



# Harnessing Analytics to Support the Changing Role of the Modern CFO

The cover of the IDC SPOTLIGHT report features the IDC logo and the title 'SPOTLIGHT' in a bold, sans-serif font. Below the title, it says 'Sponsored by: PwC and Alteryx'. The main headline is 'Harnessing Analytics to Support the Changing Role of the Modern CFO' in a blue, italicized font. The date 'May 2022' and the author 'Written by: Kevin Permenter, Research Director' are also visible. The background of the cover is a light blue grid pattern.

The past 24 months have highlighted the need for a tighter marriage between data analytics and financial operations. The emphasis among financial leaders has shifted toward transparency and shortening the time between transaction and decision.

### Harnessing Analytics to Support the Changing Role of the Modern CFO

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#### Introduction

The previous 24 months have seen a series of historic disruptions at a global level. The disruptions have varied from geopolitical unrest and pandemic-related shutdowns to supply chain breakdowns and more. Their unprecedented nature has reshaped the role of the CFO forever. According to discussions with financial leaders, the pandemic, for example, has greatly accelerated the pace of business and placed an even higher level of importance on digital transformation. In a recent IDC survey, over 70% of businesses stated that the disruptions caused by the pandemic highlighted the need to shift to a digital-first strategy.

In the past, CFOs focused heavily on cost reduction, risk management, and business process optimization. While those things still matter, the continued pandemic and other disruptions have forced changes to the role of the CFO. Today's CFO must be a business enabler supporting and funding new products and services as well as essential business development requests. CFOs must also be highly focused on business agility, adjusting and readjusting forecasts and budgets rapidly based on market conditions. The role of the modern CFO is more forward facing, more data driven, and more strategic than at any other time in history.

However, the foundational tools of the office are very often ill-suited to accommodate this shift. Legacy applications, which populate many larger companies, don't have the flexibility, automation capability, or business intelligence features needed to support today's CFO. Legacy applications can limit the CFO's ability to make data-driven decisions at the speed of business and across the scale of the entire business. As such, the need for a new breed of digital, insight-driven tools is critical.

#### CFO's New Skill Set: Analytics

Financial leaders find themselves facing massive streams of business-critical data that must be sifted through rapidly. The role and skill set of CFOs must therefore evolve to include more data science and data management. CFOs must be able to look at financial data and find strategic trends and glean insights that will impact key performance indicators for the business. Analytics and data management skills are often not native within the office of the CFO. This has necessitated a deeper connection between the office of the CFO and the IT team. Going forward, the separation

#### AT A GLANCE

##### KEY STATS

- 74% of companies surveyed cited using technology to attain contextualized data as it relates to financial operations as an important area of focus in the coming year.
- 70% of companies surveyed cited using technology to achieve real-time decision making as it relates to financial operations as an important area of focus in the coming year.

COVID-19 has put even more pressure on finance and accounting teams to execute digital transformation efforts-making it a priority for many organizations. Is it one of your main goals too?

If so, inform your choices with insights from the IDC Survey Spotlight highlighting:

- Which areas of finance companies are focusing their digital transformation efforts
- Use cases for how companies are leveraging advanced technologies.
- Predictions IDC has for finance digital transformation Initiatives.

See what 14 finance and accounting business process outsourcing (BPO) service providers shared with the IDC. Get the IDC Survey Spotlight.

"41% of services delivered today are for procure to pay."

IDC Survey Spotlight: Finance and Accounting Digital Transformation Use Cases.