

Gartner®

Top 5 Priorities for CFOs in 2024

Actionable insights to lead finance
transformation and functional improvement

The Top 5 Priorities for CFOs in 2024

Our 2024 Finance Executive Priorities Survey asked 185 CFOs to rank the criticality of 33 priorities. Transformation leadership and functional improvement emerged as top-of-mind for most.

Here we dive into the top 5 priorities, the key challenges involved in addressing them and actions you can take to drive effective results.

1

Leading transformation efforts

2

Evaluating or improving the finance function's strategy and design

3

Improving finance metrics, insights and storytelling

4

Leading change management efforts

5

Optimizing costs

CFO priorities in context

Over the past 18 months, economic turbulence led 65% of companies in the S&P 1200 to take actions to reduce costs, and 12% announced significant workforce cuts. But the economic headwinds CFOs now face will outlast the benefits of temporary cost cuts.

Tepid demand growth

Forced fiscal discipline and higher consumer and corporate debt have weakened demand. The International Monetary Fund forecasts GDP growth in advanced economies over 2023-2026 to be **one-third lower** than the previous decade average.



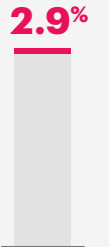
Inflation-induced price sensitivity

Across industries, consumer brand hopping is soaring. In 2023, **90% of consumers** have switched to alternative brands.



Higher costs

Projected 2023-2025 inflation is **2.9 percentage points higher** than the previous two-decade average.



Institutional knowledge cliff

Digital talent relies on the institutional knowledge of their more seasoned colleagues. The share of employees near or above retirement age has grown by **66% in the U.S.** and more than doubled in the **U.K. (130%)**, and the working-age populations of many advanced economies will **slow down over the next 10 years** or so.



Priority 1

Leading transformation efforts

70% of finance transformations are either less impactful or moving slower than expected.

Key challenge

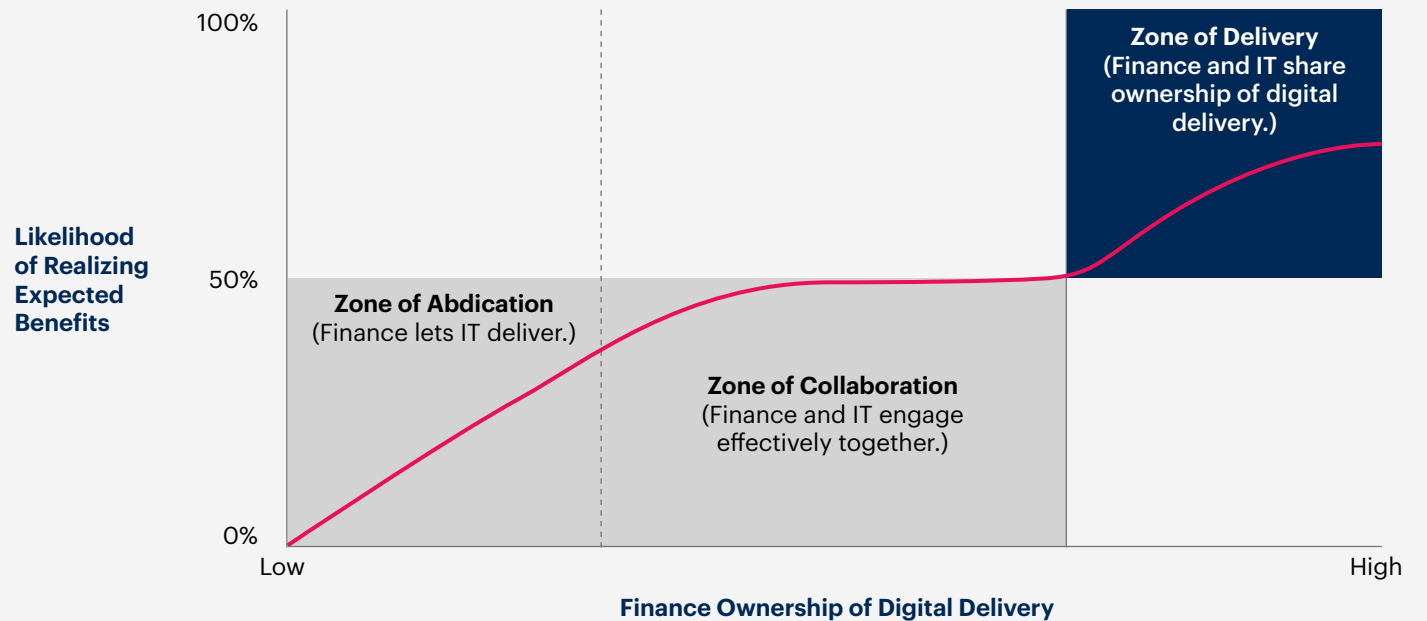
Low technology delivery capacity in finance

