



EVOLUTION OF THE FINANCE FUNCTION

Evidence-Based Insights on Leadership, Technology, and Organizational Impact

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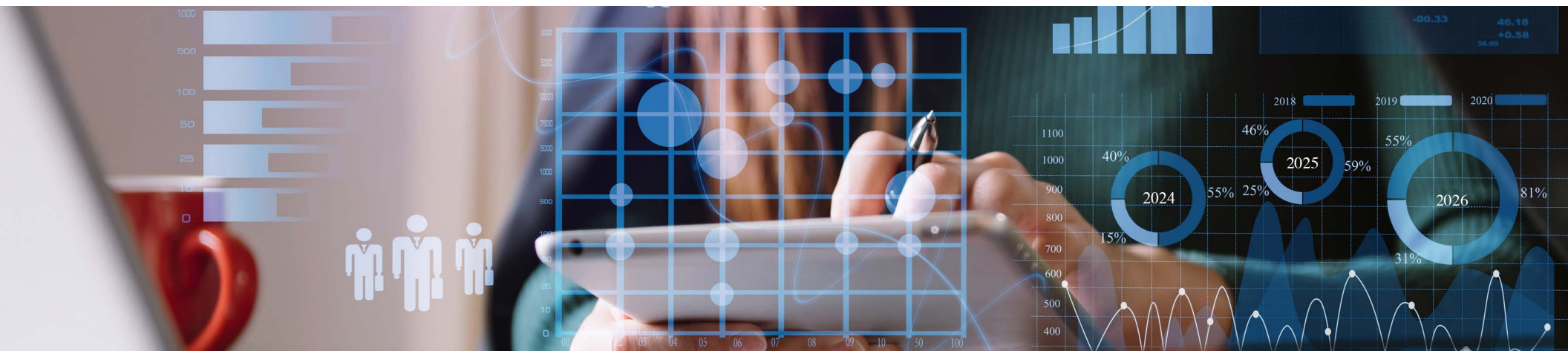
INTRODUCTION

The role of the Chief Financial Officer (CFO) continues to evolve, as increased pressure reshapes expectations for the modern finance function. Today's CFOs are not only stewards of financial health but also architects of strategy, drivers of innovation, and leaders of cross-functional change. This report examines how finance executives are navigating a landscape characterized by rapid technological advancement, evolving operating models, and heightened expectations regarding talent and governance. Drawing on confidential survey responses and anonymized executive interviews, the findings illuminate the challenges and opportunities facing finance leaders as they chart their organizations' futures.

Across industries, CFOs describe a distinct broadening of scope. Finance now sits at the intersection of strategy, operations, technology, and talent. Collaboration with the Chief Information Officer (CIO) is central as organizations adopt automation and artificial intelligence (AI), strengthen governance, and modernize the month-end close process. The pages that follow present a cohesive narrative of what is changing, why it matters, and how leaders are responding.

Each section provides actionable insights—supported by quantitative benchmarks and qualitative perspectives—that inform executive decision-making and support future-ready finance strategies. The findings highlight both the opportunities and challenges facing financial executives, including AI adoption, talent development, risk governance, and process improvement.

This report is designed for CFOs, CIOs, senior-level finance leaders, transformation and strategy executives, and cross-functional partners seeking to understand and lead the next chapter of enterprise finance and the evolution of the finance function.



ABOUT THE RESEARCH

The Financial Education & Research Foundation (FERF), the nonprofit 501(c)(3) research affiliate of Financial Executives International (FEI), and CrossCountry Consulting collaborated to develop a research survey and interview questions designed to address the evolution of the finance function. Responses were collected from 197 FEI executive-level members across public, private, nonprofit, and government sectors. This report draws on both a comprehensive survey and confidential, in-depth qualitative interviews with finance leaders holding a range of titles (e.g., Chief Financial Officer; Vice President, Finance; Head of FP&A) across diverse industry sectors (e.g., manufacturing; private equity-backed organizations; education). These interviews provided additional executive perspectives on transformation, technology adoption, and the evolving role of finance. All insights from the interviews are anonymized to ensure candor and confidentiality, and the perspectives of these professionals are woven throughout the report to supplement and contextualize the quantitative findings.

RESEARCH OBJECTIVE

This research initiative investigates the evolving role of the CFO in a rapidly transforming business landscape. It focuses on how finance leaders navigate strategic leadership, AI integration, digital transformation, operational excellence, and cross-functional collaboration—including deeper partnership with technology, security, data, and assurance functions. These insights will inform executive decision-making and support future-ready finance strategies.

SUMMARY OF GOALS

- Illuminate the future of the CFO role beyond traditional financial stewardship.
- Assess transformation readiness across finance functions, including AI adoption, operating model agility, and talent development.
- Identify capability gaps, strategic priorities, and governance challenges.
- Benchmark practices across industries, company sizes, and organizational structures.
- Support consulting, advisory, and leadership development services with data-driven insights and resources.

TARGET AUDIENCE

- Chief Financial Officers (CFOs)
- Finance executives and senior-level leaders
- Transformation and strategy leaders
- CIOs and cross-functional partners involved in finance modernization.



EXECUTIVE SUMMARY + KEY FINDINGS

CFOs are evolving from financial stewards to strategic architects, balancing operational rigor with enterprise transformation. This research report integrates survey data and qualitative interviews to reveal eight critical themes: strategic influence, AI and technology adoption, operating model transformation, talent development, risk governance, operational excellence, CFO–CIO collaboration, and organizational context.

CFOs report deep involvement in enterprise decision-making, even as operational demands continue to limit the time available for strategic work. Most oversee a broad set of responsibilities—including risk and compliance, corporate development, operations, technology/IT, and HR/talent—signaling finance’s expanding influence beyond traditional boundaries.

Automation and AI are gaining traction across the close process, FP&A, and controls, but ownership remains diffuse and formal governance is inconsistent, leaving gaps in accountability and confidence. Leaders are optimistic about efficiency gains, yet cautious about data quality, security, and interpretability.

Finance transformation is active and driven by efficiency, but progress is constrained by resistance to change, budget pressures, legacy systems, and talent gaps. The month-end close remains a proving ground for operational excellence, with manual processes and system limitations still the most common obstacles.

Few teams feel fully prepared for AI-enabled finance, and formal training in data analytics and AI is limited. Building professionals who can translate data into decisions—so-called “interpreter capacity”—is emerging as a decisive capability for future-ready finance teams.

INTEGRATING STRATEGY, TRANSFORMATION, AND OPERATIONAL EXCELLENCE

The evolution of the CFO role is not a series of isolated shifts — it’s an interconnected journey. Strategic influence, operating model transformation, and operational excellence form a continuum that defines modern finance leadership.

- **From Strategy to Structure** - CFOs are stepping into enterprise leadership, shaping growth priorities and resource allocation. Yet ambition meets reality in the operating model, where efficiency and scalability enable strategic bandwidth.
- **Transformation as the Enabler** - Standardization, automation, and AI are not ends in themselves—they are the mechanisms that free capacity for higher-value work. Transformation bridges the gap between aspiration and execution, turning finance into a proactive partner rather than a reactive processor.
- **Operational Excellence as Proof Point** - The month-end close exemplifies this convergence. Improvements in data integrity, process discipline, and automation validate transformation efforts and reinforce the CFO’s strategic mandate.
- **Why It Matters** - These dimensions are mutually reinforcing. Strategic leadership demands time and insight; transformation delivers the tools and capacity; operational excellence demonstrates tangible progress. Together, they create a finance function that is agile, influential, and future-ready.

STRATEGIC ROLE AND INFLUENCE

COOs are shifting from financial stewardship to enterprise strategy partners. Leaders describe moving beyond the cadence of reporting and compliance to shape long-term priorities, allocate resources, and define growth pathways. Respondents describe a transition from “controller of numbers” to “driver of strategy and value creation,” while acknowledging the gravitational pull of reporting and operations. Strategic decision-making involvement is high: 77% report being very involved, yet time allocation has not shifted entirely; 68% spend 40% or less on strategy, underscoring the tension between ambition and operational demands.

Enterprise Decision-Making Involvement and Strategic Time Mix

FIGURE 1

QUESTION: To what extent are you involved in enterprise-wide strategic decision-making?

