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CFOs plan to increase the tracking of non-financial key performance indicators (KPIs) to determine and forecast corporate performance, according to a new survey

of CFOs by Adaptive Insights, a provider of strategic cloud corporate performance

teams should lead the effort in identifying and defining them; and how business processes and skillsets must change to accommodate these new non-financial metrics.

"CFOs are increasingly tasked with not only understanding and communicating financial results but helping the organization to understand the operational drivers behind them," said Robert S. Hull, founder and chairman at Adaptive Insights. "By reporting, analyzing, and planning using a blend of financial and non-financial KPIs, the office of finance can help business leaders across the organization to spot trends early, which will help mitigate risk or take advantage of opportunities. The challenge is that assimilating operational and financial data rapidly into a single source of truth that can be used for reporting and planning can be a daunting task for many finance teams."

This quarter's study reveals that more than three-quarters (76%) of CFOs report that their finance teams are tracking some non-financial KPIs today, comprising up to 20% on average of the total. Looking ahead two years, nearly half (46%) of CFOs anticipate that to increase, with non-financial KPIs expected to comprise up to 30% on average of the total KPIs tracked. Including these non-financial KPIs will require CFOs to have increased access to a variety of data and collaborate more effectively across their organizations.

CFOs to Drive KPI Definition and Tracking

While CFOs have previously reported that their organizations are not aligned on metrics, this study shows they are in an ideal position to drive consensus around KPIs in their organization. According to the survey, they are also taking a greater role in owning all of their organizations' data, with nearly half (45%) of CFOs reporting they currently fulfill the role of chief data officer in their organization.

Based on the findings, the CFO Indicator Q3 2016 report advises CFOs to:

have previously reported that this skill is missing from their teams, and they intend to develop their teams through greater collaboration and integration with other parts of the business.

- **Collaborate more effectively:** While CFOs realize they can and should collaborate with other parts of the business, they have also reported that a lack of time prevents them from collaborating and engaging in strategic tasks, and that more efficient business processes and technology will be used to overcome this challenge.

For more information about the survey:

- Read the full CFO Indicator Q3 2016 report, "CFOs Weigh in on Non-Financial KPIs"
- View the CFO Indicator Q3 2016 infographic
- Read the blog "CFOs Weigh in on Non-Financial KPIs"

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