

Protiviti – The Evolving CFO Role

Background

The CFOs role is rapidly evolving to take up strategic responsibilities. From the traditional role of safe-guarding assets, cash flow management, mitigating risks, financial reporting and overall financial planning and analysis, today's CFO is impacting the larger business. Ensure a sustainable and agile operations that will strengthen enterprise operations and supply chain.

- The CFO plays a pivotal role in leading their organisation to its long-term growth. With digitisation being at the forefront of business transformation, finance leaders are now making significant contributions in this domain.
- The CFOs must now not only adapt to the rapidly changing environment, but also get ahead of it by bridging the skill gap between the finance function and digitisation.
- With digital transformation being at the forefront of the finance function, the focus is now on how the CFOs strategic decisions, robust leadership and effective communication will help position the organisation for future growth.

Key CFO Focus Areas 2021

Objective

Key CFO Focus Areas 2021	Objective
Restructured role from finance to strategy	How soon can we meet to discuss 2019 audit results and 2020 planning? (This would include a debrief of what worked well , what to improve upon – recommend as soon as possible after signoff.)
Digitisation of the finance function	By redefining its value contribution and self-perception, finance can seize the opportunities that digitalisation offers to develop into a digital driver that shapes the digital landscape of the entire organisation
Forecasting future trends with analytics	Analytics that provide organisations with a single version of truth on the health of the business, capture trends and predict potential are now key for CFO's to advise and help corporate leaders make better decisions
Cost management as a growth catalyst	The way they proactively approach cost allocation and management and remove activities that drag down earnings — can have a tangible impact on shareholder returns and contribute to sustained value-creating growth
Crisis Management and Response	Establishing a crisis management team and stakeholder responsibilities; developing agility
People Safety, Productivity and Success	Prioritising employee safety; developing a resilient and remote workforce while driving success
Technology Enablement and Resilience	Ensuring technology availability and security for a mobile workforce; leveraging automation for efficiencies
Resilient Operations, Continuity and Supply Chain	Continuity planning for agile operations; managing third-party risks; driving critical processes
Governance, Financial Discipline and Liquidity	Establishing financial models, managing investments and addressing financial reporting requirements
Regulatory and Government Actions	Responding effectively and efficiently to changing regulatory requirements and government actions

Challenge: Global Retailer – Restructured Role from Finance to Strategy:

- **Optimised & documented** finance processes
- **Designed and developed** 'Optimised/Standardised' finance competencies, processes, policies & procedures
- **Re-aligned organisation** to new finance processes
- **Revised organisational** roles & responsibilities, and 'service' expectations
- **Developed** purchase-to-pay, order to cash, record to report and spend analytics 'blueprints'
- **Established** formal purchase-to-pay, order to cash, record to report and spend analytics functions within finance & accounting operations
- **Assessed** current/planned IT architecture vs. current and future business requirements
- **Developed** the business case for digitisation

Challenge: Manufacturing - Forecasting with Data Analytics.

- Transitioned from manual data gathering to best-in-class solution
- Invested in the organisation's analytics future with a strategic road map and a solution that embraces change & enables strategic growth
- Designed & Implemented real-time analytics in a flexible scalable format
- **The Impact:** An enterprise data warehouse built on the
- **SAP® HANA** platform that supports expansion into ecommerce & international markets

Challenge: Cost management as a growth catalyst. Global Oil & Gas - Managing and reducing costs while sustaining long term cost savings:

- Automated procure to pay processes
- Moved from sourcing to category management
- Drove savings to bottom line
- Invested in spend analytics tools
- Increased focus on working capital management - shorter terms with discounts, reduced inventory levels
- Increased collaboration, both internally and externally
 - **Internally:** increasing collaboration between procurement and finance
 - **externally:** moving from price to cost focus to sustain previous savings
- Leveraged the organisation model and intelligent process automation as a competitive advantage for cost and growth management

Challenge: Global Energy Company - Digitisation of the finance function:

- **Order to Cash** - This function typically involves a variety of manual, error-prone tasks, which may result in delayed cash inflows and/or lost revenue. Streamlined and digitised these activities by retrieving information directly from a variety of sources, reconciling amounts to ensure accuracy, and automating repetitive tasks.
- **Procure to Pay** - Automated accounts payable tasks such as updating vendor records, extracting invoice information, and validating amounts to improve the efficiency of this process and avoid overpayments
- **Financial Operations** – Automated journal entries, manual reconciliations, monthly general ledger close process, internal and external reporting and Improved operational efficiency, timeliness, and accuracy. by automating these manual tasks.
- **Financial Planning and Analysis (FP&A)** – Automated sourcing, aggregating, and formatting data, enabling improved financial analysis and strategic planning.
- **Treasury operations** – Automated Cash management reconciliation and reporting, by reconciling consolidated bank account balances against cash reported on the balance sheet and improved the accuracy and timeliness of cash position reporting and forecasting.
- **Invoicing and Accounts Receivable** – Automated generation and sending invoices, reconciling invoices against sales and delivery records, and providing prompts for reminders to be sent to customers.
- **Tax compliance and reporting** – Automated gathering data, preparing reports, calculating the tax payable, and submitting filings to tax authority portals.
- **Accounts Payable** - Automatically matched purchase order with the necessary invoice, compared them and flagged the mismatches for review. Invoices were automatically directed to the member of staff responsible for their approval, deadline reminders were made and delivered periodically.
- **Travel and Expense Processing** - streamlined and Automated the expense report approval and payment process by comparing expenses to company policy, tracking receipts, and directly pulling data into reports, in turn sent policy reminders through emails to new travelers or those who violated policy.

Contact the Business Performance Improvement Team for a Discussion



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