2023 GLOBAL FINANCE TRENDS SURVEY REPORT

ACCELERATE

Assessing CFO and finance leader perspectives and priorities for the coming year

protiviti®
Global Business Consulting

Contents

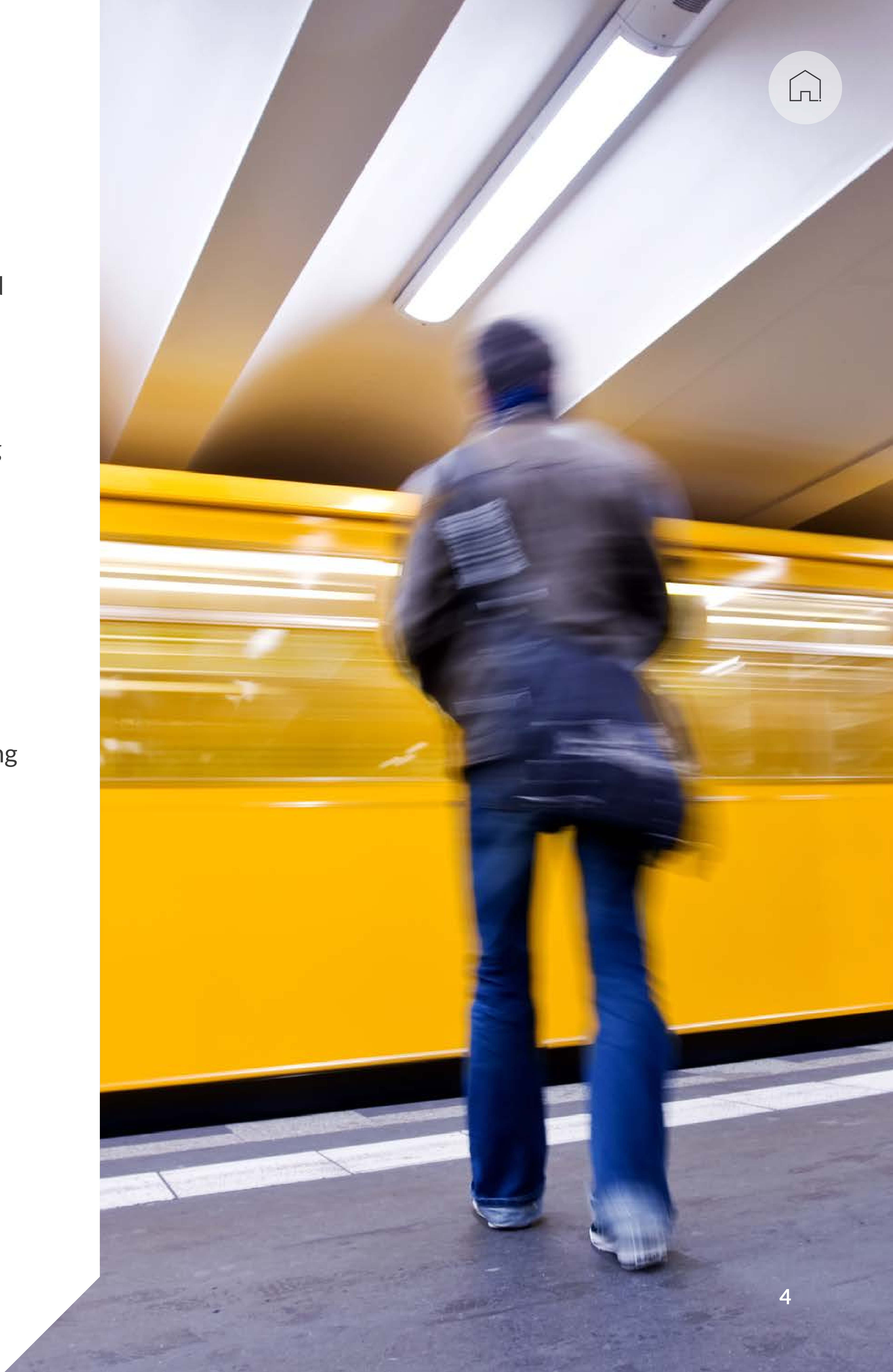
Executive summary and key findings

CFOs are marshaling all of the talent, technology and data resources within their reach to address a growing list of priorities while driving strategy in the C-suite and meeting new expectations in the boardroom.

The volume of CFO priorities has increased for years. In the past 12 months, the intensity of these urgencies also spiked, forcing finance leaders to make higher-stakes decisions more quickly and implement major adjustments with far-reaching implications. Shareholders and boards press CEOs and CFOs to increase profitability in an uncertain economic environment. Governments and regulators worldwide continue to churn out new requirements related to environmental, social and governance (ESG); cybersecurity; financial reporting; artificial intelligence (AI); and more. A risk-laden trade war continues to escalate as the U.S. and China issue successive rounds of export controls and sanctions that foist new restrictions on tech companies, defense contractors and, increasingly, other industries. At the same time, generative AI and other advanced technologies continue to introduce new organizational dynamics and new questions for CFOs to address.

Results from our latest Global Finance Trends Survey[1] show that CFOs recognize the volume and magnitude of the challenges bearing down on them and their finance groups, with ESG requirements leading the way. To address this pressure, CFOs and finance leaders are marshaling all of the resources at their disposal — finance talent and expertise within their groups and among external partners, ecosystem tools and automation, and collaborative relationships with other business and functional leaders throughout the company — to devise innovative responses to complex challenges. These relationships are mutually beneficial given the rest of the organization's growing appetite for foundational finance knowledge.

For example, leading CFOs help CIOs reduce the organization's technical debt, inject rigor and control into ESG and other critical financial and non-financial data and programs subjected to new reporting requirements and demands, collaborate with CHROs on new talent strategies and forecasts, and assist operational leaders with transforming price-centric supply chain models into resilient drivers of revenue. Thriving in this diverse role requires the CFO to optimize automation, talent management, and financial planning and analysis (FP&A) within the finance organization.



[1] A note about our survey respondent base: This year's respondents to our Global Finance Trends Survey include a significantly higher representation of publicly held organizations compared with last year's study. Similarly, relative to our 2022 study, this year's survey sample includes a higher proportion of large organizations and a smaller proportion of CFO and VP Finance respondents as well as respondents from the financial services industry. Some of the year-over-year differences in the results may be explained by this mix of survey participants.

Top overall finance priorities

- ESG metrics and measurement
- Impact of inflation
- Financial planning and analysis
- Profitability reporting and analysis
- Security and privacy of data
- Strategic planning
- Enhanced data analytics
- National tax changes
- Cloud-based applications
- Routine reporting and closing activities

We encourage you to delve into our survey findings, from the top finance priorities as rated by your peers around the world to perspectives on how CFOs are focusing on generative AI, new ESG reporting requirements and other complex issues that go beyond finance and accounting. We're confident you will come away with new ideas and practices to put through their paces in your finance organization.

Key findings

01 ESG is the top priority

ESG has been rising as an area of importance for finance organizations over the past few years — still, it is eye-opening to find ESG metrics and measurement sitting atop the priority list for CFOs and finance leaders and teams for the next 12 months. Three out of five organizations (60%) indicate a substantial increase in the focus and frequency of their reporting related to ESG issues (on top of increases already noted in the past few years), and there is a notable jump in finance groups in which measuring and reporting on ESG risks and issues is becoming part of their role.

02 The impact of inflation looms large

Not surprisingly, inflation sits near the top of the priority list for finance organizations, although it appears to be of slightly less concern to CFOs and finance leaders compared with the views of other finance professionals.

03 A majority of finance organizations are diving into generative AI

Activities in which generative AI is being employed most frequently include compliance and regulatory reporting, and risk assessment and management.

04 Business planning and analysis (BP&A) measures are being employed in full force

The impact of inflation, FP&A, profitability reporting and analysis, strategic planning, and enhanced data analytics (collectively, BP&A) are among the highest-ranked priorities for CFOs and finance teams in the coming year, reinforcing efforts underway throughout 2023 to optimize costs and planning amid inflationary trends and an uncertain global economy. More than technology improvement or risk management, BP&A-related areas stand out as top finance areas to address.

05 Talent and skills acquisition remain significant concerns

For half of all CFOs, the ability to recruit qualified candidates represents a key area of concern. A similar challenge falls just behind it: replacing employees who leave the organization. Understandably, there are notable year-over-year increases in plans for individual career growth and upskilling as well as a commitment to individual promotion tracks.

Top priorities for CFOs and finance leaders

ESG, inflation, BP&A activities, and security and privacy stand out as key areas of focus.

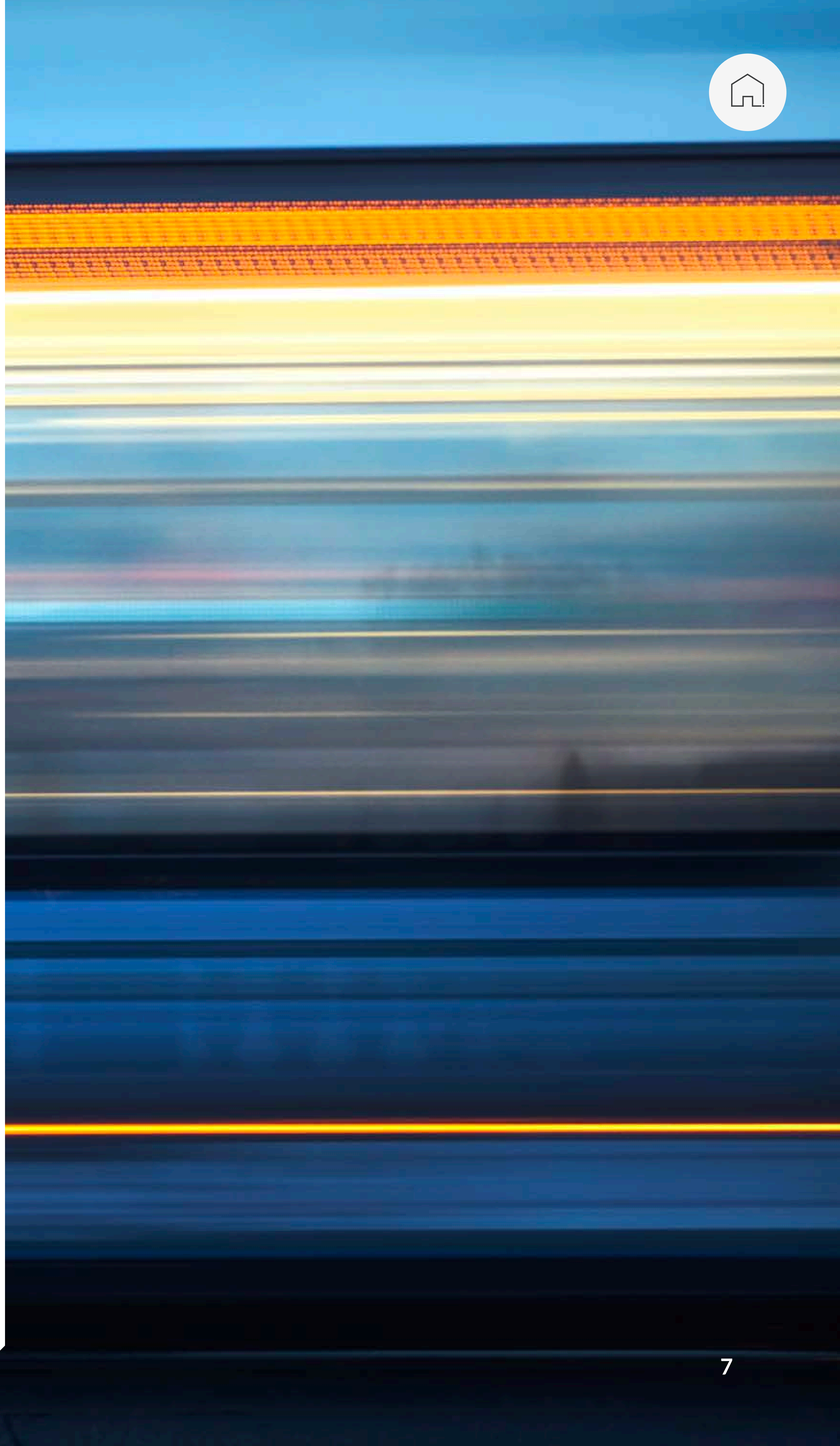
Notable observations

- ESG stands out as the highest priority for the finance organization to address over the next 12 months. Of note, there is little difference in the views among publicly and privately held organizations, even though the former must address a greater number of ESG-related regulatory requirements globally, including the Corporate Social Responsibility Directive (CSRD) in the European Union (EU) and, as expected soon from the U.S. Securities and Exchange Commission (SEC), climate impact reporting requirements for U.S. public reporting companies. This suggests that the universe of stakeholders (lenders, vendors, customers, employees and investor shareholders) in need of ESG data is pressing on private and public companies with similar urgency.

- The impact of inflation continues to weigh heavily on finance teams as well, though CFOs and finance VPs appear to be somewhat less concerned about inflationary trends relative to other finance professionals.

- Interestingly, automation (defined in our study as “use of software tools that function as a virtual workforce, managed by business operations teams”) falls at the bottom of the list of priorities. This may be due to a combination of financial, technical, and skill- and talent-related reasons. While tools like robotic process automation (RPA) are quite powerful, these results may reflect that they either are being leveraged at a mature state (and thus are not important priorities to address) or do not fully address the finance organization’s complex and evolving needs. For example, integration challenges with existing systems or processes, as well as data governance challenges, are common — combined with platform governance and maintenance considerations, this could discourage their use. Long-term, compared with tools such as RPA, it’s likely that AI, including generative AI, and machine learning (ML) will play a more prominent role in driving productivity and performance in the finance organization.

- Security and privacy of data continues to be a highly rated area of focus. This likely will continue or even increase in priority in the coming year considering, among other requirements, the SEC’s updated rules on cybersecurity risk management, strategy, governance and incident reporting by public companies.[2]



[2] “SEC Cybersecurity Disclosure Enhancements: Efforts to Boost Investor Confidence,” Protiviti Flash Report, August 2, 2023: www.protiviti.com/us-en/flash-report/sec-cybersecurity-disclosure-enhancements-efforts-boost-investor-confidence.

Finance areas assessed in survey — full definitions

Automation — Use of software tools that function as a virtual workforce, managed by business operations teams.

Blockchain/smart contracts — Accepting or paying, or using.

Challenges with regulations — Challenges as a result of any current or proposed regulatory requirements that may impact financial statements and/or operations.

Changing demands and expectations of internal customers — Internal requests might include enhanced dashboards for reporting, access to data when mobile, direct access to interrogate data, dynamic reports, immediate access to data.

Cloud-based applications — Use of cloud-based software, platforms or infrastructure to support the finance function.

Enhanced data analytics — Data insights, or the process of analyzing, cleansing, transforming, mining, profiling and modeling data, including through the use of artificial intelligence.

Environmental, social and governance (ESG) metrics and measurement — Understanding how the organization is measuring, monitoring, and reporting on ESG risks and issues.

Financial planning and analysis — Accessing and leveraging a broad range of data, from internal and external sources, to generate high-quality analyses.

Global mobility — Desire of organization to develop a remote, collaborative and global workforce that is mobile, dynamic and comprises multigenerations of employees.

Impact of inflation — Working capital, credit risks, pricing strategies, workforce risks, scenario planning, supply chain management, economic uncertainty.

Leadership (within your organization) — Mentoring and supporting managers and staff; championing the organization's vision and strategy.

Mobile finance applications — Mobile applications that create and enable business process experiences for finance leaders. Examples include entry and approval of time-sensitive data — expense entry/approval, invoice approval, and more.

National tax changes — Changes to the federal income tax roles and rates, including areas such as inflation rate measure, capital gains tax, corporate taxes and revenue impact.

New or impending accounting and disclosure requirements — Examples include cryptocurrency accounting and EU CSRD sustainability reporting.

Outsourcing non-core activities — Current shift in the industry where organizations are moving non-core operations and activities to third-party providers.

Process improvement — Use of cutting-edge technology and digital advances to radically improve business processes, performance or reach of enterprises.

Process mining — Use of event logs from enterprise systems to visually map out all of the steps and permutations an activity can take to complete a process.

Profitability reporting and analysis — Providing increasingly real-time data and insights on performance and forecasts of products and services.

Routine reporting and closing activities — Quarterly and year-end reporting.

Security and privacy of data — Enhancing controls to safeguard data held in finance systems.

Strategic planning — Supporting the organization's short- and long-term strategic plans with data and insights.

The changing roles of human resources, leadership and development, and recruiting — Industry trend where HR, L&D and recruiting are becoming more integrated into the operational effectiveness of the organization.

Transaction planning and readiness — M&A, divestiture, IPO, carve-out, debt refinancing, recapitalization.

Virtual currencies — Emergence and adoption of crypto-currencies in the technology and ecommerce environment.

Top finance priorities*

(Shown: All responses)

2023 rank	Area	2023	2022 rank
1	ESG metrics and measurement	7.6	14
2	Impact of inflation	7.2	6
3	Financial planning and analysis	7.0	2
4	Profitability reporting and analysis	6.9	7
5	Security and privacy of data	6.9	1
6	Strategic planning	6.9	3
7	Enhanced data analytics	6.8	9
8	National tax changes	6.7	18
9	Cloud-based applications	6.7	4
10	Routine reporting and closing activities	6.7	8
11	Process improvement	6.6	12
12	Mobile finance applications	6.6	22

2023 rank	Area	2023	2022 rank
13	The changing roles of human resources, leadership and development, and recruiting	6.6	17
14	Challenges with regulations	6.5	13
15	Changing demands and expectations of internal customers	6.5	11
16	Transaction planning and readiness	6.5	15
17	Global mobility	6.3	21
18	New or impending accounting and disclosure requirements	6.3	20
19	Virtual currencies	6.0	24
20	Process mining	6.0	19
21	Blockchain/smart contracts	6.0	16
22	Outsourcing non-core activities	5.9	23
23	Leadership (within your organization)	5.7	5
24	Automation	5.6	10

* These rankings accurately reflect the full averages for each risk issue, despite the appearance of some virtual ties.

Question: *Please rate the following areas based on a 10-point scale, where "1" reflects the lowest priority and "10" reflects the highest priority for the finance function to improve its knowledge and capabilities over the next 12 months.*

Top finance priorities*

(Shown: CFO/VP Finance responses)

2023 rank	Area	2023	2022 rank
1	ESG metrics and measurement	7.4	11
2	Financial planning and analysis	7.1	2
3	Profitability reporting and analysis	6.9	4
4	Strategic planning	6.9	7
5	Impact of inflation	6.9	5
6	Security and privacy of data	6.9	1
7	Enhanced data analytics	6.8	10
8	Routine reporting and closing activities	6.7	15
9	Cloud-based applications	6.6	6
10	Mobile finance applications	6.6	22
11	Process improvement	6.6	19
12	National tax changes	6.5	20
13	The changing roles of human resources, leadership and development, and recruiting	6.4	16
14	Challenges with regulations	6.4	18
15	Changing demands and expectations of internal customers	6.4	14
16	Transaction planning and readiness	6.2	12
17	New or impending accounting and disclosure requirements	6.2	17
18	Global mobility	6.1	21
19	Process mining	6.1	13
20	Leadership (within your organization)	5.8	3
21	Outsourcing non-core activities	5.7	23
22	Blockchain/smart contracts	5.5	9
23	Virtual currencies	5.4	24
24	Automation	5.4	8

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Question: *Please rate the following areas based on a 10-point scale, where "1" reflects the lowest priority and "10" reflects the highest priority for the finance function to improve its knowledge and capabilities over the next 12 months.*

ESG enters a new era

As regulators, legislators, shareholders, trading partners and employees increase their scrutiny of organizational ESG reporting, metrics and overall performance, it's time for CFOs to take — and implement — more control.

With emerging regulations, reporting and tax requirements, stakeholder demands, and public scrutiny driving ESG risks and uncertainty, leading CFOs are asserting more control over organizational ESG programs. Finance leaders are also driving the maturity of these programs by introducing more internal controls, data management and reporting discipline, and cross-functional collaboration to ESG matters. These are among the many reasons why both public and private company CFOs and finance leaders and professionals rank ESG metrics and measurement as their top priority to address in the coming year.

Yes, ESG has its share of critics. In the past year, some ESG initiatives experienced increased financial pressure as CEOs and investors focused more sharply on shorter-term risk-reward balance in the face of economic and geopolitical headwinds. At the same time, however, global policymakers and regulators have accelerated their rules-making and enforcement activities.[3] The EU's CSRD took effect at the beginning of 2023. Some 50,000 companies around the world are subject to CSRD rules, which require a major compliance undertaking. The SEC is poised to introduce its long-awaited climate disclosure requirements by the end of 2023. Of note, even without this requirement, the Center for Audit Quality reports that 99% of S&P 500 companies disclosed some level of ESG-related information for periods ending in 2021.[4]

Beyond these rules, global governments and tax jurisdictions are busy enacting ESG-related requirements, taxes and incentives.

