

Skills of the Future:

Best-in-class
FP&A teams and
how to build them



The
Analyst

The Data
Scientist

The
Architect

The
Influencer

The
Storyteller

The
Connector

The
Interpreter



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1. INTRODUCTION

Global business has never before experienced the scale and speed of change as observed in the recent past. Financial Planning and Analysis (FP&A) has been thrust into the limelight where it has had to shake off its traditional management accounting roots, to become a strategic asset to organisations in all geographies and sectors. The role has also become pervasive, with leading analyst Gartner coining the term xP&A to reflect its new digital and ubiquitous status.

To cope with uncertainty, FP&A leaders from around the world have been adapting rapidly to the new conditions and demands from management. This places an obligation on FP&A teams to move from their traditional competence in accounting into a multi-skilled and multi-faceted role focused on corporate decision-making.

This paper, based on our interviews with 25 top FP&A practitioners and thought leaders along with case studies from the largest global network of FP&A people, captures the best practices and new ideas coming out of this fast-growing area.

We are indebted to 3,400 senior finance professionals for sharing insights into their organisations via surveys through dozens of FP&A Trends webinars.

The key themes we uncovered are the creation of new skills to deepen the connections with the business (Business Partnering), the use of advanced technology designed for digital FP&A, and the emergence of new roles such as Data Scientist and Storyteller.

We discovered best practice in developing these new skills, including structured practice, mentoring, job rotation and shadowing.

No longer is FP&A in place purely to provide end of period reports. Instead, the trends that we are seeing provide a guide and inspiration for FP&A to be a multi-disciplinary and critical business function.

KEY TAKEAWAY

New FP&A roles are being created with new skills.

2. KEY RESEARCH FINDINGS

Our research was conducted with preeminent professionals from amongst the world's largest FP&A network - [FP&A Trends](#) and [International FP&A Board](#). This was combined with case studies and stories across geographies, different sectors and sizes of company, to reveal how the FP&A function has developed in terms of roles and skills.

The key findings are:

a) Increasing strategic importance

FP&A is becoming of central importance in driving organisational strategies. It has been described variously as the connector, the wise man, the conductor, the therapist, and the digital X-ray machine.

b) New roles and skills

The traditional view of FP&A as an extension of Finance and Accounting has developed into five key team roles specific to FP&A: Architect, Analyst, Data Scientist, Storyteller and Influencer. These roles are vital for any Financial Planning and Analysis department, and are being complemented by two emerging roles: FP&A Connector and FP&A Interpreter.

These functions demand new technical skills in analytics and data management, improved soft skills in empathy / Emotional Intelligence (EQ), communication and storytelling, and in the ability to collaborate across teams. This new broad skillset has generated a new level of confidence and performance.

c) New ideas on skills development

There is a worldwide shortage of experienced FP&A professionals with the right set of skills, because they are outside of the typical training given to the finance community. This has put upward pressure on salaries and costs, and the need for external consultants. Consequently, there is a sharper focus on developing in-house talent, which in turn has encouraged far-sighted leaders to find a range of innovative ways to build synergistic teams and capabilities.

“ If data are the bricks, then the cement is the important storytelling component that turns the bricks into a house. ”

Jawwad Rasheed, *Director, EY.*

d) Embedded technology and partners

To meet the challenges facing FP&A, vendors are producing advanced and specialised platforms and tools, for flexible planning, analysis and collaboration. These are used to reduce repetitive and mundane tasks, so teams can focus on higher value activities. Working with consultants and other experts, has enabled companies to accelerate development of systems, improve performance, and share best practices.

e) Agile decision making

FP&A leaders and Business Partners are becoming more involved in major business decisions, with some able to bring models into the boardroom for immediate decision-making.

Loreal Jiles, VP, Research and Thought Leadership at the Institute of Management Accountants (IMA) makes the comment: “In a climate of rapid change and heightened ambiguity, business leaders are nurturing an Agile culture, going beyond traditional project management practices to adopt agile approaches to achieve real-time data analysis and decision making, functional transformation, and ultimately, a transformed operational delivery.”

“ FP&A should be the hub for all decision-making across the enterprise. ”

Clara Hoon, *International Media Finance Leader, Nielsen.*

f) Storytelling a major thread

FP&A teams are increasingly spending more time on joining the dots, creating analytical stories, and communicating them with impact.

g) Emotional Intelligence

There is a wave of interest in developing EQ amongst the Influencers and Leaders, so as to participate seamlessly into strategic debate and Executive decision making.

h) FP&A future leaders

FP&A leaders have been moving outside of the traditional reporting line, which traditionally is the CFO, due to closer strategic involvement. We already see instances of FP&A reporting directly into the CEO of the Board. The logical extension of this trend is for FP&A professionals to become FP&A leaders sitting on the Board and then leaders of the business itself. There is an extraordinary opportunity awaiting those practitioners who embrace these changes and forge their path into an exciting future.

3. FROM TRADITIONAL MANAGEMENT ACCOUNTING TO MULTI-DISCIPLINARY FP&A FUNCTION

The nature of FP&A is changing rapidly as it breaks free of its traditional management accounting roots. Accelerated by global business conditions, it is set to become a strategic and influential advisor to management and its executive leaders.

“ The FP&A leader is the wise man next to the emperor, with FP&A seen as the voice of the business. ”

Clara Hoon, *International Media Finance Leader, Nielsen.*

No F in FP&A

In most organisations, although FP&A is part of the Finance Department, there are more and more instances where this reporting line is being broken.

