



AccountsIQ

CFO Mindset | 2024

Control: what's causing finance leaders to lose it and how can they get it back?

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The report is split into the following sections:

Too much pressure, not enough control:
The overall mindset of finance leaders

External pressures and internal deficiencies:
What challenges are CFOs facing?

Regaining control of the finance function:
How to overcome these obstacles

Moving forward:
Conclusions we can draw from the survey and where we go from here

Overview

AccountsIQ conducted research amongst 260 CFOs and finance leaders across the UK and Ireland to explore their overall mindset in light of various technological, societal and economic developments.

The insights we’ve gained from this study are allowing us to shape our product, our relationships and conversations in a way that reflects the challenges and opportunities our customers are facing and presents them with solutions to overcome them.

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Methodology

AccountsIQ conducted the survey in September 2024. It was sent to 260 CFOs and finance leaders from businesses based in the UK and Ireland with between 20-200 employees. They answered 15 multiple choice questions on the topics outlined in this report.

Executive Summary

Darren Cran, CEO AccountsIQ



Despite various challenges, many businesses across the UK and Ireland continue to grow and thrive. For these organisations, having technology that gives them real-time financial visibility, agility and control is crucial to matching their scaling ambitions.

Darren Cran,
CEO, AccountsIQ

This inaugural edition of our new CFO Mindset report series comes at a time when the confidence of many finance leaders is being tested. Rather than settling into a 'new normal', we are navigating a period of ongoing economic uncertainty that seems ever more unpredictable. For CFOs and their finance teams, managing their organisation's financial health in the light of these external pressures can seem like an increasingly tall order.

In such landscapes, it can be hard to maintain a sense of stability and control. This is often determined by how informed CFOs feel. Without the right internal resources to do this effectively, the knock-on effects can significantly impact productivity and overall performance.

Thankfully, despite various challenges, many businesses across the UK and Ireland continue to scale and thrive. For these organisations, having technology that gives them real-time financial visibility, agility and control is crucial to matching their scaling ambitions. But how confident are CFOs and finance leaders in the insight and tools they have access to, to guide strategic financial decisions and steer organisational growth?

Another key area to explore is Artificial Intelligence. AI is rapidly advancing, delivering enhanced capabilities for automation and reporting, which, if handled correctly, could be transformational for our industry. But how confident are finance leaders that they actually know how to put AI theory into practice just yet?

We surveyed finance leaders across the UK and Ireland to find out exactly what they think about these issues and how they feel about the future. The results shine a revealing light on a host of interplaying factors impacting CFO workloads and wellbeing, the range of external and internal threats to the financial stability of their businesses, and what finance leaders see as the best ways for them to gain or regain a sense of control and confidence.

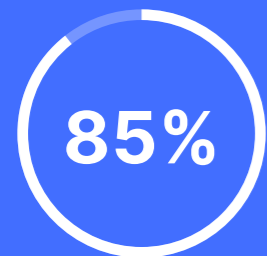
These findings allow us to fully understand the mindset of today's finance leaders and continue in our mission to shape the finance function of the future.

We hope you enjoy reading our very first CFO Mindset report.

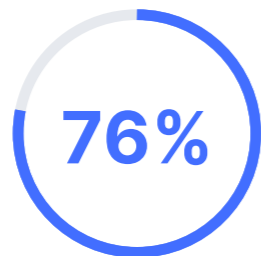
Darren Cran, CEO at AccountsIQ



Headline findings



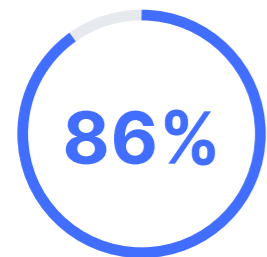
of CFOs and finance leaders need 1-2 extra days per week to clear their backlog



don't feel completely in control of their company's financial health



feel overwhelmed by the financial challenges facing their organisation multiple times a month



feel decisions about financial strategy are made without sufficient data or insight



see economic downturn as the biggest external threat to their organisation's financial stability



of CFOs and finance leaders say their finance function is scaling up



feel their finance function is only somewhat capable of supporting business growth in the next three years.



of CFOs say better financial tech would boost their control over finances.



believe AI will enhance their capabilities and add more value to the business.