- The EU's Fit for 55 package contains more than a dozen initiatives designed to cut greenhouse gas (GHG) emissions in Europe by 55% or more by 2030.
- The EU's Carbon Border Adjustment Mechanism (CBAM) reporting requirements took effect in January; CBAM's new carbon tax on imports of products made from processes deemed not to be environmentally sustainable takes effect in 2026.
- The Inflation Reduction Act in the United States provides a mix of new (or reinstated) taxes and fees along with a lucrative collection of incentives designed to promote renewable energy and decreases in GHG levels.

Both public and private company CFOs and finance leaders and professionals rank ESG metrics and measurement as their top priority to address in the coming year.

[3] "Regulations and Demand for Accountability Set the Tone for the Future of ESG Disclosures," Zachary Unger, The Protiviti View, May 16, 2023: https://blog.protiviti.com/2023/05/16/regulations-and-demand-for-accountability-set-the-tone-for-the-future-of-esg-disclosures/.

[4] "S&P 500 ESG Reporting and Assurance Analysis," Center for Audit Quality, June 2023: www.thecaq.org/sp-500-and-esg-reporting#.

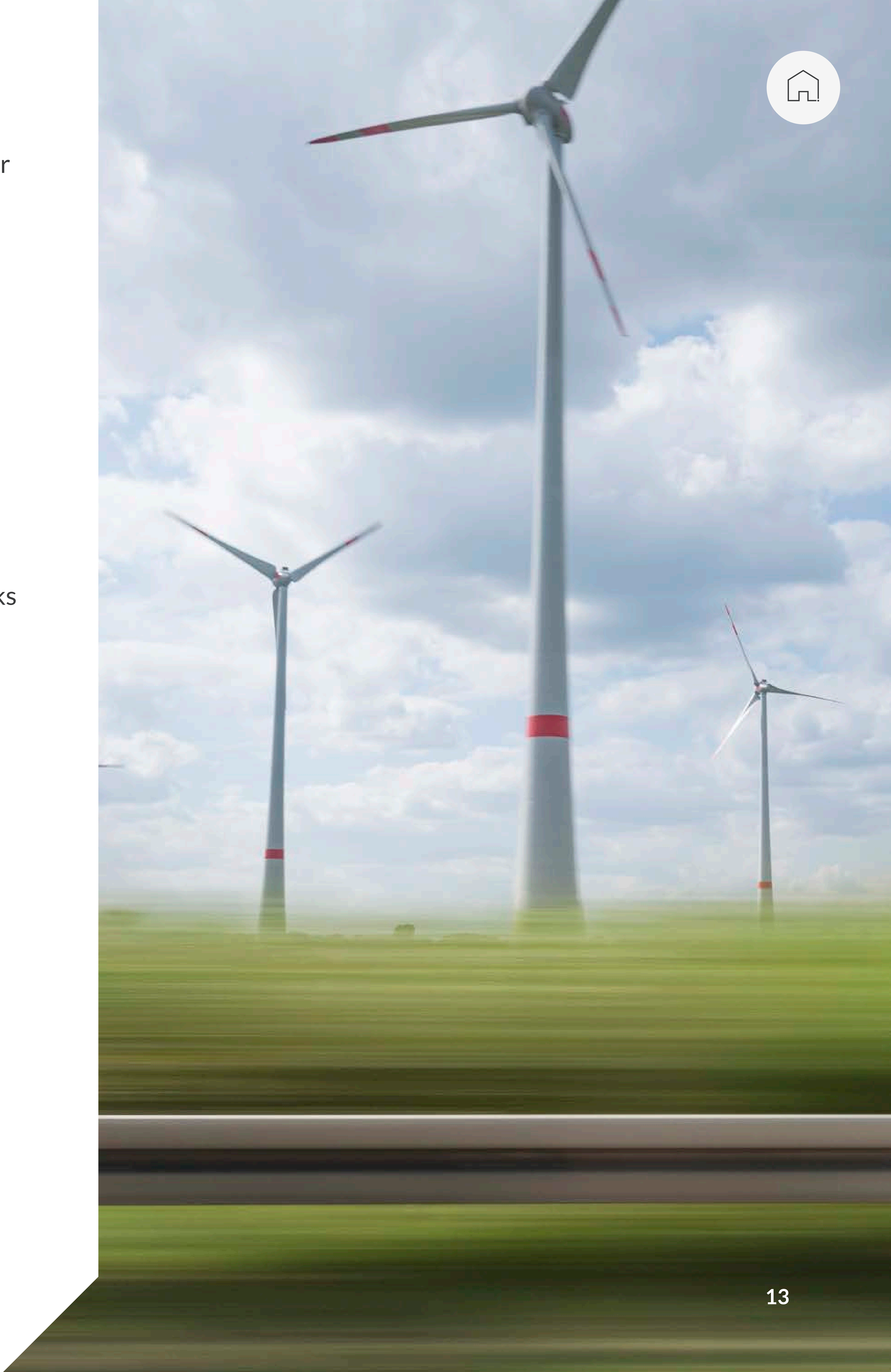
As a result of these and other ESG incentives, taxes and business requirements, finance organizations, including financial and strategic planning as well as tax groups, must deepen their involvement in ESG programs and data governance and management while introducing greater reporting rigor.

Leading CFOs are fostering new and more cross-functional collaboration and training on ESG matters. As just a few examples, technology functions should be aware of opportunities to incorporate more sustainability into cloud computing engineering, architecture and operational processes. Supply chain teams may need support with sustainable sourcing strategies. Business-to-business partnerships may require the organization to publish an ESG report periodically, addressing such issues as the organization's carbon footprint. CFOs and CHROs will want to align on human capital disclosure requirements in the EU, United States and elsewhere.

In response to rising demand for quality ESG metrics and reporting, leading CFOs:

- **Strike the right balance among competing ESG priorities —** CFOs give the rising cost of capital due consideration when evaluating and prioritizing ESG initiatives. They are equally mindful of regulatory and stakeholder interests, viewing ESG considerations the same way everything else involving allocation of capital and the future is viewed. For example, what is the strategic opportunity, what are the risks and how is return on capital measured?
- **Treat ESG as a fiduciary responsibility —** ESG-savvy CFOs recognize that ESG addresses more than climate change and reporting; they embrace ESG — all three "letters" of the acronym — through the wide lens of a leader's fiduciary responsibility to ensure the long-term viability and well-being of the company by addressing the opportunities and risks posed by relevant ESG matters.
- **Integrate ESG into enterprise risk management —** Leading CFOs view sustainability as a compendium of risks to the organization (e.g., climate change, talent retention, succession, supply chain, DEI, workforce planning, cyber, and board composition and culture, to name a few) that tie back to the "E," "S" and "G" in ESG. Finance leaders add these risks to the scope of enterprise risk assessments and integrate them into strategy-setting, performance management and, if needed, periodic reporting to the executive team and board.

Finally, finance leaders who guide and shape high-performing ESG programs also establish accountability for results while finding new ways to ensure the accuracy, efficacy and relevance of ESG data that resides outside their immediate span of control.



Key action items for CFOs and finance leaders

Recognize that the procession of new and emerging global ESG reporting regulations, together with growing requirements among major companies to have their vendors report on ESG impacts such as carbon footprints, require a level of reporting that far exceeds the voluntary disclosures many companies have been issuing to their stakeholder groups. In lieu of a single annual ESG or sustainability report, more organizations may soon elect to issue shorter, individualized reports on specific ESG or broader sustainability matters on a quarterly or more frequent basis.

Keep in mind that thousands of companies and subsidiaries headquartered outside of the EU are subject to the CSRD due to having operations in the EU, which requires a decidedly comprehensive compliance response.

Understand that ESG disclosures (under CSRD, forthcoming SEC climate reporting rules and similar requirements) must ultimately be auditable and attested — and therefore require the finance group's data governance and financial reporting expertise (and the finance team can now leverage the COSO 2013 principles previously applicable solely to internal control over *financial* reporting).[5] Potential new ESG- and sustainability-related disclosures and other developments that may emerge down the road further underscore the importance of effective data management and a regimented, disciplined approach to reporting.

Establish, test and monitor internal controls over ESG data gathering and reporting activities.

Build internal and external partnerships when establishing an ESG reporting function; external service providers, data vendors and research groups can help with data gathering and structural work, while internal collaborations among finance, tax, legal, HR, ESG, operations, internal audit and other teams are crucial to satisfying comprehensive reporting requirements.

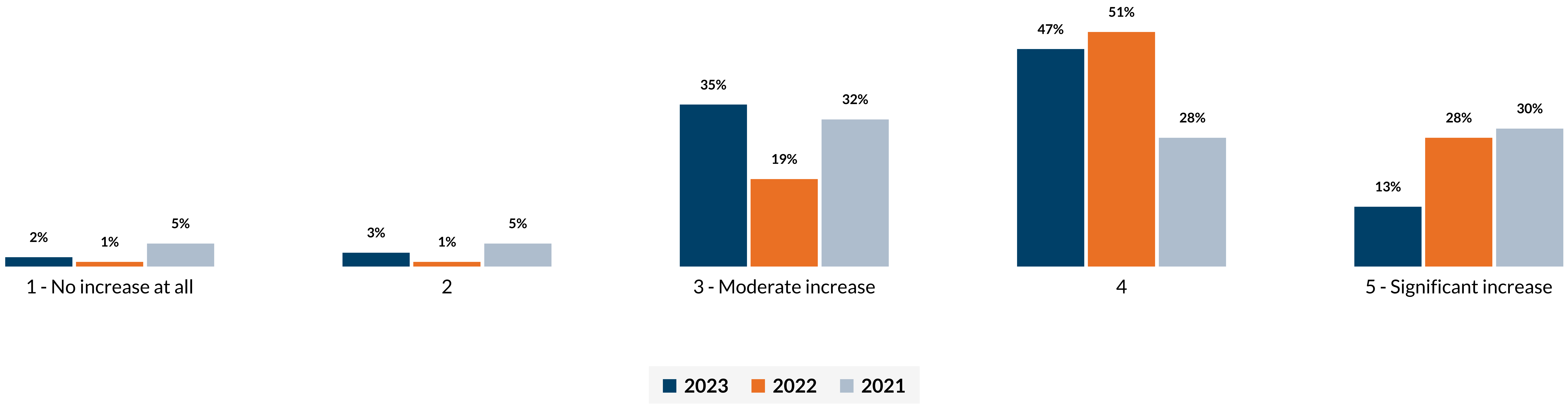
45%

Organizations investing in new technology to assist with measuring and reporting on ESG risks and issues

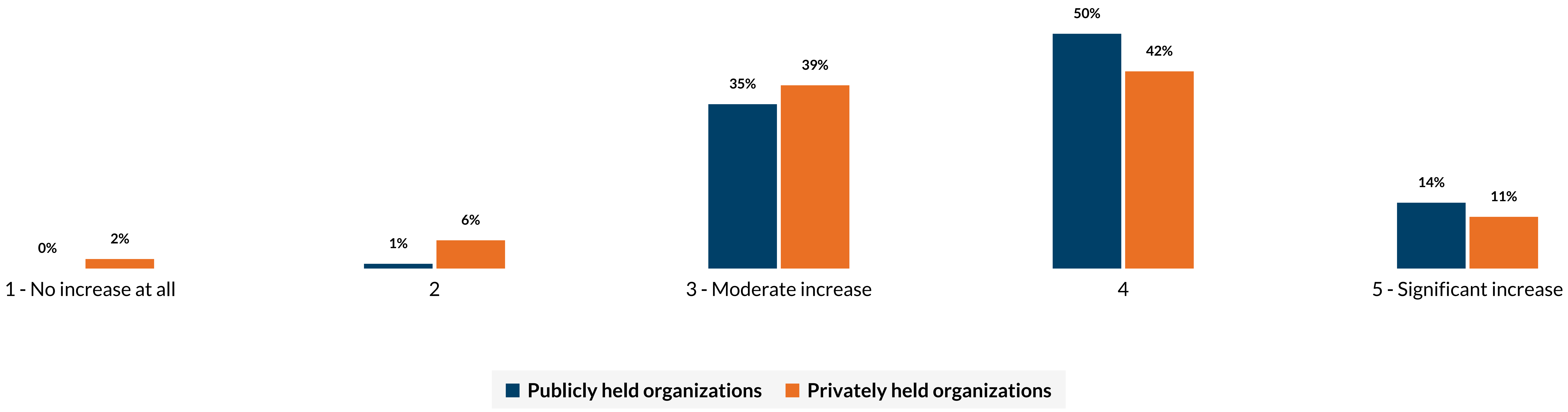
[5] For additional information, read Protiviti's white paper, *Regulations and Demand for Accountability Set the Tone for the Future of ESG Disclosures*, available at www.protiviti.com/us-en/whitepaper/regulations-and-demand-accountability.

To what extent, if at all, is your organization increasing the focus and frequency of its reporting related to ESG issues?

(Shown: CFO/VP Finance responses)

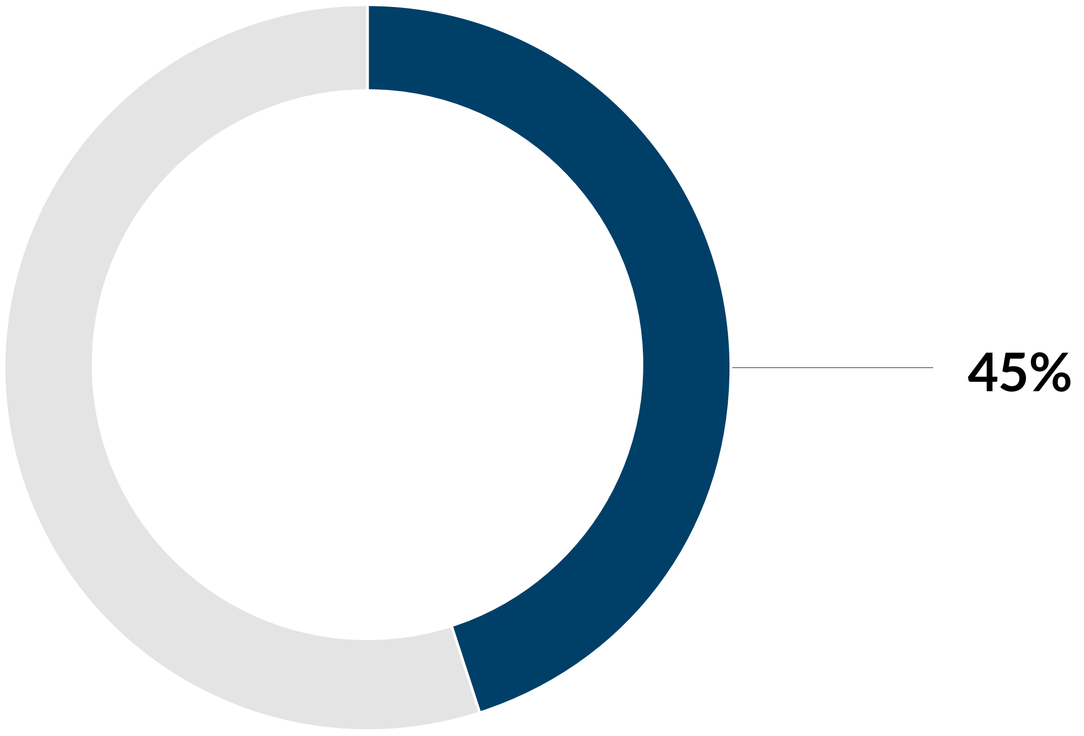


To what extent, if at all, is your organization increasing the focus and frequency of its reporting related to ESG issues?

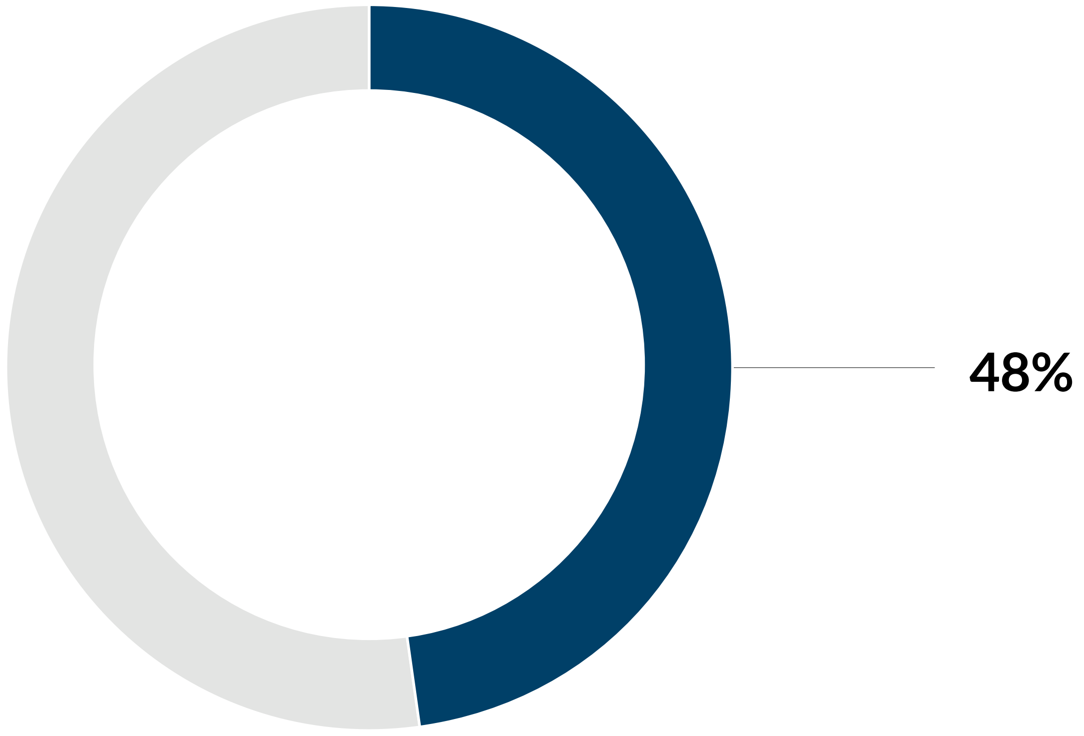


Is your organization investing in new technology to assist with measuring and reporting on ESG risks and issues?

