ASSOCIATION FOR FINANCIAL PROFESSIONALS

2024 AFP® FP&A Benchmarking Survey Report: PEOPLE STRATEGIES AND DEVELOPMENT

Underwritten by workday

As a leading provider of enterprise cloud applications for finance, planning, and HR, Workday is proud to sponsor the 2024 AFP® *FP&A Benchmarking Survey Report: People Strategies and Development*. Workday understands the importance of surveys like this to help FP&A/finance professionals establish benchmarks for the industry, providing insight into how finance, continuous planning, and data are uniquely connected as key drivers of the business.

There's no question that AI and machine learning (ML) are impacting nearly every corner of the business world, and finance is no exception. Agility and flexibility are key for finance to move faster and function as a true business partner. Flexible, cloud-based technology powered by AI and machine learning helps create a more data-driven, agile finance organization where teams drive operational change, guide business strategy, and deliver greater value to the full enterprise.

At Workday, we work with thousands of organizations worldwide to help them embrace this new value partnering mindset, using Workday solutions for the Office of the CFO to automate as much of the data gathering and reporting processes as possible, so that we can focus on continuously planning, forecasting, and advising management at the rapid speed that today's business environment demands.

As you navigate change and look for ways to increase agility, we hope the findings in this report help you build the best path forward for your finance organization.

Workday Leadership

TABLE OF CONTENTS

INTRODUCTION

In the third quarter of 2023 the Association for Financial Professionals (AFP®) conducted a benchmarking survey among FP&A/finance practitioners. The goal of this survey is to understand the state of FP&A, people strategies and development. Benchmarking surveys can provide a structured approach to evaluate your company's performance, practices and strategies in relation to other organizations. It is one part of a cycle that will examine the people, technology and processes that define the FP&A function. This approach will allow AFP to examine these areas in depth each year, while recognizing that most trends are slow moving; consequently, we can factor out noise in each cycle.

This report highlights four key insights we found from analyzing the data and includes the response data for each question. The report also includes insights from volunteer members of the North American, Asia Pacific, Middle East and MegaCap FP&A Advisory Councils (FPAACs) who contributed to survey questions and interpretation of the data for this report. Their names are included at the end of this report.

AFP® exists for the benefit of the corporate finance and treasury practitioner. Through research such as this survey, AFP® strives to create resources that empower your organization and drive continued improvement for your finance team.

The Research Department at the Association for Financial Professionals® designed the survey questionnaire, analyzed the survey results, produced the report and is solely responsible for its content. AFP® thanks Workday for its underwriting support of the *2024 AFP® FP&A Benchmark Survey: People Strategies and Development*.

Methodology

The survey generated responses from 691 FP&A/finance practitioners from organizations of varying sizes and around the globe, of which 347 completed the survey in its entirety. Their responses form the basis of this report. Results presented in this report reflect data for 2023. Survey respondent demographics are available at the end of this report.

Presentation

This report is divided into two sections. The first presents four high-level insights that cross multiple data points. The second section presents each question from the survey and includes both findings and analysis. Where the data reveal interesting detail, we have presented comparison in the following ways:

— *By region*: All, North America (U.S. and Canada), and International (all other regions)

— *By company size*: Small companies (with annual revenue of less than $500 million); Mid-sized ($500 million to $4.9 billion) and Large ($5 billion or more in annual revenue)

— *Over time:* In some cases, we compared these results against questions asked in surveys conducted in prior years

KEY INSIGHTS

INSIGHT 1:
FP&A Practitioners Are Techno-Optimists

Overall, FP&A practitioners are optimistic that advances in technology, automation and artificial intelligence will benefit them. The reasons behind this optimism include the belief that technology will make their working lives better, that the human skills essential to their work cannot be replaced, and that they will adapt themselves to the changing work environment.

ACTION ITEM

Make a plan for how to improve your digital readiness. Progress is more important than perfection; do not wait to create a perfect plan or for technology to settle before taking action.

INSIGHT 2:
Increased Support for FP&A Development

Respondents indicate that their companies are providing increased levels of support for FP&A professional development. Three factors may be driving this trend: defining the field of FP&A, a low unemployment rate and the recognition of the need for reskilling.

ACTION ITEM

Ask for support. Your employer should want you to be successful and can support you with funding, time and/or insights as to what is most useful in your career path.

INSIGHT 3:
Defining the Field of FP&A

Maturation of the FP&A function is leading to specialization. While FP&A began as an outgrowth of the accounting team, the field is currently well defined with its own recruiting titles, conferences, certifications and skill definition.

ACTION ITEM

FP&A teams require multiple and varied skills; keep abreast of changing needs in your organization and in the profession itself; then manage both your talent and skill acquisition accordingly.

INSIGHT 4:
Small Companies Are Seeking More Analysis; Large Companies Want More Technology

Organization size plays a role in determining where additional FP&A staff recruited would be engaged. Company size often relates to work frustrations and opportunities.

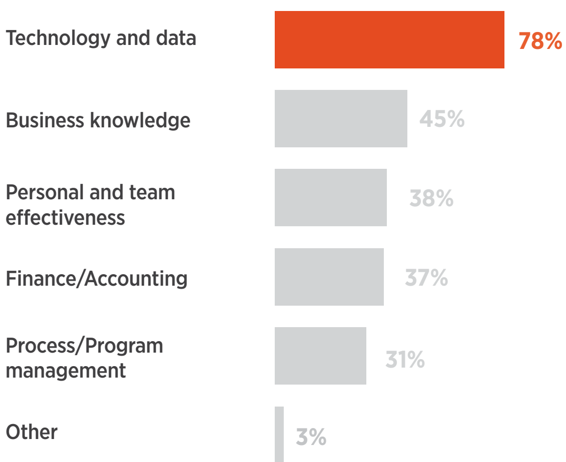
ACTION ITEM

Your development plan needs to be in step with your current and future employers; be intentional and aware of your organization's needs.

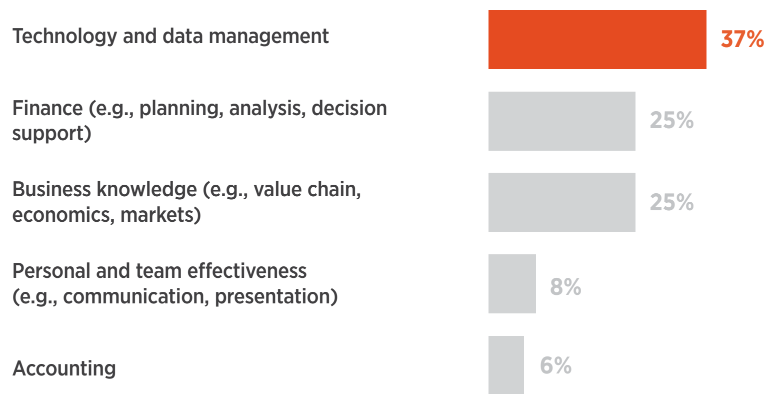
INSIGHT 1: FP&A PRACTITIONERS ARE TECHNO-OPTIMISTS

Overall, FP&A practitioners view technology, data management and digital transformation as areas of opportunity and professional development, and they would eagerly apply added time and resources to those areas if they could. Survey results reflect this eagerness for technology and data, as shown in the first three charts to the left. However, in the fourth chart the data suggests only mild concern for a potential downside of enhanced technology, namely that practitioners' jobs would become obsolete due to advances in technology such as automation and artificial intelligence.

