

Becoming a Value-Focused Finance Organization

December 7, 2021
3-4:00 US Eastern





ASSOCIATION FOR
FINANCIAL
PROFESSIONALS



AFP® GUIDE TO

Becoming a Value-focused Finance Organization

FP&A Guide Series

Underwritten by





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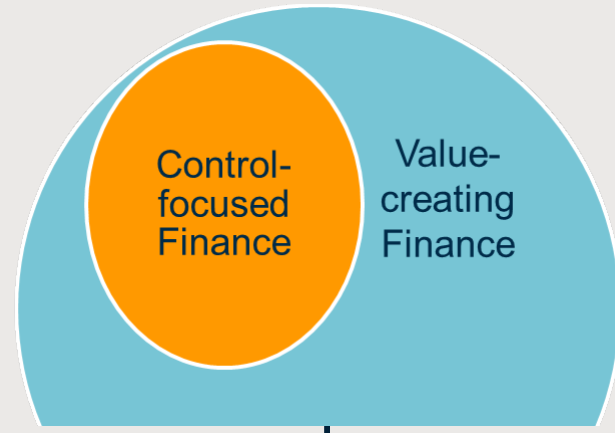
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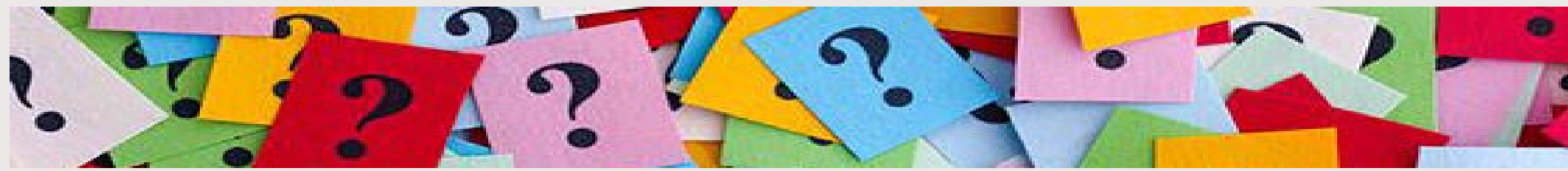
Agenda

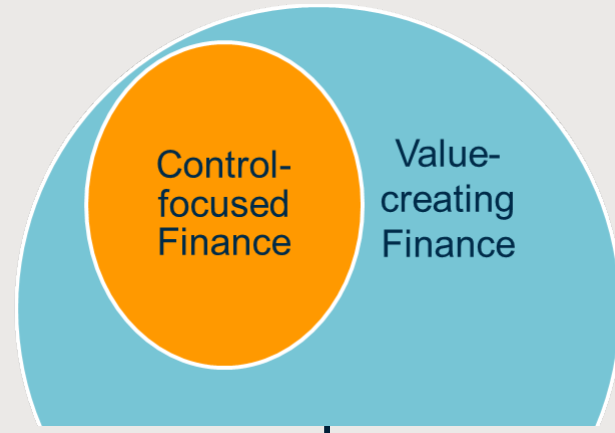


1) Define the **MISSION** and Aspiration

2) Establish an Operating **MODEL**

3) **MANAGEMENT** of ourselves and our team





1) Define the **MISSION** and Aspiration

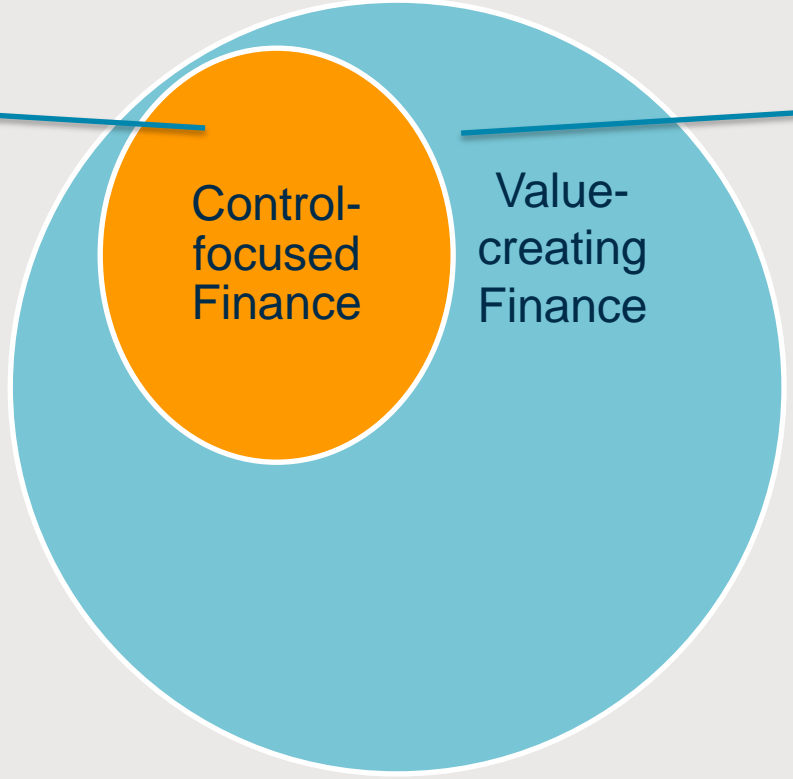
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CFO is steward of capital

