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INSIGHTS FOR FINANCE LEADERS



FEI CANADA FINANCE LEADERS' TOP PRIORITIES IN 2023 NATIONAL SURVEY RESULTS



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FINANCE LEADERS' TOP PRIORITIES IN 2023



In November 2022, in partnership with Sage, Financial Executives International Canada (FEI Canada) surveyed over 100 finance leaders on their top priorities for 2023. The results of the survey are highlighted in the following report and include insights into the greatest issues that organizations feel are holding them back and what their top priorities are beyond increasing sales and revenue.

Some highlights from the survey include:

- **27% of finance leaders surveyed felt that hiring/acquiring new talent in the organization was the single greatest issue holding their organization back, while 21% of finance leaders surveyed felt supply chain issues were.**
- **48% of finance leaders surveyed believe it is extremely important for CFOs to have the skills necessary to push their businesses forward.**
- **47% of finance leaders surveyed believe their current financial management technology will help them succeed going into 2023.**
- **35% of finance leaders surveyed felt (from their perspective) that sustainability programs/ESG policies are a top priority for their business.**

We invite you to read the survey report and share your thoughts.

With thanks to our survey sponsor: The logo for Sage, featuring the word 'Sage' in a green, rounded, sans-serif font.

WHO ARE WE TALKING TO?

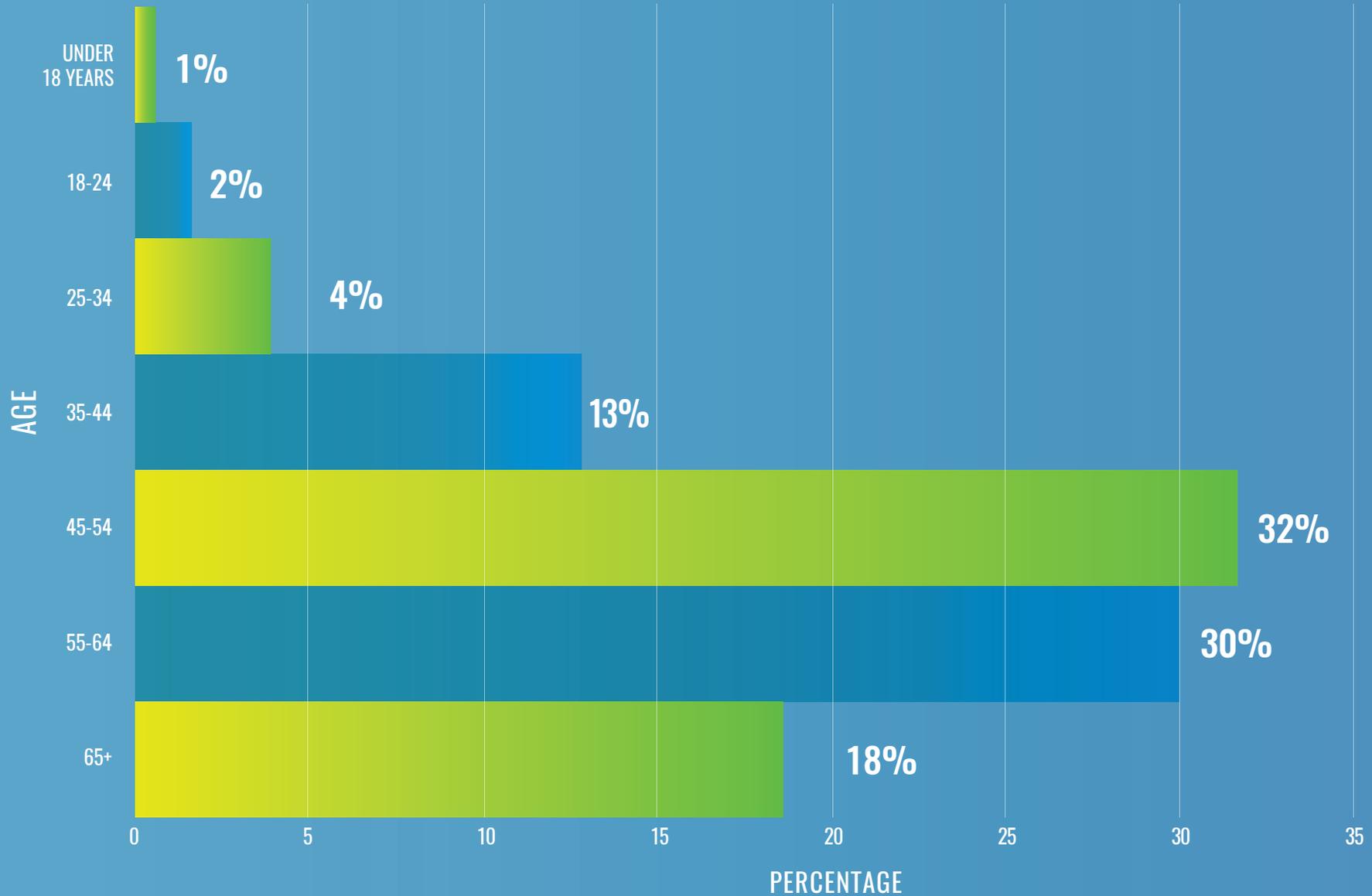
Our survey reaches executive and C-level finance leaders spanning a wide variety of industries, weighted to professional services (legal, accounting), manufacturing, retail, and real estate/construction — and touches on many more sectors such as agriculture, marketing, creative, energy, financial, software/SaaS and others.

- **75% of finance leaders surveyed are between 35 and 64; 7% are 34 or under and 18% are 65+.**
- **71% of finance leaders surveyed are employed full-time; 11% self-employed; 3% part-time.**
- **91% of finance leaders surveyed are C-level, VP, director, or senior manager.**
- **42% of finance leaders surveyed work for companies that employ 50 to 499 people worldwide, with 25% employing 1500 or more.**
- **62% of finance leaders surveyed work for organizations with annual global revenue last year of \$25M to \$499M.**

1.



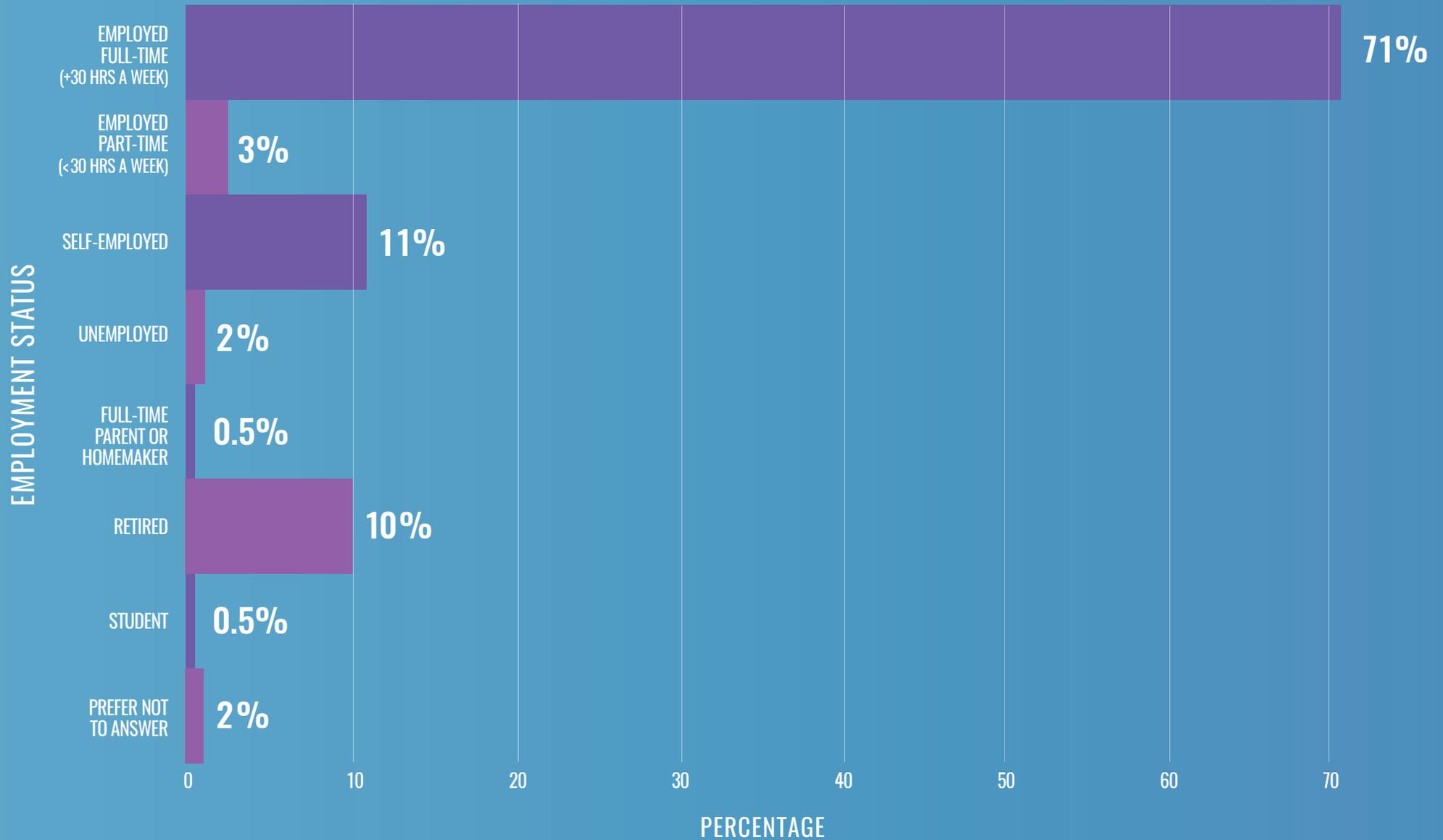
WHAT IS YOUR CURRENT AGE?



2.



