



Four Key Attributes Every Top-Performing CFO Should Possess



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Defining the role of a top-performing CFO is growing more and more difficult as the responsibilities and oversight continue to expand well beyond risk management, regulatory compliance and all things financial. New names for “CFO” are even being proposed, with some calling these executives Chief Future Officer or Chief Frontier Officer. These terms highlight the increasingly strategic role of CFOs to drive business decisions and prepare the enterprise for future growth.

The truth is, CEOs want and need CFOs to be true business partners. So, how do you get there? Although there are many key attributes of a leading CFO, we’ve identified four that will be required for future CFO top-performers.

1. Become a true business partner

It should come as no surprise that this is at the top of the list. In order to be a true business partner to the CEO, you must first excel at forming and maintaining business partnerships across the organization and between key functional areas. The reality is CFOs no longer solely focus on financial data, such as net revenues, accounts payable or working capital. Today’s environment requires CFOs to expand their focus to include non-financial data, from talent management to brand perception – aspects of corporate profitability that CFOs are now responsible for measuring, growing the value of and investing in. In fact, intangibles as a percentage of corporate valuations have increased by almost 400% since 1975, according to the [Digital Finance Imperative study](#).

Top-performing CFOs must be highly collaborative across functions, including marketing, sales, HR and customer service. [Recent research](#) has uncovered a correlation between effectiveness of collaboration and rate of revenue growth. For example, 46 percent of companies with zero or negative revenue and profit growth say an isolated finance function is keeping them from achieving their business goals.

Perhaps the most critical collaboration is between CFOs and CIOs. As technology continues to play a huge role in driving company value and competitive advantage, the CFO-CIO relationship is more important than ever before. To foster closer alignment and collaboration, try to implement the following suggestions.

- Strive for mutual understanding. For most enterprises, the CFO’s mandate is similar to that of the CIO. Both are often tasked with ensuring business operations are running efficiently and effectively while also shaping the strategy for future growth and stability.
- Understand the value of real-time financial data. Leading CFOs are highly respected by their CIO for providing in-the-moment insights and data that provide true value to the CIO function. CFOs who establish a combative relationship with CIOs over the ownership of data and executive decisions will struggle to succeed. In fact, a recent [EY report](#) showed that 61 percent of CFOs have increased collaboration over the last three years, involving themselves far more in the IT agenda and adding value by managing costs and profitability across the business.
- Learn the language and business of IT. Many of today’s CFOs still lack the knowledge and understanding of IT issues and objectives. CFOs need to be tech savvy in order to provide the most impactful real-time analysis and help CIOs make informed decisions. By using strategic thinking with data as its foundation, the CFO and CIO can work together to plan, budget and forecast for the future.
- Focus on IT initiatives to drive shareholder value. Another effective approach to drive CFO-CIO collaboration is to work together on IT investment strategies that drive shareholder value through revenue growth, operating margin or asset efficiency. The end result is that both executives will have the ability to look at shareholder value and show how the IT systems they want to invest in can create tangible outcomes.

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2. Be a leader at digital transformation

As a CFO, you sit at the intersection of strategy, technology and financial management. However, the technology that drives innovation and digitalization is increasingly linked to business performance. In fact, 85 percent of business executives will allocate up to a **quarter of their total budgets** to digital transformation in 2018. Such an allocation is unsurprising in light of new evidence that shows a clear connection between successful digital transformation and profitability. Indeed, recent research from Randstad's 2025 Workplace Study: The Post-Digital Frontier, December 2017 found that 10 percent of organizations today have mastered digital transformation, and as a result, have higher profitability to show for it.

- These organizations are 28 percent more likely to report increasing revenues compared to slow-transforming companies.
- As a result of their investments in digital technologies, they are on average 165 percent more likely to:
 - effectively meet business objectives
 - increase revenues
 - save the company money
 - see expected ROI

With business leaders hyper focused on outperforming competitors and ensuring their business model remains innovative, the pressure is on for CFOs to support business innovation and transformation efforts.

To play a pivotal role in leading digital transformation initiatives, it is critical that you are viewed as a digital leader within your organization. This requires a whole new set of leadership skills that are aligned with digital transformation. In Randstad's Workplace 2025 Study, employees and C-suite executives alike were asked to name the traits required of future business leaders, and they replied with the following:

- be more agile and digitally savvy in their use of digital tools to drive business success (75%)
- have the ability to keep people connected and engaged (76%)
- drive a workplace culture in which employees are constantly learning and building new skills to prepare for integrating new technologies into the workplace (74%)
- have exceptional knowledge and skills when it comes to collaboration and team-building (72%)
- drive a culture of innovation, learning and continuous improvement (67%)
- be adept at risk-taking (63%)

Digital leadership is particularly important for CFOs who oversee the IT function, in which case you clearly have more stake in enterprise IT strategy and how digitalization shapes future growth. Moreover, CFOs will need to become exceptional at applying digital technologies to the finance function itself. CFOs need to shed their image as bean-counters and become digital experts. The reality is that changes in business models often entail a shift in how an enterprise invests resources and generate returns. By this logic, the CFO should play a leading role in digital transformation efforts.

