

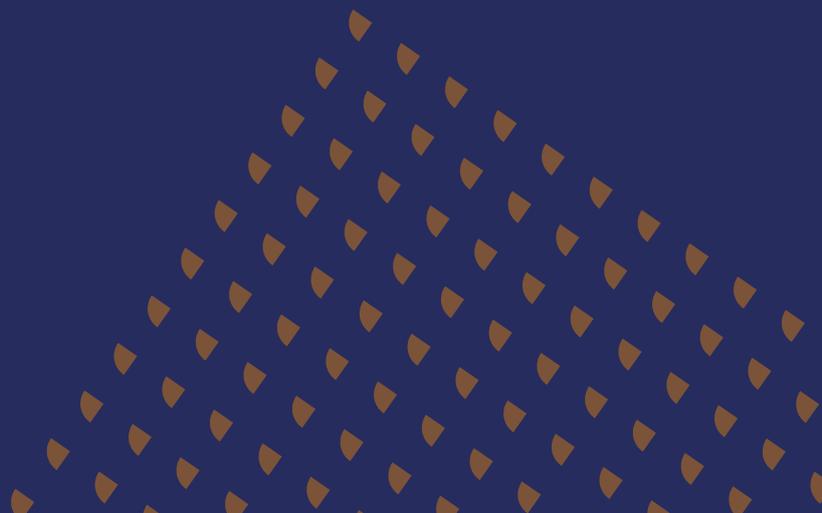


DiviPay

CFO Goals for 2022: Tech, team, and leadership



Introduction

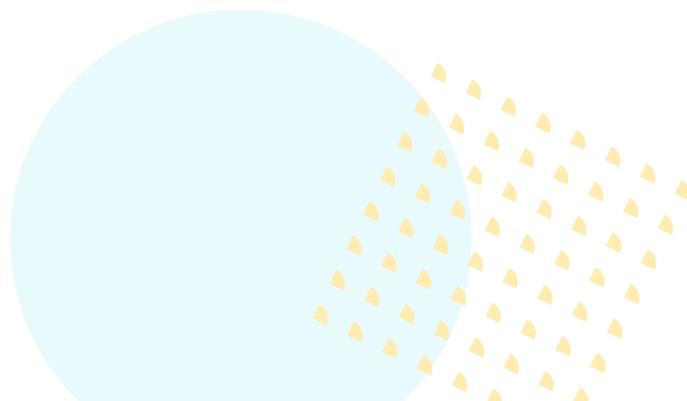




Since the beginning of the COVID-19 pandemic, CFOs have had to grapple with an unprecedented level of financial uncertainty. Pre-coronavirus budgets and forecasts became irrelevant. How finance teams worked and what they focused on had to adapt to match new priorities and government restrictions. And CFOs, like others in the executive team, had to step up as leaders in a way many of them had never had to before.

As finance leaders look towards 2022, it's understandable that external factors are weighing heavily on their minds – as shown in DiviPay's recent survey of over 200 Australian CFOs. The market, its impact on the economy, the talent and technology available to organisations ... these are all important considerations for finance leaders as they plan for next year.

And new financial concerns are always cropping up. For example, supplier costs being driven up by freight costs and worker shortages, and the looming spectre of high inflation – the [Sydney Morning Herald](#) recently provided a good summary of these concerns.



This report provides CFOs with insights into the three key areas of concern for 2022, as revealed in DiviPay's survey above.

Discover how other finance leaders are prioritising:



Technology solutions: tackling time-wasting activities and finding automation opportunities

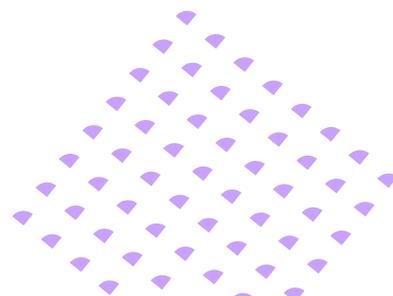


Team and talent: building a finance team that can support and deliver on the CFO's plan



Leadership in 2022: meeting the challenges of being a CFO in a COVID-19 world

Throughout the report, there are suggestions that you may wish to consider to help with the challenges facing CFOs. You will also gain insights into the differing opinions of male versus female CFOs, NSW versus Victorian CFOs, and CFOs from different business sizes.

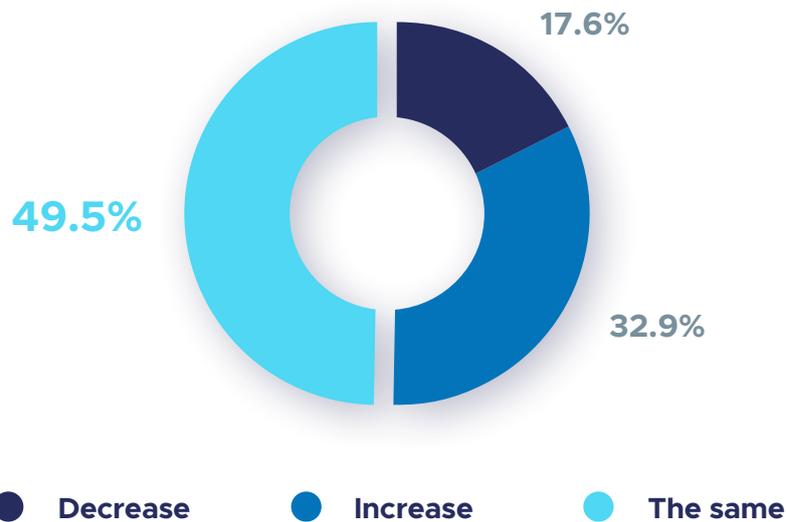




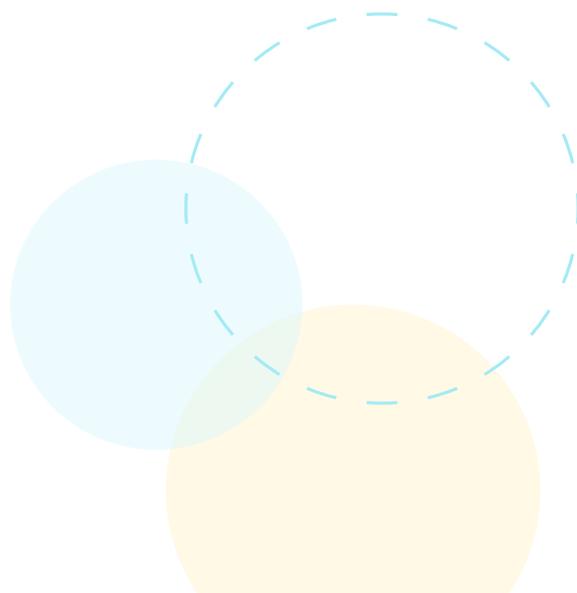
Predictions for 2022

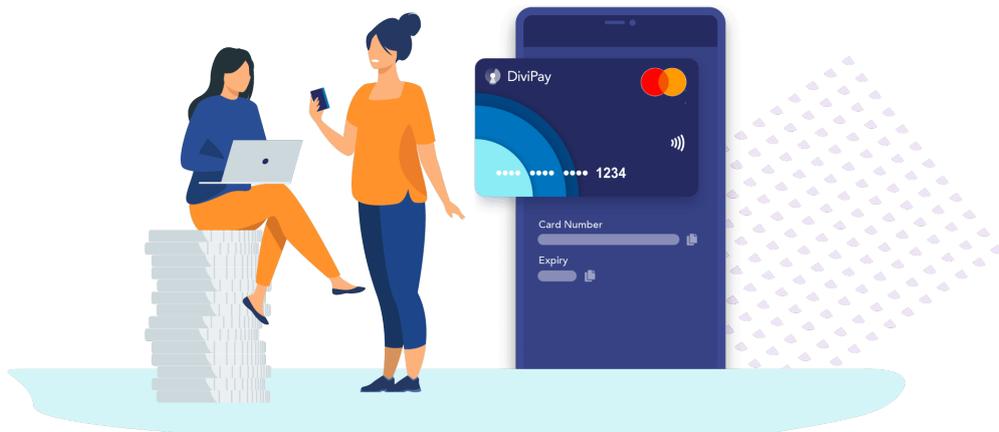
CFO spending predictions for 2022, and what factors might have the most impact

Will your organisation increase or decrease business spend in 2022 compared with 2021?



