

# CFO 3.0 MANUFACTURING AND DIGITALIZATION, WHAT IS THE NEXT STEP?

Digitalization is transforming finance.

Sage surveyed 500+ US-based finance leaders in manufacturing, hospitality, healthcare and professional services. Here's what CFOs in manufacturing had to say:



98%

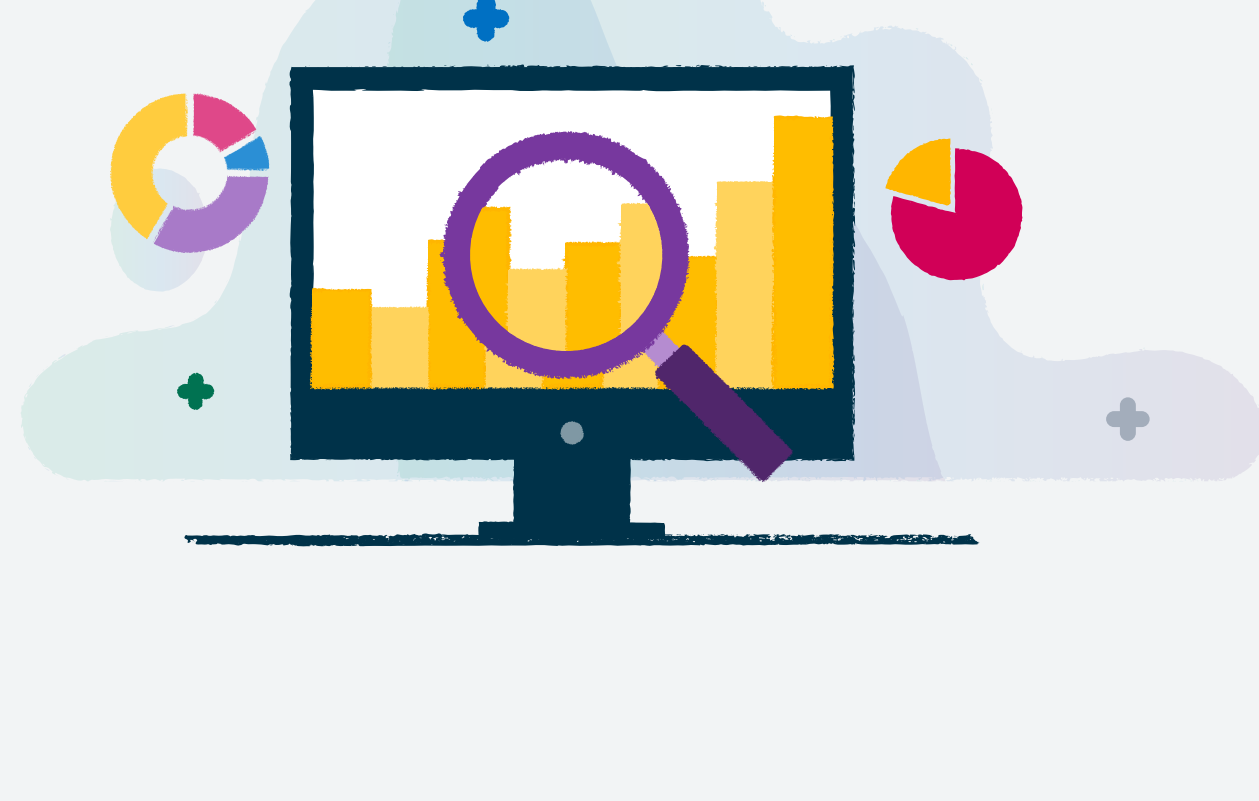
of CFOs say their job has significantly changed in the past five years

75%

of CFOs cite that they now play a critical role in driving digitalization across their organizations.



