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# DIGITAL BY DESIGN

Creating tomorrow's finance team today

#CFOReimagined

**CFOs have evolved for the post-digital age. It's time for their teams to follow suit. CHROs and CFOs should partner to create the finance function of the future.**



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Steve works with clients to help advance their business performance through innovative strategies, processes and change. He contributes to a regular *Forbes* blog and has authored extensively on the changing role of the CFO, and the digitalization of finance and risk. Steve is based in Chicago.



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# Introduction

**Look at the priorities of any chief financial officer (CFO) and you will see a commitment to building strong teams with the best people. But look at budget and you will likely see that investments in creating an agile, digitally-powered finance team are getting shortchanged.**

Accenture research, coupled with our client experience, shows that the role of the chief financial officer continues to evolve and extend. CFOs are now spending more time working across the enterprise to create new sources of value. They are also working closely with the CEO to communicate the financial health of the business to the Board of Directors and financial analysts. And to evaluate the priority, focus, scale, timing, and returns from transformational

digital investments across the enterprise. These priorities mean CFOs spend less time overseeing the processing, accounting and reporting of financial transactions.

Leading CFOs have deliberately architected this shift, with eight out of ten (81 percent) saying that identifying and targeting areas of new value across the business is a key CFO responsibility.<sup>1</sup>

It's no surprise, then, that many CFOs are investing in their own function to embrace digital capabilities at an increasing clip through automation, artificial intelligence (AI), and analytics to change the fundamental nature of work. But most lack a workforce ready to maximize the value of those tools and investments. This is akin to buying a high-end racecar while being limited to driving at city speeds.

# The finance organization reimaged

CFOs who invest in the creation of digitally savvy finance teams position their people to become true strategic partners to business leaders. Our analysis finds that finance can automate from 62 percent to 87 percent of today's transactional processes. In a post-digital world, these work routines can be performed with limited to no human intervention.<sup>2</sup> But this isn't a story about the mass elimination of work. It's a story of reinvention.

Rather than finance managers who can build a traditional forecast, companies need people who can help advise the business on where

to invest and why, who can utilize design thinking and negotiation skills to help gain consensus on new projects, and who can analyze data to help the business make better decisions on growth opportunities. These new and expanded services require enhanced capabilities such as data modeling, predictive analytics, strong business partnering, working capital optimization, and new business strategy and M&A. This creation of an intelligent finance organization, with more complex, nuanced roles that humans execute with the support of intelligent machines, will separate leaders from laggards in the near future. (See Figure 1).

But CFOs can't do it alone. They should be working even more closely with their chief human resources officer (CHRO). Together, they can create a truly future-forward finance capability: redefining roles, empowering workers with intelligent technologies, and developing and hiring people with new types of skills.

Unlocking value takes an approach that delivers the core skills of tomorrow's finance team, today—creating a "Human+" workforce<sup>3</sup> that employs humans and machines to drive more powerful business outcomes.

Figure 1.