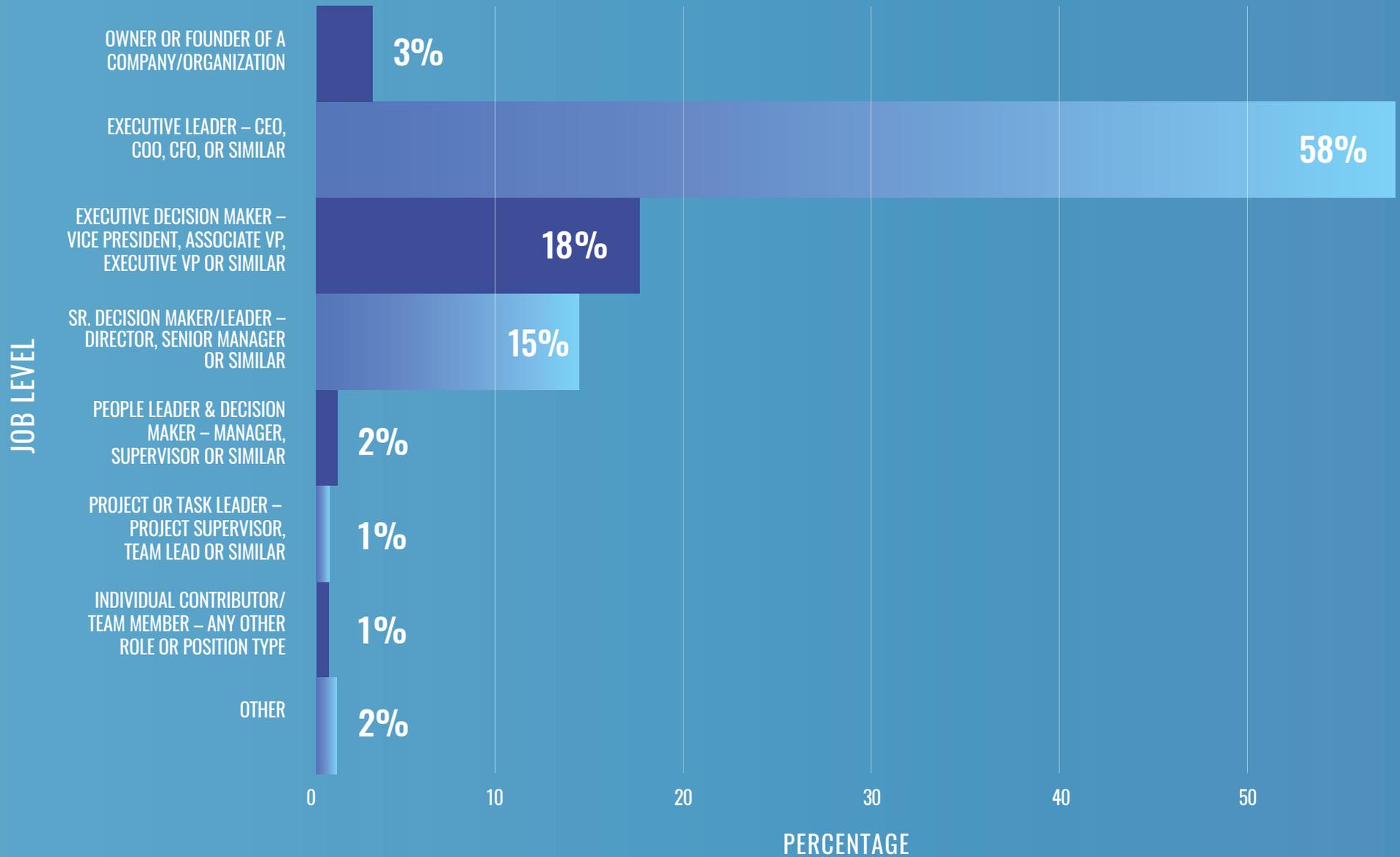
WHICH OF THE FOLLOWING BEST DESCRIBES YOUR EMPLOYMENT STATUS?



3.

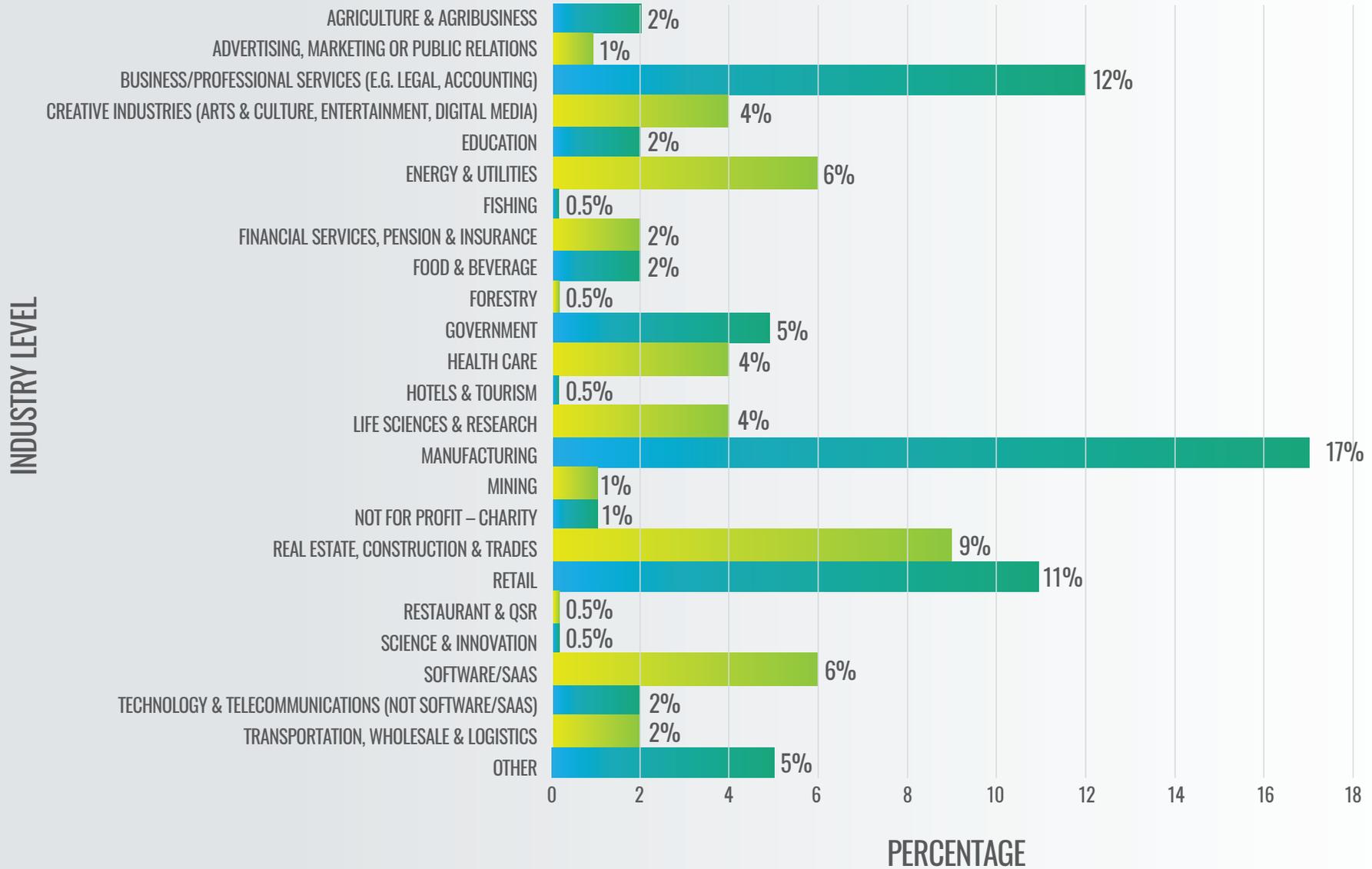


WHAT IS YOUR CURRENT JOB LEVEL?

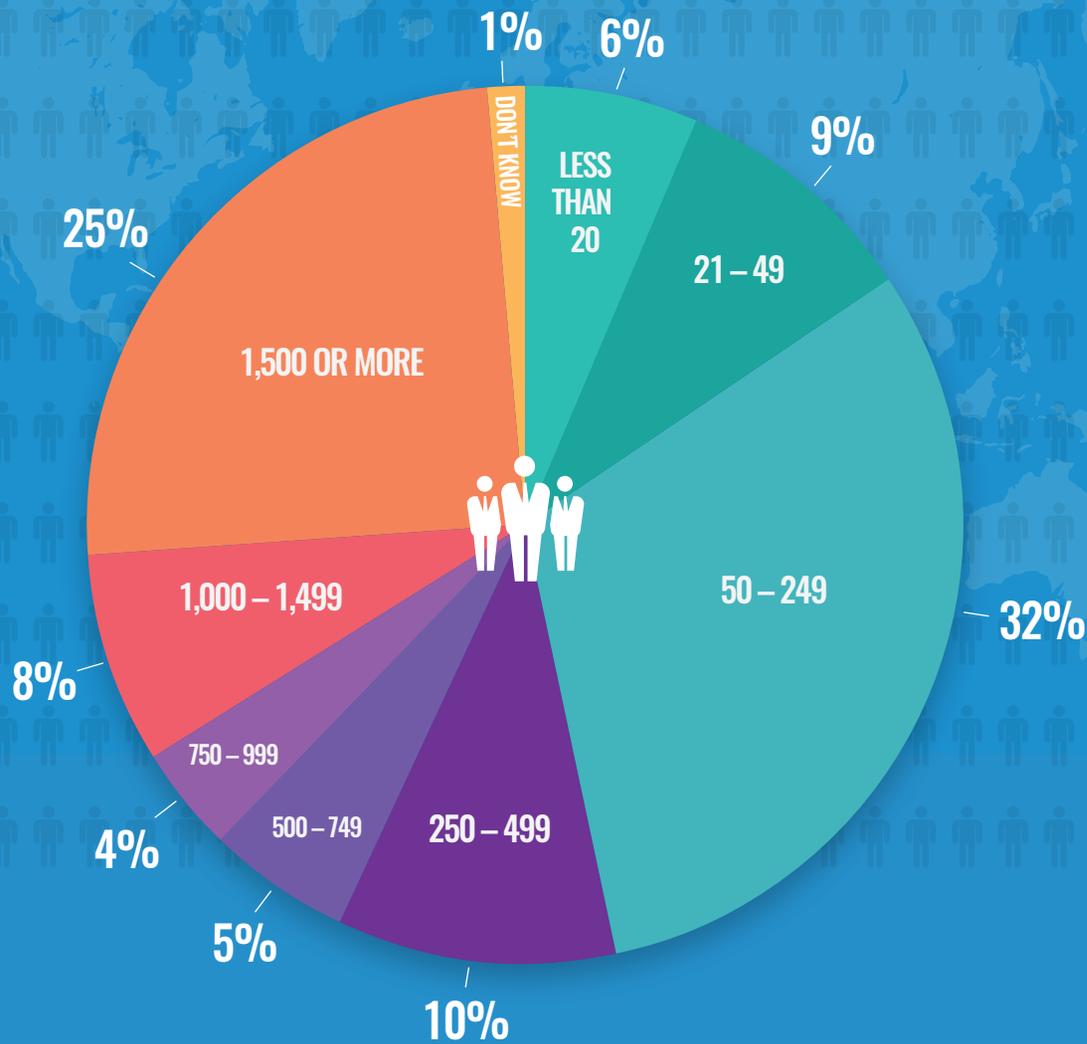


4.

WHICH OF THE FOLLOWING BEST REPRESENTS WHAT INDUSTRY OR SECTOR YOUR ORGANIZATION BELONGS TO?

