

CONTACTS:

Janessa Rivera  
Gartner  
+ 1 408 468 8312  
[janessa.rivera@gartner.com](mailto:janessa.rivera@gartner.com)

Rob van der Meulen  
Gartner  
+ 44 (0) 1784 267 738  
[rob.vandermeulen@gartner.com](mailto:rob.vandermeulen@gartner.com)

## **Gartner Says Business Intelligence/Analytics Is Top Area for CFO Technology Investment Through 2014**

### ***Gartner and FEI Announce 2013 Gartner Financial Executives International CFO Technology Study***

STAMFORD, Conn., May 20, 2013 — Business intelligence (BI)/analytics investment will address many technology gaps for the CFO, according to a joint study by Gartner, Inc., and Financial Executives Research Foundation (FERF), the research affiliate of Financial Executives International (FEI). The study shows that 15 of the top 19 business processes that CFOs have identified as requiring improved technology support are largely addressed by BI, analytics and performance management technologies.

"Responses to the 2013 Gartner Financial Executives International (FEI) CFO Technology Study are consistent with prior years, with the emphasis on business intelligence/analytics and business applications as the top areas for investment and focus," said John van Decker, Gartner research vice president. "With over 20 areas of choices, all of the top 12 that were chosen by CFOs can be addressed and/or improved with investments in BI and analytics."

The survey results showed that the top business process area that needs technology investment is to facilitate analysis and decision making (59 per cent, up from 57 per cent in 2012), followed by the ongoing monitoring of business performance (50 percent), and then collaboration and knowledge management (45 per cent, down from 52 per cent in 2012).

These results are consistent with those of the last five years, which show that organisations are still struggling to make progress with BI and analytics. Many IT organisations have made initial investments, but these tend to be tactically focused and don't address the more fundamental issues of data quality and consistency, which require CFOs and finance teams to work closely with BI specialists in IT.

From an enterprise perspective, BI and business applications continue to dominate the CFO's IT investment desires, although they are somewhat behind where they were in 2012. Gartner said that this is due to the increasing importance of nexus technologies, as those selections have increased significantly in 2013.

"The survey findings would seem to suggest that the CFO prioritizes business applications higher than the CIO does," said Bill Sinnett, senior director, research at FERG. "If the CIO does not understand this, then there's a chance the CFO will sponsor his or her own initiatives, and not coordinate them with the IT organisation. This demonstrates the trend that BI is becoming less of a CIO responsibility and more of a CFO and line-of-business responsibility."

Corporate performance management (CPM) projects are the highest on the CFO's BI initiatives list, according to the survey. The top four priorities in this area are addressed by CPM suites, including

performance scorecard; budgeting, planning and forecast; financial consolidation; and profitability management.

The survey also found that CFOs' understanding of the Nexus of Forces is impacting CFO investment priorities. Organisations are being challenged to adapt as the nexus of social, mobile, cloud and information and the data that results from their adoption expand exponentially. Social scored low in terms of technology initiatives, but mobile, cloud (including software as a service [SaaS]) and information are priorities.

"CFOs have a strong interest in cloud and mobile technologies. SaaS (and cloud-based delivery) is starting to affect business applications. Many CFOs use mobile devices and would be interested in getting access to key business information using these tools," said Mr Van Decker. "CIOs should use this interest to show how wider investments in cloud and mobile technology could deliver benefits across the organisation."

Although these nexus capabilities will be a concern more in 2014 and beyond, IT organisations must communicate how more-effective business platforms can be leveraged to deliver better architectures for business applications that are "top of mind" for the CFO. For example, it would be sensible to include the CFO in mobile device deployment to allow him or her to access finance information and analytics. At the same time, CFOs are clearly sceptical about the potential of social technologies, so any investments in this area must be clearly related to business strategies and realisable benefits.

"The CFO's influence over IT is consistent and, in many organisations, is growing. We've seen in the study that a large percentage of CFOs own the IT function. This year's responses show that 39 per cent of IT organisations currently report to the CFO," said Mr Van Decker. "This high level of reporting to the CFO demonstrates the need for companies to ensure that their CFOs are educated in technology, and underscores just how critical it is that CIOs and CFOs have a common understanding of how to leverage enterprise technology."

More detailed analysis is available in the report "Survey Analysis: CFOs' Top Imperatives From the 2013 Gartner FEI CFO Technology Study." The report is available on Gartner's web site at <http://www.gartner.com/document/2470415?ref=QuickSearch&stkw=G00247927>.

### **About FERF**

Financial Executives Research Foundation (FERF) is the non-profit 501(c) (3) research affiliate of Financial Executives International (FEI). Since 1944, FERF has been dedicated to identifying, developing and providing practical content through objective research to FEI members. FERF focuses on member-driven initiatives, making decisions on research topic areas based upon members' interests and needs. Examples of the topics covered in FERF publications and articles include financial reporting and compliance, technology advances, benchmarking, audit fees, finance function structure and costs, compensation, risk management, and internal control.

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