50% of respondents predicted the same business spend in 2022 as 2021, showing that many businesses are wanting to take a slow and steady approach to the new year. But encouragingly, 33% of CFOs did say that they will be increasing spend next year, indicating that there's a significant portion of the market feeling confident enough to start spending money again.





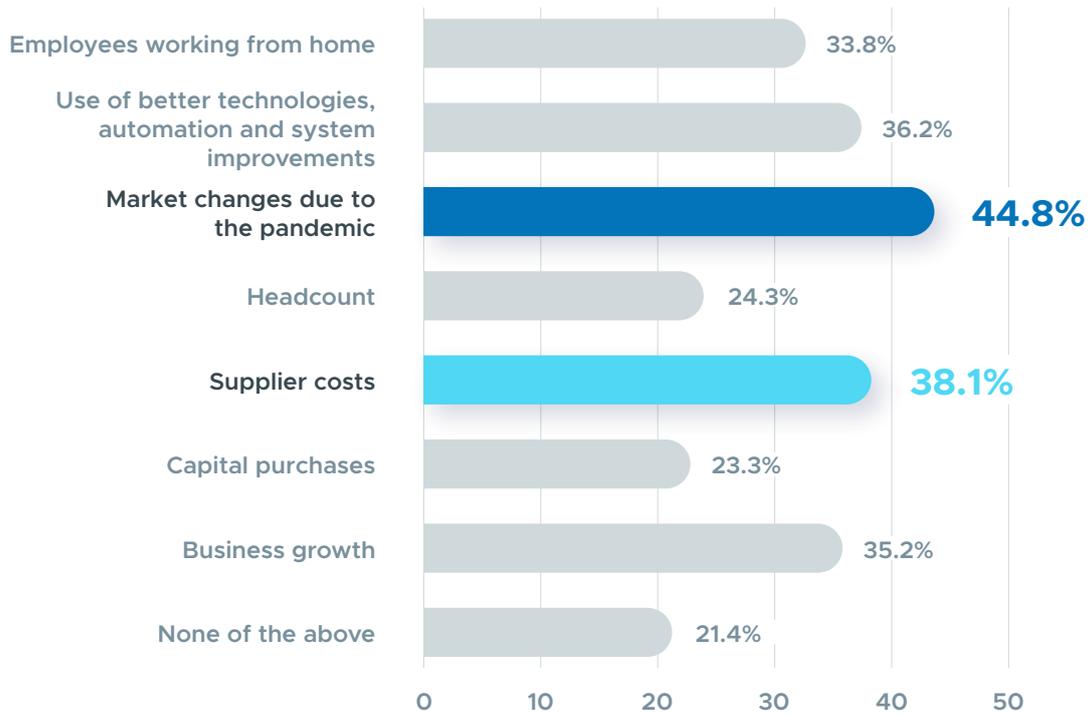
What does this mean for you?

It means that your competitors might be in the cohort of businesses ready to spend money in 2022, and ready to lead their industry in the new working world.

If you're among the businesses who won't be increasing spend next year, these insights might encourage you to think twice about where you're spending your money to make sure your competition doesn't leave you too far behind.

Top considerations impacting spend predictions are external

What is likely to influence a change in spend at your organisation in 2022?



(Each respondent selected 3)

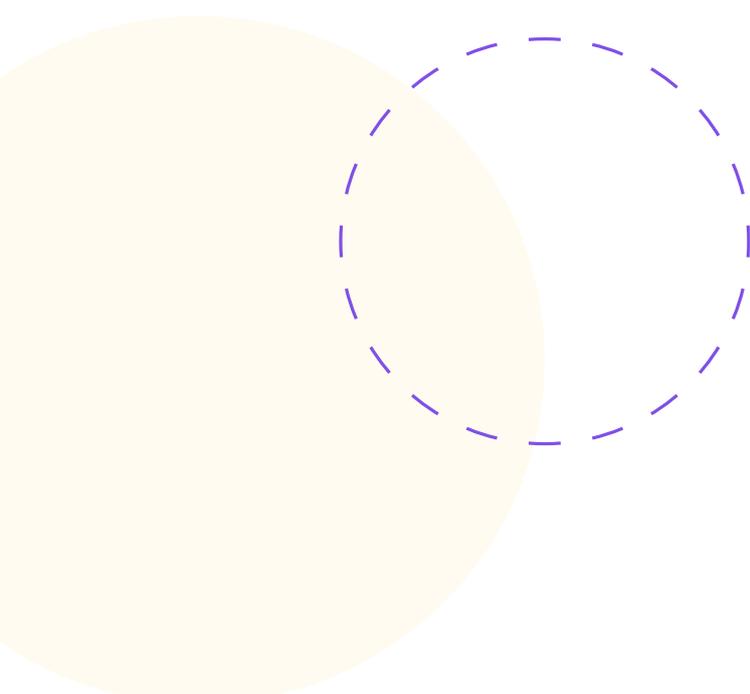
After weathering the storm of the latest COVID-19 restrictions, it's not surprising that CFOs are keeping a close eye on external spending influences. When asked what was likely to change spending in 2022, the top responses were 'market changes due to the pandemic' (45% of people selected this in their top 3), and supplier costs (38%).

CFOs are still having to be very agile in their approach to spending, ready to pivot according to market conditions.



What should you do?

As the saying goes, 'If you fail to plan, you are planning to fail' (Benjamin Franklin), and this still holds true. As a CFO, you do need to have a plan for your spending in 2022, but you can't be so attached to the plan that you won't change it if needed. Understanding where pressures to change the plan might come from is a good place to start.



What the experts are forecasting for 2022

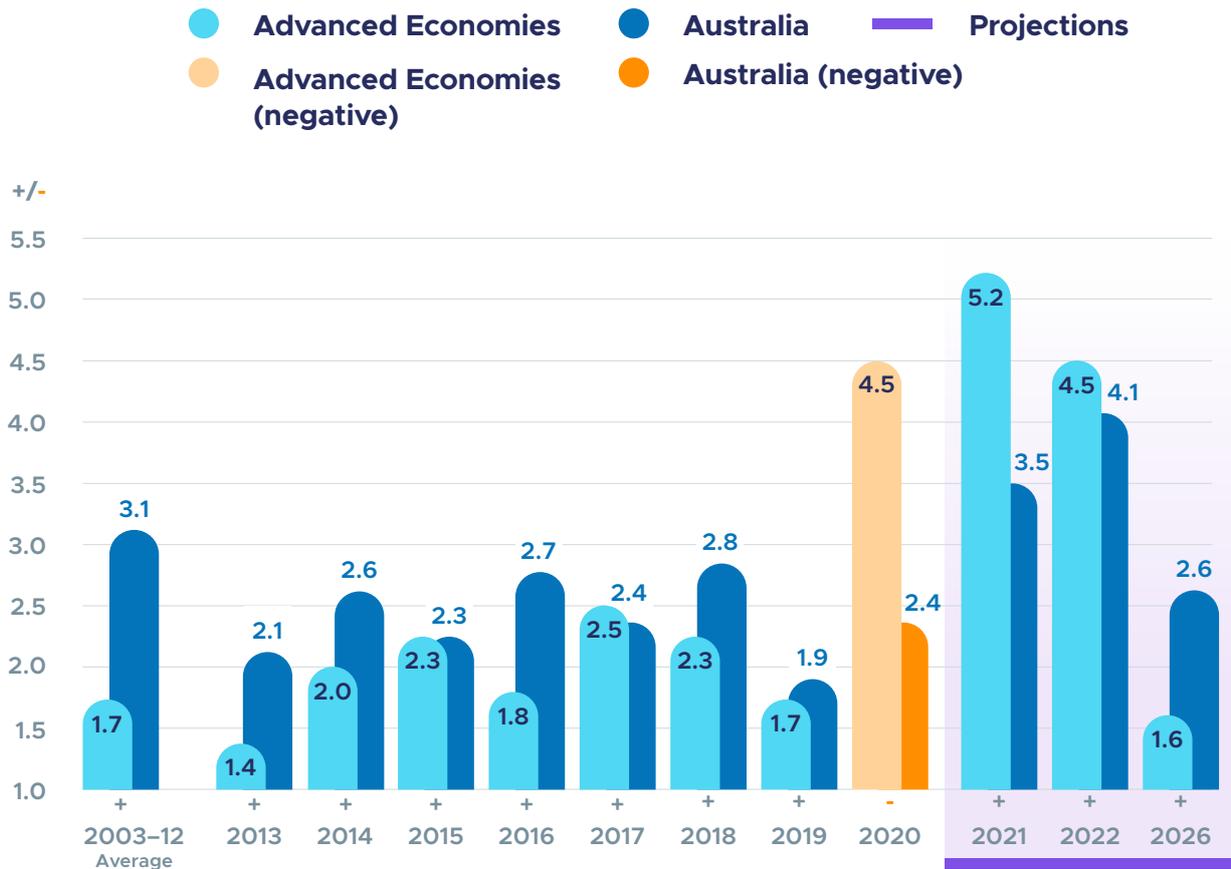
Reserve Bank of Australia

The latest [Statement on Monetary Policy by the Reserve Bank of Australia](#) paints an optimistic picture for the economy:

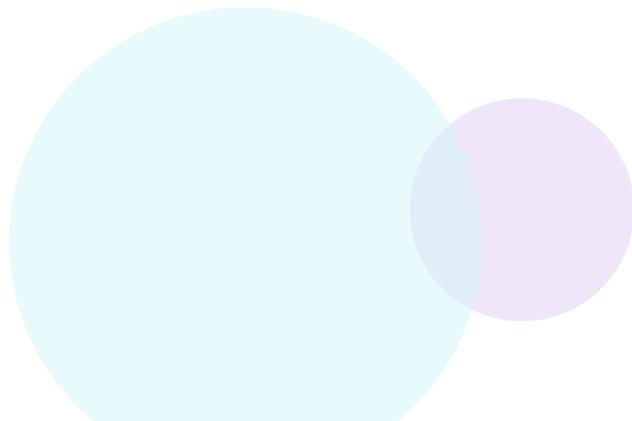
‘The recovery in the Australian economy from the Delta outbreak is underway. A rapid recovery in household spending is expected in the near term, driven by the broadening of consumption opportunities and supported further out by growth in household income and wealth. Dwelling investment has started to bounce back from the health-related restrictions on construction activity and the recovery in business investment that was underway before the Delta outbreak is expected to resume. By mid 2022, the economy is forecast to be back on its pre-Delta path.’

International Monetary Fund

The [World Economic Outlook \(Oct 2021\)](#) by the International Monetary Fund predicts Australia will perform adequately against the average Real GDP for Advanced Economies in 2022, and better than average by 2026:



Ref: Page 130, Table A2. Advanced Economies: Real GDP and Total Domestic Demand (Annual percent change)





Technology solutions

Technology will offer CFOs a way to save time in 2022

What's the biggest current drain on your time?



Expense reconciliation and management is a leading cause of lost time for CFOs. This is closely followed by fixing unauthorised spending. Both these time wasters could be easily resolved with a fintech solution like DiviPay. DiviPay's virtual expense cards have pre-set funds allocated against pre-set budgets, so expenses are effectively managed *before* the money is even spent.

How can fintech help you?

Your role as a CFO is to financially lead your organisation. The best way to do that is to control as much business spending up front as you can.

The days where employees spent their own money on company expenses should be a thing of the past. Now you can use Cloud-technology to issue your staff with virtual business cards (with company funds ready to be spent on the card). You and your business' leadership team can decide how much each person has access to, and what budgets they'll be spending these funds against.

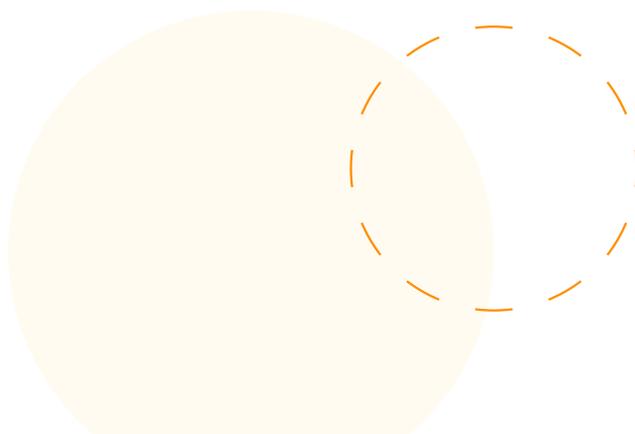
Things to consider:



Your business' employees will be happier because they have less admin to do, and no longer need to spend their own money and then wait for a reimbursement.

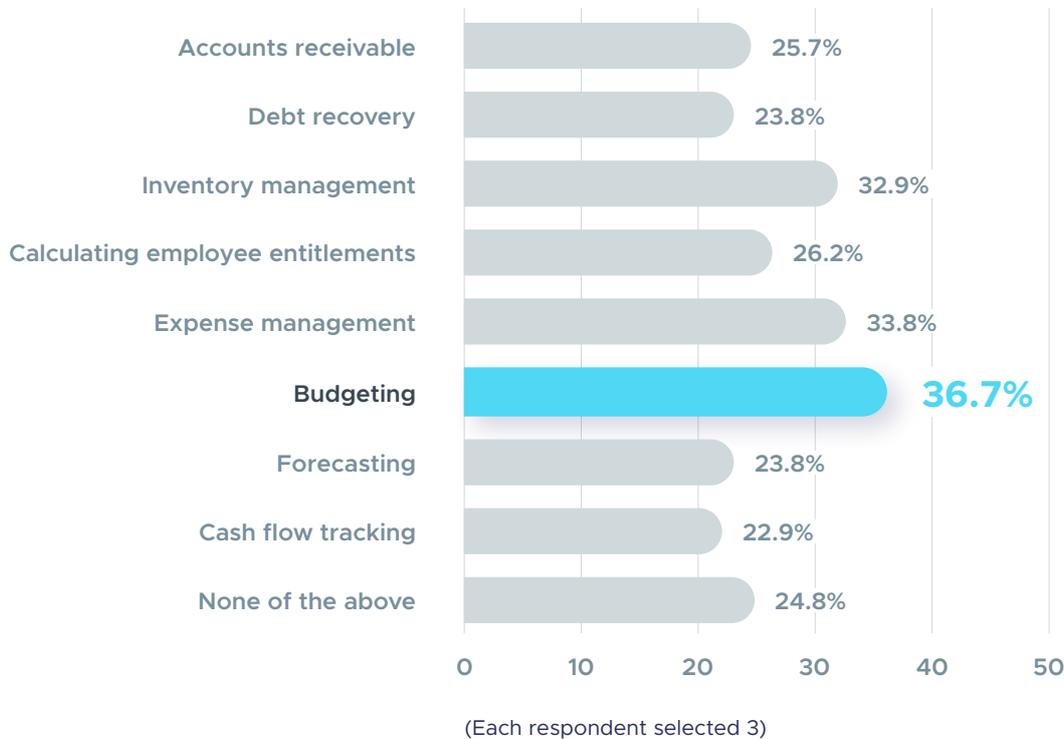


And you and your finance team will be happier because you'll gain back much of the time you used to spend on expense management.



Automation – every CFO’s dream

What areas of the finance function would you most like to automate in 2022?



A CFO’s automation wish list is long! There are so many areas that finance could automate to free up their time. 37% of respondents selected budgeting in their top three areas to automate in 2022; 34% chose expense management, and 33% inventory management.

Not only does automation free up time, but it also saves costs when the right technology is chosen. It’s important for CFOs to find an automation tool at the right price point for their business, otherwise they may be overpaying for technology that they don’t really need.

How do you choose an automation tool?

Your first step in choosing an automation tool should be to work with your team to identify repetitive tasks and to determine which of those tasks could be automated via fintech.

Once you've narrowed down what area you'd like to focus on (and the graph above shows just a few of many), it's time to go to the market and find a product that's right for you.

You should consider:



Is it Cloud-based and SaaS, so all my employees can access it, and I'm getting the latest product updates as quickly as possible?