## HOW DO MANUFACTURING COMPANIES VIEW DIGITALIZATION?

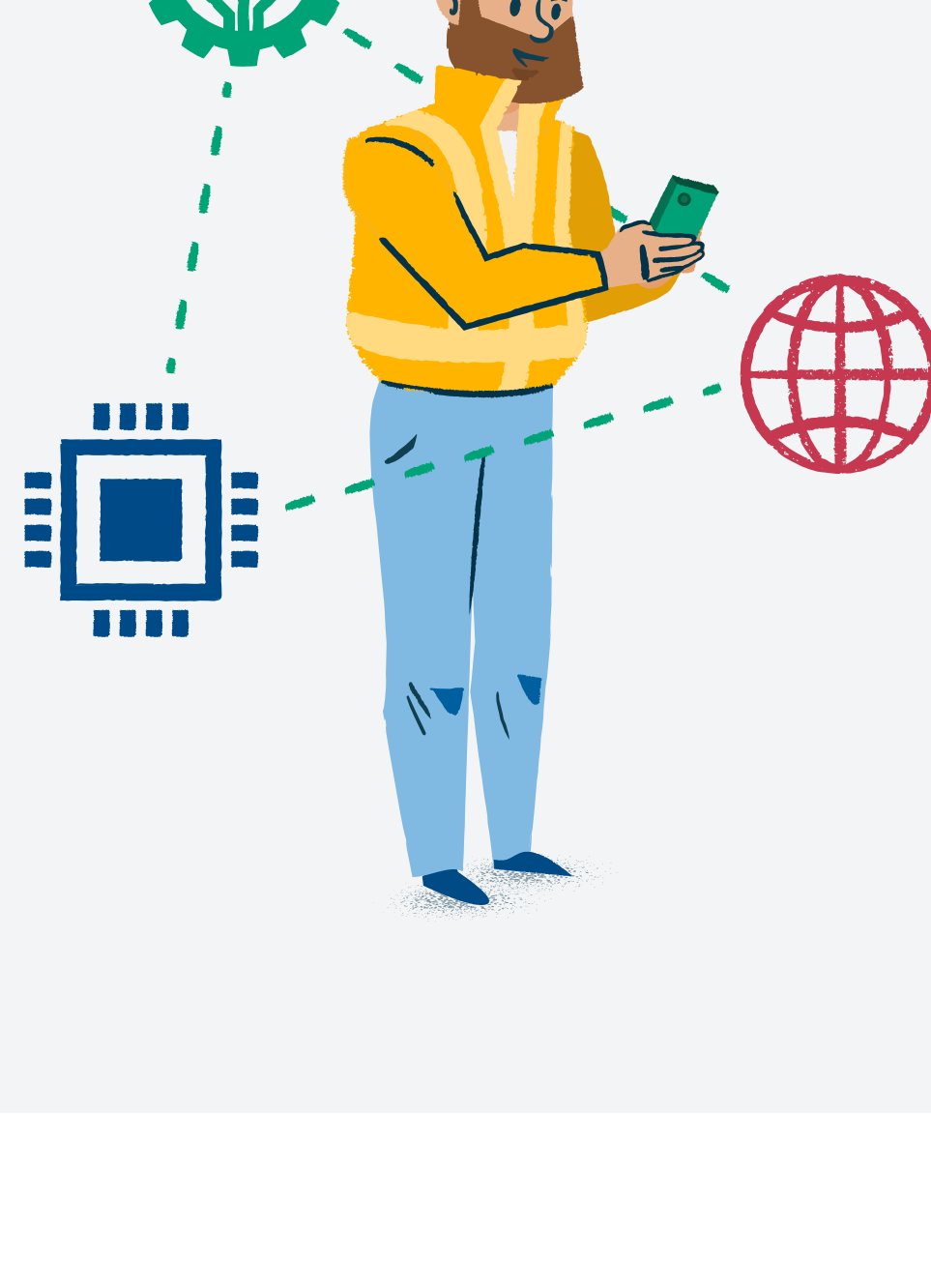


81%

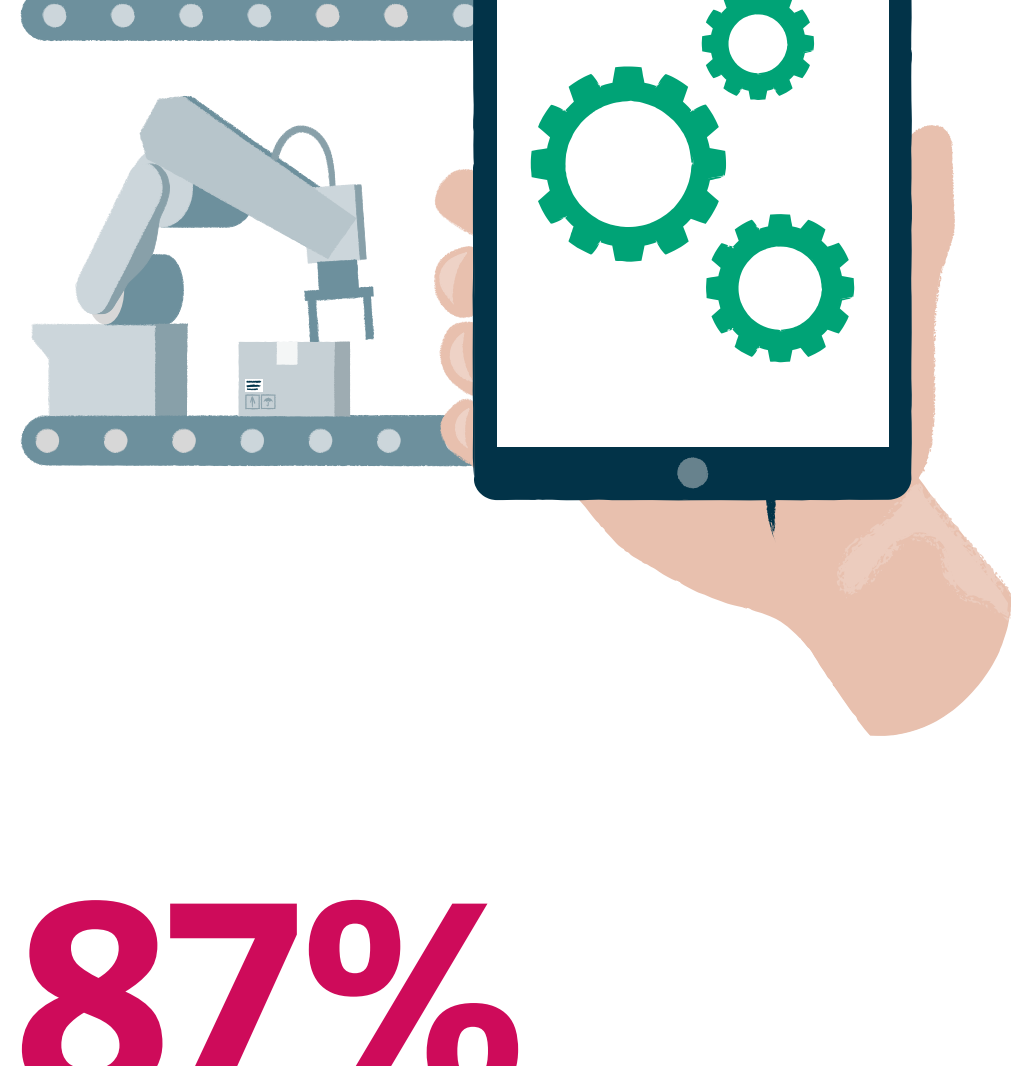
of manufacturing finance leaders say that digitalization will help them gain insights that are otherwise completely unavailable as of now

65%

of respondents in the manufacturing industry say they could improve their use of emerging technologies