Areas of Focus for Professional Development
(Percent of Respondents)

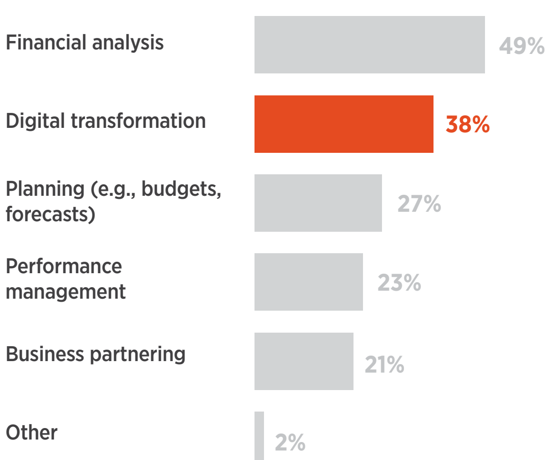


Top FP&A Skills-related Opportunity for Improvement
(Percentage Distribution of Respondents)*

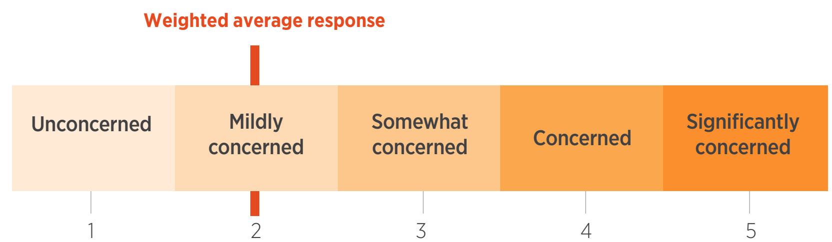


*In this and all tables showing percentage distributions, total percentage may not add to 100% due to rounding.

How Additional Staff Would Be Engaged
(Percent of Respondents)



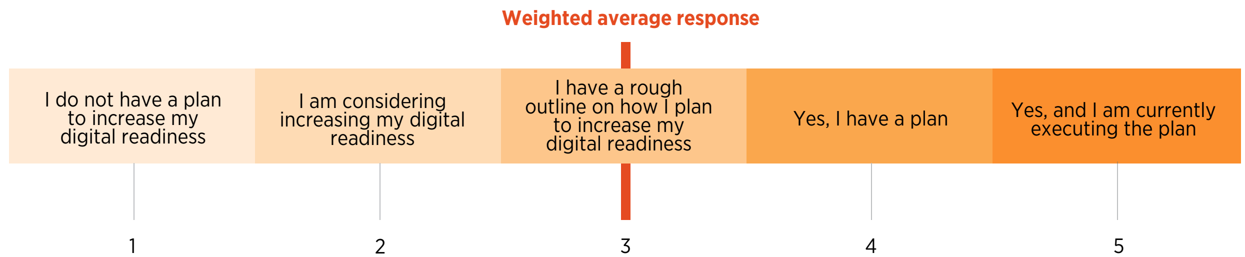
Concerns of Obsolescence of Current Roles Due to Technological Advances
(Weighted Average Response)



Somewhat contradictory given this emphasis on technology skills, FP&A professionals have minimally defined plans for how they will achieve greater technology skills. When asked if they have a plan for how to increase their digital readiness, the weighted average response is a 3.0 on a 1-to-5 scale, indicating that they have a tentative plan to increase their digital readiness.

The reasons behind this optimism lie in the qualitative responses that fall into three categories:

Assessment of Personal Plans to Increase Digital Readiness for Future Technology and Data Implementations
(Weighted Average Response)



The first category can be described as "***technology will make my life better,***" with typical responses such as:

— "I think technology will help speed up the creation of reports and analysis and allow the FP&A team to do more analysis which we often can't get to today."

— "Technology will augment staff and make them more efficient, not replace them."

— "Technology will allow for clerical tasks to be done in an automated fashion, [then] extend into some lower-level administrative tasks too (draft presentations, letters, emails, etc.). This will free up time to think, be curious, explore, experiment and learn."

The second category can be described as ***"human skills cannot be replaced***," as exemplified by these quotes:

— "While AI will assist in decision making, people are integral to getting adoption and management of the process."

— "There will always be a gap between technology and the complete needs of the business."

— "Business and strategic partnering requires person to person interaction."

— "Business is full of unpredictable events, irregularity, and different trends. Hence, the touch of human aspect, particularly in FP&A and Treasury, would still be required."

— "Tech does not trump wisdom."

A third category is exemplified by the quote, ***I can adapt***." This applies to those respondents who believe they will learn the skills to be relevant, or "work will shift to other priorities" and they will follow the opportunities.

Of course, there are also voices of concern. The blunt comment, "AI will take my job," is a minority view. At this stage in the technology cycle, and following years of low unemployment, FP&A professionals see opportunity for themselves with unfolding AI and automation.

ACTION ITEM

Make a plan for how to improve your digital readiness. Progress is more important than perfection; do not wait to create a perfect plan or for technology to settle before taking action.

INSIGHT 2: INCREASED SUPPORT FOR FP&A PROFESSIONAL DEVELOPMENT

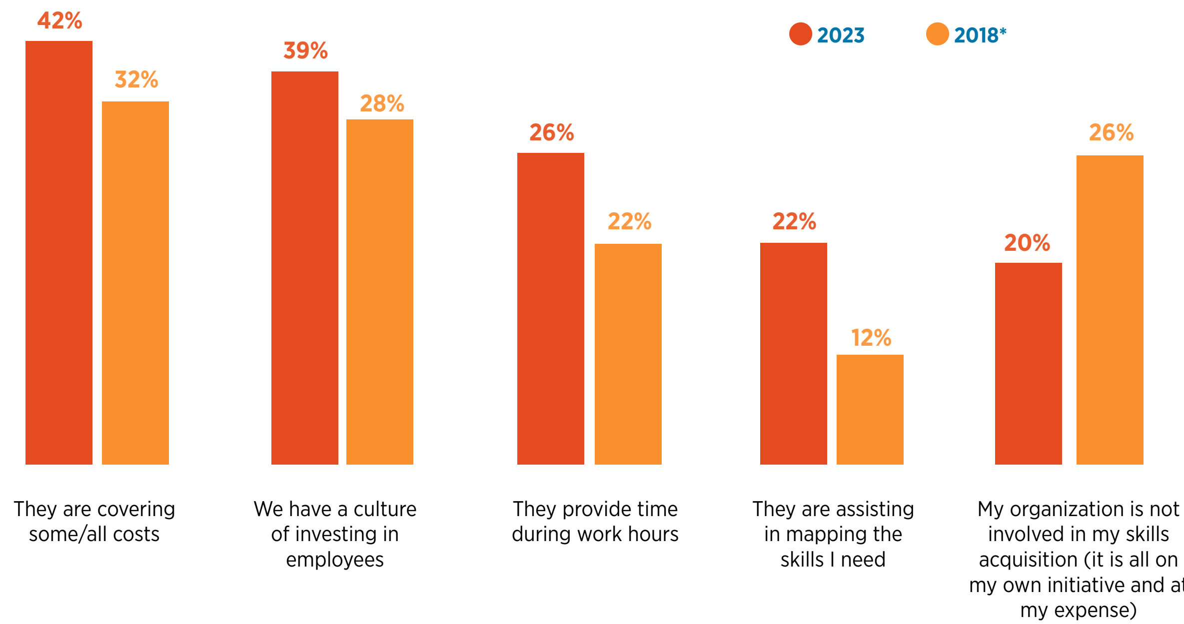
Respondents indicate that their companies are providing increased levels of support for FP&A professional development. In a series of questions first asked in AFP®'s *2018 Digital Readiness Survey*, and again this year, the survey results reflect improvement in each of the areas covered by those five questions.