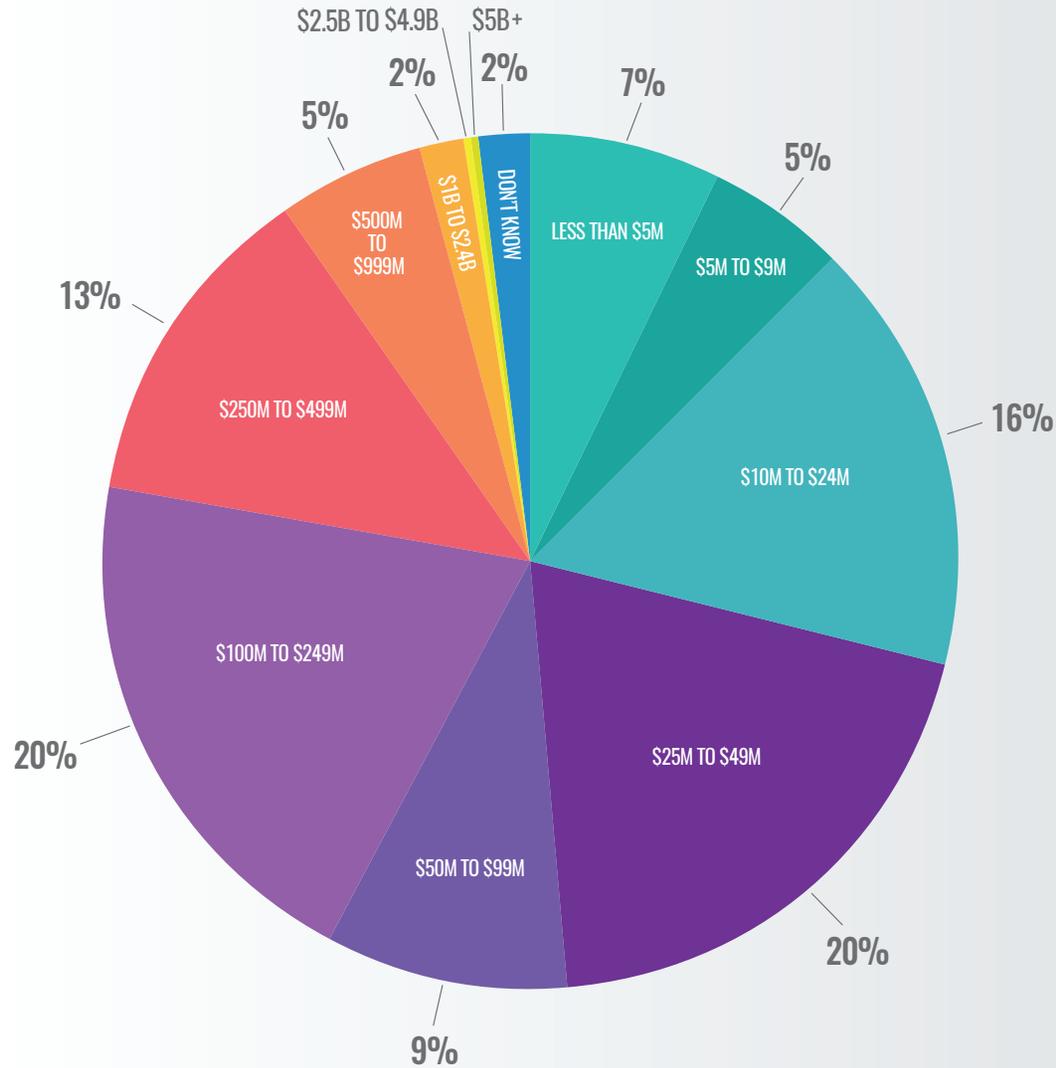


5. APPROXIMATELY HOW MANY EMPLOYEES WORK FOR YOUR COMPANY WORLDWIDE?



6.

WHAT WAS THE TOTAL GLOBAL REVENUE OF YOUR ORGANIZATION IN ITS LAST FISCAL YEAR? (USD)



WHAT'S HOLDING ORGANIZATIONS BACK?

Survey respondents identified their biggest challenges to growing their organizations.

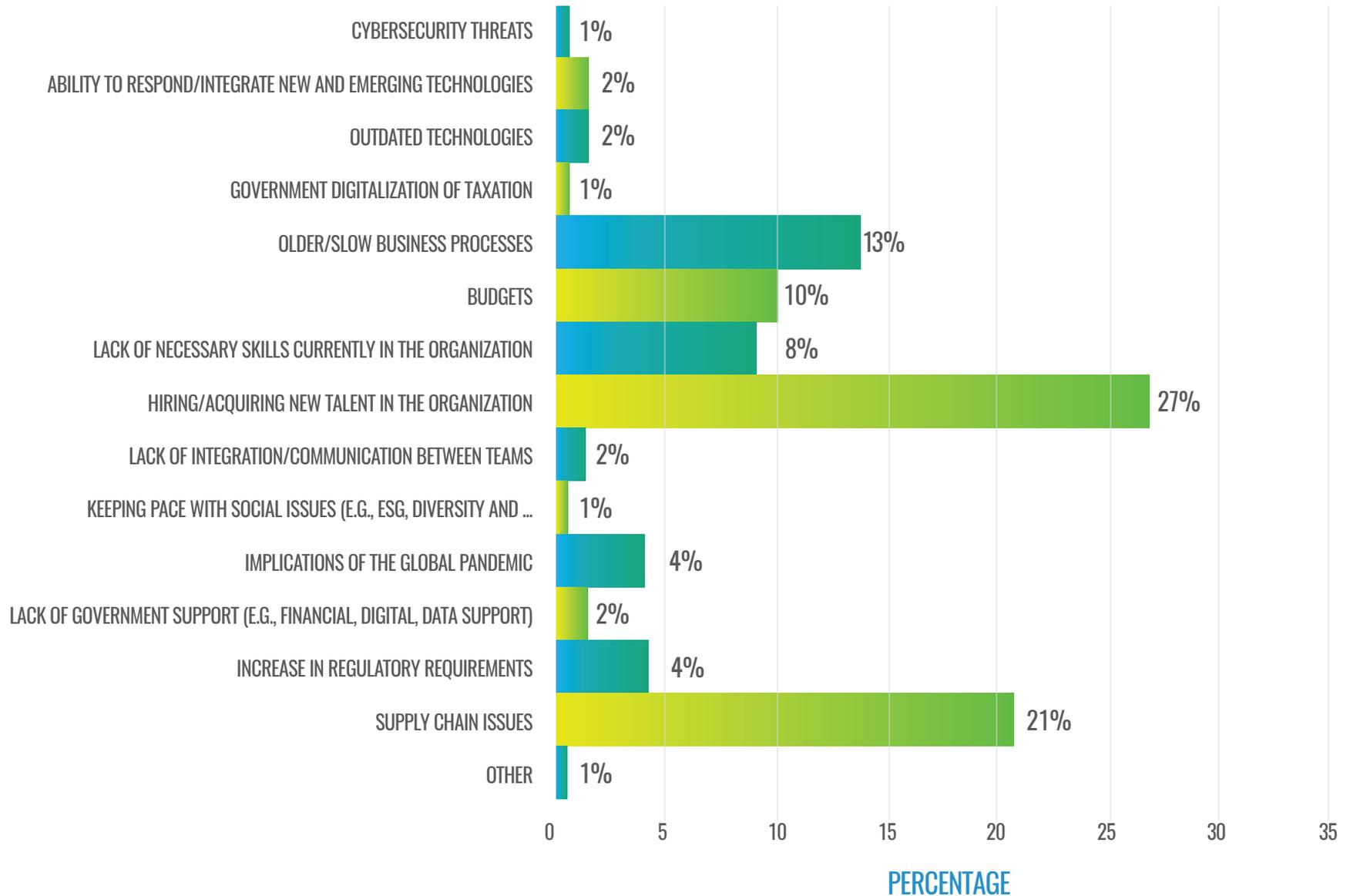
- **27% of finance leaders say hiring and new talent acquisition is affecting progress while 8% note the lack of necessary skills in their organization**
- **21% say supply chain issues are problematic**
- **13% say it's slow business processes**

Hiring talent is by far the biggest factors financial leaders cite as holding their organizations back (27%), followed by supply chain issues (21%) and slow business processes (13%). Budgets are also cited (10%). Implications of the global pandemic do not appear to be a major issue (4%), though increases in regulatory requirements (4%) and lack of government support (2%) might indicate frustration with red tape.

7.

WHAT IS THE SINGLE GREATEST ISSUE THAT IS HOLDING YOUR ORGANIZATION BACK?

GREATEST ISSUE



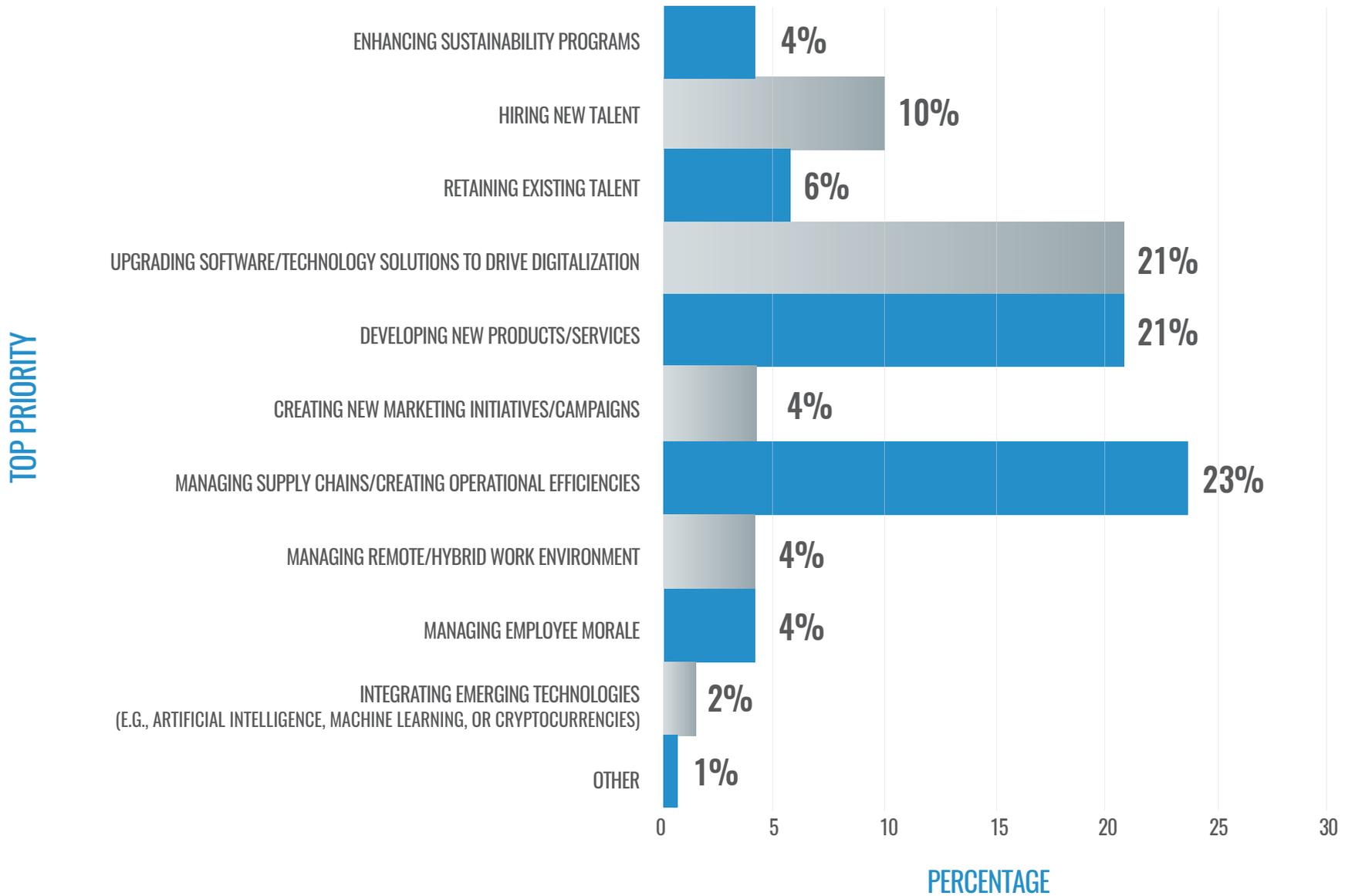
TOP PRIORITY FOR FINANCE LEADERS OTHER THAN SALES & REVENUE

- **23% say managing supply chains and creating operational efficiencies**
- **21% say driving digitization and investing in new technologies**
- **21% say developing new products**
- **10% say hiring talent**

Achieving operational efficiencies and managing supply chains are major concern for finance leaders (23%), as well as finding the talent required (10%) not only to streamline existing operations but also to drive digitization and investment in new technologies (21%), which is also a prime concern.

