotics to standardize report generation and allow for narrative commentary

## Data visualization



### To give end users real time financial information

- Generate user-friendly, dynamic dashboards and graphics tailored to internal customer needs
- Deliver ubiquitous reports that can provide information at very detailed levels
- Seamlessly combine information from multiple data sources<sup>1</sup>

## Advanced analytics for finance



### To accelerate decision support

- Conduct top-down scenario analysis
- Develop self-optimizing algorithms for preliminary sales forecasts
- Develop demand models to improve working capital and inventory management

## Advanced analytics for business



### To uncover hidden shareholder value and growth opportunities

- Support optimization of pricing and Stock Keeping Unit (SKU) lineup
- Track resource utilization at detailed levels<sup>2</sup> and mirror against value creation and resource effectiveness
- Create predictive models for early warning<sup>3</sup>

*Artificial Intelligence*

*Robotics*

*Blockchain*

*Natural Language of Processing*

*Internet of Things*

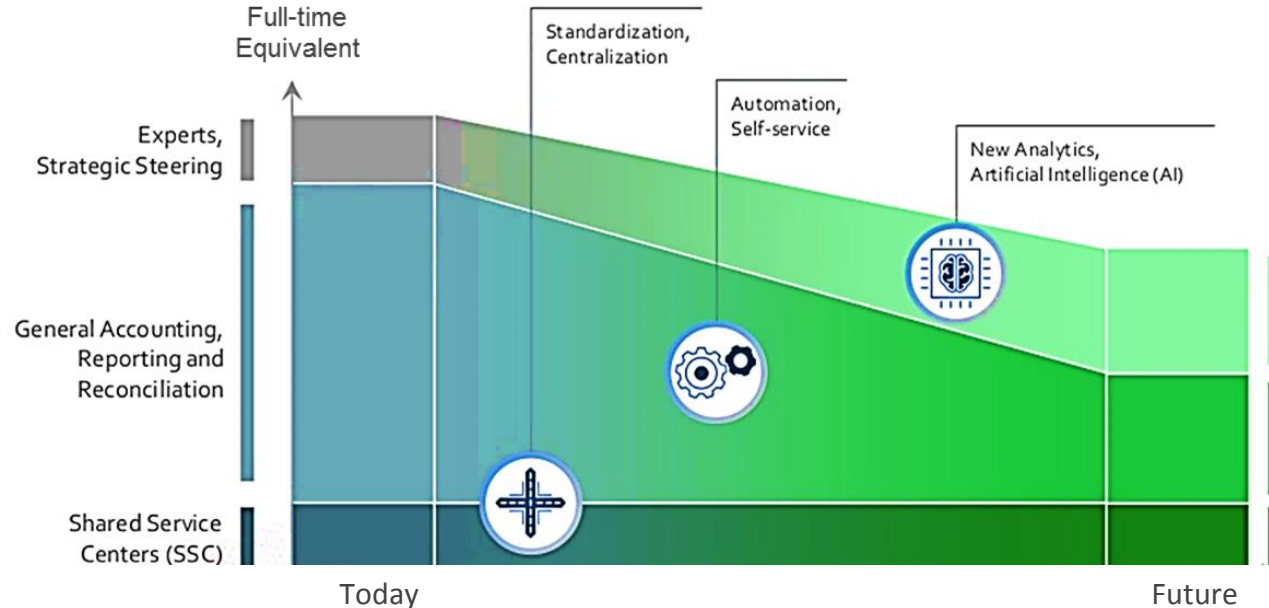
<sup>1</sup> Such as finance enterprise resources planning, customer relationship management, order volume, and market development.

<sup>2</sup> Such as sales force and marketing.

<sup>3</sup> On customer churn or credit risk, for instance.

## Digitalization triggering strong shift of future Finance focus

.. In the future, less time will be spent for general accounting while strategic role will play more important role in finance function.