Too much pressure, not enough control

The finance profession has a history and reputation of working long hours and operating a work-life balance where the scales are skewed significantly towards the 'work' side. Yet a modern world approach including hybrid working, mental health awareness and even trials for a four-day week is attempting to redress this imbalance. In light of this, the survey looked to gauge how much CFOs and finance leaders are working, how in control they feel, and what pressures they face.

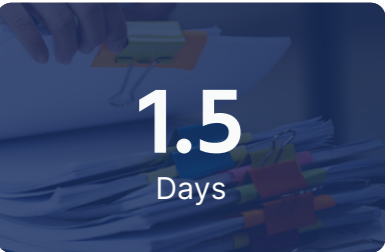
Our research revealing that nearly 40% of CFOs feel compelled to work extra hours underscores the mounting pressures they are under. With 86% reporting that critical financial decisions are often made without adequate data, it's clear that stronger tools are needed to regain control over the finance function.

Nick Longden,
CRO, AccountsIQ



A work-work balance

Despite the shift to new ways of working, the research revealed CFOs and finance leaders are in fact feeling the need to work more days, not reduce them. Remarkably, a significant 85% said they would need an additional 1-2 days per week to complete their work and clear their backlog.



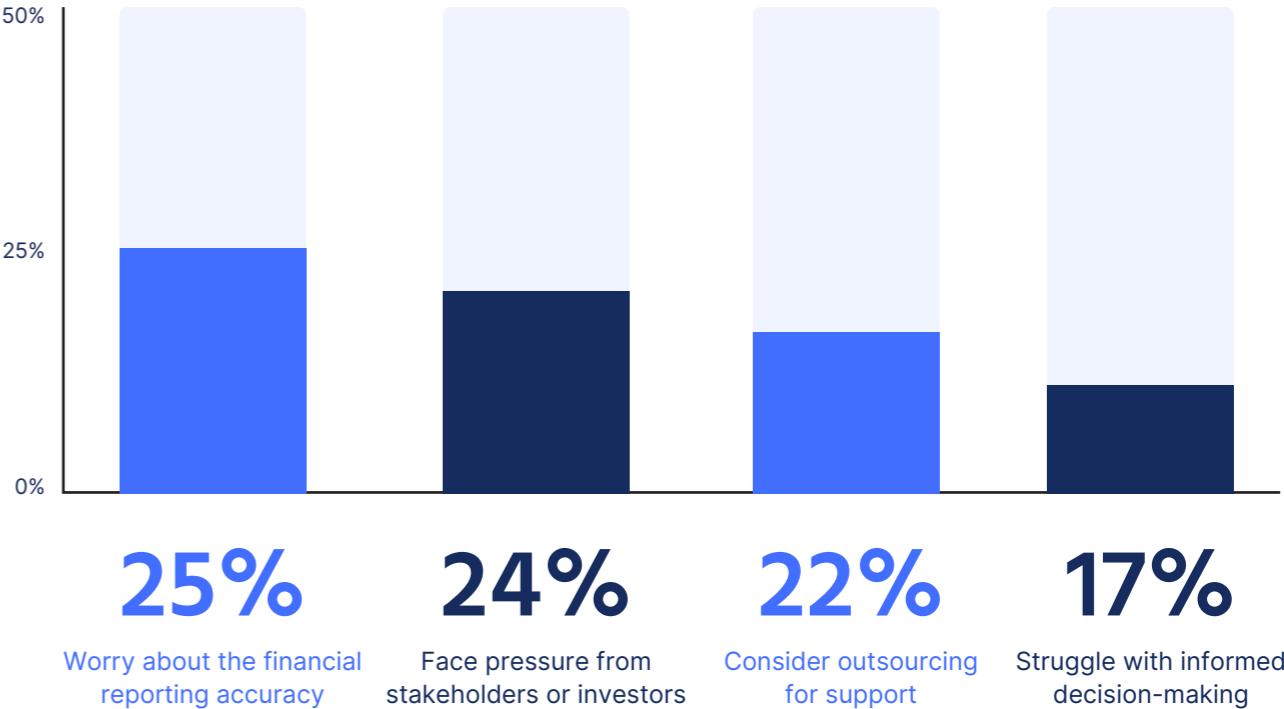
On average, CFOs and finance leaders feel they need an additional 1.5 days per week to complete their work – in effect, a full week without rest.