8.

FROM YOUR PERSPECTIVE AS A FINANCE LEADER, WHAT IS YOUR ORGANIZATION'S CURRENT TOP PRIORITY BEYOND INCREASING SALES/REVENUE?



DRIVING DIGITAL TRANSFORMATION

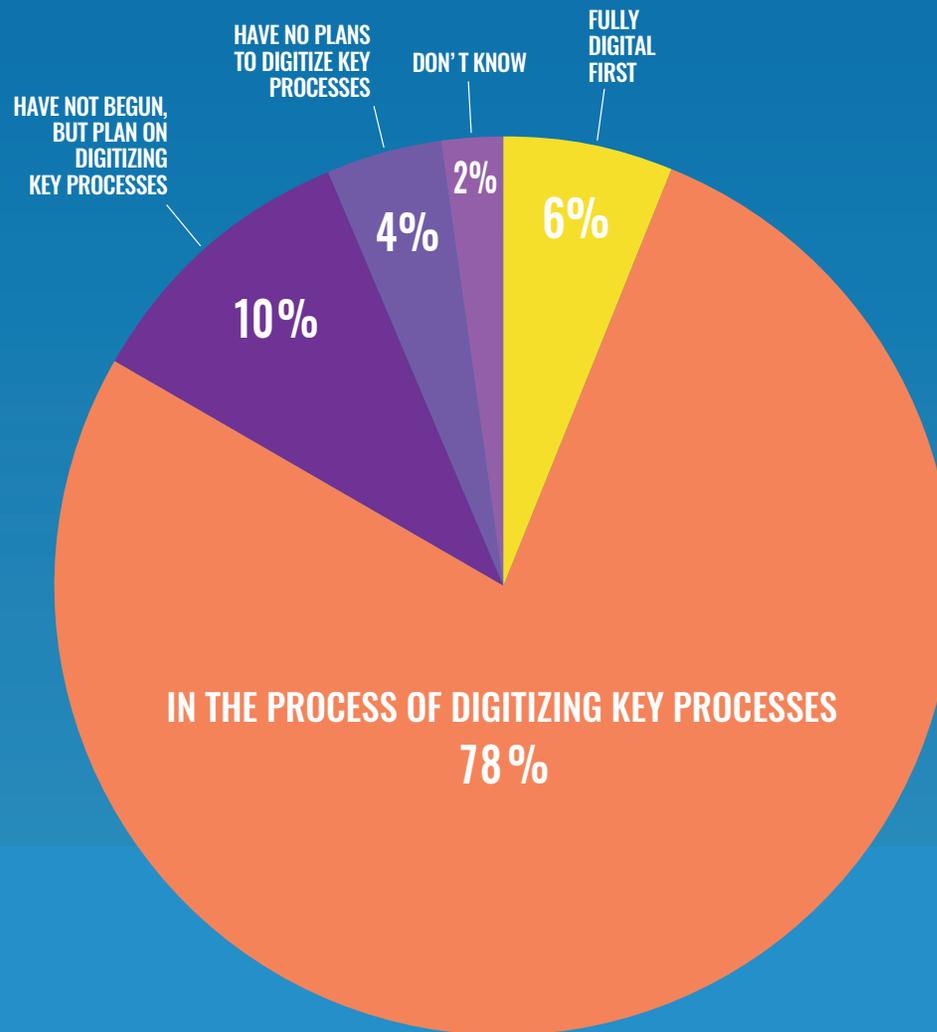
For finance leaders, 78% say they're in the process of becoming digital-first: introducing new systems and platforms for operations and finance helps automate previously manual processes, leading to increases in efficiencies and productivity. Financial management modernization saves time and money, provides greater insight, frees the finance team, and creates opportunities.

- **78% say they are in the process of digitizing key processes**
- **6% say they are fully digital-first**
- **10% have not begun their digital transformation journey, but are planning to do so**

The digitization of finance processes — such as automating and moving key activities to the cloud, as well as embracing artificial intelligence (AI) and machine learning (ML) — is a top priority for finance leaders, who recognize the efficiencies, insights and other benefits that result. A majority of finance leaders (48%) also think it's extremely important that they possess the skills necessary to move their business forward.

9. HOW FAR ALONG IS YOUR ORGANIZATION ON ITS DIGITAL TRANSFORMATION JOURNEY?

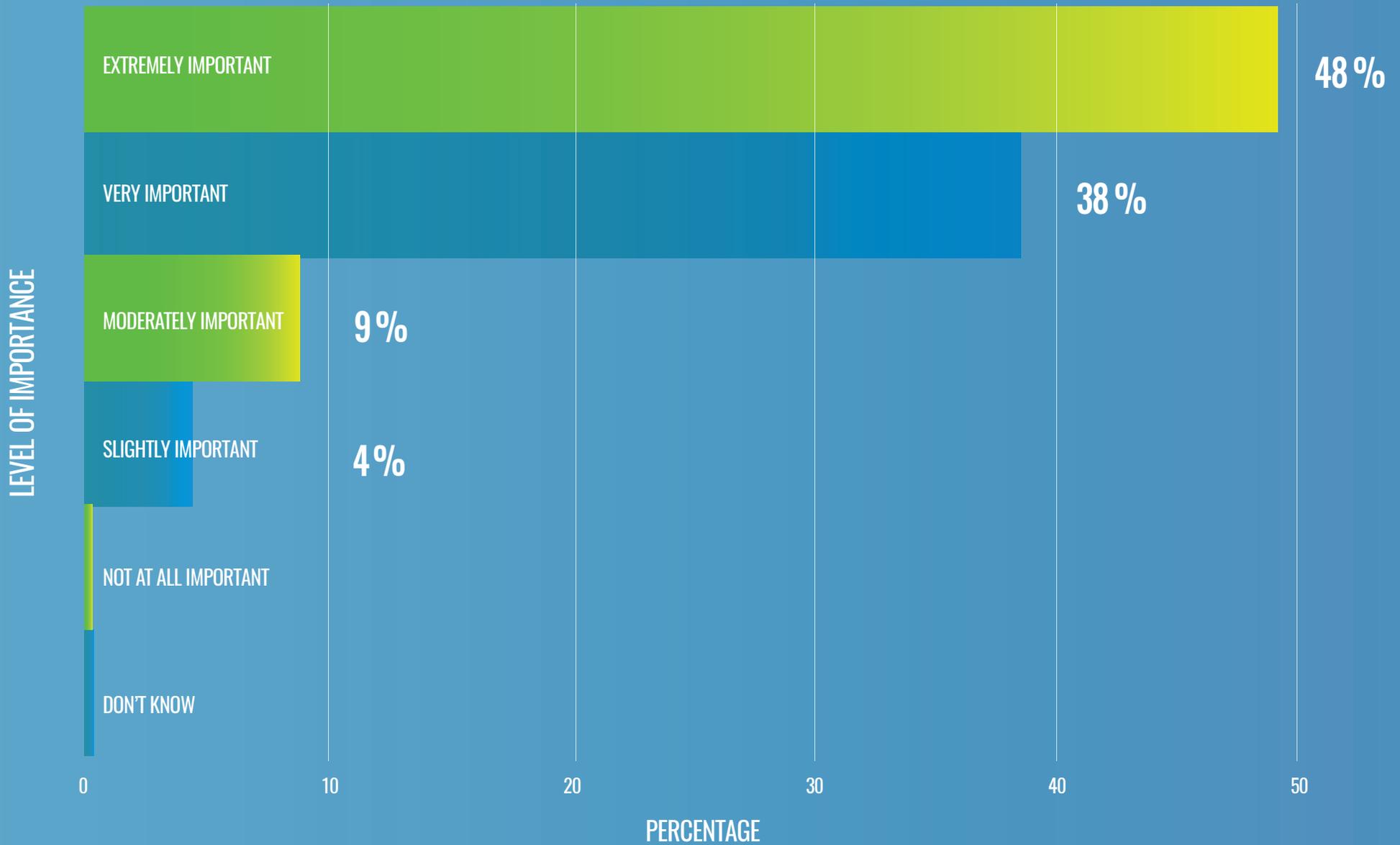
(E.G. AUTOMATING AND MOVING KEY PROCESSES TO THE CLOUD)



10.



HOW IMPORTANT DO YOU THINK IT IS FOR CFOs TO HAVE THE SKILLS NECESSARY TO PUSH THEIR BUSINESS FORWARD?