## *AI usage will largely reduce manual transactional accounting*





# AI For Automation in Accounting

## Areas of finance and accounting supported by artificial intelligence

Automatic readout of invoices and documents for processing in accounts department

Improvement of business processes

Consistency checking of documents

Automation of payment transfers

Automatic readout of contracts

Predictive analytical statements

Monitoring of posting data

## Aspects of artificial intelligence suitable for financial statement audits

Detecting anomalies in posting data

Simulations used to check estimates of forecasts

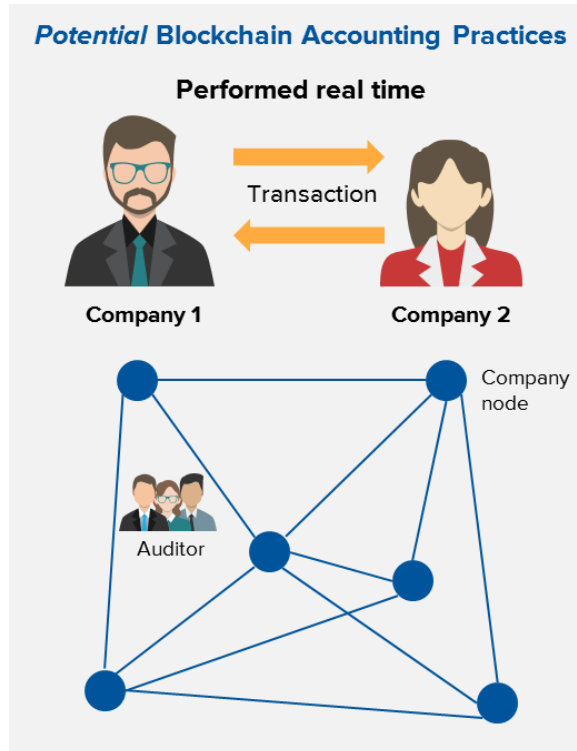
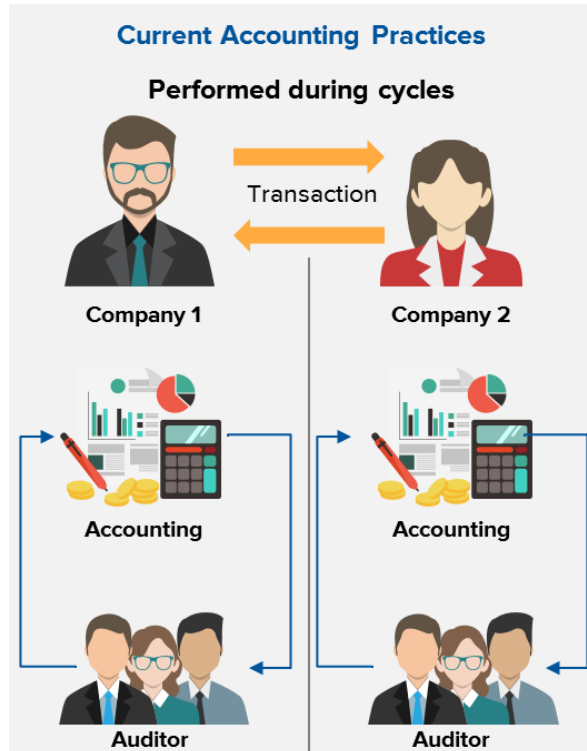
Simulations to evaluate options for decision-making, eg, measurement issues

Detecting process vulnerabilities

Creating correlations with non-financial data (eg, the impact of the weather on sales performance)

Other

# Blockchain Technology in Accounting



## The Benefit of Blockchain



### Cost Efficiency

Blockchain makes the accounting process cost efficient. It decreases the involved cost to great extent.

### Distributed Data

With Blockchain in place every piece of data is distributed on the whole network and can be accessed by those possessing the keys.



### Self Auditing

Blockchain with its Hash technology in place can be worked out and can remove manual auditing process.