Overall, respondents rate their satisfaction with company-offered professional development opportunities a 3.5 on a 1-to-5 scale. Three factors may be driving this trend:

— **Defining the field of FP&A.** FP&A may have suffered an identity crisis a decade ago, but currently the field is well defined with its own recruiting titles, conferences, certifications and skill definition. This specialization is reflected in the survey data that show practitioners with the Certified Corporate Financial Planning & Analysis (FPAC) credential are more likely to focus solely on FP&A rather than spreading their efforts across other finance functions in their work. Overall, maturation is leading to specialization; that makes it easier to identify and justify training to Human Resources and an organization's CFO.

— **Low unemployment rate.** Except for a 20-month pandemic period, the U.S. unemployment rate has been below 4% for 6 years; the unemployment rate for FP&A professionals is estimated to be below 1%[1] and below 2%[2] in other corporate finance and accounting roles. Investing in your employees is a good retention-and-recruiting strategy.

Organizational Assistance with Employee Skill Acquisition
(Percent of Respondents)



*Source: *2018 Digital Readiness Survey*

— **Recognition of the need for reskilling.** Companies understand that technology is changing the way finance delivers its services, creating both new opportunities and minimizing costs. Some tech investment happens from the top down, i.e., developing new systems. Others happen from the bottom up, i.e., investing in people and having them drive the change. Both create opportunities for increased learning.

ACTION ITEM

Ask for support. Your employer should want you to be successful and can support you with funding, time and/or insights as to what is most useful in your career path.

[1] https://www.searchsolutiongroup.com/recruiting-area/financial-planning-recruitment-firm/ and https://www.roberthalf.com/us/en/insights/salary-hiring-trends/demand-for-skilled-talent/accounting-finance
[2] https://fred.stlouisfed.org/series/LNU04032216

INSIGHT 3: DEFINING THE FIELD OF FP&A

Maturation of the FP&A field is leading to specialization. As noted earlier, FP&A began as an outgrowth of the accounting team, however, the field is currently better defined and more firmly structured with job titles relating to the function.

As shown in the table below, respondents self-rated accounting as the second lowest of five core skill areas required to accomplish their work today. When FP&A examines its skill improvement opportunities, it sees the most opportunity in the areas of technology and data, finance skills, business knowledge and personal and team effectiveness; accounting ranks last. This may demonstrate existing proficiency in accounting; however, several FPAAC members see it differently, commenting that FP&A is content to let accounting teams handle the accounting so they can focus on business outcomes.

> "We're getting more new hires right from schools with data analytics majors or minors. Those skills may not be resident in existing finance and accounting roles."
>
> —FPAAC MEMBER

FP&A still recruits heavily from accounting, but it pulls almost as much from other finance-related groups such as FP&A in other teams and companies, financial operations and audit. This shows that FP&A sees its work as differentiated from (but related to) the accounting field.

In addition, FP&A is seeking talent from various sources – i.e., graduate and undergraduate students, as well as from non-finance functions. This diversity of people coming from non-accounting sources shows the importance of non-accounting skills and mindsets, and the capability of molding "non-accounting" professionals into FP&A professionals.

ACTION ITEM

FP&A teams require multiple and varied skills; keep abreast of changing needs in your organization and in the profession itself; then manage both your talent and skill acquisition accordingly.

Self-Reported Areas of Professional Strength

(Weighted average*)

Finance (planning, analysis, decision support)	4.3
Business knowledge	4.2
Personal and team effectiveness (e.g., communication, presentation)	4.2
Accounting	3.8
Technology and data management	3.6

*Scores are weighted averages of responses on a 1-5 scale, where 1= No experience, 2=Could be improved, 3=Average, 4=Strong, 5=Very strong

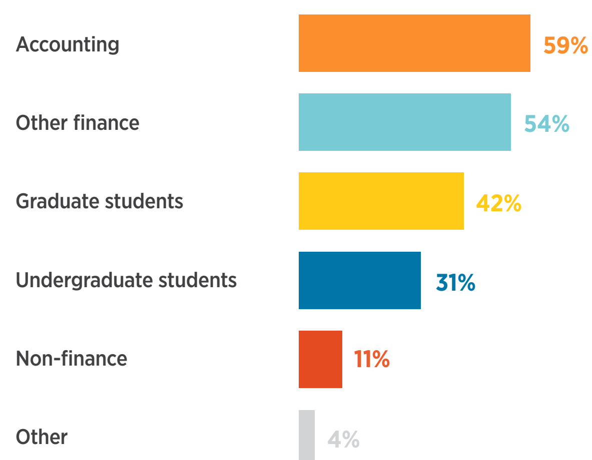
Top FP&A Skills-related Opportunity for Improvement

(Percentage Distribution of Respondents)

Technology and data management	37%
Finance (e.g., planning, analysis, decision support)	25%
Business knowledge (e.g., value chain, economics, markets)	25%
Personal and team effectiveness (e.g., communication, presentation)	8%
Accounting	6%

Sources for FP&A Analyst or Manager Level Talent

(Percent of Organizations)



INSIGHT 4: SMALL COMPANIES ARE SEEKING MORE ANALYSIS; LARGE COMPANIES WANT MORE TECHNOLOGY

Findings suggest that organization size plays a role in determining where additional FP&A staff recruited would be engaged. Where you stand on development opportunities depends on where you sit, as company size often correlates to work frustrations and opportunities. Larger companies often struggle with aged, legacy systems, while smaller companies often lack specialization of job tasks; the data show how views differ between small and large companies:

The survey asked, ***"If you could hire an additional 10% more FP&A full-time equivalent (FTE) staff, where would you most likely engage them?"*** Responses reveal the clear front-runners are financial analysis and digital transformation. But the data also show a difference of opinion depending on company size. Respondents from smaller companies – those with annual revenue less than $500 million – want more financial analysis and planning support; respondents from larger companies want more transformation and, to some extent, business partnering.

Responses to ***"Which represents the greatest skills-related opportunity for improvement?"*** show similar differentiation by company size.

Regarding the question of how to deploy additional resources, financial analysis scored high across the board, indicating that all groups would benefit from additional resources in this area. FP&A staff at smaller companies rate this significantly higher than do other respondents as they are more likely to be handling multiple jobs across finance (more treasury and accounting tasks) which limits their ability to provide deeper analysis.

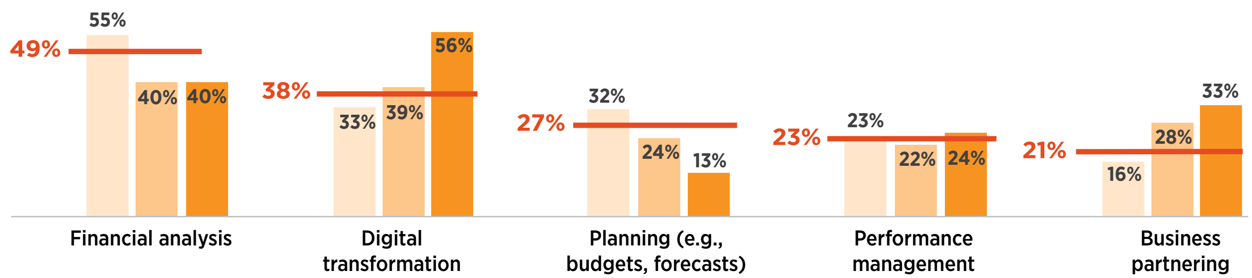
Larger company FP&A functions would allocate additional resources digital transformation and disproportionately see greater opportunities in improving their technology and data management skills. These larger companies likely have existing planning tools and large data repositories already; however, these legacy tools and data environments often become hurdles as data may be siloed, have different dimensionality and reflect legacy companies or taxonomies.