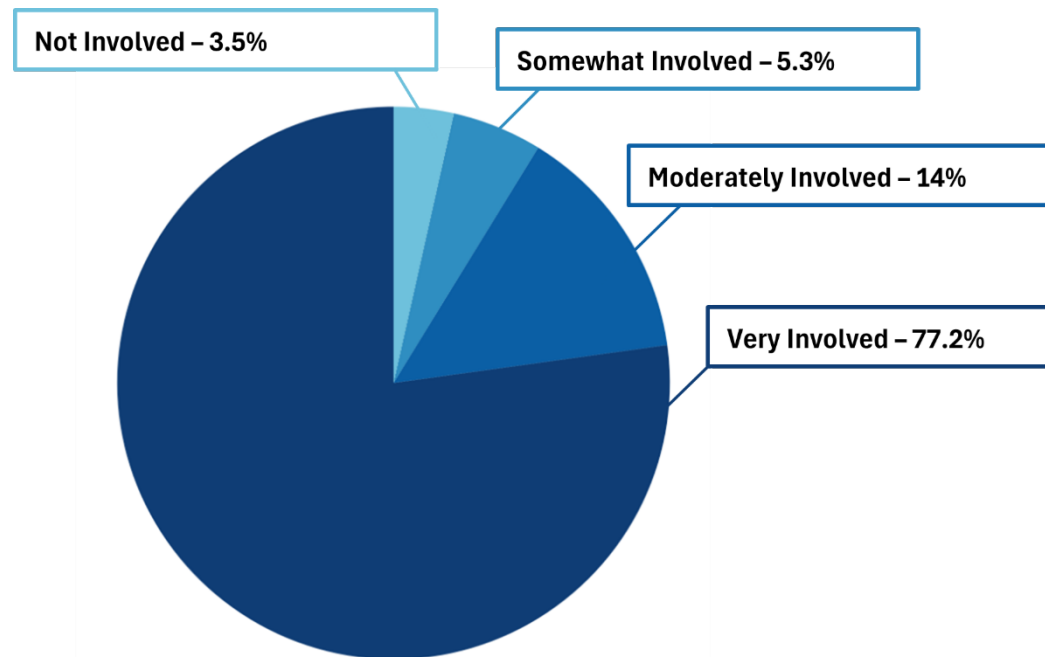
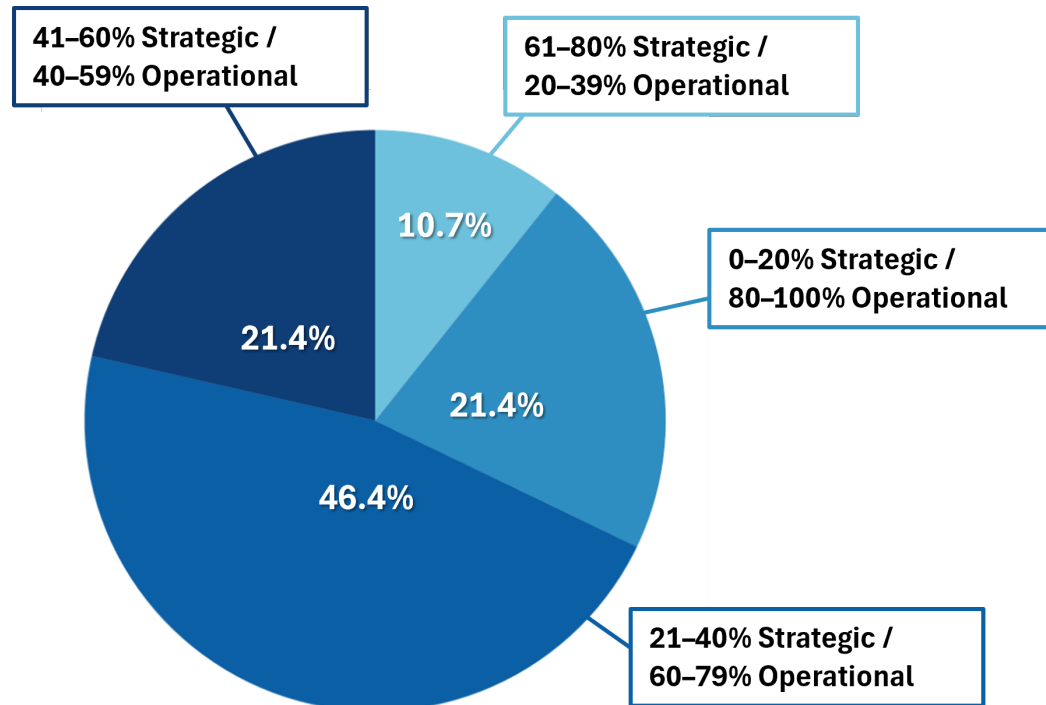


FIGURE 2

QUESTION: What percentage of your time is spent on strategic vs. operational activities?



Supporting the findings, during the interviews, a manufacturing CFO recounted the pivot from “brute-force scaling” to a foundation of processes, systems, and data designed for growth. That shift reduced close time from weeks to days and freed capacity for investment decisions and consumer-centric initiatives.

“ Finance is no longer just reporting results; it is influencing decisions, setting direction, and creating the runway for the business to grow. ”

- CFO, Manufacturing Industry

In a private equity-backed context, one finance leader emphasized rigorous cash forecasting, debt covenant discipline, and integration economics following a merger, illustrating how ownership structures can intensify strategic finance. “Really watching the cash forecast and forecasting out at least twelve months, if not longer, and making sure that we’re following the covenant,” is critical, they explained.

Across these environments, CFOs consistently portray themselves as architects of value creation, guiding technology modernization and cross-functional transformation while maintaining liquidity, capital returns, and risk discipline.

OPERATING MODEL AND TRANSFORMATION: EFFICIENCY-LED MOMENTUM

Transformation is no longer a buzzword—it’s a daily reality for finance teams. According to the survey, 64% of organizations report active transformation initiatives, with the following leading the agenda:

91% Efficiency Improvement

80% Automation / AI

71% Updated / New KPIs

Finance teams are standardizing processes, clarifying roles, and moving from exception-driven work to scalable operating models. As one CFO described, “Standardize the work, manage true exceptions, and put materiality to work. Structure beats heroics.”

Both ambition and challenge mark the path forward. Persistent headwinds — change resistance and budget constraints (each cited by 60% of respondents), as well as legacy systems and talent gaps (each at 55%) — demand a sequenced roadmap: stabilize systems, uplift data quality, automate the handoffs that consume the most time, then elevate analysis and scenario planning.

CROSSCOUNTRY CONSULTING INSIGHTS



THE PRIVATE EQUITY IMPERATIVE

Private equity-backed organizations face unique AI transformation pressures and opportunities.

Compressed Value Creation Timelines

Need ROI within 3-5 year hold period

Multiple Arbitrage Strategies

Operational improvements drive valuation multiples

Integration Complexity

Add-on acquisitions require rapid system and process harmonization

Exit Readiness

Buyers expect modern, scalable finance infrastructure

Transformation Drivers and Barriers To Change

FIGURE 3

QUESTION:
What are the primary drivers of your transformation?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)

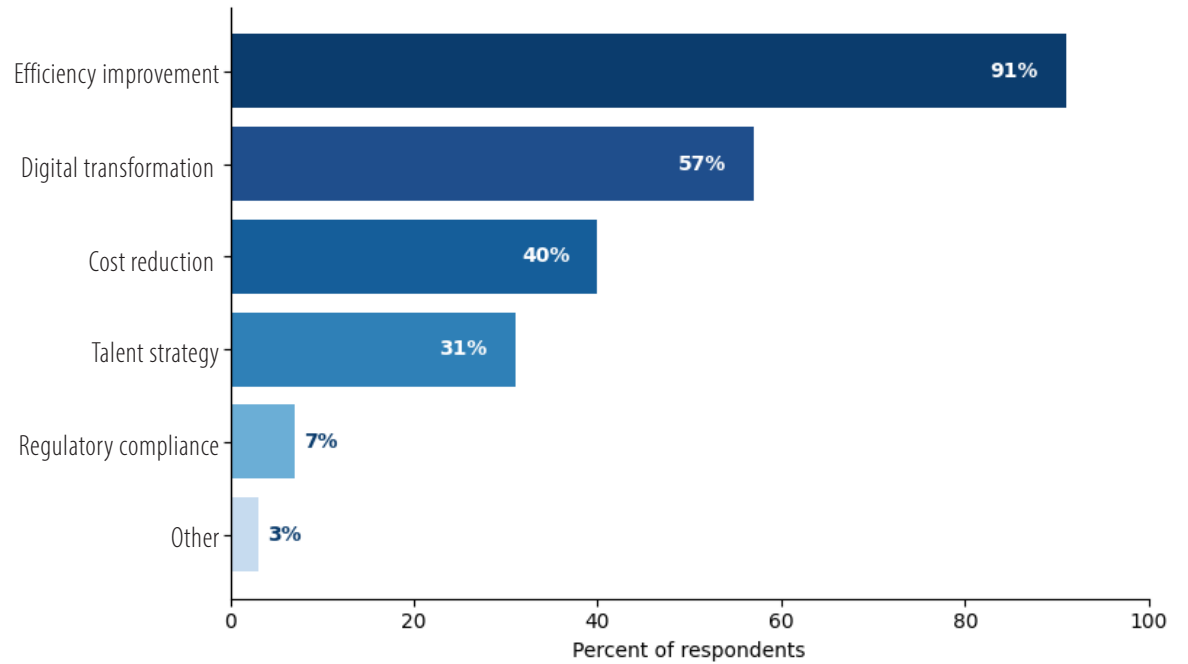
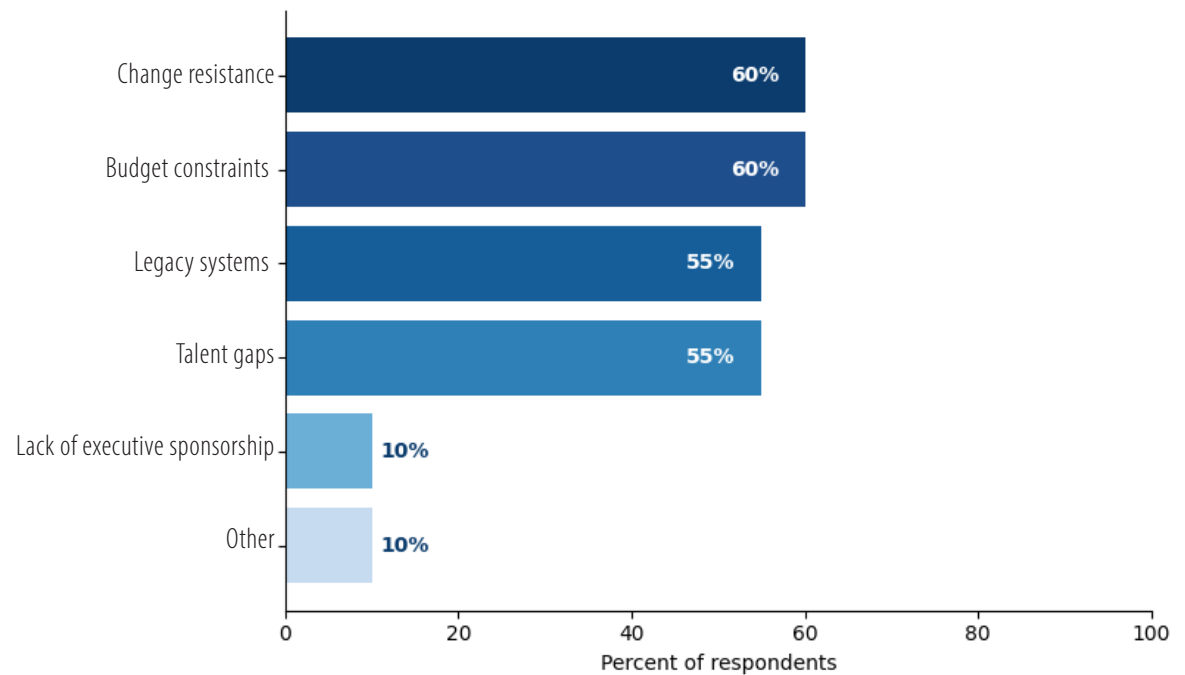