### Secure

Blockchain is immutable and restricts frauds. It's too expensive and costly to alter data written on Blockchain. Making it technically impossible to do this. This makes data on Blockchain secure.



### Automation

Along with Blockchain comes smart contract. This makes execution of task very easy and accurate.



| **BRI:** Digitalization *has been prepared*

# Digital Strategy Framework



## DIGITIZE CORE

Digitize existing services and transactions  
**(Business Process)**



## BUILD DIGITAL ECOSYSTEM

Orchestrate ecosystems  
**(Bank as Platform)**



## EMBED IN OUR CUSTOMER'S LIFE

Launch new digital propositions  
**(Business Model)**

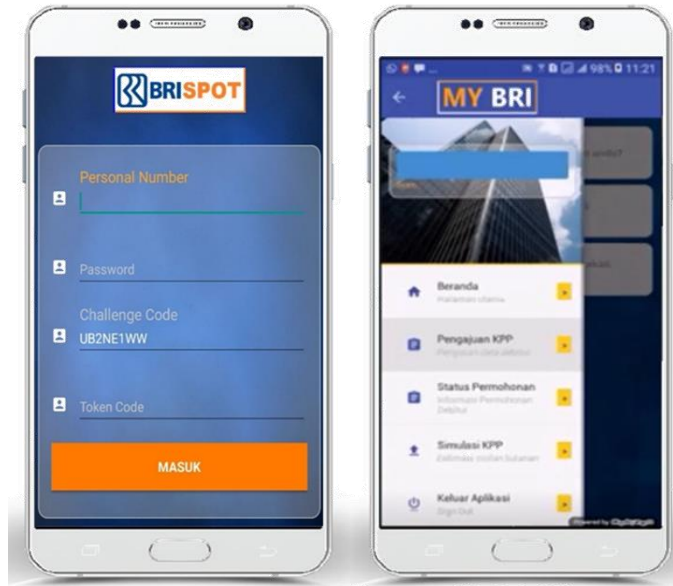
(Mobile First and API First Strategy)



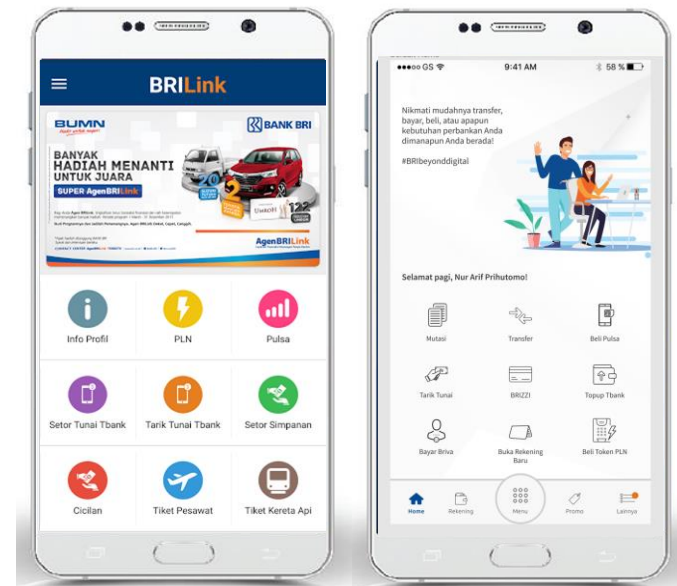
**Digital as our DNA**



# Digitize Existing Services and Transactions



“Empower of our employees to better serve the customer”



“Engage our customers and personalize the services”

# Sabrina: Virtual Assistance for BRI Customers



Sabrina is a smart banking assistant via chat



Customer Service



Information



Personalized Offer

Available at :



Facebook Messenger  
(Official Account Bank BRI)



Telegram Messenger  
(@BANKBRI\_ID\_BOT)



Whatsapp Messenger  
(+628121214017)