ACTION ITEM

Your development plan needs to be in step with your current and future employers; be intentional and aware of your company needs.

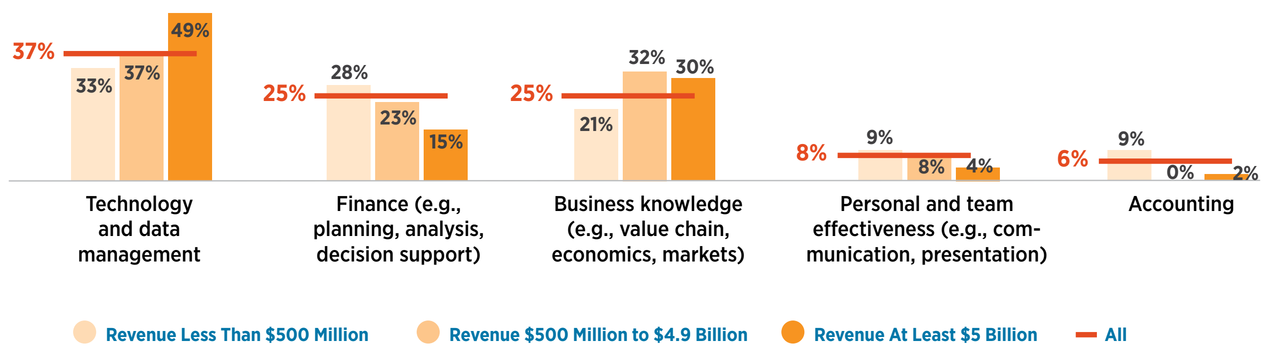
Engagement of Additional Staff at Organization

(Percent of Organizations)



FP&A Skill Areas with the Greatest Opportunity for Improvement

(Percentage Distribution of Organizations)



COMPREHENSIVE SURVEY DATA

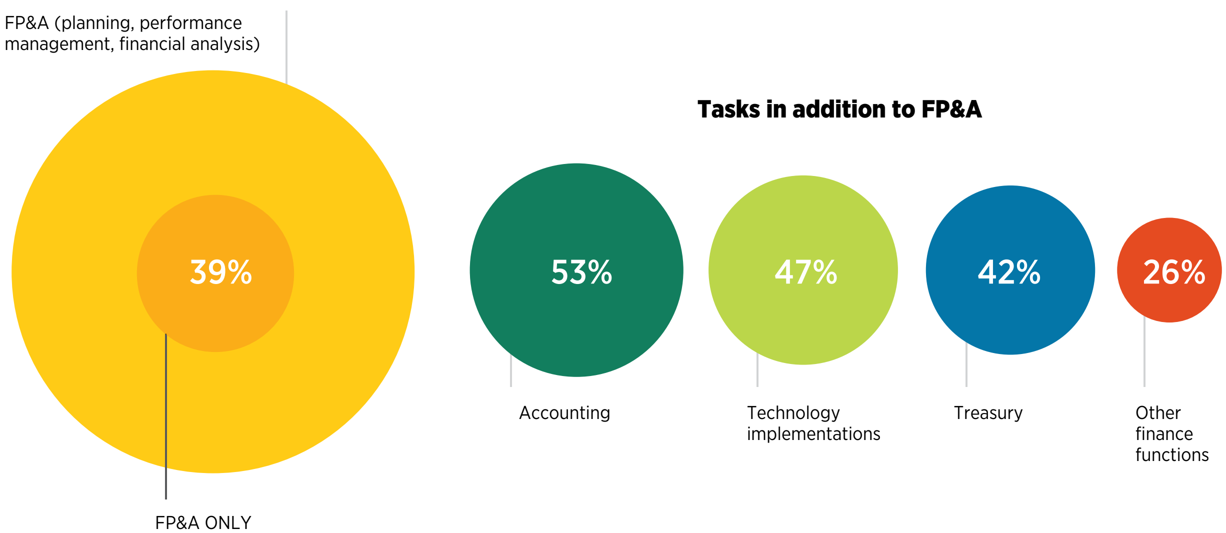
ORGANIZATIONAL DESIGN

Two-thirds of Respondents Have Duties Beyond FP&A

Of the 81% of respondents who indicate that their function involved FP&A, two-thirds report having duties in at least one other area outside of FP&A. The diagram below shows how the roles break down for the 550 respondents who do FP&A and the intersections with other roles.

Role Breakdown of FP&A Practitioners

(Percent of All FP&A Responses)



Note: Percentages do not equal 100% due to overlapping duties.

> "Peak period demands will likely always be part of the FP&A landscape. But what is FP&A doing during the extra time allotted to peak period work? This should be analysis, deriving insights, examining go forward options and providing input into decisions. It should not be gathering data, manipulating information, reconciling data, 'turning the crank' and finally producing the updated plan / forecast."
>
> — FPAAC MEMBER

Average Hours for FP&A

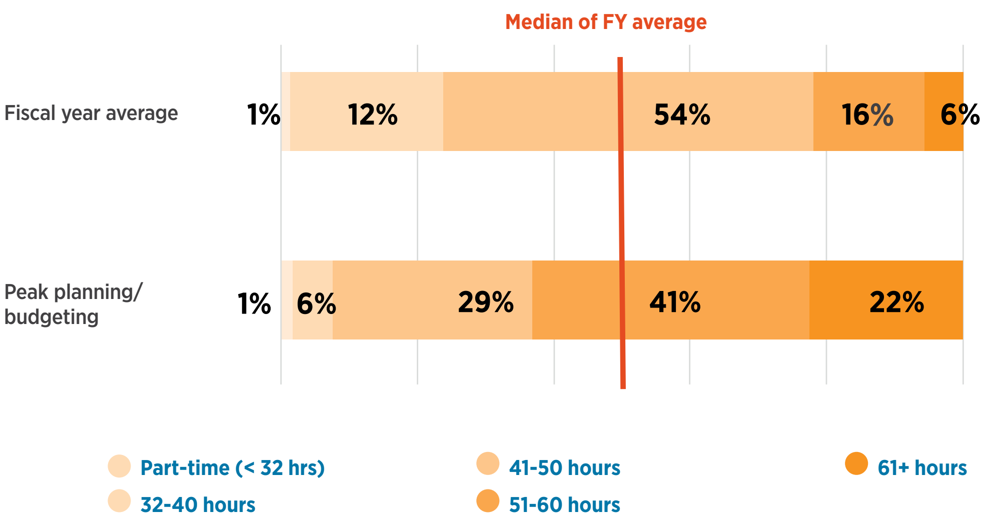
Average Hours Worked per Week

(Percentage Distribution of Respondents)

		LESS THAN 32 HOURS	32-40 HOURS	41-50 HOURS	51-60 HOURS	61 OR MORE HOURS
All	Fiscal year average	1%	23%	54%	16%	6%
	Peak planning/budgeting	2%	6%	29%	41%	22%
North America	Fiscal year average	0%	23%	58%	16%	3%
	Peak planning/budgeting	0%	5%	33%	42%	20%
International	Fiscal year average	3%	21%	48%	17%	11%
	Peak planning/budgeting	4%	7%	23%	38%	28%

Average Hours Worked Per Week - All

(Percentage Distribution of Organizations)



Findings

- FP&A professionals generally work 41-50 hours per week over the course of the year (median response).
- The rightward shift shows how hours increase during budget season, as the percentage of those working 50+ hours jumps from 22% to 63%, with more than one-fifth working more than 61 hours. Those working less than 40 hours shrinks from 24% to 8%. Overall, hours during budget season increase 16%-18%.
- **Comparison by region:** International respondents indicate 3% more hours overall, but approximately the same during budget season.
- **Comparison by size:** Results are roughly equivalent across company size.