Efficient technology deployment is a key element of most transformations, but implementation can be costly, time consuming and disruptive. Finance teams often have to partner with external consultants and internal IT teams to advance technology projects, while still performing their own roles and functions effectively.

As the number and scope of digital projects grow, it becomes harder to find capacity within finance to address the needs of these projects. But CFOs who co-lead digital delivery are far more likely to realize digital's benefits than those who abdicate digital responsibility or simply collaborate with IT.

Likelihood of achieving digital objectives by CFO involvement in delivery

Illustrative



n = 617 CxOs
Source: 2023 Gartner Strengthening Digital Leadership Survey

CFO action

Embrace digital leadership



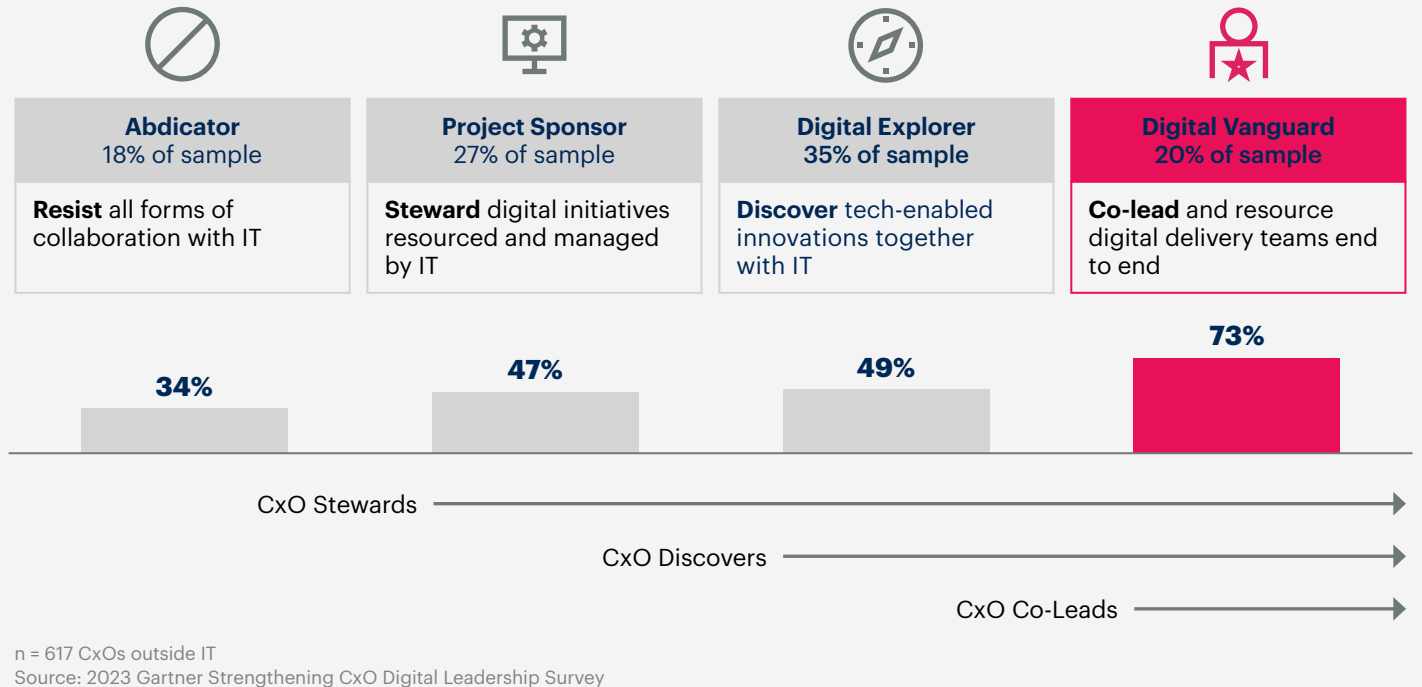
Tool to get started:

The CFO's Playbook to Improving Digital ROI

To achieve the digital outcomes you expect, become a Digital Vanguard — a leader who co-leads and invests in digital initiatives end to end. Start with the following actions:

- 1 Improve digital leadership proficiency within finance.** Assess your team's digital leadership ambitions and activity preferences — and then enlist your CIO for support where ambitions exceed ability.
- 2 Rethink your finance talent strategy.** The most effective digital leaders dedicate nearly a third of their staff to technology work — roughly double the share that most finance teams dedicate to technology work.
- 3 Partner more effectively with your CIO.** Regularly discuss topics that drive authentic partnership and co-leadership, including the quality of cross-department collaboration, technology strategy and execution, and digital delivery capabilities.

Percentage of CxOs in each profile that meet or exceed targets from digital investments

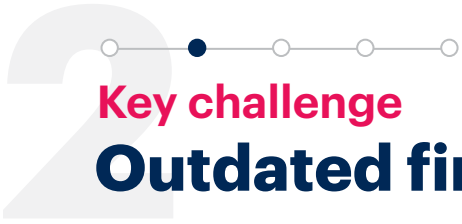


Priority 2

Evaluating or improving the finance function's strategy and design

Through 2025, more than **40%** of finance roles will be either new or significantly reshaped due to finance technology.





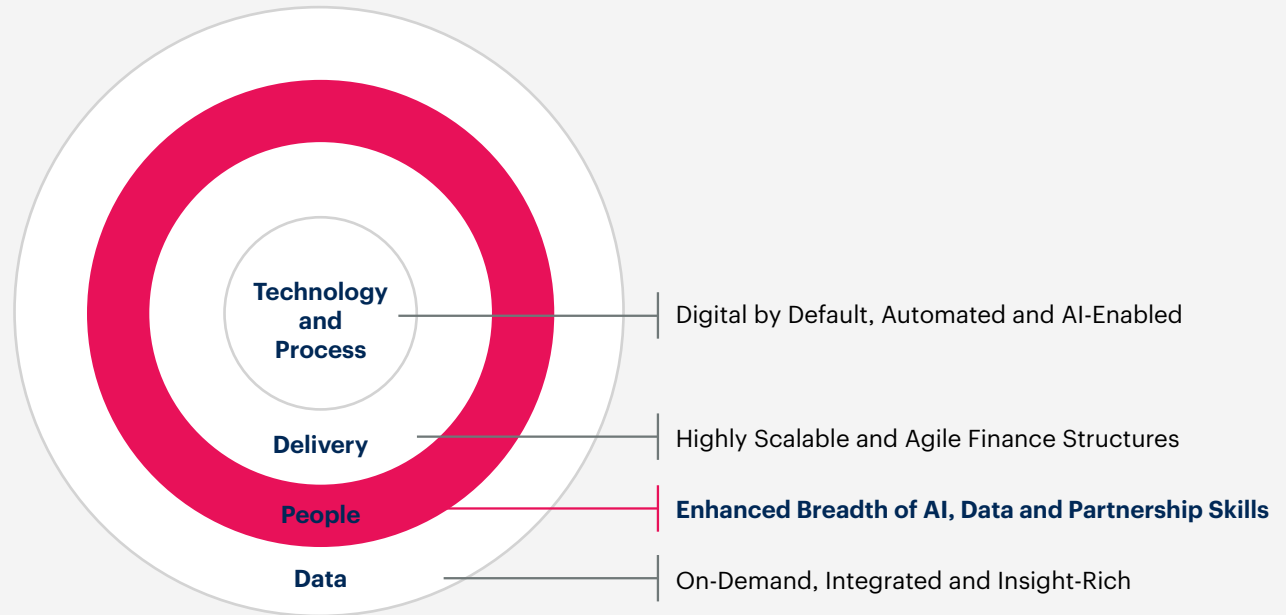
Key challenge

Outdated finance capabilities

Many finance transformation initiatives focus heavily on technology or organizational design, underinvesting in other operating model decisions.