# The post-digital finance organization: Work reimagined



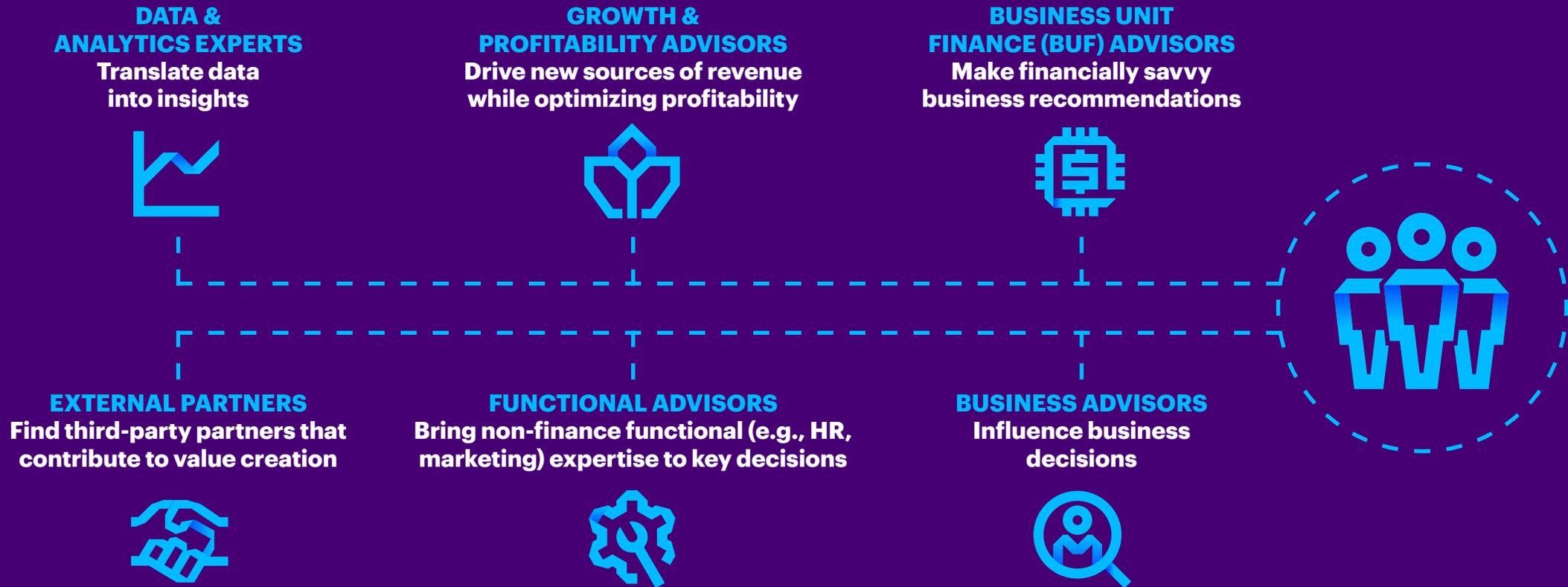
# Designing an intelligent finance function

As the nature of finance work changes, so does the makeup of the finance workforce. As Millennials and Gen Z become the majority of workers, they bring a desire for purpose-driven work; for a personalized, diverse employee experience; and for a collaborative workplace.<sup>4</sup> As CFOs reimagine their operating model, and the skills that fuel it, these needs should be top of mind.

In this new cross-functional model, finance teams become true advisors to the business, drawing upon core, agile pools of expertise. The new focus of finance shifts to provide strategic insight to fuel growth and profitability. The finance function of the future will team across the company's ecosystem to foster these goals, working with everyone from data and analytics experts to an increasing set of external partners. Teams group and re-group

in real-time to run advanced analytics on business challenges or to uncover trapped value in the enterprise. They build hypotheses, using data and analytics to prove or disprove them. Then they focus on high-impact recommendations to business leaders, to directly impact financial performance. Roles and competencies are completely redefined in this new way of working.

Here is how this more agile way of working could be realized at the average Fortune 1000 company:



**This is a very different way of working, and it is the future of work for finance professionals. CFOs and CHROs should work together to create a workforce strategy that supports the new finance operating model.**

## Finance professionals should not have an expiration date

The convergence of two forces—the changing nature of work and a changing workforce—demand a new workforce strategy and a new people strategy. A significant portion (43 percent) of executives report that more than 60 percent of their workforce will move into new roles within three years, requiring these workers to acquire substantial new skills due to the impact of technology.<sup>5</sup>

While dystopian views of machines taking over human jobs abound, they aren't accurate. Our research shows that workers are ready to embrace change. Almost nine out of 10 workers (87 percent) anticipate technology will improve their work experience in the next five years.<sup>6</sup> Two-thirds (67 percent) of workers consider it important to develop their own skills to work with intelligent machines. Millennials strongly support this view (75 percent), but even 56 percent of baby boomers do as well.<sup>7</sup> And 85 percent of workers would invest their free time to learn new skills.<sup>8</sup>

# 43%

**of business and IT executives report that more than 60 percent of their workforce will move into new roles within three years.**

# 67%

**or two-thirds of workers consider it important to develop their own skills to work with intelligent machines.**



Rather than marginalizing workers, the influx of technology brings a new level of empowerment and engagement. Finance professionals will be highly valued for uniquely human competencies like planning, analysis and data-based decision-making. In these nuanced areas, creating more time and space for humans' emotional intelligence, interpersonal skills, creativity and innovation can help their companies compete more effectively than ever.

The key to building these new competencies and behaviors is new skilling for the post-digital age. New personalized learning platforms and AI allow companies to scale learning and performance support in near real-time. CFOs should proactively invest in building skills like predictive analytics, scenario building and experimentation—all of which rely on humans augmented by new technologies and data-based insights—so their teams can thrive “in the new”.