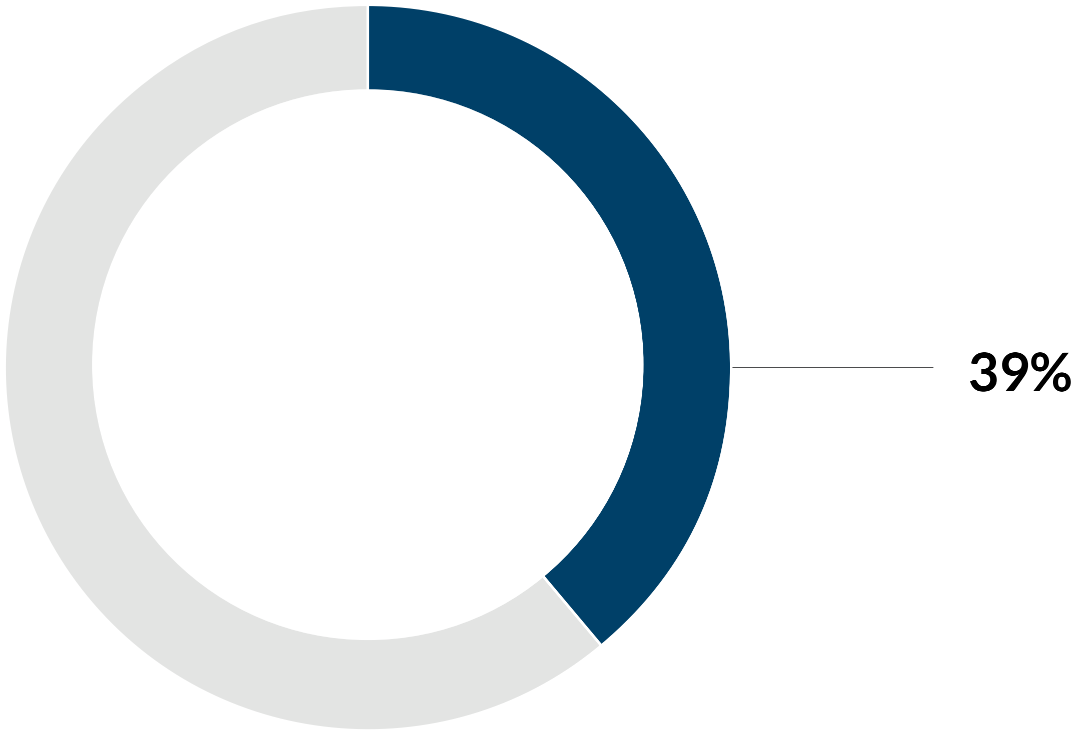
All responses
(Shown: "Yes" responses)



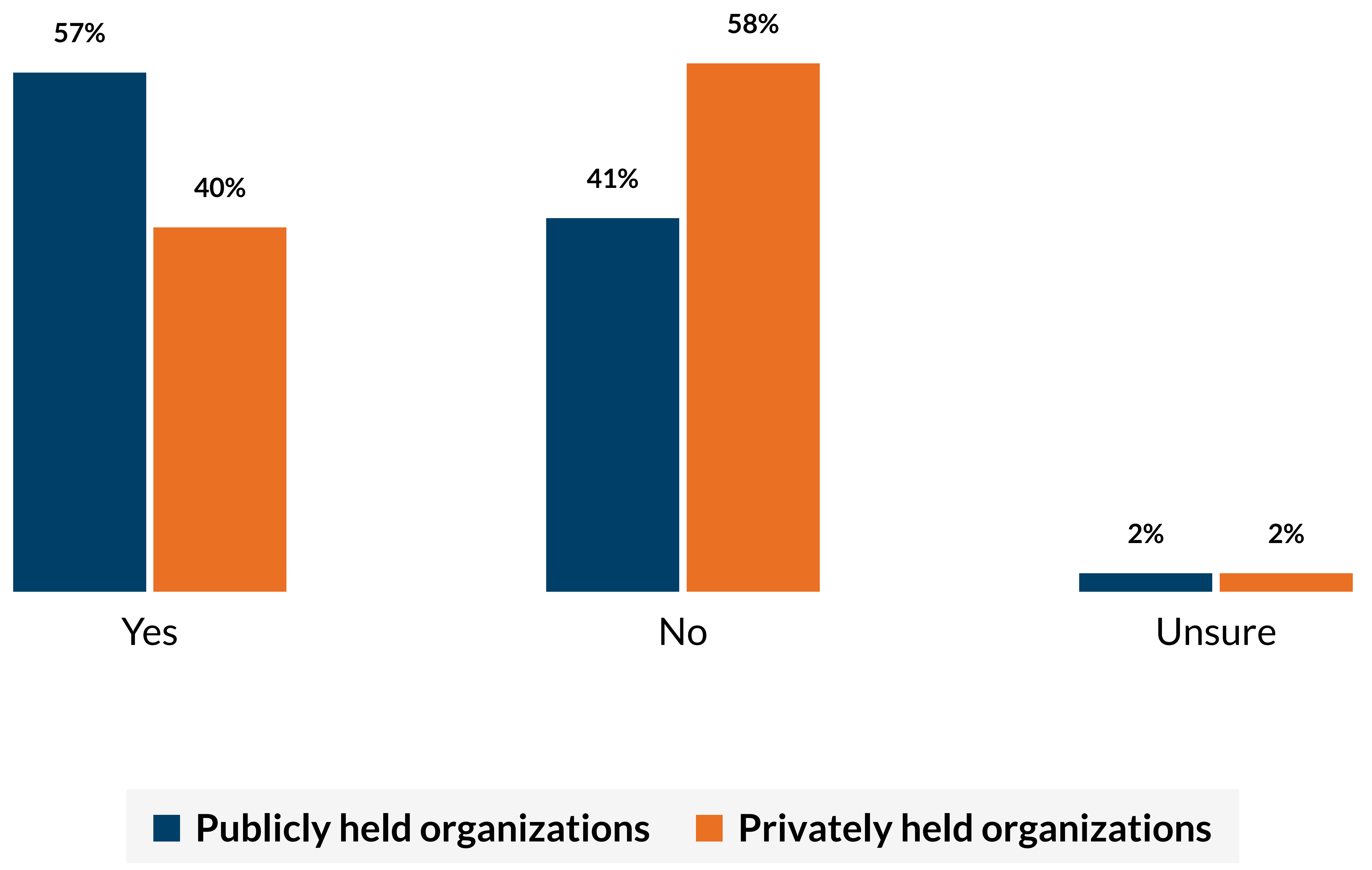
Publicly held organizations
(Shown: "Yes" responses)



Privately held organizations
(Shown: "Yes" responses)



Has measuring/reporting on ESG risk and issues become part of your finance team's role in the last year?



How often does your organization currently report on ESG risks and issues, either through required public reporting or through voluntary reporting or disclosures?

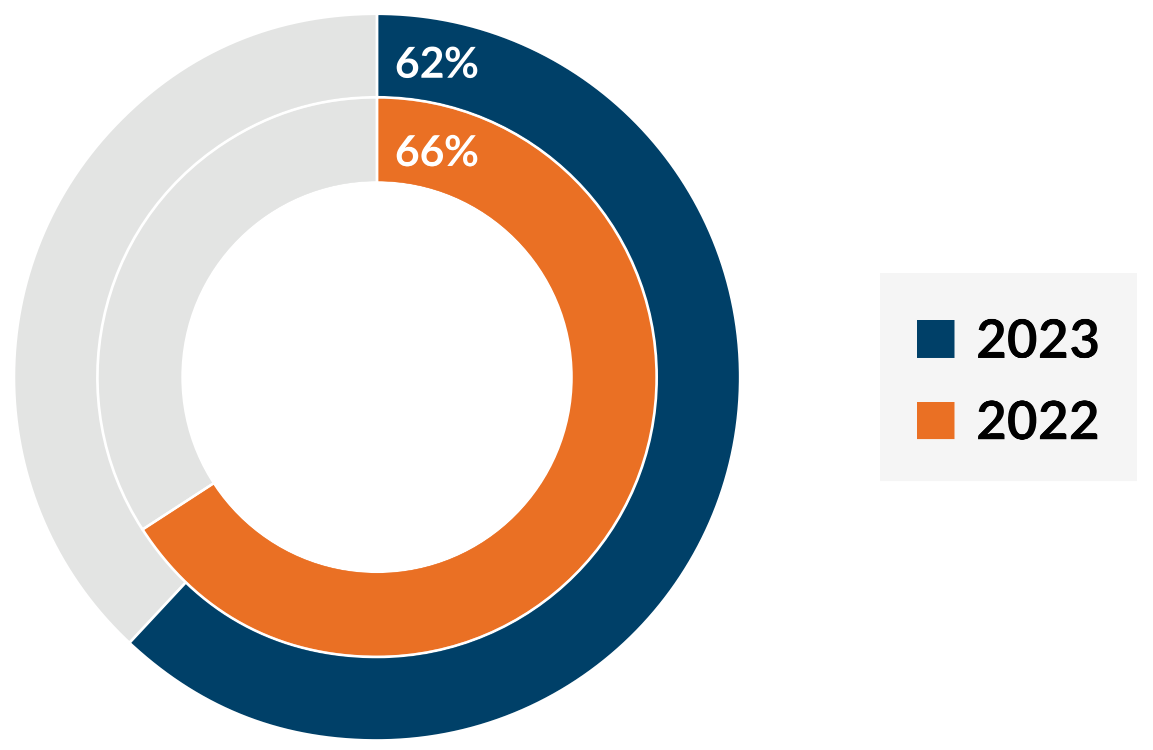
	Publicly held organizations	Privately held organizations
More frequently than quarterly	1%	1%
Quarterly	24%	23%
Annually	66%	57%
Less frequently than annually	5%	8%
We do not currently report on ESG risks and issues, but we plan to begin doing so in the next 12 months	4%	9%
We do not currently report on ESG risks and issues, and we have no plans to do so in the future	0%	2%

How often does your organization currently report on ESG risks and issues, either through required public reporting or through voluntary reporting or disclosures?

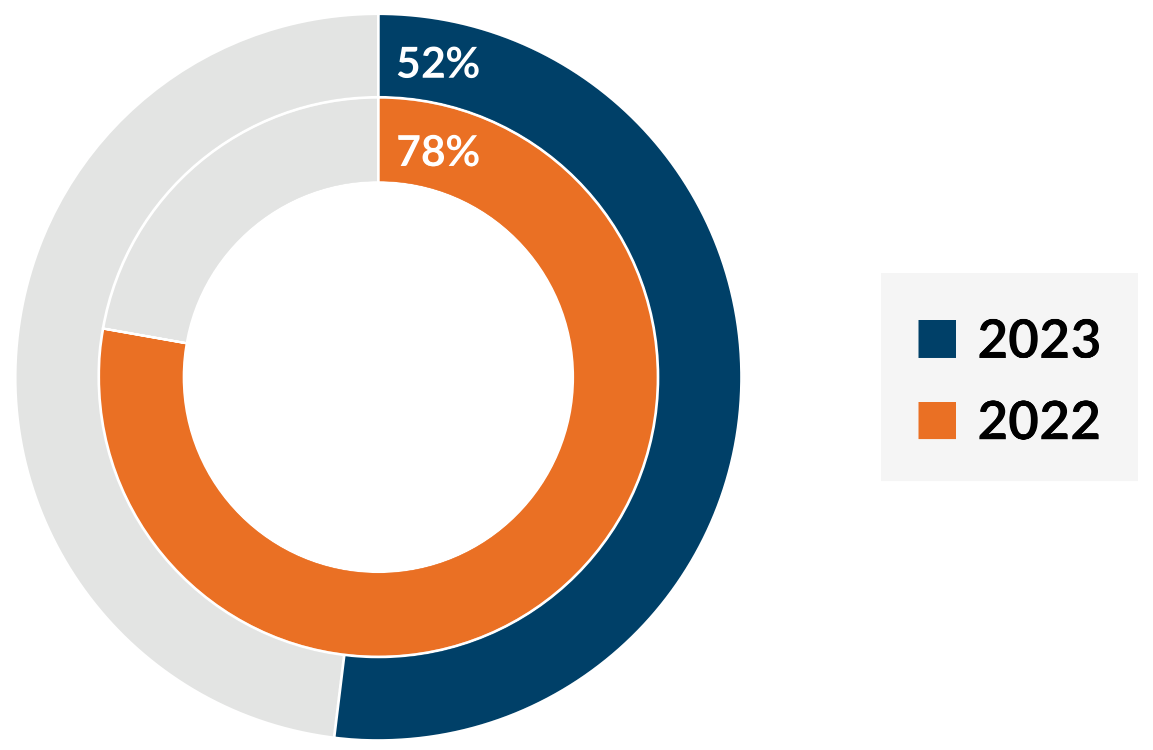
	Consumer Packaged Goods and Retail	Energy and Utilities	Financial Services	Government	Manufacturing	Technology, Media and Telecommunications
More frequently than quarterly	1%	0%	1%	0%	1%	1%
Quarterly	27%	13%	17%	21%	30%	26%
Annually	63%	81%	71%	59%	61%	56%
Less frequently than annually	5%	3%	5%	8%	6%	9%
We do not currently report on ESG risks and issues, but we plan to begin doing so in the next 12 months	4%	3%	6%	11%	2%	8%
We do not currently report on ESG risks and issues, and we have no plans to do so in the future	0%	0%	0%	1%	0%	0%

Are you ready for potential new required ESG disclosures?

Publicly held organizations
(Shown: "Yes" responses)



Privately held organizations
(Shown: "Yes" responses)



What does your organization require in order to be prepared for the new ESG disclosure requirements?*

(Shown: Respondents whose organization is not ready for potential new required ESG disclosures)

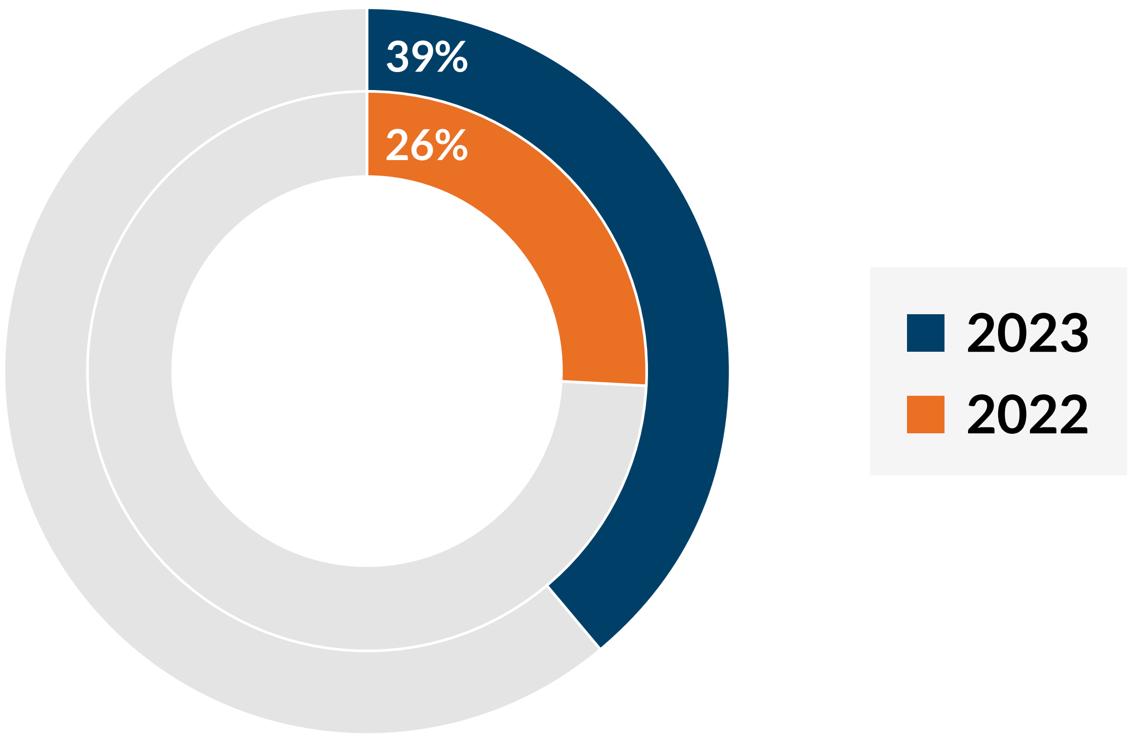
	Publicly held organizations	Privately held organizations
More time	58%	72%
Development of necessary internal data	51%	43%
Additional skills and resources	50%	46%

* Multiple responses permitted.

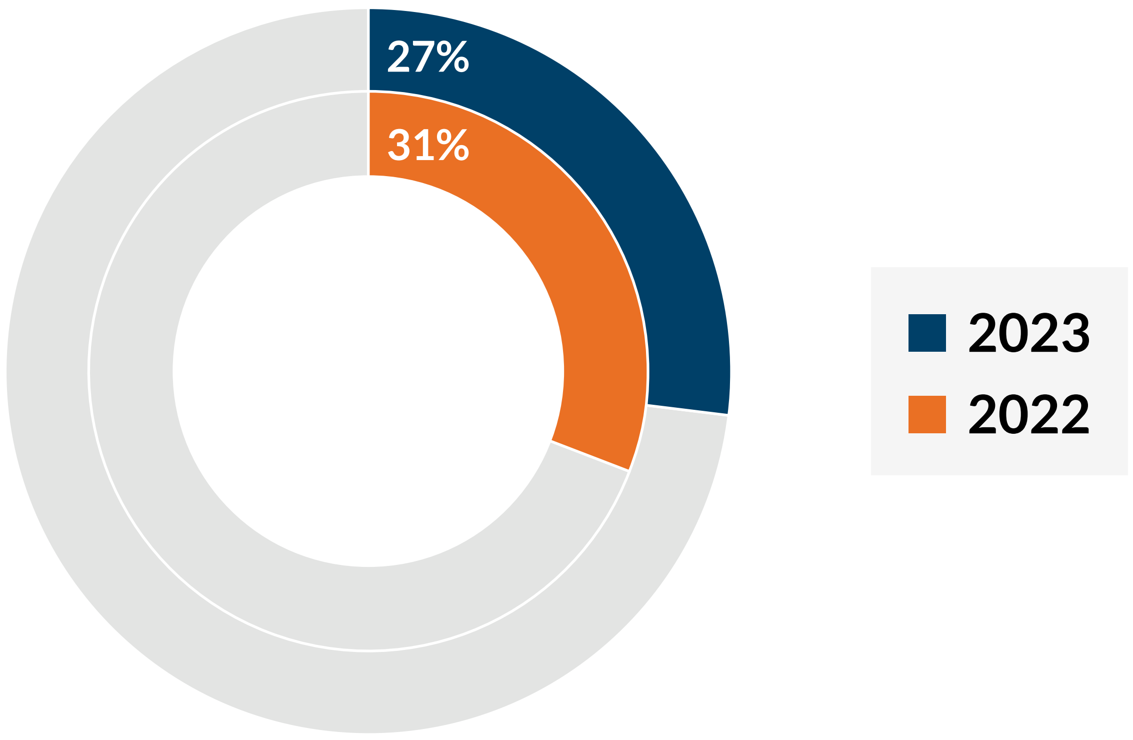
Have you assessed your readiness for potential new disclosures for U.S. public companies?

(Shown: Respondents whose organizations are not ready for potential new required ESG disclosures)

Publicly held organizations
(Shown: "Yes" responses)

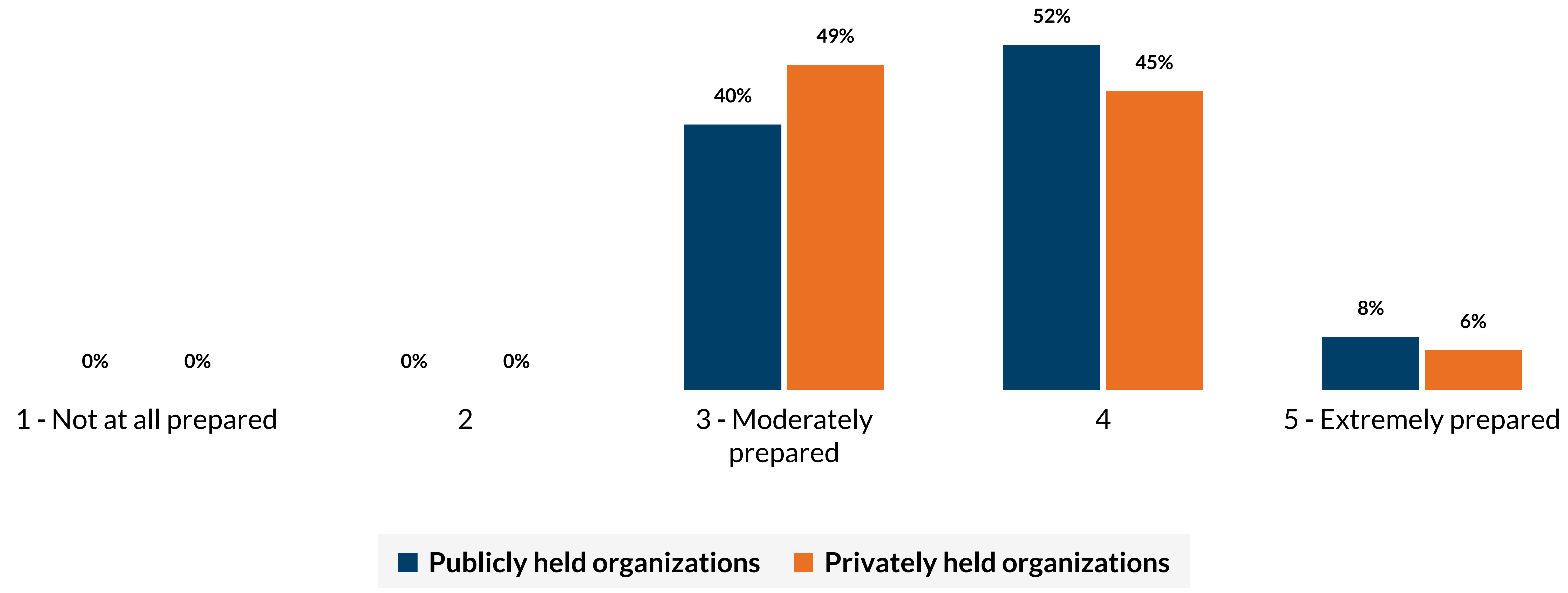


Privately held organizations
(Shown: "Yes" responses)



What is your level of preparedness?

(Shown: Respondents whose organizations are ready for potential new required ESG disclosures)

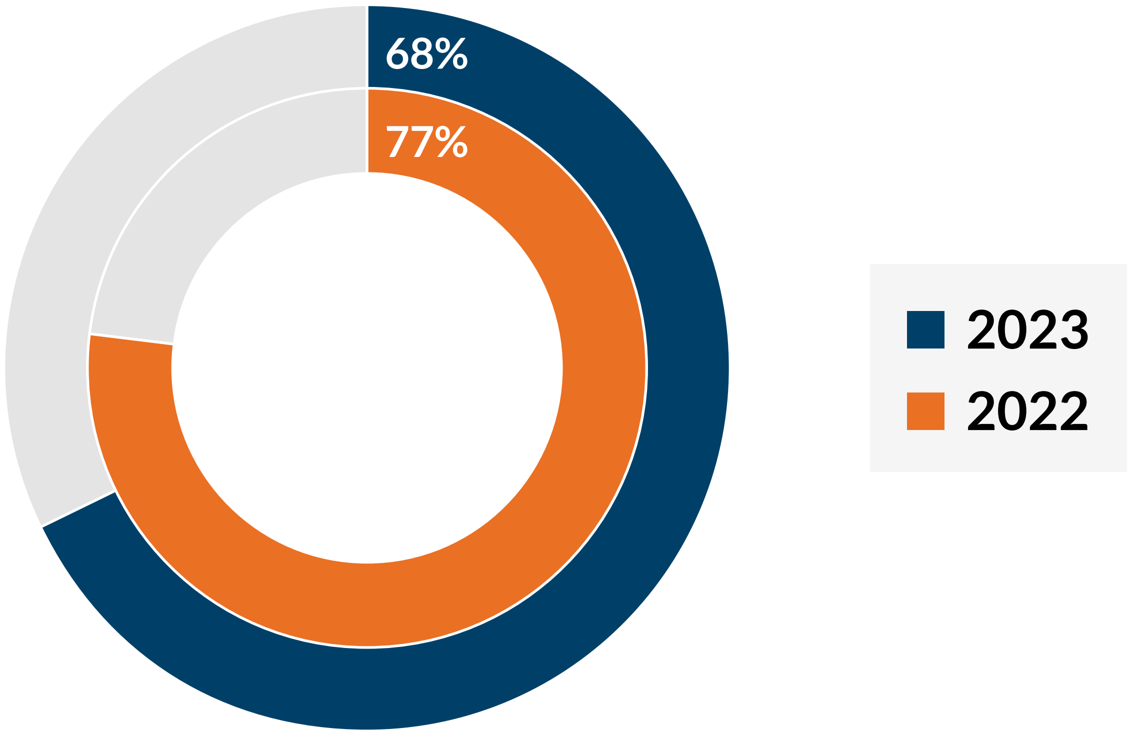


Other notable observations

- As more ESG reporting requirements go into effect, including expected climate impact reporting rules from the SEC, it is likely that most public companies will report on ESG risks and issues on at least a quarterly basis.
- Finance teams in publicly held organizations are involved more frequently in conversations with senior leadership and boards to develop ESG metrics than are teams in privately held organizations. This makes sense given rising expectations among boards, including the disclosure committee and other subcommittees, to review this information on a regular basis.