FIGURE 4

QUESTION:
What barriers are slowing down your transformation efforts?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)



Transformation efforts are underway across the organizations represented by the interviewed executives. For example, a manufacturing CFO reduced the month-end close from four weeks to six days by implementing clear roles and materiality thresholds. In other cases, such as higher education and private equity-backed organizations, the pace of transformation is shaped by system maturity or integration challenges. As one CFO explained, “My focus has been bringing in new resources, optimizing a new ERP, and establishing policies that move us from a world where everything is treated as an exception to one where we can standardize and manage true exceptions.”

Survey respondents measure success in transformation by faster closes, reduced manual effort, and earlier visibility into exceptions. Agility remains moderate (46% “moderately agile”), and success is increasingly defined by the ability to anticipate and act on exceptions rather than simply react.

OPERATIONAL EXCELLENCE AND THE MONTH-END CLOSE

The month-end close remains the proving ground for finance modernization. For many teams, the process is still slowed by manual reconciliations, fragmented spreadsheets, and ERP friction — pain points that continue to delay insight and decision-making. It’s precisely in these areas that finance leaders are focusing their efforts on automation and process redesign.

As one CFO reflected, “We waste too much energy moving numbers instead of understanding them. The fix is clean data, materiality, and a structured close.” This sentiment is echoed across industries, where the drive to automate and improve is clear. Survey data reinforces these priorities are the most-cited obstacles to faster closings:



Yet, the path forward is pragmatic. Most organizations are planning automation investments in the close — 62% are in the planning phase, while only 15% have implemented partial automation. When asked about their confidence in their organization’s data accuracy and integrity, 55% of respondents reported being “very confident” (Figure 8).

Close Cycle Distribution and Obstacles

FIGURE 5

QUESTION: How long does your typical month-end close process take?

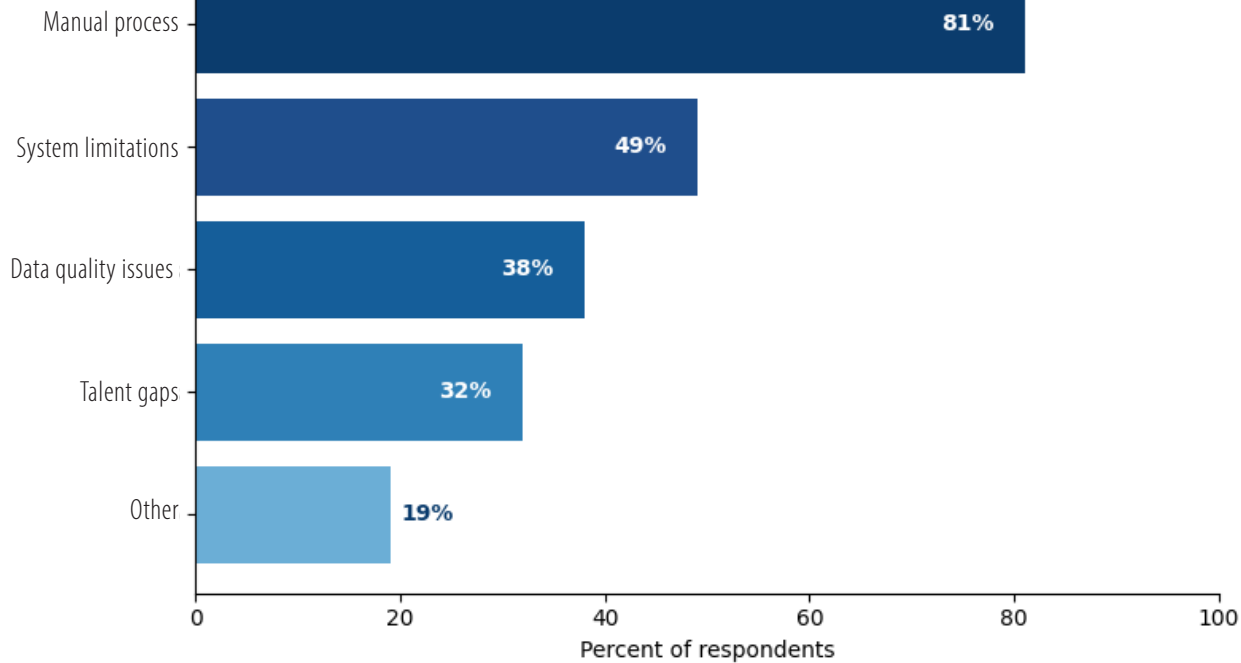
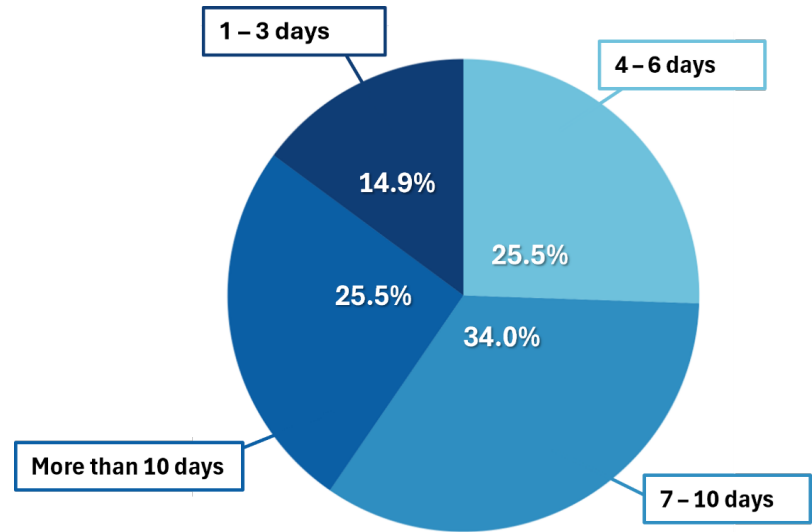


FIGURE 6

QUESTION:
What are your biggest challenges in achieving a faster close?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)

Organizations are pairing AP automation, standardized entries, and business-insights-enabled dashboards with tighter roles, responsibilities, and checklists. The goal is consistent: fewer manual steps, faster cycle times, and earlier visibility into exceptions — without sacrificing accuracy or control.

As teams modernize, the month-end close is evolving from a pain point to a proving ground for operational excellence and financial transformation.

Close Automation Status And Accuracy Confidence

FIGURE 7

QUESTION: Have you implemented automation or AI in your close process?

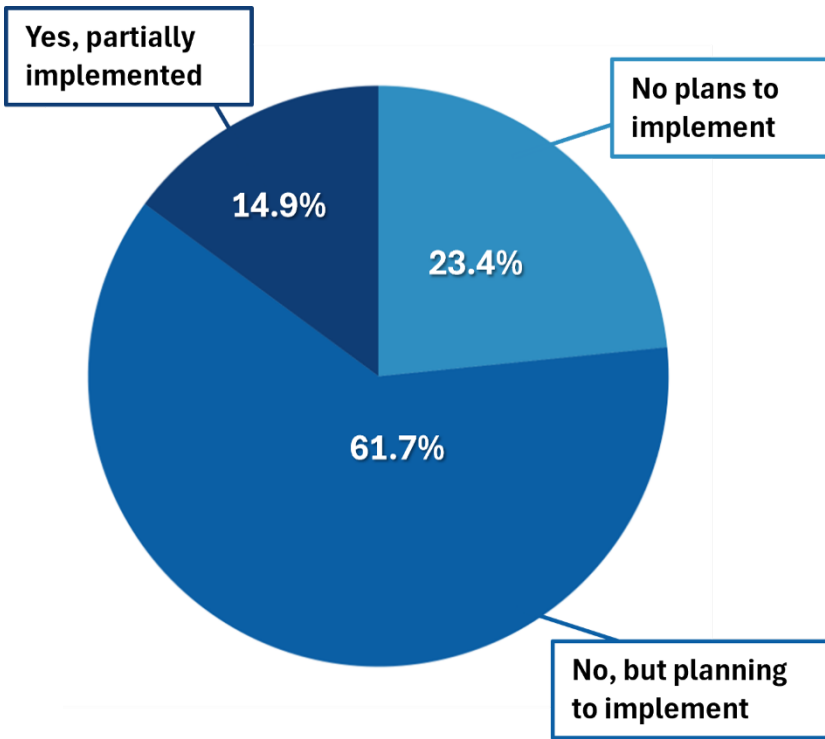
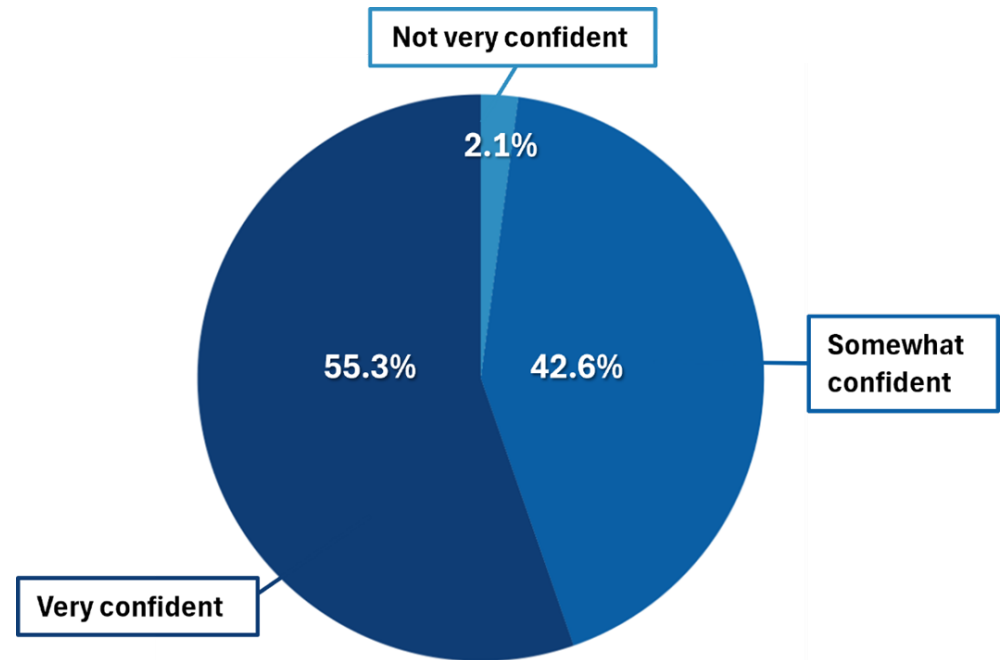