# Unleashing your workforce potential

**A comprehensive workforce strategy will unleash new sources of value: greater speed and agility, the creation of more valuable strategic services for the business, and an engaged finance team that is focused on a common goal—elevating finance to be intelligence-led strategic advisors of growth and profitability across the enterprise.**

In a post-digital world every single finance role will change. New capabilities are essential. Key to an effective workforce strategy is deciding whether to build, buy, bot or borrow resources (see [Figure 2](#)). Most companies will use a combination of all four tactics to support their finance reinvention. But no matter what approach companies take, CFOs need to invest in new skilling. This shift in skills is certain and the time to invest is now. After all, the cost to hire new workers with sought-after skills averages at least two to four times the average cost of radical reskilling.<sup>9</sup>

Figure 2.

# Shaping your finance workforce: Build, buy, bot or borrow?

Enable (Build)	Recruit (Buy)	Automate (Bot)	Leverage (Borrow)
Even dramatic reskilling is more cost effective than recruiting, so this should be your focus to make your current workforce successful in the future	Recruit entry-level employees from beyond finance and accounting degrees	40-50 percent of traditional work today can be automated through the use of technology	Assess the skill you would like to leverage by answering the following questions:
Focus on reskilling through various options:	Offer an attractive career model with challenging work and flexibility to change	A thinner layer of human support should be used to train, maintain, and sustain	Do I have the scale to sustain the skill? Is the skill needed for the long term?
Formalized learning	Consider new recruiting methods to better target critical thinking and analysis skills for the future	Account and reconciliations	Can I build rapidly? Can I acquire fast enough?
Work shadowing Interactive challenges	Low-cost locations should be explored and can be used across the operating model	Workflows, approvals, and document routing	Do I need to leverage short term resources to help build long term skills for my team?
<b>~60%</b> of future roles	<b>~10%</b> in excess of current recruiting		<b>~30%</b> of future roles

# What pacesetters are doing today

**Investing in new skilling is a no-regrets move. Providing differentiated, intelligence-led services to business partners depends on investing early in a comprehensive transformation of the finance workforce. In the modern, intelligent finance function, people are at the core.**

**The only question is the pace and scope of the investment.**

## To begin, CFOs should work with CHROs to take these first three steps:



### Establish the vision and strategy for a modern intelligent finance function.

Finance is changing dramatically. This requires a new or refreshed vision of the function—a forward-looking, inspiring perspective of the new services provided and the elevated impact finance will have on the enterprise.



### Define the future view of work and workforce implications.

Translate your overarching vision to the design of finance work. Make a bold prediction about your automation and AI potential and envision a function that represents your post-digital ambition. Establish a future view of the workforce and partner with HR to understand workforce implications and opportunities.