Is your finance team involved in conversations with senior leadership/boards to develop ESG metrics against which your organization should track progress?

Publicly held organizations
(Shown: "Yes" responses)



Privately held organizations
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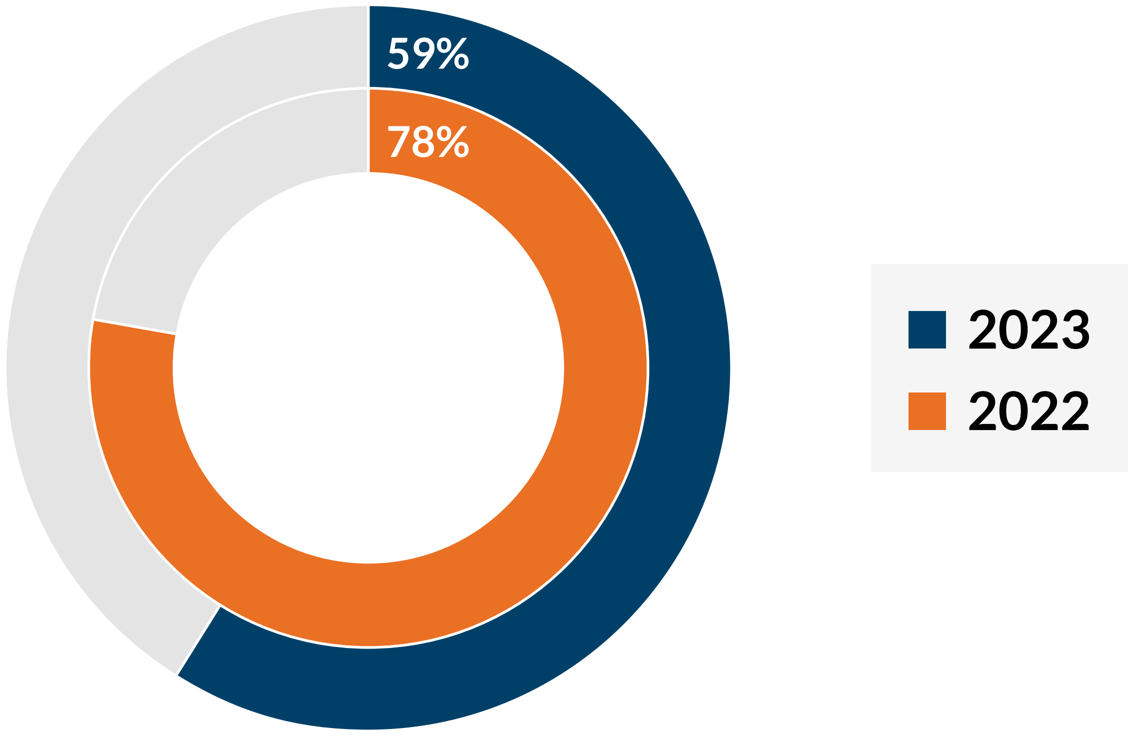


Generative AI enhances finance intelligence

Leveraging generative AI (GenAI) to improve finance and accounting operations requires CFOs to strike the right risk-reward balance regarding the company's use of this transformative technology while establishing new governance guardrails and keeping the board up to speed.

Boards and executive teams are hungry to expand their knowledge of GenAI's value and risks. Nearly every part of the organization is itching to put new GenAI solutions through their paces to elevate productivity and performance. At the same time, there are well-documented risks with employing GenAI. This combination of forces requires CFOs to take an active role in their company's adoption, use and governance of large language models (LLMs).

As our results reveal, a majority of finance organizations already are employing GenAI, focusing on activities such as compliance and regulatory reporting, and risk assessment and management. Interestingly, publicly held organizations are significantly more likely to be employing GenAI in the finance function compared with privately held organizations.

GenAI adds a new layer of capabilities and opportunities for finance teams, regardless of the type of organization. GenAI can articulate the rationale and implications of financial analyses by producing meaningful narratives about various predictions and their implications. These summaries can be generated in different formats, including but not limited to executive summaries, bullet points, slide decks or a memo. That said, finance leaders should keep in mind that GenAI's more basic productivity enhancements — writing emails, producing meeting notes, creating outlines — are not nearly as valuable as the deeper insights the technology adds to existing forecasts, analytics and scenario planning.

Summaries of FP&A outputs can be generated for procurement teams, who can then make faster, more precise adjustments to fluctuations in customer demand, raw material prices and other variables. AI-generated summaries of customer payment patterns might signal the need for crucial cash flow management refinements. Fraud-prevention narratives can uncover previously neglected AML compliance risks. Finance leaders are discovering that using GenAI can also support and enhance capital allocation strategies, investment planning and scenario planning.

It is imperative for CFOs to apply their risk management mindset, controls expertise and governance experience to GenAI investments throughout the organization. Among the risks in its use, GenAI applications do not distinguish fact from fiction — rather, they produce the most likely response in a well-presented manner based on available data. This means that GenAI tools potentially produce "hallucinations" resulting from factual mistakes in source materials and data. Therefore, appropriate supervision and review applies to GenAI-produced content just as it would to content generated by any finance organization team member.

Other risks include, but are not limited to, data privacy, accuracy and authenticity, ownership/intellectual property, and compliance with applicable laws and regulations. These types of risks must be identified and mitigated with human oversight, quality control within the organization, and coordination with the compliance and general counsel functions.

54%

Finance organizations currently employing generative AI

Key action items for CFOs and finance leaders

Drive the development of a modular and adaptable AI governance framework to evaluate and sustain GenAI solutions. The framework should address governance, data, engineering, security and operations.

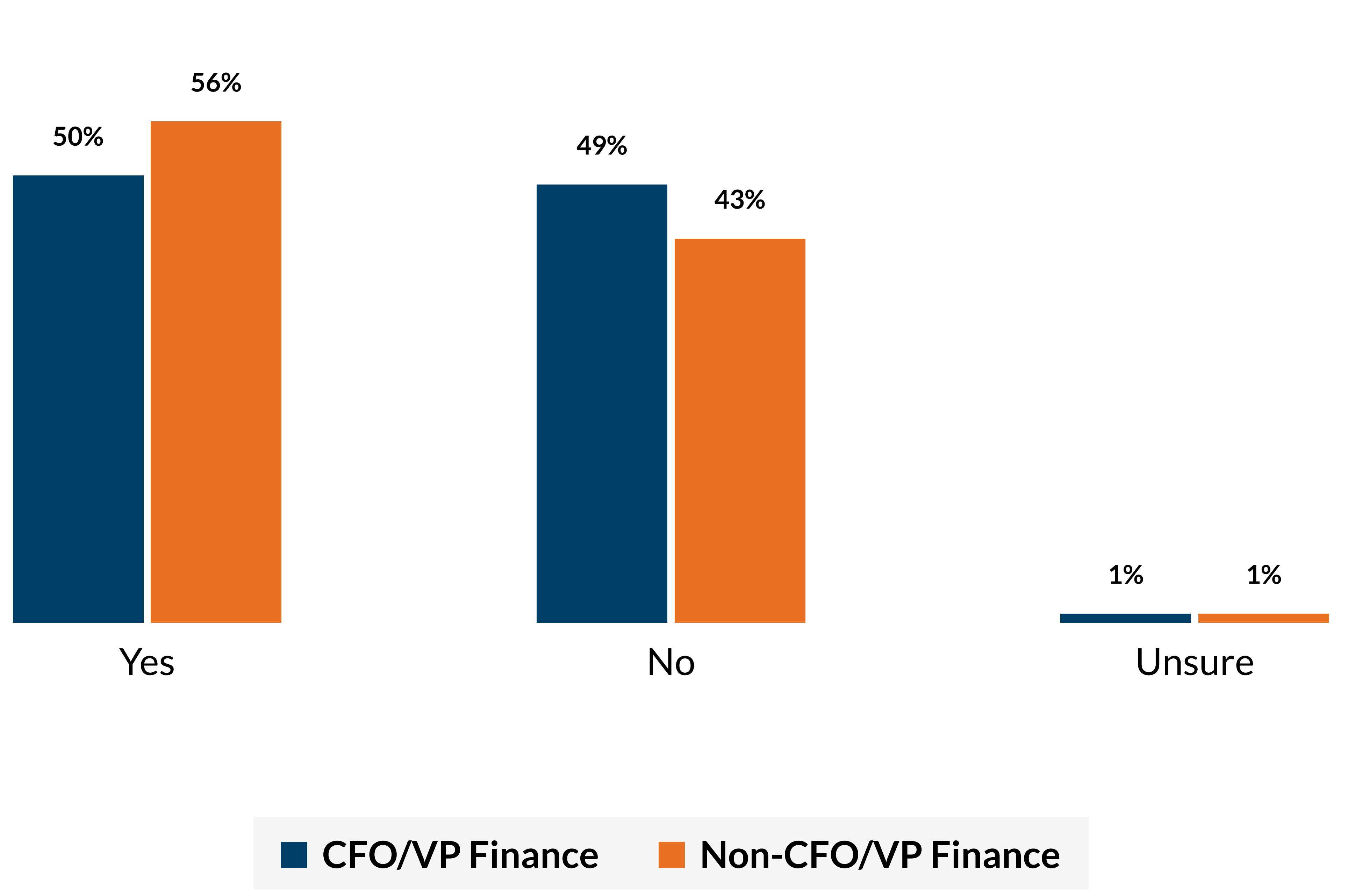
In collaboration with other leaders in the organization, develop a process for monitoring external GenAI developments and evaluating internal usage as well as an infrastructure and environment to support innovation and experimentation.

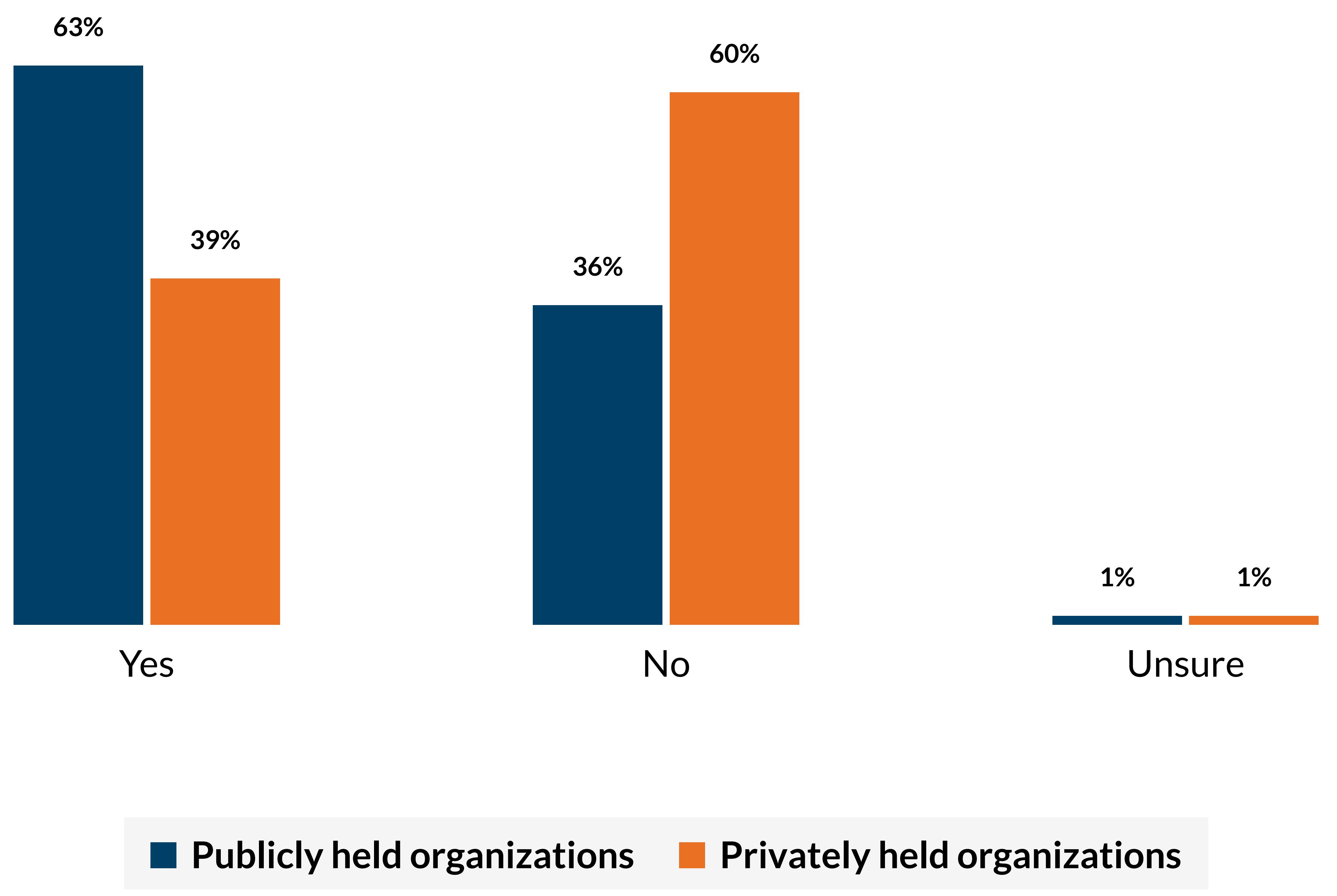
Create a cross-functional team dedicated to assessing potential AI uses that harness the technology's benefits in a risk-intelligent manner. This team should have expertise in LLMs, data security, data privacy, risk management, and legal and compliance — as well as domain expertise (i.e., finance experts should spearhead the selection of GenAI solutions in the finance group).

Identify the most valuable applications of GenAI solutions to finance activities; these benefits currently center on improvements to compliance and regulatory reporting, risk assessment and management, cash flow management, FP&A, liquidity risk management, fraud detection, workflow efficiency, scenario planning and more.

Keep the audit committee and the rest of the board informed of GenAI trends, risks, benefits and internal uses through periodic updates and ongoing communications.

Is your finance organization currently employing generative AI?





How is your finance organization currently employing generative AI?*

(Shown: Respondents whose organizations are employing generative AI)

Compliance and regulatory reporting	49%
Risk assessment and management	45%
Financial forecasting	37%
Cash flow management	33%
Process automation	32%
Expense management	30%

* Multiple responses permitted.

Other notable observations

- There is a wide disparity in the use of GenAI between publicly and privately held organizations, as a majority of finance groups in public companies are employing GenAI, versus less than half of those in private companies.
- Given the new and evolving nature of GenAI, it's likely that many current uses of the technology in the finance organization are in the trial/experimentation stage.

The perpetual drive for cost optimization

As shareholders and boards exert more pressure on C-suites to strengthen profitability, forward-looking CFOs are embracing cost optimization as an ongoing activity that drives value throughout the organization.

In the past year, finance functions that prioritize revenue optimization worked with operational partners to enable the organization to change modes of sourcing, manufacturing, distribution and servicing as seamlessly as possible. The progress these organizations achieved helped them execute major supply chain adjustments without blowing up costs, damaging customer service or burning out human resources.[6] Supply chain agility has become a strategic necessity, and it illustrates a finance-driven approach to cost optimization that is in high demand throughout the organization.

Across-the-board cost cuts, shifts to low-cost suppliers and price increases are traditional reactions to the profit margin pressures that boards and shareholders apply. When implemented without consideration of future implications, however, these moves can have negative long-term effects. On the other hand, a cost optimization mindset helps CFOs reduce costs without subjecting the organization to detrimental side effects such as the loss of valuable trading partners, talent drain, and customer dissatisfaction and defections.

In lieu of sweeping cost cuts, leading CFOs and their teams seek out cost optimization opportunities across many areas, such as reassigning top talent, negotiating lower prices with high-value suppliers, and shifting from an on-premises system to a SaaS solution with lower monthly fees. These activities yield structural savings without impeding revenue-generation activities. Frequent snapshots of changing customer behavior also help CFOs and sales teams adjust prices in more nuanced and dynamic ways that sustain revenue among challenged customer segments while keeping profit margins stout in more resilient segments and geographies.[7]

Savvy finance leaders recognize that three cost optimization activities typically deliver the quickest results:

1. **Procurement spending analyses —** Advanced data analytics and process mining tools help procurement teams identify opportunities to increase working capital by more effectively leveraging the organization's buying power. Actions include negotiating more favorable global contracts, taking advantage of discounts, rationalizing vendors and eliminating other sources of spend "leakage."

2. **Technology cost containment —** This work involves assessing which legacy applications and technology infrastructure (and their licensing, maintenance and support costs) can be mothballed once newer technology investments are in place.

3. **Organizational assessment —** This work involves assessing each department/functional area for cost-savings opportunities through business process re-engineering, automation and alignment to the target operating model.

CFOs who prioritize cost optimization — and, just as important, treat it as an ongoing objective (versus a one-off reaction) — also take hard looks at implementing new operating models and zero-based forecasting.

45%

Survey respondents who rate cost optimization as their organization's top process improvement priority

[6] *Beyond the Buzzword: Making Supply Chain Agility a Reality*, Protiviti, May 2023: www.protiviti.com/us-en/whitepaper/making-supply-chain-agility-reality.

[7] "A New Playbook: Responding To Slower Growth, Changing Customer Behaviors," Jim DeLoach, Forbes.com CFO Network, April 19, 2023: www.forbes.com/sites/jimdeloach/2023/04/19/a-new-playbook-responding-to-slower-growth-changing-customer-behaviors/?sh=27adb9a150d5.

Key action items for CFOs and finance leaders

Assess the short-term and long-term impacts of potential cost-reduction actions.

Seek out cost-reduction opportunities that simultaneously position the organization to achieve revenue and profitability improvements.

Prioritize technology cost containment and procurement spending analysis as valuable options for cost optimization.

Consider investments in finance technologies such as ERP and CRM systems to advance the finance organization's capabilities to deliver timely and accurate data and reporting to key stakeholders while creating efficiencies to reduce costs long-term.

