GrowCFO

RESEARCH REPORT

The Future of the Finance Function

How Automation, Artificial Intelligence and Business Partnering Are Redefining Strategic Finance

July 2026

Contents

Executive Summary

Finance Has Reached a Turning Point

The role of finance has changed more in the past five years than it did during the previous two decades. Organizations now expect finance teams to do far more than produce accurate financial information. Today's finance leaders are expected to forecast uncertainty, influence strategic decisions, evaluate investment opportunities, identify commercial risks, and provide real-time insight to support every part of the business. At the same time, advances in automation and artificial intelligence have created opportunities to eliminate many of the repetitive activities that have historically consumed finance's time.

Yet our research suggests that the profession finds itself at an important crossroads.

While technology has advanced rapidly, the operating model of many finance functions has not evolved at the same pace. Finance professionals continue to spend a significant proportion of their working week gathering information, reconciling data, producing reports, and completing recurring manual activities. These responsibilities remain essential, but they limit the capacity available for the higher-value work that organizations increasingly expect from their finance teams.

This report combines findings from two GrowCFO research studies examining finance function effectiveness alongside automation and artificial intelligence adoption. Together, these studies provide a comprehensive view of how finance functions are evolving, where organizations are making progress, and where significant opportunities remain.

The findings reveal a profession that is ambitious, capable, and ready for change. They also reveal a consistent pattern across organizations of every size. Finance teams are generally more capable than the processes and systems that support them. Technology investments continue to increase, but many organizations have yet to realize the full benefits because automation, artificial intelligence, process redesign, and capability development have often progressed independently rather than as part of a single transformation strategy.

Perhaps the most striking conclusion is that finance no longer has a technology problem. Modern automation platforms, cloud accounting systems, business intelligence tools, and AI applications are already capable of transforming much of the recurring work performed within finance. Instead, organizations face a capacity challenge. The opportunity is no longer simply to automate existing processes, but to deliberately convert operational efficiency into strategic capacity that allows finance professionals to spend more time influencing business decisions.

This distinction is important. For many years, finance transformation has focused primarily on improving efficiency, shortening the month-end close, reducing manual effort, and improving reporting accuracy. While these remain worthwhile objectives, they should no longer be viewed as the destination. The real measure of success is whether those improvements allow finance professionals to contribute more effectively to commercial decision-making and long-term value creation.

To better understand this challenge, GrowCFO has developed the Finance Strategic Capacity Index, a benchmark that measures the maturity of today's finance function across four dimensions: strategic time capacity, automation maturity, AI readiness, and strategic finance capability. Rather than assessing technology alone, the index measures how effectively organizations combine people, processes, systems, and modern technology to enable finance to operate as a strategic partner to the business.

Across both research studies, one conclusion emerges consistently. Finance has never been better positioned to become a genuine strategic partner. The technology now exists. The skills are increasingly available. The appetite for change is evident. The organizations that succeed over the coming decade will be those that recognize finance transformation is not fundamentally about software implementation. It is about redesigning how finance creates value.

Five Key Findings

Our research identified five themes that consistently appeared across both studies.

✓ Finance continues to devote too much capacity to repetitive operational work. Less than one-third of finance time is currently spent on genuinely value-enhancing strategic activities, while almost half is consumed by recurring manual tasks.[*]

✓ Finance professionals appear to be further ahead than the operating environments in which they work. Capability across finance teams consistently exceeds the maturity of supporting processes and systems, suggesting that people are increasingly constrained by infrastructure rather than technical expertise.[*]

✓ Artificial intelligence remains in the early stages of adoption. While awareness is exceptionally high and many organizations are actively exploring AI, embedded operational use remains relatively limited. The greatest barriers appear to be practical implementation, capability development, and organizational confidence rather than resistance to the technology itself.[*]

✓ Finance transformation has become a strategic capability rather than a technology project. Organizations increasingly recognize that improving finance requires coordinated investment across people, processes, systems, governance, and leadership rather than isolated technology initiatives.[*]

✓ The opportunity facing finance is significant. The profession has talked about becoming a strategic business partner for many years. Automation and artificial intelligence now provide the tools capable of making that ambition achievable. The challenge is no longer identifying the technology. It is building the operating model required to realize its potential.

Dan Wells
Founder & CEO, GrowCFO

The State of the Modern Finance Function

For decades, the finance function has been defined by its ability to produce reliable financial information. Monthly reporting cycles, statutory compliance, budgeting, forecasting, and financial control have formed the foundation of finance's contribution to organizational success. Accuracy, consistency, and governance have rightly remained central to the profession's identity.

Today, however, organizations expect considerably more.

Executive teams increasingly rely on finance not simply to explain what has happened, but to help determine what should happen next. Finance leaders are expected to evaluate strategic alternatives, identify emerging risks, model future scenarios, challenge commercial assumptions, and support faster, better-informed decision-making across the business. In many organizations, finance has become one of the few functions capable of providing an integrated view of operational performance, commercial priorities, investment decisions, and long-term value creation.

"

A strategic finance leader thinks as a business leader and supports their organization to achieve its vision and strategic goals. It starts with having a clear understanding of where the organization wants to be and why. You bring expertise from both a finance and commercial perspective, looking for opportunities to create additional value while managing risk.

Catherine Clark, *Experienced CFO & Professional Mentor*

This expanding role has created a paradox.

The expectations placed upon finance have increased dramatically, yet much of the underlying work performed by finance teams remains remarkably similar to that of previous decades. Manual reconciliations, disconnected systems, spreadsheet-based reporting, duplicated data, recurring administrative activities, and fragmented processes continue to consume substantial amounts of time. As a result, many finance professionals find themselves attempting to deliver strategic insight while operating within processes originally designed primarily for financial control.

Our research indicates that this tension is now the defining characteristic of the modern finance function.

Finance is no longer constrained by a lack of ambition. It is constrained by a lack of available capacity.

The technology required to automate many recurring finance activities already exists. Cloud ERP platforms, workflow automation, business intelligence solutions, robotic process automation, and increasingly sophisticated AI tools have transformed what is technically possible. Yet technology alone does not create transformation. Organizations that continue to view automation as an isolated technology initiative often achieve localized efficiency improvements without fundamentally changing how finance operates.

The highest-performing finance functions take a different approach. They recognize that automation is valuable not because it reduces cost, but because it releases highly skilled professionals from repetitive work and allows them to spend more time applying judgment, influencing decisions, and supporting business strategy. In this sense, automation is not the objective. Strategic capacity is.

This report therefore examines finance transformation through a different lens. Rather than asking how much automation organizations have implemented, we ask how much strategic capacity they have created. That perspective shifts the conversation away from software selection and toward the broader question of how finance functions organize people, processes, systems, and technology to maximize their contribution to organizational performance.

The Finance Strategic Capacity Index

Organizations have access to countless benchmarks measuring finance costs, technology adoption, reporting efficiency, and operational performance. Far fewer benchmarks attempt to answer what is arguably the most important question facing modern finance leaders: how strategically capable is the finance function?

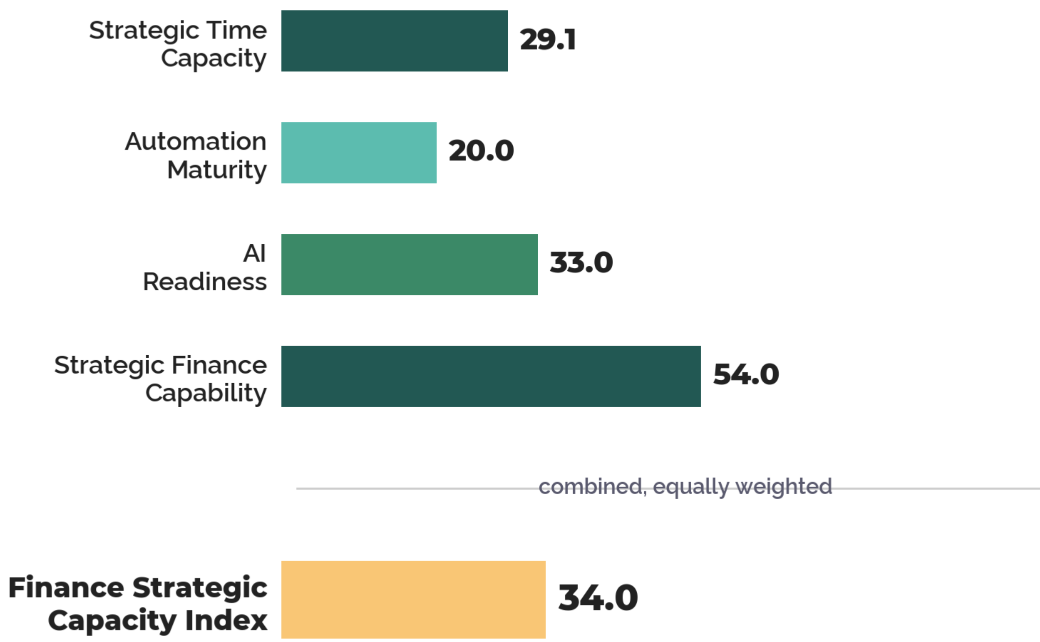
To address this question, GrowCFO developed the Finance Strategic Capacity Index (FSCI).