The digital future of finance will involve tools and techniques that are different from today. Data scientists, prompt engineers and other roles bring powerful new capabilities to the finance team but also bring new challenges around governance and org structure. Finding an effective roadmap to maximize these capabilities, while minimizing their disruption, will be critical to success.

Autonomous finance — Central to the future of finance



Source: Gartner

CFO action

Adapt the finance operating model for an autonomous future

Prepare to make decisions about the whole operating model for [autonomous finance](#). As you develop operating model principles for your unique business context, keep these themes in mind:

- 1 Finance teams will work more like technology teams.** Borrow from the best of how technology teams work to prepare for an environment where most teams have some responsibility for technology deployment, customization and ongoing management.
- 2 Machines will play a bigger role in decision making.** Automation is already widely used for transactional tasks, but machines will become more capable of judgment-based decisions and provide more prescriptive advice to humans.
- 3 The comparative advantages of the center will grow,** while the comparative advantages of regional teams are likely to narrow, as technology and standardization progress.



Tool to get started:
[The New Operating Model for Autonomous Finance](#)

Gartner operating model



Source: Gartner

Priority 3

Improving finance metrics, insights and storytelling

Over the past three years, the share of analytics spend in finance has increased by half. Yet **54%** of finance organizations still struggle to provide data and reports stakeholders can rely on.



Key challenge

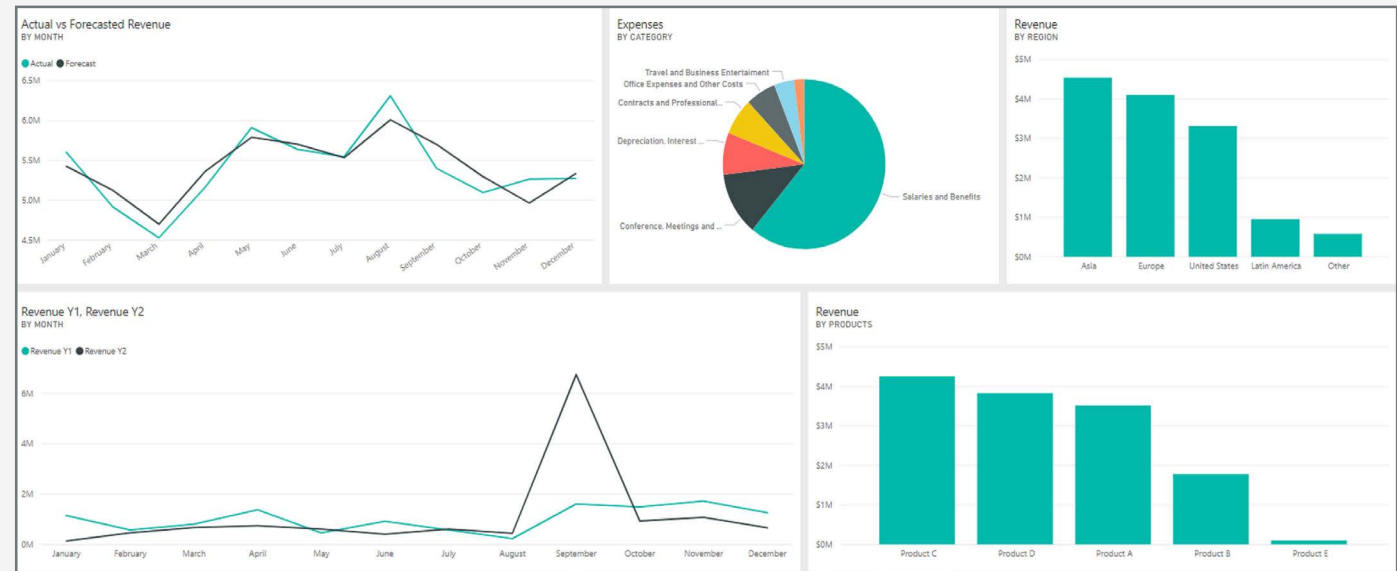
Ineffective data visualization

Finance metrics are useful only if they are easy to understand and helpful in decision making. As analytics become more advanced and complex, the insights they generate must be consumable in a low-effort way.