According to **Tanja Schlesinger, VP at Deutsche Bahn Regio AG**, FP&A is adding more value, becoming like “a digital x-ray machine for the business, powered by tech but harnessed by people”. As technology is deployed to automate repetitive tasks and period end reporting, more focus can be transferred to higher value tasks like analysis, insight generation, and supporting the decision-making process.

Jawwad Rasheed, Director, EY, reveals “FP&A skills are continuing to evolve from reporting to analysis”, highlighting the shift to analytics and scenario modelling. “In the past, FP&A was involved 80% in Finance related metrics, and only 20% in Operations and Strategy metrics. Currently it is probably 50/50, but we must strive to tilt this ratio towards 20/80 in the future if we are to add real value”, advises **Nicolas van Houtryve, Partner, Deloitte**. This is a clear indication of the emerging xP&A trend: FP&A is not only in Finance; it is focused on the entire organisation.

KEY TAKEAWAY

The new demands on FP&A have created seven new roles with technical and soft skills to the fore.

The Shift to Added Value

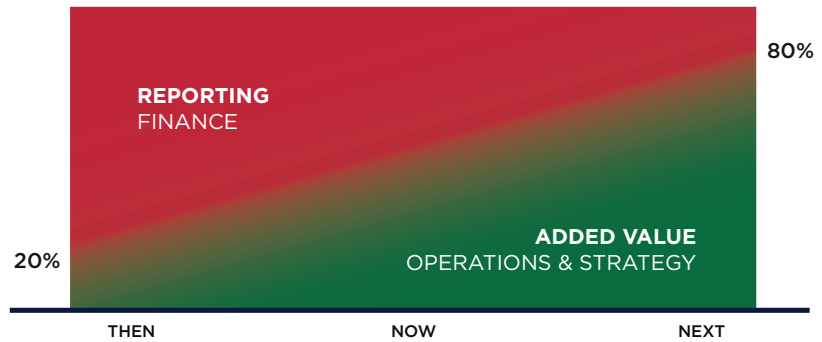


Fig 1:
Nicolas van Houtryve,
Partner, Deloitte

Stefan Spiegel, CFO SBB Cargo, asks the question, “There shouldn’t be an F in FP&A anymore because planning and analysis is not just financial. Is it not time to call our function Planning and Analysis?” **Paul Barnhurst, DigiCert FD**, has the same viewpoint.

Extended Planning and Analysis (xP&A) is another name for this growing trend, where finance is going outside its own function to the entire institution.

“*Historically, finance has focused on what happened. Today’s technology raises expectations for finance teams to also provide real-time data and predictive analytics to drive business decisions.*”

Stephen Hilton, SVP, Corporate Controller and Treasurer, Robert Half.

The path to modern FP&A Business Partnering

FP&A Business Partnering is different from traditional Finance Business Partner role.

Integrated FP&A Business Partnering is concerned with driving the integration of strategic, financial and operational planning processes in order to influence the way decisions are made throughout the organisation. By implication this means going outside of finance and embracing extended, integrated planning and analysis, underpinned by technology in order to challenge business decisions and act as an agent of change for the entire business.

Our survey of 420 respondents shows that companies are progressing towards this more expansive Modern Business Partnering role, with 37% currently practising it and 46% on the way to implementing it. This will ensure Planning and Analysis is occurring organisation-wide in an integrated and coordinated manner.

Where are organisations on their Integrated FP&A Business Partnering Journey

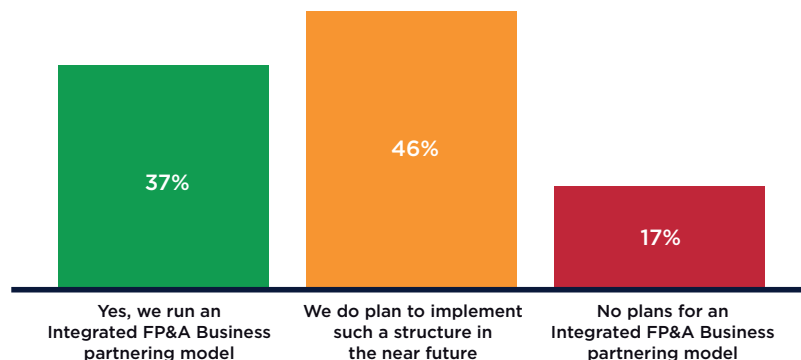


Fig 2:
Source:
FP&A Trends Webinars,
420 respondents

Agile FP&A

Traditional planning based on fixed calendars, has been developing into an open-ended, continuous process that is run on-demand and subject to a range of possible scenarios. This agile approach requires a completely new style of working from FP&A professionals. This trend will be even more evident in the future, according to **Carlos Castillo, Head of FP&A Region Central, South and Eastern, Takeda**. “FP&A teams will be engaged in more agile sprints, acting as consultants and project managers, with less involvement in accounting.”

KEY TAKEAWAY

Today's FP&A practitioners are tomorrow's leaders.

FP&A as therapist

Agile planning that embraces the whole organisation increases the influence of the FP&A leader. **Matt Poleski, CFO, Gallagher**, describes them as “the therapist to the business. We understand its pain points. We then become the first port of call for our leaders.” As a result FP&A becomes involved in all the critical operational and strategic decisions across the enterprise. According to **Adrian DeDomenico, Director Business Planning & Analysis, Oxfam America**, FP&A leaders are part of a “triangle with the Head of Strategy and the CFO, which ensures alignment between strategic and analytical functions, especially around predictions and outcomes”.

