



Top tips on how to become a 'connected CFO'

By Andrew Hicks, Chief Financial Officer, Advanced

In our recent white paper, 'The Connected CFO – a company's secret silver bullet?', we looked at how technology is changing the role of the CFO, freeing them from administrative day-to-day tasks and giving them the opportunity to drive digital transformation.

From my experience of the position at a number of different organisations, I can safely say that the role has certainly evolved and taken on new dimensions in recent years, requiring new skills and capabilities.

So, what do you need to do in order to capitalise on this opportunity and become a 'connected CFO'?

Say goodbye to manual, paper-based processes

Traditionally CFOs and their finance teams have been too bogged down by manual day-to-day tasks to spend time on higher-level, strategic activities. However, modern software solutions can automate many of the manual, paper-based processes that finance teams typically carry out, enabling organisations to become more efficient and streamlined.

Technology is also improving compliance, something that is increasing in importance as regulations multiply, as well as connecting different systems to enhance access to real-time, accurate information.

As the organisation's budget controllers, the finance team can use this technology to make decisions that improve processes, drive efficiencies and reduce costs. So as the remit of the CFO widens and becomes more tactical, they need to ensure that their own team is operating as efficiently as possible so that they are well equipped to embrace this new way of working.

Upskill yourself

If CFOs want to become digital pioneers and lead business change, they need more than just financial expertise. Technical skills will be core to the role in the coming years, as technology and finance become more closely intertwined and tasks that have traditionally sat with IT or administration teams, such as analysing big sets of data and information, fall into the realm of the CFO.

A recent survey by CFO Research found that 93% of senior finance executives in the US believe that the CFO of the future will need a much stronger technology skill set than at present.

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64% of respondents said they had taken action to upgrade their skills in the past year, while 80% said they planned to do so, showing that the vast majority recognise the importance of technology to their role. Are your IT skills up to scratch?

Embrace Analytics

New technology is creating huge volumes of data across business departments that can be difficult to manage and make sense of. At the same time, as the availability of data increases, businesses and investors are becoming hungrier for information.

As people who are used to dealing with numbers and data, CFOs, sitting at the intersection between financial and operational information, are ideally placed to lead the management of this data which supports more informed management decisions and provides stakeholders with the information and insight that they are demanding

In order to rise to this challenge, CFOs must embrace analytics technology which helps to visualise this data, interpret it and turn it into meaningful insights that can be used to inform business decisions. It is also important that data is connected and integrated across different departments and systems, so that there is what I like to call a single version of the truth.

Drive change across the board

The role of the CFO has historically been quite an isolated one, but with so much data at their fingertips, the 'connected CFO' is in a position to provide the rest of the board with meaningful and insightful data analysis, and act as a key adviser to the CEO. By doing so, they can elevate their own position on the board, and help to create a more collaborative, informed C-suite and a more connected business.

The modern CFO needs to be a strategic

business partner to the CEO and someone who they turn to and use as a sounding board. The CFO can also provide a link between financial numbers and the key operating metrics of the company, stimulating discussion and challenging other members of the C-suite.

Further to the point about upskilling, modern CFOs need to understand the other areas of the business if they are to take on a more strategic, end-to-end role. We are seeing more CFOs being promoted to CEOs as they play an increasing prominent part in driving business growth and development – proving that the digital era really does offer great opportunities to forward-thinking CFOs.

That is not to say that the roles of the CFO and CEO will merge it into one. The CEO should be the external face of the company, and the key spokesperson at the highest level. Successful CEOs are already spending time on wider business initiatives, and the proportion of their time acting as a CEO is only going to increase, enabling the boss to spend more time on those external-facing activities.

As businesses continue their journeys of digital transformation and look to take advantage of new technology and big data, the CFO has the opportunity to lead this change and become the key strategic adviser and digital decision-maker in the organisation.

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