



The CFO: Architect of Data-Driven Success

Increasingly, organisations are turning to the finance department to deliver accurate predictions and clear insights that will drive strategic actions required to fuel growth. In this report, we reveal the concerns of CFOs, their strategies for dealing with the deluge of data-driven tasks - and making the most of the value data can provide.

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Methodology

The research was conducted by Censuswide, with 250 CFOs, Head of Finance and Finance directors aged 18+ in companies with 100+ employees and a revenue of £50m-£500m in the UK between 15.05.2023 – 24.05.2023. Censuswide abide by and employ members of the Market Research Society which is based on the ESOMAR principles.

In an era of relentless change business leaders are demanding certainty.

Increasingly, organisations are turning to the finance department to provide certainty, delivering the accurate predictions and clear insights that will drive strategic actions required to fuel growth.

It's no surprise, then, that **72%** of CEOs from high-performing firms expect the role of the CFO to become even more crucial in the next three years (source: Forbes Insights/KPMG).

As one expert writing for CFO.com observes:

"The new CFO is expected to be a strategic thinker and communicator who drives change and value creation throughout the business. That's well beyond the narrow confines of the finance department. A CFO is no longer allowed to just look back and provide explanations for things that have already happened; now he or she is expected to help a company know what will happen."

Where once the CFO role was confined to delivering accurate numbers back to business, it has evolved to become more strategic with a remit to provide insights that will drive business growth. To do this, CFOs and their teams need to have the right data at their fingertips. Requests for data and insights come thick and fast from all departments. These are made with an air of expectation that the most helpful calculations, projections and insights will be provided promptly and with minimal fuss.

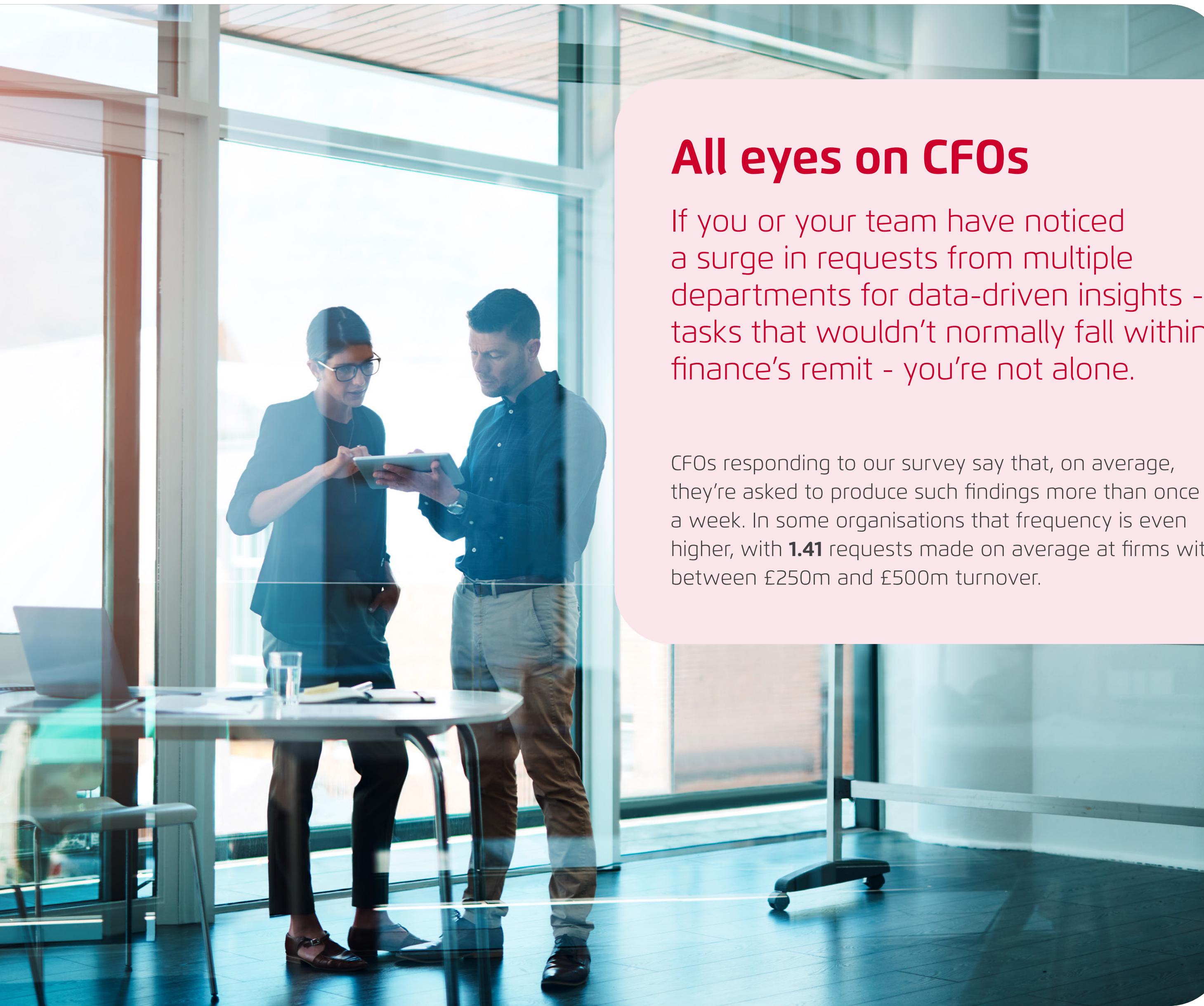
But this raises several questions for the pressured CFO, not least:

- Do they or their team see data as part of their remit?
- Do they have the skills and confidence to drive insights and value from the data available?
- Is the data available fit for purpose, is it structured and substantial?

The trend for CFOs to be handed the data mantle shows no sign of slowing - but the crown weighs heavy. Against that backdrop, we've taken a temperature check of 250 CFOs working in mid-size UK businesses.



In this report, we reveal the beliefs of CFOs, their concerns and strategies for dealing with the deluge of data-driven tasks - and making the most of the value data can provide.

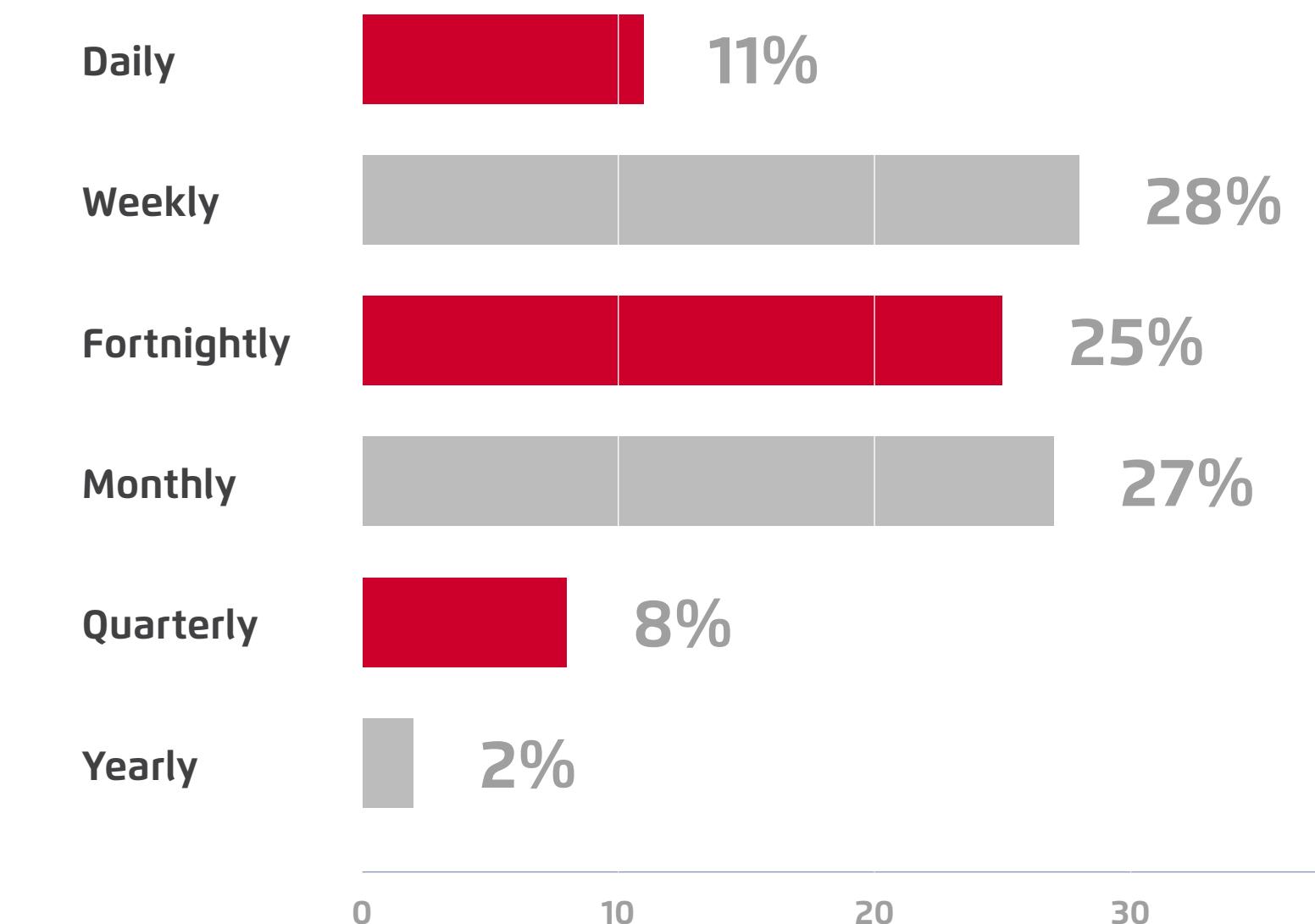


All eyes on CFOs

If you or your team have noticed a surge in requests from multiple departments for data-driven insights - tasks that wouldn't normally fall within finance's remit - you're not alone.

CFOs responding to our survey say that, on average, they're asked to produce such findings more than once a week. In some organisations that frequency is even higher, with **1.41** requests made on average at firms with between £250m and £500m turnover.

How often do other departments request non-financial data and insight?



Average requests per week: **1.23**

This illustrates the trend for finance teams to find themselves dealing with diverse data requests - and CFOs also have strong view of data remits.



At present only
26%
of CFOs think it is
primarily the remit of
themselves or their
finance team to turn data
into actionable insights.

Whose role is it anyway?

Many departments see data-driven insight as a function of the finance team. Based on our survey findings, though, you'd be forgiven for disagreeing with that view.

When asked whose remit they think turning data into actionable insights primarily falls under at present, only around a quarter (**26%**) name themselves or their finance team.

They're most likely to cite the CEO/owner (**46%**), while one in seven (**14%**) identify IT; slightly fewer (**13%**) say marketing. In addition, CFOs at the smallest-sized firms surveyed - those with between 100 and 249 employees - are the most likely (**34%**) to say data is part of their/their team's remit.

But when CFOs are prompted to say who they think should oversee data, the 'ownership gap' gets even wider.

Whose remit do you think is best suited to turn data into actionable insights?

CEO / business owner



CFO / finance



IT/tech



Marketing



0 10 20 30 40 50 60 70

In businesses turning over £250m to £500m the difference is most pronounced, with **64%** pointing to the CEO/owner, and just **22%** to themselves or the finance team.