## MORE WORK TO DO – CONCERNS STILL EXIST

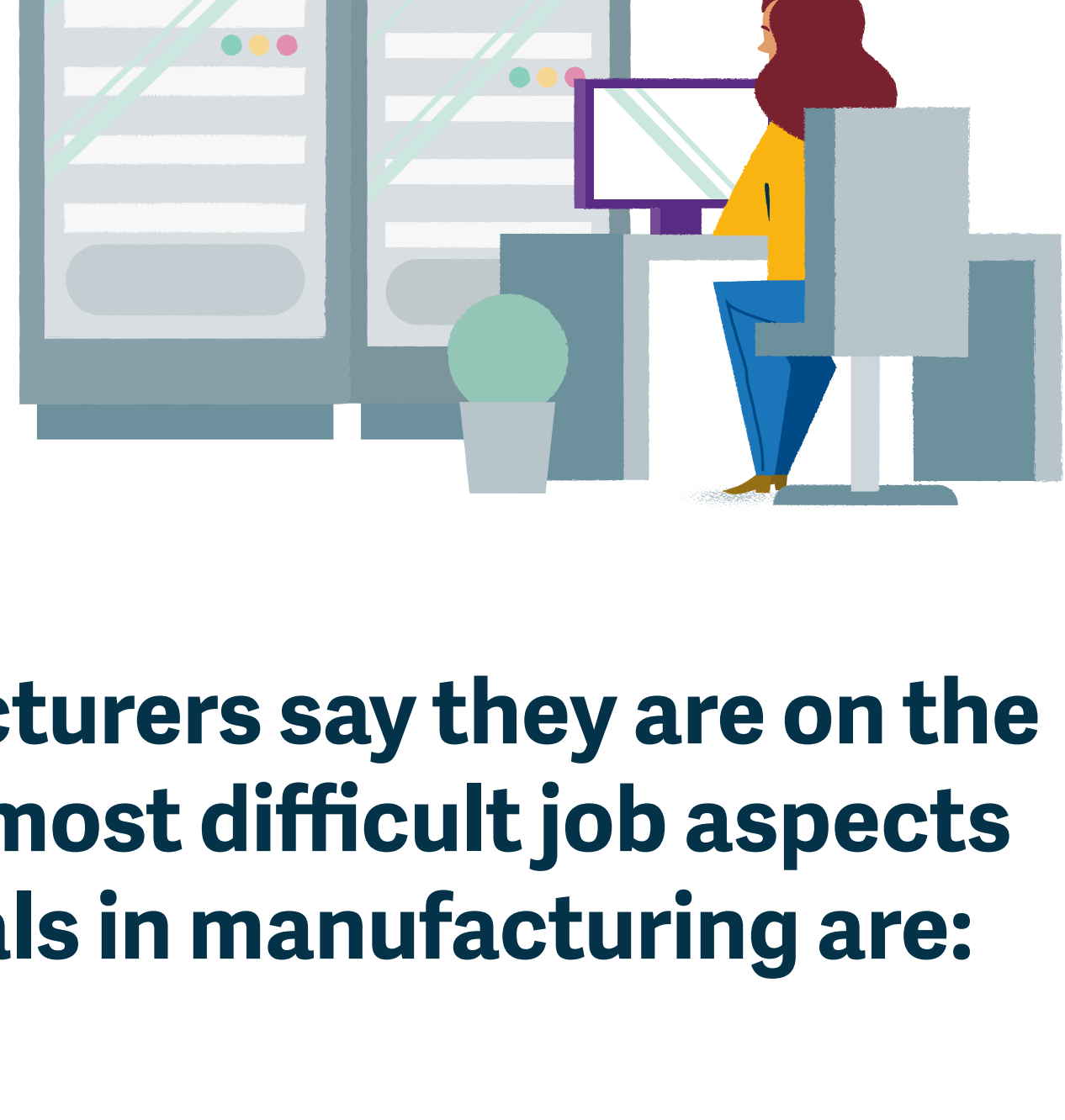


96%

of manufacturing finance leaders say they have the skills and knowledge to leverage emerging technology to the fullest potential to drive efficiencies

