

CFO EXCHANGE

Software Company CFOs Discuss Top Priorities and Strategies

Chief financial officers (CFOs) of high-growth [software organizations](#) met virtually to discuss topics of mutual interest, including leading practices, industry trends and challenges. The agenda for this small-group meeting, conducted under Chatham House Rule, was created through a series of pre-interviews. Protiviti managing directors, led by Gordon Tucker, head of the technology, media and telecommunications practice, hosted the exchange. Comments from participating CFOs are summarized below.

Key Takeaways

CFO PRIORITIES

- 01** Protiviti's Gordon Tucker, Chris Wright and Noah Kessler opened the conversation by highlighting topics that are top of mind for business leaders as the close of the third quarter approaches. Wright and Tucker shared the results of Protiviti's latest global [survey](#) of 1,100 CFOs; It shows these finance priorities currently are at the top of the CFO agenda across industries: security and privacy of data; profitability reporting and analysis; automation; blockchain; organizational leadership; cloud-based applications concerns, expectations of internal and external customers (primarily with regard to their data needs), and transactional planning and readiness.
- 02** Within the tech space, the **top ten priorities** are slightly different: concerns around cloud-based applications, security and data privacy, FP&A, inflation, outsourcing noncore activities, profitability reporting and analysis, automation, and, last, blockchain use and process mining. With the accumulation of the events of the last few years, HR departments are heavily prioritizing attraction and retention strategies through succession planning, right-skilling and tech adoption.

CLOUD SOLUTIONS

- 01** On the topic of cloud computing, Tucker noted that only about a third of the current apps being utilized reside in the cloud, indicating that sooner rather than later, **major changes will be coming as companies transition away from on-premises solutions**. With certain headwinds pointing toward managed services being more cloud-based, one of the largest priorities over the last few years for one CFO was to move all of their employee deployment over to the cloud. However, with inflation as high as it is, CFOs are finding the

	banking industry has put a tight lid on spending, with tech services having to demonstrate an ROI to secure funding. One CFO noted how 80% of customers at his organization were digitally acquired, which gives them access to great ROI data.
02	For companies building in the Web 3.0 space, a major rebrand is happening right now to help prove the value case of blockchain technology . With the recent volatility in crypto, many blockchain organizations are going through similar growing pains as they continue to reshape their business model to fit a more mainstream audience. One CFO spoke to the dilemmas of putting marketing on the backburner in favor of more pressing matters and the challenges around growing a user base on a platform that still needs to scale to size.
03	Apart from financial concerns related to the use of cloud, there is also the issue around the saturation of cloud technologies . Some decision makers are concerned about the transition to the cloud, as it is uncertain what will be left standing years from now, and which cloud companies have the ability to make it out of a tech bubble.
04	One CFO spoke candidly about joining a new organization that was fully immersed in the cloud, noting that the company's attitude toward the cloud was one of "invest first and figure it out later." The company was able to offset a steep learning curve in dragging its legacy customers over to cloud solutions by producing compelling case studies with its banks, building a monetized cloud model and by charging hosting and migration fees to offset hosting costs.

ECONOMIC IMPACTS ON STRATEGY	
01	With several economic markers indicating a potential recession , CFOs are bracing for market restrictions and their impacts on business. In some cases, organizations are having to reassess goals for the upcoming year. For one company, the crypto recession has put a stop to any future developments in the space; it is now doubling efforts on projects it can bring to market during the interim, which will hopefully allow the company to optimize and invest in the next application.
02	The threat of an economic downturn has some CFOs rethinking their optimization strategies and how to best shore up any lapse in decision-making. One CFO attributed their continued success to its OKR framework and the company's dedication to optimizing workflow. Recently transitioning to a flexible PTO model has allowed the ops team to hold more accountability over scheduling and performance reviews.

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