

Executive Summary:

Agile Finance, Unleashed: The Key Traits of Digital Finance Leaders

Did you know that organizations with advanced finance teams are more likely to have a compelling digital customer experience?

The driver behind this trend? A digital, customer-first way of working with greater investment in talent, innovation, and advanced technologies such as artificial intelligence (AI) and machine learning (ML).

While finance has long taken advantage of technology to help drive productivity and collaboration, the goalposts have recently moved. Today's organizations must adopt an agile finance operating model—powered by emerging digital technologies and skillsets—to better support the demands of an economy driven by continuous innovation.

In a new research report sponsored by Oracle, *Agile Finance Unleashed: The Key Traits of Digital Finance Leaders*, the Association of International Certified Professional Accountants surveyed more than 700 senior finance executives globally to track their digital progress across key metrics—including adoption rates of AI, advanced analytics, ML, and new finance skills.

Those respondents furthest along their digital journeys are categorized as *Digital Finance Leaders*.

“For me, robotic process automation, advanced analytics, and machine learning are three legs of the same stool. The combination of those technologies and the ability to deliver them in an agile manner, without long lead times and extensive interface complexities, creates a tremendous opportunity to capitalize on some really big efficiency gains in virtually every staff function. The big win for us is to liberate that time and move finance up the value chain in what it delivers to the organization.”

John Merino, Chief Accounting Officer, FedEx

What makes a digital finance leader?

Digital Finance Leaders are outpacing their peers across a wide range of metrics. In particular, they:

- ✓ Reevaluate legacy finance processes to transform efficiency
- ✓ Implement intelligent process automation at scale, including transactional tasks such as record-to-report
- ✓ Have driven scalable deployment across the finance function of advanced analytics tools
- ✓ Have a clear view of what data holds value to the organization—and what doesn't
- ✓ Partner with other lines of business to help improve decision-making and performance management
- ✓ Are widely recognized by business stakeholders for displaying commercial acumen and business understanding

Focusing finance on what matters most

“Artificial intelligence and machine learning are radically transforming how business operates, especially finance. Routine tasks are being automated so that finance professionals can focus on what matters most: identifying the next growth markets.”

Safra A. Catz, Chief Executive Officer, Oracle

The digital divide: leaders vs. laggards.

One thing is clear: The urgency to adopt a new finance model has never been greater. Our research shows a growing gap between “superstar firms,” leading in productivity and profitability, and everyone else.



were identified as Digital Finance Leaders



have embraced AI



have successfully automated processes

Of the Digital Finance Leaders, 46% report positive revenue growth compared with only 29% of the tech-challenged leaders. Furthermore, organizations that have seen revenue growth are more likely to be deploying AI compared to those where revenues are flat or declining.

Digital Finance Leaders are also proactive in their response to digital disruption:



have a digital-first, cloud-first mindset



are quick to meet their customers' fast-changing technology expectations



say they look to disrupt their own sector rather than wait to be disrupted

The three pillars of agile, digital finance.

In 2017, we found that finance leaders who had adopted a more agile operating model were more likely to achieve profitable growth compared to their peers. The same held true for this research: organizations with digital finance functions were significantly more likely than their peers to have reported positive revenue growth over the previous 12 months.

Digital Finance Leaders are now evolving the agile operating model to better respond to disruption, and drive success by embracing the three pillars of agile finance:

1. Operational excellence:

Incorporating intelligent technologies like AI, ML, and blockchain

2. Digital intelligence:

Building the analytical skills and personal capabilities needed to interrogate data effectively

3. Business influence:

Freeing up talent to focus on digital disruption and influential digital strategy

Building tomorrow's finance: new skills required.

Despite strides made by Digital Finance Leaders, only 15% of all respondents say that finance is recognized for its "strategic awareness of new technologies, such as AI, and their ability to drive new business models."

To make the most of new technologies and be future-ready, finance teams need to evolve the competencies of their staff in areas such as analytical thinking, decision-making, and business partnering. Jac Amerell, the enterprise controller at Blue Cross Blue Shield of Michigan, has taken the unusual—and forward-thinking—step of providing his finance staff with robotics training.