87%

say that most of their business processes are automated

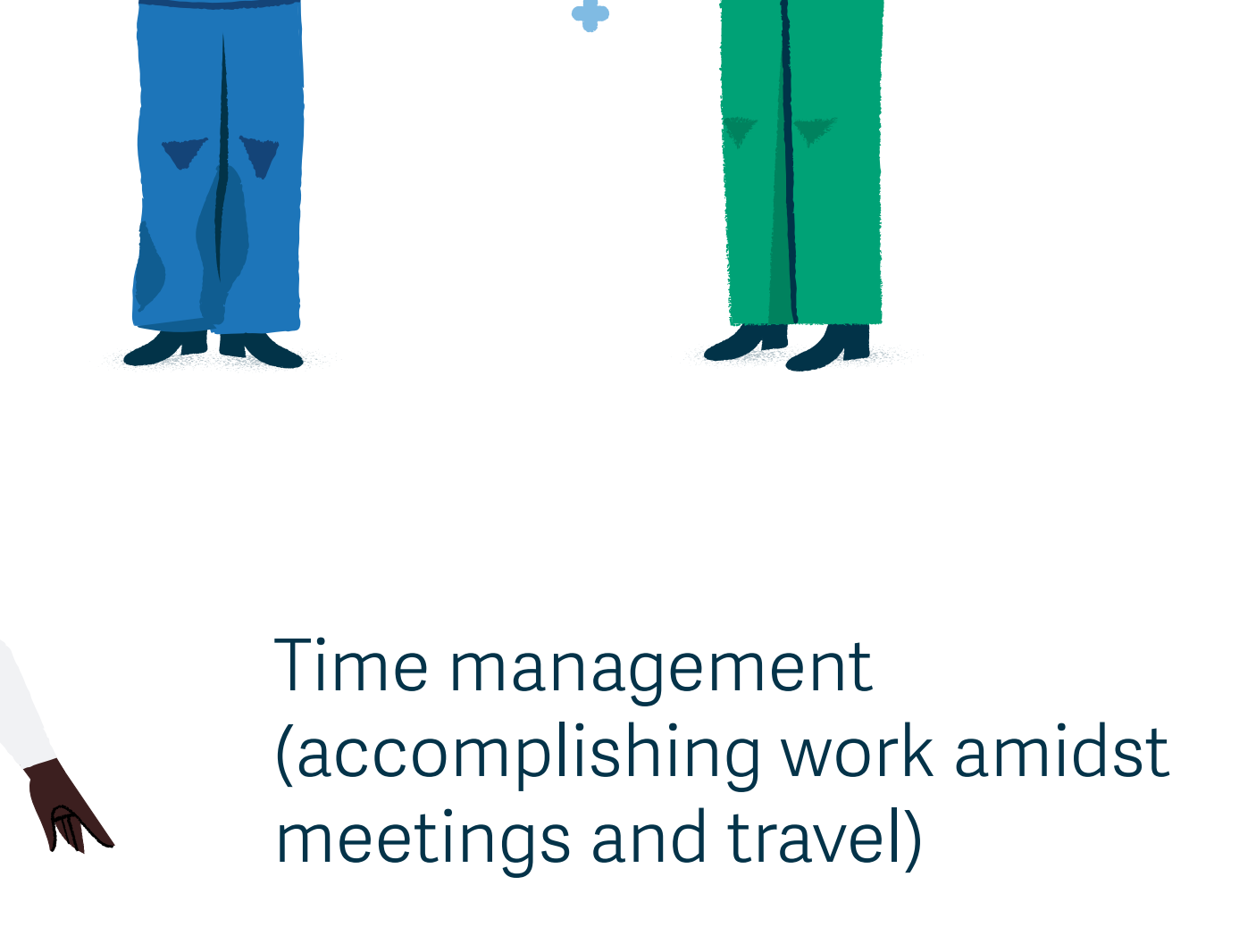


Yet, only 30% of manufacturers say they are on the cutting edge. The top 3 most difficult job aspects for finance professionals in manufacturing are:



Technology issues  
(a lack of or difficult to use digital tools)

Digital skills gap in the department



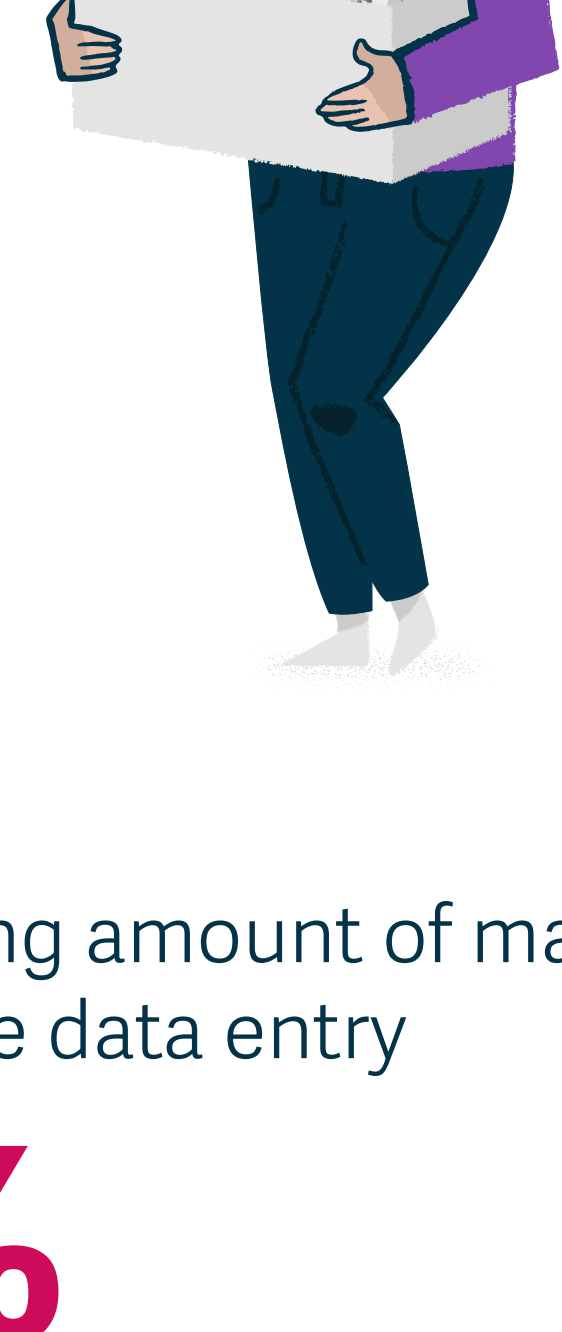
Time management  
(accomplishing work amidst meetings and travel)



Main concerns over embracing more innovative technologies include:

Employee concerns over automation affecting job security

52%



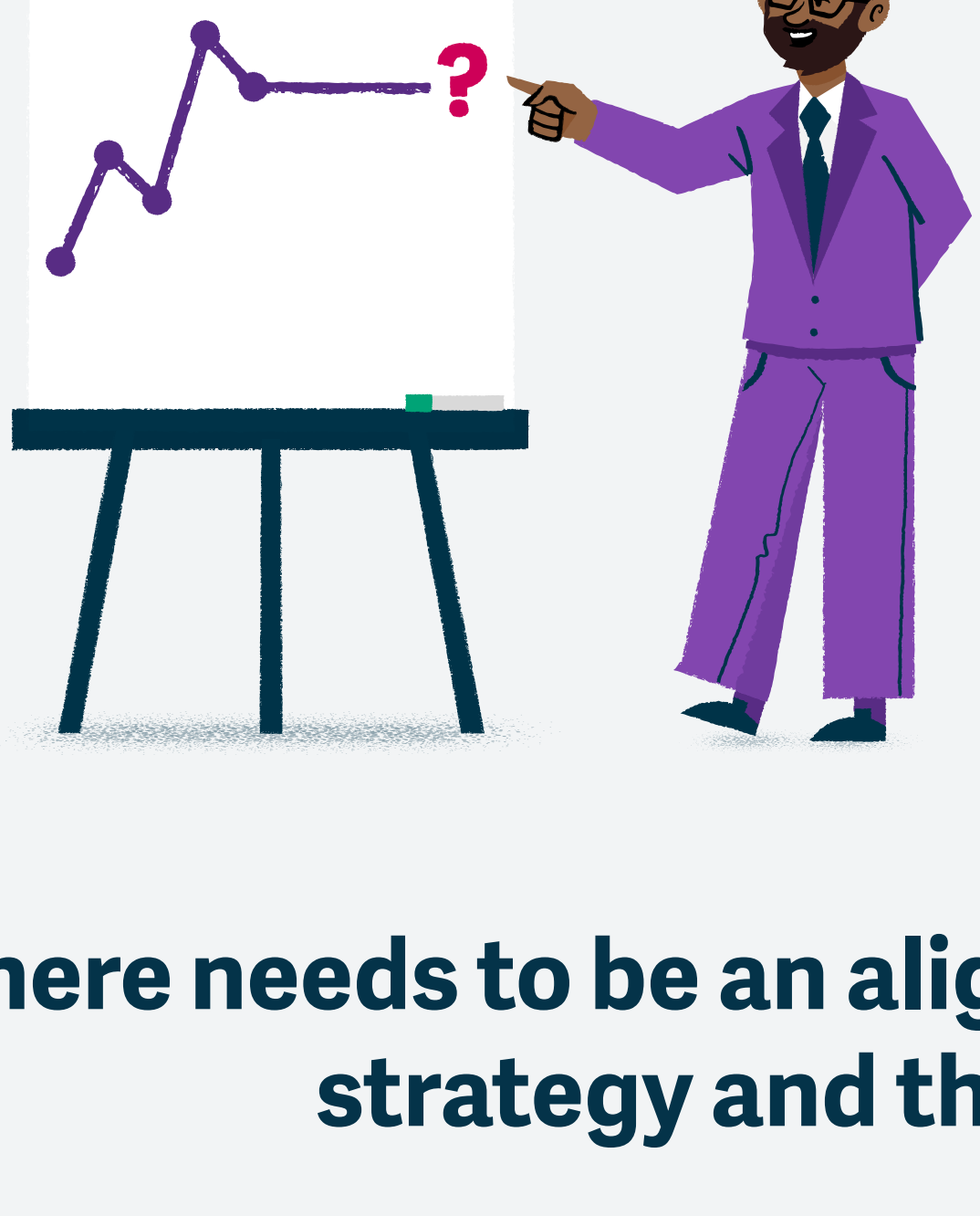