- Requirements: Meet fiduciary obligations at the lowest cost
 - *financial reporting, accounting, satisfying auditors and regulators*
- External customers, external value
- Increasing automation and streamlining the organization to drive down cost
- Difficult to attract and retain talent



- + Benefits: Apply financial expertise for benefit of “customers”
 - *applying financial and quantitative methods to become a trusted advisor to the business.*
- + Internal customers, unlimited value
- Increasing automation will drive down costs, focus on business partners and unlock value
- Exciting career path built on exploration of unknowns



Control-focused CFOs become cost-focused CFOs



Value-focused CFOs expand opportunities for the enterprise



Poll Question 1

How does the business view finance?

- A. Mostly control-focused
- B. Evenly split between control and value
- C. Mostly value-focused





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Pillars of Partnership

OPERATING MODEL

Are you able to engage with Finance with ease and effectiveness?

BUSINESS ACUMEN

Does Finance understand your business and add value in the Operating Unit's pursuit of its strategic objectives?

ANALYTIC CAPABILITIES / DECISION SUPPORT

Do you receive insights from Finance that helps make decisions to better allocate resources and improve Business outcomes?

COLLABORATION

Does your Finance partner connect, collaborate, and communicate well with your team?

INFORMATION DELIVERY

Is the provided information of high-quality?





Poll Question 2

Which area holds the most opportunity for improvement for finance? (choose one)

- A. Operating model
- B. Business acumen
- C. Analytics / decision support
- D. Collaboration
- E. Information delivery

OVERALL SCORE

Leaders scored the Finance function on average as “almost meets expectations”

3.0
2.8

SCALE

- 1 – Significantly beneath expectations
- 2 – Beneath expectations
- 3 – Meets expectations
- 4 – Exceeds expectations
- 5 – Significantly exceeds expectations

CATEGORY SCORES

OPERATING MODEL

Are you able to engage with Finance with ease and effectiveness?

3.1
3.1

BUSINESS ACUMEN

Does Finance understand your business and add value in the Operating Unit’s pursuit of its strategic objectives?

3.0
2.6

ANALYTIC CAPABILITIES / DECISION SUPPORT

Do you receive insights from Finance that helps make decisions to better allocate resources and improve Business outcomes?

3.0
2.5

COLLABORATION

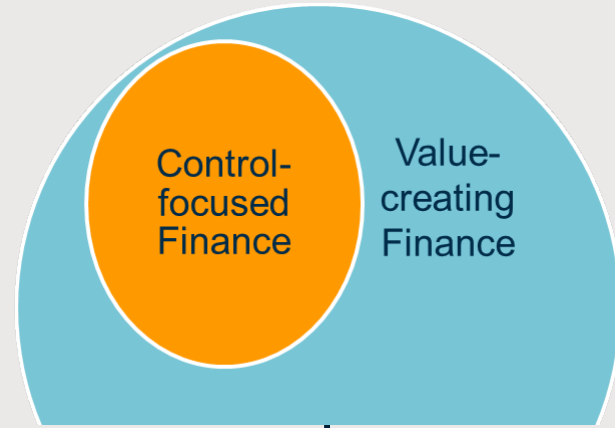
Does your Finance partner connect, collaborate, and communicate well with your team?

3.2
3.2

INFORMATION DELIVERY

Is the provided information of high-quality?

3.0
3.1



1) Define the
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Poll Question 3

What is your biggest obstacle in challenging the status quo of finance operations? (choose 2)

- A. Fear of failure / Reputational risk
- B. Cost to change
- C. Effort!
- D. Bureaucratic / political restrictions
- E. Too many other priorities





Bringing Finance Expertise Forward


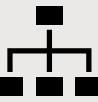


- **Proximity and contact**
- **Team incentives**
- **For yourself: growth mindset**
- **For your team: evaluate the players**
- **Risk management**





Results from AFP-Oliver Wyman Research

YOUR LEADERS WANT MORE FROM FINANCE!

-  • **More insights; explain what finance can offer**
-  • **Bring “deep finance” closer to the business**
-  • **Talent/upskilling**
-  • **Better technology**







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For further research

 OLIVER WYMAN



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