Controllers Council™

Digital Controller/CFO:
Study Report *2021*

The Digital Controller/CFO Study (2021)

Table of Contents

The Digital Controller/CFO Study (2021)

Executive Summary

In 2021, Controllers and CFOs continue to take on more responsibilities for technology. There isn't one priority, but many. They're tasked with managing finance back-office systems, automation, and implementing new software. Controllers and CFOS are often participating or leading corporate IT and digital transformation initiatives for their organizations today.

Last year was one of the most tumultuous years in history, including a global pandemic and economic recession. While these events spurred the landscape into a greater need for digital technology, we're seeing this shift to permanent roles for Controllers and CFOs. We wanted to see how these influences and other factors were contributing to the shifting operating environments and what the current trends suggest in technology implementation and use.

In this year's study, the objective is to identify how Controllers, CFOs, and their accounting and corporate finance departments are adapting to the digital revolution that's already well underway. The data gathered builds on what we know from the previous years' push for digitization, but forms a fuller picture of the current trends and the unique strategic role corporate accounting and finance departments need to take regarding technology, talent management, and other business operations.

Controllers and CFOs have shifted from the traditional roles of financial reporting and compliance, to take on greater responsibilities in many aspects of accounting/finance and corporate technology. We conducted **The Digital Controller/CFO: Benchmark Study 2021** to identify the current trends in duties, roles, and responsibilities for Controllers, CFOs, and other accounting professionals.

We polled nearly 300 Controllers, CFOs, and accounting professionals across the United States in this survey which was conducted from July through September of 2021. The main purpose was to identify how corporate finance professionals are changing and adapting to the digital revolution.

We've compiled this report as a resource for corporate accounting/finance professionals seeking to understand and navigate the rapidly changing business and technology environments. Please use this information to benchmark and assist in your organizations planning, strategy, and decision-making. We invite you to share your feedback and unique perspectives with the Controllers Council at **www.ControllersCouncil.org**.

Thank you in advance for your consideration. We would also like to take the time to thank all the Controllers, CFOs, accounting and corporate finance executives who took the time to share their knowledge and expertise in this study.

controllerscouncil.org

The Digital Controller/CFO Study: **Key Takeaways**
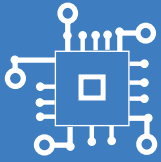
Controllers and CFOs Responsibility for Corporate Technology Increasing:
The Digital Controller/CFO is now reality with the vast majority increasing their responsibilities for corporate technology including Accounting/Finance systems and software, technology budgeting and spending, and participation in or supervising of Information technology (IT).

Top Corporate Systems Implemented or Planned:
Cloud platforms, Cybersecurity, Data Storage, and Marketing Automation lead implementation and planning or evaluation, along with Project Management and Collaboration.

Top Accounting/Finance Systems Implemented or Planned:
Accounting/Bookkeeping/ERP systems lead implementation followed by AP, AR, FP&A, and BI. Top systems in planning or evaluation include FP&A followed by Accounting/Bookkeeping/ERP, AP, and BI.

Accounting and Finance Automation is Gaining Significant Momentum:
While 52% of those polled are not using Artificial Intelligence, Machine Learning, Robotic Process Automation, or Internet of Things currently, a large portion of respondents indicated that they are planning such initiatives for the future, or implementing automation for Accounting/Finance.

**Digital Controllers and CFOs are Leading Digital Transformation:**
Vast majorities of respondents either "participate in" or "supervise" Accounting/ Finance aspects of Digital Transformation, while 38% participate in Corporate Digital Transformation, and an impressive 19% supervise all Corporate Digital Transformation.

The following report details and summarizes the responses to each question, followed by respondent classifications.

controllerscouncil.org

How is your role in Corporate technology changing this year and next?

We asked the respondents how their role in corporate technology (not accounting/finance-specific) changed this year and how they projected it to change over the coming year. An overwhelming majority of those surveyed (73%) indicated that their role was increasing, while 26% indicated that their roles stayed the same, and only 1% cited a decrease.

Decreased

1%

Same as
prior year

26%

73%

Increased

73% of Respondents indicated that their role was increasing in 2021
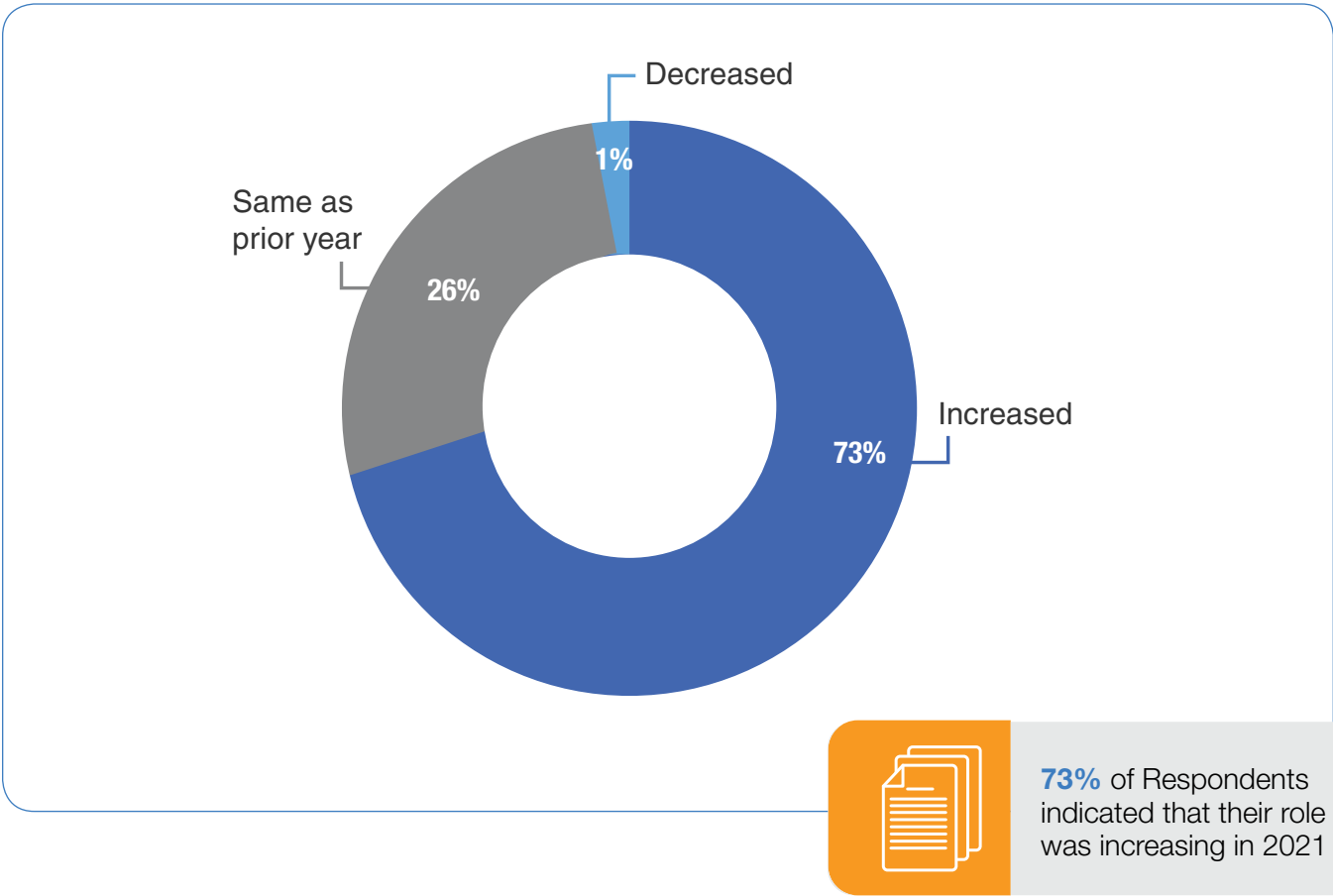
TAKEAWAYS

