



## The Value of Bringing Tax Automation to the ERP Decision Table

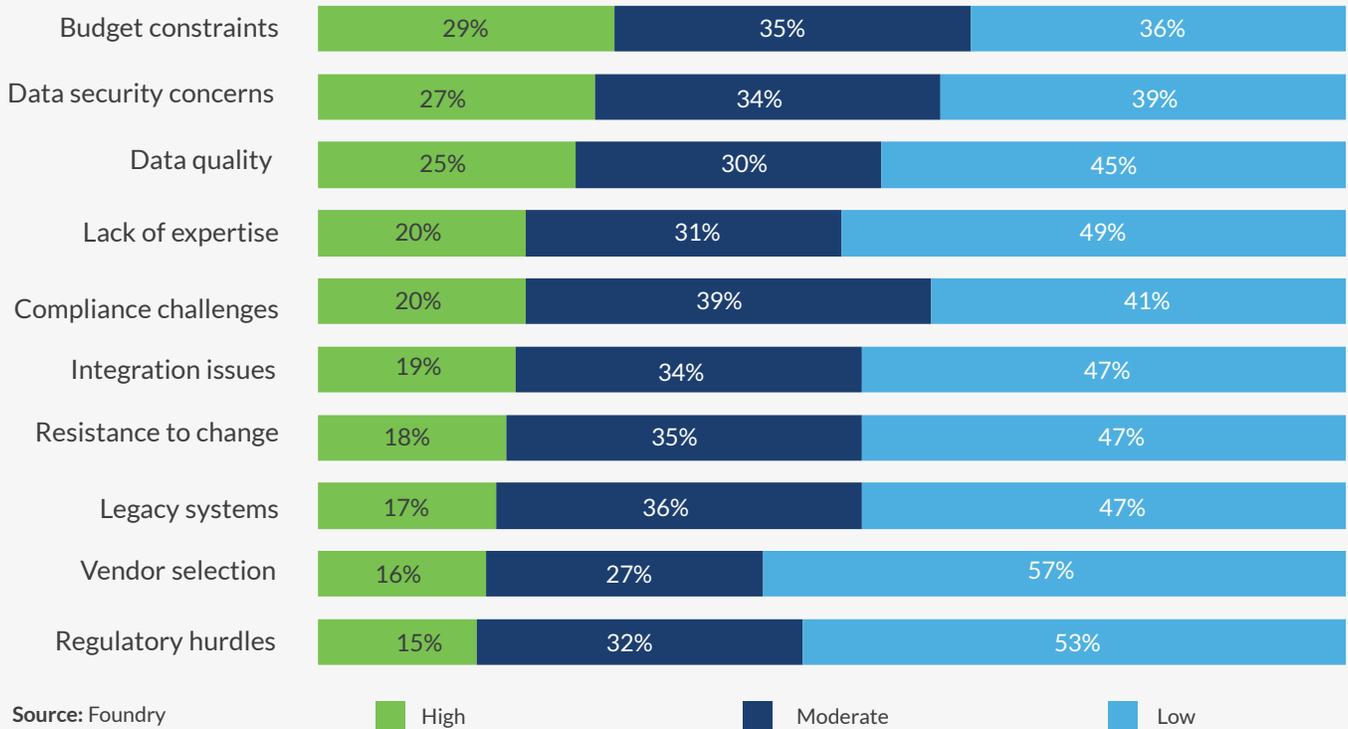
There is a widespread understanding among enterprise leaders that automation has become critical for success in today's data-driven environment.

But fully realizing the potential of tax automation solutions means overcoming a variety of challenges, including budget constraints, data security concerns, and data quality issues, according to a new survey by Foundry on behalf of Vertex.

The good news? Technologies such as tax automation software, robotic process automation (RPA), data analytics, artificial intelligence (AI), and machine learning (ML) have revolutionized tax processes and unlocked value through increased productivity, cost reduction, risk mitigation, and more strategic decision-making. This white paper will detail the findings and explain how Vertex can help organizations overcome their challenges.

## Top challenges to implementing tax automation solutions

Extent to which factors impeded ability to pursue tax automation solutions



Q7: To what extent have the following factors impeded your ability to pursue tax automation solutions, if at all?  
Base 104

### ROI of seamless alignment

It is not always clear which tax management approach is best for an organization’s unique circumstances, particularly with complex and ever-changing compliance regulations. However, failure to act means manual processes can become increasingly unscalable and unsustainable, especially as a business grows and transaction volumes rise.

Undertaking a change of direction without aligning tax strategies and the organization’s enterprise resource planning (ERP) system is not a healthy or beneficial practice.

Imagine a scenario where a company could face financial inaccuracies, transaction delays, and compliance issues because of misalignment between its tax strategy and the ERP system.

Tax teams must retrofit tax capabilities or resort to offline manual processes which provide makeshift solutions at best—and can negatively impact the expected return on investment (ROI).

The fog dissipates, however, and both ROI and long-term gains improve, when tax automation and the ERP are aligned in the early stages of strategy development and when planning teams consider how tax technology investments can improve company financials and downstream exposure. By factoring in tax considerations from the outset, companies can foster cross-functional cohesion and ensure that business goals are met.

**ROI and long-term gains improve when tax automation and the ERP are aligned right out of the gate**

## Better data through automation

In some corporate cultures there is an inherent resistance to change. This is especially true when known deficiencies are viewed as obstacles to implementing a new system versus opportunities for the new system to address and resolve.

The synergy between tax automation and the ERP system provides an opportunity to optimize the master data for the tax engine, for example. With data automation, the adage “garbage in, garbage out” need not apply. Automation can improve data consistency through validation and normalization, saving time and increasing transparency.



