

## Top Concerns of Financial Professionals

An early 2016 study conducted by the Financial Executives Research Foundation and risk and business consulting firm Protiviti confirms what many financial and trade credit professionals already know: “financial functions are beyond busy.” Responsibilities are rising for people in these parallel fields, and that is only expected to continue through the second half of the decade.

Key findings in the report, *The Rising Tide of Financial Challenges*, include the following.

- Cash remains king, as does cash clarity.
- More and improved analysis is paramount.
- There’s hunger for a more holistic approach.
- Getting the right talent in the right place is a formidable challenge.
- Soft skills have hard value.

The analysts break down their outlook by five main categories (Process Capabilities [Financial Transactions], Process Capabilities [Financial Analysis], Emerging Issues, Technical Capabilities and Organizational Capabilities). The leading priorities in each category, per the report, are as follows:

### **Process Capabilities (Financial Transactions) – Period-End Close**

“A growing focus on period-end close activities, consolidation and account reconciliations suggests a similar desire to improve these areas within a thriving yet volatile business climate, when such activities may slip in quality.” Period-end close narrowly bested last year’s top priority in this category (cash forecasting) by a narrow margin.

### **Process Capabilities (Financial Analysis)—Strategic Planning**

For the second consecutive year, strategic planning headlined this category. “These findings indicate that finance functions are striving to manage these interrelated processes in a holistic manner.” New to the list in 2015, and expected to grow, were risk management and analysis of big data.

### **Emerging Issues—Sustainability**

Taking a significant leap in interest, sustainability placed first this category in 2015. It narrowly bested concerns over changes to U.S. healthcare regulations (Affordable Care Act), which analysts speculated financial professionals and management likely have improved at addressing the changes it has brought and any volatility lingering from the ongoing political fight over it. “CFOs and financial executives are focused intently on aging workforce issues, while contending with the challenges and opportunities of globalization is a significant priority among finance functions in large companies.”

### **Technical Capabilities—Domestic Regulations**

Domestic regulations stand out as the top priority in this category after a significant uptick in interest since 2014. Complexity of government regulations on everything from accounting standards to compliance are increasing with little sign of relief on the horizon. “These challenges are likely to

intensify, placing further pressures on finance functions to bring the right technical skills for the right positions, and then keep their skills and expertise current.”

### **Organizational Capabilities—Leadership**

Leadership leads the pack in this category. Nearly every subcategory within the purview of organizational capabilities rose between 2014 and 2015, an “eye-opening” development, according to the report’s authors. “Finance executives and professionals appear increasingly likely to attribute hard value to what have traditionally been considered soft skills, such as leadership, coaching/mentoring, change management, [etc.]”