"I see this every year; peak periods last for about two to three months of intense budgeting, then back and forth negotiations with the board. It is something the profession needs to address, either through integration or AI. I know this kind of extended pressure is something that can drive staff to look for roles outside of FP&A."

— FPAAC MEMBER

FP&A Centralization Correlated to Company Size

FP&A Staff Structure

(Mean Percentage of Staff)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Centralized (corporate) group	66%	69%	57%	73%	62%	43%
Decentralized (business) unit	24%	22%	28%	20%	25%	36%
Center of Excellence / Shared Service Center	8%	6%	12%	5%	10%	18%
Other	3%	3%	3%	3%	3%	3%

Findings

— **Comparison by region:** International respondents indicate more staff in decentralized units or the center of excellence/shared service teams. International respondents are more likely to represent offshore FP&A functions and regional business units of global companies.

— **Comparison by size:** larger companies are more likely to have smaller central functions and larger business units and centers of excellence.

"I find that as FP&A organizations get more mature, they tend to invest more in the function, add people, build out more capabilities, and also push to decentralize as needed."

— FPAAC MEMBER

How Centers of Excellence / Shared Services Operate

While centers of excellence or shared service centers represent about only eight percent of FP&A staffing, it is a trend to watch over time. These operations offer tremendous operational leverage for finance to have a large impact with fewer staff, and for employees in these locations to upskill from financial operations and management reporting to more sophisticated analyses. The examples presented below illustrate how two companies are putting these remote groups into service.

"I used to work for a very large company, some $60 billion plus in revenue, 50,000 employees and 3,500 finance staff. This is how they organized:

"FP&A in countries sit with the go-to market teams, and they act as the liaison between business owners and the shared service function. And everything that is possibly 'centralizable' has been centralized in the shared services.

"There are three global shared service centers in three different time zones, allowing for 24-hour support. The one in APAC was split between two time zones, there was one in the Americas and one in Europe.

"Anything that moved and shaped the P&L margins was centralized, and the FP&A in the shared service function were expected to speak the language of finance and their business. Their responsibilities would include analytics, top-down multi-year planning, year-over-year, quarter-over-quarter, version-over-version, flux analysis, creation of management decks and reporting packs, tracking of KPIs or really anything that matters to the company in terms of employee productivity, compensation patterns, travel expenses, etc."

— FPAAC MEMBER

"We have consistently pushed more of the analysis to our shared services team. For example, we have very minimal staffing levels across both the centralized finance teams at headquarters, and limited staffing in each country. They are all fully reliant on the shared services set up across our four locations across the globe. It varies per business, but we might have 12-14 finance people sitting in country, including the business VPs, supported by 15-18 people dedicated to them in the shared service center.

"The teams sitting in the shared services are very much integral to any meetings that happen with the business folks. So, it's all virtual setups, but they understand what's happening in the markets or in their assets, and they understand all the nuances, and they're the ones who are making the final information packs for reviews. They are quite critical."

— FPAAC MEMBER

Outsourcing of FP&A Staff Remains Low

Findings:

- Overall, outsourcing of FP&A duties is relatively rare; done at approximately 6% of organizations.
- **Comparison over time:** this level is in line with the *2022 AFP FP&A® Benchmarking Report* that showed 6% of the workforce were contracted staff.
- **Comparison by size:** companies on the smaller and larger ends of the spectrum were more likely to outsource, with 8% of companies under $500MM and 7% of respondents from companies with revenue of at least $5B saying they did so.

Distribution of FP&A Staff Type

(Mean Percentage of Staff)

	ALL	NORTH AMERICA	INTER-NATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Third party / external resources	6%	4%	10%	8%	2%	7%
In-house finance employees	94%	96%	90%	92%	98%	93%

FP&A Shifting Back to the Office

Work Environment

(Percentage Distribution of Organizations)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION	2022 ALL*
90-100% remote (~2 days/month in the office)	14%	17%	5%	14%	12%	15%	33%
Mostly remote	17%	16%	17%	15%	17%	19%	21%
About evenly split	22%	26%	16%	17%	31%	30%	15%
Mostly onsite	27%	25%	38%	28%	28%	26%	4%
90-100% on site (about 2 days/month at home)	20%	17%	23%	25%	11%	11%	27%

*Source: *2022 AFP® FP&A Benchmarking Report*

Findings:

Employees have many options regarding their work locations, but there has been a definite increase in time spent in the office over the past two years. The *2022 AFP® FP&A Benchmarking: Practitioner Planning Report*, based on data collected in the third quarter of 2021, showed more than half of FP&A practitioners were working mostly or entirely remote; that share fell to 33% and 22% for North America and International practitioners, respectively, in this year's survey.

— **Comparison by region:** International companies have higher percentages in the office, with 61% of FP&A staff working mostly or completely onsite versus 42% for North America.

— **Comparison by size:** Smaller companies are more likely to pull employes back into the office, with 63% of respondents working mostly or completely onsite versus 39% and 37% for mid-size and large companies, respectively. Larger companies have more options across the five responses.

— **Comparison over time:** This question was asked as part of the aforementioned 2022 Benchmarking Survey; 31% of respondents reported they were working mostly or completely onsite compared to 47% in the current survey. At the other end of the spectrum, 54% were working entirely or mostly remote in 2021 compared to 31% currently.

"I think there are a lot of companies that have long leases that still need to be worked out and are therefore requiring a hybrid work environment. And smaller companies in smaller cities seem to have gone back to the office at higher rates."

— FPAAC MEMBER

STAFFING

Confident in Current Skills, Less Prepared for Digital Transformation, and Concerned over Staffing

Assessment of Professional Readiness

(Weighted Average*)

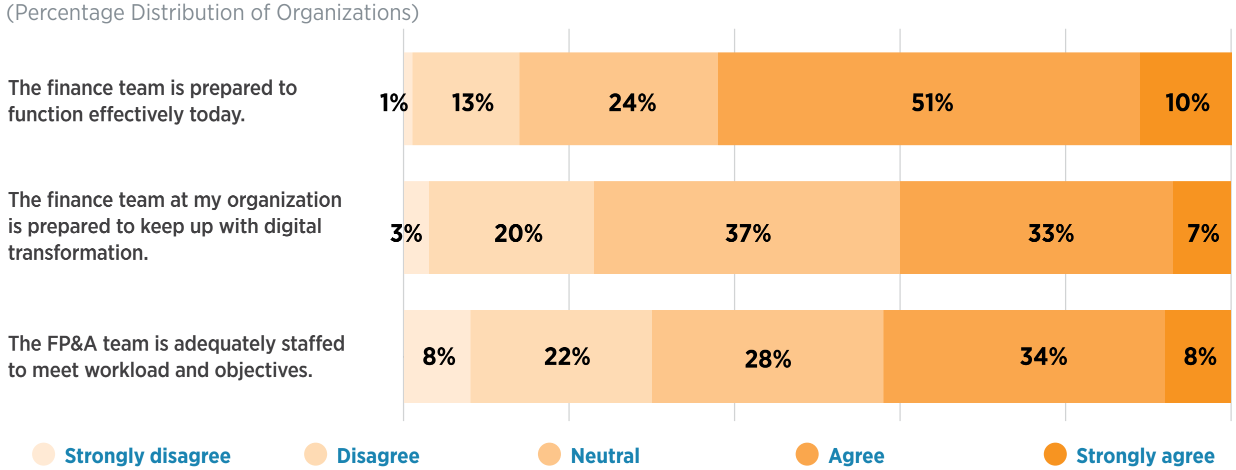
	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
The finance team is prepared to function effectively today.	3.6	3.6	3.4	3.6	3.4	3.7
The finance team at my organization is prepared to keep up with digital transformation.	3.2	3.2	3.2	3.3	3.0	3.3
The FP&A team is adequately staffed to meet workload and objectives.	3.1	3.1	3.2	3.2	3.0	3.2