This significant majority with increased roles in corporate technology reinforces a seismic shift from traditional accounting/finance roles to new and incremental technology roles.

Of those who indicated that their roles stayed the same, we might infer that their responsibilities in corporate technology had already been steadily increasing in the previous years.

No question, organizations of all types and sizes pivoted in recent years to embrace technology, automation and digital transformation. Likewise, Controllers and CFOs pivoted and embraced new technology-related responsibilities.

controllerscouncil.org

What Corporate technologies are you responsible for? (Check all that apply)

This question sought to identify several broad categories of corporate technologies that respondents were responsible for in their organizations.

As expected, over 90% of respondents indicated that they manage their accounting and finance systems, followed by a significant 63% who were responsible for their technology budgeting, spending, and approval. Over 50% indicated that they participate in IT and related technology, while a notable 29% supervise IT for their organizations.
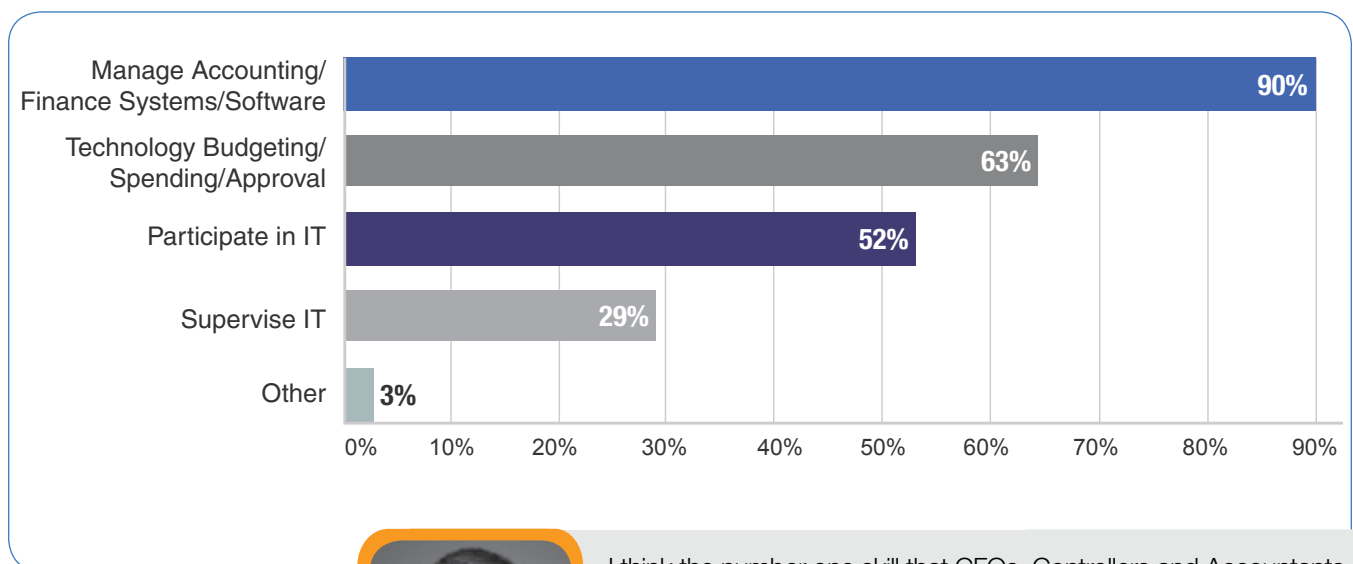
> I think the number one skill that CFOs, Controllers and Accountants need to master is how do they enable technology? How do they implement technology? How do they improve their use of technology in their roles?
>
> *Ted Weitzel, CFO/Controller*

TAKEAWAYS

The survey responses reinforce that Controllers and CFOs are actively participating in or managing departmental technology, but also very involved in corporate technologies outside of their primary functions. We can infer that Controllers and CFOs lead their organizations in technology budgeting, spending and approvals.

Controllers and CFOs are taking wider responsibility for a myriad of technology solutions in their organizations. The implications for corporate finance professionals are the need for understanding all technologies in the organization, not only those systems that impact accounting directly.

When we look closely at the individual answers provided by those who also checked "Other", we see some patterns emerge. Many respondents indicated that they were responsible for implementing new technology.

What Accounting/Finance systems or software has your organization implemented?

We asked respondents to identify accounting and finance systems or software that their organizations have implemented from several categories.