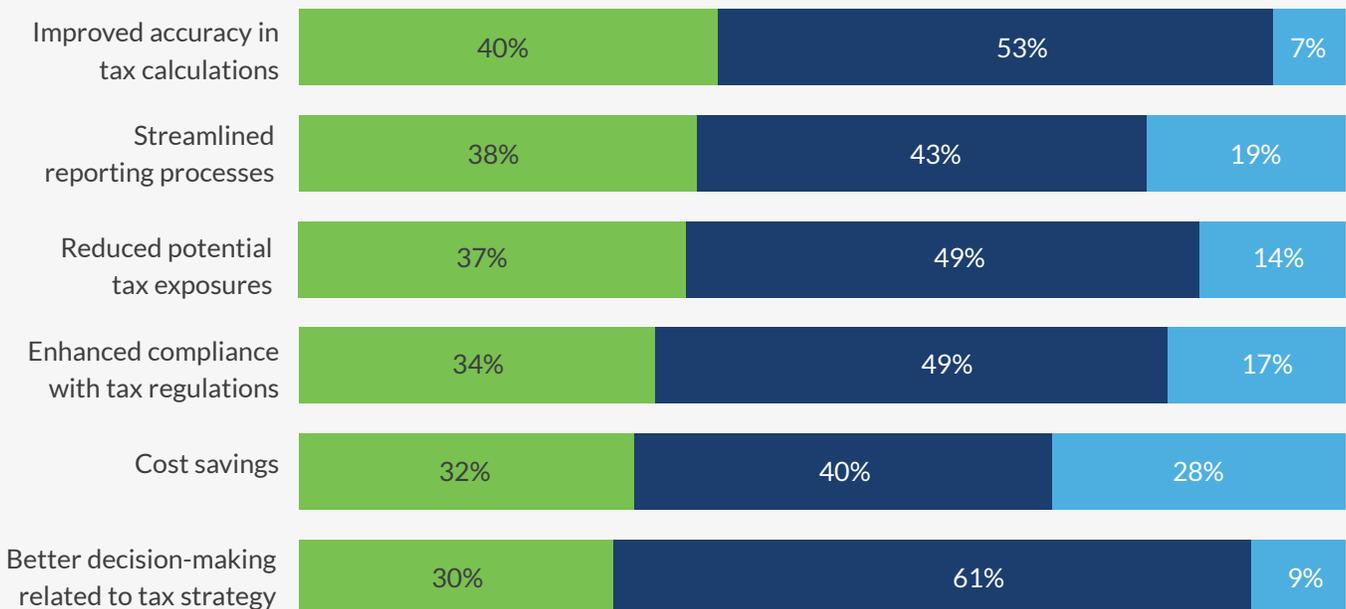
## Configurability, scalability, and compliance

A shortage of in-house expertise can lead some organizations to deprioritize tax management, instead focusing transformation planning efforts on core functions such as finance, manufacturing, inventory management, and supply chain operations. However, it’s critical to make sure each business process is aligned to meet potential tax implications.

Changes in tax rates and new filing and reporting requirements can directly impact business functions and create costly disruptions. Including tax considerations in planning growth and revenue recognition projects leads to improved tax controls and compliance, ultimately generating favorable financial results.

## The benefits of tax automation

Extent to which tax automation has delivered benefits



Source: Foundry

High (9, 10) Intermediate (7, 8) Low (1-6)

Q4: On a 10-point scale where 10 is highest, please rate the extent to which these tax automation solutions have delivered the following benefits. If you use multiple solutions, please consider their overall impact? Base 104

Many companies have found that the speed of regulatory changes greatly complicates their compliance efforts. It is vital to discuss potential tax automation benefits early in the process of adopting or upgrading an ERP system to develop a strategy that takes full advantage of its integration capabilities.

IT teams at organizations with complex technology stacks might be wary of integrating a new tax application with their existing systems, but they are often reassured to learn that tax technology software is highly configurable and designed with scalability and flexibility in mind. Tax automation enables an enterprise to efficiently scale its operations and response capabilities when experiencing rapid growth or expanding into new markets.

## Optimizing organizational performance

Taking advantage of the latest tax automation solutions sharpens a company's competitive edge by increasing profitability and supporting expansion goals. Also, enterprises that embrace the latest technologies are more attractive to skilled professionals and better able to maintain strong in-house talent pools.

For many organizations, the best path to building tax automation into their business landscape is to engage a systems integrator or partner. Vertex helps clients develop a vision for how tax automation can be used to improve all business processes that have a tax touchpoint through a set of solutions that are designed to be agile while leveraging emerging technologies.

Vertex recommends solutions and designs implementation strategies tailored to specific client needs. Vertex also offers services, staff augmentation, and post-implementation support to help clients get the most value out of their investments. End-to-end solutions, from real-time determination to continuous compliance, empower Vertex customers to conduct their business anytime and anywhere, with minimal friction.





## The bottom line

Maintaining the status quo may seem like the easiest course when bombarded by a steady onslaught of complex new regulations and requirements, but companies that hesitate for too long may find that the frenetic pace of change only makes catching up more challenging.

[Click here](#) for more information about tax automation solutions from Vertex.

## About Vertex

**Vertex** is a leading global provider of indirect tax software and solutions. The company's mission is to deliver the most trusted tax technology enabling global businesses to transact, comply, and grow with confidence. Vertex provides solutions that can be tailored to specific industries for major lines of indirect tax, including sales and consumer use, value added, and payroll. Headquartered in North America, and with offices in South America and Europe, Vertex employs over 1,300 professionals and serves companies across the globe.

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