A lack of control

According to our survey, the underlying reason for this sentiment comes from a perceived lack of control. More than three quarters (76%) of those surveyed said they don't feel completely in control of their company's financial health. And when they feel this kind of pressure, two fifths (40%) work longer hours to try and resolve any issues and a further 36% experience increased stress and anxiety.

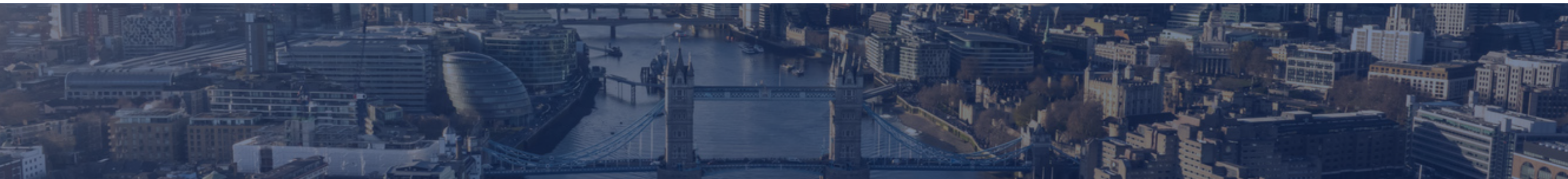
Notably, this feeling of instability is also causing CFOs and finance leaders to:



In contrast to the majority, a small percentage (9%) of those surveyed said they never felt out of control while a further 18% said the pressures they faced didn't cause them to 'experience any significant negative effects'.



Larger companies seem more concerned about the accuracy of their finance function. This could be due to contending with the complexity and the high stakes that come with running a bigger business.





Key challenges

Fatigue, stress and lack of clarity are all becoming regular occurrences for senior finance professionals, leading to a fall in productivity and a drop in the focus needed for such a vital board-level role.

The survey discovered a notable 63% of CFOs claim they feel ‘overwhelmed by the financial challenges facing their organisation’ multiple times a month, while a quarter (25%) saying they feel this way multiple times a week.

CFOs and finance leaders feel overwhelmed by their challenges:



5.5

times a month in the UK



8.5

times a month in Ireland

When it comes to challenges facing their finance function



said that ‘inflation and rising costs impacting profitability’ were the main issues keeping them up at night.

This was marginally followed by concerns over cash flow and credit control (also 40%), revenue and profit targets (37%), cybersecurity threats (36%), and the accuracy of reporting (29%).

Clearly, the economy’s impact on a company’s financial health and (lack of) profitability is the key determinant for respondents’ rising stress levels – and how effectively such data is secured and reported is also a cause for concern.

Other key challenges picked out included:

24%

Compliance risks



23%

Under-resourced finance team



20%

Real-time/timely data access for informed business decisions



18%

Access to talent



External pressures and internal deficiencies

The survey illustrated an interplay between a range of internal and external factors as reasons for these growing pressures on finance leaders. For one, the business world has been battling wider economic volatility and unpredictable consumer demand. Not only has this contributed to heightened feelings of stress and uncertainty but, in turn, has also exposed the level of internal capabilities companies have to deal with such a climate. Again, this all contributes to a decreased sense of being in full control.