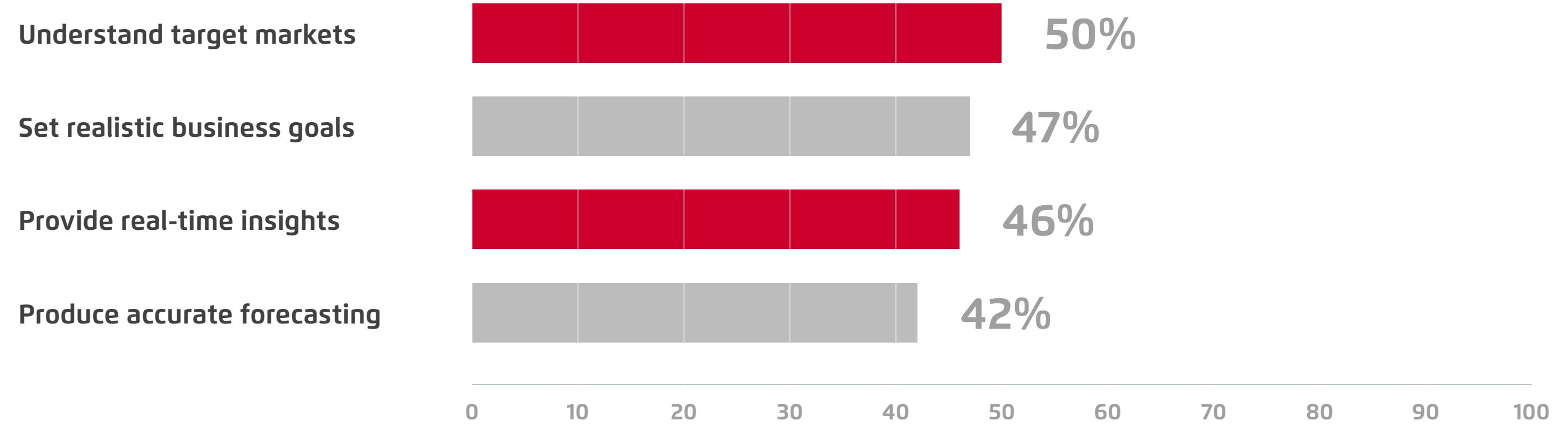
But what sits behind the apparent reluctance of CFOs to 'officially' take charge of data and insight? Is it the pressure of adding to already busy remits; a lack of confidence in their own data skills; the quality of the data; or something else?

The confidence conundrum

According to CFOs we surveyed, a combination of factors is fuelling their uncertainty about who should oversee the organisation's data - and how to use it well.

They are generally unsure about a range of strategic data-driven tasks.

What can your organisation do confidently with data?



There is a recognition among the CFOs surveyed that in order to produce strategic insight confidently, a level of data maturity is required.

Seven in 10 (**70%**) CFOs also claim their organisation has not reached an 'extremely mature' stage with its use of data. Of that figure, nearly half (**49%**) state data is 'fairly mature': it's put to use by their firm but more could be done with it. Almost a fifth (**18%**) claim data isn't very mature, with a long road ahead to drive value from it, while **3%** bemoan a complete lack of data maturity.

If data maturity is not progressed, just 11% of CFOs think their business will be able to achieve all of its goals. The remaining 89% feel some or all targets will be missed.

70%

of CFOs claim their organisation has not reached an 'extremely mature' stage and there is more it could do with its use of data.

On a personal level, perhaps the most vexing aspect for CFOs' attempting to use data for a full range of outputs is the quality of the information they can access.