The index was designed around a simple principle. Finance creates value not through technology alone, nor through individual capability in isolation, but through the combined effect of four interconnected dimensions.

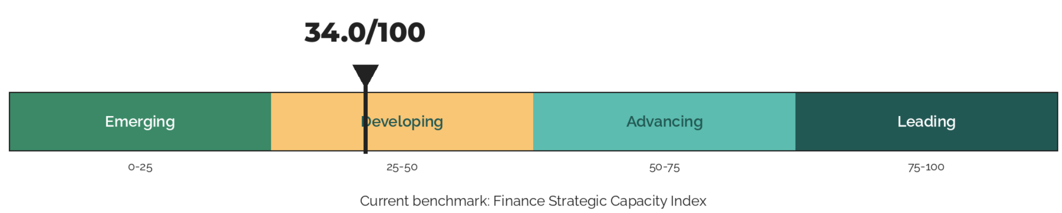
Strategic Time Capacity	The proportion of finance effort devoted to genuinely value-enhancing activities rather than recurring operational work. Time remains finance's scarcest resource, and how it is allocated provides one of the clearest indicators of organizational maturity.
Automation Maturity	The extent to which recurring finance processes have actually been automated today, not the extent to which they theoretically could be. This component is built from reported full and partial automation levels across core finance activities, so a function that has automated less scores lower here even if its future automation potential is high.
AI Readiness	Rather than measuring awareness of artificial intelligence, this component assesses the extent to which AI has moved from experimentation into practical operational use. As AI becomes increasingly embedded within finance software, organizational readiness will become a critical differentiator.
Strategic Finance Capability	The maturity of people, process and systems specifically within strategic finance and business partnering activities. This component does not extend to wider governance or the full finance operating model, only to the disciplines most directly tied to strategic contribution.

Each dimension contributes equally to the overall benchmark. This is a deliberate simplification rather than a statistically derived weighting; we have not attempted to prove that the four dimensions matter equally in practice, only that treating them equally is more transparent than asserting a more complex weighting we cannot yet justify.

Scored individually, the four dimensions tell their own story before they are ever combined into a single number:



Applying this methodology across the combined survey results produced an average Finance Strategic Capacity Index of 34.0 out of 100, placing the typical finance function within the Developing stage of maturity.*



Importantly, this score should not be interpreted as a measure of underperformance. Instead, it highlights the significant opportunity that exists across the profession. The research consistently demonstrates that finance teams possess stronger capabilities than the environments in which they operate. Modern technologies are increasingly available. Organizational ambition is high. The gap lies in bringing these elements together within a coherent operating model capable of converting operational improvements into strategic advantage.

This first edition of the index is a single baseline, drawn from one wave of research rather than tracked over time, and it reports a combined average rather than results segmented by company size, sector or region. Both are natural next steps: a repeated index would show whether finance functions are actually closing this gap year over year, and a segmented index would let an individual finance leader benchmark against genuinely comparable peers rather than an undifferentiated average.

The chapters that follow examine each dimension of the Finance Strategic Capacity Index in greater detail. Together, they provide not only a benchmark for assessing current maturity but also a practical roadmap for increasing finance's strategic contribution over the coming decade.

CHAPTER ONE

Finance Has a Capacity Problem

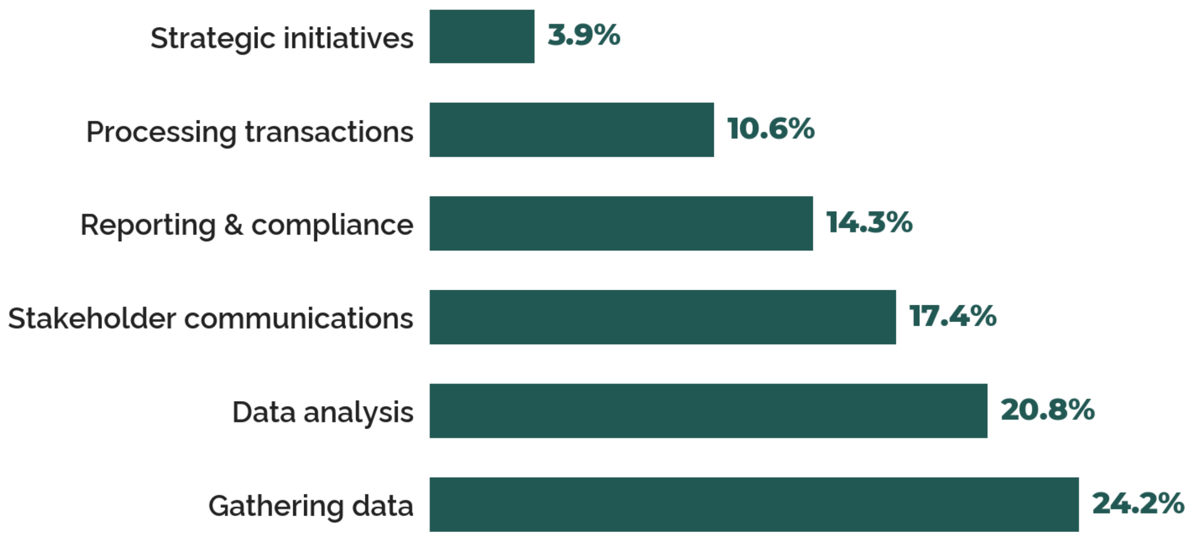
Finance is no longer constrained by ambition. It is constrained by capacity, and closing that gap is the foundation of everything in this report.

For more than twenty years, finance leaders have pursued the same ambition. They have sought to reduce the amount of time spent producing reports so they could dedicate more time to helping the business make better decisions. Whether described as business partnering, strategic finance, value creation, or commercial leadership, the underlying objective has remained remarkably consistent. Finance wants to move beyond recording the past and play a more influential role in shaping the future.

The arrival of cloud technology, automation, business intelligence platforms, and more recently artificial intelligence has reinforced the belief that this ambition is finally within reach. Modern finance functions have access to technologies capable of automating routine activities, integrating data across multiple systems, generating real-time dashboards, and supporting increasingly sophisticated forecasting. On paper, many of the barriers that constrained finance for decades have been removed.

Yet our research suggests that the day-to-day reality inside many finance teams has changed far less than expected.

Despite substantial investment in technology, finance professionals continue to spend a significant proportion of their working week performing repetitive operational activities. Gathering data, reconciling information, producing recurring reports, responding to routine stakeholder requests, and manually transferring information between disconnected systems continue to dominate much of the finance calendar. These activities remain essential to maintaining financial control, but they inevitably reduce the time available for higher-value work.



The result is a profession caught between two competing expectations. Organizations increasingly expect finance to provide commercial insight, strategic challenge, and forward-looking analysis, while finance teams continue to operate within processes largely designed to support reporting, compliance, and financial control. This tension explains why so many finance leaders feel their teams are busier than ever despite significant advances in technology.

The problem, therefore, is not that finance lacks strategic ambition. It is that finance lacks sufficient strategic capacity.

“

**Finance doesn't have a reporting problem.
It has a capacity problem.**

”

This distinction is important because it fundamentally changes how organizations should think about finance transformation. Traditional transformation programs have often focused on improving efficiency by reducing transaction costs, accelerating month-end close, or implementing new software. While these initiatives undoubtedly deliver operational benefits, efficiency should no longer be viewed as the ultimate objective. Efficiency only creates value if the capacity it releases is deliberately reinvested into activities that improve business performance.

In other words, reducing the month-end close from seven days to five is not, in itself, a transformation success. Success is achieved when those two additional days allow finance professionals to spend more time working alongside operational leaders, improving forecasts, identifying commercial opportunities, evaluating investment decisions, or challenging strategic assumptions. Technology becomes valuable not because it saves time, but because it changes how that time is used.