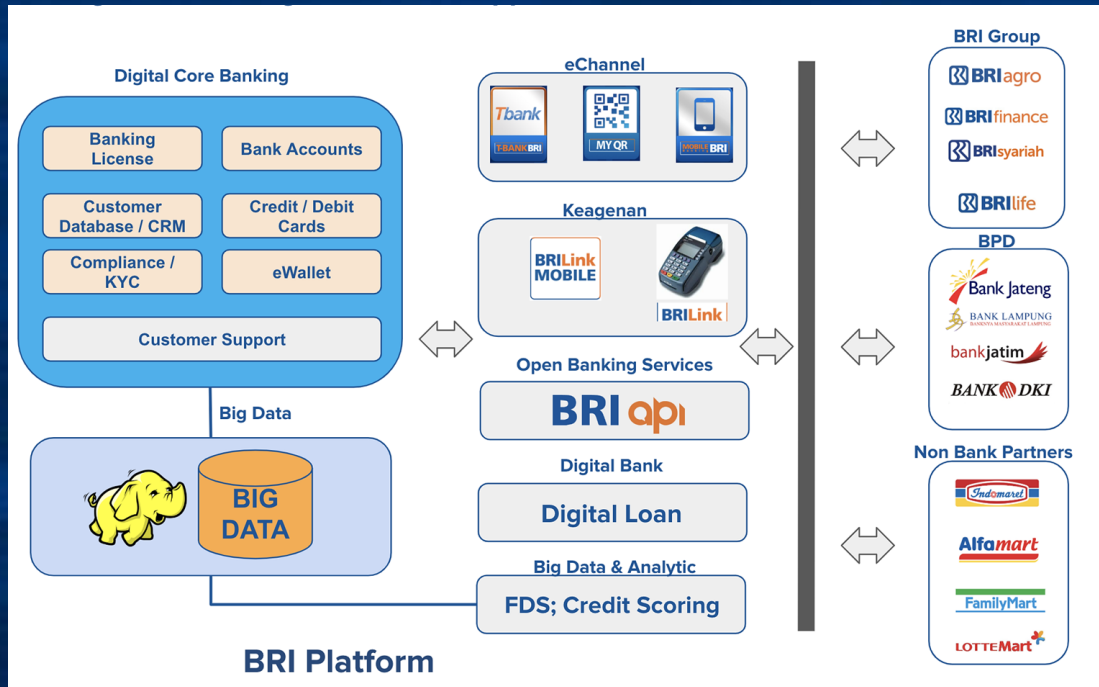
# Build Digital Ecosystem

API stands for 'application programming interface' -It connects business processes, services, content, and data to channel partners, internal teams, and independent developers in an easy and secure way.

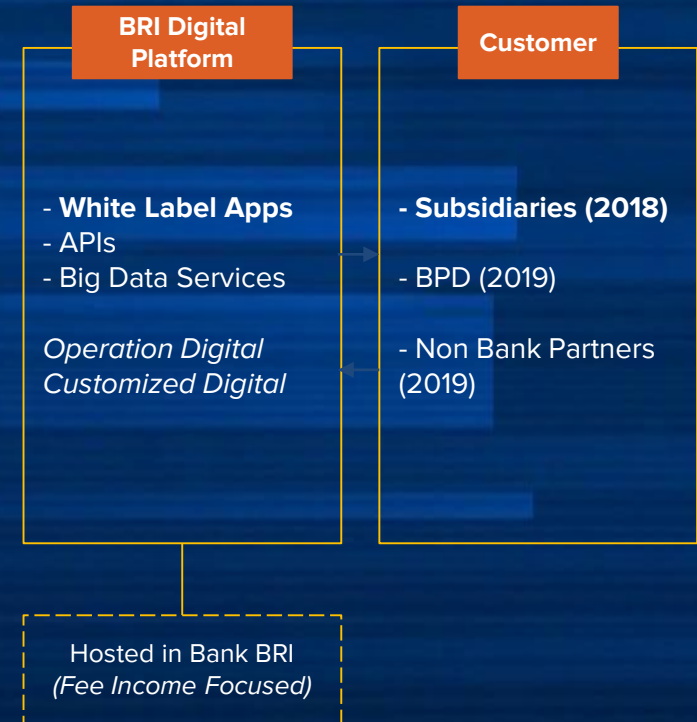


Digital Partnership Model to **connect with Fintech and create digital ecosystem.**