FIGURE 8

QUESTION: How confident are you in the accuracy and integrity of your close data?



KEY FINDINGS

Month-End Close Duration (Segmented by Company Size and Industry)

- Smaller firms close materially slower: 44% of companies under \$100M report a close that takes more than 10 days.
- Mid-market (\$100M–\$499M) clusters in a 7–10 day close (53%), with only 7% reporting >10 days.
- The most common close duration is 7–10 days (35%), followed by >10 days (26%).

CONNECTING TECHNOLOGY ENABLEMENT AND GOVERNANCE

The future of finance will be shaped not only by the adoption of technology but also by the ability to govern and interpret its outputs. Automation and AI promise efficiency, but their actual value lies in enabling insight, influence, and enterprise-wide alignment. This shift elevates two imperatives: building interpreter capacity and embedding governance that balances innovation with control.

From Mechanization To Interpretation

Automation and AI are transforming finance's operating model — streamlining reconciliations, forecasting, and reporting — freeing teams to focus on higher-order analysis and decision-making. Yet confidence in interpreting AI outputs remains modest, with only 7% of finance leaders reporting they are “very confident.” This underscores a critical truth: technology alone does not create value; human judgment and analytical fluency remain essential.

Governance As A Strategic Anchor

Speed and scale cannot come at the expense of control. Nearly half of organizations lack formal AI governance, exposing gaps in accountability and risk management. Leaders emphasize guardrails for data integrity, security, and explainability as foundational to trust. Ownership is fragmented — CFOs and CIOs each claim roughly one-fifth of AI strategy — reinforcing the need for clear structures that align responsibility with enterprise objectives.

Partnership As The Catalyst For Progress

AI governance does not live in a silo. It spans finance, IT, operations, and audit, requiring joint steering mechanisms and a shared language for prioritization and risk management. Survey data reflects this reality: 89% of respondents endorse CFO accountability for AI outcomes in finance, yet sustainable progress depends on strong cross-functional alignment. The CFO–CIO relationship emerges as mission-critical for embedding governance and unlocking enterprise value.

Why These Priorities Converge

Technology enablement and governance are not separate agendas — they reinforce each other. Clean data foundations and interpreter capacity unlock the potential of automation, while governance ensures that capabilities are deployed responsibly. Together, they form the cornerstone of a finance function that is agile, trusted, and positioned to lead in an era of complexity.

CROSSCOUNTRY CONSULTING INSIGHTS



THE ACCOUNTABILITY GAP

The research reveals a leadership paradox: 89% of respondents say the CFO should be accountable for AI outcomes in finance, yet ownership of AI strategy is fragmented—22% CFO-led, 22% CIO-led, 15% shared, and 42% distributed across broader leadership. Without clear joint ownership, finance teams delay decisions waiting for IT approval, or IT implements solutions that don't meet audit requirements. The result: innovation stalls despite executive intent.

The highest-performing organizations establish joint accountability with clear swim lanes, where the CFO owns business outcomes and regulatory compliance, the CIO owns infrastructure and security, and together they co-own the use case roadmap, data strategy, and risk framework. This creates a structured partnership with defined decision rights that enables speed.

LEVERAGING AUTOMATION AND AI, BUILDING INTERPRETER CAPACITY

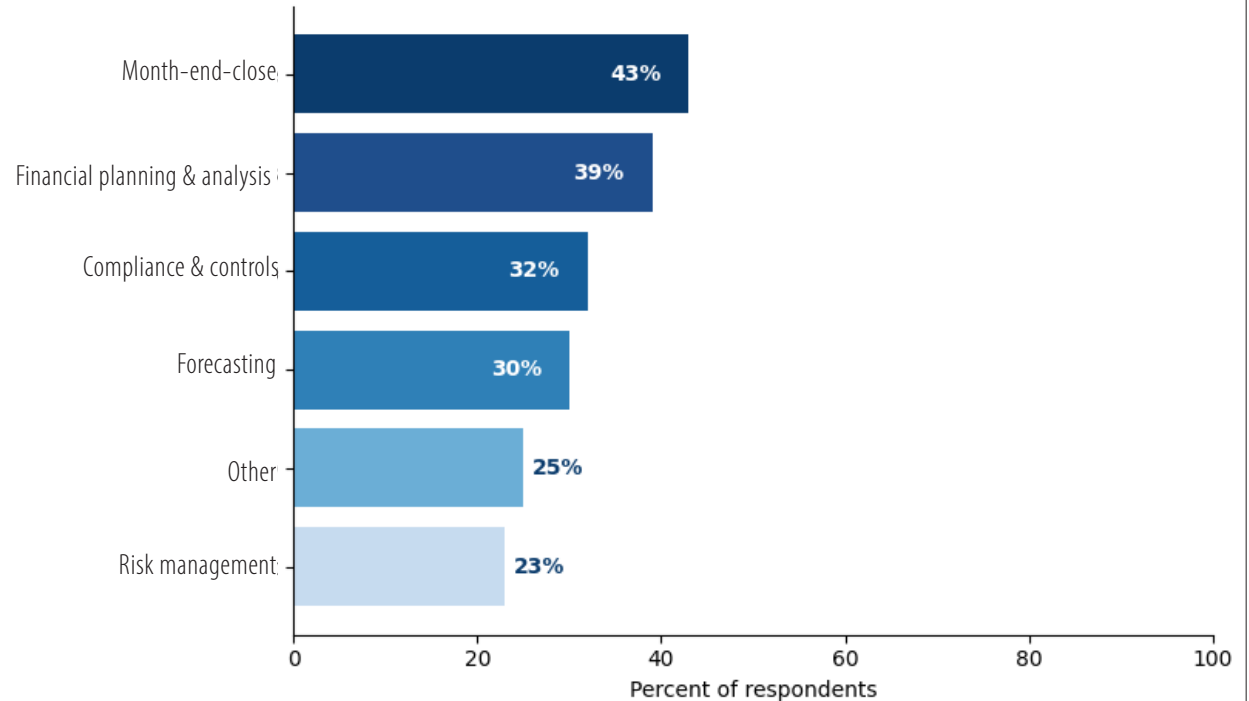
Technology is central to the reinvention of finance. Automation and AI are mechanizing repetitive tasks — reconciliations, baseline forecasting, report compilation — so teams can focus on interpretation and action. Already, 43% of finance teams report automation during month-end close and 39% in FP&A, indicating a shift toward efficiency.

Finance Areas Impacted By Automation And AI

FIGURE 9

QUESTION: Which areas of your finance function are currently impacted by AI or automation?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)



“ AI will automate a large portion of transactional work, freeing finance to concentrate on analysis. ”

- Finance Leader, Private Equity-Backed, Mid-Market Company

One executive cited “Mechanizing the monthly grind gives us time to dig into what we can change to improve performance.” Yet leaders are deliberate. AI ownership spans CFOs, CIOs, and shared models; governance is a work in progress. CFOs and CIOs each claim 22% ownership of AI strategy, while 46% of organizations report no formal governance. The prevailing posture is “trust, then verify” — embracing speed and scale while maintaining guardrails for data quality, security, and explainability.

“ We’re careful with financial data. We work with IT to ensure we have the right enterprise-grade tools so data remains under our control. ”

- Finance Leader

AI Strategy Ownership And Governance Landscape

FIGURE 10

QUESTION:

Who currently leads AI strategy in your organization?