Our research highlights just how significant this opportunity has become. Finance professionals estimate that less than one-third of their time is currently devoted to genuinely value-enhancing strategic activities, while almost half is consumed by recurring tasks that they describe as tedious and overwhelming.* This finding should concern every finance leader. It suggests that organizations have invested heavily in improving finance's efficiency without yet fully realizing the strategic benefits those improvements were intended to create.

Interestingly, the issue is not simply the volume of work. Finance has always managed significant workloads. The issue is the nature of that work. The most time-consuming activities identified by survey respondents were not commercial analysis or strategic planning. Instead, they centered on gathering information, analyzing data from multiple sources, communicating routine updates, producing reports, and completing recurring operational processes.* These activities are undoubtedly necessary, but they rarely represent the highest-value contribution finance professionals can make.

This observation exposes one of the most significant opportunities currently available to finance leaders. Every recurring activity that can be simplified, standardized, automated, or eliminated creates additional capacity that can be redirected toward strategic work. Unlike previous generations of finance transformation, which primarily sought to reduce costs, the next generation has the opportunity to increase organizational value by fundamentally changing how finance allocates its time.

The Strategic Capacity Flywheel

The mechanism behind this opportunity is straightforward, and it does not end once a decision gets made. Automation does not create value on its own; it creates capacity. What finance does with that capacity determines whether it becomes better analysis, better decisions and, in turn, business value, and the value that creates is what earns finance further investment to automate the next thing. Run well, this is not a one-off improvement. It is a continuous cycle:

Each chapter that follows examines one part of this cycle in more depth: where automation actually creates capacity, how artificial intelligence turns that capacity into faster analysis, and how business partnering and leadership convert both into decisions, value and, ultimately, renewed investment in finance itself.

There is also an important human dimension to this challenge. Finance professionals spend years developing technical expertise, commercial understanding, analytical capability, and professional judgment. Yet many continue to devote large portions of their careers to activities that modern technology is increasingly capable of performing. Highly qualified professionals become administrators of information rather than advisers to the business. Over time, this not only limits organizational performance but also affects engagement, development, and career satisfaction. The profession risks underutilizing one of its most valuable assets: the expertise of its own people.

Perhaps the most encouraging finding from our research is that finance leaders already recognize this challenge. Few organizations questioned whether finance should become more strategic. The debate has moved beyond why finance transformation matters. The conversation is increasingly focused on how organizations can create sufficient capacity to make strategic finance a practical reality rather than an aspiration.

That shift in thinking represents an important milestone for the profession. It acknowledges that finance transformation is no longer primarily about implementing better technology. It is about redesigning the finance operating model so that technology, processes, governance, and capability work together to maximize the value finance contributes to the wider business.

The chapters that follow examine how organizations can achieve this objective. We begin by exploring the opportunities presented by automation, before examining the role of artificial intelligence, finance operating models, business partnering, and transformation leadership. Together, these elements explain why some finance functions are beginning to make the transition from efficient reporting organizations to genuine strategic partners, while others continue to struggle despite investing in many of the same technologies.

QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *How much of our team's time each week goes into producing information versus interpreting it?*
- *Which recurring activities could we simplify, standardize or automate this year to free up real capacity?*
- *If we recovered that capacity, what would we actually redirect it toward?*

CHAPTER TWO

Automation Is No Longer About Efficiency. It's About Capacity.

Every repetitive activity successfully automated releases highly skilled professionals to focus on the work technology cannot yet replicate.

When finance leaders discuss automation, the conversation often begins with technology. Robotic process automation, workflow software, APIs, optical character recognition, and increasingly artificial intelligence dominate vendor demonstrations and transformation roadmaps. The underlying promise is familiar: automate repetitive activities, improve accuracy, reduce manual effort, and increase efficiency.

These benefits remain important, but they no longer represent the primary reason organizations invest in automation.

The next generation of finance transformation is not being driven by a desire to reduce costs. It is being driven by a need to increase capacity.

Across every industry, finance teams are being asked to deliver more insight, support faster decisions, improve forecasting, strengthen governance, and provide increasingly sophisticated commercial analysis. At the same time, organizations continue to expect leaner finance functions and greater operational efficiency. These competing expectations cannot be met simply by asking finance professionals to work harder. The only sustainable solution is to change how finance work is performed.

Automation provides the opportunity to do precisely that.

Rather than viewing automation as a collection of software tools, organizations should begin thinking of it as a mechanism for reallocating human capability. Every repetitive activity successfully automated releases highly skilled professionals to focus on activities that technology cannot yet replicate: applying judgment, influencing decisions, understanding commercial context, and building relationships across the business.

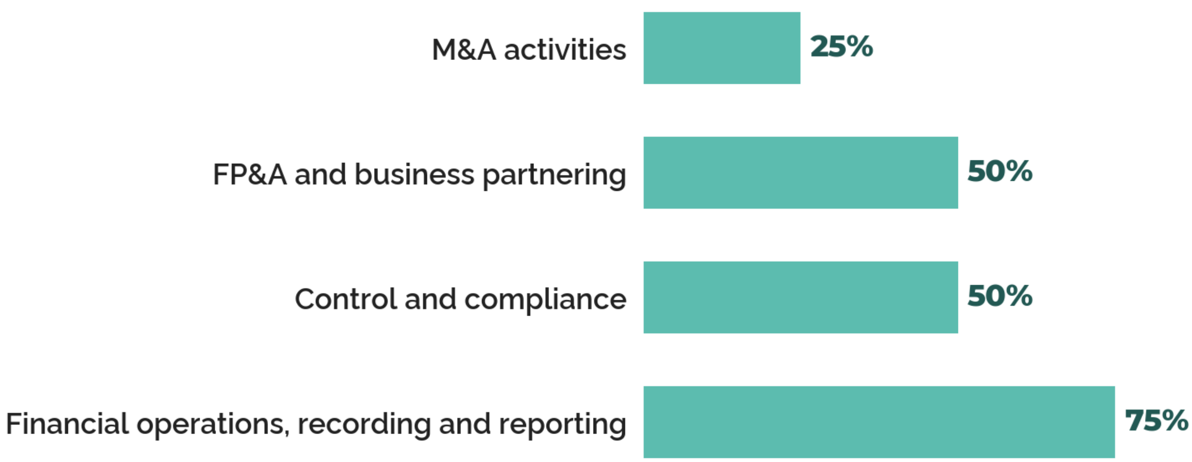
Seen through this perspective, automation becomes an investment in people rather than simply an investment in technology.

❝

Every finance professional I mentor asks some version of the same question: 'Will AI make my role obsolete?' My answer is always the same. The people who asked 'Where can I start using this today?' in 2023 are the ones now leading AI adoption across their teams. The ones who stayed cautious are playing catch-up. The question you ask shapes the outcome you get.

Oliver Deacon, *Former Finance Director, Microsoft; Professional Mentor, GrowCFO*

Our research demonstrates that finance leaders already understand where the greatest opportunities exist. Routine operational activities such as financial operations, accounting, and financial reporting consistently demonstrate the highest automation potential, with many respondents believing that approximately three-quarters of these activities could ultimately be automated using technologies that are already commercially available today.* These findings are significant because they challenge the common assumption that finance has already captured the majority of available efficiency gains.



Instead, the data suggests that the largest opportunity still lies ahead.

This opportunity extends well beyond transaction processing. Although strategic disciplines such as Financial Planning and Analysis, business partnering, and mergers and acquisitions require considerably more human judgment, respondents still identified substantial opportunities to automate supporting activities within these functions. Preparing reports, consolidating information, gathering data, producing dashboards, and generating routine analyses all consume valuable time before strategic thinking even begins. Automation cannot replace commercial judgment, but it can dramatically reduce the effort required to prepare information that informs that judgment.

This distinction will become increasingly important over the coming decade.

Historically, organizations measured automation success by the number of processes automated or the hours saved through operational improvements. Those metrics remain useful, but they only tell part of the story. A finance function that automates invoice processing yet continues to spend the recovered capacity producing additional reports has improved efficiency without increasing strategic value.

Leading organizations are beginning to adopt a different mindset.

Rather than asking which processes can be automated, they ask what additional contribution finance could make if those processes no longer required manual intervention.

That question fundamentally changes the economics of automation.

