



5 CFO SECRETS TO SUCCESSFUL BUSINESS PIVOTING — FROM COVID 19 AND BEYOND



It's safe to say that the need to digitally transform business backends has morphed from mission possibly to mission critical. We had the honor of co-hosting a virtual executive panel with the world-leading news organization, the **Financial Times**, that addressed **the changing needs and upcoming challenges facing the office of the CFO**. This whitepaper covers the insights discussed by the CFO panel.

**THE ESTEEMED
PANEL INCLUDED:**



Wolters Kluwer

Alessio Lolli
Director, General
Management,
CCH® Tagetik



Rakesh Thakrar
Group Chief Financial
Officer, Phoenix Group
(Financial services, UK)



Chitra Balasubramanian
Chief Financial Officer,
CircleCI (Computer
software, California)



Shawn Duffy
Senior Vice President &
Chief Financial Officer,
Viasat (Telecommunication,
California)



Malcolm Moore
Technology News
Editor,
Financial Times

Watch the webinar:

Giving CFOs the tools for effective financial planning

CFOs have had a lot on their plate this last year. In between re-forecasting, re-planning, and re-organizing their businesses in the moment, they’ve had to keep a pulse on the future. Customers’ needs have changed, but for how long? The way businesses are run has changed, but will they stay that way? Business models have been upended, but will they be viable in the future?

So. Many. Questions!

Uncertainty isn’t the only certainty; more than ever, **organizations need the ability to pivot and pivot fast.** Now a cliché, the need to pivot is a reality that, unfortunately, isn’t going anywhere.

Throughout their discussions, **our esteemed CFO panel identified five critical focus areas that helped their organizations pivot through this crisis** – and will continue focus on so as they face an uncertain future head-on.

1 Top-line and bottom-line management

The pandemic forced many CFOs to change their focus from top-line growth to bottom-line management. Many had to take significant cost-cutting measures to conserve cash as they carefully observed the pandemic's impacts on performance. As we close one chapter and move on to the next, from the height of the pandemic to the aftermath, finance has to change its mindset yet again.

Take the long — predictive — view

As Shawn Duffy, SVP and CFO of Viasat, reminds us, “You always have to be mindful that successful businesses need top-line growth. You can't just have a successful business because you cut costs.”

For her and Viasat, top-line growth meant understanding the customer's mind, not just today but a decade from now.

She explains this in the context of Viasat,

“The satellites we make are three- or four-year projects. Then, we send them into space. This means, for 15 years-plus, we have to understand where our customer is going and serve them that technology suite. You really must have the right datasets and market trends. Not just now but five or ten years from now.”

As a result of the need for long sightlines, **we're seeing CFOs reallocate their precious budgets to technology that helps them respond to top-line volatility in the market, like artificial intelligence (AI) and machine learning (ML) tools.**

AI and ML have the power to rope in market data and contextualize internal trends like customer buying data. Predictive technology enables the office of the CFO to focus on top-line growth by considering more data, producing precise projections, and extending finance's planning power to operational departments.

This will not be our last black swan event.

While a renewed focus on the top-line comes with our world cautiously turning its outlook towards a post-pandemic future, lest we forget how vital bottom-line management can become during market turns.

As a result, many CFOs still have to optimize their expenses and monitor primary costs. This doesn't necessarily mean cutting those costs per se, but rather, understanding what's driving them. Predictive technology can help with profitability analysis, zero-based budgeting, activity-based costing too.

Explainable predictions are machine learning's version of the magician revealing the ace in their sleeve. Where some predictive tools show you the magic trick — the resulting prediction — more sophisticated solutions lift the veil to reveal the performance drivers that determined the prediction — like marketing campaigns, pricing, or limiting costs. You can then play with these using simulations to manage the bottom line and optimize your resources.

Event

Predictive Intelligence Explainable Predictions. Actionable Insights. Smart Decisions.

Gain more agility, insights and real-time results to boost your financial performance with CCH Tagetik. Our out-of-box predictive planning solution, CCH Tagetik Predictive Intelligence, empowers you with explainable predictions and actionable insights to make better decisions faster.

“Finance must create a culture of analytics that intentionally sets up support for insights from data collection through to presentations and reports.”

Learn more about how our solutions facilitate essential analytics needs and establish your foundation for explainable AI and ML here.

[Learn more](#)

Whitepaper

8 questions finance needs answered before leveraging Predictive Analytics

2 Employee enablement

The pandemic's impact is one of the most significant whiplashes in market sentiment experienced in recent times. While many companies had some remote working infrastructure in place, few had an entirely virtual enterprise. This meant people infrastructures had to be revisited, as did communications. As CCH Tagetik's Alessio Lolli mentioned, CFOs first addressed this internal problem before moving on to strategy and deliverables.