External pressures are undermining stability

When the CFOs and finance leaders surveyed were asked to pick what factors they believe most undermined their sense of control, the top three answers were:

These answers align with the three challenges CFOs and finance leaders picked out as most responsible for giving them sleepless nights: inflation and rising costs impacting profitability, cash flow/credit control, and revenue and profit targets.

These findings depict just how prominently the economic environment is impacting every aspect of the finance function and all of the challenges and concerns that come with it.



The most selected answer to 'what is the biggest external threat to an organisation's financial stability?'

46%

Economic downturn

Internal structures are clouding insight

The ability to access company-wide data in real time is a vital function of a modern finance operation; it enables finance teams to make informed, data-driven decisions and better mitigate external pressures. However, our research revealed that

With so many lacking the insights to back up their decision making, it's no surprise that the biggest internal threat to their organisation's financial stability was cited as having limited technology and software (34%). This was followed by accuracy of reporting (32%) and being behind on targets/goals (31%).

More than a quarter (27%) said that a lack of talent and expertise was the largest threat, with the same percentage also selecting 'too much time spent on manual data input'. Both factors impact and are impacted by limited technology, accurate reporting and being behind on targets.

86%

of respondents feel decisions about financial strategy are made without sufficient data or insight.

48%

claim their finance team has access to detailed analysis and insights to help make informed business decisions.

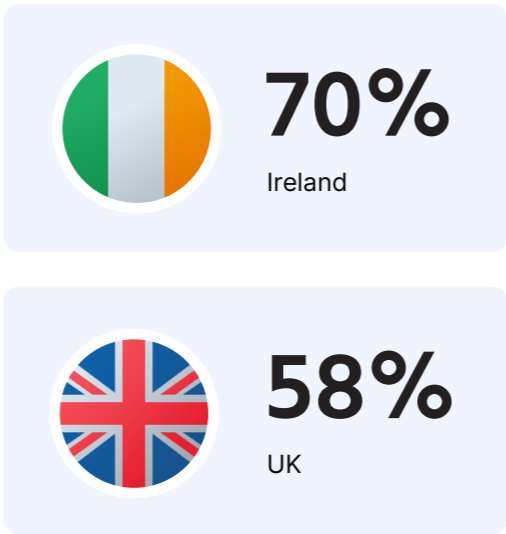
20%

of respondents opted for 'support from the senior team', indicating a lack of effective communication and support.

Scaling ambitions need matching capabilities

On a positive note, despite the array of financial challenges and threats, three fifths (60%) say their finance function is scaling up.

Given they were also likely to feel overwhelmed by financial challenges more often each month in Ireland than the UK, this correlation shows the impact scaling can have on finance teams – and that having better technology and capabilities is crucial to matching this growth and alleviating work pressures.



feel their finance function is only somewhat capable of supporting their business through its next three years of growth.

20-50

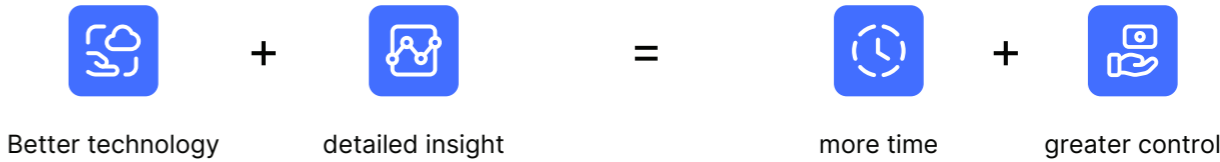
employees decisions were made without sufficient data or insight 72% of the time

100-200

But when it comes to 100-200 employees, this substantially rises to 90% of the time.

While both figures are high, the latter is the bracket where companies are transitioning into mid-market enterprises and therefore may be outgrowing their finance function and software capabilities.