Instead of producing a business case based solely on labor savings, finance leaders can evaluate automation according to the additional strategic capacity it creates. A finance analyst who spends less time reconciling data may spend more time improving forecasts. A finance manager who no longer prepares recurring reports manually may instead work directly with operational leaders to improve business performance. The value created by these activities often exceeds the operational savings delivered by automation itself.

One of the most encouraging findings from our research is that many organizations have already begun this journey. Partial automation has become relatively common across several core finance disciplines, particularly within financial operations and reporting.* However, fully automated processes remain comparatively rare. This suggests that many organizations have reached an intermediate stage of maturity where technology has reduced manual effort without fundamentally redesigning how finance operates.

This is an important observation because partial automation often creates diminishing returns.

Disconnected workflow tools, isolated automation projects, and fragmented process improvements frequently eliminate individual manual tasks while leaving the overall operating model largely unchanged. Finance professionals continue to supervise exceptions, transfer information between systems, validate outputs, and coordinate activities across multiple technologies. Although the work becomes easier, it does not necessarily become more strategic.

The next wave of finance transformation will therefore require organizations to think beyond isolated automation projects and instead redesign entire processes around the capabilities that modern technology now provides.

This shift also changes the role of finance leadership.

Successful automation is no longer simply an IT initiative supported by finance. It has become a leadership capability requiring finance professionals to challenge existing processes, simplify unnecessary complexity, standardize ways of working, and rethink activities that have often remained unchanged for many years. Technology implementation becomes only one component of a much broader transformation effort.

Perhaps the most surprising insight from our research is that organizations may already own much of the technology required to achieve these improvements. Many respondents highlighted opportunities to make significantly better use of existing ERP functionality, reporting platforms, workflow solutions, Power BI, Power Query, and other widely available technologies before investing in entirely new systems. In many cases, capability, not software, has become the limiting factor.

This reinforces one of the central themes emerging throughout this report. The future of finance will not be determined by which organization purchases the most advanced technology. It will be determined by which organization most effectively combines technology with capable people, well-designed processes, and a clear strategic vision for how finance creates value.

Automation is therefore not the destination of finance transformation.

It is the foundation upon which strategic finance becomes possible.

> **"Automation is not the destination of finance transformation. It is the foundation upon which strategic finance becomes possible."**

The next question is what that foundation actually enables. If automation creates the capacity, artificial intelligence is what increasingly puts that capacity to work.

QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *Which of our core finance processes still has the largest gap between automation potential and what we've actually automated?*
- *Are we already using tools we own but aren't fully exploiting?*
- *What would it take to move one process from partial to full automation this year?*

CHAPTER THREE

Artificial Intelligence Is Changing the Nature of Finance Work

The conversation is no longer simply about doing existing work faster. It is about changing the nature of the work itself.

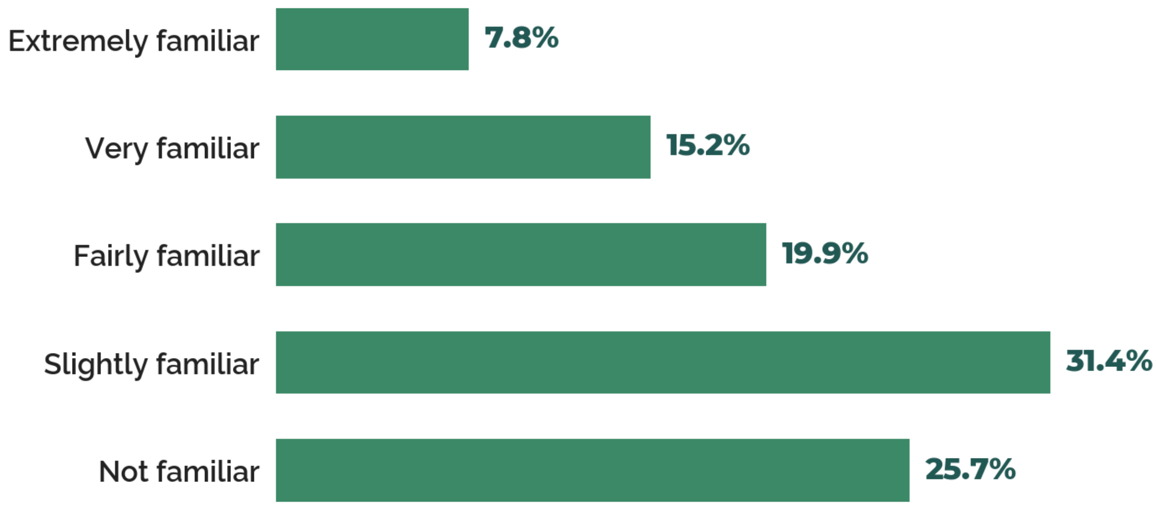
Few technologies have captured the attention of finance leaders as rapidly as artificial intelligence. In the space of just a few years, AI has moved from being an emerging technology discussed primarily by technology specialists to a boardroom priority influencing investment decisions across almost every industry. Finance has found itself at the center of that conversation.

Unlike previous waves of digital transformation, artificial intelligence promises something fundamentally different. Earlier technologies largely focused on improving efficiency by automating repetitive tasks, standardizing workflows, and reducing manual effort. AI expands that capability by supporting activities that have traditionally relied on human judgment. It can summarize large volumes of information, identify patterns across complex datasets, generate forecasts, explain trends, draft reports, and increasingly assist with analytical tasks that previously required significant human intervention.

For finance leaders, this represents an important shift.

The conversation is no longer simply about doing existing work faster. It is about changing the nature of the work itself.

Our research suggests that while organizations recognize this potential, most remain at the very beginning of the journey. Artificial intelligence has generated enormous interest, but practical adoption remains relatively limited. More than one-third of organizations report having no immediate plans for AI implementation, while only a small proportion have successfully embedded AI into day-to-day finance operations.* This is not unusual. Every significant technological transformation passes through a period where expectations grow faster than practical implementation. Finance is currently navigating that stage.



It would be easy to interpret these findings as evidence that AI adoption has been slower than expected. We believe that would be the wrong conclusion.

The more significant finding is that finance professionals have approached AI with a degree of discipline that has often been absent from previous technology trends. Rather than pursuing technology for its own sake, many organizations are taking time to understand where AI genuinely adds value, where human oversight remains essential, and how governance should evolve alongside capability. In a profession built on trust, accuracy, and accountability, this measured approach should be viewed as a strength rather than a weakness.

The question facing finance is therefore not whether AI will become part of everyday operations. That now appears inevitable. The more important question is how organizations can adopt AI in ways that strengthen professional judgment rather than diminish it.

One of the most interesting findings from our research is where AI is currently being applied. Adoption remains concentrated within transactional and analytical activities such as accounting, financial reporting, financial operations, and forecasting.* This reflects AI's current strengths. It performs exceptionally well when working with structured information, recurring processes, and large datasets. These characteristics make finance an ideal environment for many AI applications.

However, this should not lead organizations to conclude that AI's future lies primarily within transactional finance.

If anything, transactional automation represents only the beginning.

The greatest long-term opportunity may lie in supporting the activities that define modern strategic finance. Scenario modeling, commercial analysis, business partnering, investment evaluation, board reporting, and performance interpretation all require finance professionals to process increasing volumes of information while communicating increasingly complex messages to diverse stakeholders. AI has the potential to accelerate each of these activities, not by replacing professional judgment, but by enabling finance professionals to spend less time assembling information and more time interpreting its significance.

This distinction is critical because it challenges one of the most common misconceptions surrounding AI.

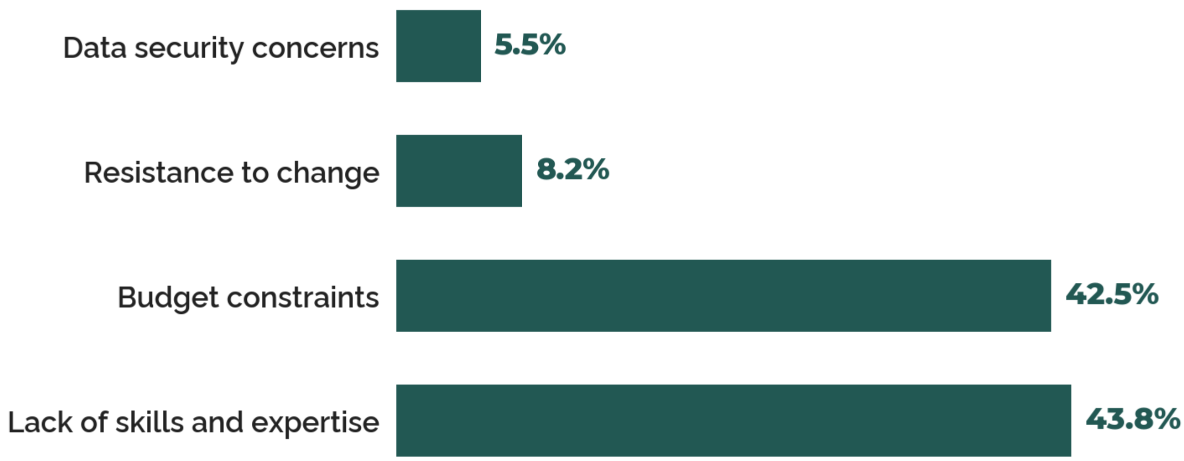
Artificial intelligence should not be viewed primarily as a replacement for finance professionals.