Not surprising, 92% of all respondents indicated that their organizations had implemented Accounting, Bookkeeping, or ERP solutions. Nearly 60% said that their organizations also use AP, Purchasing or expense systems or software. Other solutions that were implemented regularly among the respondents' organizations included AR, Billing and Contracts solutions (48%), Financial Planning and Analysis (FP&A) solutions (35%), Business Intelligence or Analytics (28%), Tax software (14%), and Audit or Compliance systems (10%).
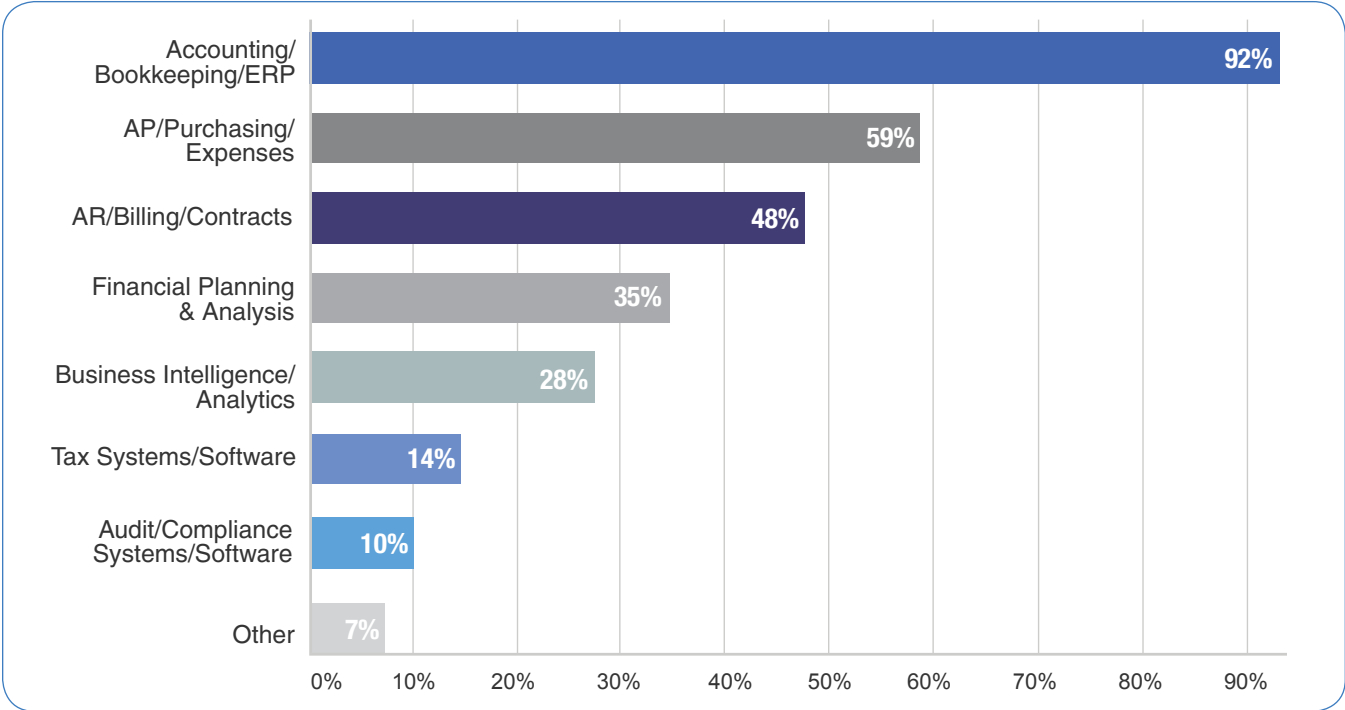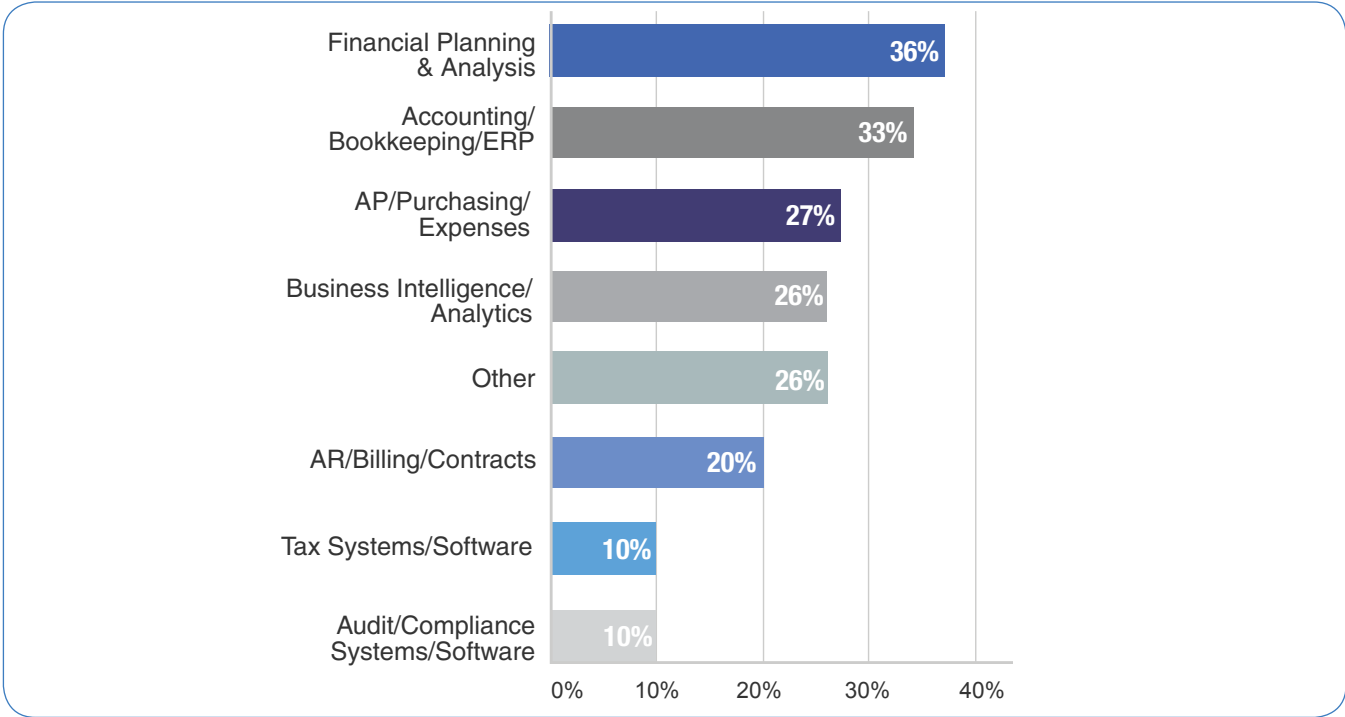

TAKEAWAYS

The Accounting/Finance systems or software that respondents have implemented are reinforcing the most common functional or departmental requirements. That said, it is surprising that only 35% have implemented FP&A, only 28% BI or Analytics, and only 14% tax systems. We will see in the next survey/question regarding Accounting/Finance systems or software respondents are "planning or evaluating" that FP&A leads the pack with BI/Analytics not far behind.

Another consideration with Accounting/Finance systems and software is the need for integration, often with the ERP system as the foundation. We also know that Integration of "best-in-class" or "best of breed" solutions is much more possible with new cloud-based systems and software with open APIs, as opposed to legacy, server-based systems that required extensive coding and customization to integrate disparate systems.