FUNCTIONAL PRIORITIES FOR FINANCIAL MANAGEMENT/ACCOUNTING SOFTWARE

Finance leaders understand the key benefits to finance digitization, and they prioritize them as follows:

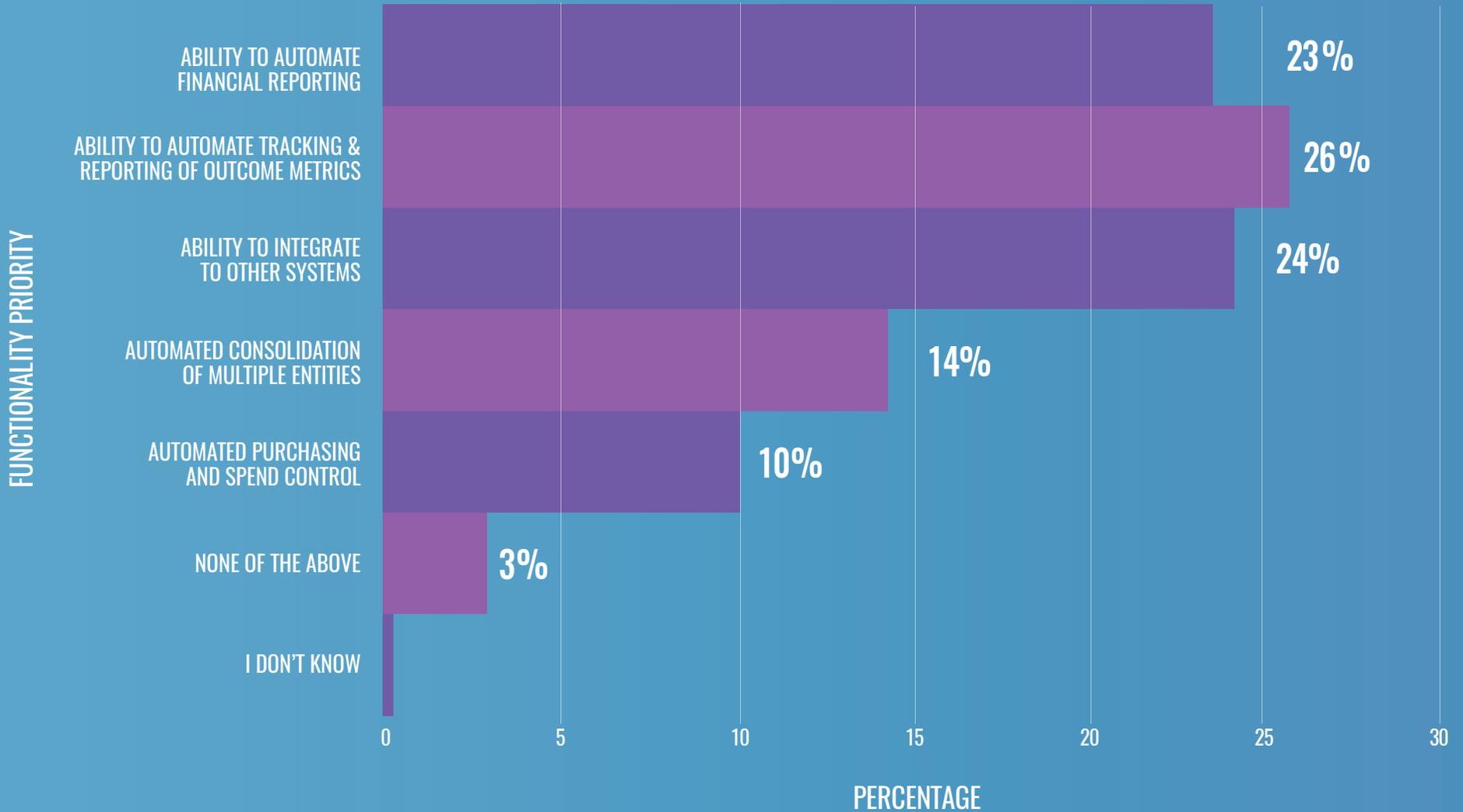
- **Priority #1** **Automating the tracking and reporting of outcome metrics**
- **Priority #2** **Integrating with other systems**
- **Priority #3** **Automating financial reporting**
- **Priority #4** **Consolidation of multiple entities**
- **Priority #5** **Automating purchasing and spend control**

While finance leaders have a clear picture of what they intend to achieve with digitization, only 47% feel they have the right tools to succeed going into 2023, with 11% saying they don't know if they have the right tools.

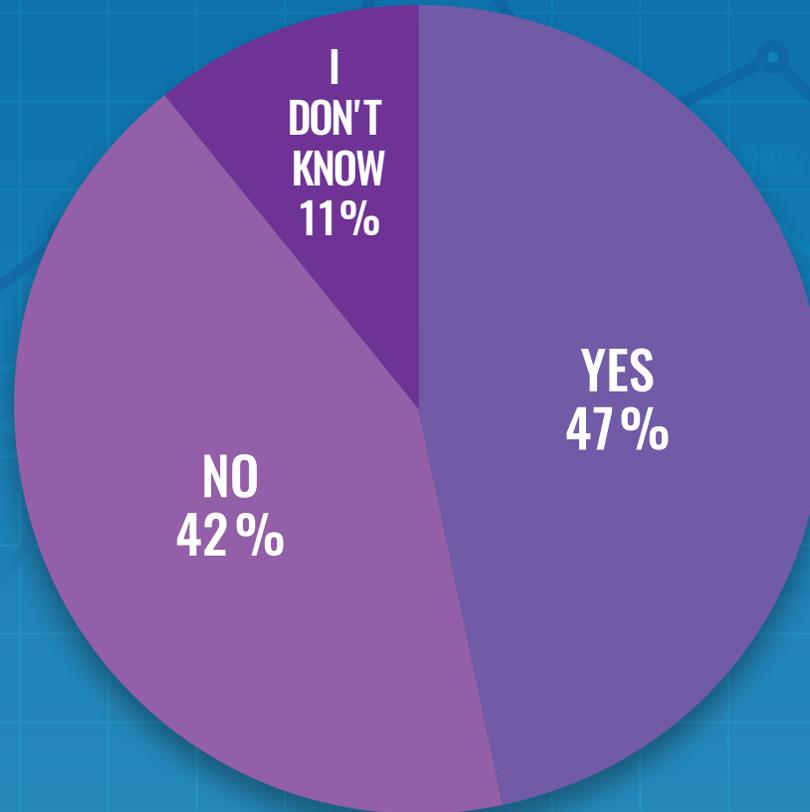
11.



WHEN IT COMES TO FINANCIAL MANAGEMENT/ACCOUNTING SOFTWARE, WHICH OF THE FOLLOWING FUNCTIONALITY IS A PRIORITY TO YOUR ORGANIZATION?



12. THINKING ABOUT YOUR CURRENT FINANCIAL MANAGEMENT TECHNOLOGIES IN PLACE, DO YOU FEEL THAT YOU HAVE THE RIGHT TOOLS TO SUCCEED GOING INTO 2023?



KEY INITIATIVE PREPAREDNESS

Do finance leaders feel prepared for the challenges they are facing? Here is how they feel about the following business imperatives:

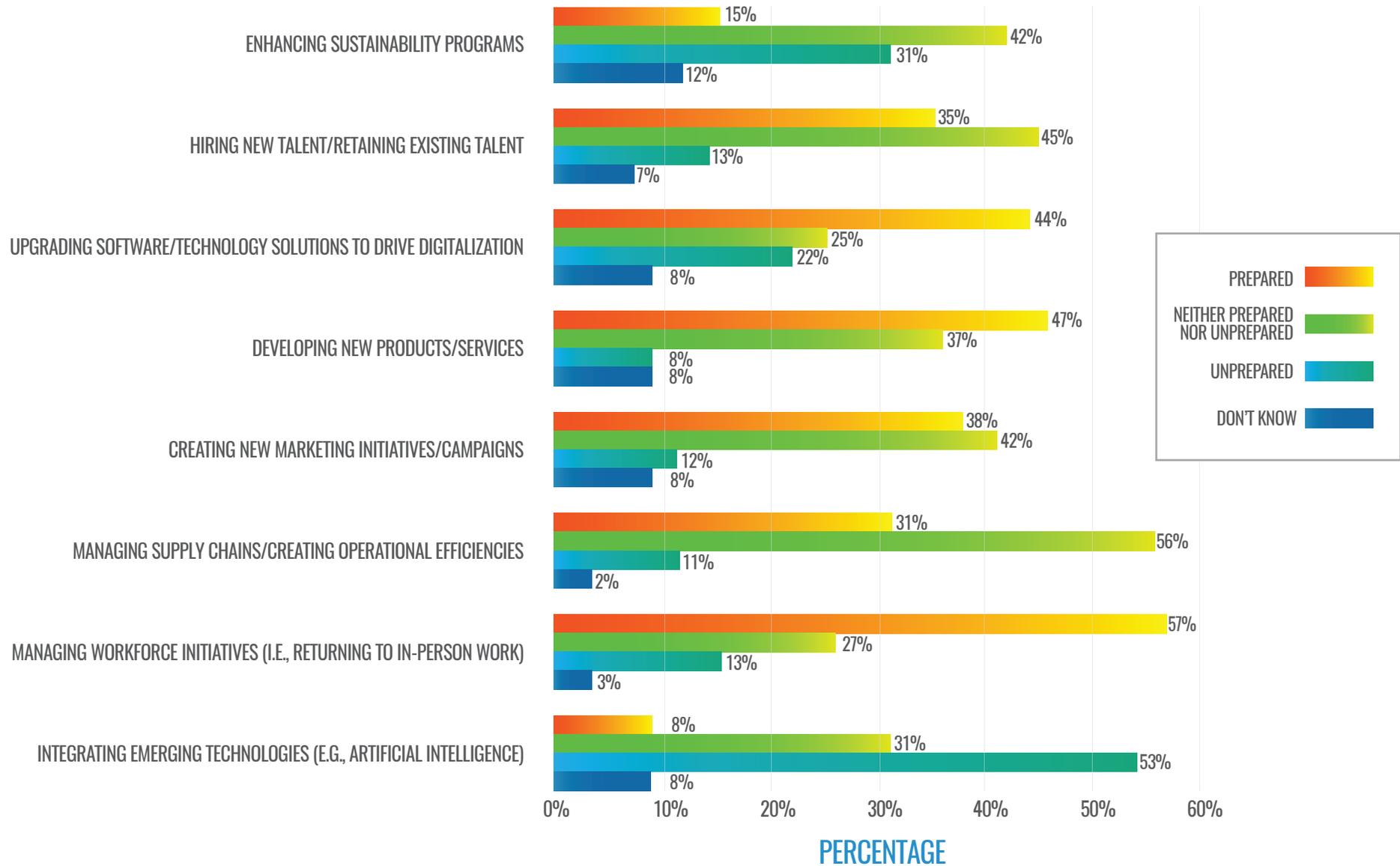
- **44% feel prepared to drive digitization**
- **35% feel prepared to hire new talent or retain existing talent**
- **57% feel prepared to manage workforce initiatives (like return to in-person work)**
- **53% feel unprepared to integrate emerging technologies such as artificial intelligence**

While the drive to digitization is important to most (44%), more than half of finance leaders feel unprepared to integrate emerging technologies — indicating a need for tools, resources, and talent to help them get there.

13.

HOW PREPARED IS YOUR ORGANIZATION FOR THE FOLLOWING?