Instead, it should be viewed as an accelerator of professional capability.

Consider the evolution of spreadsheet software. When spreadsheets became widely available, accountants were not replaced. They became significantly more productive because routine calculations no longer consumed the majority of their time. Business intelligence platforms produced a similar shift by making information more accessible. AI represents the next stage of that progression. Rather than simply automating calculations or presenting dashboards, it assists with interpretation, communication, and analysis, allowing finance professionals to focus on the areas where human judgment remains indispensable.

This is particularly important given the increasing expectations placed upon finance. Boards now expect finance leaders to evaluate uncertainty, provide forward-looking insight, assess multiple scenarios, and challenge strategic assumptions. These responsibilities cannot be delegated entirely to algorithms. They require commercial awareness, organizational understanding, ethical judgment, and the ability to influence decision-makers. AI can strengthen these capabilities by reducing the time required to prepare information, but it cannot replace the accountability that ultimately rests with finance leadership.

The research also suggests that organizations face a capability challenge rather than a technology challenge. Many of the barriers identified by respondents relate not to software availability but to confidence, skills, governance, and implementation experience.[*] These are organizational capabilities that can be developed over time. As finance professionals become more familiar with AI applications, practical adoption is likely to accelerate rapidly.



This places leadership at the center of successful AI transformation.

Finance leaders must create environments where experimentation is encouraged but appropriately governed. Teams need permission to explore new tools while understanding the standards expected around confidentiality, data quality, regulatory compliance, and professional responsibility. Developing AI capability therefore becomes as much a leadership challenge as a technology initiative.

Looking ahead, the organizations most likely to benefit from artificial intelligence will not necessarily be those investing the most money in AI software. They will be those investing most effectively in their people. Technical capability will undoubtedly remain important, but competitive advantage will increasingly depend upon the ability of finance professionals to ask better questions, exercise sound judgment, interpret AI-generated insights critically, and communicate recommendations that support better business decisions.

In that sense, artificial intelligence is not redefining the purpose of finance.

It is allowing finance to spend more time fulfilling the purpose it has always aspired to achieve.

“AI is not redefining the purpose of finance. It is allowing finance to spend more time fulfilling the purpose it has always aspired to achieve.”

The chapters that follow build on this idea directly. Having examined how automation creates capacity and how artificial intelligence accelerates analysis, we turn next to the finance function this capacity makes possible, and to the people who will need to lead it.

QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *Where is our team currently on the spectrum from no plans to embedded AI use?*
- *What is one real task we could pilot an AI tool against this quarter, rather than experimenting in the abstract?*
- *What governance do we need in place before we scale any AI pilot into everyday use?*

CHAPTER FOUR

Finance +10 Years: Redefining the Finance Function

The bigger transformation will not be a new technology. It will be how finance teams are organized.

This chapter draws upon GrowCFO's own Future of Finance framework, the foundation of GrowCFO's Future of Finance program.

Every generation of finance professionals experiences technological change. The introduction of spreadsheets transformed financial modeling. ERP systems standardized financial processes across global organizations. Cloud computing made financial information accessible from anywhere. Business intelligence tools changed how organizations visualized performance.

Artificial intelligence represents the next stage in that evolution, but it is unlikely to be the biggest change finance experiences over the next decade.

The bigger transformation will be how finance teams are organized.

Historically, finance departments have been structured around the work that needed to be completed. Transaction processing, accounting, financial control, tax, treasury, and reporting naturally required the largest proportion of finance resources because these activities were labor intensive. Processing invoices, reconciling bank accounts, preparing journals, consolidating financial information, and producing management reports all depended heavily on human effort.

As automation continues to mature, that assumption begins to change.

The question is no longer, "How many people do we need to complete these activities?"

Instead, finance leaders are increasingly asking a different question.

"What additional value could our finance team create if these activities required significantly less manual effort?"

That subtle shift changes everything.

Rather than reducing the importance of finance, automation has the potential to increase its influence across the organization. Capacity released from recurring operational work can be reinvested into commercial analysis, strategic planning, business partnering, investment appraisal, scenario modeling, and organizational decision-making.

In other words, automation does not reduce the need for finance professionals.

It changes where they create value.

> **Automation does not reduce the need for finance professionals.
> It changes where they create value.**

Figure 4.1 illustrates how GrowCFO believes finance teams are likely to evolve over the next decade.

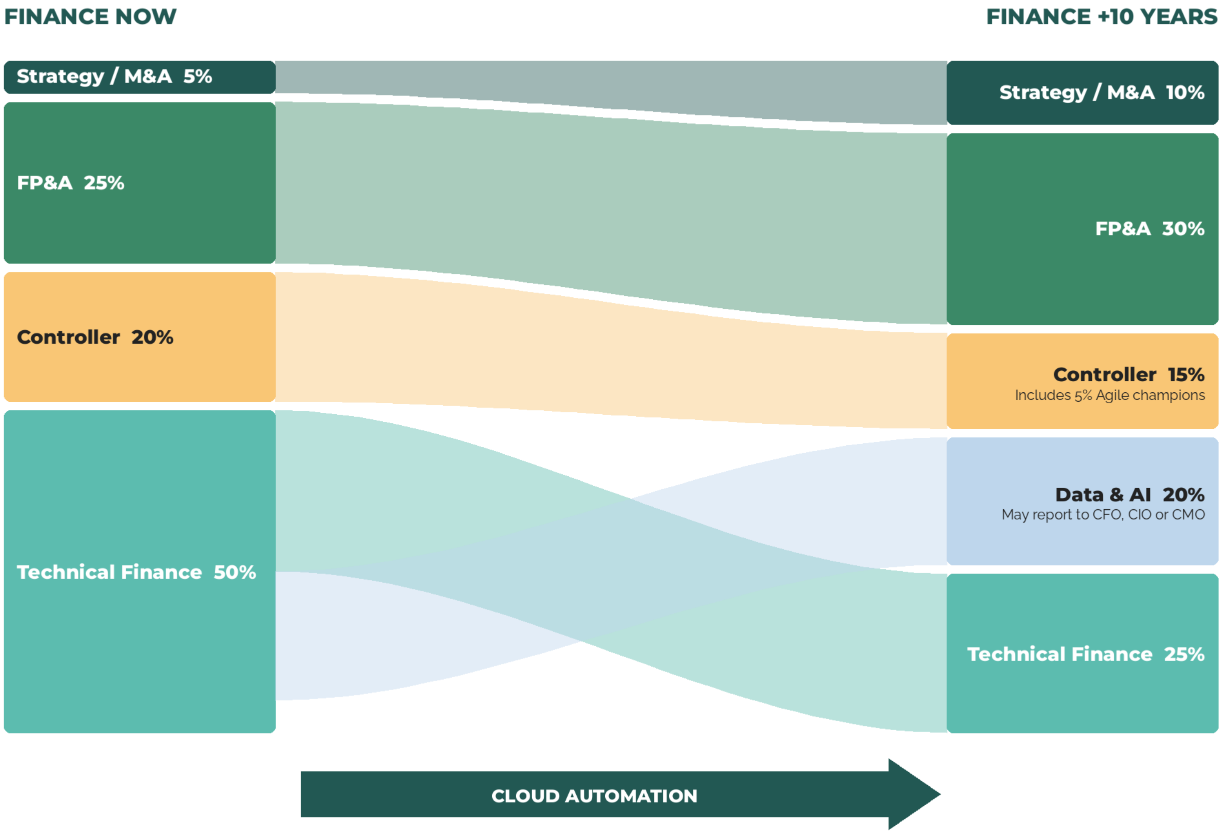


Figure 4.1: Illustrative shift in finance headcount allocation, moving from today's Strategy/M&A, FP&A, Controller and Technical Finance split toward a mix that includes a dedicated Data & AI capability. This illustration is not intended to predict precise percentages; every organization will evolve differently depending on its industry, operating model, regulatory environment, and growth ambitions. Instead, it illustrates the direction of travel already becoming visible across many finance functions.