Regaining control of the finance function



It's clear that finance leaders are battling for more time to carry out their work, alleviate stress and, crucially, gain back control. While finance teams can't directly control external factors, they can control their internal capabilities to deal with these challenges.

Better technology can give finance teams greater control

Notably, just under two-fifths (38%) of CFOs feel that better financial technology or software would help them feel more in control of their organisation's financial future. Considering that limited technology and software were also picked as the greatest threat to financial stability, it's not surprising that technology sits at the top of the standings as the most popular solution.

The next strategies for increasing control were greater flexibility in budgeting (36%), access to more capital (35%), and more resources/skills in the finance team (32%). A quarter of respondents (25%) also reported that better communication with the C-suite and increased financial transparency via access to data and reporting would help them get a better hold of their financial future.

All of these challenges can be aided by investing in the top-ranking solution: better financial technology. The right solutions drive efficiency, automating manual data entry and reporting tasks, providing real-time insight, fostering better communication and creating more cost-efficiency. Ultimately, this gives finance functions more time – and budget – to focus on strategic activities and regain that much-needed sense of control.



Reaction to AI is a mixed bag

The rapid growth in advanced AI solutions is giving companies the means to radically enhance their existing automation and reporting capabilities. By implementing AI smartly, finance teams can gain new depths of real-time insight and analysis on their financial health and more accurately predict factors such as future revenue and cash flow.

When it comes to AI, 70% of respondents now acknowledge the benefits of AI at some level. Exactly half of this percentage believe artificial intelligence will transform their capabilities, enabling them to add much greater value to the business. The other half feel the technology will save time and increase efficiency, but is not a game-changer.

So, while there is an appreciation of its value, this also shows there are still lingering doubts over the true impact the technology can have.

However, just 15% of respondents now see AI as a threat to their jobs, down from the 24% of senior finance professionals who saw it a direct job threat in our report last year. It indicates a shifting of the times as the technology becomes more commonplace in work and social environments.



Many CFOs today are facing dual pressures of tight deadlines and the need for accurate, real-time insights. Advanced data analytics and AI-driven tools can offer finance leaders the clarity and control they need to make informed decisions swiftly via ad-hoc prompt driven reporting. With the right technology, CFOs can meet these challenges more effectively, shifting overwhelming workloads into opportunities for strategic impact.

Gavin McGahey,
CTO, AccountslQ

Learnings

Notably, our research demonstrates that a lack of in-depth insight, effective technology, and accurate reporting means that in some cases, finance teams are struggling to manage and mitigate external economic pressures. A significant majority of those surveyed claimed that financial decisions are often being made without sufficient data. Correspondingly, limited technology was seen as the biggest threat to financial stability.

Without the necessary financial data and technology, it's no wonder many finance leaders are feeling the pressure in the current economic environment – and it shows why having better technology and software was cited as the most popular route to regaining a sense of control.

Fundamentally, technology gives finance leaders more time and efficiency – and this covers many areas. It not only deals with CFOs having more time to do their work but also how they carry this out and what type of work they perform



In summary



Our research highlights that finance functions lack:

In-depth insight,
effective technology,
accurate reports



These limitations make it challenging to:

manage and mitigate
external impacts



Most of respondents acknowledged that:

financial decisions are often
made without sufficient data



Limited technology was identified as:

the biggest threat to financial
stability



“By creating more efficiency through automation, enhancing data visibility and more sophisticated reporting, CFOs become armed with enriched data to face uncertainty, giving them more financial control and positioning them to make valuable contributions to the long-term success of their organisation.”

Darren Cran,
CEO of AccountslQ

CFO Mindset series

Only time will tell what the next 12 months will bring for CFOs and finance leaders. In the meantime, AccountslQ will launch this report annually to benchmark ongoing sentiment as we move into the second half of the decade.

Can't wait that long?

Talk to the team or book a demo with us today.

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[Book a demo](#)



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