Meet Gartner Finance Score

Introduction to Gartner Finance Score

Functional leaders use Gartner Finance Score to measure the maturity of their function in key activities, prioritize areas of improvement and plot the function’s path to improvement. This is an excerpt from a full report, which provides detail on a wide range of functional activities. Gartner Finance Score covers 37 functional activities across 10 functional objectives.

Here’s how it works

1. Measure the performance of the function in terms of:
   - Maturity. We ask a series of yes/no questions about how your function approaches and executes each one of a range of key activities and objectives specific to your function.
   - Importance. We ask you to indicate how important each of those activities is for your function to meet its enterprise objectives.

2. Prioritize.
   - See your maturity levels at a glance. On a simple bar graph, we plot the maturity level of each activity and its importance — and you get your first glimpse of where maturity and importance aren’t aligned. For example, your function may be highly mature in activities that aren’t very important to driving business priorities or highly immature in activities that are.
   - See your priorities in rank order, based on those gaps between maturity and importance. Immediately you can see what should be your highest priorities for improvement if your function is to drive business goals effectively. You also see which activities need less attention.

3. Improve. We provide you with steps to take on your path to improvement in whatever activities the data shows to be the biggest significant opportunities for improvement.
   - “A Pathway to Maturity” lists action steps required to reach the next level in each specific activity.
   - Recommended related resources provide associated insights. In some cases, a Gartner advisor delivers the report and helps with prioritization and action planning.

Read on for more insights and recommendations you might receive on an individual activity. A complete report shows you the current status and improvement path for all activities and objectives in your function.
**How mature are your functional activities?**

Gartner Finance Score benchmarks your self-assessment to provide you with a current maturity score by activity.

<table>
<thead>
<tr>
<th>Manage Functional Performance 2-</th>
<th>Manage Finance Talent 3+</th>
<th>Manage Funding 2</th>
<th>Manage Business Performance 2+</th>
<th>Close the Books 2-</th>
<th>Comply with Regulatory Requirements 2</th>
<th>Manage Financial Information 2-</th>
<th>Provide Decision Support 2+</th>
<th>Manage Tax Liability 2-</th>
<th>Manage Investor Relations 2+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage Organizational Design 1</td>
<td>Assess Finance Talent 3+</td>
<td>Manage Capital Structure 1+</td>
<td>Manage Financial Planning 4-</td>
<td>Manage the Close Process 1+</td>
<td>Manage Compliance With Accounting Standards 1</td>
<td>Govern Financial Data 2-</td>
<td>Scope and Prioritize Analytic Requests 2</td>
<td>Manage Tax Planning 2-</td>
<td>Disseminate Investor Information 4</td>
</tr>
<tr>
<td>Govern Finance Process Improvement</td>
<td>Attract Finance Talent 2-</td>
<td>Manage Working Capital 3+</td>
<td>Manage Target Setting Process 2-</td>
<td>Govern Transaction Processing 2-</td>
<td>Manage Internal Control 2-</td>
<td>Select Metrics and KPIs 2-</td>
<td>Manage Finance Analytics 4+</td>
<td>Manage Risk 2-</td>
<td>Manage Investor Messaging 2</td>
</tr>
<tr>
<td>Manage Finance IT Portfolio 3+</td>
<td>Develop Finance Talent 3</td>
<td>Forecast and Manage Cash Flows 2-</td>
<td>Build Operating Budget 3+</td>
<td>Consolidate Financial Close Data 2</td>
<td>Prepare Tax Filings 3+</td>
<td>Create Management Information 2+</td>
<td>Manage Cost Allocation 2-</td>
<td>Facilitate Transfer Pricing 2</td>
<td>Target Investors 2</td>
</tr>
<tr>
<td>Manage Forecasting Process 1+</td>
<td>Reconcile and Finalize Data 3+</td>
<td>Prepare External Financial Reports 2</td>
<td>Manage Business Investments 1+</td>
<td>Prepare Tax Provision 1+</td>
<td>Build and Deliver Presentations 2+</td>
<td>Manage Investor Relations 2</td>
<td>Manage Activist Investors 2</td>
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</tr>
</tbody>
</table>

**Maturity:** Measured on a scale ranging from 1 (Low) to 5 (High), maturity measures how advanced an organization's development is in a functional activity relative to Gartner's best practice research. Maturity scores are refined with a (+) or (-) to indicate intermediate levels of maturity.

The set of activities as mapped here is subject to change.

Source: Gartner
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How do maturity and importance compare?

Gartner Finance Score plots your benchmarked maturity score against the importance you assign to that activity in terms of its criticality for your function to meet enterprise business objectives.

### Lowest Maturity
- Manage Compliance With Accounting Standards
- Govern Finance Process Improvement

### Highest Importance
- Manage Finance Process Improvement
- Assess Finance Talent

### Select Findings
- 

Source: Gartner

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What are the high-priority areas for your function?

Gartner Finance Score rank-orders your improvement priorities, based on the gap between maturity and importance. The Activity Priority Index (API) identifies where the function is less mature in activities of greater importance. A higher API score indicates a greater priority to the organization.

The Activity Priority Index identifies where the function is less mature in activities of greater importance.

**Highest Priority**
- Govern Finance Process Improvement
- Manage Finance Organizational Design
- Manage Capital Structure

**Lowest Priority**
- Manage Finance Analytics
- Prepare Tax Filings
- Manage Working Capital and more activities

Source: Gartner
High-priority area: Govern Finance Process Improvement

How finance approaches designing, improving, and transforming finance and accounting processes

Gartner Finance Score provides next steps for each individual activity, based on current and desired state.

Path to Maturity

Start doing the following to achieve the next level of maturity:

- Use benchmarks to set annual process improvement goals.
- Include process improvement MBOs for all finance staff.
- Maintain updated process maps for every process and subprocess.
- Define a critical path for every finance process.

Current Level maturity averages your function’s maturity across each activity. Next Level shows the goal with next steps. The benchmark (as available) provides a peer view.
Govern Finance Process Improvement

Sample recommended resources

**Featured resources**

**Tool: Accounting Process Map Collection**
Use this collection of process maps to create or update your own documents.

**Interdependency-Focused Process Improvements**
Understand the interdependencies across teams to reduce the impact of disruption in key processes.

**Whitepaper: Continuous Process Improvement**
Develop a continuous improvement culture and a change agent mindset.

**Foundational practices**

**Lean Process Improvement**
Train staff in process improvement through direct observation of these techniques in a different setting.

**Training: Process Improvement & Project Management**
Use this collection of training resources to develop process improvement and project management skills.

*Note: Some documents may not be available as part of your current Gartner subscription.*

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Learn how you can use Gartner Finance Score to evaluate your functional maturity and priorities.

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