*Scores are weighted averages of responses on a 1-5 scale, where 1= No experience, 2=Could be improved, 3=Average, 4=Strong, 5=Very strong

The table below shows the distribution of responses summarized by the weighted averages in the ALL column above. While the weighted averages for the profession look relatively positive, it is important to notice that 38% to 58% of respondents have neutral to negative outlooks on these questions of professional readiness.

Assessment of Professional Readiness

(Percentage Distribution of Organizations)



Findings:

- Overall, FP&A professionals are satisfied with their ability to function effectively today, with 61% agreeing or strongly agreeing with that statement. However, the share drops to 40% when asked about their readiness for digital transformation.
- There is a wide dispersion of responses regarding appropriate staffing, with 30% of respondents indicating dissatisfaction and 42% who are satisfied.
- **Comparison by region:** North American respondents are more likely than international ones to indicate preparedness for today, but this equalized when asked about looking to the future.
- **Comparison by size:** Respondents from mid-size companies score lower on all three questions.

Additional Resources Would Focus on Analysis, Transformation

How Additional Staff Would Be Engaged

(Percent of Organizations)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Financial analysis	49%	51%	44%	55%	40%	40%
Digital transformation	38%	41%	32%	33%	39%	56%
Planning (e.g., budgets, forecasts)	27%	27%	26%	32%	24%	13%
Performance management	23%	20%	29%	23%	22%	24%
Business partnering	21%	20%	28%	16%	28%	33%

Findings:

- If FP&A had more resources and time, it would focus on financial analysis and digital transformation.
- **Comparison by region:** These areas are the two top-ranked ones for both North American and International respondents, but those from North America emphasize them at a higher rate; conversely, international respondents place notably more emphasis on performance management and business partnering.
- **Comparison by size:** Smaller companies would prefer to focus additional resources on financial analysis; larger companies on digital transformation.

"Not surprising there is heavy emphasis on financial analysis, because that's where the value starts for the business as to what insights and actionable analysis can you bring to the table further. The time and effort to create the period close, the forecast and the management deck can leave hardly any time to add analytical value."

— FPAAC MEMBER

"I suspect large companies have a relatively higher degree of maturity in planning and analysis, so they focus on digital transformation to elevate all capabilities across the board through automation, process efficiencies, advanced analytics, ML & AI infused planning / forecasting / reporting activities, and technology advancements."

— FPAAC MEMBER

FP&A Analysts and Managers Average 4-6 Months to Become Fully Productive

Time it Takes for an FP&A Analyst or Manager to Become Fully Productive

(Percentage Distribution of Organizations)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
1-3 months	14%	11%	21%	16%	8%	13%
4-6 months	44%	45%	44%	40%	57%	44%
7-9 months	20%	22%	13%	19%	22%	16%
10-12 months	15%	16%	12%	19%	9%	13%
13+ months	7%	6%	9%	6%	5%	13%

Findings:

- **Comparison by region:** The weighted average time period is equivalent.
- **Comparison by size:** The weighted average time period is slightly longer at large organizations.

"There's money involved with getting people up to speed quicker. Anywhere I can get my people up quicker is a good thing. Perhaps companies can decrease their ramp up time with good educational plans or certifications like the FPAC."

— FPAAC MEMBER

FP&A Recruits Most of Its Talent from Across the Finance Organization

Sources for FP&A Analyst or Manager Level Talent

(Percent of Organizations)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Accounting	59%	58%	60%	62%	51%	59%
Other finance	54%	56%	48%	48%	54%	70%
Graduate students	42%	42%	44%	38%	41%	65%
Undergraduate students	31%	40%	12%	27%	34%	46%
Non-finance	11%	11%	11%	10%	12%	9%
Other	4%	5%	4%	5%	2%	7%

Findings:

- FP&A pulls most of its talent from across the CFO organization.
- **Comparison by region:** International respondents are far less likely to recruit undergraduates for FP&A.
- **Comparison by size:** Larger companies (which are often public companies) are more likely to recruit students, both undergraduate and graduate; smaller companies are more likely to pull from accounting.

"We're getting more new hires right from schools with data analytics majors or minors. Those skills may not be resident in existing finance and accounting roles."

— FPAAC MEMBER

"Is FP&A raiding talent or are accountants seeking to change?"

— FPAAC MEMBER

SKILLS AND TRAINING

Personal Relative Strengths

Survey respondents believe that their professional strength is primarily in finance, business knowledge and personal and team effectiveness. Those respondents from large companies report a slightly higher weighted average in these three areas.

Self-Reported Areas of Professional Strength

(Weighted Average*)

		REGION		SIZE			OVER TIME
	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION	2018 ALL**
Finance (planning, analysis, decision support)	4.3	4.3	4.2	4.4	4.5	4.5	4.2
Accounting	3.8	3.7	4.0	3.9	3.6	3.6	**
Business knowledge	4.2	4.3	4.1	4.3	4.2	4.4	**
Technology and data management	3.6	3.6	3.6	3.7	3.4	3.7	3.7
Personal and team effectiveness	4.2	4.2	4.1	4.2	4.0	4.3	4.0

*Scores are weighted averages of responses on a 1-5 scale, ranging from 1: No experience to 5: Very strong skills

**Source: [2018 Digital Readiness Survey]

***Question not asked in 2018

Findings:

- FP&A finds its areas of greatest strength in finance, business knowledge and personal and team effectiveness. The strength of finance over accounting shows that FP&A is developing as an independent function beyond accounting, even though it was generated from accounting teams.
- **Comparison by region:** International respondents have a higher weighted average score than do North American respondents for accounting, 4.0 versus 3.7.
- **Comparison by size:** Smaller companies trend toward higher accounting knowledge and business knowledge; larger companies rate themselves higher for personal and team effectiveness.
- **Comparison over time:** A version of this question was asked in *AFP®'s 2018 Digital Readiness Survey*; scores are similar for finance technology but show improvement in personal and team effectiveness.

> "I can see how 18 months of a pandemic-altered work reality forced many finance leaders to sharpen their people skills, to 'read the room' and their team a lot better. It will be interesting to see if this sustains as a lot of us move back to the office and cubicles."
>
> — FPAAC MEMBER

Technology and Data Skills Remain the Greatest Opportunity for Improvement

Greatest FP&A Skills-related Opportunity for Improvement

(Percentage Distribution of Organizations)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Technology & Data management	37%	37%	38%	33%	37%	49%
Finance (e.g., planning, analysis, decision support)	25%	23%	28%	28%	23%	15%
Business knowledge (e.g., value chain, economics, markets)	25%	25%	26%	21%	32%	30%
Accounting	6%	6%	3%	9%	0%	2%
Personal and team effectiveness (e.g., communication, presentation)	8%	9%	6%	9%	8%	4%

Findings:

— **Comparison by size:** Similar to the question about additional resources, large companies look for more technology and data skills, while smaller companies look for more finance skills.