Their major pain points include:

34%

Inconsistency
- no master data

33%

Poor quality

33%

Out of date
when I use it

31%

Can't get insights
in real-time

30%

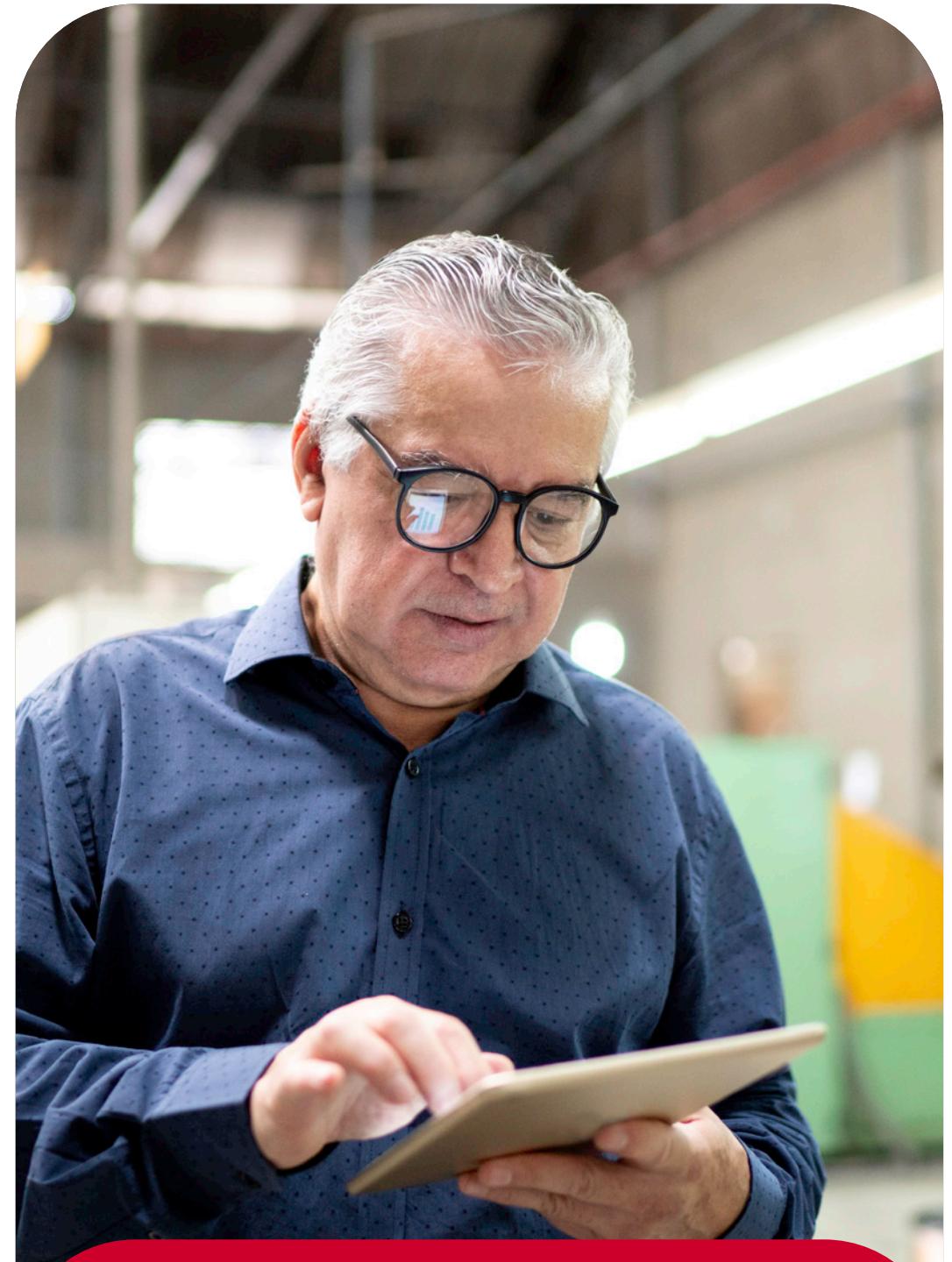
No clear owner
of data/insights

The same data pain points exist when CFOs were asked to specifically consider how they measure KPIs: outdated data (36%), skewed data (34%) and lack of data (31%) all make life harder.