"At the beginning, no one knew what was going on. Many CFOs paused to understand, re-model, look at the people infrastructure, and many other investment elements. Only once everyone became comfortable with the uncomfortable and the lack of visibility into the market, only then could CFOs begin taking offense."

No one could have ever foreseen a circumstance that would relegate organizations to sofas, dining room tables, and home offices overnight. Solving this operational issue was critical. You can't deliver the goods if the train is off the track.

A flexible people infrastructure

Many CFOs struggled with the technology to get offices online. For Chitra Balasubramanian, the Chief Financial Officer of CircleCI explained, personnel workflow and communications became a serious point of contention.

"At CircleCI, we already had some element of [remote work] before COVID-19, but the circumstances led us to reevaluate the people and communications infrastructure across the entire organization. We had to ensure that even though the model is shifting for the short-term — and maybe even the long-term — and even from a hybrid perspective, it's critical to examine the tools that enable employees to connect and do their work."

Balasubramanian also identified that fast, anywhere-accessible technology was critical to people-centric infrastructures and communication-enabling tools. Cloud-based technology across all enterprise systems is the only way to manage the distribution of people, while enabling them to do their jobs quickly, efficiently, and from their homes.

Is remote work here to stay?

The move to remote could be more permanent than we think. CFOs like Rakesh Thakrar of Phoenix Group are asking his employees what they'd prefer "on the other side."

Do they need to come back into the office? Or can they work in a more agile and productive way — both business-wise and mentally — from home?

In prep for the answer, Thakrar says that Phoenix Group is taking the following steps, "Over the next two years as we integrate Phoenix's five businesses, we're bringing all our finance systems on the cloud. Scenarios, returns, all on a platform that everyone can access anywhere, at any time."

An any-strategy for all-case scenarios

Whatever working arrangement businesses land on, an "any-strategy" — where companies can work anywhere, any time, on any device — is critical to enabling workforces. Integral to this is **employing cloud-based software with stringent security certifications, a collaborative workflow, and global data access.**

As Duffy stated, "You need to build a workforce that's able to operate in all environments. Digital, capabilities set across jurisdictions, while being local at the same time — those are complex needs of the workforce of tomorrow."

Staff need to work together, access information, and stay organized whether they're at the office or their dining room table. The pandemic has shown us that worst-case scenarios are more likely than we think, black swan events happen fast and that anything is possible. The workforce needs to be prepared for all-case scenarios.

Need a smart way to reforecast your business, connect your team and accelerate your planning? Look no further than CCH Tagetik Smart NOW apps.

These cloud financial and extended planning & analysis (xP&A) apps provide finance and operations with the access, agility, control and collaboration tools needed to improve decision-making on-the-fly.

[Learn more](#)

3 Rapid decision making

The closest thing most finance teams have experienced to the pandemic was the 2008 financial crisis. In March of 2020, no one knew what to expect, what was coming next, or how their business model and corporate finances would cope.

The key to dealing with this kind of uncertainty? For the CFOs on our panel, it was data transformation.

Take Viasat, for example. One of Viasat's biggest growing businesses was in-flight WiFi – an industry virtually halted by the pandemic as planes were grounded and airlines took extreme measures to tighten their belts.

Agility is everything

Duffy explained that it was Viasat's ability to make rapid, informed decisions that made the difference.

"We had to pretty quickly understand through data where our businesses were going to go, make shifts in KPIs, the way we look across the customer set, where do we need to put our resources and bandwidth? Fortunately for us, with the diversity of our business, we were able to move our resources from inflight WiFi to our fixed broadband business.

We had to be really agile. We needed to have those critical data elements. If we know those KPIs and OKRs across our business models, as we were shifting gears, and reprioritizing our resources, and reshaping our business models for what was going to happen today, that we could quickly, through data, through the things that matter to us, know that we were on track, and keep things on track."

While this agility is critical, it depends on a company's ability to leverage its data, leading us to our next point.



4 Data mastery

Many CFOs find themselves in a position where they don't understand precisely what data they have.

Sometimes this results from disparate tools that silo off data into different platforms or because of data maturity. Other times CFOs find themselves with a data infrastructure but unable to use the full potential of their data. And finally, some have their dialed: they can **transform the data into insights and make quick strategic moves, more accurately.**

A culture of analytics begins with a solid foundation.

Learn more about how the CCH Tagetik Finance Transformation Platform can help you overcome data overload, data constrain, and technology constrain here.

[Learn more](#)

Build a data infrastructure

The quest for data mastery begins with your data infrastructure.

Balasubramanian from CircleCI explains:

“Investments in data and data infrastructure has become really important. Overarching the trend of a distributed workforce as well as companies needing to continue to innovate and stay on top of the market is this need to have a managed democratization of data. Not just in terms of product data, but also operational data and people data too.”

