



The Role of Finance in Creating a Customer-Centric Culture

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Cutting-edge companies today are taking the old saying “the customer is always right” and putting a new twist on it. Instead of blindly stating that customers are always right in every possible situation, these companies instead are creating and adopting a customer-centric culture. In this kind of culture, all business activities are geared toward determining exactly what customers want and figuring out the best ways to deliver it to them.

The finance department is playing an increasingly important role in the creation of this kind of customer-centric culture. In recent years, the role of the finance department — and the CFO in particular — has evolved into more of a strategic partnership and advisor to other departments within the organization.

Breaking Down Silos

Successful organizations have broken down the silos and walls that have traditionally separated departments to form cross-functional teams that share data and analytics across departments. This kind of data sharing is crucial in discovering patterns and correlations in customer activities that can help determine customers’ ever-changing wants and needs — and delivering products and services that meet them.

It is also important to evaluate the allocation of organizational resources and investments required to capture your customer’s needs in an innovative and collaborative way. In a survey of 161 middle-market finance executives conducted by CFO Research and cited in a CFO Magazine article¹, more than half (66 percent) said they feel they are either somewhat or highly successful when it comes to innovation, while 31 percent don’t feel they have been successful at innovation. However, in looking back at the previous 12 months, one-third of the finance executives who responded attributed at least half of their revenues to innovation.

Meanwhile, when it comes to collaboration, research has indicated that employees are using fewer than half of the installed enterprise collaboration tools available to them on a regular basis. Another recent CFO Magazine article states that according to Gartner, one-quarter of all companies will lose their market position due to digital business incompetence and ineffective responses to how consumerization trends have changed the ways that work can best be accomplished.²

Your company could face a number of negative impacts by failing to use innovation and collaboration tools to determine and meet your customers’ ever-changing wants and needs, including the following:

- A loss of customers and lower revenue.
- A loss of market share due to a lack of competitiveness.
- An inability to grow the business.
- An ineffective and inefficient operating environment, both internally and externally.
- A lack of employee creativity that leads to low employee motivation and morale.

An outsourced CFO services provider can help you avoid these negative impacts by using innovation and collaboration tools to gauge and monitor your customers' needs and meet them. An outsourced CFO will:

- Re-align your organizational structure to drive customer-centric processes.
- Encourage creative thinking and transparency in all areas of the organization.
- Promote an environment of innovative risk taking that constantly targets your customers' needs.
- Stress the importance of flexible and creative thinking when assessing ideas.

Your company could realize a number of benefits and positive outcomes by hiring an outsourced CFO services provider to help you implement innovation and collaboration tools, including the following:

- Maintaining your competitive edge in the marketplace.
- Improved customer retention rates and increased revenue and market share.
- Higher employee morale due to greater creativity, collaboration and innovation in the workplace.

Concluding Thoughts

Cutting-edge companies today are adopting a customer-centric culture in which all business activities are geared toward determining exactly what customers want and figuring out the best ways to deliver this to them. The finance department and the CFO in particular are playing an increasingly important role in the creation of this kind of culture, helping break down the silos and walls that have traditionally separated departments. The sharing of data and analytics across departments is crucial in discovering patterns and correlations that can help determine customers' changing wants and needs in order to deliver products and services that meet them.

*1 New and Improving; Josh Hyatt; CFO Magazine; November 15, 2016
ww2.cfo.com/strategy-budgeting-planning/2016/11/new-and-improving-innovation/*

*2 The Death of the Department; Kevin Roberts; CFO Magazine; November 8, 2016
ww2.cfo.com/applications/2016/11/death-department/*

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