It's no surprise that aspects of data ownership and quality are combining to cause consternation for CFOs.

On the other hand, CFOs are a knowledgeable and insightful group - and are prepared to roll up their sleeves to drive as much value as possible from the data at their disposal.





58%

of CFOs are eager to learn more about how to use data for insight and decision-making.

Data's value is within the CFO's grasp

60% of CFOs agree that organisations with a strong data strategy are likely to grow faster than those that don't.

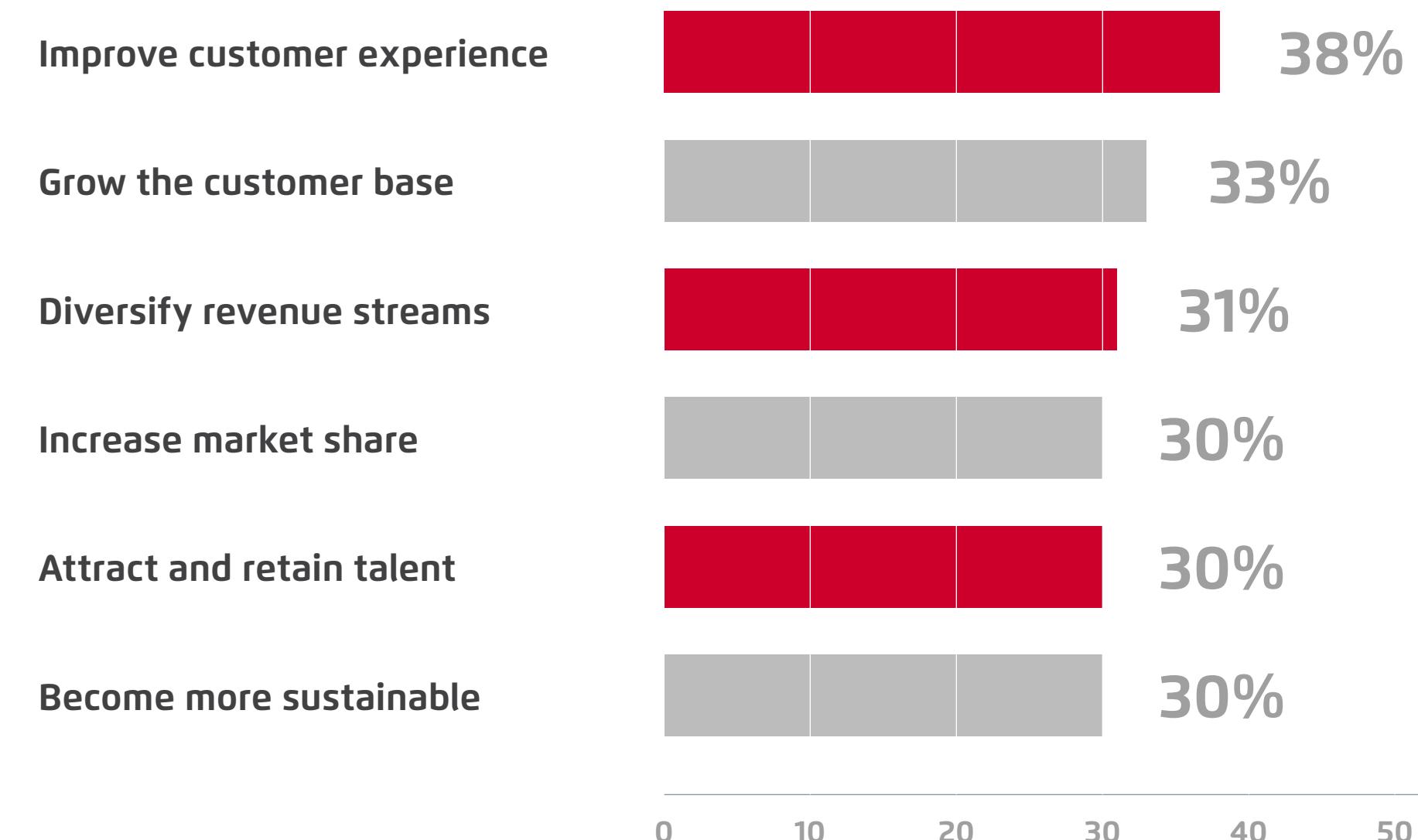
Furthermore, a majority (**58%**) - increasing to **63%** at businesses that turn over £100m to £250m - say data strategy is frequently discussed at their firm.