— **Comparison over time:** A similar question was asked in *AFP®'s 2018 Digital Readiness Survey*. The results then were technology skills 55%, finance/accounting skills 27% and interpersonal "soft skills" at 18%.

FP&A Has a Low Level of Concern That Technology Will Make Them Obsolete

Concerns of Obsolescence in Current Role Due to Technological Advances

(Percentage Distribution of Respondents)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
Unconcerned	43%	49%	28%	45%	42%	32%
Mildly concerned	30%	30%	28%	26%	34%	38%
Somewhat concerned	18%	15%	24%	15%	21%	19%
Concerned	8%	5%	16%	11%	1%	9%
Significantly concerned	2%	1%	4%	3%	1%	2%
Mean distribution*	2.0	1.8	2.4	2.0	1.8	2.1

*Scores are weighted averages of responses on a 1-5 scale, where 1= Unconcerned up to 5=Significantly concerned

Findings:

— 73% of respondents are unconcerned or mildly concerned that their role will become obsolete due to technological advances; the weighted average response of the group is 2.0.

— **Comparison by region:** North American respondents are less concerned about role obsolescence than are international respondents, with a weighted average score of 1.8 versus 2.4, respectively.

— **Comparison by size:** AFP asked a similar question in its *2018 Digital Readiness Survey*, The weighted average response was 2.3, below this year's response of 2.0.

Qualitative survey responses:

— "Technology will augment staff and make them more efficient, not replace them."

— "Business and strategic partnering requires person to person interaction."

— "Business is full of unpredictable events, irregularity, and different trends. Hence, the touch of human aspect, particularly in the FP&A and Treasury, would still be required."

— "I can adapt."

"I think Finance professionals see AI/RPA/etc. as a tool to augment their role, but never as a full replacement."

— FPAAC MEMBER

Companies Are Increasing Support for Employee Skill Acquisition

Assessment of Organizational Assistance with Employee Skill Acquisition

(Percent of Respondents)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION	2018*
They are covering some/all costs	42%	47%	31%	42%	38%	48%	32%
They are assisting in mapping the skills I need	22%	19%	30%	20%	22%	28%	12%
They provide time during work hours	26%	27%	20%	29%	20%	26%	22%
We have a culture of investing in employees	39%	42%	32%	40%	31%	48%	28%
My organization is not involved in my skills acquisition (it is all on my own initiative and at my expense)	20%	18%	27%	20%	25%	13%	26%
I am satisfied with the professional development opportunities my organization offers me.**	3.5	3.5	3.4	3.5	3.3	3.6	NA

*Source: *2018 Digital Readiness Survey*

**Scores are weighted averages of responses on a 1-5 scale, where 1= Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

Findings:

— Scores for specific areas of company support have improved since 2018; the share of respondents reporting a total absence of company support has declined.

— The weighted average score for satisfaction with organizational developmental opportunities is 3.5, with 54% responding positively, 20% negatively and 26% neutral.

— Median financial support per person was $2,000. The mean was $3,600, which included several tuition reimbursements that skewed this number higher.

— **Comparison by region:** North American respondents rate their companies more favorably in most components than do international respondents.

— **Comparison over time:** Scores for each of these areas have improved since 2018.

— **Comparison by size:** Larger companies score favorably in each category; mid-size companies score the worst.

"This is an alternative way to remunerate and retain staff – I think it is important and can be more effective than recruiting for new skill sets. Particularly for in demand skills."

— FPAAC MEMBER

Detail, Communication and Flexibility Are Keys to Early Career FP&A

Most Desired Personal Skills for Analyst/Manager Level Staff

(Percent of Respondents)

	ALL	NORTH AMERICA	INTERNATIONAL
Attention to detail	66%	69%	58%
Communication (including influence, presenting, storytelling)	55%	58%	51%
Flexibility (agile and growth mindset)	50%	49%	51%
Teaming (partnering, relationship building, people management)	46%	49%	40%
Strategic thinking	44%	43%	44%
Curiosity	39%	43%	29%
Project/process management skills	31%	37%	19%
Time management	30%	32%	26%
Creative thinking	28%	29%	27%
Courage/Challenge/Challenges status quo	24%	23%	25%
Leadership	21%	16%	30%
Change management	13%	10%	20%
Empathy / Emotional Intelligence	12%	11%	13%
Stakeholder management	11%	10%	14%
Negotiation	6%	1%	18%
Conflict management	5%	4%	8%

"This is highly actionable for people who are wondering about whether they have the attributes to be a successful FP&A analyst or manager, they can ask, do I resemble this? This could be a blueprint for what to look for in a candidate."

— FPAAC MEMBER

"It will be interesting to see how this changes as AI becomes more prevalent in day-to-day jobs."

— FPAAC MEMBER

Organizations depend on early career FP&A staff to provide reliable, accurate, foundational work. Overall, a majority of survey respondents names attention to detail, communication and flexibility as the top three skills needed in early career employees.

Leadership, Strategy and Communication Are Key to Senior Level FP&A

Most Desired Personal Skills for Staff at Director/VP+ Level

(Percent of Respondents)

	ALL	NORTH AMERICA	INTERNATIONAL
Leadership	79%	81%	75%
Strategic thinking	73%	73%	72%
Communication (including influence, presenting, storytelling)	50%	56%	37%
Teaming (partnering, relationship building, people management)	36%	40%	25%
Stakeholder management	33%	31%	38%
Courage/Challenge/Challenges status quo	30%	33%	24%
Change management	25%	27%	23%
Empathy / Emotional Intelligence	25%	27%	21%
Flexibility (agile and growth mindset)	22%	24%	17%
Conflict management	22%	19%	29%
Creative thinking	20%	19%	22%
Negotiation	17%	10%	33%
Project/process management skills	16%	17%	12%
Attention to detail	13%	13%	10%
Time management	11%	11%	13%
Curiosity	9%	10%	6%

"I find it interesting that 'curiosity' was considered important for analyst/managers but not Director/VP level. Tough to have department-wide innovation without broad curiosity throughout the organization."

— FPAAC MEMBER

Senior staff set the tone for work culture in an organization and play a role in organizational culture curation. A majority of survey respondents cite leadership, strategic thinking and communication as the top three skills desired for senior level staff.