Top Level Summary of “Other” Responses

C-Suite Leadership (35%)

- CEO/CFO/COO directly responsible

Distributed / Team Responsibility (30%)

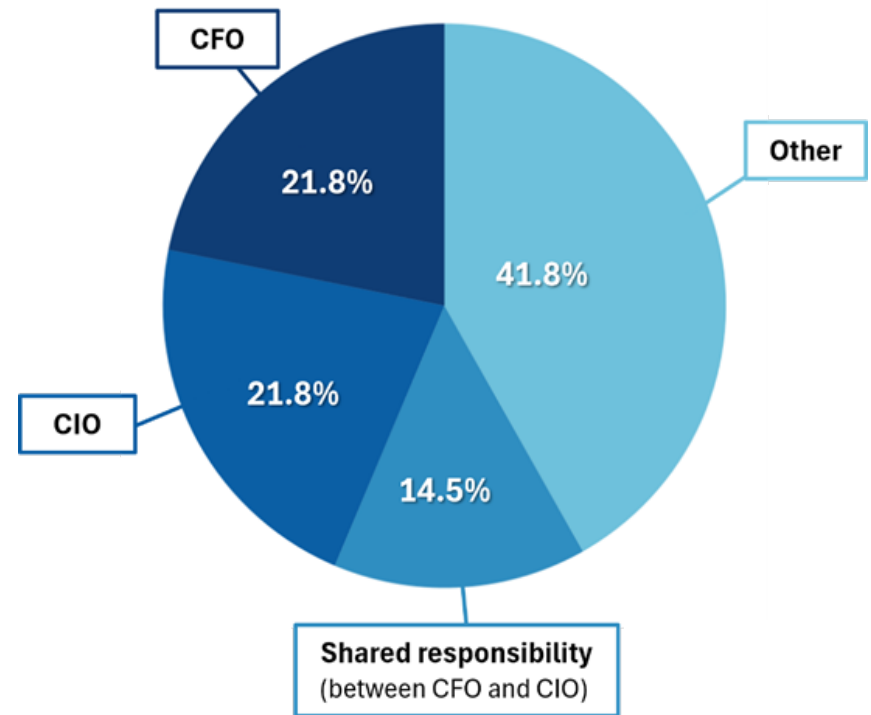
- Senior management teams, cross-functional groups

Specialist / Functional Roles (17%)

- Controllers, IT directors, project specialists

No Response / Not Yet (17%)

- Haven't implemented or determined ownership





SPEED REQUIRES SET-UP

Go slow to go fast. Invest in these three foundations before scaling AI:

1. Clean Data Architecture

Without quality hierarchies and pipelines, AI can't deliver meaningful outputs

2. Interpreter Capacity

Teams must learn to question outputs, not accept them at face value

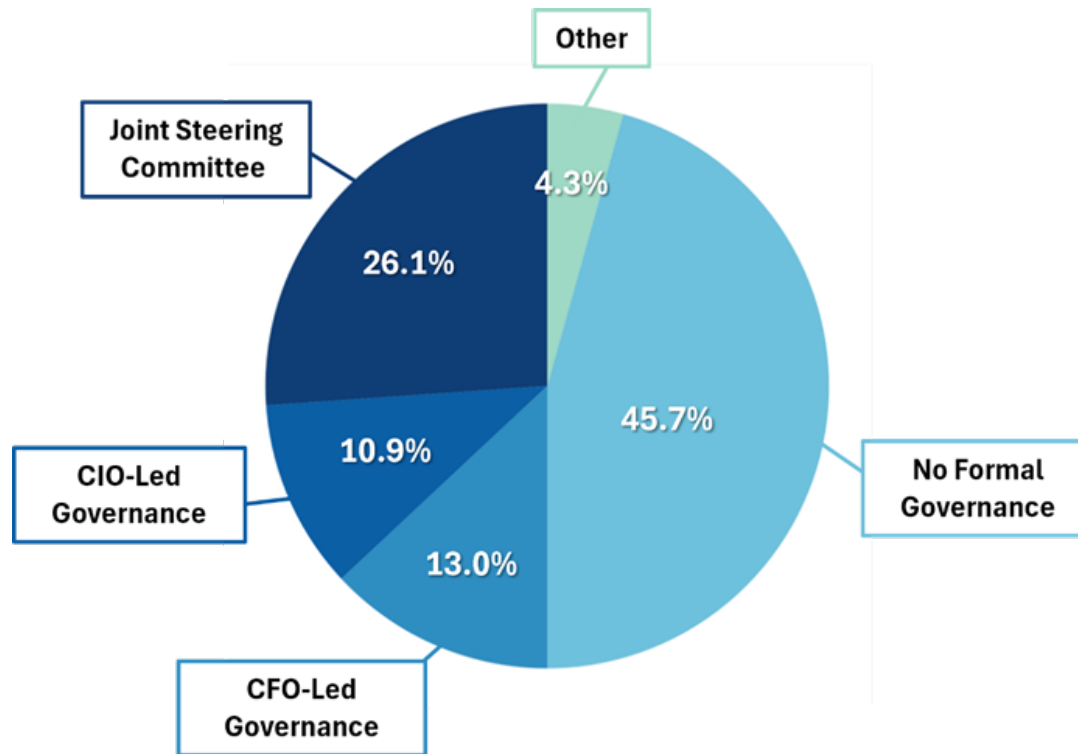
3. Joint CFO-CIO Governance

Clear ownership, shared KPIs, and human-in-the-loop protocols

FIGURE 11

QUESTION: What governance structure exists to manage AI deployment across finance and IT?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)



KEY FINDINGS

Areas of Finance Impacted by AI or Automation

- Across respondents who report that AI or automation is already impacting at least one part of finance, the most commonly affected area is the month-end close, followed by financial planning & analysis, compliance & controls, and forecasting.
- No single finance area is cited by a majority of respondents, with AI and automation impacts distributed across multiple processes rather than concentrated in one dominant application.
- Responses related to AI governance across finance and IT indicate a wide range of approaches, underscoring the lack of a consistent governance model among participating organizations.

CFO–CIO RELATIONSHIP AND AI ACCOUNTABILITY

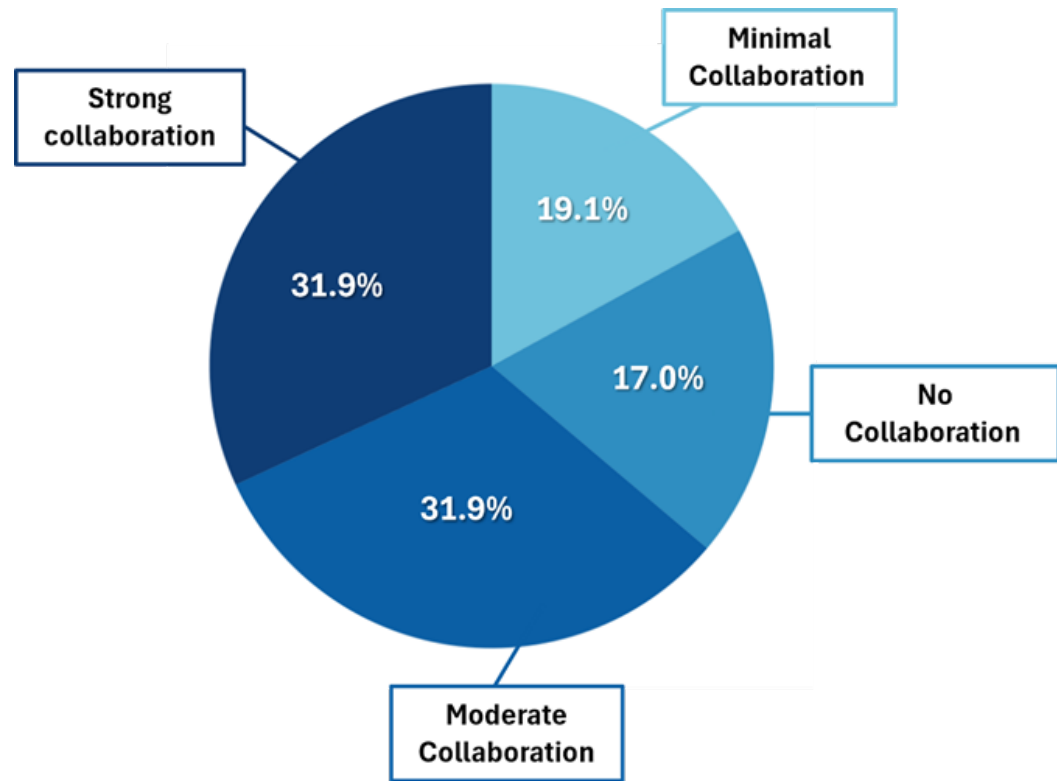
As AI and automation scale, the CFO–CIO partnership becomes mission-critical. Leaders emphasize that shared accountability for enterprise data, security, controls, and value realization must be supported by a joint governance structure. As one manufacturing CFO explained, AI governance can't live in a silo—it crosses finance, IT, operations, policy, and audit, and requires cross-functional expertise at the table.

In mature organizations, these partnerships feature clear ownership for use cases, joint steering mechanisms, and a shared language for prioritization and risk. This shared language refers to a common understanding of the importance of different tasks and the potential risks involved, which helps in making joint decisions. Survey data indicate that ownership of the AI strategy is diffuse: 23% of organizations report the CFO as owner, 15% the CIO, 23% share responsibility, and 38% distribute ownership across broader executive leadership. Nearly half (46%) report no formal governance for AI, highlighting the need for robust, cross-functional structures.

Collaboration, Governance, And Accountability

FIGURE 12

QUESTION: How would you describe the collaboration between the CFO and CIO on AI-related initiatives?



KEY FINDINGS

AI Strategy Leadership

- Across all respondents who answered this question, AI strategy leadership is most often reported as “Other” (41.8%), followed by CFO-led (21.8%), CIO-led (21.8%), and shared responsibility between the CFO and CIO (14.5%).
- “Other” responses most frequently referenced CEO or executive-team ownership of AI strategy, signaling that many organizations still treat AI as an enterprise-level initiative rather than assigning responsibility to finance or IT. A smaller subset cited emerging governance models, including leadership team oversight and the introduction of a Chief AI Officer role, reflecting early movement toward formalized AI leadership structures.