Decision makers want to spend more time on problem solving and less time on sifting through data. Improving data visualization and storytelling capabilities can help deliver information in intuitive, meaningful ways that enable increased speed to insight and decision making.

Revenue and expense dashboard — Bad example

Illustrative



Source: Gartner

CFO action

Coach teams to create actionable insights

To foster strong data visualization and storytelling capabilities, coach your financial planning and analysis team to:

- 1 Design dashboards with a storyboard.**
Graphics should provide insights related to just one theme. For example, cash management should have its own dashboard, with graphics highlighting stats like the current ratio, cash balance and outstanding debts. Placement of graphics should reflect the nature, prominence and sequence of data.
- 2 Cut details that don't aid data interpretation.**
In the example to the right, the "good example" serves a single purpose — showing operating expenses by quarter.
- 3 Tailor data visualization to different stakeholder groups** based on their information needs, consumption patterns and role. Managers and analysts generally want a higher level of detail, while senior stakeholders prefer aggregate reports that allow comparisons across business lines.

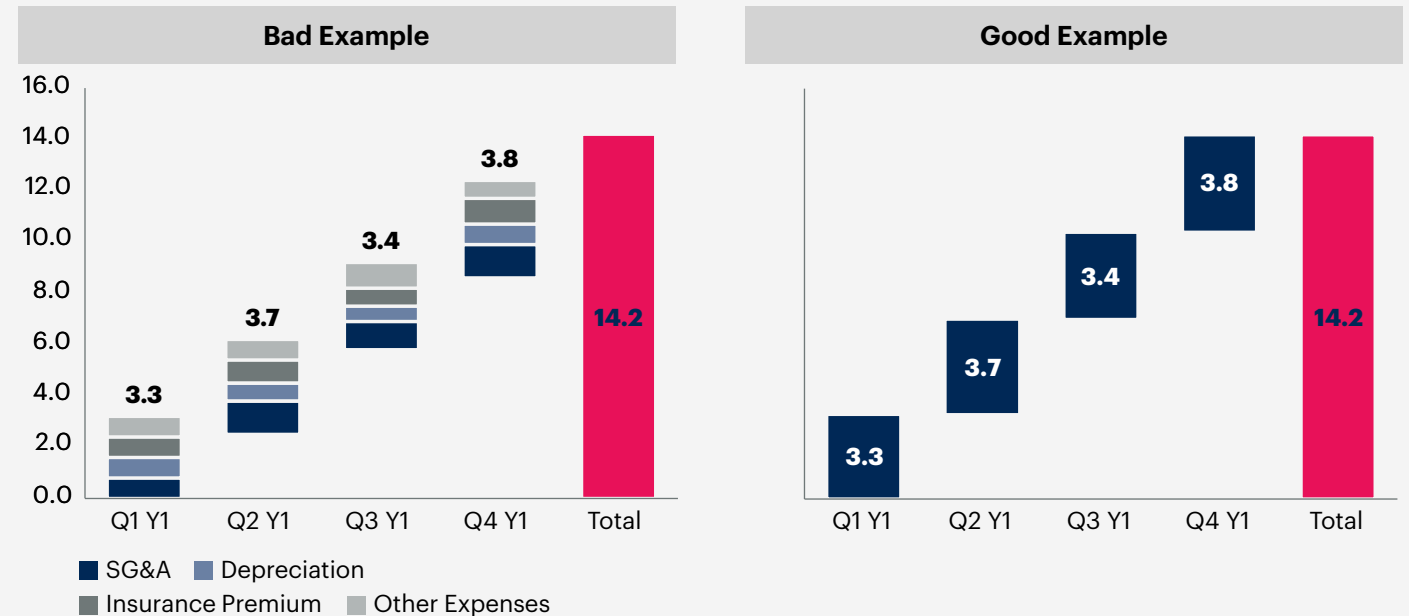


Tool to get started:

Overcoming 4 Common Finance Data Visualization Mistakes (Gartner clients)

Quarterly operating expenses visualization

In \$ millions, illustrative



Source: Gartner

Priority 4

Leading change management efforts

Organizations have seen a **50%** decline in employees' ability to absorb changes before becoming fatigued.