Respondents Score High for Mindset Measures of Growth, Psychological Safety, Ambiguity and Adaptability

Assessment of FP&A's Adaptivity

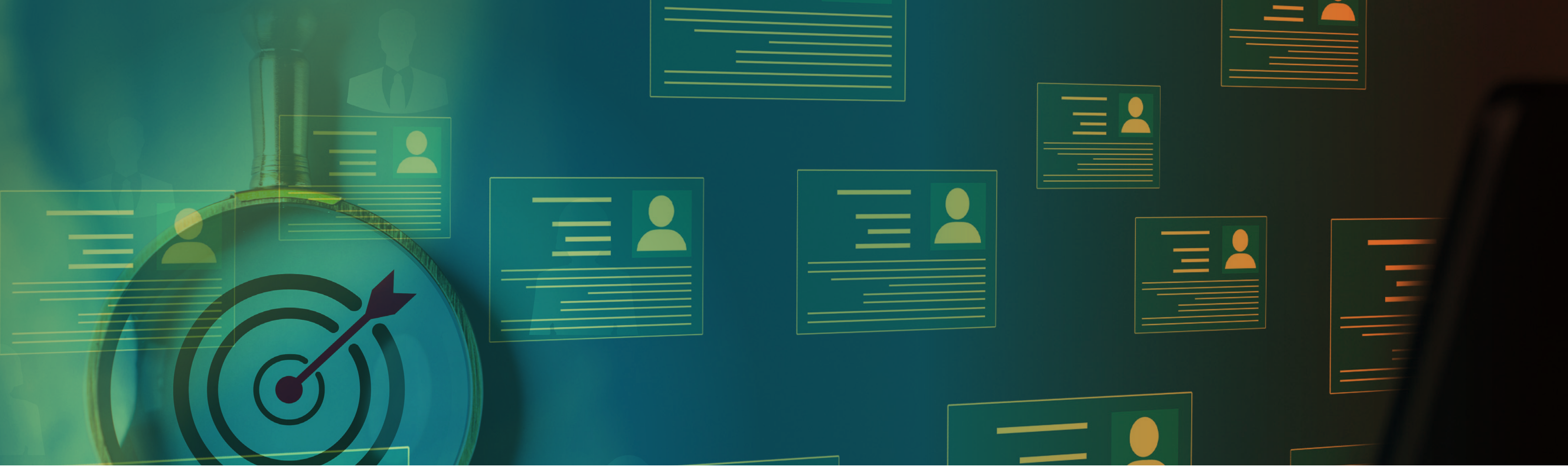
(Weighted Average*)

	ALL	NORTH AMERICA	INTERNATIONAL	REVENUE LESS THAN $500 MILLION	REVENUE $500 MILLION TO $4.9 BILLION	REVENUE AT LEAST $5 BILLION
FP&A has a team ethos of continual improvement (e.g., experimentation, new methods, disruptive ideas). ("Growth mindset" measure)	3.9	3.9	3.9	4.0	3.9	4.0
FP&A has safety to voice opinions/suggestions without fear of the negative. ("Psychological safety" measure)	3.9	3.9	4.1	3.9	3.9	4.0
FP&A has comfort with ambiguity. ("Ambiguity" measure)	3.6	3.6	3.5	3.5	3.7	3.4
FP&A has the ability to adapt well to changing circumstances. ("Adaptability" measure)	3.9	3.9	3.9	3.9	4.0	3.8

*Scores are weighted averages of responses on a 1-5 scale, where 1= Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

Findings:

- As discussed in the *AFP® 2022 FP&A Survey: Measuring Agility in FP&A*, finance has the ability to accelerate or inhibit agility in other parts of the organization. These scores are very high for the three questions with a weighted average of 3.9. In fact, those questions saw more than 74% of respondents answer agree or strongly agree.
- The "comfort with ambiguity" response is significantly lower across all breakouts.
- **Comparison by region:** International respondents are more likely to express confidence in their ability to voice options/suggestions without fear of negative consequences ("psychological safety").
- **Comparison over time:** The same questions were asked in 2022 as part of a detailed look into agility; responses were generally similar to those in the current survey.



DEMOGRAPHICS

About Survey Respondents

The Research Department of the Association for Financial Professionals® (AFP) conducted the 2024 AFP® FP&A Benchmarking Survey in August and September of 2023. The survey was sent to AFP members and prospects that held job titles of Accountant, Financial Analyst, FP&A Analyst, Finance Manager, FP&A Manager, Director of FP&A, Controller, Vice President of Finance, Head of FP&A and CFO. Responses from 691 professionals from 68 different countries form the basis of this report.

The following tables summarize the characteristics of survey respondents where organization-level demographics were provided.

AFP thanks Workday for being a valued partner and for its support of the AFP FP&A Benchmarking Survey. AFP® is solely responsible for the content of this report.

Annual Revenue

(Percentage Distribution of Organizations)

Under $50 million	19%
$50-99.9 million	11%
$100-249.9 million	17%
$250-499.9 million	11%
$500-999.9 million	11%
$1-4.9 billion	17%
$5-9.9 billion	4%
$10-20 billion	3%
Over $20 billion	7%

Geography

(Percentage Distribution of Organizations)

North America: United States and Canada	70%
Middle East and Africa	12%
Asia Pacific	10%
Europe	5%
South and Central America	4%

Ownership Type

(Percentage Distribution of Organizations)

Publicly owned	29%
Privately held/private equity	29%
Privately held	24%
Non-profit (not-for-profit)	11%
Government (or government owned equity)	8%

Industry Classification

(Percentage Distribution of Organizations)

Agricultural, Forestry, Fishing & Hunting	1%
Administrative Support/Business services/Consulting	4%
Banking/Financial services	9%
Construction	1%
E-Commerce	1%
Education (K-12, public or private institution)	3%
University or other Higher Education	2%
Energy	4%
Government	4%
Health Care and Social Assistance	5%
Hospitality/Travel/Food Services	4%
Insurance	3%
Manufacturing	20%
Mining	1%
Non-profit	4%
Petroleum	1%
Professional/Scientific/Technical Services	3%
Real estate/Rental/Leasing	4%
Retail Trade	4%
Wholesale Distribution	3%
Software/Technology	8%
Telecommunications/Media	5%
Transportation and Warehousing	5%
Utilities	4%

Contributors

Wesam Alayyad, FPAC, Head of Finance Transformation, Jedco KSA

Scott Corvey, FPAC, Vice President of Finance, Consero Global

Jaime Dzerve, FPAC, Director of FP&A, Verizon

Iana Esterrich, CFO, Planned Parenthood Federation of America

Ken Fick, FP&A/CFO Advisor, FP&A Expert

Sai Giridhar, Finance Director, Shell India – Integrated Gas and Upstream

Connagh Hopkins, Head of Business Planning and Reporting, Western Power

Pankaj Kabra, Senior Vice President, Finance, Traveloka

Puneeta Kapoor, FPAC, Commercial Finance Manager, Navitas

Justin Kuzma, FPAC, Senior Director of FP&A, US Steel

Bill Merkent, FPAC, Director of Financial Planning & Analysis, Verizon

Nikita M. Miller, FPAC, Director of Facilities and Financial Planning and Analysis, The Kresge Foundation,

Hesham Mokhiemer, FPAC, CTP, International Accounting and Finance Expert Trainer

Philip Peck, Vice President of Finance Transformation and Advisory Services, Peloton Consulting

Lauren Reise, Vice President - Finance Manager, Wells Fargo

Hector Rubalcava, Experienced Director of FP&A

Siang Leng Tay, CFO and Head of FP&A, Asia, QBE Asia

Weng Hong Yong, Executive Director, MindForward Alliance

All inquiries should be addressed to:

12345 Parklawn Dr Ste 200

PMB 1001

Rockville, MD 20852

Phone: 301.907.2862

E-mail: AFP@AFPonline.org

Web: www.AFPonline.org

AFP® ASSOCIATION FOR FINANCIAL PROFESSIONALS

The finance, HR, and planning system that helps you adapt to change.

Whether you're modeling what-if scenarios, closing the books remotely, or devising new supplier strategies, your ability to respond is only as good as the insights that are unlocked by your data. Go with the enterprise management cloud designed to give you those insights quickly, even in rapidly changing conditions. Workday lets you plan, execute, and analyze so you can course-correct fast when you need to.

Workday. For a changing world.™

workday. Adaptive Planning