AI Governance Structure

- Across all responses, “No formal governance” is the most common model (45.7%), followed by a joint steering committee (26.1%). CFO-led (13.0%) and CIO-led (10.9%) governance are both minority approaches.
- Formal AI governance, when present, most often takes the form of standing committees or shared executive oversight rather than being embedded solely within existing functional governance structures.
- The absence of a dominant governance model across respondents suggests that AI governance practices across finance and IT remain varied and organization-specific.



CROSSCOUNTRY CONSULTING INSIGHTS

THE MULTI-STAKEHOLDER IMPERATIVE: BEYOND CFO-CIO PARTNERSHIP

While the CFO-CIO relationship remains foundational (survey data shows 32% report “strong collaboration”), the research reveals a more complex reality: **AI-enabled finance requires orchestrating 5-7 executive stakeholders.**

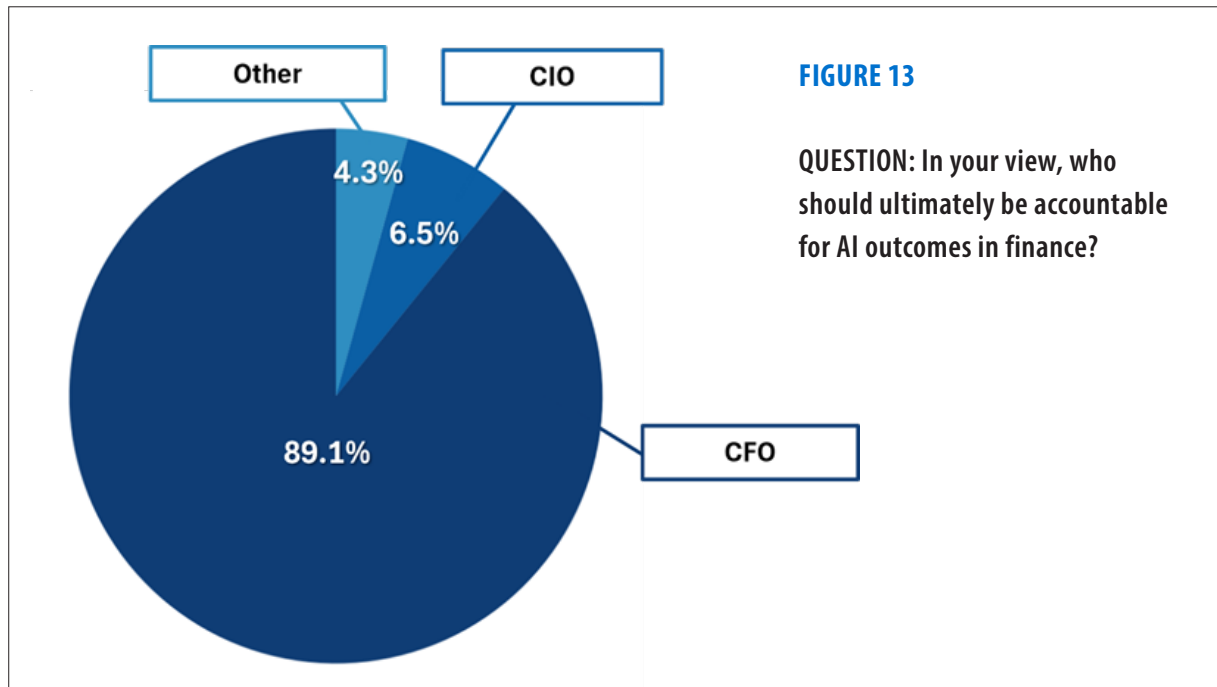
The Expanded AI Governance Ecosystem includes the CFO and CIO along with additional roles such as:

- Chief Data Officer (CDO)
- Chief Information Security Officer (CISO)
- Internal Audit Leadership
- Chief Risk Officer (CRO)
- Chief AI Officer (Emerging Role)



TALENT AND GOVERNANCE: THE DUAL IMPERATIVE FOR FINANCE LEADERSHIP

Where alignment gaps persist—whether in skills, priorities, or budget trade-offs—teams are using pilot projects to build momentum, codify guardrails, and scale from proven successes. Respondents overwhelmingly endorse CFO accountability for AI outcomes in finance (89.1%) but also recognize that sustainable progress depends on strong partnerships with IT and other functions.



As organizations navigate the complexities of digital transformation, the most effective leaders are those who foster joint accountability, clear governance, and a culture of continuous alignment between finance and IT.

TALENT, CAPABILITIES, AND WORKFORCE OF THE FUTURE

CFOs increasingly view the right capability mix as the decisive factor in future performance. The search is on for professionals who blend technical rigor, analytical fluency, and strategic judgment — and who can collaborate seamlessly across functions. As one CFO put it, “The biggest challenge is developing people who translate insights into strategy and influence decisions.” Another finance leader echoed this sentiment, noting, “Staff are very operational and can complete day-to-day tasks of the accounting function. But not many have the ability to look past how they know to do their role.”

CROSSCOUNTRY CONSULTING INSIGHTS



THE INTERPRETER CAPACITY GAP: BEYOND TECHNICAL TRAINING

The research reveals a critical distinction between technical tool proficiency and what leading practitioners call “interpreter capacity” – the ability to question, validate, and translate AI outputs into business decisions.

Interview analysis reveals that finance professionals with strong interpreter capacity demonstrate distinct capabilities in **Contextual Questioning**, **Stakeholder Translation**, and **Model Performance Awareness**.

Finance teams with deep business knowledge plus interpreter skills consistently outperform pure technical teams on decision quality and stakeholder trust.

Formal training in data analytics and AI remains uneven. According to the survey, 87% of teams report that 25% or fewer members have formal training in data analytics or AI. Many organizations rely on on-the-job learning, external certifications, and targeted cross-functional rotations to build interpreter capacity. Over half (51%) report no formal preparation for AI and digital transformation.

Leaders consistently prioritize accuracy, with efficiency as a close second, to build durable trust in automated outputs. “Question the data. Don’t accept machine outputs at face value. Accuracy comes first; efficiency follows,” advised one finance leader.

Flexibility is also in scope. Some teams are experimenting with guardrail flexibility — such as flex weeks — to sustain throughput while accommodating modern work preferences without compromising close cadence or control.

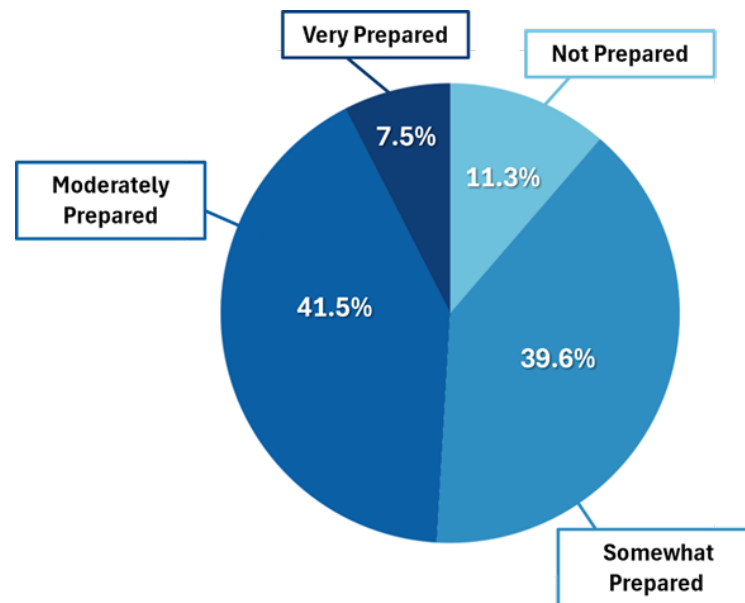
“What I experimented with over the summer, and now we have going forward, is flex hours. It’s been really well-received by the team to at least have the ability to have a Friday off if they felt like they made sufficient progress in the first four days of the week.”

- CFO, Manufacturing Industry

As digital transformation accelerates, upskilling and adaptability are essential for building future-ready teams. The stakes are high: the future of finance will be shaped by those who combine technical expertise with strategic insight, analytical rigor, and human-centered leadership.

FIGURE 14

QUESTION:
How prepared is your current finance team to meet future demands?



RISK, GOVERNANCE, AND EXTERNAL FORCES

Risk management is no longer confined to compliance checklists — it's woven into every strategic decision. CFOs describe the balance: "Heavy emphasis on controls and compliance . . . with innovation at a managed pace." As initiatives move forward, leaders remind teams that "Jumps in innovation and technology need to be balanced with risk management."

Governance is evolving accordingly. As one respondent noted,

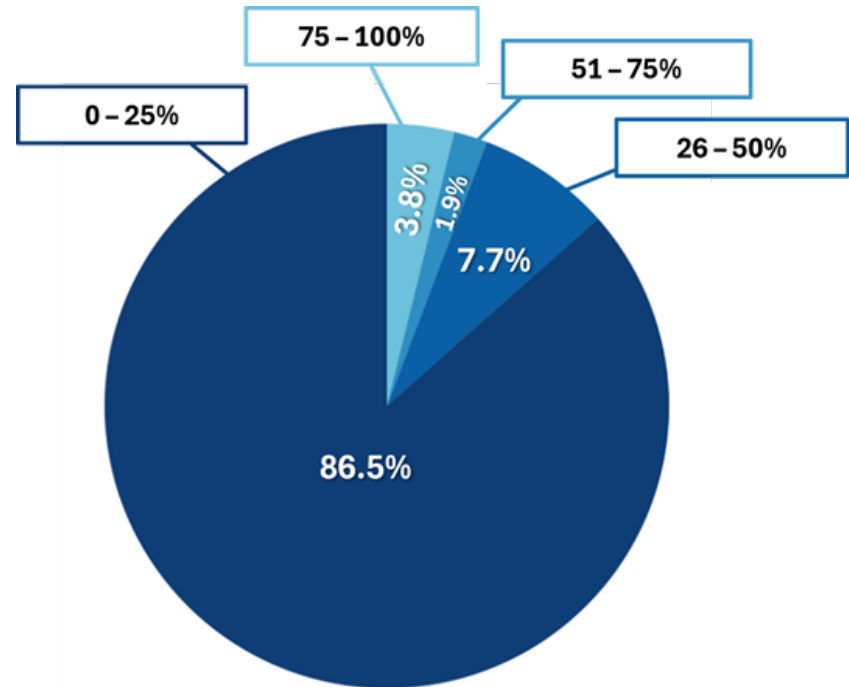
“Governance needs to adapt by setting clear accountability, strengthening data governance, and ensuring ethical oversight. This entails defining ownership of AI models and associated decisions, ensuring data accuracy and security, and implementing controls to prevent bias and promote transparency.