LEVEL OF PREPAREDNESS

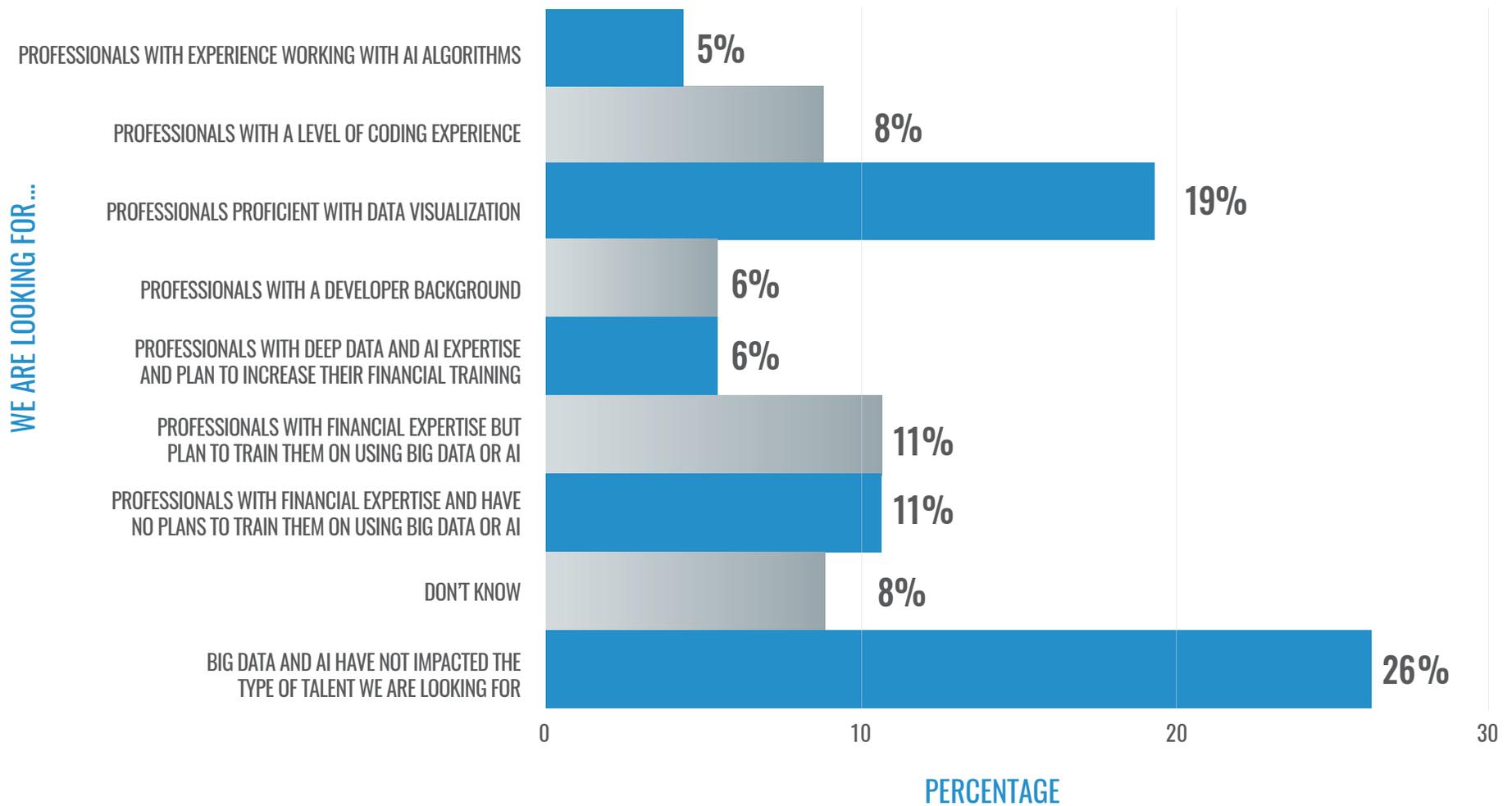


IMPACT OF BIG DATA/AI ON HIRING

Most finance departments (26%) say the emergence of big data and the increase of AI functionality within financial software have not impacted the type of talent they are looking for; however, they value professionals with data visualization abilities (19%). They seek professionals with developer backgrounds (6%) and expertise with deep data and AI (6%) — while 11% seek financial expertise and plan to train new hires on using big data/AI.

14.

HOW, IF AT ALL, HAS THE EMERGENCE OF BIG DATA AND THE INCREASE OF ARTIFICIAL INTELLIGENCE (AI) FUNCTIONALITY WITHIN FINANCIAL SOFTWARE IMPACTED THE TYPE OF TALENT AMONG FINANCIAL PROFESSIONALS THAT YOUR ORGANIZATION IS LOOKING FOR?



IMPACT OF ARTIFICIAL INTELLIGENCE (AI) AND MACHINE LEARNING (ML) ON BUSINESS PROCESSES

In looking to the near future (3 years), finance leaders expect AI and ML to have moderate to major impacts in the following areas:

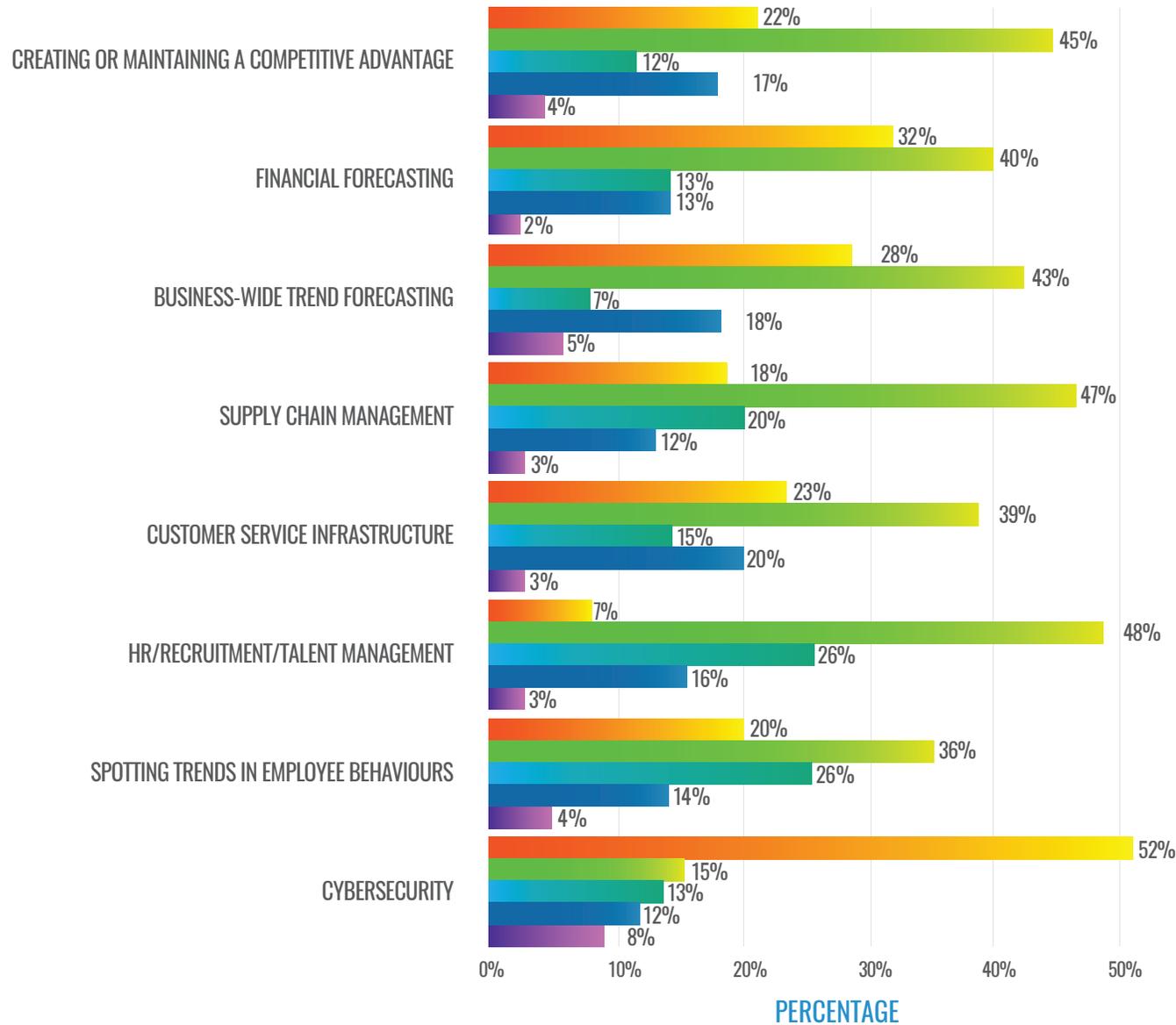
- **Creating/maintaining competitive advantage: 67%**
- **Financial forecasting: 72%**
- **Business-wide trend forecasting: 71%**
- **Cybersecurity: 67%**
- **Supply chain management: 65%**
- **Customer service infrastructure: 62%**
- **Supporting trends in employee behaviours: 56%**
- **HR/recruitment: 55%**

It's clear that finance leaders recognize the importance AI and ML will play across a variety of business units in their organizations — and consider the adoption of these technologies as a key differentiator and competitive advantage in the marketplace.

15.

WHAT IMPACT WILL ARTIFICIAL INTELLIGENCE/MACHINE LEARNING HAVE ON THE FOLLOWING BUSINESS FUNCTIONS OR PROCESSES IN THE NEXT 3 YEARS?

BUSINESS FUNCTION IMPACT



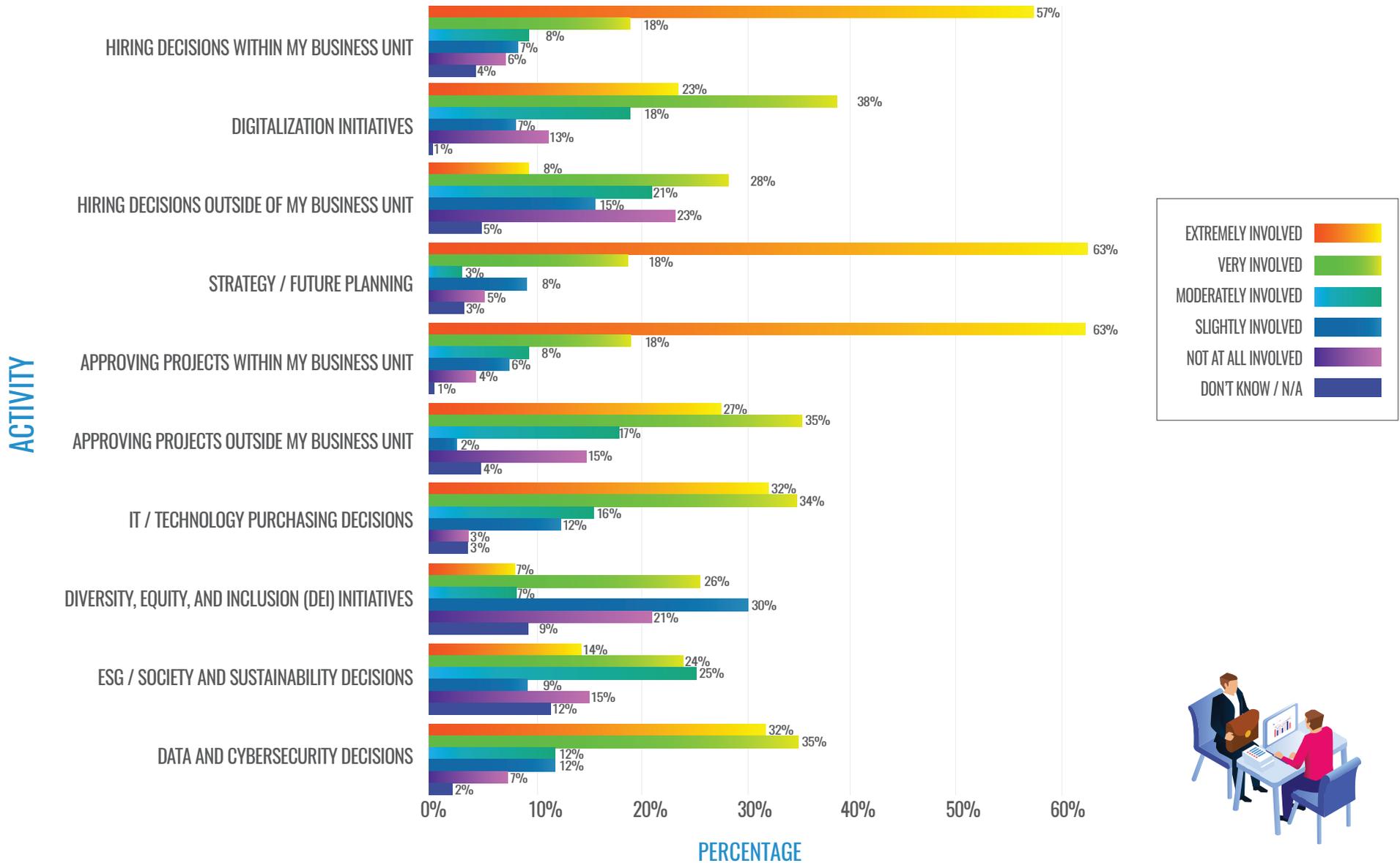
INVOLVEMENT IN KEY ACTIVITIES

Finance leaders surveyed were “very involved” to “extremely involved” in the following activities in the past 12 months:

- **Hiring decisions within my business unit: 75%**
- **Digitalization initiatives: 61%**
- **Hiring decisions outside my business unit 36%**
- **Strategy/future planning: 81%**
- **Approving projects within my business unit: 81%**
- **Approving projects outside my unit 62%**
- **IT/technology purchasing decisions: 66%**
- **Data and cybersecurity decisions: 67%**
- **DEI initiatives: 33%**
- **ESG/society/sustainability decisions: 38%**

16.

AS A FINANCE LEADER WHAT LEVEL OF INVOLVEMENT DO YOU HAVE IN THE FOLLOWING ACTIVITIES OVER THE PAST 12 MONTHS?



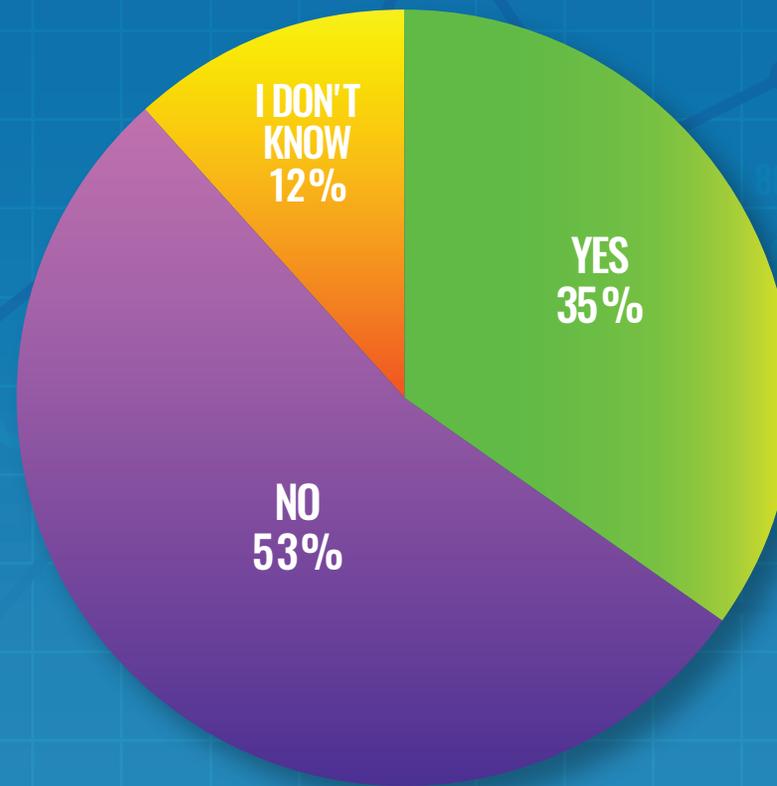
SUSTAINABILITY AND ESG PROGRAMS

Finance leaders are not directly involved, generally, in these programs, which may indicate that HR and other departments are tasked with these concerns.

For most finance leaders, their involvement in these programs is at the discussion, strategy, and planning levels.

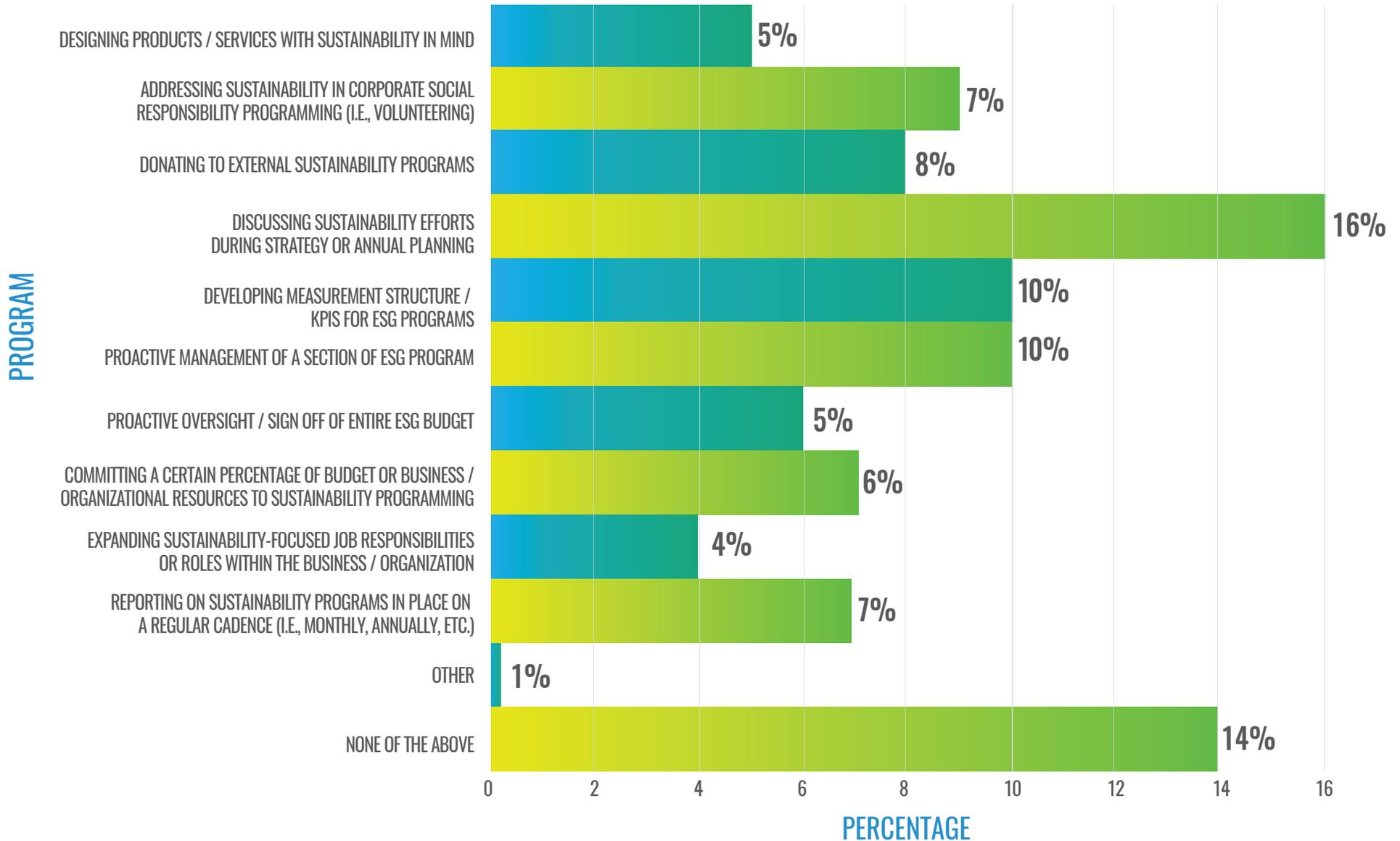
- **69% agree or strongly agree that their organizations ESG programs are run efficiently and are achieving maximum output for the allocated budget**
- **53% say these programs are not a top priority in their businesses currently**
- **35% say they are a priority**
- **12% don't know**

17. FROM YOUR PERSPECTIVE AS A FINANCE LEADER, ARE SUSTAINABILITY PROGRAMS / ESG POLICIES A TOP PRIORITY IN YOUR BUSINESS CURRENTLY?



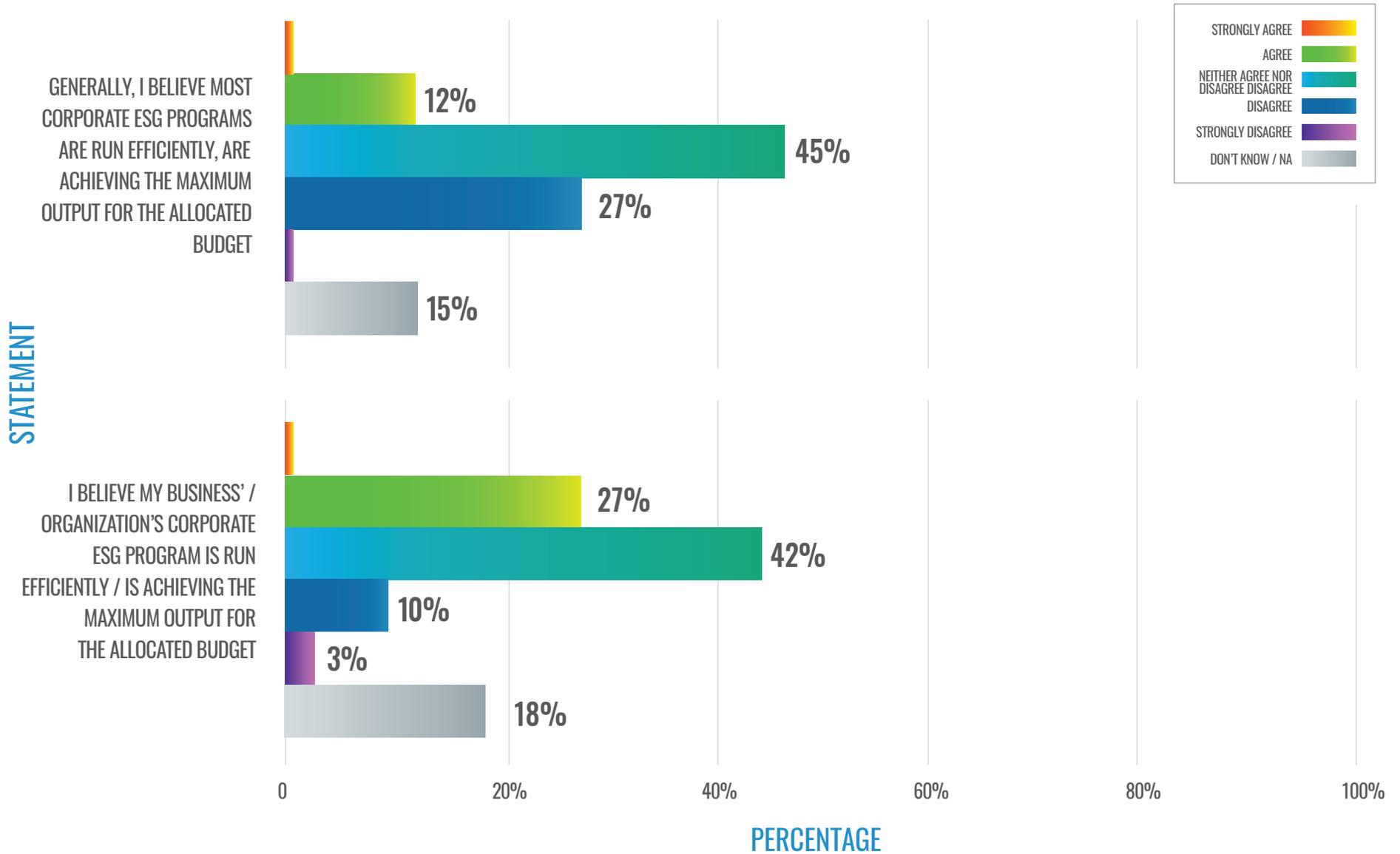
18.