Influencer and Change Agent

The modern FP&A function can work as a guide and mentor to the leadership of the business, to help drive it forward intelligently. **Fernando Schreiner, FP&A Director, Gensler**, provided two examples of how this worked for them.

“FP&A helped our leaders to understand how to protect the workforce during the pandemic. Scenario planning of options using an advanced tool resulted in timely input into sound decisions affecting the lives of thousands of staff.”

Around the same time, **Schreiner** helped to model critical cash flow projections at the outset of the pandemic, providing rapid analyses. As a result, cash was managed and conserved intelligently, despite the severity of the situation. These crucial FP&A activities enabled Gensler to rapidly move forward as post-pandemic opportunities could then be realised.

FP&A professionals are the business leaders of the future

The logical endgame of these developments is a career path for strong FP&A practitioners right to the top. As **Castillo** predicts, “FP&A leaders will become the business leaders of the future, from FP&A Director through General Manager to CEO.” Reinforcing this view, **George Kolokotronis, Divisional Finance Director, Digital Health, Hypertec Group** explains: “As we understand the business and its levers better than anyone else, we should be its future leaders.”

We are yet to see this trend being enacted frequently, but the clear signs are there now. This represents an exciting future for each and every person working in FP&A, because the doors are open and the sky is the limit.

4. THE IMPACT OF TECHNOLOGY

The explosion in availability and use of new technologies has been a key driver in the rapid development of modern FP&A. From our studies, there are three observable technology themes:

1. **Collaborative** technology is starting to be used, thereby making FP&A teams more cohesive and closer to the business
2. Advanced **analytical** technologies such as predictive/prescriptive analytics and AI/ML are being deployed to enhance the quality of insight
3. **Automative** techniques and tools are reducing the time spent on repetitive or low value tasks and processes, resulting in increased efficiencies and productivity

The purpose of these themes is to ensure that FP&A spend their time effectively, and to ensure they have the right capabilities to be the catalyst for change.

Only 12.5% of organisations spend more than 40% of their time on high-value activities.

Improving FP&A availability and value

FP&A activities can be split into two categories, high value and low value. High value activities include:

- **Information generation** takes in raw data and produces analyses for end users.
- **Insight generation** takes the information generation analyses a step further to identify the drivers of the results, the implications for the business and the impact on decisions.
- **Driving actions** presents managers with alternative paths so that one can be selected and involves assurance that the decision selected is adequately resourced and fully executed.

For the 4th year running our surveys indicate that FP&A is not spending enough time in the areas they want to be (Fig 3).

Actual time distribution of FP&A vs desired time distribution

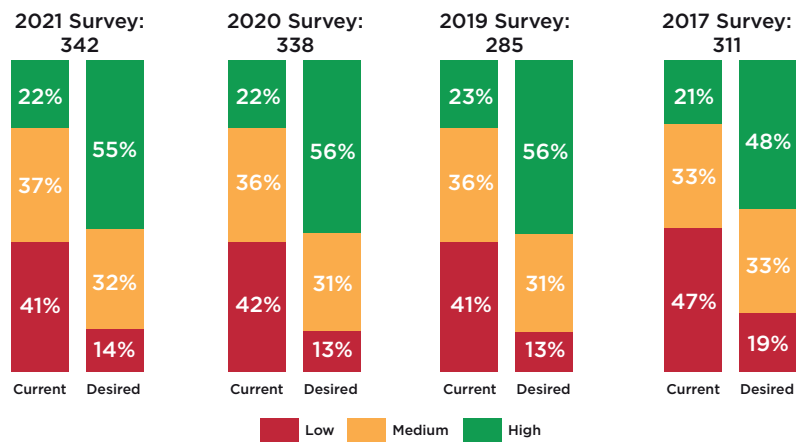


Fig. 3:
Source: FP&A Trends Survey 2021

Respondents believe they should be spending 55% of their time on high value activities but instead it is less than half, at 22%, a state that has barely changed over the years.

Similarly, only 32% of companies use collaborative technology. This means that even if more time were available for FP&A, their ability to interact with the business is restricted.

Use of modern Collaborative Technology tool for FP&A

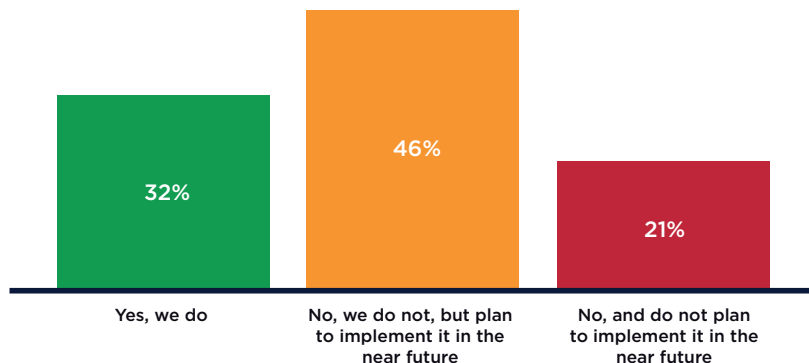


Fig. 4:
Source: FP&A Trends Webinars, 1339 respondents

Fortunately, this situation is easily rectified. Our studies show that by using the right technologies not only improves the capabilities of what FP&A can do but also changes the mindset of how it supports the leadership of the organisation.

“ Executive meetings with live data are becoming a reality, enabling dynamic real-time decision making. ”

Jawwad Rasheed, Director, EY.