In short, governance must evolve so AI and automation create value responsibly without adding new risks.”

Survey data indicate that external forces shaping financial strategy include economic volatility (85%), technological disruption (47%), regulatory changes (38%), geopolitical risk (23%), and ESG pressures (4%). Confidence in managing AI-related risks remains modest, with only 6% of respondents reporting they are “very confident,” 56% “somewhat confident,” and the remainder less so.

FIGURE 15

QUESTION: What percentage of your finance team has received formal training in data analytics or AI?



External Forces And AI-Risk Confidence

FIGURE 16

QUESTION: What external forces are most influencing your finance strategy?

(Participants were asked to select all that apply. Percentages represent the share of respondents who selected each option, and because multiple responses were allowed, totals may exceed 100%.)

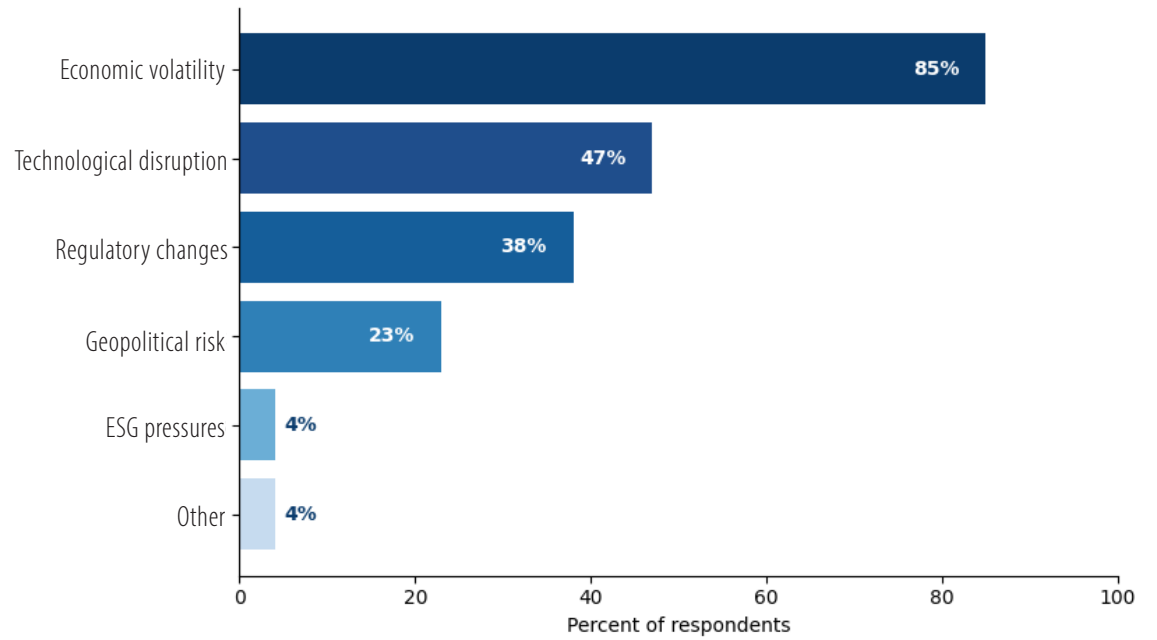
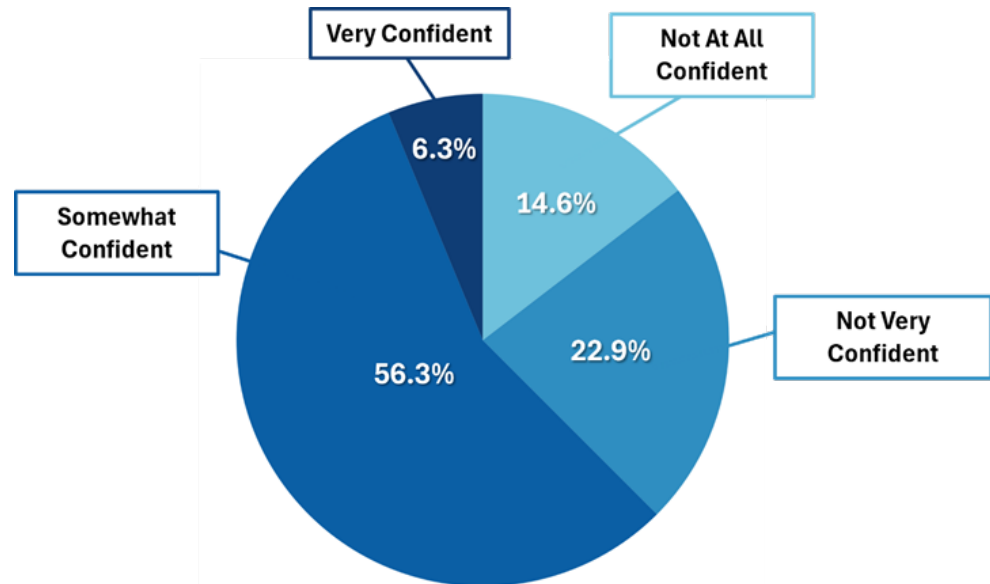


FIGURE 17

QUESTION: How confident are you in your organization's ability to manage AI-related risks?

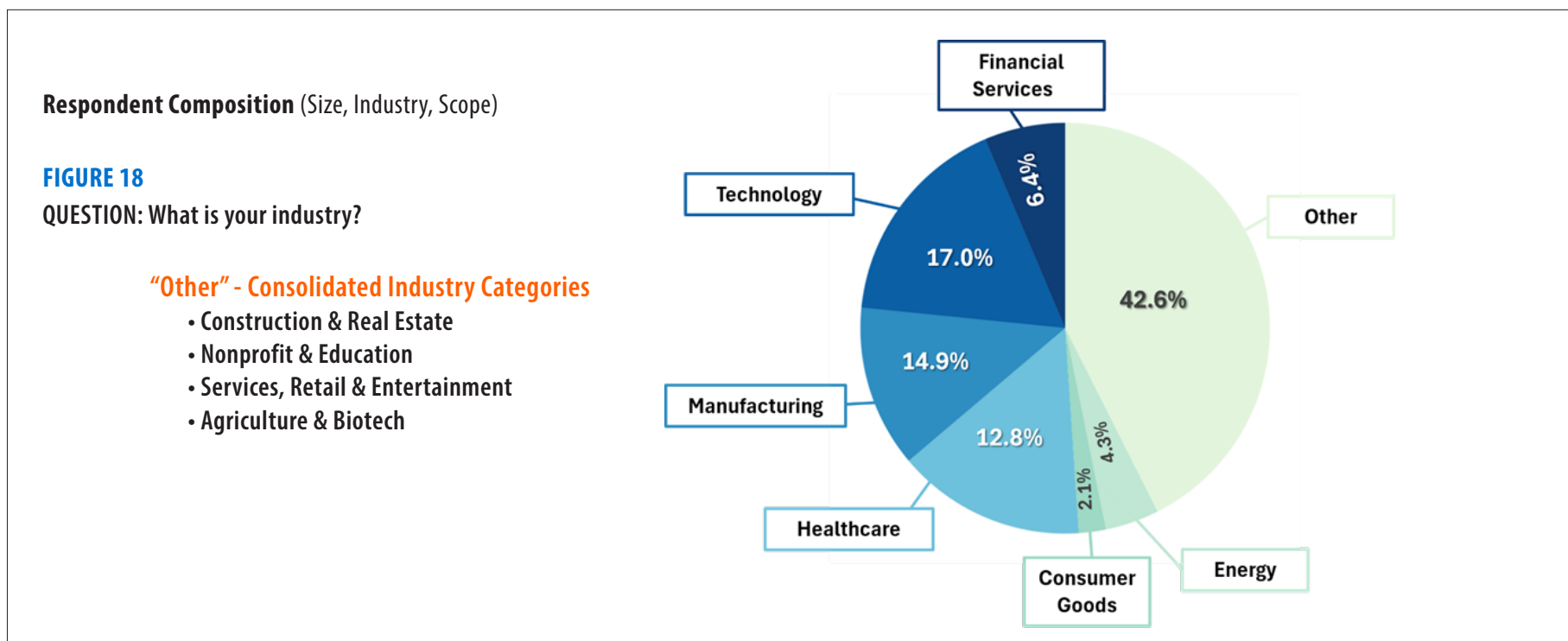


The interviewed professionals described a heightened focus on risk management and governance, particularly amid growth, mergers, and heightened regulatory demands. A finance leader at a PE backed organization emphasized the importance of rigorous cash forecasting and close collaboration with ownership, while a CFO in education highlighted the increasing administrative complexity of compliance and reporting, as well as the need for proactive, cross-departmental engagement.