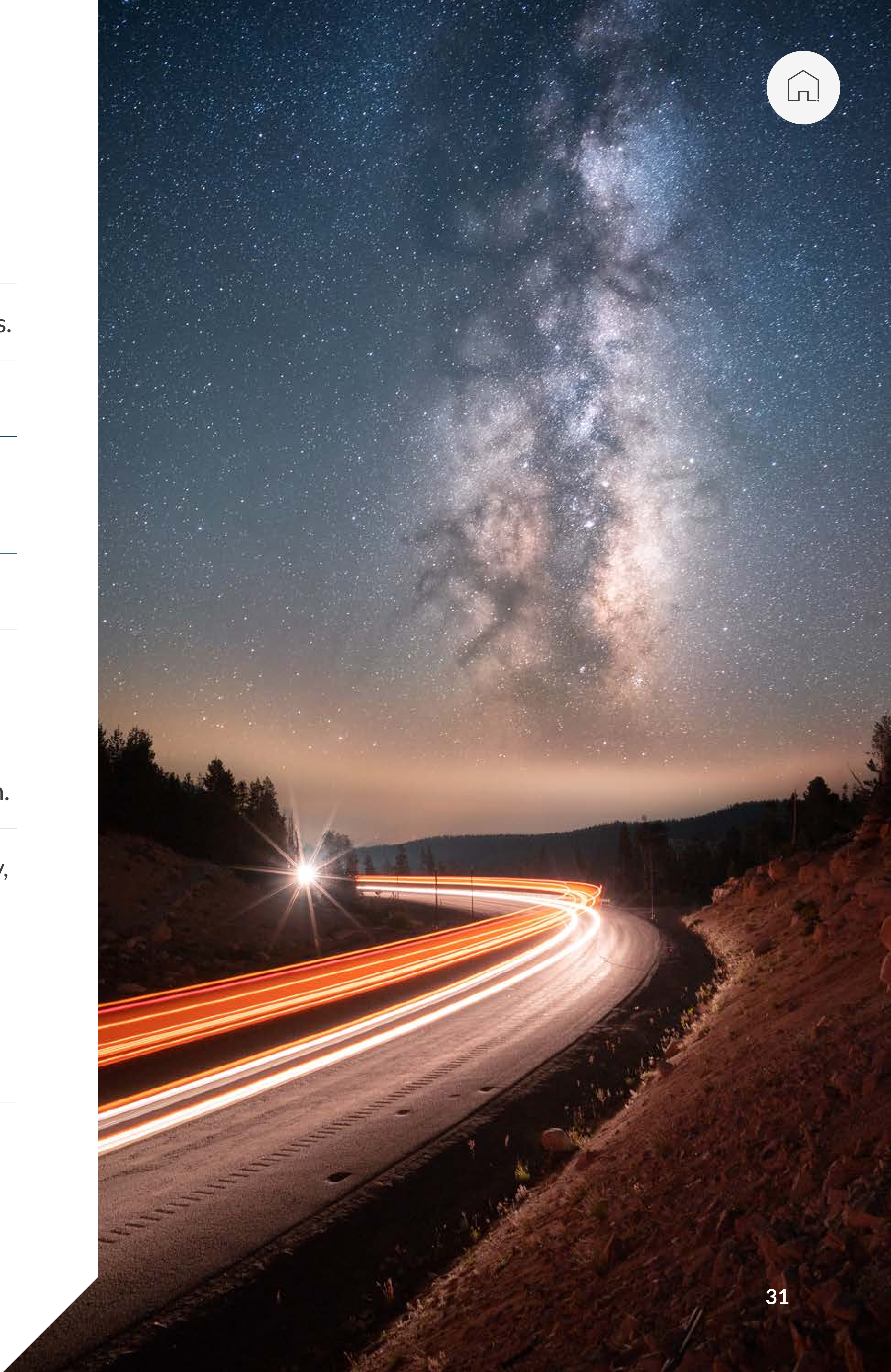
Avoid treating supply chains as a cost center; instead, focus them on meeting customer demand and driving revenue.

Identify supply chain risks that reside within and beyond supply chains by engaging logistics and transportation, legal, compliance, sourcing, customer management, and credit management, among other functions in the organization, in risk assessments. Invest in cloud-based supply chain orchestration platforms that sit above traditional supply chain applications — these contain supply chain data while leveraging data orchestration to enable multiple systems to operate in a unified manner with minimal human intervention.

Develop new measures and indices of supply chain resiliency that blend traditional cost and efficiency metrics (e.g., days in inventory, capacity headroom, asset redundancy) with newer, more advanced measures such as sense and respond maturity, time to recover (TTR) following disruptions, the ability to respond to changing customer requirements, and even time to survive (TTS).

Evaluate the efficacy of applying cost accounting models to supply chain operations, as this traditional treatment can impede experiments and innovations that drive cost optimization.

Determine the optimal future state, process redesign and strategic roadmap, and implement a target operating model to accommodate projected growth.



How process improvement components rank in priority

(Shown: All responses)

Rank	Cost optimization	Technology improvement	Risk management
1	45%	29%	26%
2	26%	31%	43%
3	29%	40%	31%

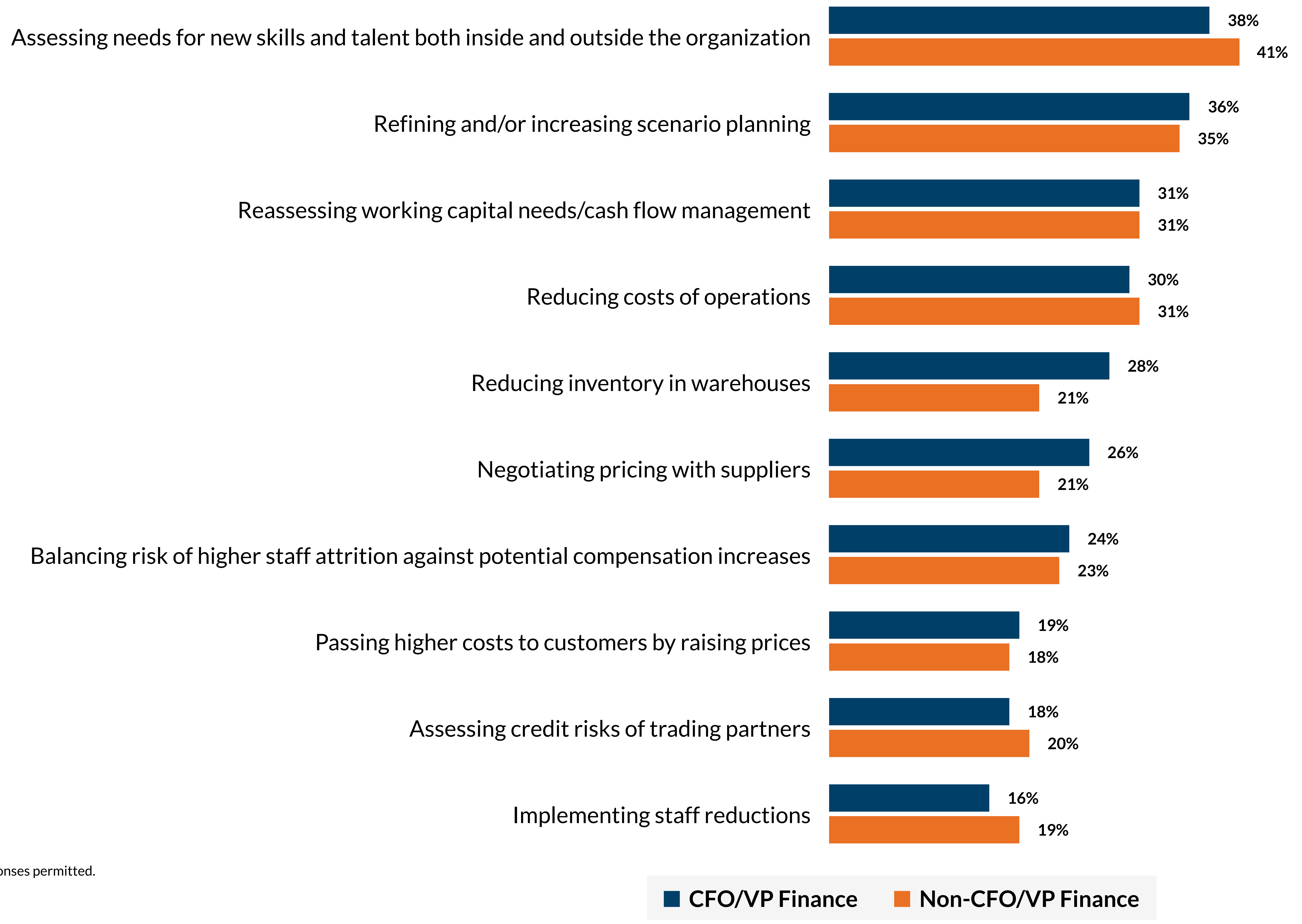
	Cost optimization		Technology improvement		Risk management	
Rank	Publicly held organizations	Privately held organizations	Publicly held organizations	Privately held organizations	Publicly held organizations	Privately held organizations
1	45%	38%	30%	30%	24%	31%
2	25%	30%	31%	29%	45%	41%
3	30%	32%	39%	41%	31%	28%

Question: *Rank the following process improvement components in terms of priority within your organization.*

Other notable observations

- Interestingly, compared with finance groups in public companies, those in privately held organizations appear to place a slightly lower priority on cost optimization and a higher priority on risk management.

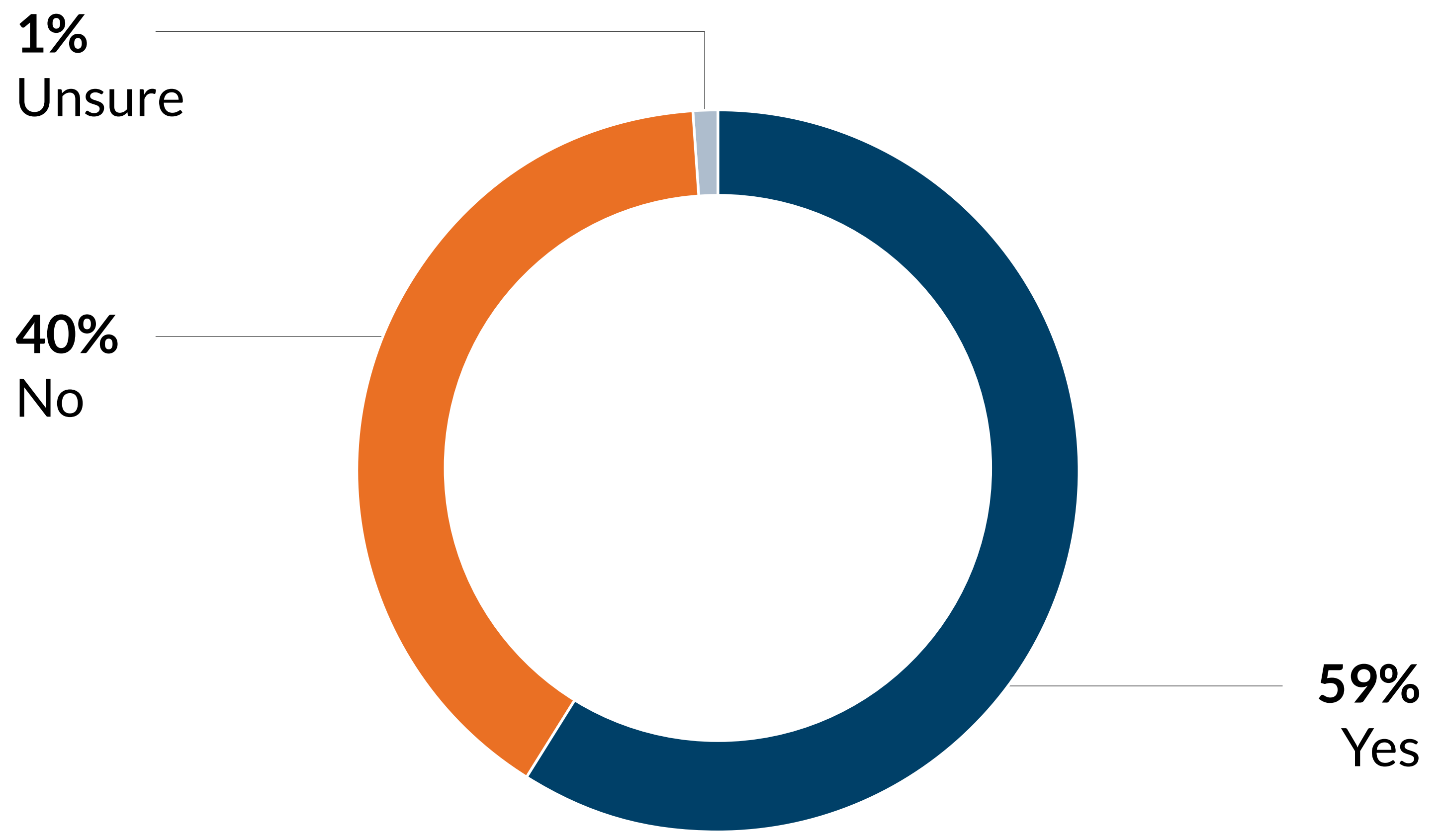
Which of the following actions is your organization taking to address concerns or effects from inflationary trends in the market?*

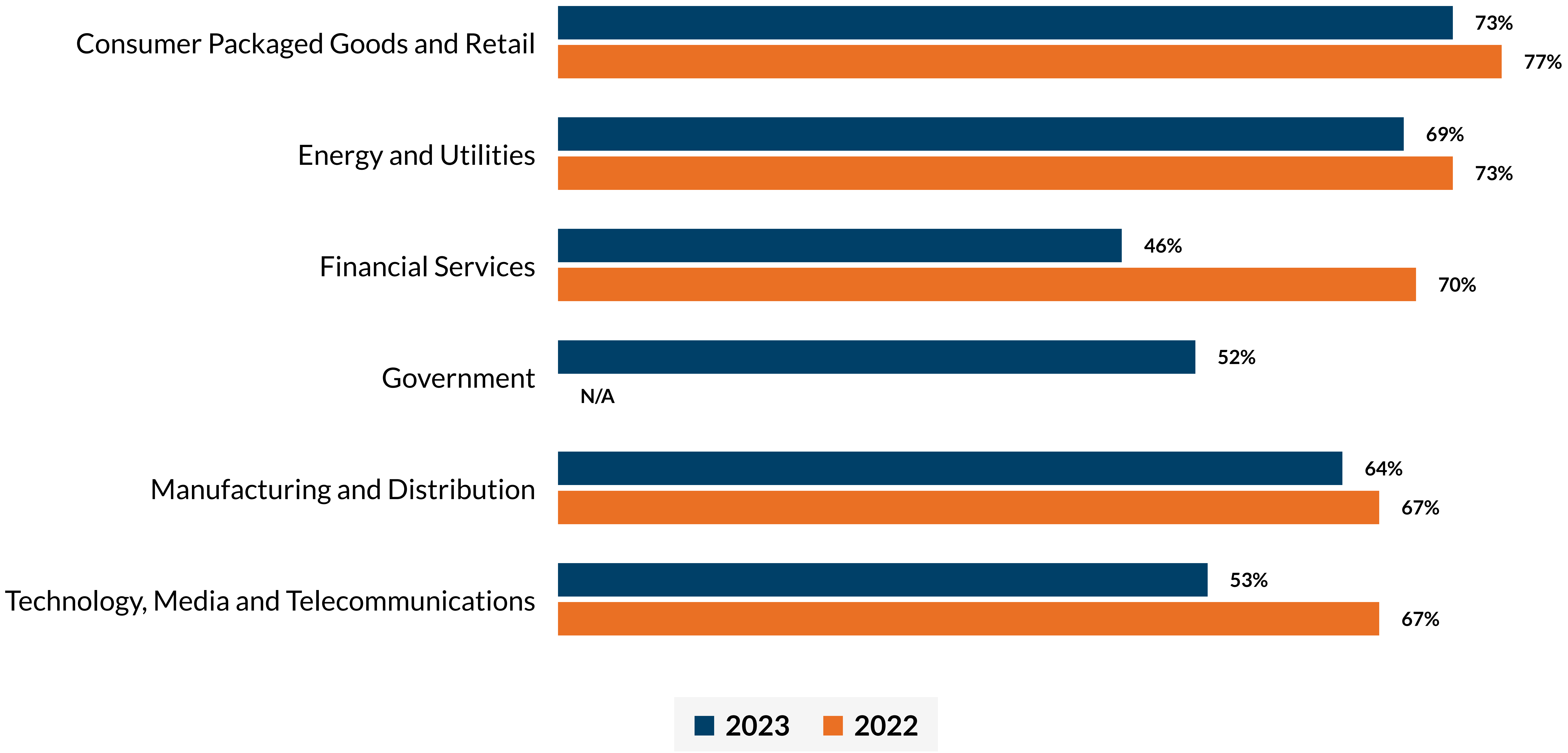


* Multiple responses permitted.

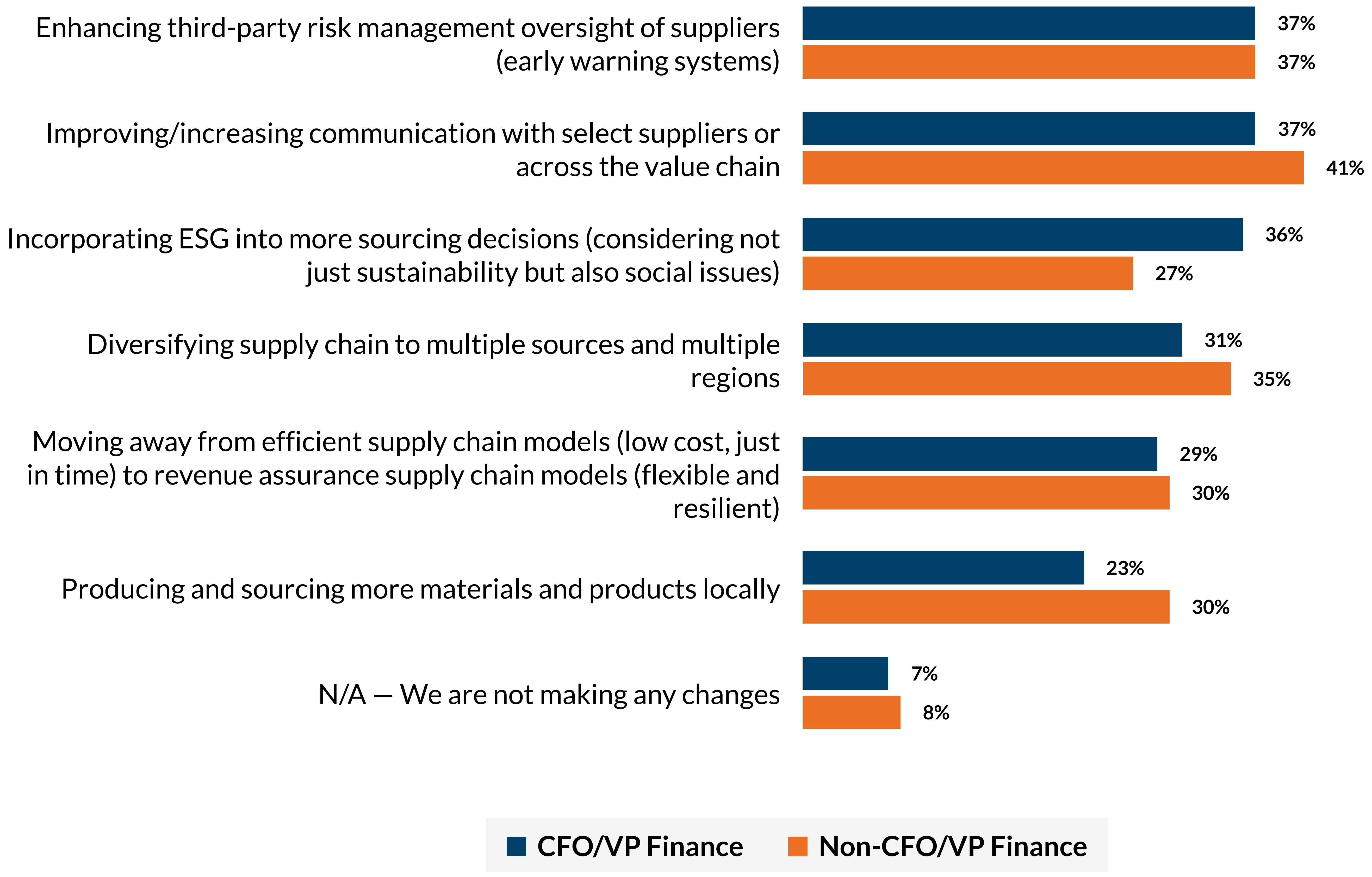
In the past 12 months, did your finance operations experience any disruptions or delays as a result of supply chain challenges, pandemic-related impacts, or effects of inflation among vendors or third-party service providers on which your finance organization relies?

(Shown: All responses)



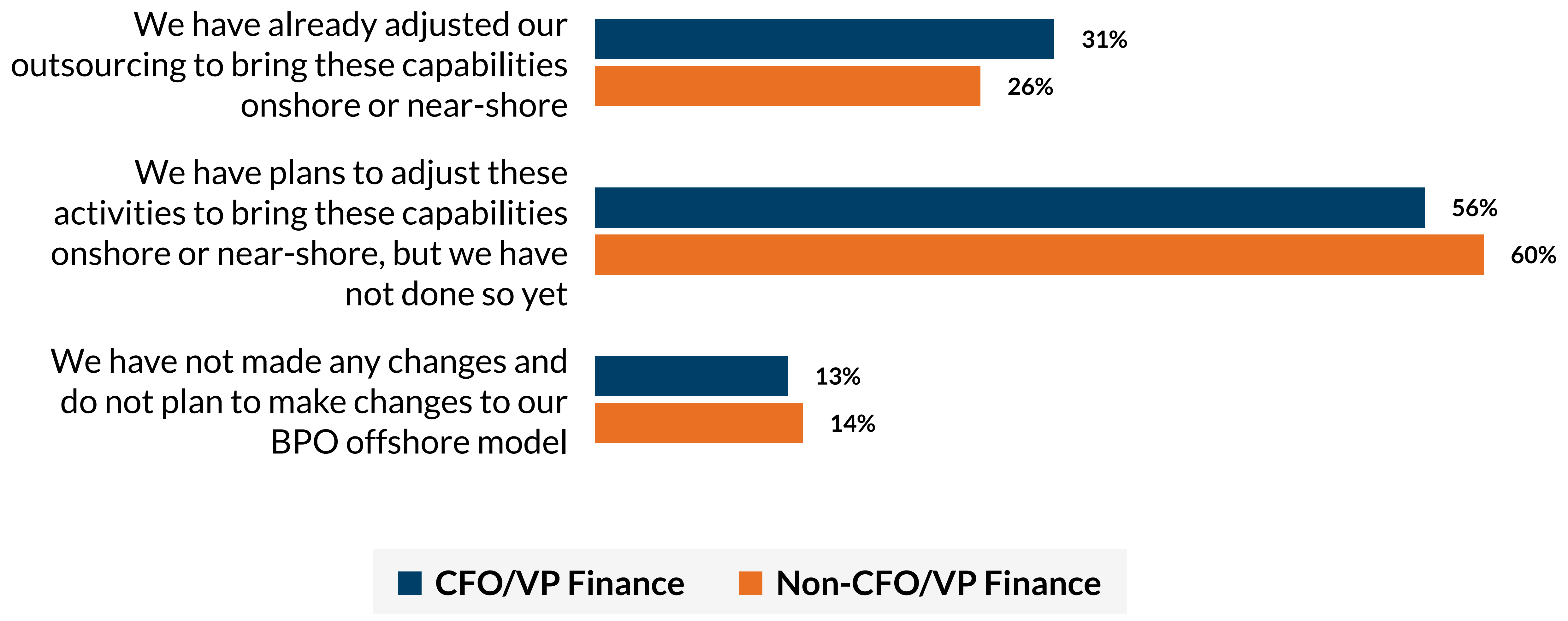


In light of current occurrences around trade barriers, how, if at all, is your organization reviewing its policies toward sourcing goods from its supply chain?*



* Multiple responses permitted.

