

MARCH - 2016

CFO

Tech Outlook

CFOTECHOUTLOOK.COM

IN MY OPINION

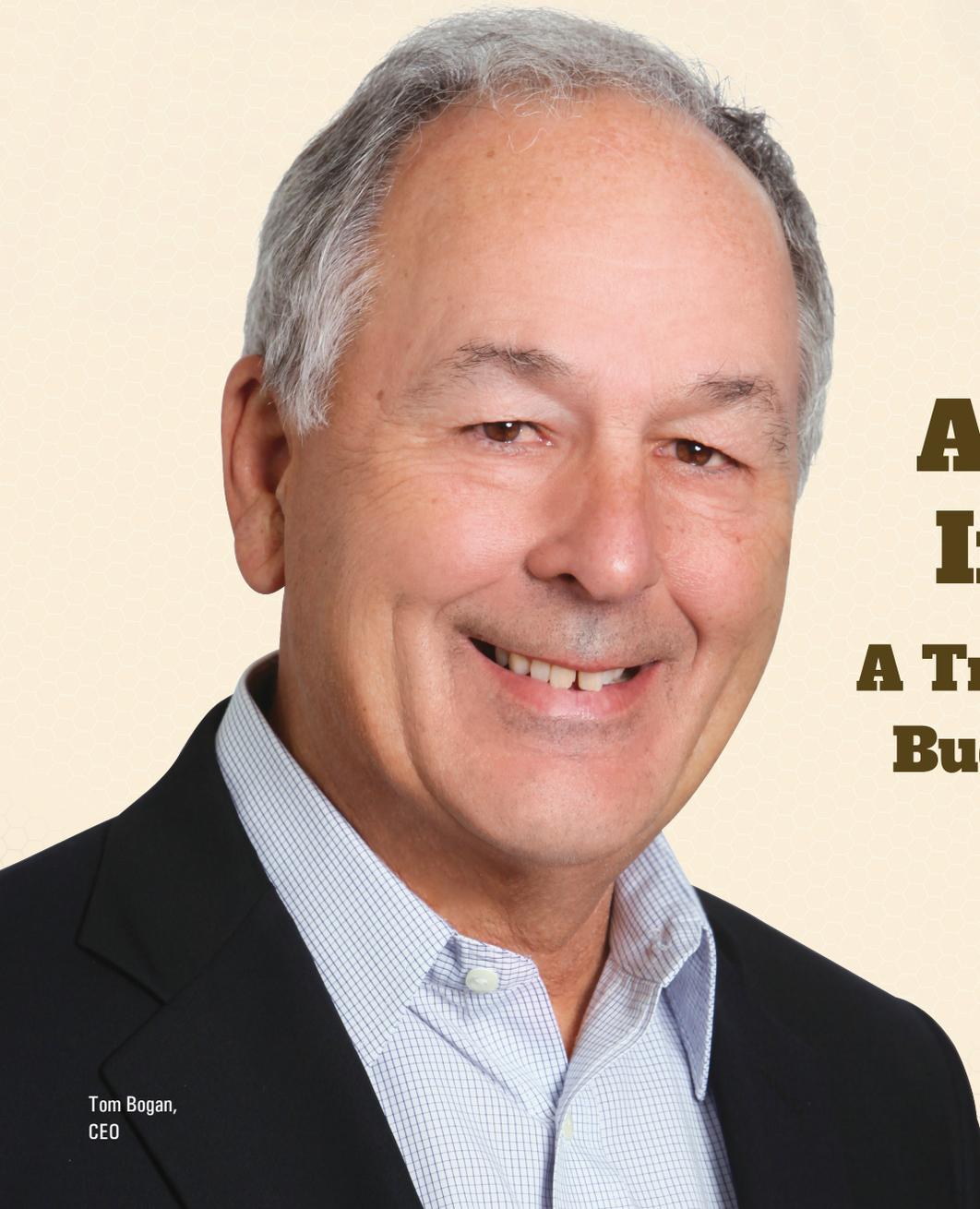
Kevin Held,
CFO,
TradingScreen

CFO INSIGHTS

Tom Berquist,
CFO,
TIBCO Software

CXO INSIGHTS

Sriram Padmanabhan,
SVP,
NIIT Technologies



Adaptive Insights: A Trailblazer in Budgeting and Forecasting

Tom Bogan,
CEO

44790,
S Gimmer Blvd,
#202 Fremont,
CA - 94538 \$10



The Evolving Role of a CFO

By **Matt Armanino**, Partner, COO & CFO Advisory Services Practice Lead, Armanino LLP

There's no denying it. There's never been a better time to be a CFO. The shrinking chorus dismissing CFOs as "bean counters" is down to comedians looking for laughs and luddites who aren't seeing what's happening in the world around them.

The world is evolving in stunning ways. Technology moves forward at a breakneck pace; the world economy becomes a fertile field of new markets

for customers, partners and off-shore operations; big data lets us understand our customers, our processes and our performance as never before.