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3. Be a talent management guru

A finance organization is only as adept at navigating change as its workforce. After all, digital and business transformation initiatives require new technologies, capabilities and approaches. Not only do you need strong digital skills embedded in all strategic areas across the finance function, but you also need the soft skills that will drive creative thinking, communication, curiosity and problem-solving. Digital disruption calls for a new type of finance team.

At the same time, most estimates point to a genuine shortage of workers with the finance and accounting skills required to handle today's business needs. In fact, in a recent [Randstad survey](#), 43 percent of finance and accounting decision-makers identified hiring and retaining the right professionals with the necessary skill set to achieve business objectives as the greatest challenge they face. And [Tatum's Survey of Business Conditions](#) found that CFOs cite "an inadequate supply of qualified talent" as having the greatest impact on their ability to meet performance targets.

Leading CFOs will be required to build a digital-forward finance function in order to attract the highly skilled talent they require. The fact is, employees today want to work for an organizations that not only "talk the talk" when it comes to digital innovation, but also "walk the walk." Without both, your company is at risk of losing six out of ten employees and will face significant challenges in attracting talent, according to the Randstad 2025 Workplace Study.

Consider that 40 percent of employees have already left a job because they didn't have access to the latest digital tools, and 58 percent say they need to seek new employment in order to secure digital skills. Finally, only 40 percent of employees believe their companies currently have strong digital leadership in place.

Beyond the implications of turnover, shows that organizations lacking in reputation and digital capabilities are unattractive to the majority of the workforce. According to today's employees, the following greatly influences their willingness to join a company:

- the company's use of the latest digital tools (80%)
- an innovative culture (72%)
- the company's digital leadership (72%)
- the company's reputation as a digital leader (62%)

At a time when CFOs need a deep bench of talent at every level, building a reputation as a digital leader and enhancing your digital tools can help lure in-demand finance talent.

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4. Seek new ways to be adept at decision-making and adaptability

Top-performing CFOs need to be ready for significant levels of change, which are intensified by a competitive digital landscape. As Charles Darwin put it, "It is not the strongest of the species that survives, nor the most intelligent... it is the one that is the most adaptable to change." Yet, despite the need for more effective adaptability and decision-making, [recent research](#) suggests that many leaders still rely on gut feel rather than hard data. Many also admit they neglect innovation and process improvement, and have not mastered how to manage and analyze the volume and variety of business data available to them.

As CEOs become more demanding of their CFOs to deliver real-time data to make the best-possible decisions, finance organizations must spend more time on insights and analysis and less time on transactions and generating reports. This means CFOs need to evolve the way they view and utilize key performance indicators (KPIs) to facilitate agility and accurate, real-time decision making.

Data is just information — on its own it doesn't offer the valuable insights you need to drive performance. So how do you go about transforming your KPI strategy to meet the needs of the modern enterprise?

- **Expand your KPIs to include operational or non-financial KPIs.** The best CFOs take a more holistic view of their KPIs to ensure that every department across the company understands what drives performance. CFOs must expand their focus to include non-financial data, which is increasingly a source of value for companies today. Read more on how to establish non-financial KPIs [here](#).
- **Go beyond KPIs to Key Performance Drivers (KPDs).** The one big drawback to KPIs is that they are backward-looking, not forward-looking. This primarily stems from the fact that many KPIs are based on reports which tell you what happened in the past – whether that be last month or this morning. Simply put, they lack the insights you need to drive your strategy forward. However, many CFOs are now expanding their performance management efforts to include KPDs – day-to-day activities that are required in order to produce the desired KPI outcomes. In other words, they underpin the strategy in place and ensure its success. For example, customer satisfaction improves brand perception, which in turn drives customer retention and referral rates, which results in increased revenue and profitability. Read more on how to establish KPDs [here](#).

Looking at historical data, or solely tracking financial KPIs, is no longer enough. CFOs need a broader view of the business, combining both live and historical data. Only then will you be able to offer insights into how various parts of the business – from HR to sales – impact each other, and advise on future strategies to sustain and grow profitability.

Leading your organization to long-term success

A knowledge economy, digital revolution, unprecedented speed of change and unpredictable business environments have upped the ante for CFOs. The ability to lead an organization towards market differentiation, revenue growth and long-term success requires you to build or enhance the traits that separate the good CFOs from the great ones.

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