# Build Digital Ecosystem



## Bank As A Platform





Official Store  
Indonesia Mall  
Powered by BRI  
(SME's Go Online)



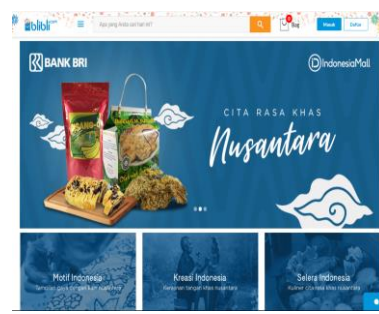
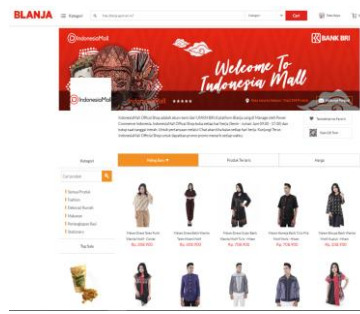
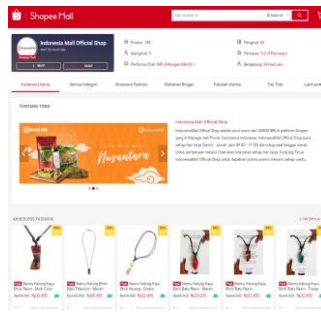
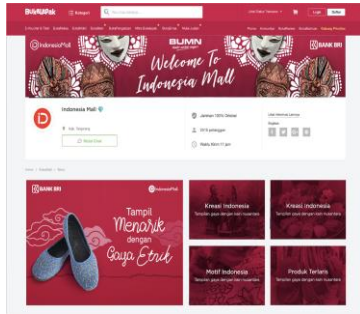
**BL** Bukalapak

**tokopedia**

**S** Shopee

**BLANJA**

**blibli.com**



<https://www.bukalapak.com/u/briindonesiamall>

<https://www.tokopedia.com/indonesiamall>

[https://shopee.co.id/indonesia\\_mall](https://shopee.co.id/indonesia_mall)

<https://www.blanja.com/store/indonesiamall>

<https://www.blibli.com/anchor/indonesiamall>

**Indonesia Mall  
awarded by The  
Asian Bankers**



**Grand Launching  
Indonesia Mall di  
Eastparc Hotel Jogja  
18/10/18**

**#3 Best Official Store  
in Tokopedia**



# Embed in Our Customer Life: Launch new digital propositions

## Pinang Helps Blue Collars in Indonesia



pinang



## Benefits

- Digital loan product with “Mobile First” channel.
- Untapped new market segments
- Less than 10 minutes from approval to disbursement
- Drop almost one third the cost of operation

Pinang: Faster-Cheaper-Better against Fintech  
Launched: 26 Nov 2018

# Implementation of IFRS 9 / PSAK 71

Knowledge and Requirement Skills for BRI's Accountants

## Classification & Measurement

- Financial Accounting Skills
- Accounting policy



## Impairment

- Credit Risk Skill (PD, LGD, EAD)
- Forecasting (Forward Looking Assumption)
- Statistic (Macro Economic Variables)



## Hedge Accounting

- Treasury (Hedging)
- Market Risk (Volatility Rate)

