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How role of CFO is becoming more digital, data driven, and strategic?

The role of the CFO has changed dramatically in recent years, primarily affected by the large-scale introduction of digital practices in the work environment. The traditional CFO is now making way for the open and strategic CFO — a value creator, performance driver, innovator, and communicator. And one that is connected and mobile. This changing role is reflected by 10 major transformations:

- 1. From a silo approach to an integrated value chain:** Automation promotes fluidity of processes and helps to mitigate, even eliminate, the current silos between the different activities of financial departments.
- 2. From an individual approach to a coordinated approach:** AI-powered automation solutions through the precision of the algorithms help improve decision-making by suggesting the best actions to take.
- 3. From an asynchronous approach to a real-time approach:** Technological power is making it possible to accelerate the financial processes, to the point that they can be run in real time.
- 4. From an elitist approach to a mainstream approach:** AI is becoming more widespread and is now within the reach of companies of all shapes and sizes. In finance domain, software solutions that incorporate AI offer very competitive quality/price ratios, even if the technologies in question remain invisible to the end user.
- 5. From a mechanistic approach to an intelligent approach:** Human interventions are now focused on strategy and taking care of complex problems and exceptions, whereas repetitive tasks are fully left to the machine. Processes are optimized and the risk of errors is minimized.
- 6. From a design approach to a machine learning approach:** Earlier technologies had to be continuously reprogrammed by humans, whereas AI is able to learn on its own, allowing faster, better, and more efficient processes to take place and continuously enhance various functions.
- 7. From an intermediation approach to an interoperability and collaboration approach:** AI-powered automation streamlines processes, making them more effective and collaborative as well as facilitating interactions between the various internal and external stakeholders.
- 8. From a historical approach to a predictive approach:** The learning abilities of machine learning are not only making it possible to reach conclusions about the past or the present, but are also making it possible to conduct accurate modeling of the future modeling that is far more powerful and relevant.
- 9. From a tedious approach to a staff empowerment approach:** By eliminating the mundane tasks performed by human staff members, advance technologies powered by AI—such as RPA and ML—are assuming these tasks and jobs in the finance and accounting departments are enriched as staff have more time to focus on value-added tasks. Viz. Building Better Suppliers/Customers relationship.
- 10. From a cost center approach to a value-added approach:** Through automation, financial management is being positioned more as a value creation center than as a cost center, as a performance driver rather than as a cash manager.

In order to meet new challenges, CFOs can count on automation as a significant first step in their digital transformation journey to help optimize processes, gain time, increase productivity, and reduce costs.

Excerpts taken from: <https://spendmatters.com/2019/11/14/how-the-traditional-role-of-the-cfo-is-becoming-more-digital-data-driven-and-strategic/>