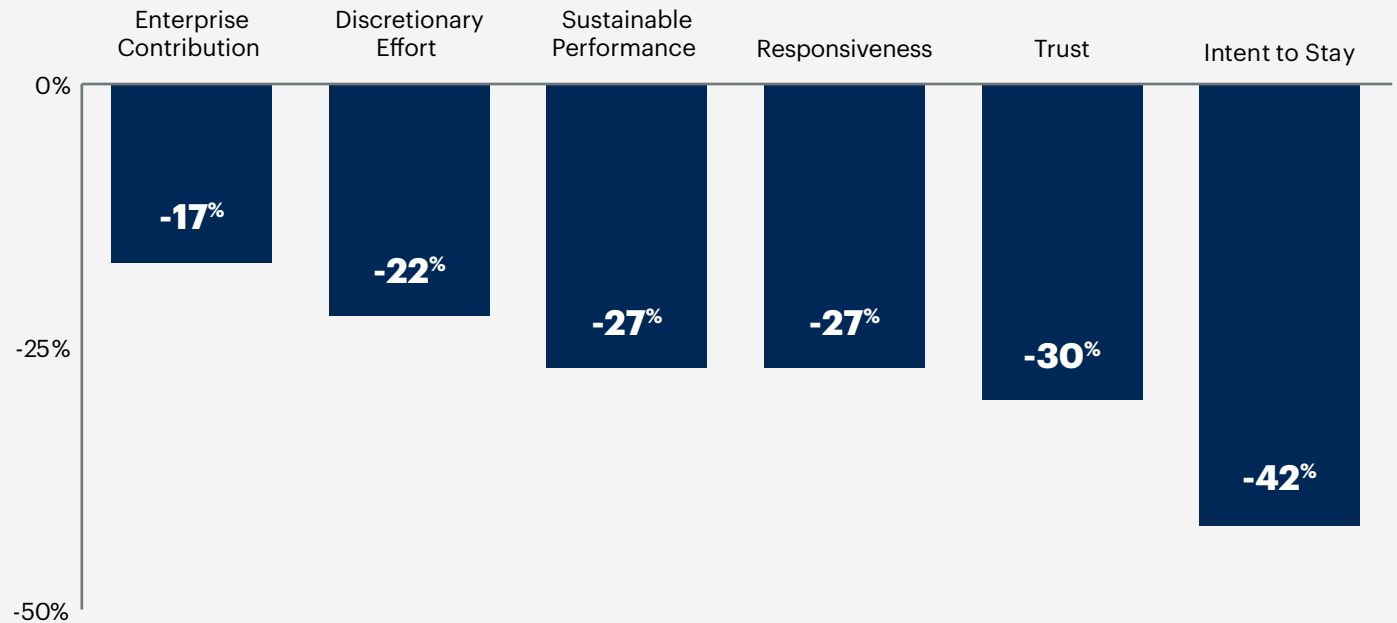
Key challenge

Change fatigue threatens transformation plans

Employee fatigue leads to a breakdown of employee performance, a lower conviction to stay and other burnout-related issues. Learning how to maintain transformation momentum while successfully addressing this key issue is critical to sustainable, multiproject transformation plans.

Impact of change fatigue on key employee outcomes

Maximum impact of employee change fatigue



n = 3,548 employees
Source: 2022 Gartner Workforce Change Fatigue Survey

CFO action

Address overlooked drivers of change fatigue

Employee change fatigue is driven by more than just the volume of change in an organization. Leaders often overlook two other key drivers: exertion and disruption.

