Corporate Controller Leadership Vision 2022

3 Strategic Actions for Success
From Chris Howard, Chief of Research, Gartner

As we head into 2022, we continue to feel the human toll of the global pandemic, but we already know it has been a watershed period in which attitudes and norms have permanently shifted — in our everyday lives and at work.

Living through COVID-19 has increased social awareness — as have growing demands for equity for those who are underrepresented.

Businesses have also changed. For many organizations, the pandemic has catalyzed digital business initiatives as we adapt to the demands of employees, customers and other stakeholders, who were forced into new digital options that they have now come to favor.

B2B purchasers are happy to buy digitally, without a sales representative; B2C consumers are buying off social media platforms; employees are physically distributed and communicating asynchronously — and IT infrastructures must secure the organization despite this “anytime, anyway, anywhere” way in which we’re operating.

You and your team may be burning out, and it’s never been more important to prioritize your time and energy.

In your role as a leader, you’ve now spent months adapting to change and delivering new solutions at speed. You and your team may be burning out, and it’s never been more important to prioritize your time and energy. To help with that, Gartner Leadership Vision provides top-level guidance to leaders and their teams on where to focus — based on our data-driven research.

We’re providing detailed insights to our clients across dozens of roles, and we’re now excited to share excerpts with the business community beyond our clients. We hope this will help you to focus discussions with your teams, peers and other leaders, so you can more quickly and effectively diagnose priorities and actions, especially as you solidify your strategic plans for 2022.

Chris Howard
Chief of Research, Gartner
Controllers Need to Digitalize Finance

- Make Digital Investments That Drive Profitable Growth
- Hyperautomate Finance Processes
- Unlock the Value of AI and Predictive Analytics
- Improve Finance Staff’s Digital Skills

Source: Gartner
Trends, Challenges and Actions for the Controller

**Acceleration of digital investment**
64% of executives reported that they increased the pace of their digital investment in 2020 and 2021. This means that controllers are expected to invest in digital technologies fast.

**Increasing implementation of automation technologies**
66% of finance leaders say they have either implemented or piloted robotic process automation (RPA) to automate work. Digital technologies that can extract greater value and drive decision support, such as artificial intelligence (AI), are coming later.

**Unsuccessful transformation**
Only 39% of senior finance leaders say that finance transformation efforts have had a consistent track record of delivering expected benefits.

**Challenges for the controller**
- Hyperautomate finance processes.
- Redistribute middle- and back-office work.
- Increase digital proficiency.

**Actions for the controller**
- Invest in process mining.
- Optimize RPA governance structures.
- Upskill for digital on the job.

Source: Gartner
Use Process-Mining Software to Discover, Monitor and Improve Processes

By analyzing event logs available in information systems, you get fact-based visibility into bottlenecks and avoidable delays that occurred due to manual inefficiencies.

**Step 1:** Actions related to a particular process leave a digital footprint.

**Step 2:** Event logs capture and organize digital footprints.

**Step 3:** Process-mining software analyzes the logs and depicts the process model.

### Event Log

<table>
<thead>
<tr>
<th>Case ID</th>
<th>Activity</th>
<th>Time Stamp</th>
</tr>
</thead>
<tbody>
<tr>
<td>4867</td>
<td>Registered</td>
<td>20.07.20 11:20</td>
</tr>
<tr>
<td>4867</td>
<td>Registered</td>
<td>20.07.20 12:30</td>
</tr>
<tr>
<td>4963</td>
<td>Complete</td>
<td>21.07.20 12:30</td>
</tr>
<tr>
<td>4567</td>
<td>On Hold</td>
<td>21.07.20 13:15</td>
</tr>
<tr>
<td>4465</td>
<td>Complete</td>
<td>21.07.20 14:25</td>
</tr>
<tr>
<td>4475</td>
<td>Registered</td>
<td>21.07.20 16:26</td>
</tr>
</tbody>
</table>