The platform approach

This is where platforms come in handy. It’s very common to have data conflicts. It’s also very common to get a part of the picture — with no access to the complete chain of effect of strategic initiatives. You can only see what happens in finance, not the ricochet of action across operations, production, marketing, and sales.

A platform allows you to eliminate data conflicts while breaking down data barriers so you can get a 360 degree view of your organization’s performance — as well as its performance nuances.

Data management is an evolution

But do organizations have to strive for perfection right away — or is “mastery” the pie in the sky? Balasubramanian reminds us to take the pressure off. We’ve just been through a pandemic, after all.

“Managing data is an evolution. Acknowledge that it’s an evolution. It’s more important to iterate and start somewhere rather than strive for perfection. Data is the lifeblood of CircleCI. We make sure we have business stakeholders working with data team members. By pairing folks together, you can start small and iterate over time with that data.”



Examining large amounts of data can reveal hidden patterns, especially when correlations between interrelated data can be identified. At CCH Tagetik, we’re helping Finance make the most of big data.

Learn about the transformative power of CCH Tagetik on SAP HANA.

5 KPI analysis

Being able to manage KPIs is only half the battle; first, you must identify your KPIs. As the pandemic has taught us, by identifying fundamental data across your business, KPIs act like barometers indicating whether you’re on the right path or need to make a change.

Of course, there are known industry benchmarks that can help direct our attention, but KPIs will differ across different business models. This is why **an understanding of KPIs at multiple and granular levels is essential.**

A nuanced understanding of your KPIs

Duffy illustrated what this looks like for Viasat:

“When you look at this in commercial air, for example, patterns change very dramatically based on flight paths and time-of-day. They’re very different data sets than what happens in a rural community that we’re connecting.

It’s a layered approach of knowing the dataset that’s right for the business model and how that dataset connects up to a company’s OKRs and KPIs. It has to connect so you can make sure that you can anticipate where you’re going to go next as you’re making a business decision.”

Connecting operational and financial data

Duffy hits on an important point here: the interconnection of operational and financial data. One without the other is like a budget without a forecast or historical data without actuals; it's only half the picture.

By understanding how, say, the market impacts demand, operations impact production, marketing impacts sales — and what this looks like on the balance sheet — you can generate a meaningful strategy that will positively influence those KPIs.

Advanced planning for all

From logistics to marketing to sales to production, every department could benefit from advanced planning tools and a comprehensive understanding of how their results resonate across the business. But there is a strong argument for keeping finance at the wheel.

Balasubramanian elaborates,

“CFOs are close to the company-level goals and metrics, and what links up to the financial metrics. This is why CFOs are so well-positioned to help with the data portion. There are so many elements of data within the product related to pricing; it's important to understand the relationship between those and OKRs and other company metrics in a way that builds over time.”



Closing thoughts



In the COVID-economy, CFOs have an opportunity to create a new and improved business model that better fits the reality of today's world.

When we boil down the insights provided by the CFO panel, we can confidently say **investments in technology drive future opportunity.**

The pivots required by the pandemic have provided CFOs the perfect excuse to allocate budget, time, and human resources to overhauling long-standing but outdated processes holding many finance teams back. We all have a heightened awareness of how critical modernized technology truly is. **Digitizing the office of finance is no longer a 'should-have but a 'must-have.'**

The benefits of a finance-friendly analytics solution

What if we told you that you could develop a robust culture of analytics in your organization, complete with mature analytics, a comprehensive information systems strategy, and explainable machine learning? Then what if we told you that you could manage it all without involving IT or adding talent to your team?

We built the **CCH Tagetik Finance Transformation Platform**, powered by the Analytic Information Hub, to be owned and operated by Finance. The platform gives Finance the ability to captain their own ship through a Finance-friendly frontend that users can intuitively navigate.



Finance-owned:

No IT intervention or data scientists needed. Our solution was built for Finance to manage, maintain, and administer. Since the CCH Tagetik Finance Transformation Platform readies your data for AI and ML, and comes with a pre-configured data model, you can focus on analysis without worrying about the science behind it.



Self-service analytics:

Our solution gives you the tools to respond to change and anticipate the future on-the-fly. You can play out the impacts of different assumptions, test scenarios, and consider various courses of action with the click of a button.



Ad hoc analysis:

Simply drag, drop or drill into metrics and display your results on our intuitive dashboards. You can easily share those insights with users across your organization after you've illustrated trends or visualized variance.

Our solutions are built by Finance for Finance.

Every CCH Tagetik solution has been carefully developed hand-in-hand with our customers. With open ears and an eye for innovation, we continue to produce solutions and release regular updates so that we're in step with Finance's immediate needs.

To learn more about how we can meet your unique needs, book a complimentary consultation today.