Agile decision-making

In some institutions, a combination of tools and technologies is being used 'live' within board meetings. The FP&A leader is able to walk executives through the stories and models of what is driving performance and assess the impact of potential scenarios in 'real time'. This allows for hyper fast decision making and a truly agile organisation that can steal a march on the market.

Technology skills are now a pre-requisite

The importance of combining technology with FP&A is recognised in leading institutions as well as academia. **Monte Swain, Deloitte Professor of Accounting at Brigham Young University** in the US observes: "Technology has become an intrinsic aspect of finance. Separately, the large accounting firms are providing significant resources to Universities and Colleges to design degree courses that highlight technology skills and knowledge more than ever before. CPA (Chartered Public Accountants) examinations are now including Technology as part of their assessment."

Never underestimate a human

Michael Lengenfelder, FP&A Product Head, Unit4 makes the point that "New technology and techniques like self-service and dynamic dashboarding, allows middle management in the business to generate their own analyses and tell their own stories". Similarly, **Spiegel** predicts that technologies such as AI/ML "are advancing so rapidly, that forecasting and analysis will be delivered by the machine." So what does that mean for FP&A: will machines ever replace humans?

Research has shown that technology eliminates the drudge tasks and enables those things that are impossible for a human to do, such as analysing millions of records in a short space of time. The downside is that everything needs to be data based which means decisions can be defective if data is missing, inaccurate or simply unavailable. Technology, when applied wisely, allows FP&A to spend more time on high value activities such as storytelling or Business Partnering to assess future options. However, process must come first; automating a poor process yields poor results, delivered faster.

Human Intelligence is the highest form, and when combined with Artificial Intelligence, greater results can be achieved. FP&A roles are changing because of new technology but there is little evidence of roles being replaced due to technology.

KEY TAKEAWAY

Use the latest technology platforms as a basis for building a modern FP&A function.

5. FP&A BUSINESS PARTNERING

Business Partnering is the ability to work closely with business leaders to enhance corporate performance. The role includes turning data into insights, communicating options, and influencing decision-making to achieve organisational objectives. The finest Business Partners have excellent soft skills and can hold their own in technical and analytical debates.

Embedded into the business

The Business Partner must be an integrated and embedded part of the business team, inspiring trust and helping to shape business decisions, says **Sandra Nwajiaku, Snr. Commercial Finance Mgr., Crown Estate**. According to **Kip Krumwiede, Former IMA Director**, this requires a detailed understanding of the business. “Asking employees in other departments about their work, challenges, and goals is an excellent way to develop this understanding,” he suggests.

Emotional intelligence (EQ) is prized

DeDomenico sees EQ as being a foundation stone for the soft skills needed for excellent Business Partnering. “Success lies with soft skills such as emotional intelligence, sympathy and empathy. It’s all about connecting.” He even sees a way to test your EQ: “People’s trust in you is a great measure of whether your emotional intelligence is working.”

When it comes to recruiting FP&A staff, **Swain** is seeing a greater emphasis on evaluating soft skills: “In their undergraduate recruitment programmes, organisations are conducting interviews heavy with case study elements, so that candidates’ soft and analytical skills can be more accurately assessed.”

A related soft skill seen in the top Business Partners is empathy. **Marco Bordignon, CFO Germany, JT International**, explains “I put myself in my colleagues’ shoes. With a commercial colleague, be direct and quick, hook them with the conclusion you have arrived at and then let them ask the questions about the detail and how you got there. It’s reverse engineering! Use colours, graphics to illustrate your messages.”

“ We call them soft skills, but they’re actually bloody hard. They are sophisticated and elusive skills. ”

Eddie Jones, England Rugby Team Coach.

Influence without authority

Business Partners play a backing role, however vital it is. According to **Poleski**, “we should not try to be the hero, but a support for someone who will be the hero. We must have our business colleagues’ backs.” The ultimate accolade is described by **Schreiner**: “My CFO came out of a recent Board meeting and thanked me for making her look good. That’s what FP&A is all about.”

Unit4 CFO Gordon Stuart: “Remember, you are not there to look clever. Communicate the substance and the justification of any actions you recommend. Don’t get caught up in the fine detail of the analytical process. Use pictures and objects not numbers and tables.” In both cases, the increasing confidence felt by the foremost FP&A teams is infusing the rest of the organisation and leading to an overall improvement in performance and capability.

That is not to say FP&A partners are without influence. Technology brings analytical structure to any conversation, to which storytelling skills adds impact to the findings. When this is combined with other soft skills such as networking, empathy and persuasion, all have a powerful influence on the decisions to be taken.

“ Leadership is not about titles, positions or flowcharts. It is about one life influencing another. ”

Ash Sharma, FD, Alliance Healthcare, Amerisource Bergen.

KEY TAKEAWAY

EQ and other soft skills are essential within Business Partnering.

So, what skills do organisations believe they need to develop for better Business Partnering?

Skills to develop Better Business Partnering

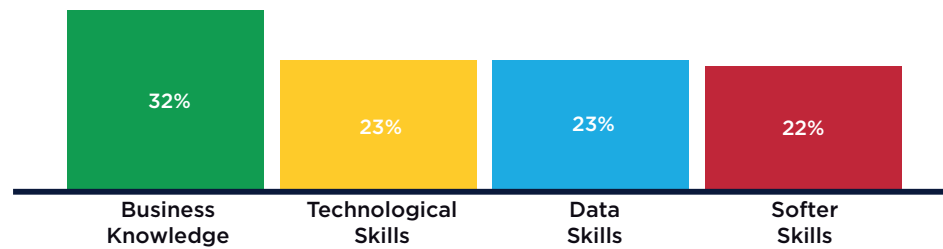


Fig. 5:
Source: FP&A
Trends Webinars,
534 respondents

Interestingly, 32% of companies in the survey believe that business knowledge is the key area for them, while Technological, Data and Softer skills were all ranked evenly.