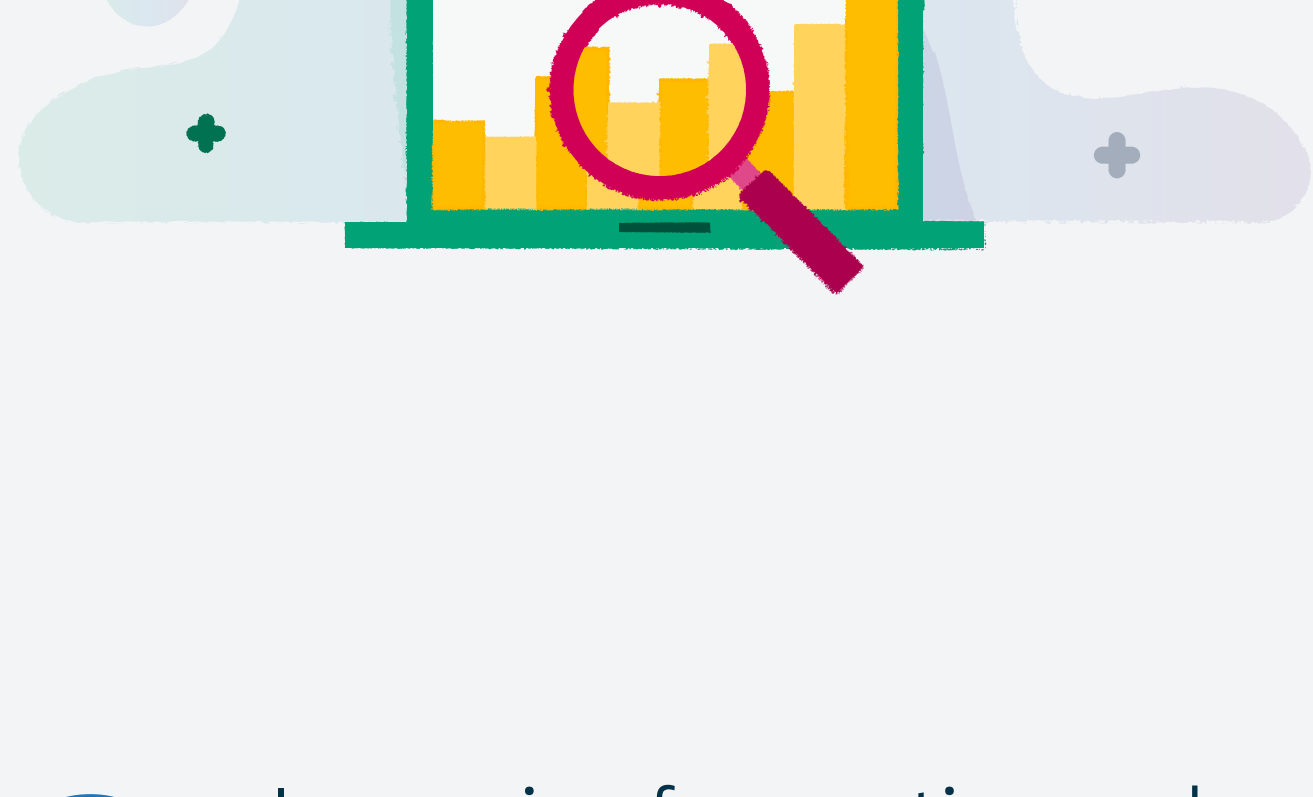
Overwhelming amount of manual or duplicative data entry