AS A FINANCE LEADER, HOW ARE YOU INVOLVED IN SUSTAINABILITY / ESG PROGRAMS?



19.

PLEASE INDICATE YOUR LEVEL OF AGREEMENT WITH EACH OF THE FOLLOWING STATEMENTS.



DIVERSITY, EQUITY & INCLUSION PROGRAMS

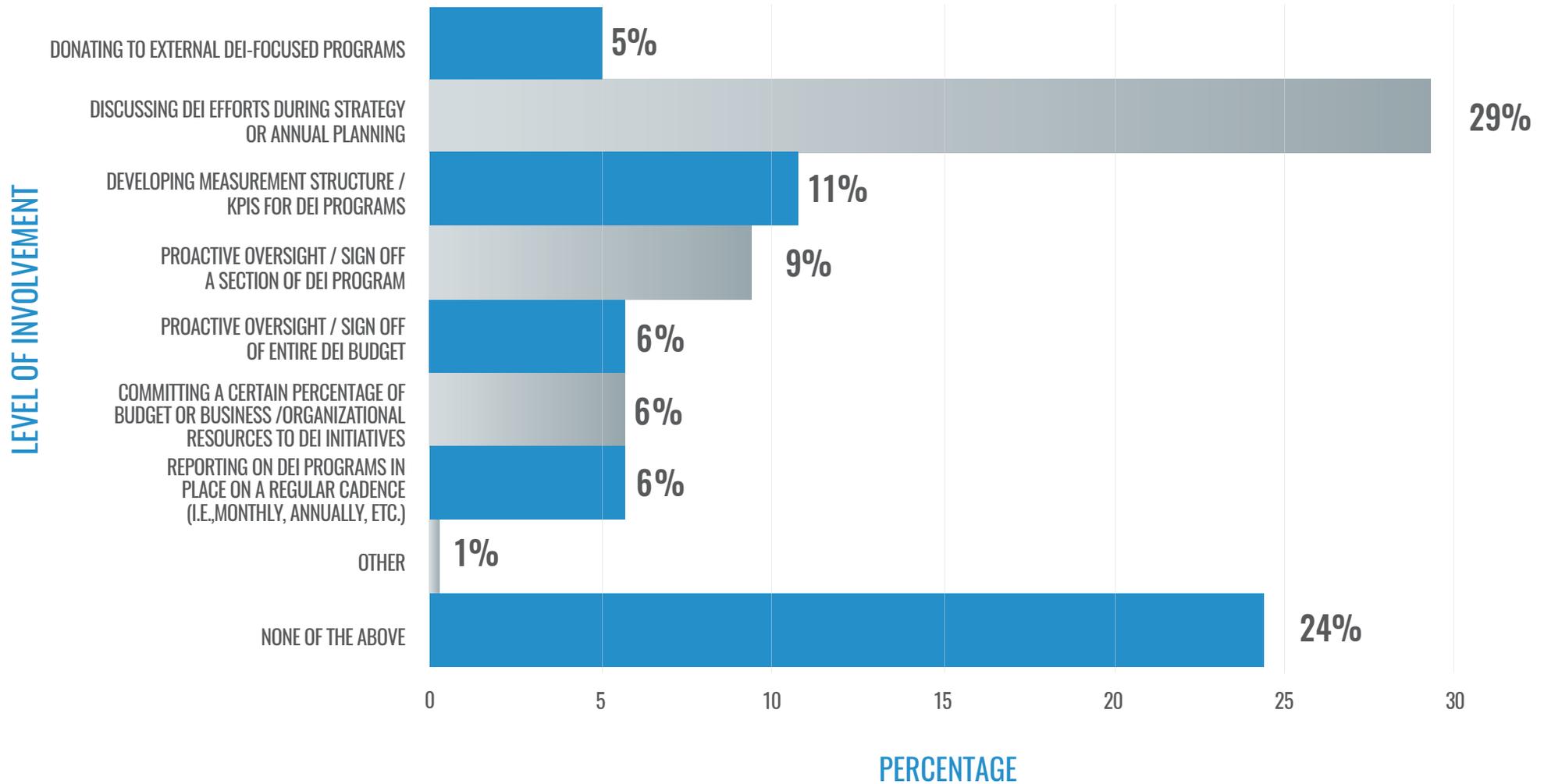
For many survey respondents, DEI involvement is limited to discussion during strategy and planning sessions (29%) and developing measurement structures and KPIs (11%).

As a finance leader, respondents indicate that they prefer to be involved in DEI programs as follows:

- **28% want to be involved in DEI efforts during strategy or annual planning**
- **17% want to be involved in developing a measurement structure**
- **12% want to proactively manage a section of DEI programming**
- **10% want to be involved in reporting on DEI programs on a regular cadence**

20.

AS A FINANCE LEADER IN YOUR BUSINESS, HOW ARE YOU INVOLVED IN DIVERSITY, EQUITY AND INCLUSION (DEI) PROGRAMS?*

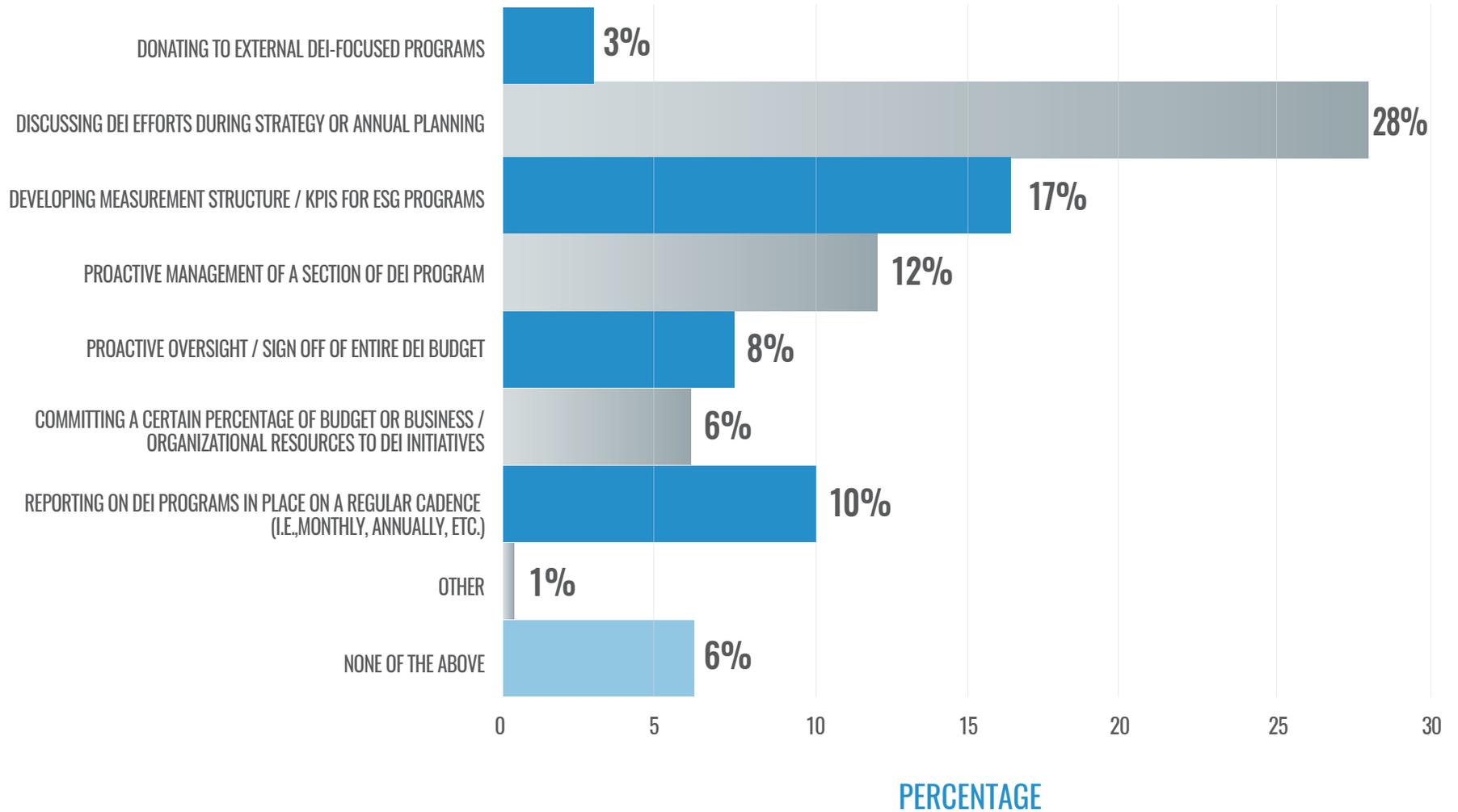


* 3% of respondents did not provide a response.

21.

AS A FINANCE LEADER IN YOUR BUSINESS, HOW DO YOU WANT TO BE INVOLVED IN DIVERSITY, EQUITY AND INCLUSION (DEI) PROGRAMS? *

INVOLVEMENT IN DEI PROGRAMS



* 9% of respondents did not provide a response.

SUMMARY

For finance leaders going into 2023, several key priorities are apparent.

The acquisition of new talent (as well as the retention of existing talent) rates high, also in the context of digitization, big data, and AI/ML technologies. Leaders understand the competitive advantage that streamlining process and finding efficiencies by embracing digitization will bring. The deeper insights that result from real-time reporting are also valued considerably. Many finance leaders are already on the digitization path, while for others it is a top priority.

ABOUT FINANCIAL EXECUTIVES INTERNATIONAL CANADA (FEI CANADA)



Financial Executives International Canada (FEI Canada) is the leading voice and informed choice for senior financial executives across the country. With 12 chapters and 1,500+ members, our organization provides professional development, networking opportunities, thought leadership and advocacy services to its members. The organization membership consists of senior level financial executives spanning various industries, functions, and disciplines and representing a significant number of Canada's leading and most influential corporations.

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