6. TEAM BUILDING AND MANAGEMENT

A key challenge for modern FP&A is in finding the right people, with the right skill sets, and getting them to work in a synergetic way. Will traditional hiring and training approaches work? This is what we found.

External hiring

A common approach is to hire specialists with the required skills. However, this comes at a cost that few can afford. There is a global shortage of skills required for today's FP&A which is driving up salaries and exacerbating the difficulty of finding the right people.

“ External recruitment is the best way to acquire FP&A skills. ”

Toby Burton, *Fastmarkets CFOO*.

There are other challenges to the hiring dilemma. “FP&A is not an easy hire,” explains **Burton**, “because the standard interview process is inadequate to assess soft skills.” Furthermore, there is the added dimension of ethics, which may not be immediately obvious. Ethics is important because of the volume of data that needs to be protected and fairly interpreted. Finally, there is the “diversity of experience within Job Descriptions for FP&A vacancies, to create a platform for out-of-the-box thinking”. FP&A staff need to be innovative and ready to challenge traditional processes.

Building in-house skills

Another approach favoured by most leading practitioners is to build the skills necessary in-house. In our survey, formal training was not cited as a key element in skills development, perhaps because of the lack of classroom courses during the pandemic. Whilst on-line resources are available, they do not develop deep and meaningful skills, nor do they address the new skills being sought. Consequently, some companies have resorted to two key techniques: on the job training and mentoring. **Burton** is quite direct about this. “Formal courses are not the answer. On the job training and development is the predominant approach.”

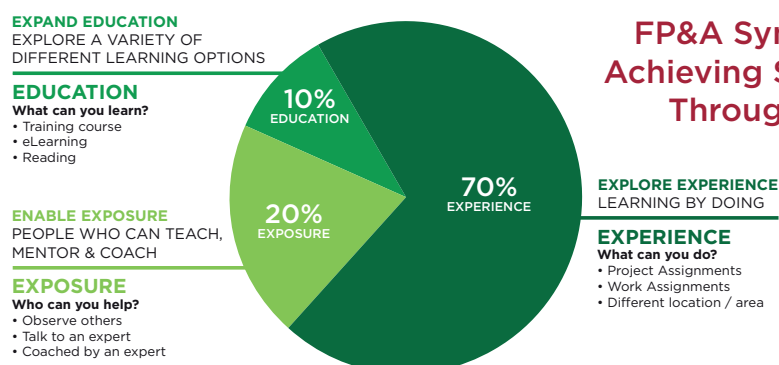
Timothy Mhagama, VP Finance, TE Connectivity, outlines his company's method of building skills. “We have adopted a 3E approach for people development, which uses a ratio of 70% Experience (learning by doing), 20% Exposure (teaching, mentoring and coaching) and 10% Education (training, eLearning and reading).”

“ What is the best way to develop new skills? Practice, Practice, Practice! ”

Tanbir Jasimuddin, *FD, Vardags.*

Some may fear that on-the-job training means no training, no support and no help. Dropping an inexperienced person into an important role without preparation and a backing infrastructure doesn't work.

Fig. 6:



What does work, as TE Connectivity found, is

- First, setting out a career path, so that each step in development is defined, and the team member understands what to expect at each point.
- Surround the team with cultural backing.
- Complete the picture with mentoring and expert help

Adopting the 3E approach, will result in excellent skills development.

“ The best way to learn is to be put into a situation, so you have to. ”

Gordon Stuart, *CFO, Unit4.*

Culture and management

Prominent leaders are applying a variety of techniques to build their team's motivation and capability. Techniques can be combined and melded as appropriate to the leader's style and the organisation's culture. Here are some examples:

- **Krumwiede** advises “linking initiatives, metrics and incentives to create the required business behaviours.”
- **Castillo** uses colour theory to assist bonding and team working. “Understanding the characters and skills of each team member has been important for us. We even used colour circles that reflect such attributes on each person's desk. This has helped us to understand their thinking and capabilities and has led to improved intra-team communications.”
- Using remote technology to bring people together and enjoy their time together. **Bhavesh Shah, VP Finance and Operational Excellence**, reveals the methods used at ConvaTec: “To overcome remote working constraints, we successfully used awards and competitions, virtual meals, on-line white boards and new tools like Pigeonhole, plus involving kids and having fun.” At Gensler they “built skills in the FP&A team through an Open Doors culture, using technology to share information, data and knowledge”, reports **Schreiner**.
- At Takeda they “created communities that elevate the expertise of everyone. Some of these are very informal. Launching a Toast Club to improve storytelling skills, for example,” describes **Castillo**.

Wise management can play a crucial role, as **Jasimuddin** explains: “Build a feedback and continuous improvement culture. Team members observe and provide guidance on how they're doing, versus their own development goals.”

Cross functional boundaries are there to be overcome, to grow systemic capability. **Bordignon** elucidated: “We are bringing in a colleague with HR and Project management skills to join our team for a period. This will enrich the knowledge of the whole team”.

Career path in FP&A

Most of the leaders we spoke to have designed a clear career path for FP&A. This typically starts with graduate intake, gaining experience in a junior position, moving up into a senior analyst or other FP&A role, and then further development into Business Partnering or Management.