Of the respondents who also checked "Other", we noted a number of those indicated that they had implemented close management, payroll and attendance solutions. Some solutions were specific to the industry, such as donor and fundraiser management solutions. We also noticed several respondents specifically mention that their ERP systems were a primary focus and that the ERP managed several functions and processes. The "Other" category also had some indications that organizations might be upgrading current systems.

controllerscouncil.org

What Accounting/Finance systems or software is your organization currently planning or evaluating?

The corresponding question to Accounting/Finance "implementation" is what Accounting/Finance systems or software is your organization "Planning or Evaluating"? As mentioned, FP&A leads all systems/software at 36%, followed by the broad grouping of Accounting/Bookkeeping/ERP at 33%, and AP/Purchasing/Expenses at 27%, closely followed by BI/Analytics at 26%, AR/Billing/Contracts at 20%, Tax systems and Audit/Compliance systems both at 10%. It's interesting to note that over 25% of respondents indicated "Other" as their answer to this survey question and many said they were not currently evaluating any new systems because they already had systems in place. Finally, a number of "Other" responses identified Close Management software is being planned or evaluated.

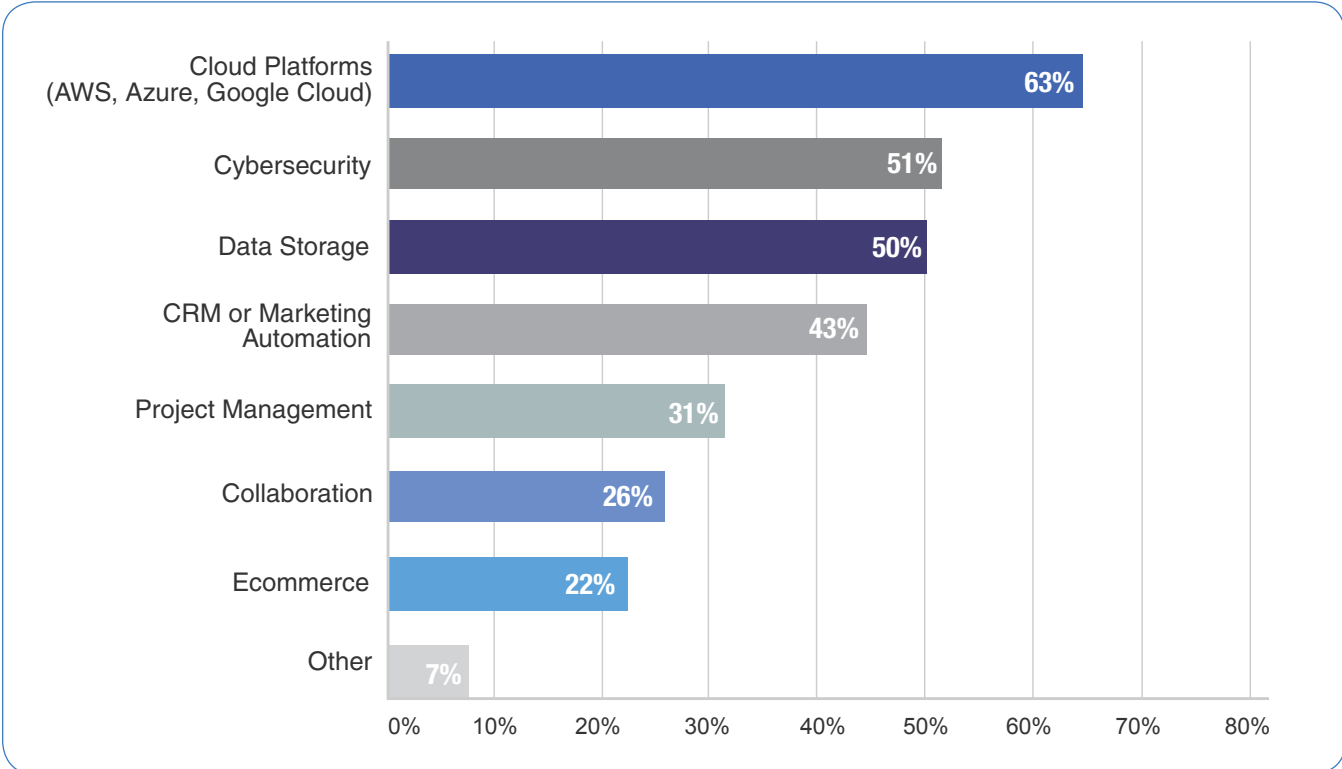| Category	Percentage
Financial Planning & Analysis	36%
Accounting/Bookkeeping/ERP	33%
AP/Purchasing/Expenses	27%
Business Intelligence/Analytics	26%
Other	26%
AR/Billing/Contracts	20%
Tax Systems/Software	10%
Audit/Compliance Systems/Software	10%

TAKEAWAYS

As mentioned in the corresponding implementation question, we were surprised at the smaller number of responses for FP&A and BI/Analytics due to the increased expectation for finance and accounting teams to deliver insights and analysis in almost real-time over the last 18 months. But the "planning or evaluating" responses indicate FP&A is the leading priority with BI/Analytics close behind to assist finance & accounting teams meet the increased expectations in a more efficient way.

We're projecting that technology "laggards" are finally being forced to catch up due to remote and hybrid work environments, and another macro-economic force, talent shortages. These factors coupled with the global pandemic, political changes, and industry-specific considerations have resulted in massive interest and demand for all types of automation, business process optimization, along with new analytics and advanced reporting tools.

We had a wide swath of individual answers to this question, which indicates that many organizations are currently researching solutions that meet evolving needs for their finance departments. Again, several of these answers were industry-specific, such as donor and fundraising management. We also saw a smattering of mentions for RPA, and many of our respondents are looking for solutions that automate accounting/finance to a higher degree.

What Corporate systems or software (non-accounting/finance) has your organization implemented?

When we asked respondents about Corporate systems and software their organizations had in place not related to accounting or finance, we received a wide variety of answers. The largest percentage of respondents indicated that Cloud Platforms were implemented (63%), followed by Cybersecurity (51%), and Data Storage at 50%. CRM or Marketing Automation rounded out this top tier at 43%. Project Management was implemented by 31%, followed by Collaboration (26%), and Ecommerce (22%).