And at every stage, key decisions are running through the hands of the CFO. After all, every big decision has financial ramifications as we weigh risks and rewards. There's no avoiding the opportunity this presents CFOs to drive decisions. The challenge is stepping up and seizing the opportunities to shape the organization's future—and your own.

We know that no one is better equipped to take a company to a new level than an experienced and driven CFO. Finance leaders who have the ability to anticipate trends and lead a business strategy around them have the power to create a unique and compelling competitive advantage for their company.

Here at Armanino LLP, we know a fair amount about this CFO Evolution. For the past five years, we've been surveying CFOs—our clients and others in our primary West Coast market.

As the accompanying illustration shows, it's common for CFOs to be spending more than half their time as the enterprise's chief accounting executive. But the CFOs we've been talking to know that's not the highest and best use of

their time. They want to streamline that work and elevate business leadership activities. The right mix, they tell us, is 50 percent business leader, double the amount of time they spend on that function now. At Armanino, we have developed a framework called the CFO Evolution™ which is a set of initiatives focused on people, processes and technology created to help organizations focus their time and energy on the areas that drive strategic value. Each of these core areas of responsibility requires a plan that includes goals, expected outcomes and required resources.

We see this evolution as the defining issue of the decade and beyond. It has implications in every aspect of the organization. We'll dig deeper into two timely issues that CFOs are focusing on today—M&A transactions and the use of technology for better business decision-making.

Consider the message being sent by stock market volatility. With IPO activity slowing, merger and acquisition activity is heating up.

A smart company is always ready for the right opportunity to come along. For the CFO, that means not only knowing the numbers but also assuring that the necessary systems are in place to generate key performance indicators that will stand the scrutiny



Matt Armanino

CFO EVOLUTION INITIATIVES

CFO Role

business leader

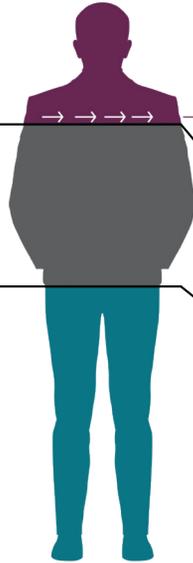
protector

accountant

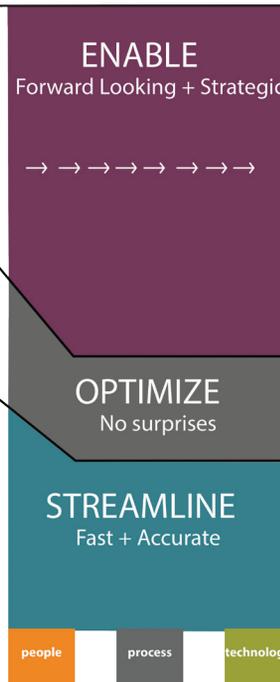
25%

20%

55%



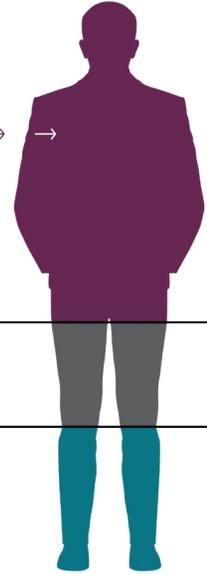
Current Time Allocation



50%

20%

30%



Desired Time Allocation

of due diligence. For example, with international expansion as a growing concern for CFOs, it's paramount that the CFO has the right SaaS accounting solutions to handle the complexity of a multi-currency business operation. Similarly, a cloud-based solution can enable real-time, daily and month-end closes to help the finance organization with multi-entity juggling.

Our CFO Evolution survey data tells us that the top three considerations in the due diligence process are conducting a quality of earnings analysis, examining the strength of the financial forecasting process and conducting a historical financial statement analysis. Can your business stand the scrutiny?

As a CFO, how well prepared you are to handle an M&A transaction can be the hallmark of an organization that is highly strategic and well-regarded. It can also be the hallmark of a CFO's career.



No one is better equipped to take a company to a new level than an experienced and driven CFO

The proliferation of high quality business intelligence analytic tools is the second critical trend that savvy CFOs are analyzing and deploying to their advantage. The CFO is uniquely positioned to embrace these change-enabling technologies that can allow the organization to better understand and manage the key drivers of business success.

The shift of responsibility for information technology onto the

CFO's plate has been going on for some years. And it's ongoing, as corporations struggle to find the balance between historical and predictive analysis of data. The good news is that powerful software programs have lowered the barriers to capturing historical and real-time data. This opens a new world of possibilities related to improved predictive analytics, collaboration and mobility. Combined, these forces better connect business units, employees and customers, thereby improving the quality and speed of business decisions.

We are looking forward to sharing this year's survey results with you in the spring and identifying top trends, best practices and areas of concerns for CFOs. Please visit ArmaninoLLP.com and check out the data by clicking the CFO Evolution link at the bottom of our homepage.

The CFO Evolution is on. Welcome aboard. **CT**