

How CFOs Are Rethinking Approaches to Resource Finance Processes

Highlights From Protiviti's 2019 Finance Trends Survey

CFOs and finance executives are contending with a growing talent and skills challenge at a time when existing staffing models are being disrupted by numerous economic drivers, technological advancements and shifting generational expectations.

The pace of change for organizations is continuing to accelerate, which has a significant impact on finance. In a do-it-yourself model, this places tremendous strain on internal staff and demands a hero mentality (i.e., heroic efforts are needed on a constant basis).

The results of our recent global study on finance trends suggest that, in response to these trends, more CFOs and finance executives are reassessing the traditional finance labor model and associated skillsets. Significantly more finance organizations are leveraging relationships with managed services providers (those that deliver a blend of full-time staff, contract professionals and third-party experts) compared to traditional outsourcing arrangements. Specifically, CFOs and finance leaders are deploying a range of non-full-time-equivalent resourcing approaches to staff larger portions of their tax, accounting operations, risk management, strategic finance (M&A) and treasury functions.

In addition, the priorities in staff skills that CFOs and finance leaders identify in our global study reflect a need to access certain abilities, such as those related to leadership, change management and embracing advanced technology, along with a desire to devise new approaches to recruiting, retaining, retooling and resourcing those skills. They also prioritize working effectively with external partners to develop new methods of accessing and instilling new skills.

Finance organizations must continue to explore innovative ways to harness the power of an expanding talent ecosystem, as they will be well-positioned to access increasingly valuable expertise while thriving as strategic business partners.

To get started with developing a more agile and flexible finance labor model that leverages innovative sourcing strategies, CFOs and finance leaders should:

1. Assess the extent to which economic forces, technological advancements and changing generational expectations of the employer-employee contract are affecting the existing finance labor model.
2. Define those roles that represent the strategic professional core (those roles and/or functions that are critical to the success of the organization), as those will need to be compensated handsomely.
3. Assess the effectiveness and efficiency of current resourcing approaches in terms of their success in supporting and increasing the finance group's agility.
4. Evaluate which combination of resourcing approaches – training and reskilling a highly skilled core of full-time staff, temporary staff sourced through long-term relationships with staffing and consulting firms that know the company, the use of contractors, etc. – are best suited to meet the finance organization's quickly changing and evolving talent needs.
5. Determine how to hire, develop and manage each of these labor pools in an optimal manner that leverages advanced supporting technology.

Resourcing Core Finance Processes

From our survey:

For each of the following areas of the overall finance process, please indicate how it is resourced/staffed in your organization (Shown: CFO/VP of 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
Accounting Operations (AR, AP, GL, etc.)	81%	23%	17%	4%
Financial Reporting	68%	29%	19%	3%
Financial Planning & Analysis	70%	24%	24%	6%
Tax	54%	22%	31%	14%
Risk Management	61%	23%	27%	8%
Strategic Finance (M&A)	64%	25%	20%	7%
Treasury	67%	23%	19%	4%
Finance PMO	68%	25%	14%	7%

Want to know more? Further insights and our full report, *Today's Finance Priorities: Security, Data, Analytics and Internal Customers*, are available at www.protiviti.com/financesurvey.



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