Category	Percentage
Cloud Platforms (AWS, Azure, Google Cloud)	63%
Cybersecurity	51%
Data Storage	50%
CRM or Marketing Automation	43%
Project Management	31%
Collaboration	26%
Ecommerce	22%
Other	7%

TAKEAWAYS

The "top tier" corporate technologies implemented are reinforcing the growth and widespread migration to Cloud Platforms, the mega-trend of Cybersecurity breaches and the need for systems to combat attacks, and the massive increase in data and the corresponding requirements for data storage.
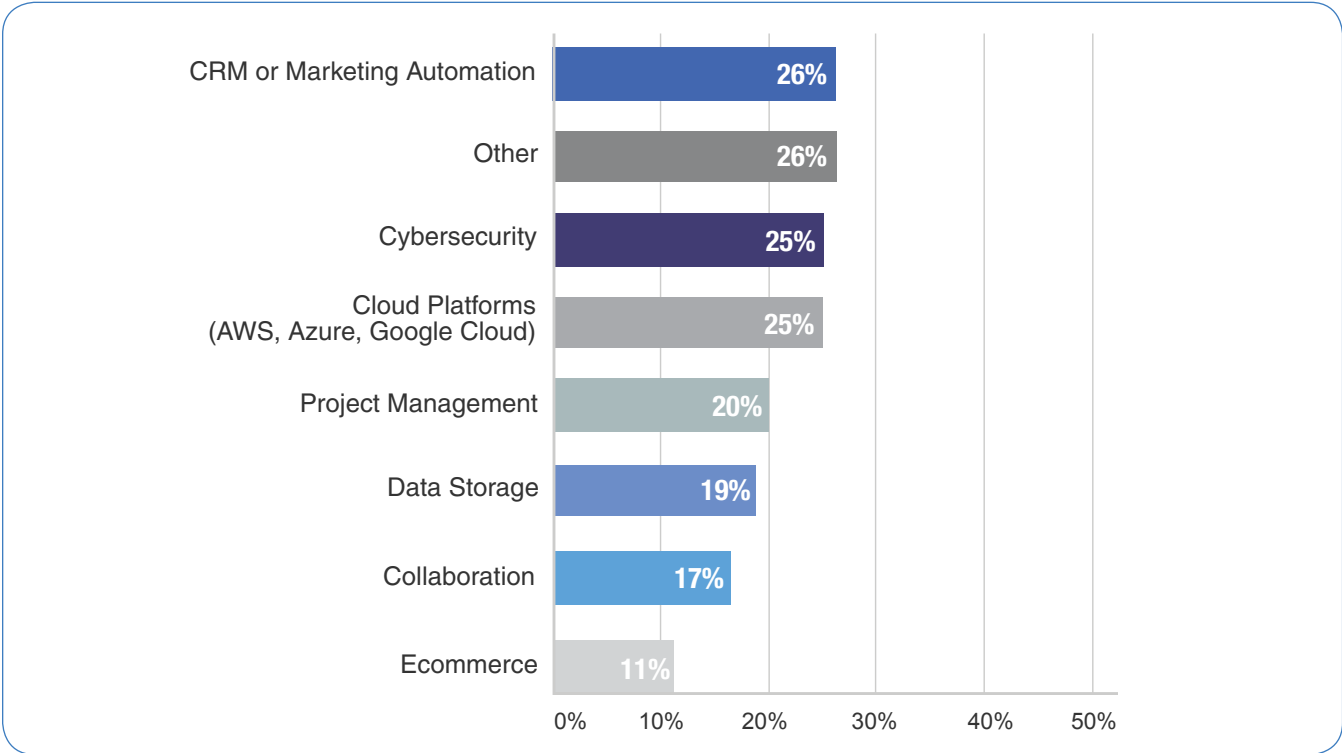
The large number of responses for CRM or Marketing Automation should be expected, but we were surprised that Project Management, Collaboration and Ecommerce were ranked to a lesser degree.

A possible explanation could be that "Collaboration" is the singular use of solutions like Zoom, Microsoft Teams, or Slack and Ecommerce may be viewed as more industry-specific.

controllerscouncil.org

What Corporate systems or software (non-accounting/finance) is your organization planning or evaluating?

Again, the corresponding question to implementation, when asked what corporate systems or software the organization is currently planning or evaluating, the responses were fairly even. In fact, Cybersecurity, Cloud Platforms, and CRM/Marketing Automation were almost tied at 25% and 26%. Project Management and Data Storage followed closely at 20% and 19%. Collaboration and Ecommerce witnessed 17% and 11% respectively.

The "Other" category was significant with 25% of responses. Interestingly, almost 20% of "Other" respondents indicated that their organizations were currently researching all of the noted categories.

Category	Percentage
CRM or Marketing Automation	26%
Other	26%
Cybersecurity	25%
Cloud Platforms (AWS, Azure, Google Cloud)	25%
Project Management	20%
Data Storage	19%
Collaboration	17%
Ecommerce	11%

TAKEAWAYS

Respondents who indicated their organizations were currently evaluating new solutions, the types of solutions were pretty evenly mixed between the designated categories. Over a quarter of those polled answered "Other" when asked what systems the organization was currently evaluating. Of those that indicated "Other", a common response was "None", or "None that I'm aware of". Perhaps some of these responses were Controllers or CFOs that do not work with non-accounting or finance technologies.

As mentioned, another large portion of "Other" responses are considering all categories. The balance of "Other" was a range of responses too fragmented to report.

Clearly, corporate systems and software includes a multitude of options. Again, many systems are likely industry-specific.

controllerscouncil.org

Are you involved in Artificial Intelligence, Machine Learning, Robotic Process Automation, or Internet of Things initiatives? (check all that apply)

We were curious about the use of Artificial Intelligence (AI), Machine Learning (ML), Robotic Process Automation (RPA), and Internet of Things (IoT) in organizations across the country. There's no doubt that organizations are looking for ways to automate processes in order to both streamline efficiency and improve profitability. We were interested to see where our respondents' companies were in the process.

