

Finance Priorities in the COVID Era: Digital Dominance and Flexible Labor Models

Executive Summary: Australia

Protiviti 2020 Finance Trends Report

It has been a year like no other. COVID-19 has significantly disrupted businesses across the Australian landscape, and the finance function has not escaped unscathed.

Financial reporting has been seriously disrupted, data security jeopardised, office shutdowns have hindered third-party providers, supply chain snafus have proliferated, and business process outsourcing has often been thrown into disarray. And amid all these challenges, most finance team members have had to transition to remote working.

Early in the pandemic, CFOs and finance leaders were called upon to make fundamental strategic decisions with their C-suite colleagues to enable organisations to continue to operate. There was no time to move existing strategic priorities to the backburner. This has had major consequences for the expectations of internal customers – let alone plans to strengthen data security, analytics, cloud applications, or other business improvements. All these issues have had to be addressed while managing the inevitable crisis-related responses elevated by the economic impacts of the pandemic.

The leadership of banks and financial services companies has been tested like never before. It is unsurprising that this survey places leadership as the number one staff skill that financial organisations will have to focus on over the next 12 months. It ranks number one both in Australia and globally.

Leadership is particularly relevant given that the majority of staff are working remotely. This is a time of rapid organisational change and most companies have experienced significant disruption, which has challenged existing business models and, in many cases, financial viability.

Australian respondents said changing customer demands and expectations were the most important finance priorities – whereas global respondents were more inclined to prioritise cloud-based applications that support finance.

With an increased number of staff working from home, 35% of Australian respondents said their level of concern had increased when it came to utilising existing security measures to protect finance-related data security and privacy issues. A further 23% said it had significantly increased. Only 3% of Australian respondents said their level of concern was the same (interestingly, significantly lower than the 8% who said this globally).

According to Willis Towers Watson’s latest cyber claims data, 63% of cyber incidents are caused directly by employees through accidental disclosure, social engineering scams, inadvertent ransomware infection, and even malicious intentional behaviour. The lack of direct physical oversight over remote employees only compounds these problems.

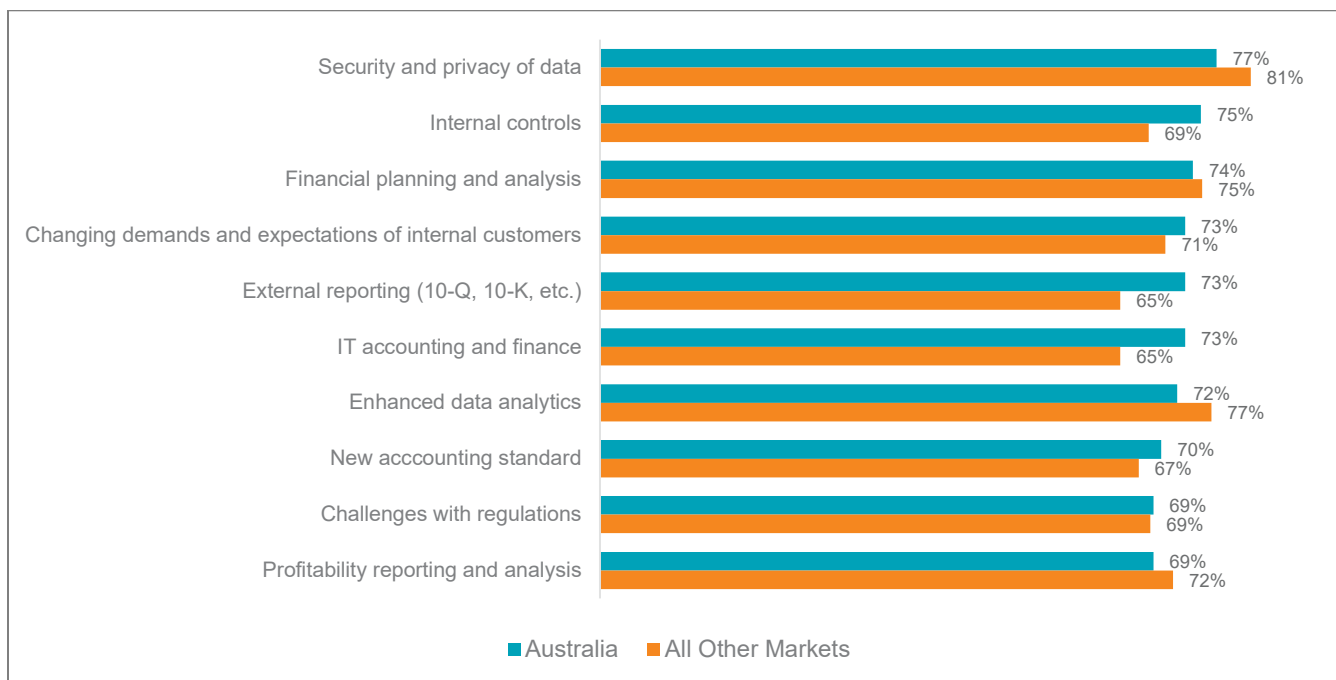
There has no doubt been significant challenges for finance functions in the work from home environment. In particular they have stated that challenges in preparing reliable financial reports and statements under required timelines has been significantly impacted, which is exacerbated by additional challenges in reporting on the impacts of COVID-19 and changes in reporting standards.

Looking ahead, more than half of all Australian CFOs and finance leaders are planning on hiring new permanent employees in next six months: 32% in the next 3-6 months, and 22% in the next three months.

With temporary employees and contractors, 42% of CFOs and finance leaders are planning to hire in the next 1-3 months. This may be heavily skewed in Victoria, where lockdowns remain a substantial impediment to restarting the economy.

In the short term, finance organisations may look more towards short-term fixed contracts. However, any further lockdowns are likely to impact the confidence of finance leaders when it comes to filling these kinds of roles.

Top 10 Overall Priorities: Australia vs All Other Markets



Download the full report [here](#).

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