But an even higher proportion (**63%**) of CFOs state their company must improve its strategy for driving insights from data. Seven in 10 (**70%**) CFOs at the smallest companies in our study - with 100 to 249 employees - agree.

To that end, **58%** of CFOs - noticeably more than suggest they or their team should own data strategy - are eager to learn more about how to use data for insight and decision-making.

The CFOs surveyed recognise better utilisation of data can provide multiple benefits across the business.

These include:



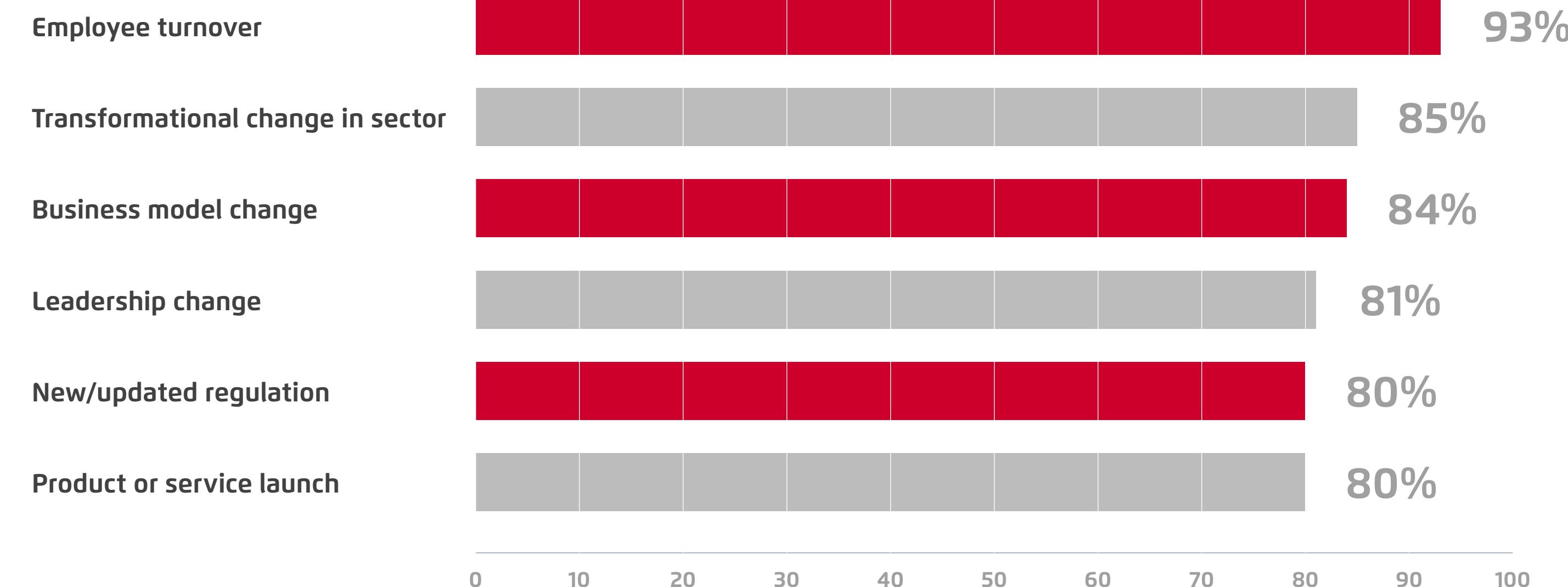
CFOs and Data: Key Findings



CFOs believe data and analytics will be vital to successfully navigating many strategic changes they anticipate will occur in the next two years.