"

Traditionally, the expertise needed for finance transformation came from costly consultants or interdepartmental transfers, but this approach is no longer enough. We must now focus on internally developing our finance teams, equipping them with the necessary skills, mindsets, and visionary leadership; this shift is crucial for transforming finance into a strategic partner capable of leading businesses through global change.

Oliver Deacon, *Former Finance Director, Microsoft; Executive Coach & Professional Mentor*

Today, approximately half of finance headcount is concentrated within technical finance disciplines including financial operations, accounting, treasury, tax, compliance, internal audit, and investor relations. These functions remain essential to every organization and will continue to require highly skilled finance professionals. However, they are also the areas most likely to benefit from continued advances in cloud ERP systems, workflow automation, and artificial intelligence.

As repetitive activities become increasingly automated, organizations are likely to require proportionally fewer people performing highly transactional work. Importantly, this should not be interpreted as a decline in technical finance expertise. Technical excellence will remain fundamental to financial integrity and governance. What changes is the amount of human effort required to perform routine activities.

At the same time, demand is expected to increase significantly in several other areas.

Financial Planning and Analysis will continue its evolution from reporting historical performance toward providing forward-looking commercial insight. Modern FP&A teams increasingly combine forecasting, scenario planning, operational performance analysis, and strategic decision support. Rather than producing budgets once a year, they are becoming continuous planning functions that help organizations respond more quickly to changing market conditions.

Strategic finance is also likely to grow in importance. As finance teams spend less time producing information, they gain greater capacity to support mergers and acquisitions, capital allocation, pricing strategy, investment appraisal, and long-term business planning. These disciplines require commercial judgment, critical thinking, and strong communication skills, areas where finance professionals are uniquely positioned to add value.

Perhaps the most significant addition to tomorrow's finance function is the emergence of dedicated Data and AI capability.

Only a decade ago, few finance departments employed specialists in automation, analytics engineering, data science, or artificial intelligence. Increasingly, however, these capabilities are becoming essential components of modern finance. Organizations need professionals who can integrate systems, manage trusted data, develop automated workflows, govern AI responsibly, and transform complex information into actionable insight.

Interestingly, these specialists may not always report directly to the CFO. Depending on organizational structure, Data and AI teams may sit within Finance, Technology, Digital Transformation, or even Marketing. What matters is not organizational ownership but close collaboration. Finance increasingly depends upon high-quality data and intelligent automation, making these capabilities central to future finance operating models.

This evolution also changes the profile of the finance professional.

For many years, successful finance careers were built primarily upon technical accounting expertise. Those skills remain important and will continue to provide the foundation for professional credibility. However, future career progression will increasingly depend upon combining technical excellence with analytical capability, commercial awareness, communication, leadership, and technological confidence.

The finance leaders of the future will not simply understand accounting standards. They will understand data. They will understand technology. They will understand how organizations make decisions, and they will possess the influence required to shape those decisions.

Importantly, this does not mean every finance professional must become a data scientist or AI engineer.

One of the strongest messages within GrowCFO's Future of Finance framework is that organizations require a diverse combination of skills. Some professionals will specialize in data, analytics, automation, and technology. Others will focus on business partnering, influencing senior stakeholders, leading transformation programs, or supporting strategic decision-making. The common requirement is not technical specialization in every discipline, but sufficient understanding to work effectively across increasingly multidisciplinary teams.

For finance leaders, this creates a significant responsibility.

Building the finance function of the future is unlikely to be achieved simply by recruiting different people. It will require developing existing teams. Organizations must help finance professionals understand how their careers are evolving, identify future opportunities, and build structured development plans that combine technical capability with commercial, analytical, and leadership skills.

Technology may change rapidly.

People develop more gradually.

The organizations that invest consistently in both are likely to build finance functions capable of creating sustained competitive advantage long after individual technologies have become commonplace.

QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *If we mapped our own headcount the way Figure 4.1 does, what would our own split look like today?*
- *Do we have a dedicated data and AI capability, and if not, who owns that gap?*
- *What would need to be true for our best people to grow into the roles this chapter describes?*

CHAPTER FIVE

The Human Advantage: Why Business Partnering Matters More Than Ever

If technology increasingly produces the reports, prepares the analysis, and drafts the commentary, where does finance create value?

This chapter draws upon GrowCFO's own Finance Business Partnering framework, the foundation of GrowCFO's Finance Business Partnering program.

Throughout this report, we have explored how automation, cloud technologies, and artificial intelligence are reshaping the finance function. We have argued that finance's greatest challenge is no longer a lack of technology, but a lack of strategic capacity. As repetitive activities become increasingly automated, finance professionals will have more time available to contribute to the business in different ways.

That raises an important question.

If technology increasingly produces the reports, prepares the analysis, reconciles the data, and even drafts the commentary, where does finance create value?

The answer lies in a capability that technology can support but cannot replace: the ability to influence better business decisions.

For many years, organizations have described this capability as finance business partnering. Unfortunately, the phrase has become so widely used that it has also become poorly understood. In some organizations it is interpreted simply as building stronger relationships with operational stakeholders. In others it is viewed as providing financial support to business units. While both interpretations contain elements of truth, neither fully captures the role that finance increasingly plays within high-performing organizations.

Business partnering is not simply about being closer to the business.

It is about helping the business make better decisions.

This distinction is subtle, but it fundamentally changes the role of finance. Traditional finance functions have typically been evaluated according to the quality of the information they produce. Accuracy, timeliness, compliance, and technical excellence have rightly remained central measures of success. Modern finance teams, however, are increasingly evaluated according to something very different. Their contribution is measured not by the quality of their reports, but by the quality of the decisions those reports enable.

This shift reflects a broader change taking place across organizations.

Information has become abundant.

Insight remains scarce.

Every executive has access to dashboards, reports, operational metrics, and financial information. Advances in business intelligence have made it possible for organizations to monitor performance in real time, while artificial intelligence is making financial analysis more accessible than ever before. The competitive advantage that once came from simply producing information has therefore begun to diminish. What differentiates high-performing finance teams today is not their ability to report what has happened, but their ability to help the organization understand why it happened and, more importantly, what should happen next.

The most effective finance business partners recognize that numbers alone rarely change behavior. Financial analysis is essential, but analysis without influence has limited organizational value. Reports do not make decisions. People do. Consequently, the future of finance depends as much upon communication, coaching, facilitation, and commercial understanding as it does upon technical accounting expertise.

This represents a significant evolution in the profession.

Historically, finance meetings often revolved around explaining financial performance. Variances were analyzed, assumptions were reviewed, and stakeholders were updated on results. While these discussions remain important, they often conclude with a shared understanding of performance rather than a commitment to action. The conversation stops at explanation.

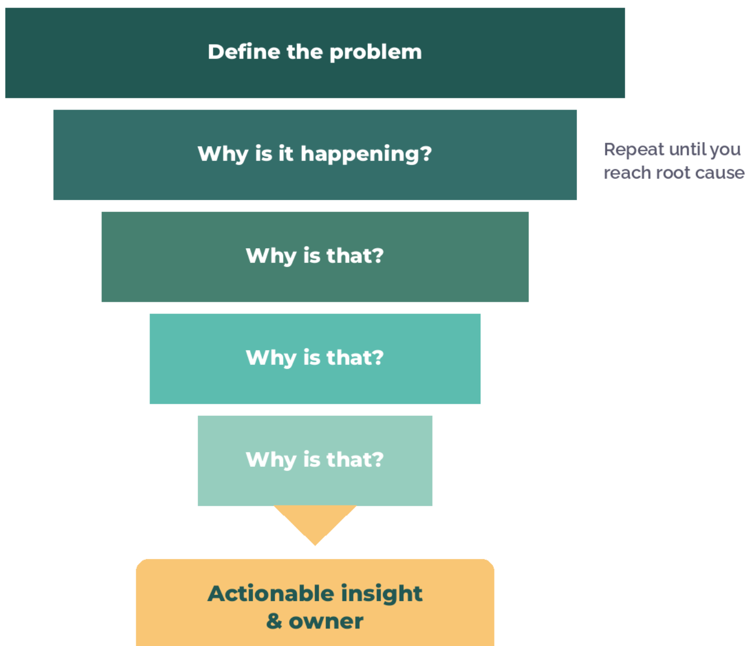
Modern business partnering begins where traditional reporting ends.