To mitigate risk of change fatigue, take these actions:

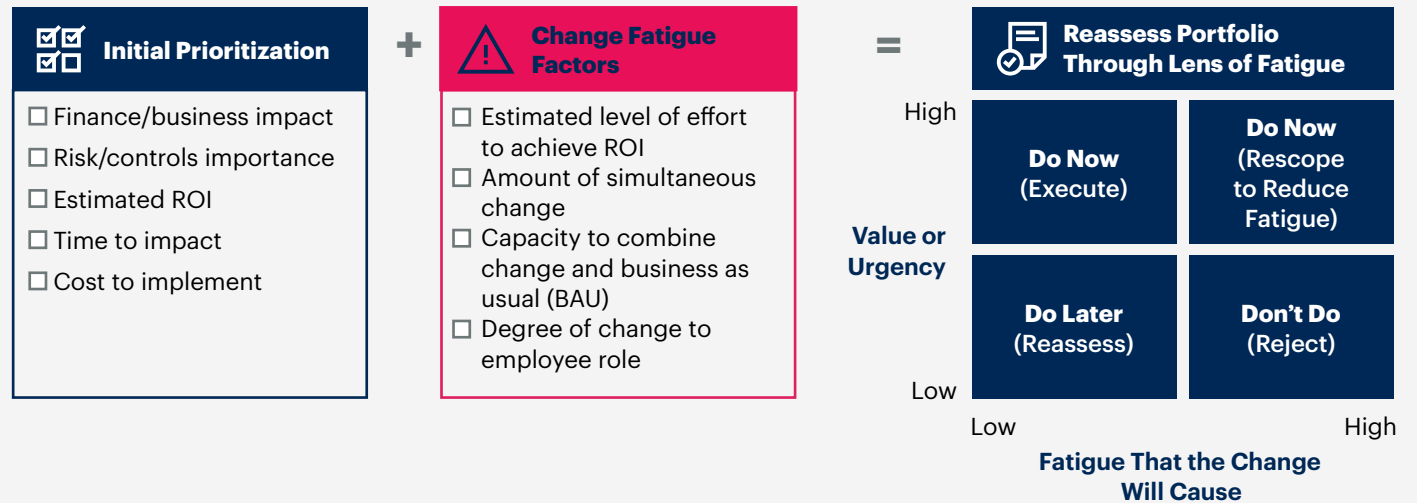
- 1 Maintain an up-to-date awareness of change impact.** Annual or even biannual surveys aren't enough to provide the timely, actionable information required to help reduce change fatigue.
- 2 Co-create employee-driven change conversations.** When employees actively participate in bottom-up action planning, they can better manage negative change reactions, understand how change impacts them and reduce change fatigue.
- 3 Plan proactively.** When planning transformation initiatives, assess the level of effort, the impact of other changes, the level of disruption to employees' roles and the ability to minimize change.



Tool to get started:

[Reduce Change Fatigue and Increase Engagement for Finance Employees](#) (Gartner clients)

Factor change fatigue into planning



Source: Gartner

Priority 5

Optimizing costs

While prioritization of cost management has increased 74% since 2022, **81%** of CFOs anticipate increasing technology investment.



Key challenge

Assessing the impact of enterprise digital transformation on productivity

A key deciding factor when investing in technology is the impact it will have on productivity and employee capability. But the connection between digital investments and enterprise value is often hard to assess. Only 35% of CFOs believe their teams can accurately and confidently evaluate their digital investments' value-creation potential.

Challenge: Low accountability for the outcomes of digital projects

Digital Projects

Requirements Subject to More Change

Larger Scale

Increased Complexity

More Interdependencies

Limited CFO Visibility

Likely to Be Managed by Siloed Business Units

Hard for CFOs to hold business unit leaders accountable for the outcomes of digital projects

Increased risk digital projects will require additional funds to meet their objectives, threatening other, interdependent projects

Source: Gartner

CFO action

Reframe expectations and processes for digital investment leadership

Enterprise digital projects often underperform against expectations — especially when funded by multiple business units. To increase business leaders' accountability, take the following actions:

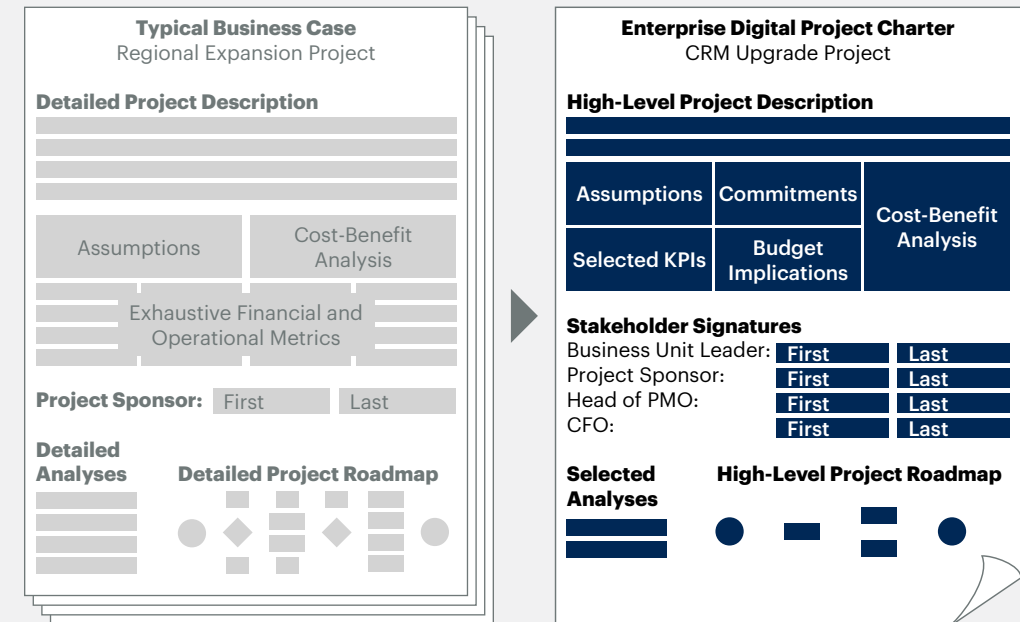
- 1 Develop living project charters** that define the parameters for a digital project at its outset and serve as a foundation for monthly operating reviews.
- 2 Evaluate costs for nonfinancial KPIs.** Because many digital investments only pay off in the long term, assign costs to at least some of the project's nonfinancial metrics to help determine whether the project is on track at an earlier point in time.
- 3 Apply lessons learned to new projects** to help ensure that resourcing plans, timelines and metrics reflect digital projects' interdependencies, requirements and operating environments.



Tool to get started:

Case Study: Increase Accountability for Digital Spending (Gartner clients)

Project charters differ from and improve on business cases



Source: Adapted From Primelion*
*Pseudonym

How Gartner is helping finance leaders tackle their top priorities

As CFOs face endless transformation, tighter operating conditions, and business risks, they can rely on Gartner's peer-backed research, tailored guidance, and fast-start templates to address their top priorities in the year ahead.

Explore illustrative support you receive as a Gartner client to **evolve the finance function**:

Benchmarking

Assess finance's current state and identify opportunities to improve performance by assessing finance's functional maturity with [Digital Finance Score](#).



Expert Guidance

Meet with an **Executive Partner** to align your function's mission to enterprise strategy with a five-year view. Develop a finance transformation roadmap.



Judy Romano
Executive Partner
Gartner for CFOs

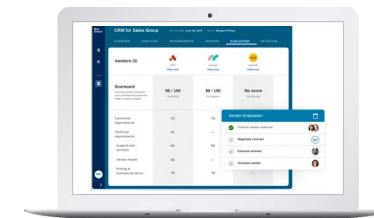
Research Insights

Map key milestones and transformation activities using guidance from **The Finance Transformation Leader's First 100 Days**.



Gartner BuySmart

Discover, evaluate and select technology vendors with [Gartner BuySmart™](#), our insight-fueled tech procurement and purchasing tool.



Actionable, objective insight

Position your organization for success. Explore these additional complimentary resources and tools for finance leaders:



Report
Increase the Success of Your Finance AI Objectives

Explore how leading finance teams are realizing significant returns on their AI initiatives with minimal disruption.


[Download Now](#)



Guide
The CFO's Guide to Human Leadership

Explore three actions to earn stakeholder buy-in and execute your digital transformation initiatives.


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