"Not using automation" topped all response at 52%, followed by "Planning for the Future" at 26%, and "Using automation for Accounting/Finance at 20%.
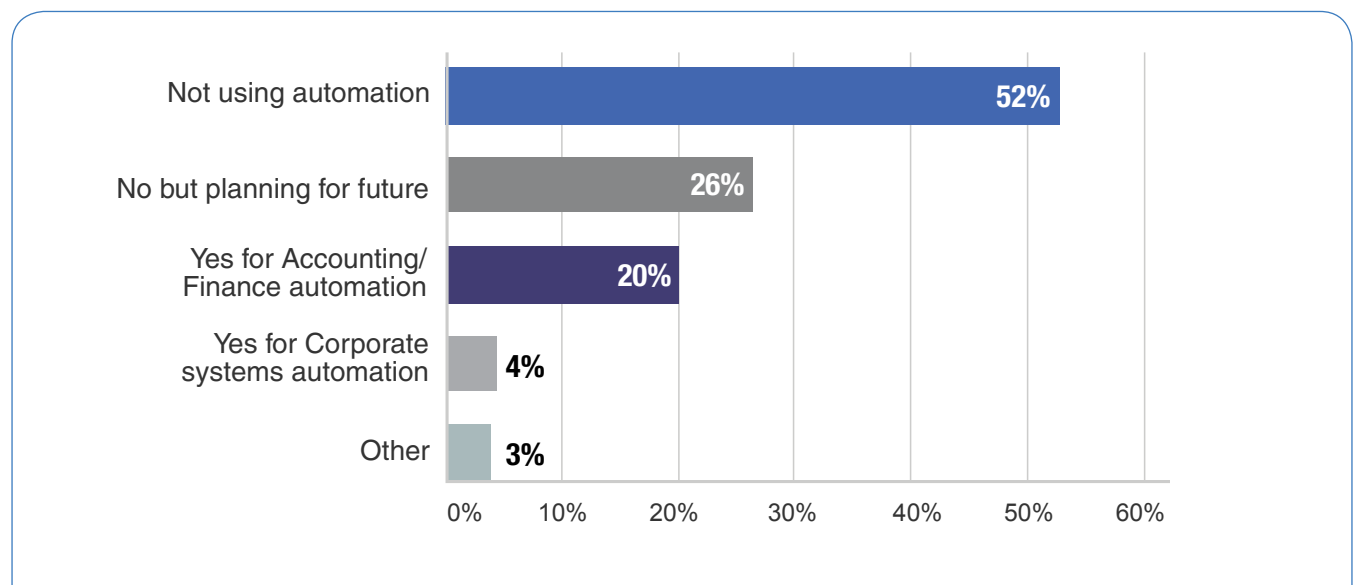
Finance automation is amazing. Whether you have 500 or 500,000 transactions per day, if automation can match 95% without human intervention, that can free-up our talent for more strategic initiatives, eliminate errors, and remove the "drudgery" aspect of accounting for improved job satisfaction and career growth.

Omar Choucair, Trintech CFO

TAKEAWAYS

Interesting that almost half of responses (26%+20%) are either using automation for Accounting/Finance or planning automation initiatives for the future. Of the respondents that answered "Other", several indicated that these solutions were being used in specific departments, such as marketing.

controllerscouncil.org

What is your role in digital transformation?

The last question in our survey addressed the broad and trending topic of Digital Transformation. When asked about their role in digital transformation, a significant majority (69%) indicated that they participate in Accounting/Finance aspects of digital transformation, followed by 59% that supervise Accounting/Finance aspects of digital transformation. Over 38% of respondents indicated that they participate in all Corporate digital transformation, while 19% said that they were tasked with supervising all Corporate digital transformation.
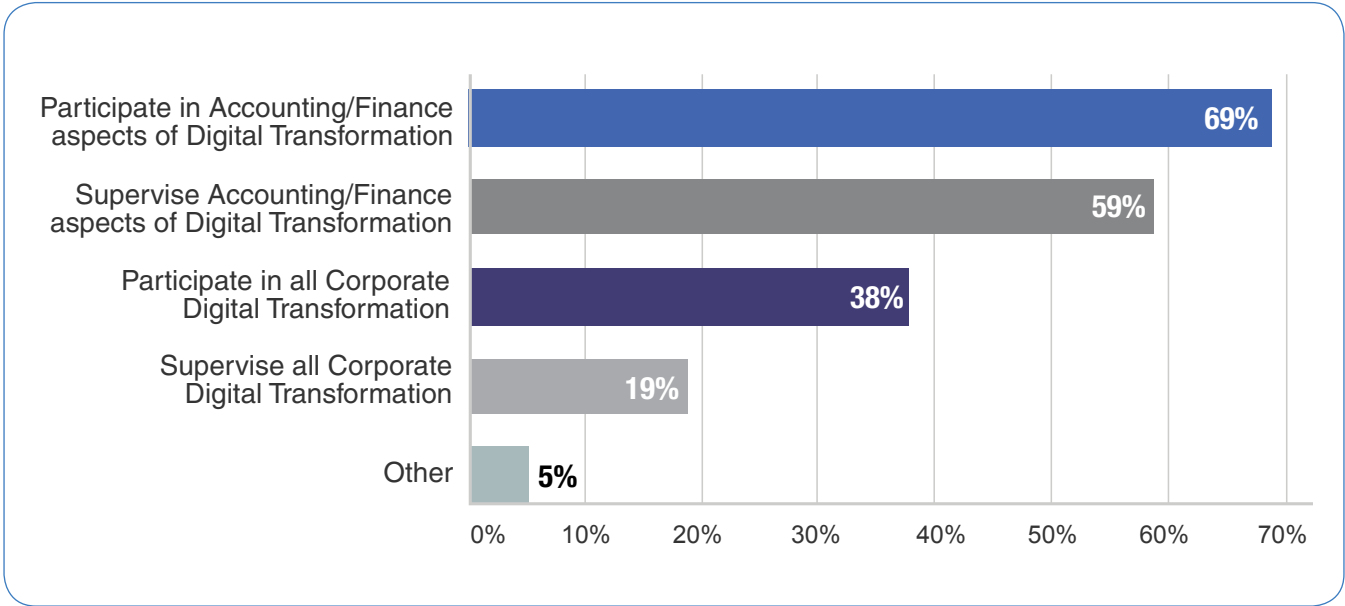
TAKEAWAYS