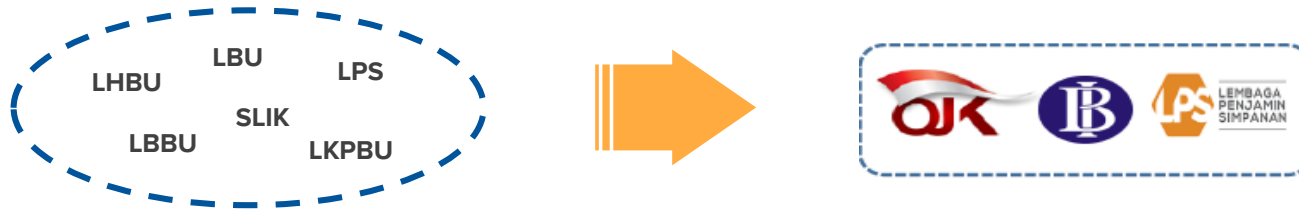


## Technology Solutions

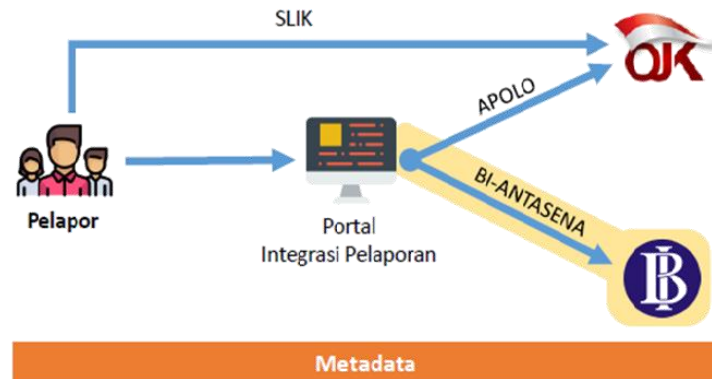


BRI Future Accountant

Existing - FORM based platform ..



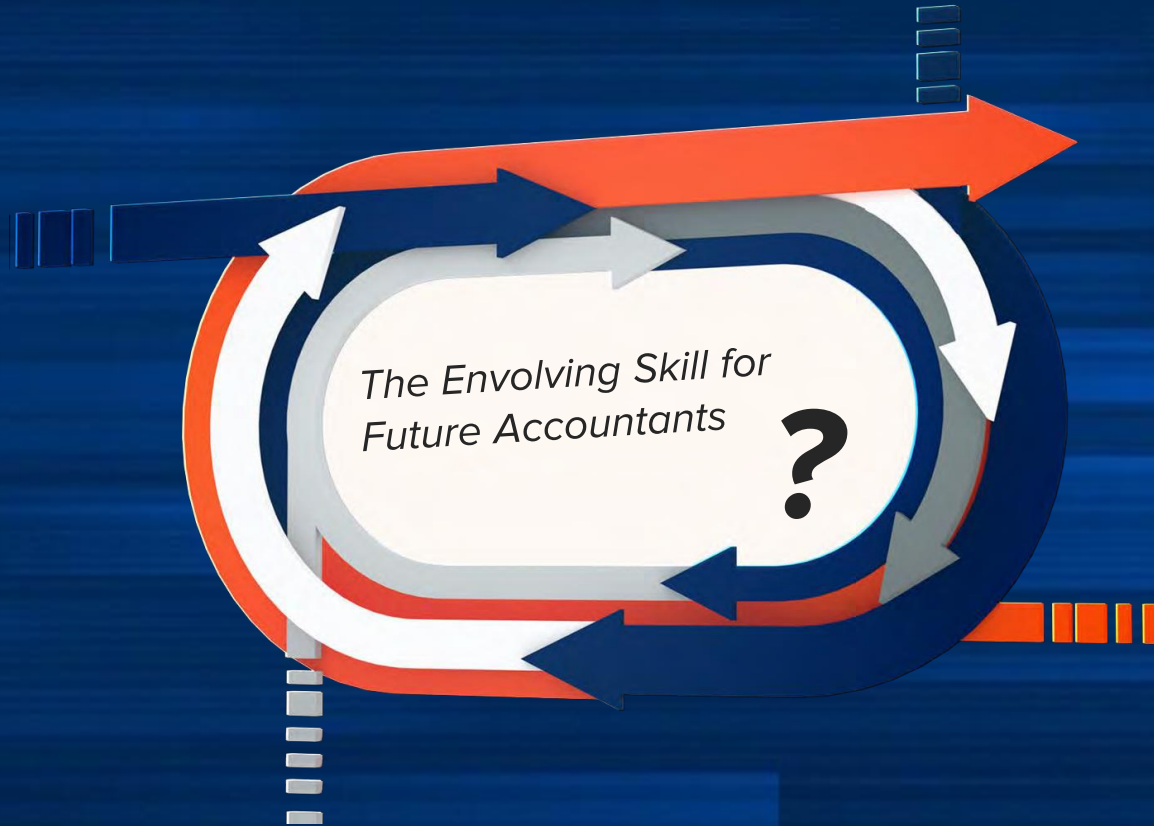
Up coming - METADData platform ..