### Purchase Order Actions

<table>
<thead>
<tr>
<th>Action</th>
<th>Information Systems Capturing Digital Footprints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create requisition order</td>
<td>CRM</td>
</tr>
<tr>
<td>Analyze purchase requisition</td>
<td>ERP</td>
</tr>
<tr>
<td>Direct request for quotation</td>
<td>SCE</td>
</tr>
<tr>
<td>Send request for quotation to supplier</td>
<td>CRM</td>
</tr>
</tbody>
</table>

SCE = supply chain execution

Source: Gartner
Enable Robots to Conduct Automatable Work Free From Human Interference

You may need to add, rescope or eliminate roles to optimize the performance of the RPA program.

Action to optimize RPA governance structures

FTE = full-time equivalent
Source: Adapted from client case study
Determine the Required Degree of Centralization

Use a four-factor framework for determining the optimal controllership design.

<table>
<thead>
<tr>
<th>Potential Indicators</th>
<th>Recommended Design</th>
<th>Key to Recommended Designs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Business units (BUs) have different business models, revenue structures and accounting policies.</td>
<td>C</td>
<td><strong>Type A:</strong> Consolidated Controllership — Situates most controlling activities at one centralized location; a few are executed by a local site controller.</td>
</tr>
<tr>
<td>• All BUs have similar business models, revenue structures and accounting policies.</td>
<td>A or B</td>
<td></td>
</tr>
<tr>
<td>• High level of local regulations.</td>
<td>B or C</td>
<td></td>
</tr>
<tr>
<td>• Complex global compliance requirements.</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>• Compliance requirements are relatively consistent.</td>
<td>A or C</td>
<td></td>
</tr>
<tr>
<td>• Business prefers on-the-ground support.</td>
<td>B</td>
<td></td>
</tr>
<tr>
<td>• Controllers are expected to provide oversight of BU decisions impacting financial health.</td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>• BUs are on different systems and technological platforms.</td>
<td>A or B</td>
<td></td>
</tr>
<tr>
<td>• BUs are on the same systems and technological platforms.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Gartner
Use On-the-Job Learning to Upskill Talent

Source and create opportunities to develop digital competencies around any of the following six types of on-the-job learning opportunities:

**Access to Best Practices:** Gain access to best practices in thinking, decision making and work execution.

**Scope Expansion:** Stretch vertically and horizontally into experiences beyond immediate work.

**Adverse Reactions to Change:** Experience change and manage negative reactions to unfamiliar situations.

**Challenging Relationships:** Navigate internal and external stakeholders with different perspectives and backgrounds.

**Persuasion and Teaching:** Convince internal and external stakeholders about a solution's value.

**Difficult Decisions:** Make a decision with imperfect information, undefined end states or high impact.

Source: Gartner
Corporate Controller Leadership Vision 2022: 3 Strategic Actions for Success

Recommended Actions

**Invest in process-mining software** to discover, monitor and improve processes.

**Optimize RPA governance** by redesigning the workforce — creating new roles and rescoping or eliminating others.

Determine the appropriate degree of centralization by considering factors such as the diversity of the organization’s business model and the ease of technology integration.

**Upskill talent for digital** by identifying and creating opportunities to learn on the job.
Actionable, objective insight

Explore these additional complimentary resources and tools for finance leaders:

- **Research**
  Financial Controller Leadership in the Digital Era
  Use these insights to strengthen internal controls, increase efficiencies and support automation.
  Download Research

- **Research**
  Build a Better Strategic Plan for Your Function
  Turn your strategy into action with our tools and templates.
  Download Templates

- **Resource Hub**
  Future of Work Reinvented
  Reinvent where, when and how we work to maximize employees’ engagement and productivity.
  Learn More

- **Journal**
  Gartner Business Quarterly
  Stay up to date with the most compelling research on organizational issues that cut across the C-suite.
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