What actions, if any, has your organization taken or planned to take with regard to your offshoring strategy?



(Shown: CFO/VP Finance responses)

	2023	2022
We have already adjusted our outsourcing to bring these capabilities onshore or near-shore	31%	49%
We have plans to adjust these activities to bring these capabilities onshore or near-shore, but we have not done so yet	56%	45%
We have not made any changes and do not plan to make changes to our BPO offshore model	13%	6%

Business planning and analysis continues to advance — and expand

Effects of ongoing inflationary trends, greater use of technology and automation are among numerous factors driving greater need for advanced business planning and analysis capabilities, supported by data, to drive strategic planning and broader process improvement efforts.

CFOs consistently cite areas related to business planning and analysis (BP&A) as some of their most important to address in the finance organization. Thus, it's understandable to find that half of the top 10 priorities identified by CFOs and finance leaders in this year's survey fall in this category. CFOs recognize they need to cultivate the talent on their finance teams to be able to unlock insights to help leadership navigate a complex and constantly changing environment and drive timely decision-making. Having the right mix of skills, particularly in data analysis, strategic planning and forecasting, coupled with use of technology, can help CFOs drive growth and profitability goals and increase enterprise efficiency and effectiveness.

Top 10 priorities for CFOs/VPs of Finance — BP&A and related areas highlighted

ESG metrics and measurement	7.4
Financial planning and analysis	7.1
Profitability reporting and analysis	6.9
Strategic planning	6.9
Impact of inflation	6.9
Security and privacy of data	6.9
Enhanced data analytics	6.8
Routine reporting and closing activities	6.7
Cloud-based applications	6.6
Mobile finance applications	6.6

In the face of prolonged market instability, finance leaders are leaning into more agile, data-driven scenario planning, allowing them to better understand the potential impacts of market risks and anticipate action plans proactively. Collaboration and partnering across business functions are also important, as they enable the enterprise to mitigate such risks timely and appropriately while remaining aligned with longer-term strategic goals. This level of agility can provide organizations with an opportunity to turn disruptive events into an advantage; however, the ability to respond with greater resiliency and impact likely requires some form of transformation across people, process and technology.

Achieving meaningful insights and transparency through enhanced analytics requires having adequate, clean and standard data which is appropriately governed to ensure its integrity and reliability. It has become increasingly important to have a thorough understanding of the organization's data, including any potential biases or correlation between variables, especially as finance organizations begin to leverage more advanced technology and automation tools such as generative AI and machine learning models. These technology tools have the ability to capture complex patterns and relationships in the data, enabling predictive analytics about future trends.

Leading CFOs are prioritizing investments in such advanced technologies, using more innovative predictive data modeling and expanding data collection activities to elevate planning and analysis capabilities, as well as business partnerships, across their organizations. For example, as finance organizations look for opportunities to improve profitability and mitigate the impacts of volatile economic cycles, many leaders are taking a hard look at spending, scrutinizing areas that are prime for cost-cutting. More effective and insightful approaches to cost optimization activities include developing machine learning models to analyze historical expense data, spending patterns and trends to identify high-cost suppliers or expense categories. This provides insight for where cost reductions might be achieved most effectively.

Scenario planning, leveraging data-driven models, can also be utilized as a tool to help leaders navigate economic headwinds, including the impacts of inflation and rising interest rates. Finance organizations can help prepare the C-suite for potentially complex risk scenarios by modeling the impacts of market risks using external economic data, as well as by determining tactical and strategic alternatives the enterprise may take to mitigate such risks proactively in a manner that is aligned with overall business strategy. The scenario planning process provides an opportunity for the finance organization to play an active role in driving business agility through collaboration and business partnering across functions.

Leading CFOs are prioritizing investments in advanced technologies, using more innovative predictive data modeling and expanding data collection activities to elevate planning and analysis capabilities, as well as business partnerships, across their organizations.

With historically high interest rates, CFOs may face additional challenges given the impact on the cost of capital. This can adversely impact capital plans and make investments to fund strategic projects more difficult to secure. Scenario planning can help the enterprise analyze a range of factors to inform decision-making, which may also have a critical impact beyond the P&L statement to cash flow. Finance leaders are well-positioned to ensure that business partners throughout the enterprise expand their focus beyond the P&L statement and capital planning to address cash flow in a way that bolsters organizational resilience amid uncertainty. Leveraging advanced analytics may also help to optimize cash flow. For example, finance organizations deploying these tools may analyze working capital beyond traditional DSO, DPO and DIO measures to identify trends in these areas that help drive actionable insights to improve working capital and cash conversion.

Finally, to achieve the necessary insights to navigate a complex and constantly changing environment, finance leaders must ensure the capabilities of their BP&A teams continue to evolve. BP&A teams not only must possess the technical financial capabilities required of their roles, but they also must have solid business acumen and a keen understanding of today's megatrends. In addition, given the unprecedented potential of new technologies, BP&A teams must become well-versed in the use of AI and machine learning to be able to enable fast and cost-effective solutions.

Key action items for CFOs and finance leaders

Build and strengthen relationships and partnerships with other business functions to support effective risk mitigation and management efforts.

Identify data sources and determine if appropriate data access and governance measures are in place for the finance organization to have adequate, clean and standard data to support its strategic planning activities and use of analytics, automation and advanced technology tools.

Prioritize investments in advanced technologies such as generative AI and predictive data modeling to elevate BP&A capabilities.

Employ scenario planning, leveraging data-driven models, to navigate challenging economic headwinds such as inflation and high interest rates.

Ensure that business partners throughout the enterprise expand their focus beyond the P&L statement and capital planning to address cash flow in a way that bolsters organizational resilience amid ongoing uncertainty.

Invest in the upskilling of talent in the finance organization with a focus on data science and analytics expertise.

Talent management — financial expertise fuels human intelligence

The finance group's measurement mindset, FP&A capabilities and scenario planning expertise provide crucial support to the enterprise's talent management transformation. This people-driven shift embraces skills-centered planning capabilities, the use of AI-driven talent intelligence and workforce design technologies, and the deployment of organizational culture as a strategic asset.

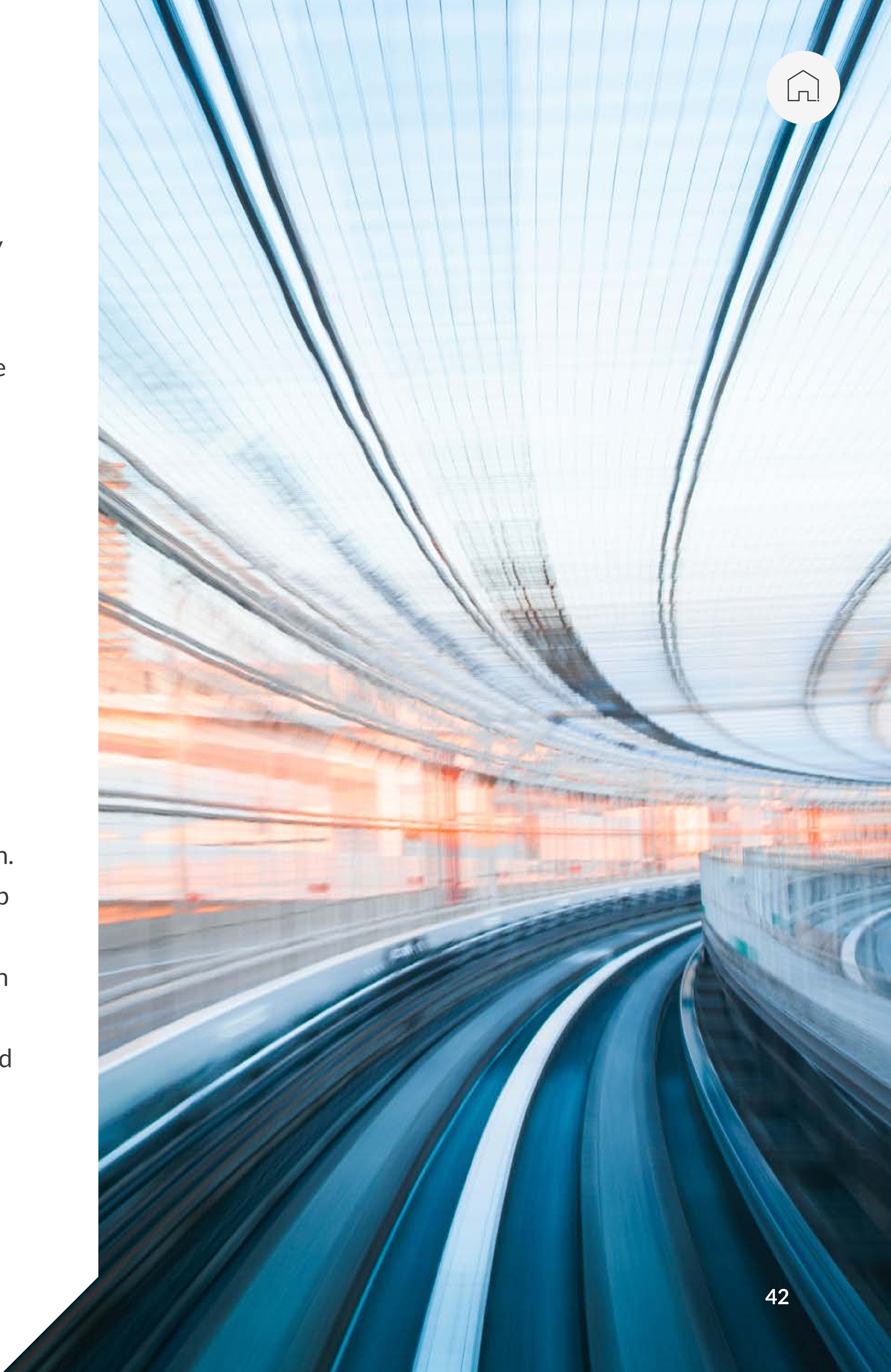
People and data increasingly drive organizational performance. The value of both individuals and information continues to rise amid the twin disruptions of a long-term talent shortage and ongoing digital transformation, so it's no surprise that CFOs' contributions to talent management and culture-building are advancing.

Leading companies are overhauling traditional workforce planning and talent forecasting processes to gain more accurate, detailed and real-time views of all of the skills that reside throughout the organization. These comprehensive skills inventories are used to drive more precise talent forecasting and scenario planning and a better understanding of the financial implications of each analysis. While HR groups lead these efforts, their success hinges on the depth and quality of HR-finance collaboration and alignment, as well as the availability and quality of data. The finance group's FP&A expertise helps HR groups upgrade talent forecasts and related financial analyses.

Of note, the ability to recruit qualified candidates is a concern for a majority of CFOs. Not only does it top the list of HR and people-related challenges for CFOs today, but these leaders also are more concerned about this area today versus last year. Even amid short-term economic fluctuations, CFOs and finance leaders are facing a dual challenge of talent shortages for key positions and skillsets (including new skills) combined with an interest in bringing in top performers to help the finance organization address a growing list of priorities. Many also may be reassessing their hiring needs and talent they brought into the finance organization over the past few years and determining if they have the skills required to incorporate new processes and technologies such as GenAI.

CFOs are also increasing their contributions to culture-building. Leading cultures lessen workforce backlash to cost-reduction measures, drive a range of favorable business outcomes, and bolster recruiting and retention activities. Top organizational cultures help companies sustain performance during economic turbulence and accelerate out of downturns faster than their competitors.

Culture-building requires genuine acceptance among all business leaders, including the CFO, along with the alignment of cultural values and decisions at all levels of the organization. More CFOs are making tangible progress, often in partnership with CHROs, in measuring the health of their culture via employee engagement scores, employee sentiment, attraction and retention measures, success rates of new hires, customer satisfaction (an indirect signifier of employee satisfaction), and other KPIs.



As part of their culture-building and talent strategy contributions, CFOs also are taking on more active roles in upgrading succession planning and leadership development at the organizational level and within the finance group.

In addition to collaborating on talent measurements and human intelligence with HR leaders, this people- and culture-related work requires CFOs to address two other areas:

- **Mindsets:** Without assessing the bigger picture, reaching for the staff-reduction lever, allocating more money for difficult-to-hire job openings and taking similarly reactive measures pose greater risks amid a long-term talent shortage. CFOs embrace and encourage a mindset that parses the short- and long-term implications of talent management decisions. Increasing salaries might strengthen retention rates over the short-term, but retention challenges will linger, and perhaps worsen, if the organizational culture is subpar. Layoffs can swiftly improve bottom-line performance; however, if the reductions are communicated and/or performed in a manner that does not reflect cultural values, they can lead to costly recruiting and retention issues down the road.
- **Transparency:** CFOs and their fellow executive leaders set the tone of the organizational culture. More CFOs are looking in the mirror to assess the degree to which their behaviors — more so than their words — embody the organization's cultural values. They also view modeling the behaviors expected of their people and ensuring this is aligned with the culture as vital. Transparency is crucial in how CFOs convey sensitive messages to the workforce, the board, shareholders and other stakeholders. An email blast announcing major staff reductions has vastly different impacts on organizational culture and talent management activities than personally delivering the news to affected employees, walking through the strategic rationale for the reductions, and highlighting severance packages.

Key action items for CFOs and finance leaders

Partner with the CHRO and HR group on the development of data-driven talent strategies that include redesigned job roles, enterprisewide skills inventories, rolling talent forecasts, skills modeling, training, change management, and plans for quickly adapting work and jobs to new technologies (e.g., GenAI) and other innovations.

Assist with the development of advanced skills analytics and talent KPIs that drive HR forecasting and scenario planning while providing new measures to monitor the extent to which the workforce is delivering on strategic objectives (i.e., organizational effectiveness).

Replace traditional talent management tactics (centered on reactive hiring and firing decisions) with a mindset that embraces a holistic recognition of each talent decision's effects on short- and long-term financial performance, organizational culture, talent management capabilities and the organization's ability to innovate.

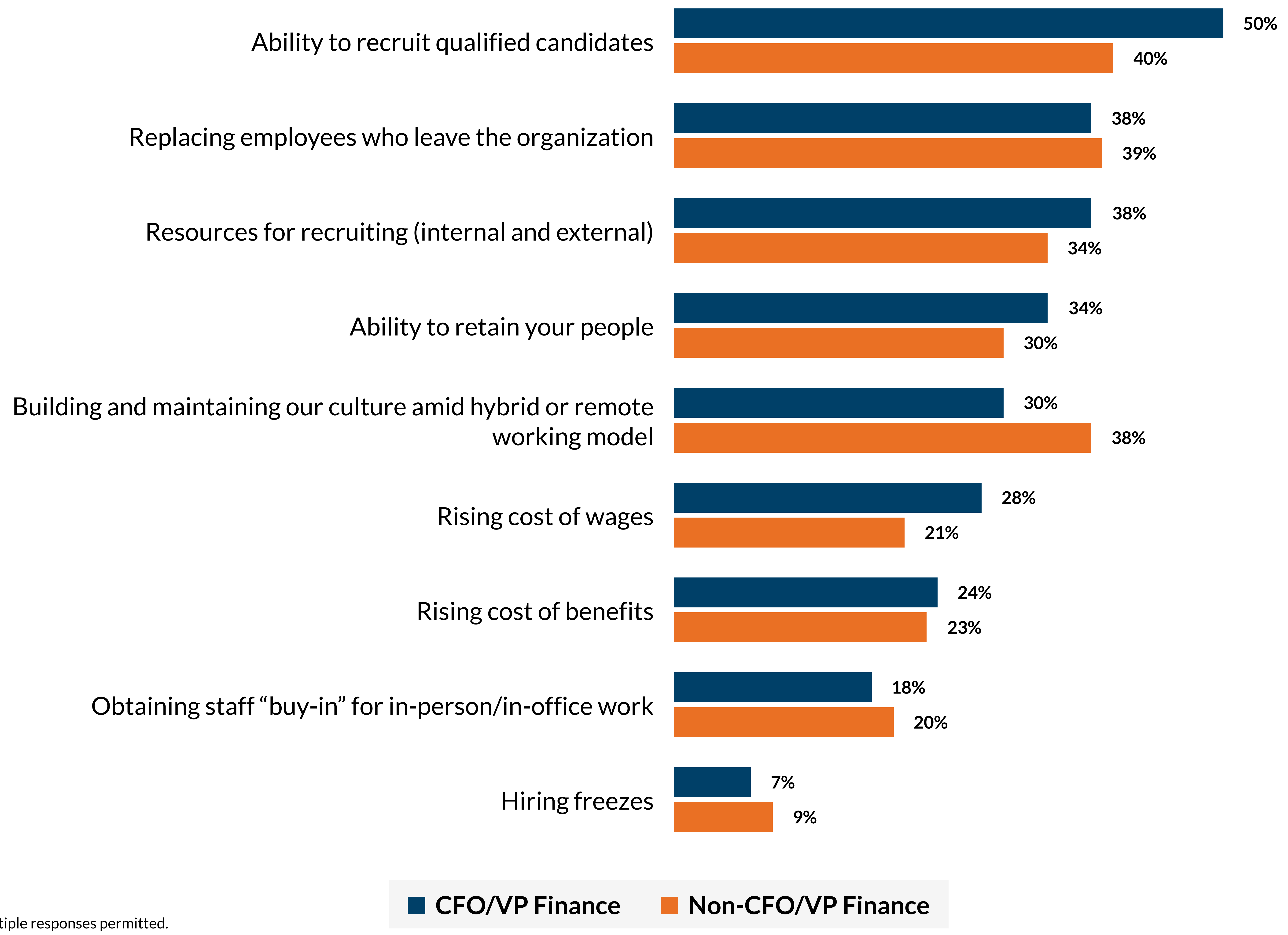
Devote more time to succession planning and related leadership development activities while practicing transparency with rising finance leaders and investing in their progression.

For each of these key areas of the overall finance process, please indicate how it is primarily resourced/staffed in your organization.

