Yes, Finance and Engineering can be BFFs

Recently one of our clients, an engineering director of a major water utility, made a bold claim when she stated, “Against the will of every engineer, their job needs them to also be an accountant.” I’d argue that the same applies for every accountant, that is, their jobs need them to also think like an engineer. Of course, what she and I really mean is that the engineering and accounting roles – especially in asset intensive industries – are very much linked and reliant on each other given the large capital budgets that have to be managed.

So, it’s incumbent upon these two groups with conflicting demands and priorities to work together. And technology can be a key driver for breaking down the silos that have traditionally existed. In fact, many of the “walls” built up over the years are not so much around the individuals and their roles, but rather the difficulty associated with trying to plan, manage, reconcile, and forecast tightly linked project and financial information. A collaborative environment could be facilitated by the seamless and smooth flow of easy-to-understand information between the two groups.

The engineering and financial roles have direct impacts on the strategic and operational success of their companies. When finance and engineering are aligned and collaborative, we get three positive and reinforcing outcomes:

**Dynamic Duos** — This isn’t just the realm of superheroes and other fictional characters. When managing the company’s financial planning, risk management, and reporting functions, the finance executive has a broad view of the company’s fiscal health. And on a daily basis the engineering executive is involved heavily in the planning, executing and on-going management of large capital projects or programs. Each requires a unique skillset typically honed with years of experience. Align the two closely together and you can create a project driven, fiscally oriented, and metrics focused team to shepherd the successful deployment of capital to grow and sustain the company.

**Portfolio Champions** — Linking engineering and finance technologically is crucial and forms the foundation for their success. In other words, they need to be able to combine and communicate finance and engineering project data across disparate enterprise systems like accounting, supply chain, asset and project management applications. Then, working together, they can leverage that information (which is typically disconnected) in easy-to-understand terminology for each group to accurately plan, forecast and report their capital investment programs. Working
collaboratively with the right technology, can reduce portfolio costs, minimize investment risks, and speed project execution.

**Team Builders** — Because they’re essentially at the nexus of information that drives the success of the company, engineering and financial professionals can add significant value to their organizations, as well as those individuals with “boots on the ground.” By providing greater line-of-sight, heightened transparency, and just all-around better knowledge of the various initiatives, the finance and engineering leaders’ teams can gain insights into and be more adept at their jobs. Instead of building silos between the various teams, this collaborative approach breaks down barriers across all levels of their respective organizations. These two groups effectively alter the math to “1 + 1 = 3.”

Siloed roles and disconnected technology are holding companies back, while they try to string together the information with disparate spreadsheets. In asset-intensive companies where the roles of finance and engineering are critical to success, breaking down barriers – both big and small – has an outsized effect on corporate performance. To that end, bringing together these two roles and their teams, while supporting them with sound technology, presents an opportunity to achieve breakthrough performance.