The Digital Controller and CFO is a reality with nearly all respondents actively involved in Digital Transformation by either participating in, or supervising Accounting/Finance aspects. Nearly 40% participate in *Corporate* Digital Transformation, and nearly 20% supervise all Corporate Digital Transformation.
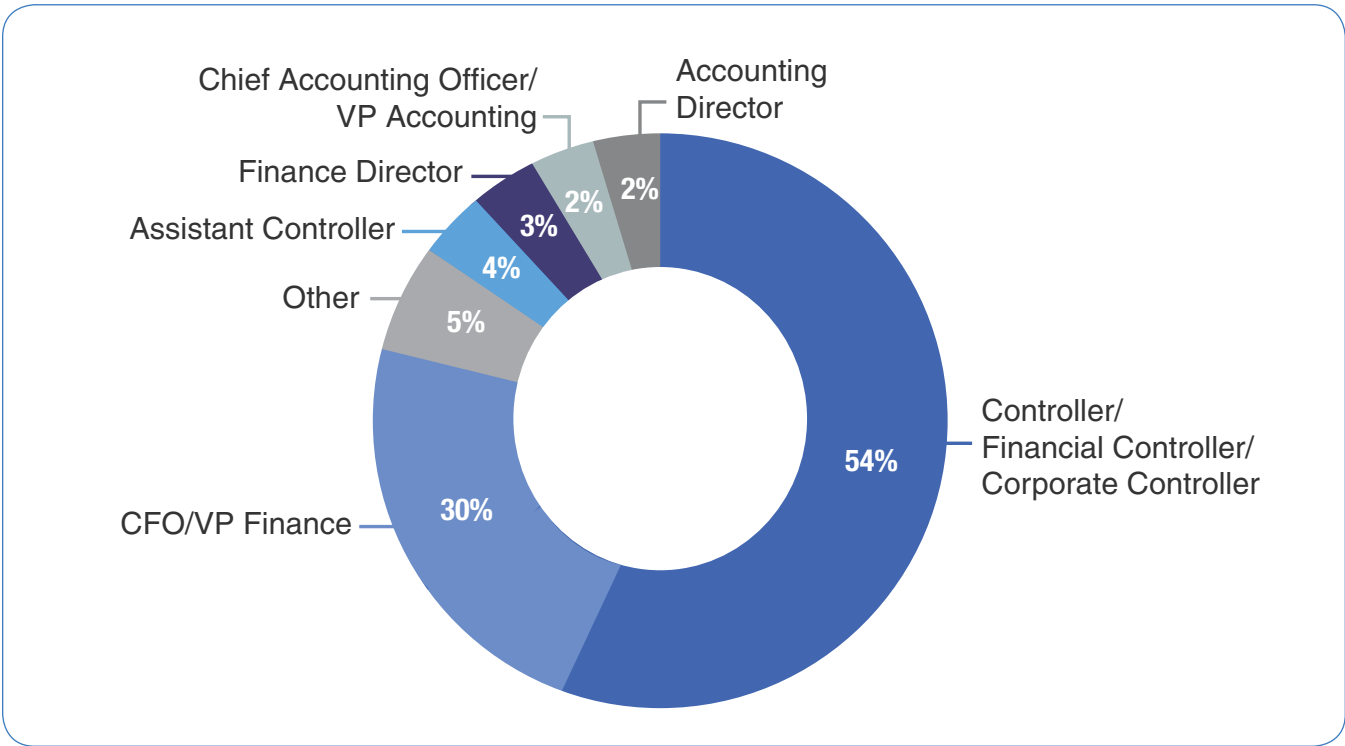
While responses vary by company size, we believe that Accounting/Finance systems and software are such an important piece of Digital Transformation that Controllers and CFOs experience is required. Likewise, non-accounting/finance systems and software are often integrated with the foundational ERP system that Controllers and CFOs often manage.

controllerscouncil.org

Classification Demographics:

The Controllers Counsel Digital Controller/CFO survey included four questions to allow classification of respondents, and to verify that our respondent pool is representative of the proper roles/titles, industries, organization size (by employees), and geographic location (by region). We are pleased to share a very complete representation of these demographics.
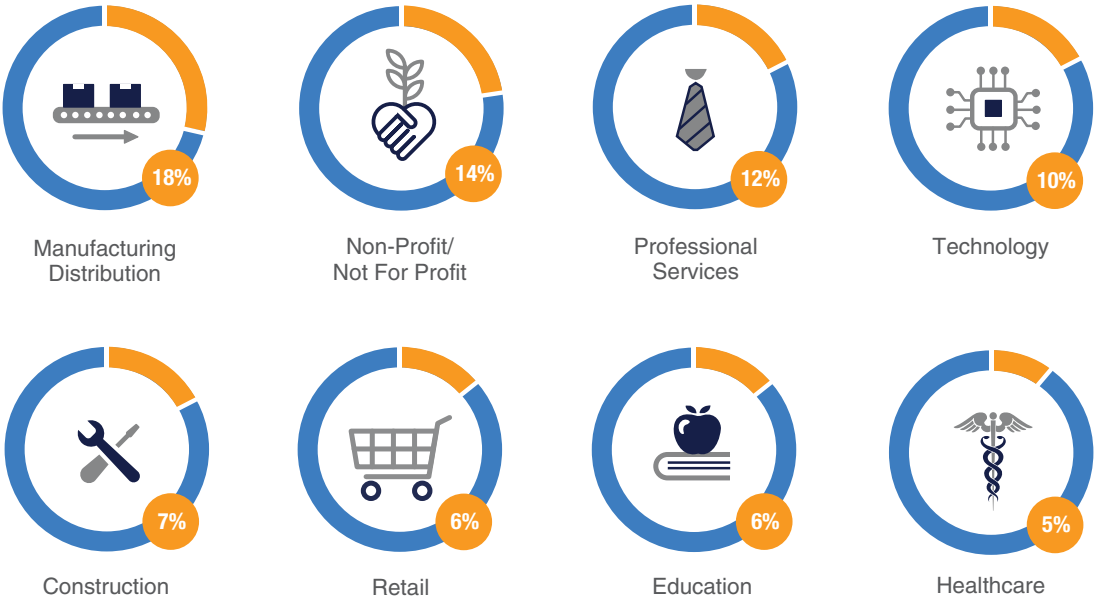
What is your title and/or role?

The survey included responses from mid to high level Corporate accounting and finance professionals. As expected, most respondents identified as Controllers, Financial or Corporate Controllers (54%). CFOs and VPs accounted for 30%. Of the remaining respondents 4% were Assistant Controllers, 3% Finance Directors. Chief Accounting Officers and Accounting Directors each accounted for 2%.