(Shown: CFO/VP Finance responses)

	Full-time employees		Staff augmentation (contractors, freelancers, etc.)		Managed services provider (blend of full-time staff, contract professionals and third-party experts)		Fully outsourced	
	2023	2022	2023	2022	2023	2022	2023	2022
Accounting Operations — Accounts Payable	90%	58%	8%	27%	2%	13%	0%	2%
Accounting Operations — General Ledger	77%	48%	15%	35%	8%	13%	0%	3%
Accounting Operations — Accounts Receivable	70%	44%	22%	35%	7%	17%	1%	5%
Financial Reporting	73%	42%	20%	32%	6%	19%	1%	6%
Financial Planning and Analysis	78%	43%	13%	32%	8%	18%	1%	7%
Tax	35%	38%	22%	35%	28%	19%	15%	8%
Risk Management	55%	40%	19%	34%	21%	20%	5%	7%
Strategic Finance (M&A)	54%	39%	17%	34%	21%	21%	8%	6%
Treasury	72%	41%	18%	34%	7%	19%	3%	6%
Finance PMO	75%	38%	16%	34%	6%	22%	3%	6%

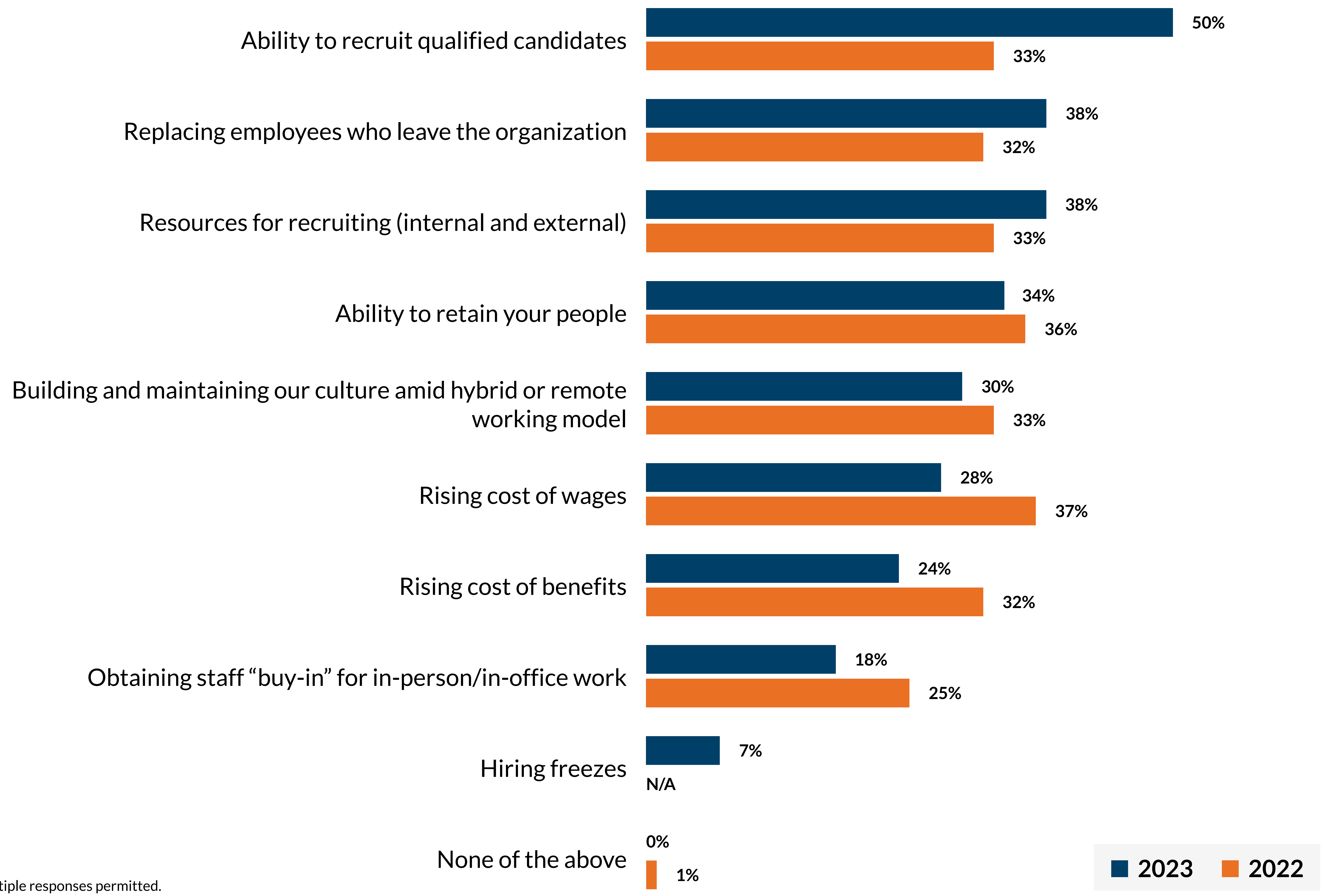
Which of the following HR/people-related areas are concerns for the finance organization today?*



* Multiple responses permitted.

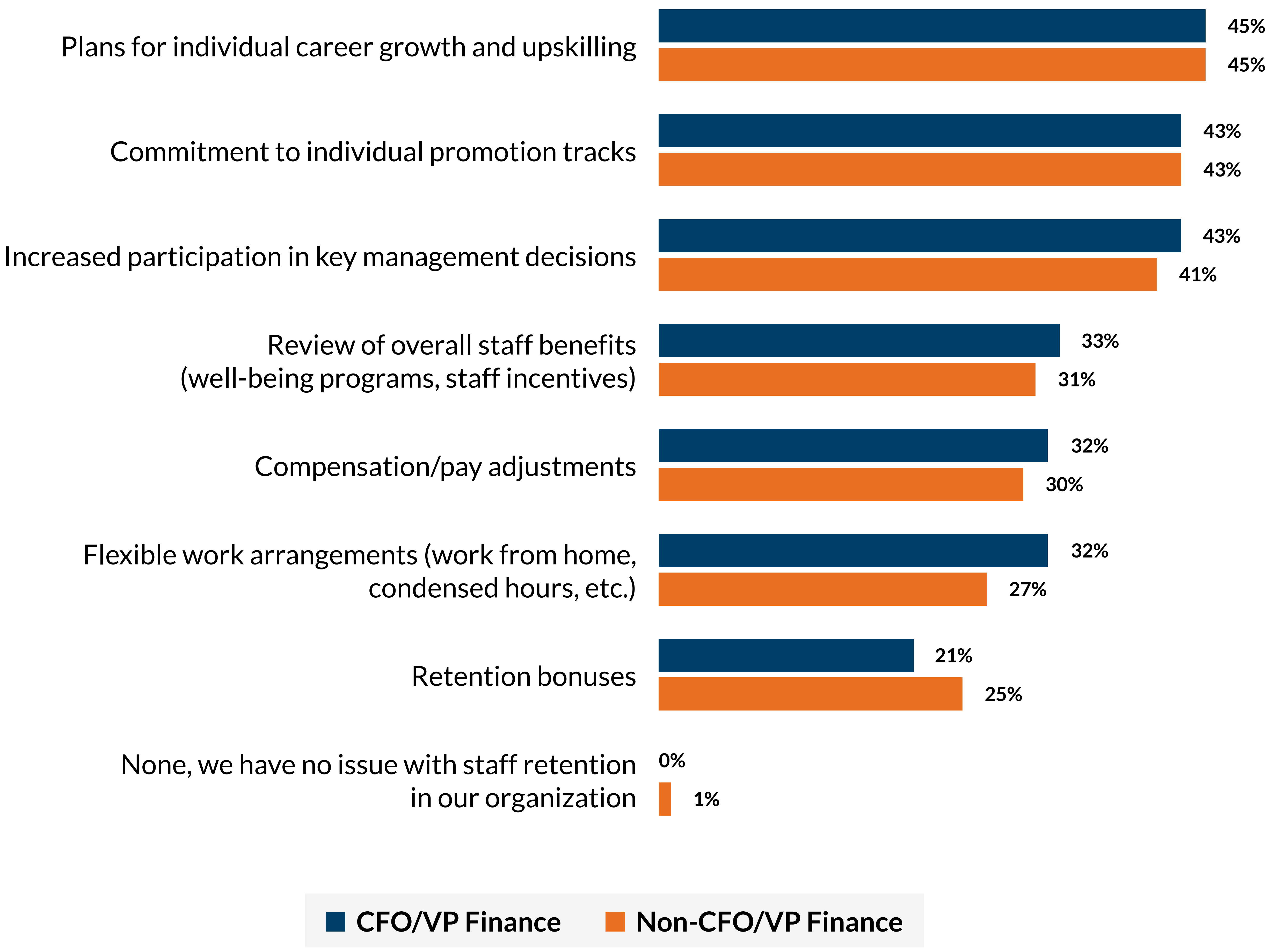
Which of the following HR/people-related areas are concerns for the finance organization today?*

(Shown: CFO/VP Finance responses)



* Multiple responses permitted.

Which of the following tactics are you employing to increase staff retention in your finance organization?*



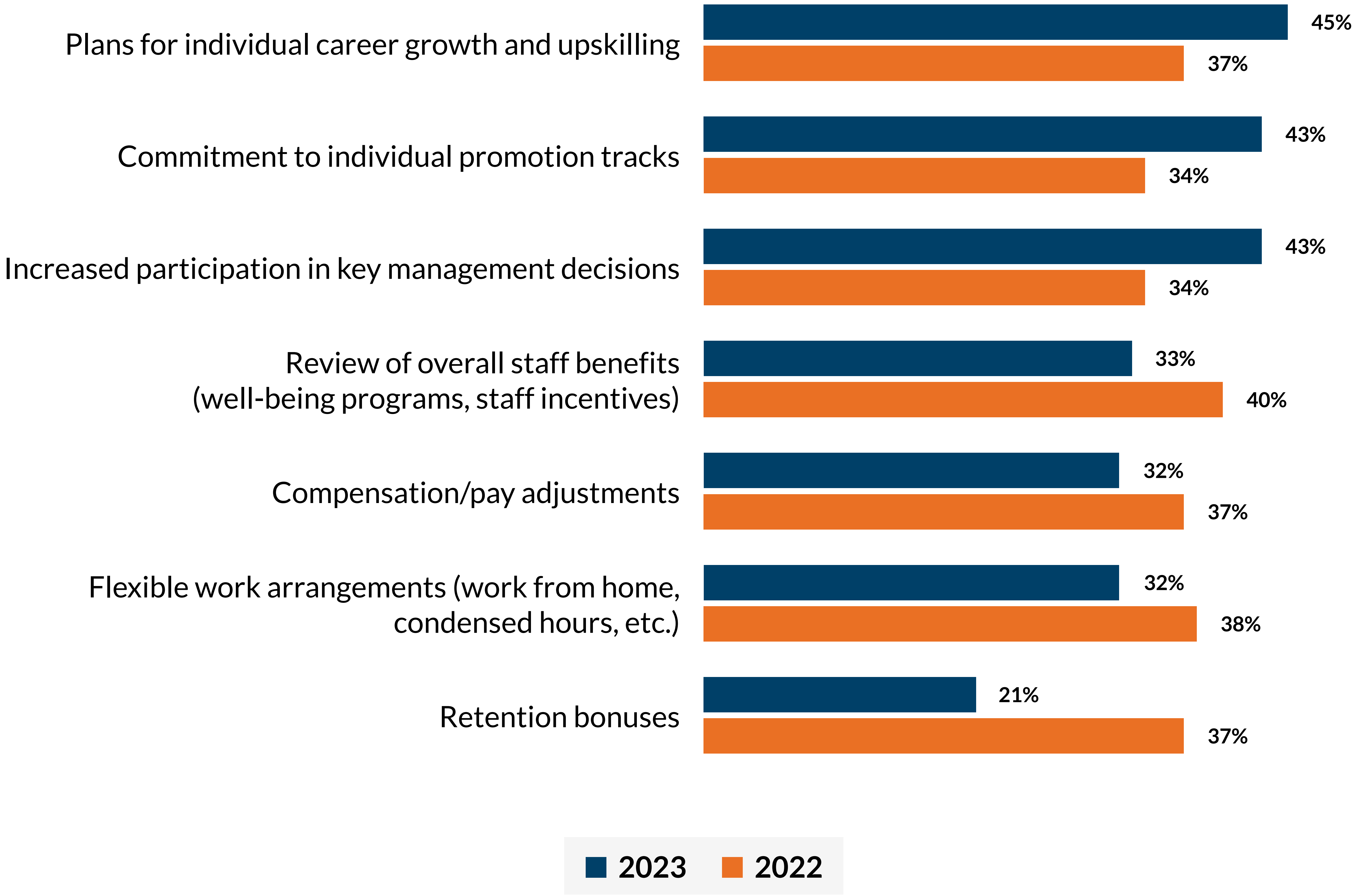
Other notable observations

- The frequency of insourcing for most finance processes (i.e., tasking full-time employees to handle this work) has risen year-over-year — not a surprise considering inflationary trends, economic uncertainty and actions among organizations to increase their leverage of available internal resources. This is how an effective resourcing model should work.
- This trend also underscores the importance of an effective recruiting strategy, including replacement of team members who leave the organization. It's understandable to find these areas among the top HR and talent-related concerns for CFOs and finance leaders.
- Areas such as achieving staff buy-in for in-office or in-person work, as well as the rising cost of wages and benefits, appear to be of less concern to CFOs and finance leaders this year, reflecting changes in the market and (perceived or otherwise) greater leverage among companies to exert more control over these areas.

* Multiple responses permitted.

Which of the following tactics are you employing to increase staff retention in your finance organization?*

(Shown: CFO/VP Finance responses)



* Multiple responses permitted.

Overall, which of the following strategies is your finance organization employing to obtain needed talent and skills?*

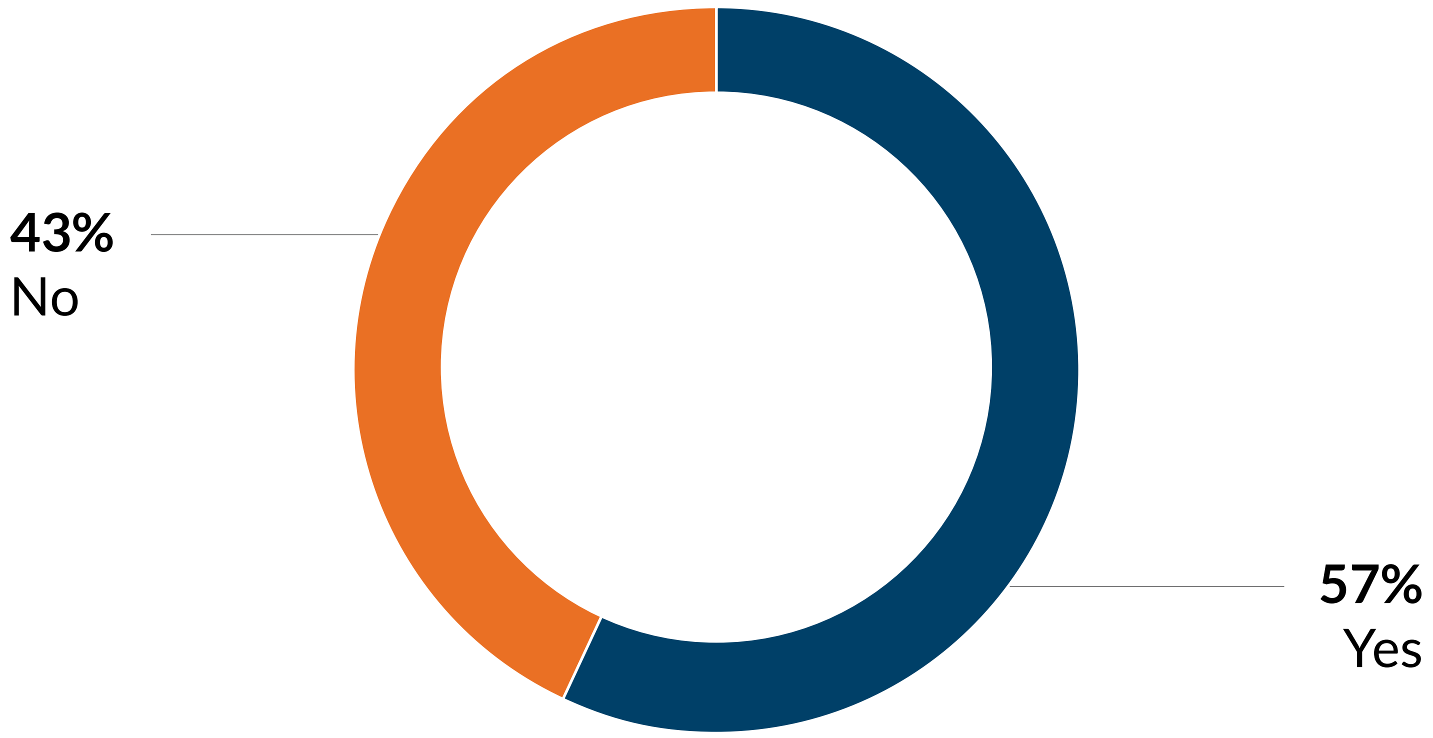
(Shown: CFO/VP Finance responses)

	2023	2022
We are increasing internal programs to upskill/reskill our team	45%	41%
We are researching, procuring and implementing technologies and automation to handle high-volume and repetitive tasks	43%	46%
We are implementing flexible work arrangements or job share programs	32%	40%
We are increasing our use of managed services providers	31%	39%
We are increasing our overall recruitment strategy	28%	40%
We are increasing our use of contractors	13%	34%
Other	0%	0%
None, we are able to obtain the needed skills and talents	1%	0%

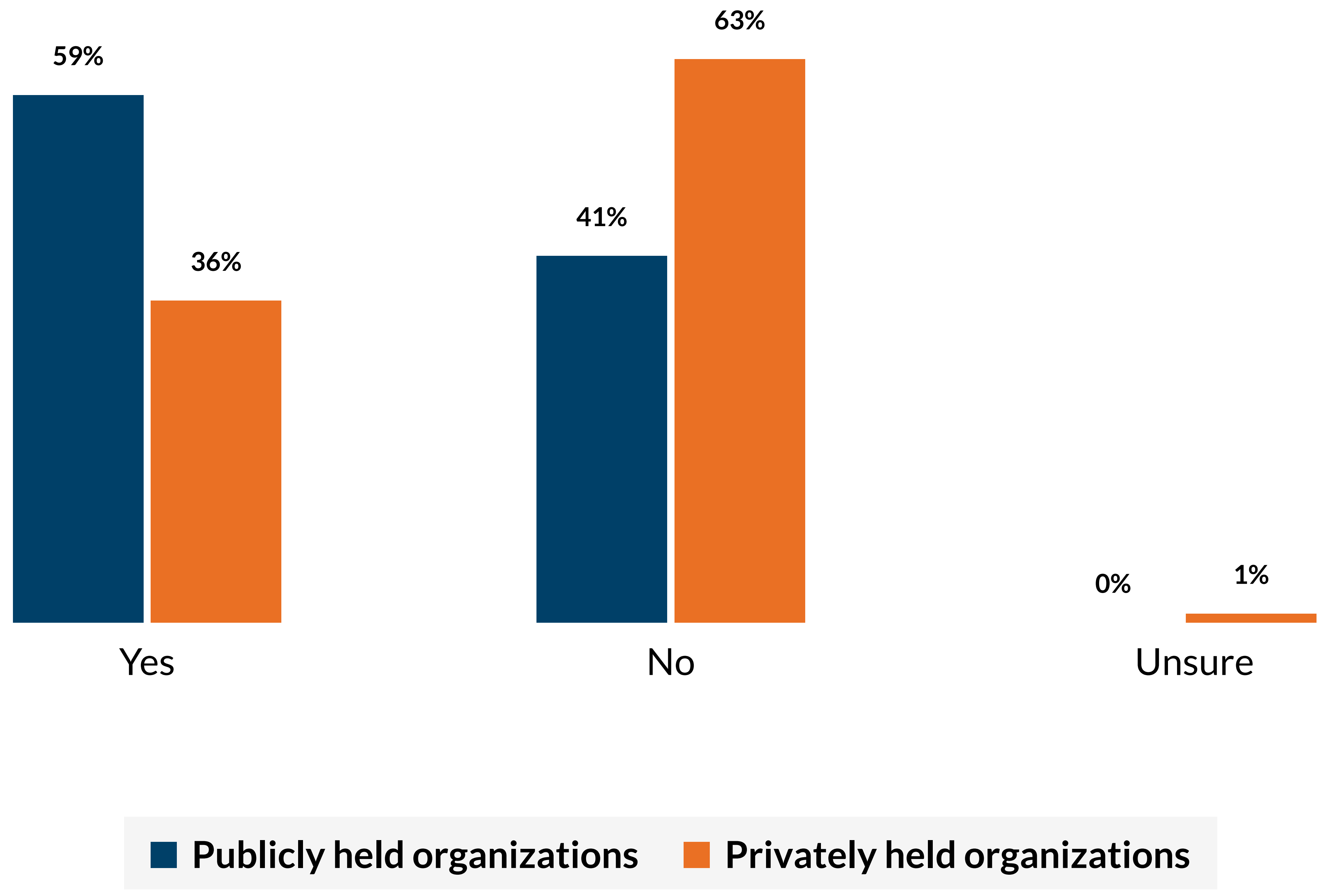
* Multiple responses permitted.

Does your finance organization have a formal and documented succession plan for key leaders and subject-matter experts?