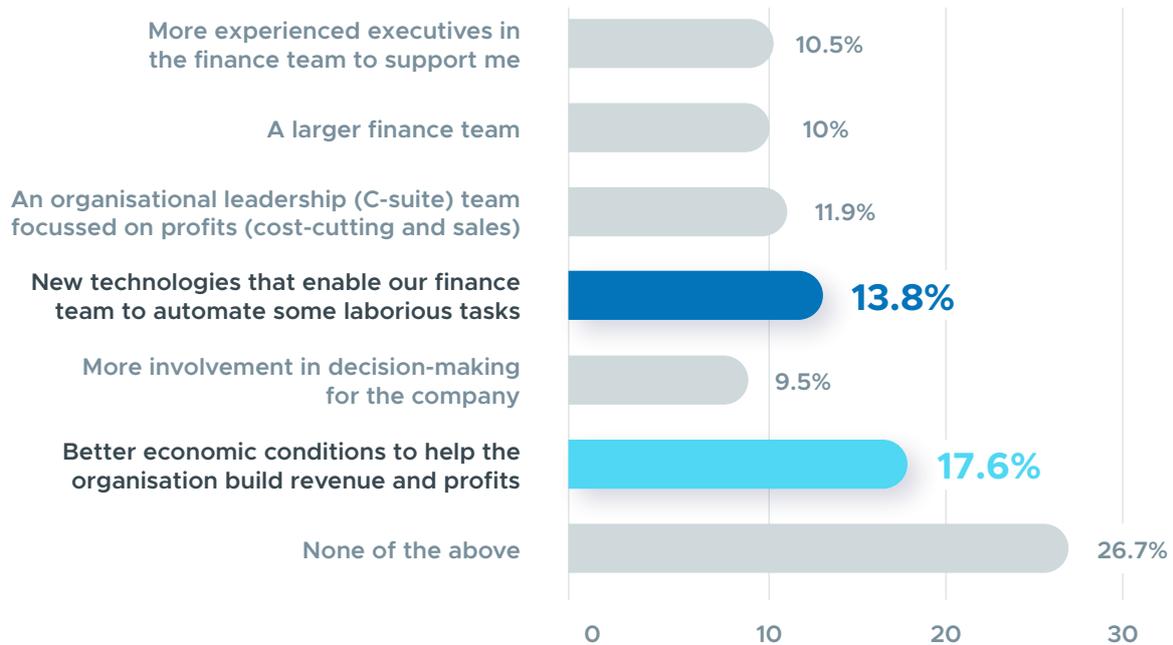
Is it aimed at my business size? It might be tempting to splash cash on an enterprise solution, but you may be better off finding a supplier who works specifically with SMBs so you get a product that's a good fit for you.



Does the software cover one or all of my automation needs? Financial products are shifting back to bundled offerings, giving you more solutions with a provider you know and trust.

Making your work life easier with technology

What will make your role as a CFO easier in 2022?



When asked what would make their role easier in 2022, CFOs first cited an improved economy. This was followed by ‘new technologies that enable our finance team to automate some laborious tasks’.

While the state of the economy is out of the hands of most CFOs, choosing new fintech to help their teams is within the realms of their control (depending on budget constraints).

What will make you more efficient as a CFO?

When you ask yourself what will make your role easier, you may also want to consider what will make you (and your team) more efficient – the two go hand in hand.

Now is a good time to review your fintech stack, and to check you have all your bases covered (at the right price) for 2022.

Questions to ask:



Are you duplicating suppliers by using two where one could cover both needs?



Does your fintech cover the areas of most impact for your team and the wider business?



Is your fintech future-fit? If it's not SaaS, how will you get the latest updates so you're not on an out-of-date system?



What DiviPay's customer has to say

'DiviPay has saved our finance team a lot of time and given our employees greater clarity on their budget for each type of expenditure.'

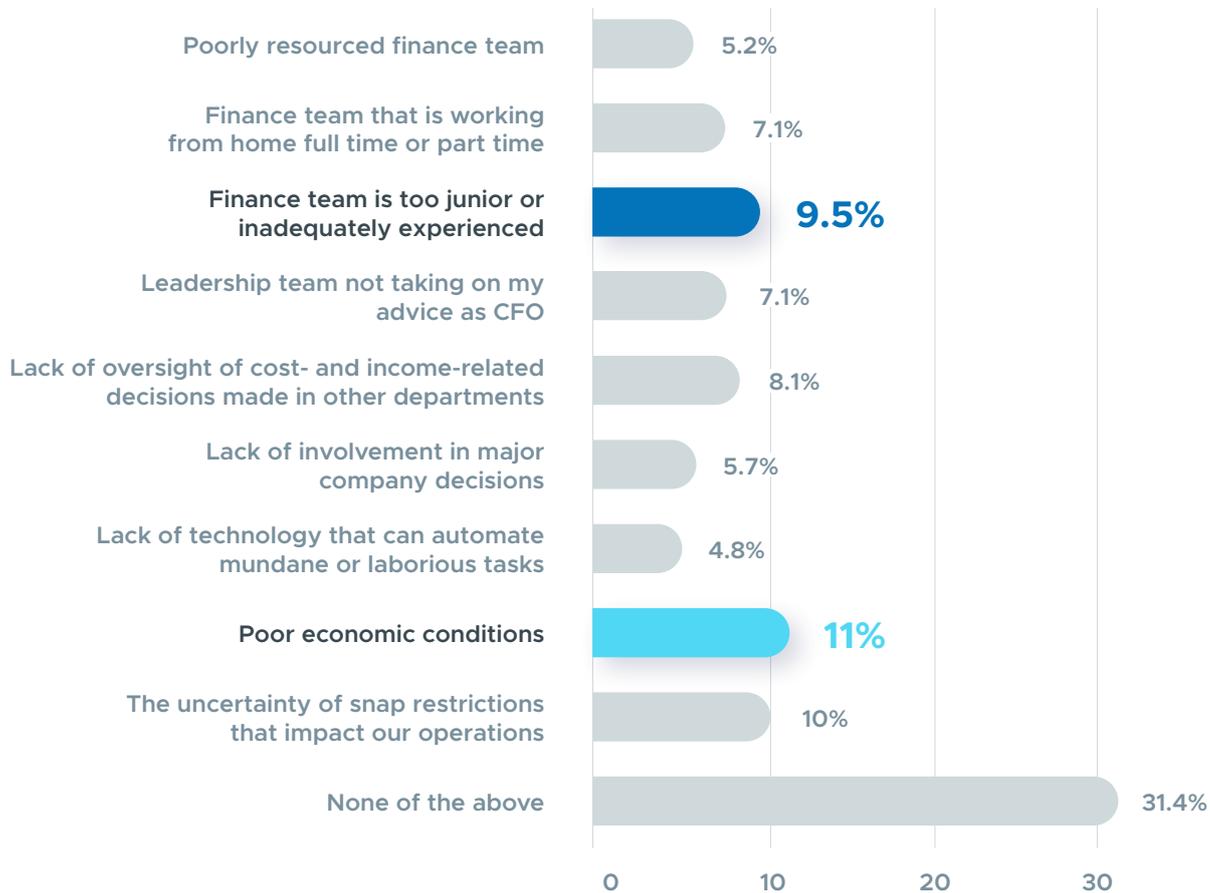
Jason King, CFO, Lendi



Team and talent

A CFO's success is intrinsically tied to their team

What's the biggest obstacle to your success as a CFO?



When asked about the biggest obstacle to their success, one of the top responses from CFOs was that their team doesn't have enough experience or is too junior. This highlights the importance of having good talent at all levels of an organisation. It's all well and good to invest in hiring a strong CFO, but if they don't have the right team to help them deliver, then their ideas are dead in the water.

The questions that need to be asked are:

Q
Do the current finance team members have aptitude but lack trainable skills?

Or...