Rather than focusing exclusively on the numbers themselves, finance professionals increasingly facilitate conversations about the decisions those numbers require. Instead of asking whether revenue was above or below budget, they explore the commercial drivers behind performance. Rather than explaining why costs increased, they examine the operational choices available to improve future performance. The discussion moves from observation to action.

This philosophy sits at the heart of GrowCFO's Finance Business Partnering framework. Rather than encouraging finance professionals to become better presenters of information, the framework encourages them to become facilitators of better business conversations. Three deceptively simple questions underpin this approach:

What is happening?	Establishes a common understanding of reality.
Why is it happening?	Moves beyond symptoms to explore root causes, challenging assumptions and encouraging curiosity.
What should we do about it?	Shifts attention towards future action, transforming finance from an observer of performance into an active participant in improving it.

The second question, why is it happening, is usually where finance conversations stop too early. A single "why" rarely reaches the real driver behind a number; it takes asking it again, and again, until the answer stops being a symptom and starts being a cause:



These questions represent far more than a reporting structure.

They encourage a fundamentally different way of thinking.

The progression may appear straightforward, yet it reflects one of the most important shifts taking place within modern finance. Organizations no longer need finance professionals simply to explain what happened last month. Increasingly, they need finance professionals capable of helping leaders decide what to do next month.

Developing this capability requires finance professionals to think differently about their role within the organization. Rather than positioning themselves as experts who provide answers, the most effective business partners often position themselves as facilitators who ask better questions.

This may appear counterintuitive. Technical expertise has traditionally been demonstrated by having the right answers. Business partnering often requires something different. It requires curiosity, active listening, and the ability to guide conversations without immediately prescribing solutions. By asking thoughtful questions, finance professionals help operational leaders develop ownership of decisions rather than simply accepting recommendations from finance.

This coaching approach has several advantages. It builds stronger relationships because stakeholders feel heard rather than directed. It encourages broader participation in decision-making by drawing upon operational knowledge that finance alone may not possess. Most importantly, it increases commitment to action because people are naturally more invested in decisions they have helped create.

Strong business partnering also depends upon understanding the commercial context in which decisions are made. Financial analysis rarely exists in isolation. Pricing decisions involve sales teams. Capital investment requires operational input. Cost reduction initiatives affect customer experience, employee engagement, and long-term growth. Finance professionals therefore need to understand not only the financial consequences of decisions, but also the commercial priorities, operational constraints, and strategic objectives influencing those decisions.

This requires trust.

Trust cannot be established through technical expertise alone.

It develops through consistent collaboration, genuine curiosity about stakeholder priorities, and a willingness to understand challenges beyond the finance function. Effective business partners invest time building relationships long before difficult decisions need to be made. They understand what success looks like for operational leaders, where the business faces its greatest challenges, and how finance can contribute beyond reporting financial results.

Communication also becomes increasingly important as finance moves closer to strategic decision-making. Technical accuracy remains essential, but clarity becomes equally valuable. Senior executives rarely have the time, or the need, to review detailed financial analysis before every decision. They need finance professionals capable of translating complexity into clear commercial insight.

Storytelling therefore becomes an essential leadership skill rather than a presentation technique.

One structure many effective business partners use, whether they realize it or not, is a version of the classic hero’s journey: establish the old world the business is comfortable in, confront it with the tension of today’s reality, and then coach the audience toward a new world made possible by a specific decision:

The purpose of storytelling is not to simplify financial information to the point where nuance is lost. Instead, it provides context. It explains why the numbers matter, how they relate to organizational objectives, what risks they reveal, and which opportunities deserve attention. Effective financial storytelling connects analysis to action. It ensures that financial information informs decisions rather than simply documenting them.

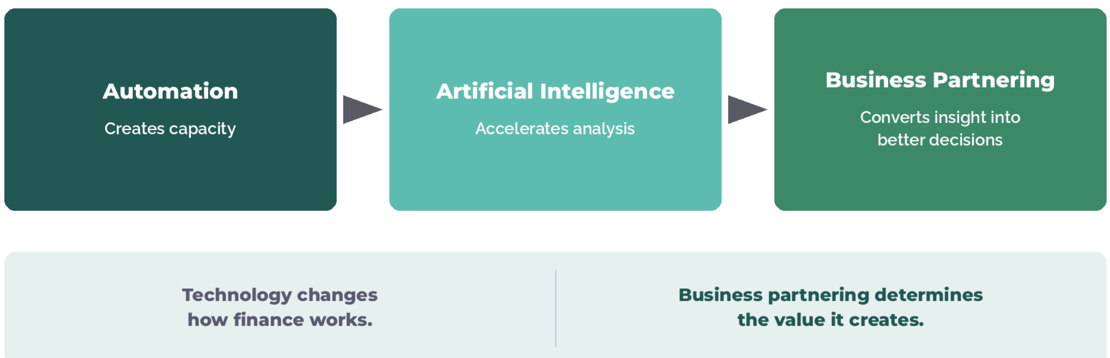
These capabilities become even more valuable as artificial intelligence becomes embedded within finance software. As AI increasingly performs the technical work of preparing analysis, the ability to interpret, contextualize, and communicate that analysis becomes finance's defining contribution.

Ironically, the more capable technology becomes, the more valuable these human capabilities become.

The finance professional of the future is therefore unlikely to be distinguished by producing more reports, more dashboards, or more analysis. They will be distinguished by their ability to translate that analysis into better decisions.

> **The future finance professional won't be measured by the quality of their reports, but by the quality of the decisions they influence.**

Ultimately, this represents the culmination of the journey described throughout this report:



QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *When we present financial information, do we stop at explaining what happened, or do we get to what should happen next?*
- *Are our business partners positioned as experts who provide answers, or facilitators who ask better questions?*
- *Which of our stakeholder relationships would benefit most from a deliberate, story-led conversation about the future rather than another status update?*

CHAPTER SIX

Building the Finance Function of the Future

What kind of finance function do we want to build?

Throughout this report we have argued that the future of finance will not be determined by technology alone. Automation is changing how work is performed. Artificial intelligence is accelerating the speed at which information can be analyzed and communicated. Data is becoming more accessible, more connected and more valuable than ever before. Yet none of these developments, significant though they are, automatically creates a stronger finance function.

Technology has always expanded what organizations are capable of achieving. Leadership determines whether those possibilities become reality.

This distinction is perhaps the most important conclusion to emerge from our research. Over the past two decades many finance transformation programs have been built around technology. Organizations have invested in enterprise resource planning systems, business intelligence platforms, workflow automation and, more recently, artificial intelligence. Each investment has promised to modernize finance, improve efficiency and enable better decision-making. Many have delivered genuine operational improvements. Far fewer have fundamentally changed the role finance plays within the organization.

The reason is not difficult to understand.

Technology changes processes. It does not, by itself, change the way people think, collaborate or make decisions. Nor does it automatically redefine the expectations that the wider business places upon finance. Those changes require leadership. They require a clear vision of the role finance should play, the capabilities it must develop, and the culture needed to support that transition.

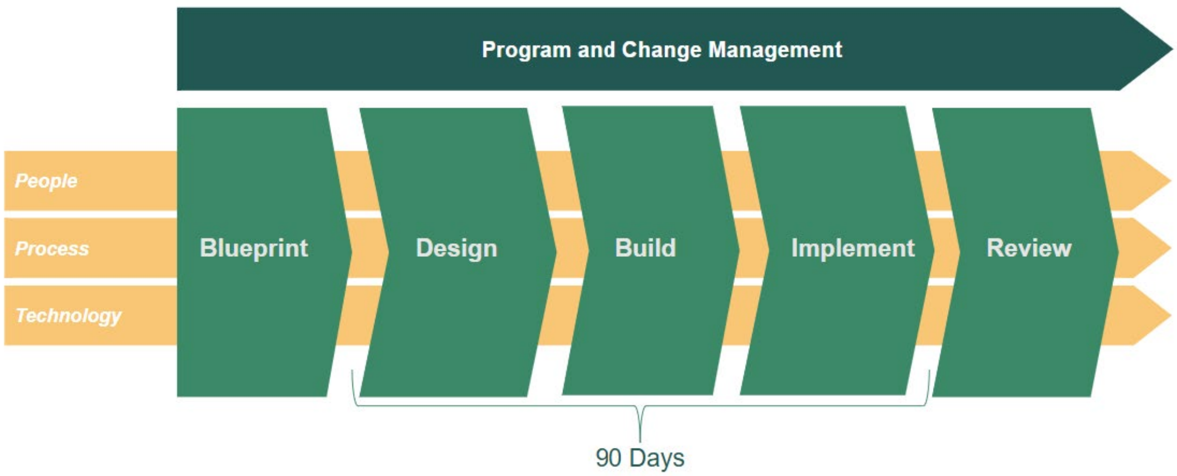
In many respects, the most successful finance transformations begin by asking a question that has very little to do with technology.

