

A hand is shown in the upper right corner, pointing towards a digital financial chart. The chart features several glowing lines in shades of blue, green, and pink, set against a dark blue background. The overall scene is illuminated with a cool blue light, creating a futuristic and professional atmosphere.

Gartner®

Gartner for Finance

Finance Transformation: A Guide to Success

What a successful finance transformation
roadmap should look like, from start to finish

Introduction

The best companies approach finance transformation in a fundamentally different way: They treat finance as if it were a profit center.

It's imperative to measure performance and allocate resources based on the return on investment from and risk mitigated by your finance services, not simply the cost to serve.

Specifically, successful finance transformation hinges on these three things:

1. Align finance strategy to the business

Don't pay attention to historical spend, industry benchmarks and traditional frameworks. Instead, focus on your unique corporate strategy and the right level of finance resources to help the business succeed.

2. Prioritize high-value services

Allocate resources to the services, markets and products that deliver the most business value, while scaling back or eliminating low-value finance services.

3. Manage expectations

Rather than aiming for universal stakeholder satisfaction, shape customer expectations and force them to choose between what they want versus what they need.

What success looks like across the entire finance transformation journey

Set targets

Do — Base KPIs on how finance will help deliver on profit expectations.

Don't — Base targets on finance cost as percentage of revenue and business partner satisfaction.

Allocate resources

Do — Spend money in areas of highest return.

Don't — Spread resources (and cuts) evenly.

Centralize

Do — Centralize services while maintaining alignment with current and future business needs.

Don't — Focus on finding synergies and gaining economies of scale across all nonbusiness-facing finance functions.

Automate

Do — Focus on technology governance and end-user adoption.

Don't — Focus on IT functionality and capabilities.

Improve staff skills

Do — Capitalize on builder, persuader and strategist skills.

Don't — Develop technical and analytical skills in all staff.

Set strategy and draft end state

Do — Identify future business needs and the corresponding services finance will need to deliver.

Don't — Base transformation on hitting a cost target.

Edit menu of services

Do — Eliminate low-value services while enhancing or adding high-value ones.

Don't — Keep adding services while taking out costs.

Redesign roles

Do — Differentiate guidance-based finance work from governance-based finance work.

Don't — Change reporting structure but do not redesign roles or performance measures.

Reengineer processes

Do — Focus on making judgment and rules-based processes more effective by using a continuous, collaborative productivity improvement approach.

Don't — Focus on making rules-based processes more standardized and scalable top-down projects.

Create data standards

Do — Make the correct tradeoffs between data accuracy and the speed of decision support.

Don't — Aim for “perfect data” in every process.

Manage customers

Do — Manage expectations and demand based on budget realities.

Don't — Delight business partners.

Key areas of successful transformation

Benchmark function and set goals





Improve process efficiency

Develop talent

Manage change

Actionable, objective insight

Explore these additional complimentary resources and tools for finance leaders:

 <p>Research Finance Score</p> <p>Benchmark key processes and activities with Gartner Finance Score.</p> <p>Download Research</p>	 <p>Webinar Finance Process Improvement: How Technology Is Changing the Game</p> <p>Uncover how to achieve finance process excellence with technology.</p> <p>Watch Webinar</p>	 <p>Insight The CFO's Guide to Digital Strategy</p> <p>Accelerate your organization's digital initiatives.</p> <p>Download Guide</p>	 <p>Conference Gartner CFO & Finance Executive Conference</p> <p>Join us for this unique event dedicated to CFOs and finance leaders.</p> <p>View Calendar</p>
---	---	--	--

Already a client?

Get access to even more resources in your client portal. [Log In](#)

Connect With Us

Get actionable, objective insight to deliver on your mission-critical priorities. Our expert guidance and tools enable faster, smarter decisions and stronger performance. Contact us to become a client:

U.S.: 1 855 811 7593

International: +44 (0) 3330 607 044

[Become a Client](#)

Learn more about Gartner for Finance

<https://www.gartner.com/en/finance>

Stay connected to the latest insights