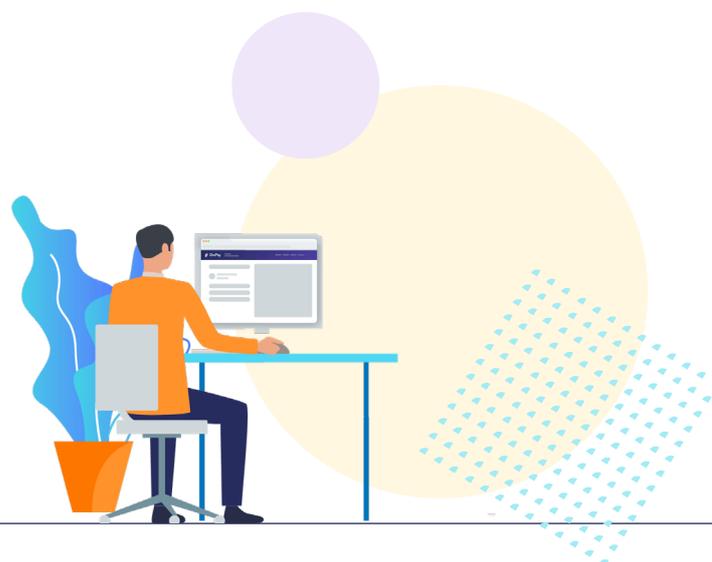
Q
Are they simply not a good fit, and no amount of training is going to turn that around?

Time to recruit

If you're one of the CFOs who believe their team lacks experience or seniority, and you've tried to upskill your employees in the past without success, then it may be time to add to the team and/or look at a restructure. It might also be the case that the pandemic has changed what your business needs from its finance team, and the current team structure cannot fulfil these new needs.

When considering adding new roles to your team, and perhaps making some roles redundant, your first step needs to be gaining advice from your HR department.

If you don't have an official HR team, then now would be a good time to engage the services of a consultant experienced in this area. You don't want to save money with a new highly-functioning finance team, only to be sued by an ex-employee because you haven't followed the right protocols when making redundancies or changing job responsibilities, etc.



What does this mean for your team?

The Great Resignation is in full swing. While the cost of turnover might seem daunting for you as a CFO, this could also be an opportunity to refresh your finance team. You may also be responsible for staffing of other departments – if so, looking at skills and needs across the business' workforce might be in order.

The market may now offer great candidates that weren't previously looking at new opportunities – be smart and efficient with your recruitment processes so you're able to secure the best talent available.

And be mindful not to try to retain employees who want to leave *unless* they are a star player, and you know you have something new to offer them to keep them engaged.

Time to train

If you're feeling like your employees aren't performing at the level you need them to, take a step back and ask yourself if you've really set them up for success.

Things to think about:



Have you given your staff proper training on your finance systems?



Do you encourage your people to keep their knowledge fresh with webinars and events?



How are you training your staff for their future careers – management skills, etc.?

If you think you have a great team already but that they lack some trainable skills, investing in learning and development is a win/win – you'll be engaging your employees while creating a stronger finance team for the business.

What can you do before the end of 2021?



Do a 'stocktake' of the skills you currently have in your team – you might be surprised to learn about skills that your team members have but aren't currently using.

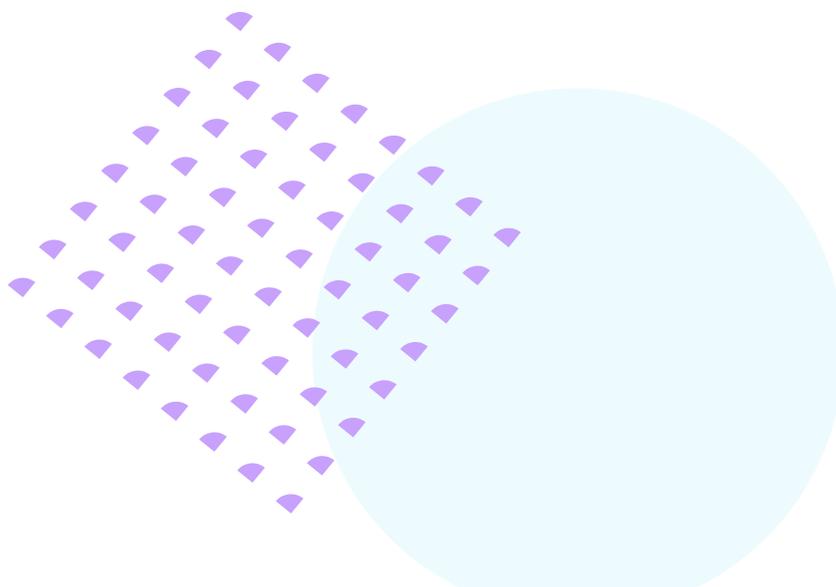


Work with your team to find L&D solutions for 2022 and start booking training and events in now.



Set goals that will measure your L&D success next year.

As 2022 looms, now is a good time to think critically about your current team, what you want and need to achieve for your business as CFO, and whether you have the right players on your team to make that happen.





What DiviPay's customer has to say

'The switch to DiviPay virtual cards was well received at EstimateOne and the app is super easy to use and understand.'

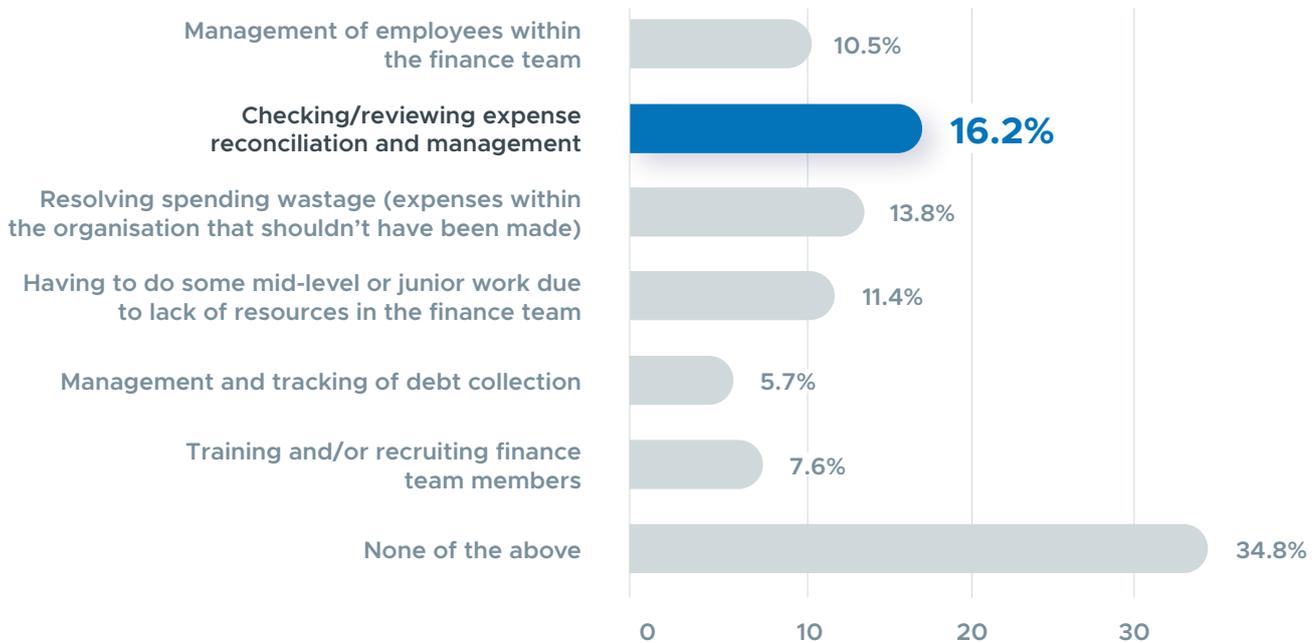
**Michelle Byrnes, Financial Controller,
EstimateOne**



Leadership in 2022

Identify what's stopping you from being a leader – and remove those blockers

What's the biggest current drain on your time?



To be an effective CFO, you need time. Time to understand the business' challenges and the wider market, time to plan your strategy, and time to implement forward-thinking solutions.

DiviPay's survey delved into what's currently eating away at CFOs' time. Expense management was explored earlier in this report, but other factors like wasted spending, doing more junior work, and employee management were also concerning.

Paradoxically, being a good leader should help to remove some of these blockers to saving time – it's just a case of finding time to turn things around!



Wasted spending

Wading through expenses that should never have been incurred is a big frustration for a CFO and their finance team alike. A recent DiviPay article explores some of the different types of problem spenders that finance has to deal with: the careless spender, the over spender, and the exuberant spender.

The article suggests potential solutions:

‘The best way to manage a budget bandit is to get them to:



Agree on their budget before the spending starts – it’s no good allocating a budget that they never intend to stick to.



Support an expense management tool, with both parties understanding why it’s great for the business.



Embrace a virtual business card, essentially removing the bandit’s “blank cheque”, making them accountable for how much they spend and what they spend it on.’

