

Anaplan

The essential guide for transformational finance leaders

EBOOK ONE:

**Overcoming the top three
challenges impacting CFOs**





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Tackling distinct challenges

Foreword

Similar to many of your finance peers, you're facing pressures like never before. Whether it's micro or macro-economic challenges, your role as CFO has extended far beyond the confines of merely navigating your business through disruption. Dominating this challenge is the need to manage growth through economic uncertainty, accelerate digital transformation, and ensure that your finance team has the right talent and skillsets to support future growth.

In this three-part eBook series, we aim to help you weather this uncertainty. By becoming a Transformational Finance Leader, you will not only survive these key challenges – you will thrive.



Challenge one:

Fueling growth through economic uncertainty

The current economic landscape is characterized by uncertainty and volatility with rising inflation, interest rate hikes, and geopolitical tensions conspiring to create a perfect storm of risk factors. The correlation between uncertainty and falling investment is well documented, and with business confidence struggling and consumer spending mirroring this downward trajectory, the challenges for businesses to grow revenue and profitability cannot be understated.

For CFOs like you, maintaining profitability in an environment of rising costs is non-negotiable. There is a delicate balance between discretionary spending for resilience and ensuring your business stays on track to reach your long term growth goals.

Helping to increase revenue via customer growth, expansion, new product development, capital expenditure, and mergers and acquisitions may require you to identify new sources of funding to support growth, while ensuring your organization has sufficient cash flow to meet near-term obligations. But there is also a balance to be struck between fueling core operations and spending to gain new business.



CFOs whose teams have succeeded at strengthening their organizations' resilience are 4.3 times more likely to report spending more time supporting digital capabilities and advanced analytics.”

McKinsey, 2023

The current volatility means the ability to forecast both accurately and easily is pivotal to making sound and profitable business decisions. Tools that facilitate scenario planning and what-if analysis play an important role in helping you identify opportunities early and navigate the often bewildering array of options so you can direct operations to adapt and act with agility.

How you can Manage uncertainty

- Build a strong financial foundation through a healthy income statement, balance sheet and cash flow by automating processes and optimizing operating costs.
- Forge strong relationships with internal and external stakeholders to set expectations, achieve funding, mitigate risk and build trust.
- Invest in technology to streamline processes, improve efficiency, and gain insights. This provides the agility to quickly adapt your strategies in response to change.



Anaplan gave us flexibility to look at the business in ways that we didn't have before, which has had a positive impact on our profitability.”

CFO, Echo Global Logistics

Challenge two:

Accelerating digital transformation for enterprise success

As businesses focus on solving problems for their customers in innovative, lasting ways, digital transformation (DT) is an essential component not only in meeting your own business goals but also in staying ahead of the competition. Even more so during times of uncertainty, CFOs need to focus on the long-term by making technology investments that pave the way for future growth and success.

DT helps finance teams be more efficient, productive, and strategic. It allows them to gain business insights, and use data analytics and AI for risk assessment, process automation, and fraud detection. This will allow your team to make better and faster decisions around areas such as new product development, pricing, and marketing. No wonder then that PwC analysis finds that 53% of CFOs say they plan to accelerate digital transformation using data analytics, AI, automation, and cloud solutions.

Embracing DT is not without its challenges. You may lack the resources needed to invest in DT and convert it from theory into reality. However, the efficiency, productivity, and customer satisfaction gains to be realized from smart investments in DT mean that the financial payback will more than justify your capital outlay.

Crucially, the success of DT projects cannot be left to chance; as CFO, you need to ensure that DT is implemented in a constructive and structured manner, and recognize that it is a journey needing continuous development.



47% of CFOs say their top priority is building predictive models and scenario planning analysis capabilities.”

PwC

A crucial aspect of success is bringing your team with you on this journey. Resistance to change among employees is not unusual. As CFO, you can mitigate this risk through thoughtful communication to help your employees understand how DT can benefit them personally and professionally, notably by helping them improve their work while growing revenue for the organization.

How you can Drive digital transformation

- Invest in technologies that support transformation like cloud-native software, data analytics, and AI.
- Set clear goals and communicate them to employees, and partner with the right vendors to help with implementation.
- Ensure employees have the skills and knowledge needed by investing in training so that they can use new technologies effectively.



We can drive the business forward instead of trying to find out what the business is doing.”

VP of Planning, Finance, and Operations, Helly Hansen, Anaplan customer

Challenge three:

Nurturing the right talent and skillsets to support growth

To drive growth in financial performance and adoption of new technology, you need the right finance team with the right skillsets. However, the battle for qualified finance professionals is intense, especially in data analytics, technology, and risk management. Heightened demand for skilled finance talent is due to the increased complexity of financial markets and regulation, a higher importance placed on data analytics and technology in financial decision-making, and an aging finance workforce.



57% of CFOs say in the next 12-18 months they plan to hire in specific areas to drive growth.”

PwC

Recruiting and retaining top talent in finance is a common challenge. To offset this, turn your focus to upskilling and reskilling your existing team members. This will ensure you build a finance team that can use the latest technologies to make more informed real-time decisions, manage risk more effectively, and be better able to identify and capitalize on new opportunities.

Creating a culture of innovation in the finance function where your employees feel empowered to experiment and innovate not only makes them feel valued but has added retention benefits.

Developing your employee culture in this way also helps to change the perception of finance from a demanding and stressful administrative back office function to working as a strategic partner to the business. With the right technology and training, you can demonstrate how the finance team is integral in driving business success and using advanced tools to move away from tedious data reconciliations and manual processes to higher-value work.

How you can Take steps to attract and retain talent

- Offer competitive pay/benefits, a flexible workplace, and professional development opportunities.
- Create a culture of innovation, collaboration, and support.
- Promote the finance function as a strategic partner to the business, involved in key decisions and process improvement initiatives.



Tasks that took more than two days to complete now happen in hours. This means we can grow the company without increasing headcount in the finance team.”

CFO Asia Pacific & Americas,
SEEK, Anaplan customer

Conclusion

Against a backdrop of challenging economic factors, CFOs like you are leading the charge in reimagining the modern digital organization. But more than simply tightening your grip on the purse strings, the focus is on streamlining, intelligent use of technology, and the acceleration of transformation. This creates agile business models that reengage customers, suppliers, and employees, and steer your business through disruption to produce stronger financial outcomes. This eBook is the first step in tackling distinct challenges that you face as a modern CFO and the steps you can take to mitigate the risks.

But it doesn't stop here. Increasingly, as CFO, you are being asked to step beyond the boundaries of traditional finance and perform a range of strategic roles within your business. We've identified these roles as Strategic Advisor, the Captain of Capital, and the Chief Planning Officer. In our second eBook, we break down the demands and intricacies of each role and provide you with a framework for managing and getting the most out of these functions in your day-to-day role as CFO.

Reference links

[McKinsey Global Survey on the role of the CFO](#)

[PwC: What's important to CFOs in 2023](#)

About Anaplan

Anaplan transforms the way you see, plan, and lead your business. By dynamically connecting financial, strategic and operational plans in real-time, Anaplan gives you the power to anticipate change, address complexity, and move at the speed of the market. Anaplan's Connected Planning Platform lets you view and contextualize current performance, forecast future outcomes to fuel growth and mitigate risk, and optimize costs so you can make faster, more strategic decisions. Anaplan helps more than 2,200 market-leading customers in over 50 countries navigate their daily planning challenges with confidence.

To learn more, visit www.anaplan.com.