Burton made the point “We developed a simple career development path for the FP&A team and it has been effective in different scales of organisations”. For others the intake comes with a finance background. “A good path for FP&A development is from new hires in accounting through working in a business entity to full functional role”, states **Bordignon**.

Skills development

FP&A skills fall into two categories – technical and soft, or “analytical and charismatic” as **Burton** prefers to describe them.

Technical skills: There is less concern around developing technology skills due to the resources and courses available, and more importantly because “the emerging talent pool is tech savvy and analytical”, according to **Rasheed**. On the other hand, **Krumwiede** reports that “in the US there is trouble finding the talent especially in analytical, data and critical thinking skills.” He believes that critical thinking is “a crucial component in the FP&A profession”, which you can train people to do.”

Soft skills: This is the area where the foremost FP&A leaders focus attention. There is a common view of a global shortage of soft skills, and that no-one knows how to train for them. Many new hires enter FP&A without any well-developed soft skills, especially if they come from a pure accounting background. So, it is encouraging to learn that it is possible to build these skills:

- **DeDomenico** told us “There are techniques to build soft skills and ethical awareness, through self-examination, reciprocity and encouragement of caring”.
- **Castillo** remarks that “Forcing people out of their comfort zone along with constant feedback and self-awareness sessions have improved soft skills development.”
- **Hoon** uses multi-functional events to “... build required skills like creativity, storytelling, communication and persuasion by learning from experience, trial and error, and mixing finance and non-finance people. We invite non finance people to our finance meetings and asked them to share succinct and targeted topics which led to broader debate and to practical solutions.”

“ Soft skills should be developed not only through training, but also through mentoring and job-shadowing. ”

Stephen Hilton, *SVP, Corporate Controller and Treasurer, Robert Half.*

Mentoring and external consultants

Among the people we spoke to, there has been much success in using external expertise to fill gaps and bring global best practice into teams. This helps to accelerate skills development. **Barnhurst** explains “To develop the cross-skilled team, we expose them to best-in-class through selected partners and consultants.”

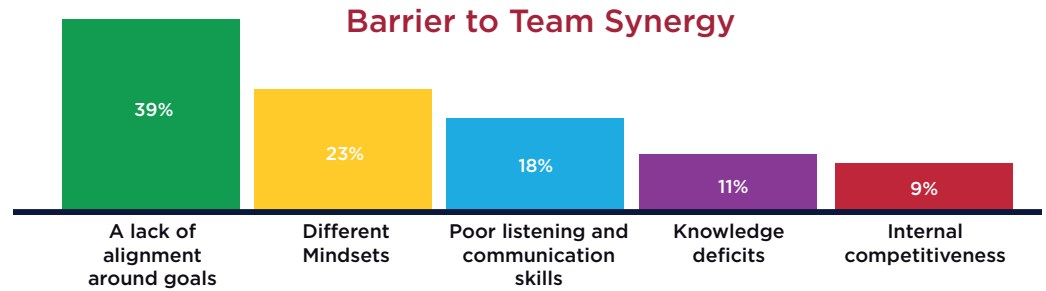
Traditional mentoring techniques are also widely observed, but **Jasimuddin** has taken this concept up a level. “To develop business acumen, we have implemented shadowing for FP&A team members with business leaders. They learn how they do things and more importantly, how they think.”

Fig. 7:
Source:
FP&A Trends Webinars,
655 respondents

Role of the leader

Finally, there is a key question of how do you find and develop the outstanding FP&A leaders of the future? **DeDomenico** points out: "Finding great FP&A leaders is a challenge, because you are looking for incredible levels of commitment and ambition, and you cannot expect such a person to stay in the role for more than two or three years."

Looking for management and leadership skills is the most crucial task: "The manager does not have to do everything that their team members can do. Leaders must lead" asserts **Stuart**.



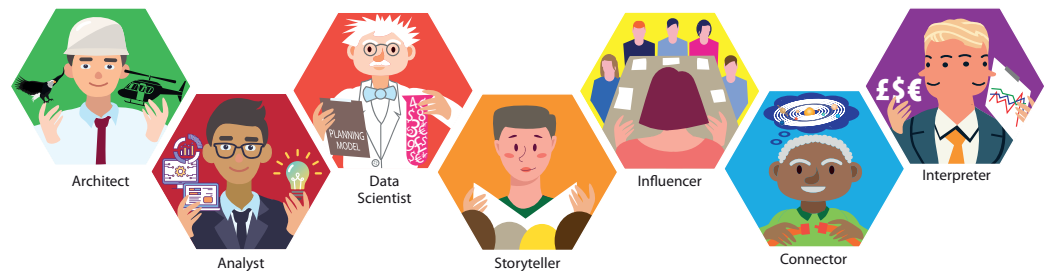
The greatest barrier to team synergy, according to this survey, is a lack of organisational alignment of corporate goals (39%). This can result in FP&A overseeing a dysfunctional planning process as each department seeks to impose their will. Other barriers cited include different mindsets (23%) and poor listening and communications skills (18%).

KEY TAKEAWAY

To build a world class FP&A team, hire externally and develop internally.

7. FUTURE ROLES IN EXTENDED PLANNING AND ANALYSIS (xP&A)

Traditionally, FP&A teams were made of analysts. Today, we see five roles that are necessary to fulfil demands from the business and the wider environment, together with two emerging roles. These are:



Let us look at each of these roles in more detail.