The evolving landscape demands clear accountability and a proactive approach to external disruption. Finance leaders are balancing innovation with compliance, adapting governance structures, and integrating risk with strategy to ensure resilience and responsible progress.

ORGANIZATIONAL CONTEXT AND SEGMENTATION

Context shapes execution. Industry dynamics, revenue scale, employee base, and geographic scope influence the pace of transformation, operating model choices (e.g., centralized vs. decentralized finance operations), and technology roadmaps (e.g., implementing cloud-based financial systems or adopting AI for data analysis). Respondents span technology, healthcare, manufacturing, financial services, higher education, nonprofit, construction, real estate, and retail, with company sizes ranging from under \$100 million to multi-billion-dollar enterprises.



KEY CONCEPTS

Strategic Influence - CFOs are not just overseeing finances; they are becoming architects of strategy, shaping long-term priorities, resource allocation, and enterprise transformation. This shift in role empowers finance leaders to play a more integral part in the organization's success, fostering a culture of strategic thinking and proactive value creation throughout the finance team.

Technology Adoption - Automation and AI are reshaping finance operations, enabling teams to focus on strategic analysis and decision support, while requiring new approaches to governance and accountability.

Talent Development - The future of finance depends on building teams with digital fluency, analytical rigor, and strategic judgment. Upskilling and adaptability are essential for closing capability gaps and preparing for ongoing transformation.

Risk And Governance - As innovation accelerates, robust frameworks for risk management, data integrity, and ethical oversight are critical to sustaining progress and building stakeholder trust.

Collaboration - The CFO—CIO partnership is increasingly central to driving technology initiatives, aligning finance and IT strategies, and ensuring joint accountability for outcomes.

CONCLUSION

As finance leaders look ahead to 2026 and beyond, the findings of this research reveal a profession that is both forward-thinking and pragmatic. The evolving role of the CFO is marked by a commitment to strategic influence, operational excellence, and innovation — balanced by a clear-eyed approach to risk and resilience.

Survey results highlight a landscape of opportunity: automation and AI adoption are accelerating, operating models are transforming, and finance teams are investing in talent and capability development. Yet challenges persist, including economic uncertainty, regulatory complexity, talent gaps, and the ongoing need for robust governance and data integrity.

Across industries and organizational sizes, financial executives are embracing modern technologies to drive efficiency and enhance decision-making agility. Collaboration between CFOs and CIOs, as well as CISOs, CDOs, and Internal Audit staff, is increasingly critical as organizations seek to clarify ownership of AI strategy and to build governance structures that support sustainable progress.

Despite diverse priorities, from process modernization in small enterprises to strategic transformation in larger organizations, shared emphasis on resilience, innovation, and continuous improvement underscores the profession's trajectory. By balancing growth aspirations with a disciplined approach to risk, finance leaders are well positioned to navigate the complexities of the coming years, drive value, and sustain progress amid evolving challenges.

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PRIORITIES AND PERSPECTIVES FOR FINANCE LEADERS

To translate these perspectives into measurable impact, finance leaders should adopt a disciplined approach across five priority areas.

PRIORITY 1: Establish a Holistic Approach to AI

Organizations with mature foundations report 40-60% efficiency gains while maintaining control environments. Those pursuing technology-first approaches struggle to realize projected value.

CRITICAL ACTIONS

AI Value Alignment

Align people, processes, and technology. Understand workflows and define value streams. Connect AI initiatives directly to strategic priorities.

AI Governance & Data

Before scaling, establish a strong foundation built on responsible AI governance and risk management.

AI Design

Design proof-of-value use cases and assess gaps in process and data. Prioritize high-value initiatives and define a clear transformation roadmap.

AI Model Development & Deployment

Execute with discipline and alignment. Choose the right technology approach: (1) Leverage embedded AI, (2) Implement third-party tools, or (3) Build custom AI models.

PRIORITY 2: Build Interpreter Capacity Across Finance Teams

Only 7% of finance leaders report high confidence interpreting AI outputs. The skills gap is analytical judgment, not technical literacy.

CRITICAL ACTIONS

Develop Analytical Fluency

Train teams to understand model concepts, recognize AI pitfalls, and question recommendations using business context.

Create Learning Opportunities

Employ scenario-based training, cross-functional rotations, and "question the algorithm" validation frameworks.

Balance Team Composition

Upskill existing finance professionals and strategically hire cross-functional talent.



PRIORITY 3: Strengthen Governance, Risk Management, and Controls

89% endorse CFO accountability for AI outcomes, yet only 54% report formal governance. Survey results show a significant gap between responsibility and structure.

CRITICAL ACTIONS

Establish Multi-Stakeholder Governance

Joint steering committees (CFO, CIO, CDO, CISO, Internal Audit, Risk) with RACI frameworks and regular cadence.

Address AI-Specific Risks

Model Risk	Quarterly performance reviews, retraining protocols
Data Quality Risk	Automated monitoring, upstream validation
Auditability Risk	Model documentation, audit trails, explainability tools
Security & Privacy Risk	Encryption, access controls, penetration testing
Compliance Risk	Regular assessments, legal review of use cases

Design for Audit Readiness

Design proof-of-value use cases and assess gaps in process and data. Prioritize high-value initiatives and define a clear transformation roadmap.

PRIORITY 4: Foster Cross-Functional Collaboration Beyond CFO-CIO

32% report strong CFO-CIO collaboration, but successful AI adoption requires coordination across 5-7 stakeholders (CFO, CIO, CDO, CISO, Internal Audit, CRO, emerging Chief AI Officer roles).

CRITICAL ACTIONS

Create Joint Accountability

Shared KPIs, pooled budgets, cross-functional project teams, regular CFO-CIO-CDO working sessions.

Address Common Misalignments Proactively

Speed vs. Security	Phased rollouts with security checkpoints
Customization vs. Standardization	Determine appropriate technology mix
Buy vs. Build	Evaluate total cost of ownership

Expand Governance Scope

Quarterly "AI Council" meetings with rotating business unit representation and external advisors for regulatory questions.



PRIORITY 5: Embrace Agility and Continuous Improvement

46% describe operating models as "moderately agile", showing substantial room for improvement in responsiveness.

CRITICAL ACTIONS

Adopt Shorter Planning Cycles

Break transformation into smaller sprints with tangible outcomes; review and adjust quarterly.

Measure with Leading Indicators

Track training completion rates, active use cases, steering committee engagement, data quality trends, employee sentiment.

Institutionalize Learning

Conduct post-implementation reviews, hold quarterly retrospectives, connect with peer finance leaders, transition from external advisors to internal Centers of Excellence.

The Path Forward

This research confirms that CFOs face unprecedented complexity, expanding scope, and heightened expectations. AI and automation offer transformative potential—but only for organizations that focus on strategic outcomes, build the right foundations, establish robust governance, and develop their teams' interpreter capacity.

The data in this report provides the roadmap. The priorities and critical actions provide the playbook. The question is whether finance leaders will act decisively to establish best practices before the window closes.



APPENDIX

This comprehensive survey and research initiative focused on the evolving role of the modern CFO. Each question section explored specific, actionable dimensions of finance leadership — from AI adoption and operating model transformation to talent development and risk governance. The questions were crafted to yield actionable data that can inform strategic planning, organizational design, and capability development.

STRATEGIC ROLE AND INFLUENCE

Explores how CFOs are evolving as enterprise leaders and strategic partners.

This section examines the expanding scope of the CFO's influence beyond traditional finance, including involvement in non-financial areas, strategic decision-making, and transformational leadership. It also captures how CFOs define success and allocate their time between strategic and operational priorities.

OPERATING MODEL AND TRANSFORMATION

Assesses structural evolution, agility, and transformation drivers.

This section focuses on the transformation of finance operating models, including the drivers behind change, the components of transformation agendas, and barriers to progress. It also evaluates agility and how success is measured in transformation initiatives.

OPERATIONAL EXCELLENCE AND MONTH-END CLOSE

Covers process efficiency, automation, and control environment.

This section evaluates the effectiveness and speed of the month-end close process, the challenges to achieving faster, more accurate closes, and the role of automation and AI. It also looks at key performance indicators and planned improvements to enhance operational excellence.

AI, TECHNOLOGY, AND INSIGHT GENERATION

Examines AI adoption, ownership, and the CFO's role in insight-driven decision-making.

This section investigates how AI and automation are reshaping the finance function, who leads AI strategy, and how confident CFOs are in leveraging AI-generated insights. It also explores the types of insights most valuable to decision-making and anticipates how AI will redefine the CFO role in the near future.

CFO—CIO RELATIONSHIP AND AI ACCOUNTABILITY

Explores leadership roles, collaboration, and accountability for AI strategy and execution.

This section assesses how CFOs and CIOs collaborate on AI initiatives, who owns the AI strategy, and what governance structures are in place. It also identifies challenges in aligning finance and IT and seeks perspectives on who should be accountable for AI outcomes in finance.

TALENT, CAPABILITIES, AND WORKFORCE OF THE FUTURE

Evaluates talent readiness, skills development, and future workforce design.

This section examines the evolving skill sets required for finance leadership, the preparedness of current teams, and the most significant talent challenges. It also assesses how organizations are preparing for AI and digital transformation, and the role of human oversight in increasingly autonomous systems.

RISK, GOVERNANCE, AND EXTERNAL FORCES

Focuses on risk management, compliance, and external disruption.

This section examines how CFOs are responding to external forces, including economic volatility, regulatory shifts, and ESG pressures. It also explores governance structures needed to support AI, the CFO's role in enterprise risk management, and the integration of risk with strategic planning.

ORGANIZATIONAL CONTEXT AND SEGMENTATION

Captures demographics, structure, and benchmarking data.

This section gathers contextual information about the respondent's organization, including industry, company size, reporting structure, team size, and geographic scope.





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