How important is data to help your business face the following organisational changes?

(CFOs answering 'very' or 'somewhat' important)



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In other words, CFOs understand the wide-ranging power of data for transformational change - if it is used well.

But a minority rate their firm 'extremely data mature' - and even fewer feel empowered to step up to the plate.

So what needs to change?

CFOs can be the catalyst for change

Despite a reluctance to add data strategy to their remit, the fact that CFOs are already handling diffuse data-driven tasks should be a source of comfort and confidence.

At least once a fortnight, many deal with data to:

54%

Track non-financial KPIs

53%

Active planning

51%

Predict future events

51%

Measuring performance

50%

Understand past events

48%

Make decisions

48%

Measure real-time events

Furthermore, they cite inventory (**41%**), account receivable turnover (**40%**), working capital (**38%**) and overall financial performance (**36%**) among the KPIs they are directly responsible for.

A substantial share of CFOs already have their fingers on the pulse of past, present and future factors that are pivotal to the growth of their business, as well as a range of other crucial outcomes - from operational success, to employee satisfaction and better customer experience.





It's not only the business that can benefit if CFOs grasp the nettle of data-driven transformation. Their own careers can flourish, too.

When asked to name the traits that combine to make a successful modern CFO, the responses reflect the positive outcomes of great data strategy:

Ability to provide helpful forecasts



Understand how to use insights for future strategy



Be a strategic thinker and communicator



Give the business a rigorous and strategic vision



0 10 20 30 40 50

Sempre believes CFOs are perfectly placed to be the catalyst of data-driven change at their organisations. But that will only happen if they have the right skills, support and resources in place to ensure they seize the opportunity.

Finance leaders are facing the growing pressure of dealing with requests for data insights from departments across their business.

In Sempre's conversations with CFOs, a growing number of them are seeking strategic support to fulfil an ever-growing number of functions - as revealed in our survey. There is no single, headline issue to get to grips with.

Organisations want insights about the here and now, but simultaneously demand future forecasts. Managers want analysis that can inform their decision-making and performance measurement. Many requests come to the CFO relating to non-financial KPIs.

Amid this complexity, it can be difficult for CFOs to know where to start. And even if they do, they often don't have the resource or skill-set within their team to resolve requests with a high degree of certainty or satisfaction. They're being asked to do more with less, regardless of whether or not it's clear that data falls within their remit.

Yet there's also a unique opportunity to be seized, driving the business forward. Knowing where to start - and where to seek help - is key. Sempre supports our clients to build successful data strategies with finance teams at all stages of their business transformation, whether you've already identified issues with your data or need help scoping out potential pitfalls and how to solve them.

Sempre Analytics is a leading provider of comprehensive data and analytics solutions, empowering organisations to make informed decisions and drive operational efficiencies. With expertise in Data Management, Business Planning, Business Intelligence, and Intelligent Automation, Sempre Analytics enables clients in industries such as Financial Services, Retail, Manufacturing, Housebuilding & Construction, Higher Education, and more to unlock the full potential of their data.

What sets Sempre Analytics apart is its unwavering commitment to customer success. Working with renowned technology providers, including Informatica, Anaplan, IBM, and Automation Anywhere, to deliver innovative solutions, their dedicated team of consultants works closely with clients to develop tailored solutions that deliver real value.



If you aren't certain how to set up your team, need to scope out next steps in data strategy, or want to benchmark your performance against your rival, Sempre offers a Finance Maturity Assessment - helping CFOs to become the 'Architects of Data-Driven Success'.

To discuss how Sempre can transform your data strategy, contact info@sempreanalytics.com, today.