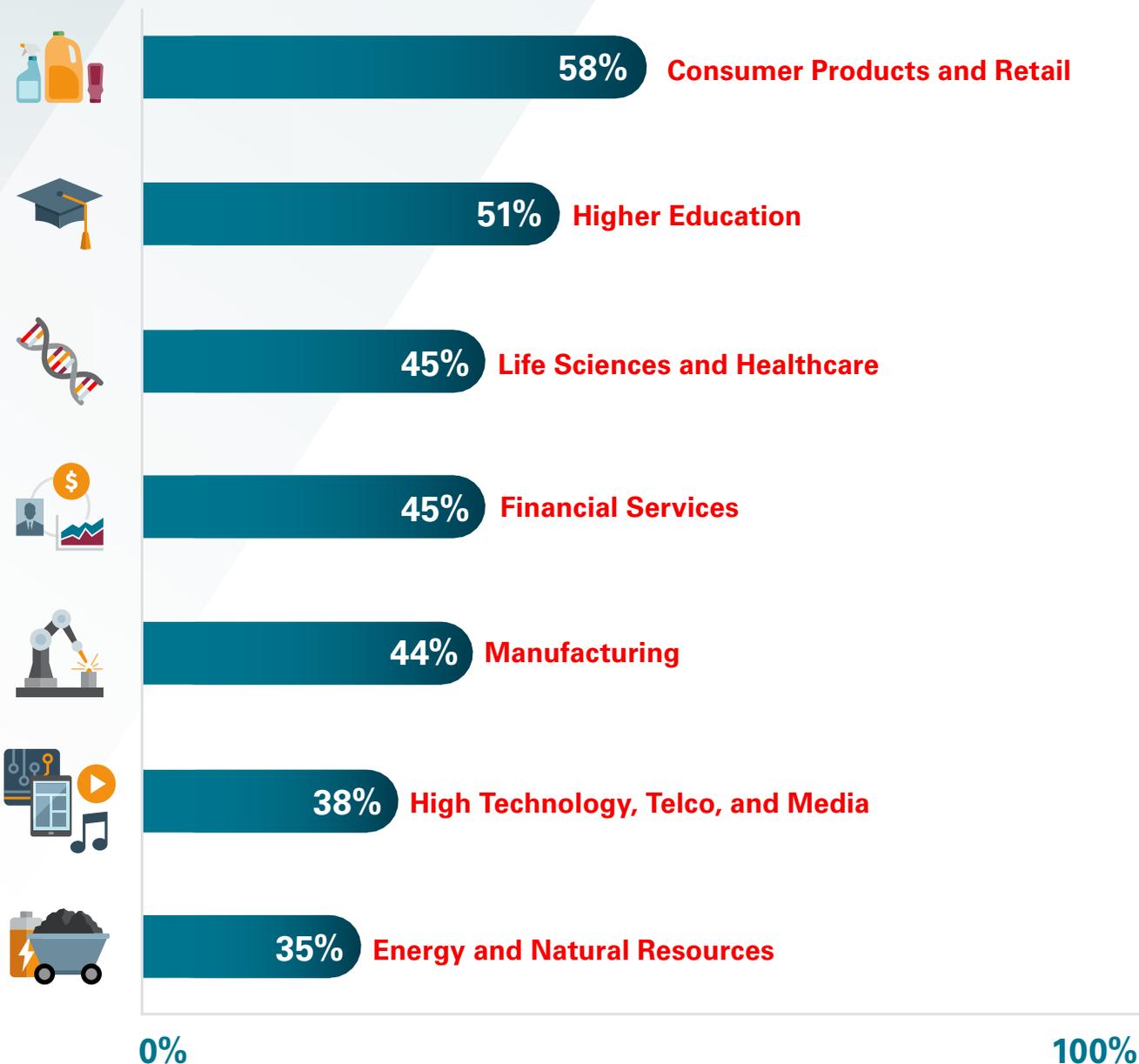
"I'm trying to help people develop new skills that we are going to need. We challenged people: Who can save the most time in their daily jobs? Pick somewhere you're spending a lot of time and build yourself a bot. I feel, as a leader, that we are changing the world people live in. We have an obligation to help them step into it."

Only **10%** say their finance team has the skills it needs to support the organization's digital ambitions.

Digital finance, by industry.

Across all industries, Digital Finance Leaders feel there is more they can be doing to meet their customers' digital expectations.

"We are quick to meet our customers' fast-changing technology expectations"



"Disrupters don't take a slice of the pie. They take the whole pie and then reinvent the recipe. As finance leaders, we need to be thinking like that. We need to have that change mindset, and we shouldn't be afraid of questioning our fundamental business model and consider disrupting it ourselves."

Andrew Harding, FCMA, CGMA Chief Executive,
Management Accounting, Association of International
Certified Professional Accountants

Recommendations: applying the research.

To build the finance function of the future, CFOs need to understand where different technologies will have the greatest impact, and then have the boldness of vision to experiment and innovate.

On the human side, they will have to build on finance's traditional skills with more progressive people capabilities in areas such as predictive analytics.

As finance leaders take on greater responsibility for digital transformation within and beyond finance, there are several key strategies that Oracle sees consistently applied by digital leaders around the world:

1. Take a customer-first, holistic approach to organizational change.

Rather than focus on optimizing or improving standalone business processes, look at optimizing the end-to-end customer and employee experiences, based on the customer value they will create.

2. Focus on platforms, not products.

In today's economy, it's no longer about products, but experiences and digital ecosystems that bring users and providers together to create shared value.

3. Use data as a strategic weapon.

Digital leaders place an economic value on data and look to monetize it, versus just managing it.

4. Foster a change-ready culture.

Adopt an agile approach to change that is iterative, empirical, and continuously improving. Businesses that are highly motivated to change and experiment are the ones that see the greatest success.

5. Secure a top-down, executive mandate.

To radically change your culture, you need more than just management buy-in; you need an executive mandate to adopt a customer-first approach to business that permeates every organizational function.

Get the bigger picture.

Discover how today's CFOs, Digital Finance Leaders, and industry stakeholders feel about finance's role as a critical partner in digital transformation.

[Read the full report →](#)