Chief Accounting Officer/
VP Accounting

Accounting
Director

Finance Director

Assistant Controller

Other

2%

2%

3%

4%

5%

Controller/
Financial Controller/
Corporate Controller

54%

CFO/VP Finance
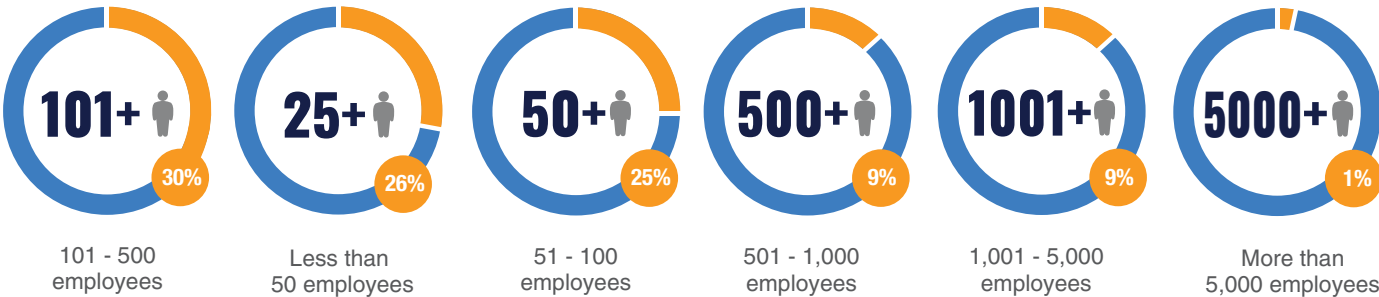
30%

Classification Demographics

Industry

A wide variety of industries are represented in the study. The largest percentage of respondents (18%) work in manufacturing and distribution. Professional services accounted for 12% with 7% Services, as sometimes these classifications are mixed. Non-Profit/Not-For-Profit represented 14% of respondents. A number of other top industries are represented including Technology (10%), Construction (7%), Retail (6%), Education (6%), and Healthcare (5%). A significant 16% checked the "Other" option, which was too fragmented to report.

|			
18%	**14%**	**12%**	**10%**
Manufacturing Distribution	Non-Profit/ Not For Profit	Professional Services	Technology
7%	**6%**	**6%**	**5%**
Construction	Retail	Education	Healthcare

Organization Size (Employees)

A variety of company sizes are represented in the survey responses with a majority in the mid-market. Leading with 101-500 employees (30%), followed closely by Less than 50 employees (26%), and 51-100 employees (25%). Of course, national averages have 90% of businesses less than 50 employees, however, small companies tend to not have a Controller or CFO and outsource accounting. Large and Enterprise organizations are represented with 501-1,000 and 1,001-5,000 employees each with 9%, and more than 5,000 employees at 1%, for a total of 19% of respondents in Large to Enterprise organizations.

101+	25+	50+	500+	1001+	5000+
30%	**26%**	**25%**	**9%**	**9%**	**1%**
101 - 500 employees	Less than 50 employees	51 - 100 employees	501 - 1,000 employees	1,001 - 5,000 employees	More than 5,000 employees

controllerscouncil.org

Classification Demographics

Region

Survey respondents were evenly spread across the United States. The Midwest witnessed the highest participation with 27%, followed closely by the Southwest (25%), Northeast (22%), and West (19%). The Southeast accounted for 8%.

Midwest	**27%**
Southwest	**25%**
Northeast	**22%**
West	**19%**
Southeast	8%
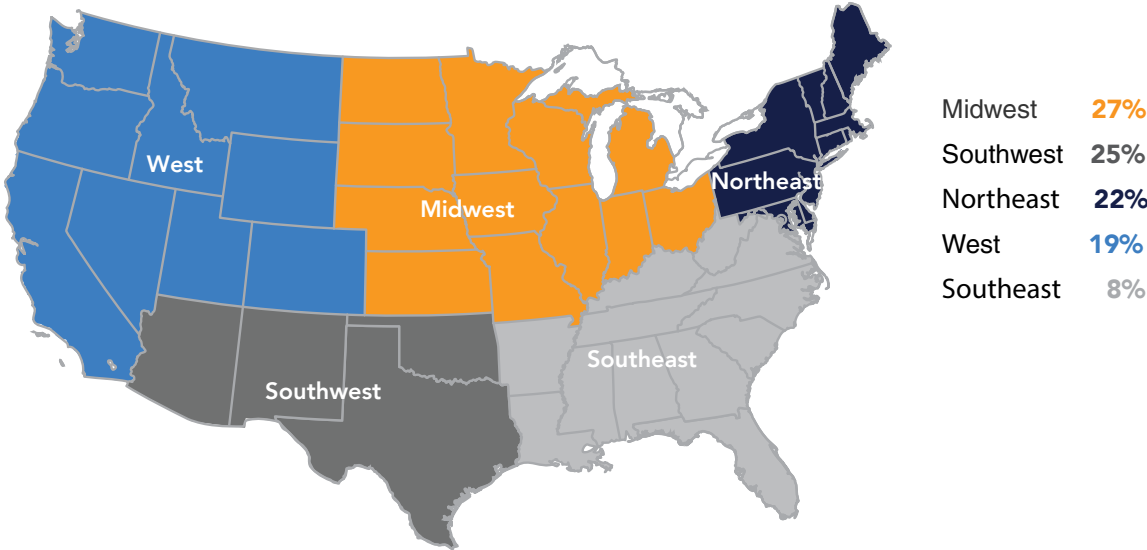
The Digital Controller/CFO is Happening – Now

Corporate Controllers and CFOs are clearly evolving to become Digital Controllers and CFOs. This evolution certainly started prior to the global pandemic, but was then accelerated by remote work environments, along with seismic business change and uncertainty.

Controllers and CFO roles are increasing and more complex, including new roles in managing technology. But technology is proving to be the difference between effectiveness and frequent failure.

Digital technologies are rapidly changing and new territory for many executives including Controllers and CFOs, so educational information and peer benchmarking can support understanding and expertise. To that end, please view/listen to the **Digital Controller/CFO webcast archive video here.**

Our **2020 Changing Roles Study** examines both traditional accounting/finance and technology roles of Controllers and CFOs. Finally, our study and webcast sponsor, Trintech, offers a **2021 Global Financial Close Benchmark Study**.

controllerscouncil.org

About the Controllers Council

Controllers Council™ is a national member association, community and platform for Controllers, CFOs, and corporate accounting/finance professionals focused on career development and training, peer interaction, recognition and more. Programs include CPE training, a national Career Center, the certified professional controller (CPC), webcasts with expert panelists on trending topics, research studies, articles and whitepapers, Peer Roundtables, and the Controller of the Year awards program. For more information, visit **ControllersCouncil.org**

As the fastest-growing community for Controllers, we provide a variety of educational resources and ongoing programs developed specifically for Controllers and the accounting/finance organization.

About our Study Sponsor

Trintech provides cloud-based software solutions that standardize and automate key processes in the financial close including, high volume transaction matching, balance sheet reconciliations, intercompany accounting, journal entries, close management tasks, disclosure reporting and governance, risk and compliance.

Over 3,500 clients worldwide – including the majority of the Fortune 100 – rely on the company's solutions to continuously improve the efficiency, reliability, and strategic insights of their financial operations. For more information, visit **Trintech.com.**