How can you show leadership in this area?

As the finance leader, you need to set the spending rules for the business. Going a step further and *enforcing* the rules via Cloud-based tech means you're not simply telling employees what to do, you're also giving them an easy way to do it!

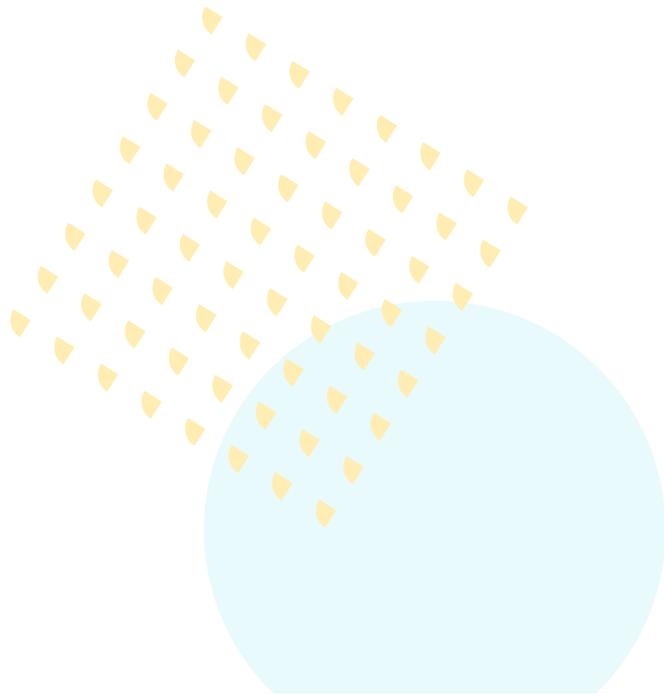
Being a leader means working efficiently, and a SaaS solution like DiviPay frees up everyone's time.



DiviPay's virtual expense cards give employees access to the funds and budgets they need to do their job – saving *their* time.



By controlling spending before it happens, *CFOs and their finance team* don't have to waste time chasing information and investigating expenses after the fact.



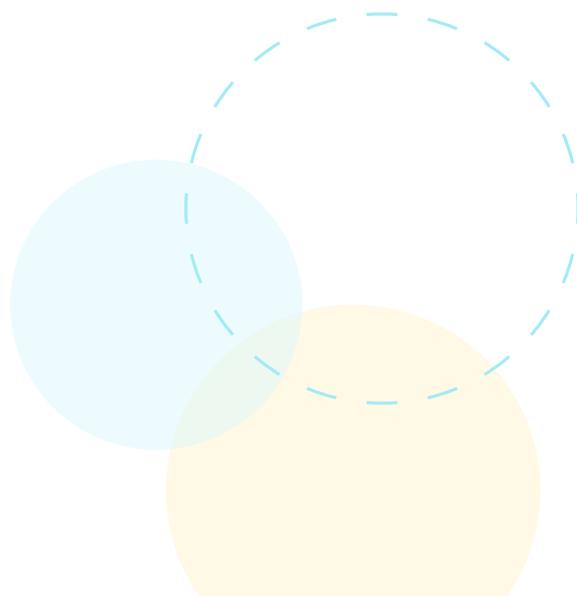
Spending your own time wisely

When a CFO loses time working on tasks that their team should look after, or being embroiled in people management issues, this could be a sign that they need to delegate more. No matter how large or small the team, the CFO needs to be able to step outside of day-to-day tasks, otherwise they just become a very expensive finance administrator!

It's good to keep in mind the distinction between being a manager and being a leader. In Forbes '[9 Differences Between Being A Leader And A Manager](#)',

William Arruda states:

'Leaders know that people who work for them have the answers or are able to find them. They see their people as competent and are optimistic about their potential. They resist the temptation to tell their people what to do and how to do it. Managers assign tasks and provide guidance on how to accomplish them.'



Where do you want to be – as a CFO – in 2022?

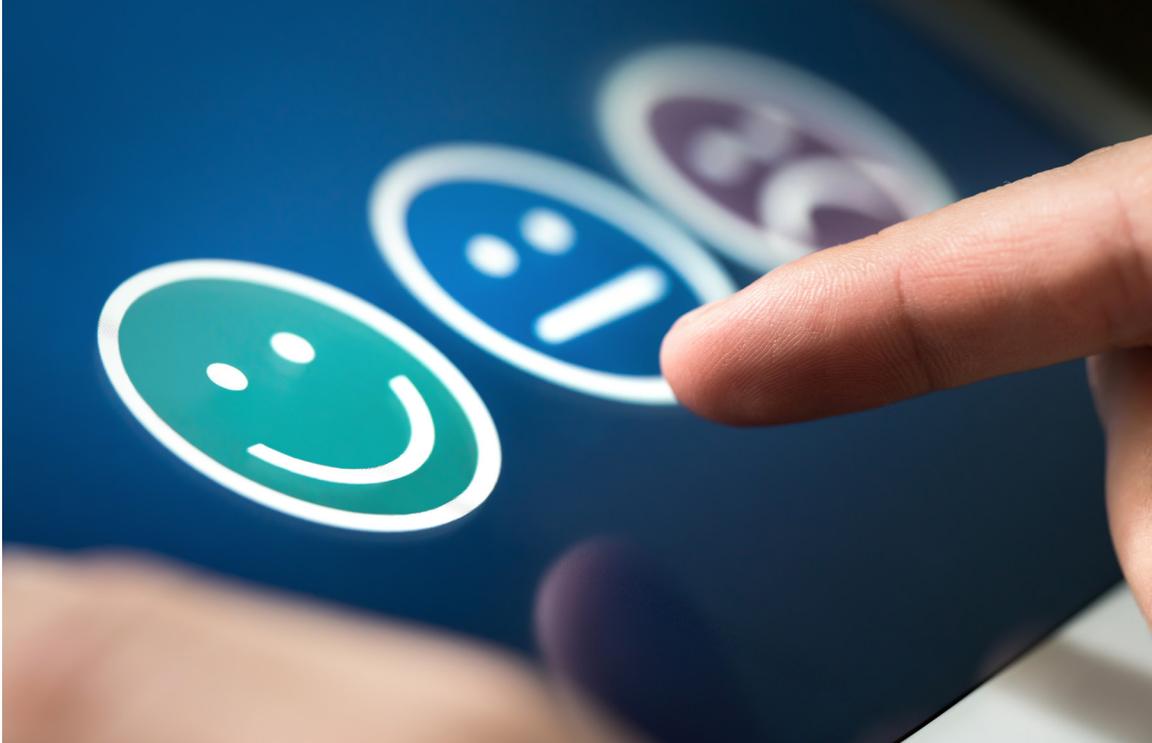
Your goal as a CFO is to be at the top table with the rest of your business' leaders! You want to be helping to make the big decisions that affect your organisation, and providing high-level financial expertise and insights that feed into those decisions.

Choosing and using the right technology, training and recruiting talented staff, keeping your eye fixed on the bigger picture – all these elements will enable you to be a financial leader for your organisation in 2022.

Daniel Kniaz, DiviPay CEO says:

'As the CEO of a growing and innovative business, I understand how important it is for members of the C-suite to both support and lead their organisation. I'm passionate about DiviPay because it offers value to finance leaders and employees alike: the software makes it easy for finance to control employee spending, and for employees to manage the expenses they incur on the business' behalf. As a leader, I'm always looking for ways our team can work more efficiently - and efficiency is exactly what we offer our customers when it comes to expense management.'





What DiviPay's customer has to say

Sarah Jennings (Banking and AR Manager), Michael Hill Jewellery

'At Michael Hill Jewellery, we've transitioned away from traditional banking products, and in doing so, we've gained full control of administering and managing our own corporate card program. With smart cards bound to internal expense policies rather than spend limits defined by a bank, we have effectively streamlined and automated our employee expense processes. Solutions like DiviPay are what cement the Michael Hill Jewellery finance team as leaders in our business.'

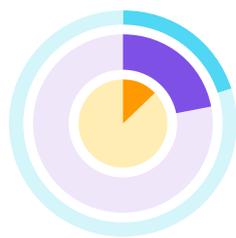


Delving into the
survey results

Male and female CFOs – where do opinions differ?