What kind of finance function do we want to build?

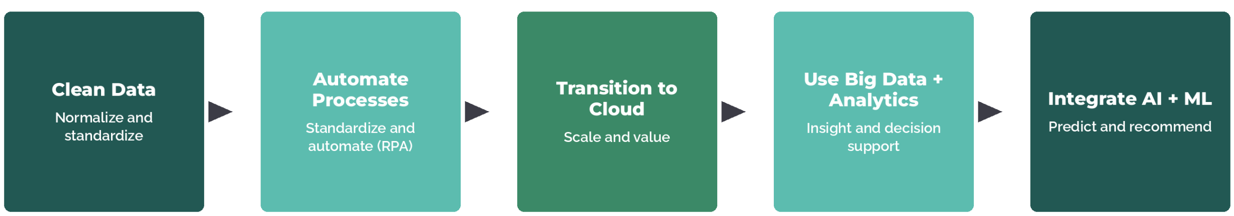
It is surprising how rarely this question is asked explicitly. Transformation programs frequently begin with software evaluations, process mapping exercises or discussions about system architecture before a shared vision for the future finance function has been established. As a result, organizations often implement impressive technology while continuing to operate according to assumptions that were designed for a very different era.

The highest-performing finance functions reverse this sequence. They begin by defining the outcomes they want finance to deliver to the organization. They establish how finance should support strategic decision-making, what capabilities will become increasingly important over the coming decade and how success should be measured. Only once that destination is clear do they consider the processes, technologies and organizational structures required to support it.

In practice, that sequencing often follows a disciplined delivery cycle, moving from a clear blueprint through design, build, implementation and review, rather than jumping straight to a technology decision:



That delivery cycle describes how change should be governed. The tools themselves tend to mature in a fairly consistent sequence too, moving from cleaning up the underlying data through automation, cloud, analytics and, eventually, AI and machine learning:



This approach shifts transformation away from being a series of disconnected projects and towards becoming a long-term program of organizational development. Every investment in automation, every AI initiative and every systems upgrade is evaluated against a much broader question:

Does this help build the finance function we are trying to create?

Our research suggests that organizations making the greatest progress share another important characteristic. They recognize that transformation is as much about people as it is about platforms.

Throughout this report we have highlighted how automation creates capacity, how artificial intelligence enhances analysis and how business partnering converts insight into action. None of those developments diminishes the importance of finance professionals. On the contrary, they increase it. As technology assumes responsibility for a greater proportion of routine work, the value created by finance depends increasingly upon capabilities that remain uniquely human: judgment, curiosity, communication, commercial awareness, leadership and influence.

Developing those capabilities cannot be treated as a secondary consideration. It must become a central objective of every finance transformation program.

This is one of the strongest themes emerging from Oliver Deacon's work on the Future of Finance. For many years organizations relied heavily upon external consultants or specialist hires to introduce new capabilities into the finance function. While external expertise will always have an important role to play, the scale of change now taking place means that organizations can no longer rely solely on importing transformation capability. The finance function of the future will be built primarily by developing the people already within it, helping them acquire new skills, broader commercial perspectives and greater confidence in leading change. As Oliver Deacon observes:

> "
>
> *Traditionally, the expertise needed for finance transformation came from costly consultants or interdepartmental transfers, but this approach is no longer enough. We must now focus on internally developing our finance teams, equipping them with the necessary skills, mindsets, and visionary leadership.*
>
> **Oliver Deacon,** *Former Finance Director, Microsoft; Professional Mentor, GrowCFO*

This emphasis on people also explains why culture plays such an important role in successful transformation. New technologies can be implemented within months. New behaviors take considerably longer to establish. Finance leaders therefore face a dual responsibility. They must ensure their teams possess the technical skills required to work with emerging technologies while simultaneously creating an environment in which experimentation, continuous learning and constructive challenge are actively encouraged.

For many leaders, this represents unfamiliar territory. Finance has traditionally rewarded certainty, precision and risk management. Transformation requires additional qualities: curiosity, adaptability and a willingness to learn in public. It is therefore unsurprising that many finance leaders experience moments of uncertainty as they navigate this transition.

Catherine Clark, whose work with senior finance leaders focuses on leadership development, frequently reminds executives that these feelings are not exceptional but entirely normal. Imposter syndrome, she argues, is experienced by the majority of leaders at some point in their careers, particularly when stepping into larger or unfamiliar roles. The challenge is not to eliminate uncertainty but to continue leading despite it. In a profession experiencing such rapid change, confidence increasingly comes not from knowing every answer but from creating environments in which teams are able to learn together.

This perspective is particularly relevant because finance transformation is not a project with a fixed end date. Automation technologies will continue to evolve. Artificial intelligence will become increasingly sophisticated. Regulatory expectations will change. Business models will continue to adapt. The finance function of the future will therefore never be "finished." Instead, successful organizations will build finance teams capable of evolving continuously alongside the organizations they support.

Perhaps that is the most encouraging conclusion to emerge from this research.

There has been no shortage of predictions suggesting that automation and artificial intelligence will reduce the importance of finance professionals. Our findings point in precisely the opposite direction. As routine activities become increasingly automated, organizations will rely even more heavily upon finance professionals capable of exercising judgment, communicating clearly, influencing decisions and providing strategic leadership. The value of finance will become less closely associated with producing information and increasingly associated with improving the decisions made from that information.

Ultimately, the future of finance will not be defined by artificial intelligence, automation or any individual technology. It will be defined by the leaders who recognize that these technologies are not the destination but the enablers of something much more significant: a finance function capable of contributing more strategically to organizational success than at any point in its history.

> **"The opportunity before the profession is not simply to modernize finance. It is to redefine its contribution to the business for the next generation."**

What follows draws that argument to a close and sets out what it means in practice for the finance leaders who choose to act on it.

QUESTIONS FOR FINANCE LEADERS TO CONSIDER

- *Have we explicitly defined what kind of finance function we're trying to build, or are we starting with technology decisions instead?*
- *Where are we investing in developing our existing people, rather than assuming transformation requires new hires?*
- *What one decision, if we made it this quarter, would most unlock our own version of the future finance function?*

Conclusion

The finance profession stands at a pivotal moment in its evolution.

For many years, finance transformation focused primarily on improving efficiency. Today, that ambition has expanded. Organizations increasingly expect finance to become a strategic partner capable of influencing decisions, driving performance, and helping navigate an increasingly uncertain business environment.

The technologies required to support this transition already exist. Automation continues to reduce repetitive work. Artificial intelligence is making analysis faster and more accessible. Data is becoming more connected, more timely, and more valuable. Yet technology alone will never determine the future of finance.

The organizations that succeed will be those that invest equally in people.

They will develop finance professionals who combine technical excellence with commercial understanding, analytical thinking, communication, influence, and leadership. They will redesign processes before automating them. They will view AI as an enabler of better judgment rather than a replacement for it. Most importantly, they will measure success not by the number of technologies implemented, but by the value finance creates for the wider business.

Finance has spent decades earning its reputation as the guardian of financial performance.

The next decade offers the opportunity to become something more: a catalyst for better decisions, a driver of organizational performance, a leader of business transformation.

The future of finance has already begun. The organizations that embrace it today will define what the profession becomes tomorrow.

** Statistics throughout this report are drawn from the GrowCFO Finance Function Effectiveness Survey and the GrowCFO Finance Function Automation and AI Survey.*

GrowCFO

www.growcfo.net

The content provided in this report is intended solely for informational purposes and should not be interpreted as professional or legal advice. GrowCFO and its authors take no responsibility for any consequences, losses, or damages that may result from the use or reliance on the information provided in this report and disclaim all liability for any actions taken or not taken.