Keywords :

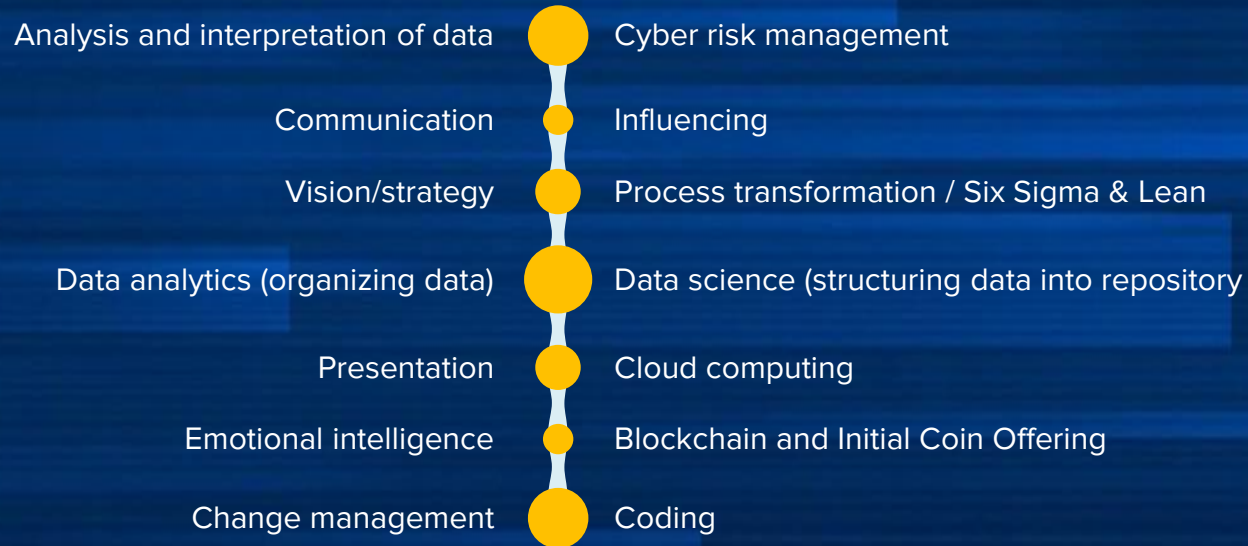
- Metadata
- Granularity
- New Code Reference
- Standardize Label & Definition

APOLO : Aplikasi Pelaporan Online (OJK)  
ANTASENA : Aplikasi Pelaporan Terintegrasi Berbasis Metadata Nasional (BI)



# Changing Skill Requirement For Accountant

Which skills are the most critical for accountants development ?



# *Behavioral Skills for Accountants*

## **Critical Thinking**

provide input regarding business concepts developed by business developers.



## **Adaptability to Change**

To fit the new circumstances



## **Collaborative Team Work**

Working as a group with other person to produce same goal



## **Innovative Problem-Solving**

find fresh/new perspective and come up with innovative solutions that overcome problems



## **Communications Skills**

communication and ability to assess any concept formulated by business developer unit



| Thank You.