The **FP&A Architect** is the bridge between IT, Finance and Strategy. In their heads they hold the big picture, a helicopter view of how it all fits together. They have a deep understanding of all the important systems, their architecture, processes, strategy and how these interconnect. They are therefore able to design and help build a best in class infrastructure system to underpin the company's strategy.

Based on a sound appreciation of the business and its key levers, they collaborate with end users to create analytic models that are typically driver based. These provide the basis for real time insights and trends otherwise invisible and also enable agile scenario planning and storytelling.

They have experience in using modern analytic platforms and the systems architecture that supports them. They are familiar with the latest technologies, and the latest thinking in management techniques, e.g. Beyond Budgeting, rolling forecasts, and with the business and management processes inside the company.



Architect



Analyst



Data Scientist



Storyteller



Influencer

The **FP&A Analyst** analyses data and produces reports. They work closely with the Architect in preparing models and can provide comments and observations on results. The role includes evaluating projects and investments, assessing the use of company assets, overseeing and commenting on the budget and forecast process, and in providing ad-hoc analysis for executives as required. They will be familiar with the use of multi-dimensional tools for analysing data and understand the tell-tale signs of what analyses reveal which then changes the focus of exploration. Like the architect, they are familiar with the organisation and its processes and are confident in communicating and challenging assumptions on results produced.

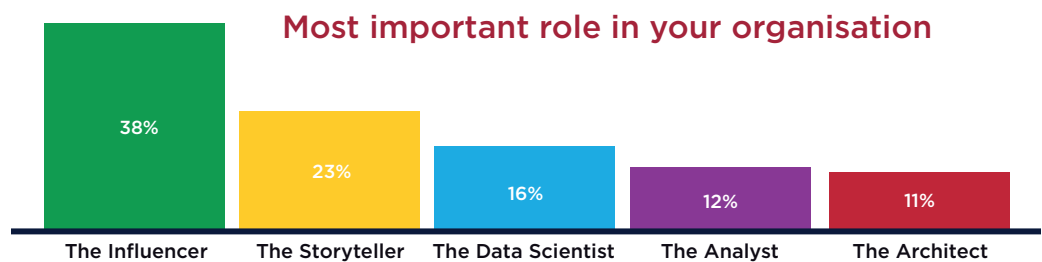
The **FP&A Data Scientist** is someone skilled in using predictive technologies such as AI/ML to uncover drivers and trends that will be used in planning models. They are different from a traditional Data Scientist in that they have a finance and FP&A background, so they understand the business. They are responsible for extracting, cleansing, organising, combining, analysing and presenting data to help executive decision-making. Their skillset includes a good knowledge of scientific, mathematical, statistical and machine learning techniques.

The **FP&A Storyteller** places results in the context of decisions that need to be made in a way that is engaging, easy to understand, that explains how the results were produced, and the actions required. FP&A Storytellers must be able to turn complex issues into simple insights that leaders can understand. They can engage in discussion and explain a narrative, according to the situation, and are quick on their feet and flexible. When they talk, it is in everyday simple terms. They are inclusive and participative.

The **FP&A Influencer** works with and influences senior executives as to actions and decisions to be made and how they are implemented. They know how to influence without authority and use their expertise along with the information and analytics produced to help the organisation achieve its strategic goals. They have leadership characteristics, mastery of emotional intelligence, are at ease in building internal and external networks, and in forming collaborative relationships.

Our surveys confirm the need for each role, with the FP&A Influencer being seen as the most important role to fill.

Interestingly, organisations believe roles involving the softer skills (Influencer and the Storyteller) are more important than the technical roles, despite recent evidence of greater investments in the latter.



Emerging roles

To go with the above 5 roles, there are early signs of the emergence of two further roles that significantly extend the overall capability and influence of FP&A:

The **FP&A Connector** is someone who links everyone, everything and every department. According to **Castillo**, “They understand the whole business, the pain points, can connect the dots across the business, are able to proactively provide solutions”. This role stems from the uncertain times we are living through, which requires planning to be a truly integrated approach across the enterprise. This integration is not only systems and processes, but also people, cultures, geographies, levels and functions. The FP&A Connector resolves these different dimensions to allow the organisation to plan for uncertainty as a single entity.



Connector

Fig. 8:
Source: FP&A Trends Webinars, 454 respondents



The **FP&A Interpreter** is someone who sits between the business and the analyst, to provide the raw materials for the storyteller. They have a greater understanding of both the operations and visualisation techniques for delivering information to different audiences. They recognise that report consumers will have different levels of understanding, language and other barriers. They can interpret information and processes to diverse groups to help them better understand the business.

The T-Shaped professional

Not every organisation can afford or require people to be dedicated to individual roles. It's also not effective to have only generalists, with expertise brought in as needed, which could also prove to be costly.

One solution that makes sense for small and medium scale companies is where all FP&A staff know the basics of all the roles, with some specialising in one particular discipline. This type of structure is more commonly known as being T-shaped. When looking at each member's skill set, the vertical bar on the letter T represents the depth of related skills and expertise in a single field, whereas the horizontal bar is the ability to understand what goes on in the other areas.

