



Future of finance

Strategy and innovation



CFO agenda for elevating finance

KPMG firms believe that CFOs and their teams are natural leaders in today's digitally enabled, dynamic environment. Leading finance organizations are investing in new capabilities that can allow them to elevate from their traditional roles to strategic advisors across the enterprise. KPMG firms' strategy for future-ready finance includes five distinct, but complementary pillars focused on unlocking business value. [Download](#) this white paper to learn more.



Sitting at the center of business and operations, I believe finance teams are uniquely positioned to help drive strategy and innovation across the organization."

Brian Mace
Managing Director
Finance Transformation
KPMG in the US

Finance needs to be a strategic function in today's business world. But what does that mean in terms of actual business value? More to the point, how can CFOs create a strategic path forward that enhances the finance function while benefiting the whole enterprise?

In the recent white paper CFO agenda for elevating finance, KPMG professionals explored three ideas about extending the strategic function of finance: the **creation** of enterprise value, the **integration** of agendas, plans, and key performance indicators (KPIs), and the **realization** of value by turning insights into action.

From this point of view, we'll look at how the right strategic framework can achieve value for finance.



The value realization framework

CFOs can develop an integrated framework across the enterprise to help realize greater business value. This includes improving employee satisfaction and establishing clear goals that resonate at the individual-level.

The right framework can help prioritize human and financial capital, execute initiatives, and track success through enterprise performance management (EPM) solutions.

To identify, define and prioritize strategies:

Finance can operationalize invested capital across the enterprise to realize value. This begins with identifying the value that aligns with the strategy and stakeholder interests. Finance should then prioritize human and financial capital on initiatives that deliver business value.

To execute, validate and optimize initiatives:

Execution involves delivering initiatives in line with strategic business priorities. Finance can validate the success of these initiatives by using EPM capabilities for monitoring, reporting, and analysis. Finance can also improve initiatives that are not producing sufficient value by recalibrating execution or reallocating capital.

Case in point

This KPMG in the US case study highlights the importance of data as a key element of the value realization framework.

Challenge: A global videogame and digital entertainment company sought to transform its finance department's target operating model. The goal was to drive a strategic planning process and position the finance team to better serve global business partners.

How we helped: KPMG professionals redesigned their target operating model, which included the implementation of driver-based planning, standardized reporting capabilities, and standardized KPIs. In addition, KPMG professionals helped realign the organization to the new proposed delivery model, thereby rebalancing the support between core business planning and analysis (BP&A) and commercial finance.

Benefits to the client: The client achieved faster planning cycles, a reduction in the time required to generate reports, and greater freedom to focus on value-add initiatives. Sample initiatives included aligning KPIs to enterprise strategy to help enable quick, strategic decisions and increased value for the enterprise.



Contacts



Nikki McAllen
Global Finance Advisory Lead
KPMG International
nmcallen@kpmg.com.au



Markus Kreher
Global Finance Advisory Accounting
and ESG Lead
KPMG International
markuskreher@kpmg.com







KPMG LULD
EODODIODELSPFP



PDGLDUF
DUUGLUFK
UDF
KPMG LULD
ODUFDPDGLSPFP

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

kpmg.com/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2023 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit kpmg.com/governance.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

Throughout this document, "we," "KPMG," "us" and "our" refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity.

Publication name: Future of finance | Publication number: 138590-G
Publication date: March 2023