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Rapid Finance Diagnostic FAQs

A health check for private equity
portfolio companies



Q1

What is Deloitte's Rapid Finance Diagnostic?

A: The Rapid Finance Diagnostic (RFD) is a structured assessment designed to evaluate the current state of a finance organization's operations, capabilities, and performance. It aims to identify areas for improvement and transformation by analyzing various aspects such as processes, technology, data management, and organizational structure.

Q2

What are the potential benefits of undergoing a Rapid Finance Diagnostic?

A: The Rapid Finance Diagnostic will provide you with actionable insights that may improve finance operations, making you capable of producing more timely, accurate, and auditable financial information through:

- A comprehensive outline of recommendations that address challenges in the organization.
- Insights around resource allocation, technology implementation, and/or process improvements that can be prioritized and actioned by the company.
- Perspectives from across the finance organization on how it is performing and areas where inefficiencies or ineffectiveness exists.



Q3

What is the process for performing a Rapid Finance Diagnostic?

A: The diagnostic typically involves gathering and analyzing data, conducting interviews with stakeholders, and benchmarking against industry standards to provide actionable insights and recommendations for enhancing financial operations and strategic alignment. We tailor our Rapid Finance Diagnostic to each individual portfolio company to meet the needs of portfolio company management and the private equity owner.

Q4

What specific areas of our financial operations will the diagnostic assess?

A: Among others, the diagnostic assesses:

- **Revenue management:** Analyzes revenue recognition processes to ensure compliance and optimization.
- **Inventory management:** Evaluates inventory control and valuation methods for accuracy and efficiency.
- **Process efficiency:** Identifies opportunities to streamline financial processes.
- **Technology utilization:** Assesses the use of systems and tools in finance operations.
- **Risk management:** Reviews practices and controls for robustness.
- **Close, consolidate, and reporting process:** Assesses the current process and identifies ways to enhance the efficiency of the process and reliability of the financial data.
- **People:** Assessment of whether the company has the right skill sets and sufficient resources in the finance organization to produce timely, accurate, and auditable financial information.

These areas are crucial for optimizing finance operations and aligning them with strategic objectives.

Q5

What is our team's role and time commitment for the diagnostic?

A: Organizations are asked to provide existing documentation, including prior financial reports, internal audits, and organizational charts, but no original preparation is required on your part. We would need some participation from stakeholders from your organization, such as the chief financial officer (CFO) and direct reports, head of internal audit, controller, head of information technology (IT), head of financial planning and analysis (FP&A), and other finance-related roles.

Q6

At what point in the acquisition phase should the RFD be performed?

A: The diagnostic is ideally conducted within the first six months after an acquisition, during CFO changes, or when there are significant issues in the finance organization.



Q7

What specific outputs can I expect at the end of the assessment, and when do I receive them?

A: The Rapid Finance Diagnostic report offers a comprehensive evaluation of your finance team, encompassing people, processes, and technology, to deliver insightful observations and actionable recommendations. Through a detailed **heatmap assessment**, it identifies opportunities, highlighting quick wins and providing a high-level indication of the time required to realize these benefits. Additionally, the report incorporates **external benchmarking** to define areas of strength and pinpoint opportunities for improvement, ensuring your finance operations are optimized against industry standards. This robust analysis empowers your organization to strategically enhance its financial capabilities and drive sustainable growth. We would generally perform the diagnostic shortly after the acquisition closing date; however, the diagnostic could be performed at any time in an entity's life cycle.

Q8

Why should I entrust Deloitte with this assessment?

A: Entrusting Deloitte with the Rapid Finance Diagnostic will help you benefit from our unparalleled experience in finance transformation, deep industry knowledge, and a comprehensive approach that covers important areas such as the close, consolidation, and reporting (CCR), revenue management, and inventory management. Our collaborative engagement with your team guarantees tailored solutions that align with your unique strategic objectives. With a demonstrated track record of delivering actionable insights and driving meaningful improvements, Deloitte is a trusted adviser to improve your financial operations effectively.

Get in touch

Bryant Huber

Partner
US Private Equity Leader
mehuber@deloitte.com
+1 973 219 4729

Jason Menghi

Audit & Assurance Partner
National Private Equity Leader
jmenghi@deloitte.com
+1 516 918 7842

Kevin Krumm

Audit & Assurance Partner
kkrumm@deloitte.com
+1 614 229 4704

Shashi Yadavalli

Principal
syadavalli@deloitte.com
+1 216 830 6727

John Reik

Audit & Assurance Managing Director
jreik@deloitte.com
+1 614 228 4413

Learn more about [Deloitte's Rapid Finance Diagnostic](#)





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