(Shown: CFO/VP Finance responses)

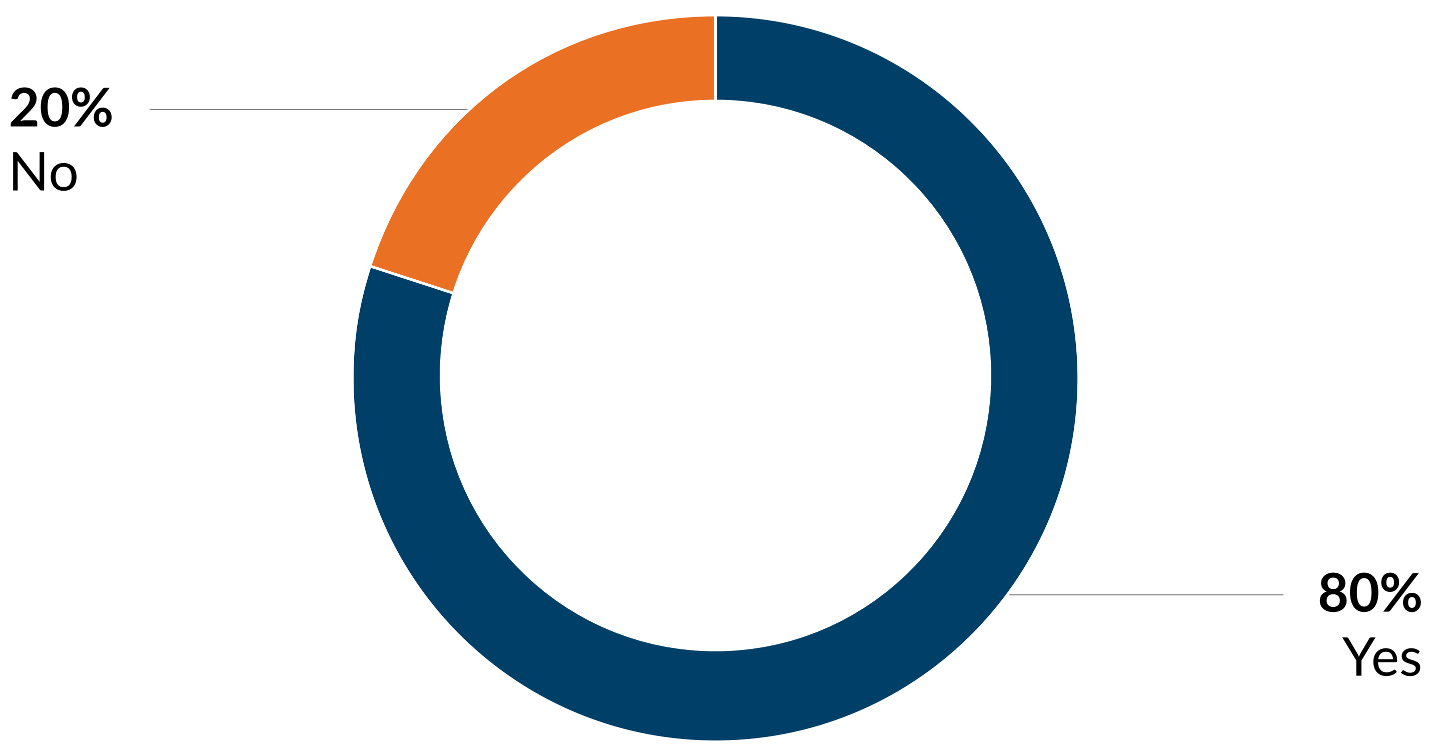


Does your finance organization have a formal and documented succession plan for key leaders and subject-matter experts?



Does the finance organization's succession plan include formal development plans for potential successors?

(Shown: CFO/VP Finance respondents whose organizations have a formal and documented succession plan for key leaders and subject-matter experts)



Aligning technology and transformation

Advancing the finance group's digital maturity requires a mix of technological and behavioral leaps forward. Leading CFOs also lend crucial expertise and support to technology modernization, cloud migrations and other enterprise technology initiatives.

Finance transformation has never been more important (as a foundation for satisfying internal customers' growing thirst for data-driven financial insights) or more in jeopardy (due to technical debt, insufficient innovation, stalled cloud migrations and other technology risks). To fully harness the value of AI (including GenAI), process mining, advanced analytics, finance automation and management tools, and other technology advancements, finance groups must achieve and sustain an advanced level of digital maturity. This need is growing as more business groups (e.g., HR, supply chain management) request financial analyses that help them elevate the digital maturity of their own capabilities (e.g., talent management and forecasting, supply chain risk management).

Leading CFOs improve and optimize finance transformation with a combination of best practices centered on modernizing and optimizing technology environments, along with behavioral changes — all while keeping a close eye on security and privacy of data and systems throughout the enterprise.

Technical debt — the accumulation of legacy systems and applications that are difficult and expensive to maintain and support — is an organizational challenge that also impedes finance transformation. Companies spend an average of 30% of their IT budgets and invest a fifth of their IT human resources on technical debt management, and 70% of IT leaders view technical debt as a significant drag on their organization's ability to innovate.[8] Leading finance groups collaborate with their technology counterparts to reduce technical debt levels by monitoring the signs (e.g., high support costs, frequent outages, high numbers of support incidents, slow response times to service requests), evaluating recent technology investments, drilling into technology cost structures, reallocating technology investments to prioritize technical debt reduction, and supporting the organization's long-term technical debt reduction efforts.

Similar types of financial expertise and cost optimization mindsets can help jump-start stalled and/or suboptimal cloud migrations. Rather than treating cloud transformation as a mere shift of applications, data and infrastructure to the cloud, leading finance organizations help the technology group invest in and execute cloud transformation with a goal of optimizing cloud platforms and workloads so that they support business objectives in a resilient and cost-effective manner.

*Companies spend an average of **30%** of their IT budgets and invest a fifth of their IT human resources on technical debt management, and **70%** of IT leaders view technical debt as a significant drag on their organization's ability to innovate.*

[8] *The Innovation vs. Technical Debt Tug of War*, Protiviti, March 2023: www.protiviti.com/us-en/global-technology-executive-survey.

Within many finance organizations, digital transformation journeys are hamstrung by a three-way misalignment among the organization's strategic objectives, the vision and goals of finance transformation, and the individual behaviors required to sustain the long-term change effort finance transformation demands. Leading CFOs address this pervasive challenge by effecting a change in culture that fosters innovative solutions, fully optimized processes and new behaviors. In addition to setting a clear strategic vision for finance transformation, communicating with transparency and focusing on change management fundamentals, these CFOs and finance leaders link the effort's guiding principles (e.g., leading with innovative processes) to KPIs (e.g., team member capacity) and individual behaviors (e.g., spending more time on consultative, strategic activities).

Top 10 priorities (with ties) for CFOs/VPs Finance — technology- and transformation-related areas highlighted

ESG metrics and measurement	7.4
Financial planning and analysis	7.1
Profitability reporting and analysis	6.9
Strategic planning	6.9
Impact of inflation	6.9
Security and privacy of data	6.9
Enhanced data analytics	6.8
Routine reporting and closing activities	6.7
Cloud-based applications	6.6
Mobile finance applications	6.6

Key action items for CFOs and finance leaders

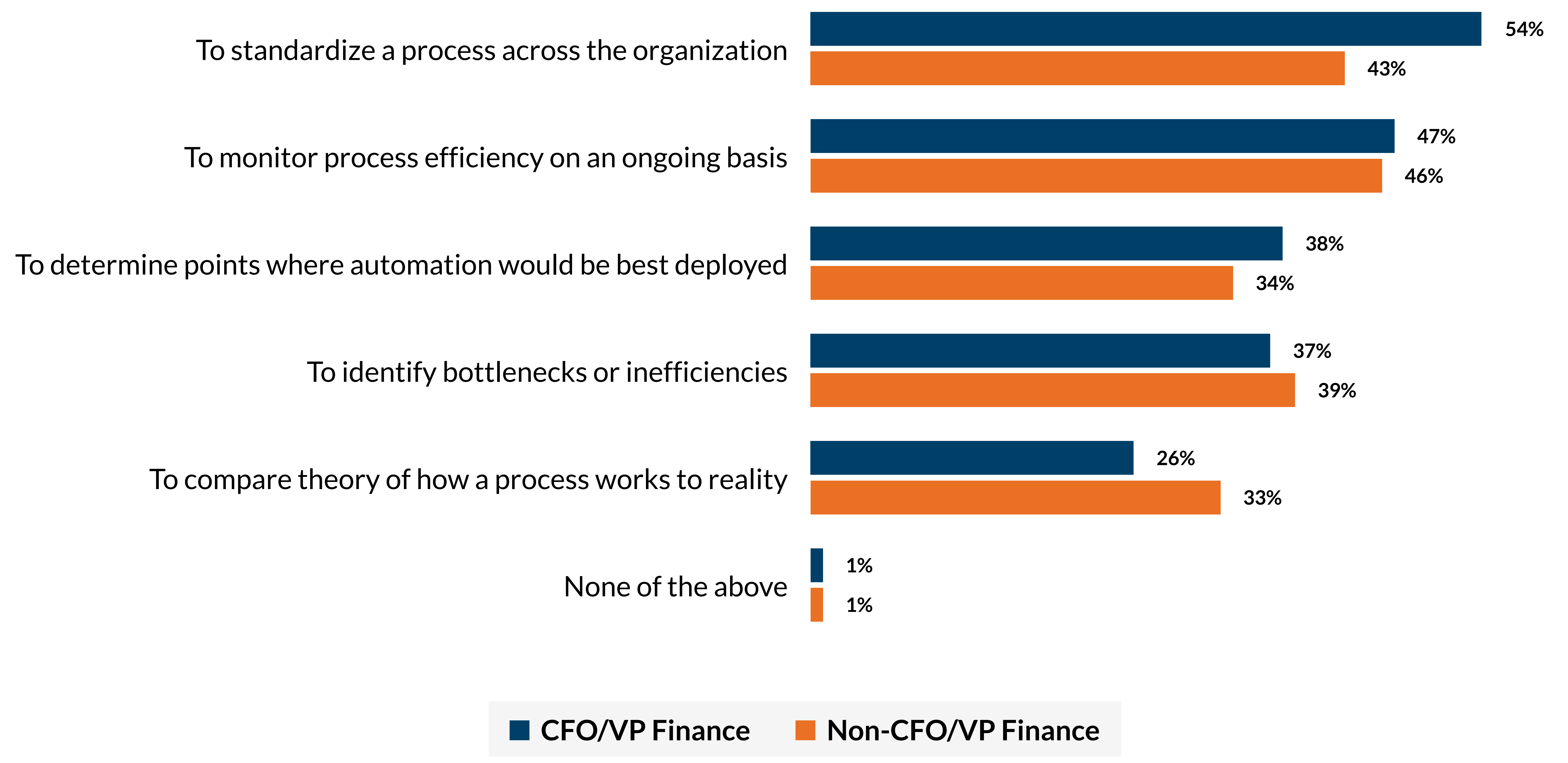
Address the technical, financial, behavioral and cultural enablers of finance transformation while ensuring this ongoing effort reflects a three-way alignment among the organization's strategic objectives, the finance group's transformation goals, and the individual behaviors and mindsets needed to sustain the change effort.

Assess the degree to which technical debt hampers digital transformation and cloud migration efforts at an enterprise level and within the finance group.

Collaborate with IT to reduce technical debt (by modernizing technology infrastructure in a cost-effective way) and optimize cloud migrations.

Advance the finance organization's digital maturity to meet the growing demand for new financial insights, analyses and reporting rigor from supply chain operations, HR groups, ESG teams and other parts of the organization.

For what reasons, if any, are you either currently using or considering the use of process mining?*



* Multiple responses permitted.

Methodology and demographics

More than 900 (n=903) finance leaders worldwide, including CFOs, vice presidents of finance, and a broad range of finance directors and managers, participated in Protiviti's Global Finance Trends Survey, which was conducted online in the second and third quarters of 2023. Respondents represent a broad cross-section of public and privately held companies as well as government organizations. Survey participants also were asked to provide demographic information about the nature, size and location of their businesses, and their titles or positions. We are very appreciative of and grateful for the time invested in our study by these individuals.

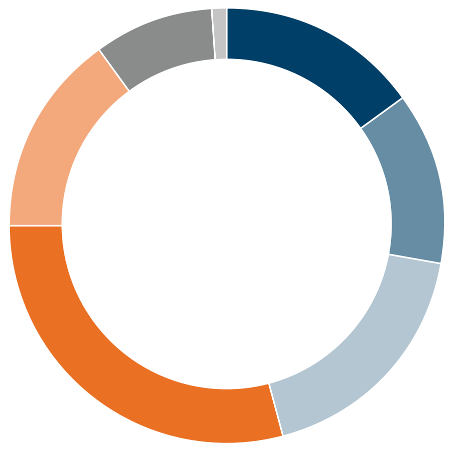
POSITION

Chief Financial Officer	14%
Vice President, Finance	12%
Corporate Controller	11%
General Manager	8%
Budgeting/Planning Director/Manager	7%
Finance Process Director/Manager	7%
Financial Reporting Director/Manager	7%
Finance Technology Director/Manager	6%
Finance Transformation Director/Manager	6%
Assistant/Divisional Controller	5%
Executive Vice President	5%
SEC Reporting Director/Manager	5%
Chief Executive Officer	4%
Chairperson/Board Member	3%

INDUSTRY

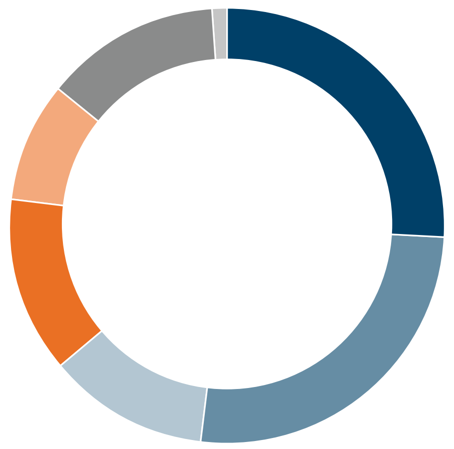
Government	9%
Technology (Software, High-Tech, Electronics)	7%
Healthcare Provider	6%
Retail	6%
Telecommunications and Data Infrastructure	6%
Consumer Packaged Goods	5%
Media	5%
Financial Services — Banking	4%
Biotechnology	3%
Equipment Rental	3%
Financial Services — Asset Management	3%
Financial Services — Payments	3%
Healthcare Payer	3%
Insurance (other than Healthcare Payer)	3%
Manufacturing (other than Technology)	3%
Power and Utilities	3%
Transportation and Logistics	3%
Wholesale and Distribution	3%
Airlines	2%
Automotive	2%
Chemicals	2%
Construction	2%
Construction Aggregates and Building Materials	2%
Financial Services — Broker-Dealer	2%
Financial Services — Other	2%
Mining	2%
Oil and Gas	2%
Pharmaceuticals and Life Sciences	2%
Private Equity	2%

SIZE OF ORGANIZATION (OUTSIDE OF FINANCIAL SERVICES) — BY GROSS ANNUAL REVENUE IN U.S. DOLLARS



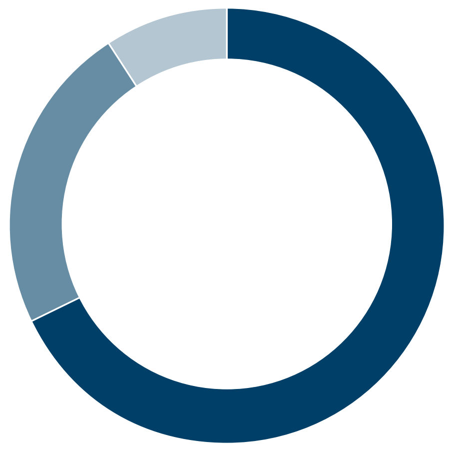
$20 billion or greater	15%
$10 billion - $19.99 billion	13%
$5 billion - $9.99 billion	18%
$1 billion - $4.99 billion	29%
$500 million - $999.99 million	15%
$100 million - $499.99 million	9%
Less than $100 million	1%

SIZE OF ORGANIZATION (WITHIN FINANCIAL SERVICES) — BY ASSETS UNDER MANAGEMENT IN U.S. DOLLARS



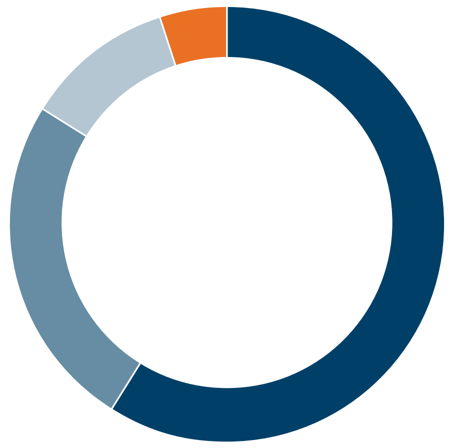
$250 billion or greater	26%
$50 billion - $249.99 billion	26%
$25 billion - $49.99 billion	12%
$10 billion - $24.99 billion	13%
$5 billion - $9.99 billion	9%
$1 billion - $4.99 billion	13%
Less than $1 billion	1%

TYPE OF ORGANIZATION



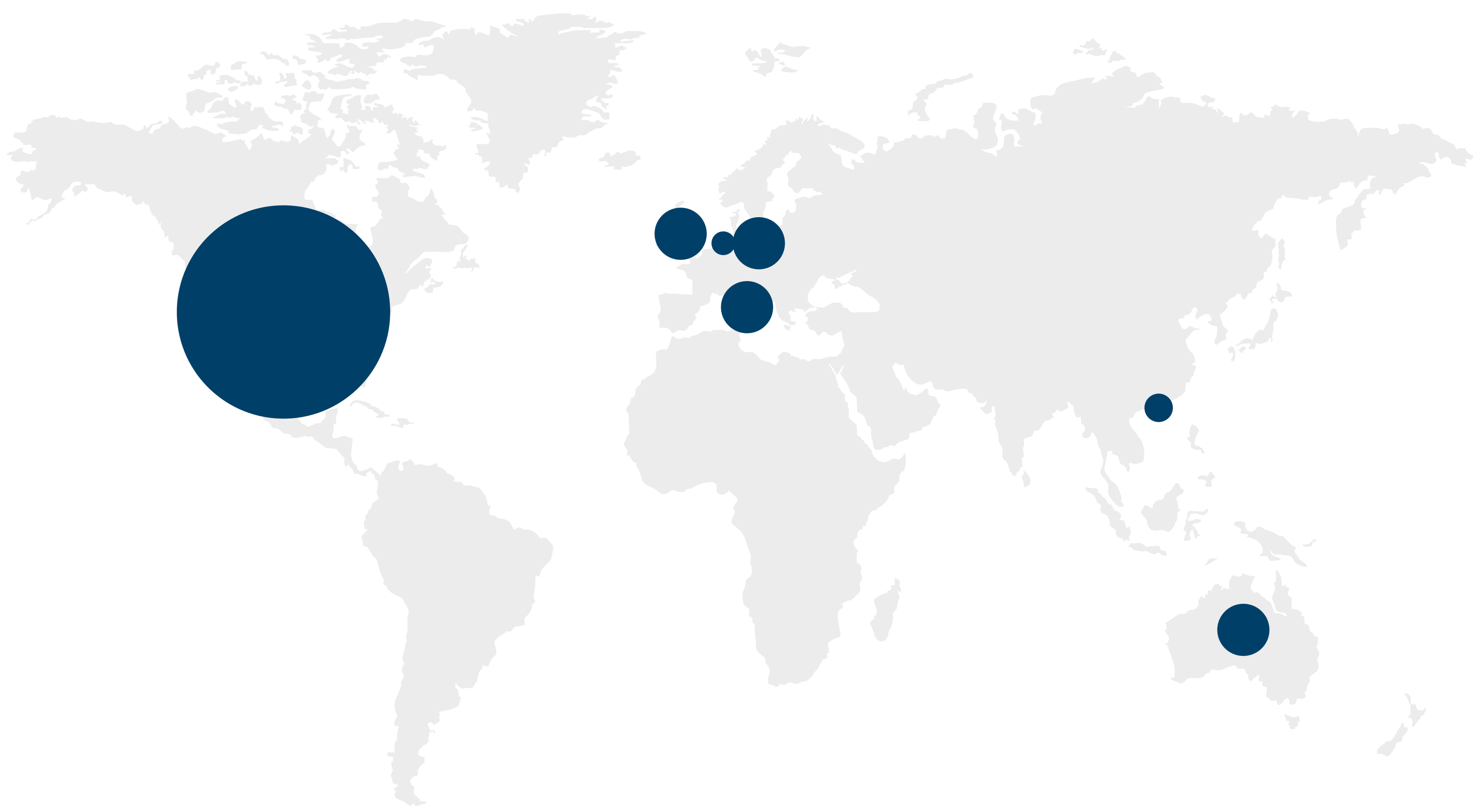
Publicly held	68%
Privately held	23%
Government	9%

SCOPE OF ORGANIZATION



Global	59%
National	25%
Regional	11%
Local	5%

ORGANIZATION HEADQUARTERS



United States	46%
Germany	11%
Italy	11%
United Kingdom	11%
Australia	10%
Hong Kong	6%
Netherlands	5%

About Protiviti

Protiviti (www.protiviti.com) is a global consulting firm that delivers deep expertise, objective insights, a tailored approach and unparalleled collaboration to help leaders confidently face the future. Protiviti and our independent and locally owned Member Firms provide clients with consulting and managed solutions in finance, technology, operations, data, analytics, digital, legal, HR, governance, risk and internal audit through our network of more than 85 offices in over 25 countries.

Named to the 2023 *Fortune* 100 Best Companies to Work For® list, Protiviti has served more than 80 percent of Fortune 100 and nearly 80 percent of Fortune 500 companies. The firm also works with smaller, growing companies, including those looking to go public, as well as with government agencies. Protiviti is a wholly owned subsidiary of Robert Half (NYSE: RHI). Founded in 1948, Robert Half is a member of the S&P 500 index.

How we help CFOs and finance organizations

The role of finance executives is dynamic, constantly evolving to keep pace with changing demands of internal and external customers and technology. Protiviti helps finance leaders address their current challenges and explore opportunities for continuous growth, delivering innovative solutions and supporting finance as a forward-thinking, strategic partner to the business. At the core of our methodology is aligning people, process and technology to drive efficiency and productivity, enabling change and creating value for the entire organization.

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