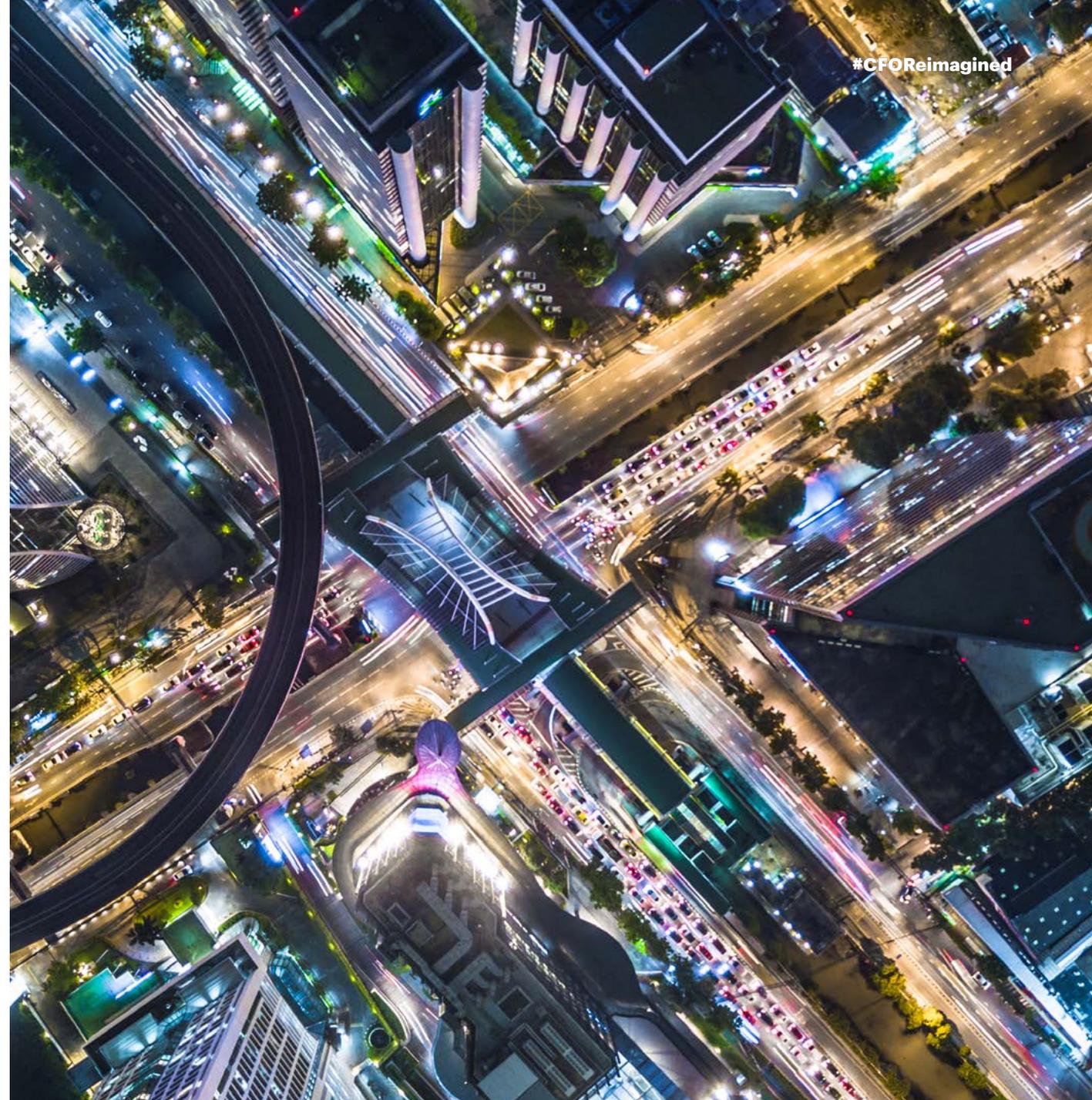


### Develop a future-proof competency model and people strategy.

Rewrite the competency model to reflect finance's new mandate. Create new job profiles and update existing job profiles—all roles will change. Using the build, buy, bot, borrow construct, define how you will transform the workforce.

- Invest in a comprehensive learning strategy to create digital fluency for all people. For highly impacted and new roles, create a comprehensive upskilling program.
- Create partnerships where needed to borrow talent in the short or long term to augment current capabilities.
- Define new recruiting strategies including new channels and skill profiles to fill the gaps and increase the breadth of skills.

**It's an exciting new era in finance, with major changes ahead. By diving in to help shape those changes, rather than simply reacting to them, leading CFOs are preparing their teams to thrive in a new era. Investing in the finance workforce is not only the right thing to do—it's key to fueling profitable growth.**



## Join the conversation

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## References

- 1** Accenture, “From bottom line to front line: The CFO reimaged”, 2018.
- 2** Daugherty, Paul and Wilson, James. (2018). *Human+Machine: Reimagining work in the age of AI*, Boston: Harvard Business Review Press.
- 3** Accenture, “From bottom line to front line: The CFO reimaged”, 2018.
- 4** Ibid.
- 5** Accenture Strategy, “GenZ Rising”, 2017.
- 6** Accenture, “The post-digital era is upon us. Are you ready for what’s next?”, 2019.
- 7** Accenture Strategy, “Harnessing the revolution”, 2018.
- 8** Accenture Strategy, “Reworking the revolution”, 2018.
- 9** Accenture Strategy, “Harnessing the revolution”, 2018.
- 10** Accenture Strategy, “Operate like a disruptor”, 2018.

## About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 492,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.

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## About the research

Our CFO Reimagined research is based on online surveys with more than 700 finance leaders from around the globe and more than 200 up-and-coming finance professionals (the “talent of the future”). We also conducted almost 50 qualitative interviews with CFOs, senior finance executives, CEOs and chief data officers. We selected interviewees on the basis that they worked for global, billion-dollar enterprises that reflected a good mix of sectors and geographies worldwide.

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