DiviPay's survey of 210 CFOs had a 49%/51% male/female split. None of the respondents identified as non-binary. There were clear areas where men and women differed in their responses – below are some of the highlights.

● Respondents ● Men ● Women



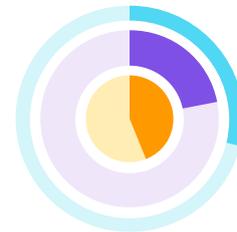
When looking at which organisations will **decrease spending** in 2022 (18% of total respondents), more men selected decrease than women (22% versus 13%).



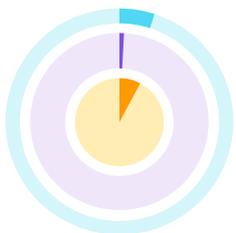
Men (28%) think that a change in spending due to **capital purchases** in 2022 is more likely than women do (19%) – 23% for all respondents.



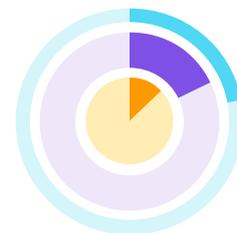
When considering time-draining activities, far more men than women opted for **employee management** (16% versus 6% – 11% for all respondents).



Women (44%) want to **automate budgeting** in 2022 more than men do (29%) – 37% for all respondents.

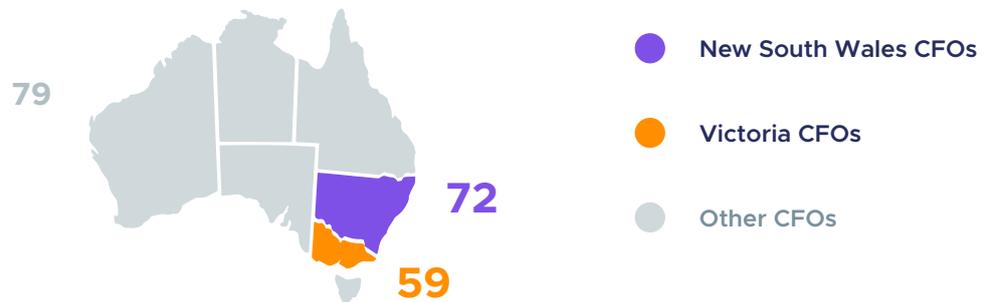


Considering the biggest obstacles to their success as a CFO, more women (8%) cited a **lack of automation tech** than men did (1%) – 5% for all respondents.



More male CFOs think that their role will be easier in 2022 **if the economy improves** than female CFOs do (22% versus 13% – 18% for all respondents).

New South Wales versus Victorian CFOs – where does thinking vary?



Of 210 CFOs surveyed, 72 were from NSW and 59 were from Vic.

It's interesting to delve into the areas where the respective CFOs of each state differed to see their distinct priorities and concerns. Some of the highlights are below.

CFO respondents



Looking at the biggest current drain on a CFO's time, Victorians (15%) were more likely to select having to do **more junior work** than NSW CFOs (8%) were – 11% for all respondents.



When considering what they most want to automate next year, significantly more NSW CFOs (32%) want to **automate debt recovery** than Victorians (19%) – 24% for all respondents.



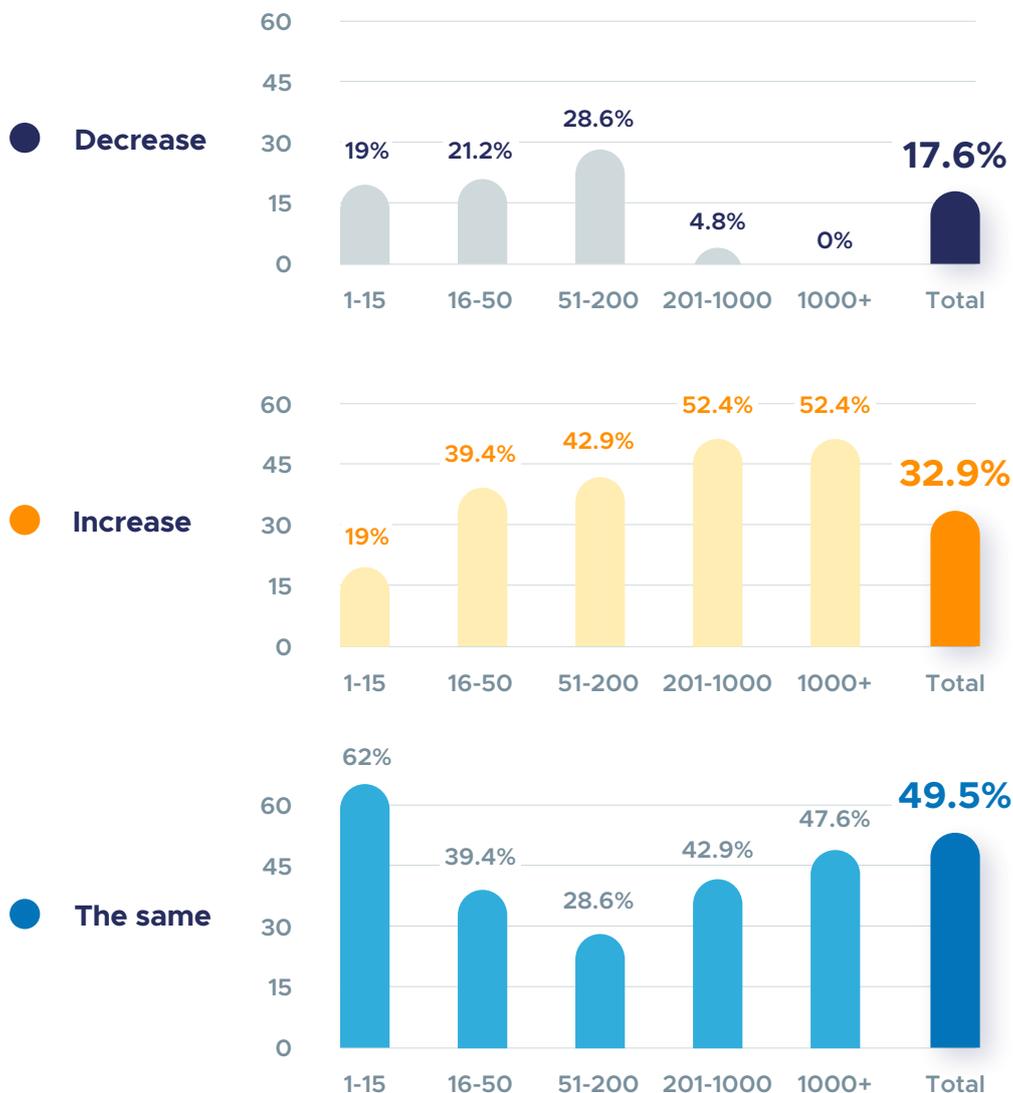
More NSW CFOs (15%) consider **poor economic conditions** as an obstacle to their success than Victorians (7%) do – 11% for all respondents.

Does org size influence CFO predictions?

The 210 survey respondents came from a range of organisation sizes, grouped as follows:

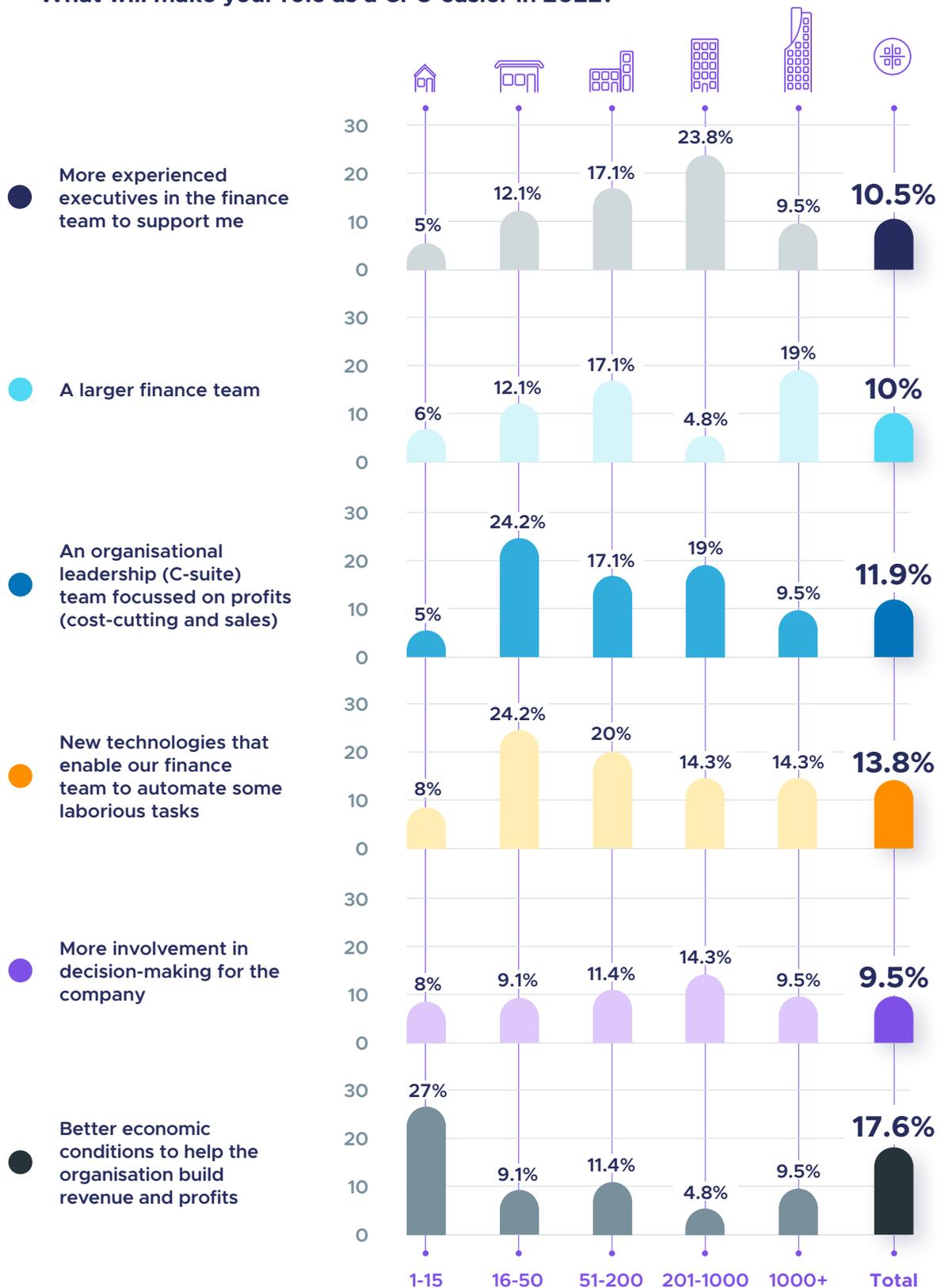


Who's going to be spending more, who's going to stay the same, and who's going to be spending less in 2022?



The most significant prediction for a decrease in spending is in the 51-200 employees category. Interestingly, it's then companies with 201+ employees that seem to have the highest predictions for a spend increase! Very small organisations, with 1-15 employees, seem the most likely to keep spending the same.

What will make your role as a CFO easier in 2022?



CFOs at small organisations, with 1-15 employees, seem to be the ones who feel like their role will be most impacted by the economy and the knock-on ability to build revenue and profits. Meanwhile, CFOs at bigger companies, with 201+ employees, seem to have their eyes firmly focussed on team, looking for more experience in finance leadership and more people in the finance team in general to help them be effective CFOs in 2022.

Resources

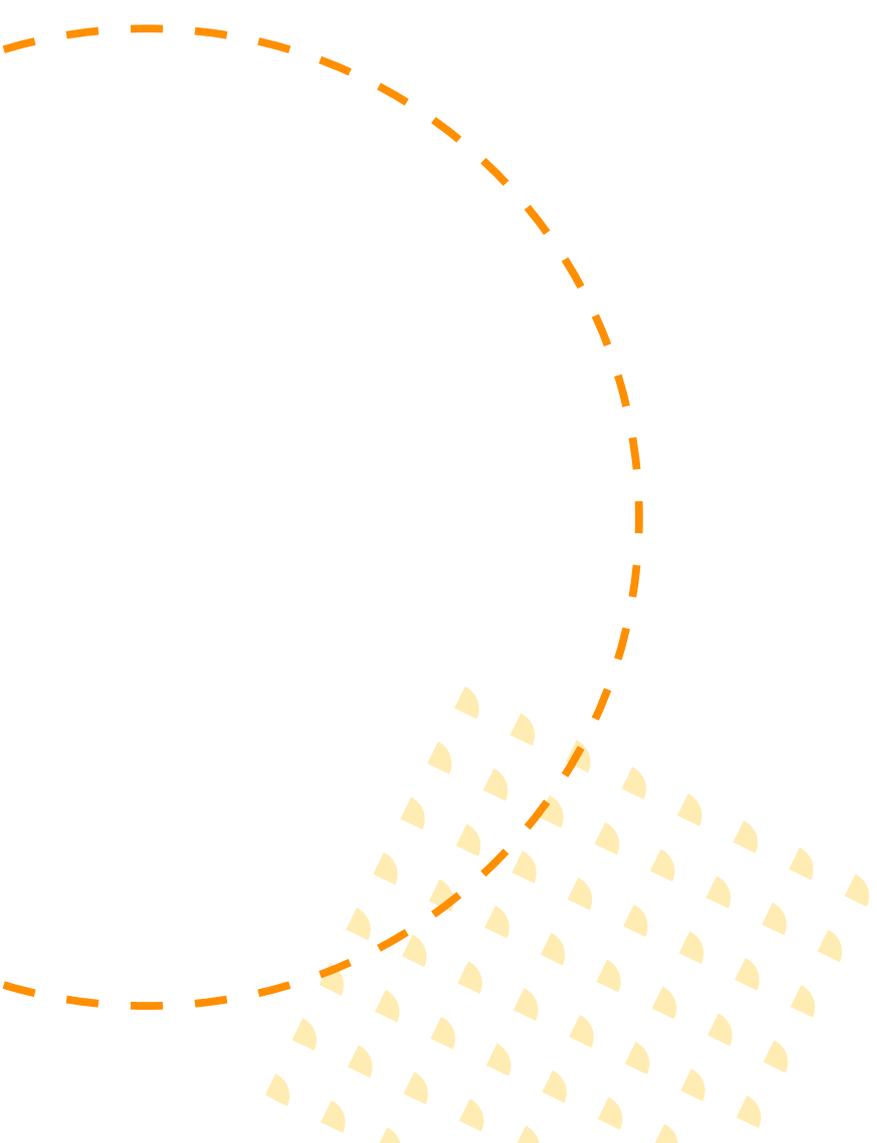
DiviPay: [Do you have a budget bandit in your team](#)

Forbes: [9 Differences Between Being A Leader And A Manager](#)

International Monetary Fund: [World Economic Outlook \(Oct 2021\)](#)

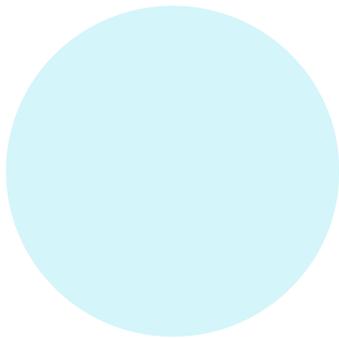
Reserve Bank of Australia: [Statement on Monetary Policy by the Reserve Bank of Australia](#)

Sydney Morning Herald: [Inflation pressures a reminder interest rates will rise, eventually \(smh.com.au\)](#)



About DiviPay's survey

DiviPay surveyed 210 female and male CFOs, from all states and territories in Australia. The respondents were from organisations ranging in size from 1-15 employees to more than 1,000 employees. The survey was conducted in November 2021.





Get in touch

Got a query? Or want to know more about the **DiviPay** platform? Drop us an email.

info@divipay.com

www.divipay.com

DiviPay is an all-in-one virtual business card and expense management platform that enables finance teams to better manage, control and streamline spending across their organisation. DiviPay's easy-to-use web and mobile app comes with instant virtual expense cards, bill pay, card controls and budgeting, a real-time transaction feed, automated expense reports, powerful accounting integrations, subscription spending management and exclusive rewards. Businesses have used the DiviPay platform to process over \$85 million in business payments.

ABN 39 617 434 607

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