The T-Shaped FP&A department

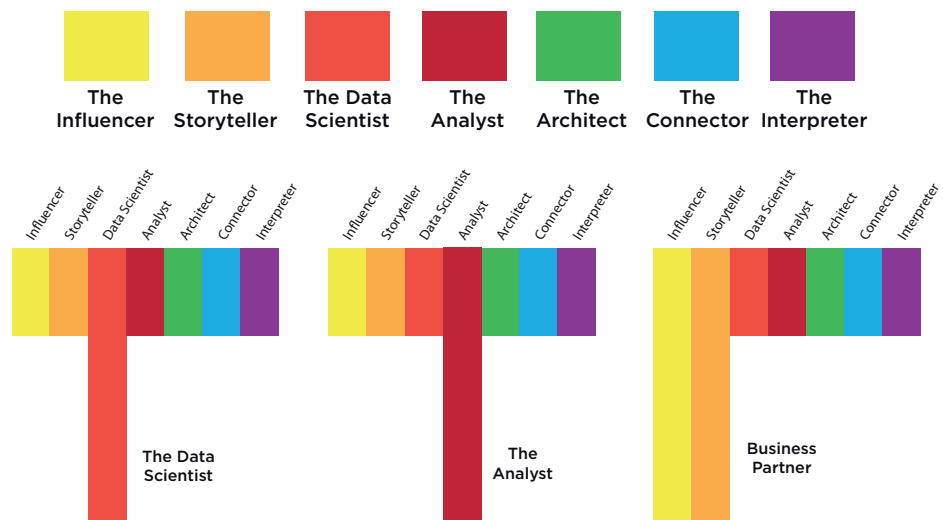


Fig. 9:

As **Shah** observes, “Only the largest firms can afford very large teams with each of the five roles represented. Cross training and T-shaped skills are a must”. This proven approach reduces the number of roles as **DeDomenico** told us “Specialists are fundamental to the composition of our FP&A team; but you need different people at different stages of the journey. Hire a gardener to establish the garden and then get generalists to tend it.”

The result is where individual team members develop multiple skills; for example, the data scientist can also act as an advanced FP&A analyst. The storyteller could act as the influencer. Merging all the five roles into a single individual is extremely rare although not impossible, because of the differential of skillsets between the technical and creative roles.

DeDomenico provides a simple analogy to the need to broaden skillsets. “If you just populate your FP&A team with technical people, it’s like a room with a door and no windows. You need a room with lots of windows, so people can see the light.” To find such people, the organisation has transferred skills into FP&A from other functional backgrounds, like sales, marketing, HR and IT, ensuring diversification.

KEY TAKEAWAY

Use an appreciation of the seven new FP&A roles to develop your team’s talents.

8. SUMMARY AND RECOMMENDATIONS

In this paper we have focused on the skills aspect of modern FP&A. Based on this research presented here, these are our recommendations:

Make process the priority: There is no point in automating a poor process as that will only result in delivering poor results, faster.

Embrace xP&A: In other words, get FP&A involved in departments outside of Finance. Spend time with operational people to find out their difficulties in planning and work out how their processes could be integrated into the overall strategic and business planning activities.

Conduct a skills audit: Look at the skills FP&A currently have and highlight those that are missing. For each role set out the technical and soft skills required and a career path for those junior members.

Hire with the future in mind. Lay out a career path within FP&A that will attract new recruits from both within and without the organisation. Emphasise the strategic importance of the roles and that the skills learned can lead to senior management positions.

Create a continuous program of development. Technology is never static. Build team and individual expertise using best practice in skills development, mentoring and cross-functional activities. Don't forget to include soft skills improvement and opportunities to test and improve them.

Equip FP&A with the right technologies: Don't hamper the skills FP&A have with technology that takes them away from high-value activities. Invest in a modern, collaborative planning platform that has built-in predictive and prescriptive capabilities.

Think outside the box: Build your team and its reputation, by using ideas like external expert help, cultural events and community collaboration.

Lead from the front: Use the proven ideas in this paper to set their path, then lead! The path to the most influential and senior positions in the organisation is open.

The role of FP&A is changing fast. Organisations have a choice of what they want from this function – as a report generator or an agent for change. Leading companies have adopted the latter where FP&A plays a vital, strategic role through which corporate decision-making is vastly improved. A great period of growth and accomplishment is in store for FP&A leaders and practitioners. The future is full of possibilities, grasp it with both hands.

“ FP&A will be the change agent to guide the entire organisation through. It must be the first to know. ”

Clare Hoon, *International Media Finance Leader, Nielsen.*

9. RESEARCH METHOD

The research methodology is based upon a broad range of distinct and globally varied sources:

1. Structured interviews with 25 leading experts in FP&A, made up of practitioners, thought leaders and academics.
2. These interviewees were selected from the world's largest FP&A interest group, FP&A Club LinkedIn group, which enjoys 22000 followers.
3. Case studies of FP&A excellence from leading organisations around the world, taken from FP&A Trends events.
4. Survey results from 3400 senior FP&A professionals at FP&A Trends events.
5. Extensive experience was drawn from many interactions and discussions within the FP&A Board and FP&A Trends groups.
6. The Global Artificial Intelligence / Machine Learning FP&A Committee provided additional specific information on advanced technologies.

10. ACKNOWLEDGEMENTS, REFERENCE SOURCES AND AUTHORS

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- Adrian DeDomenico, Director of Business Planning and Analysis, Oxfam America, **USA**
- Stephen Hilton, Senior Vice President, Corporate Controller and Treasurer, talent solutions and business consulting firm Robert Half, **USA**
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Other sources

- FP&A Trends White Paper 2021: Agent of Change: Modern Day FP&A Business Partnering Authors: Michael Coveney, Author and FP&A Thought Leader, Larysa Melnychuk, CEO and Founder, FP&A Trends Group.
- Gartner for development of xP&A concept
- Eddie Jones, England Rugby Union Coach, from his book Leadership

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