43%

## WHERE TO GO FROM HERE?

Manufacturing leaders cite emerging technology will help them in two ways:

1. Gaining insights otherwise unavailable to the business

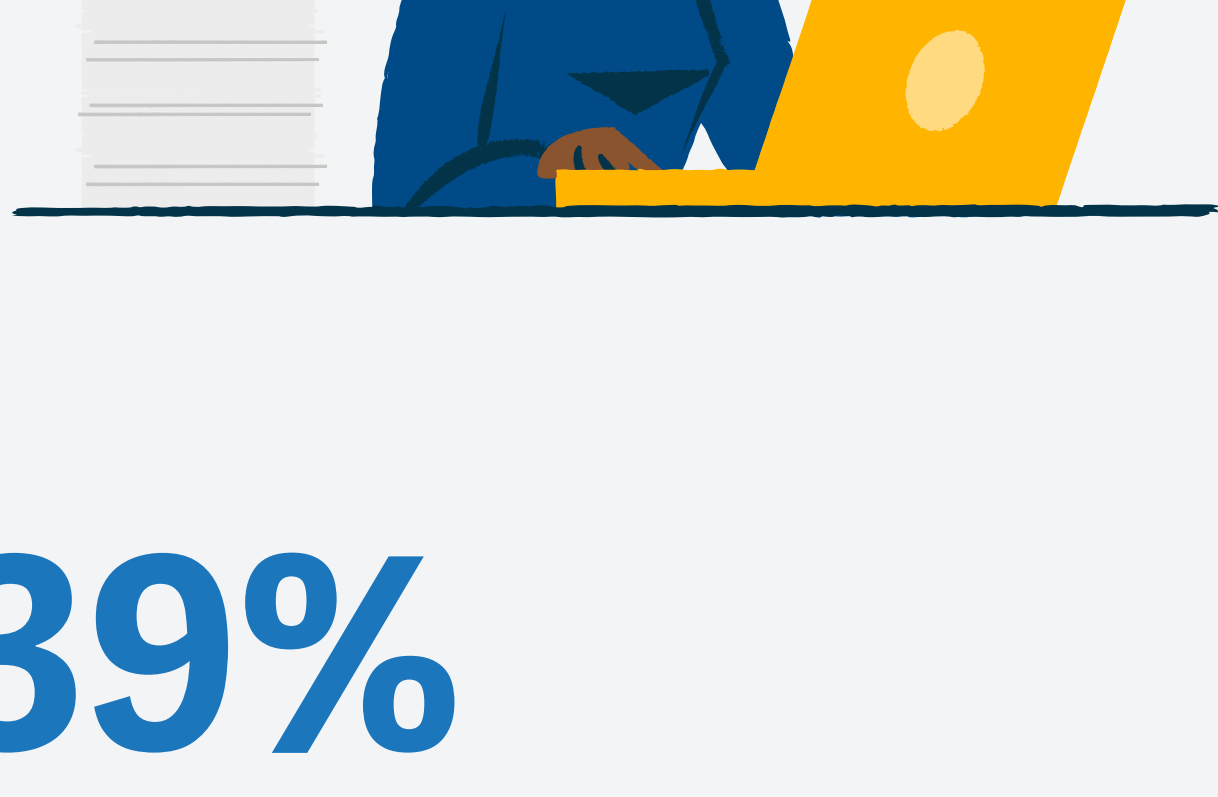


2. Improving forecasting and strategic financial planning

There needs to be an alignment between the business strategy and the cultural readiness.

82%

of finance leaders in manufacturing believe the culture of their organization is not yet ready for more automated technology



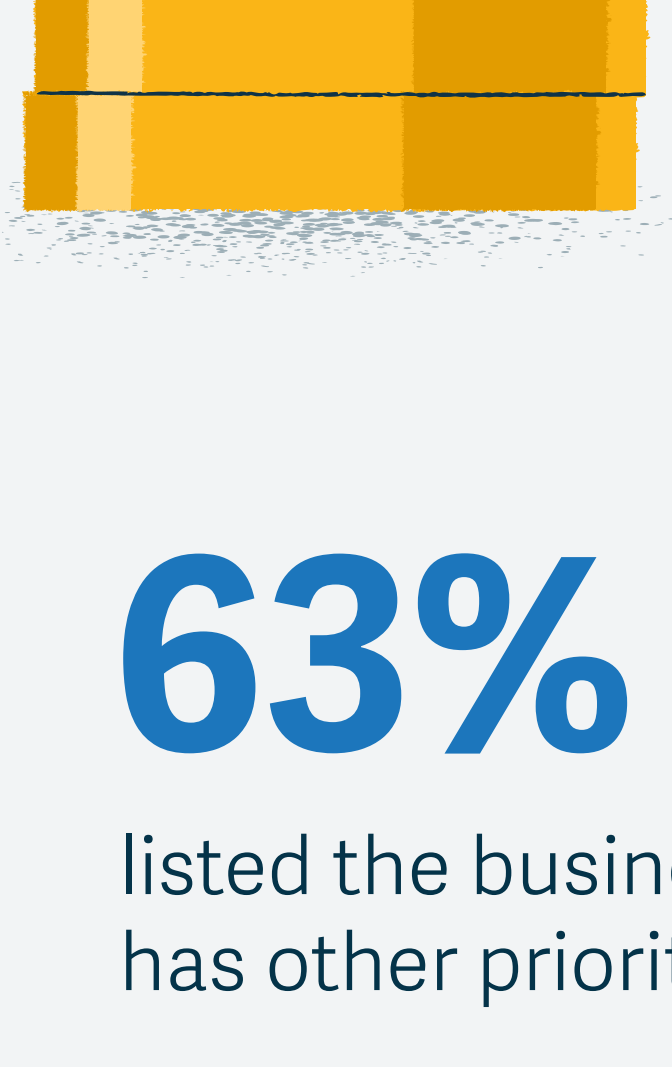
39%

of respondents cited lack of digital skills on their team as a major barrier to innovation

Key reasons cited by manufacturers when discussing why their financial management systems are on-premises:

75%

cite security and privacy concerns

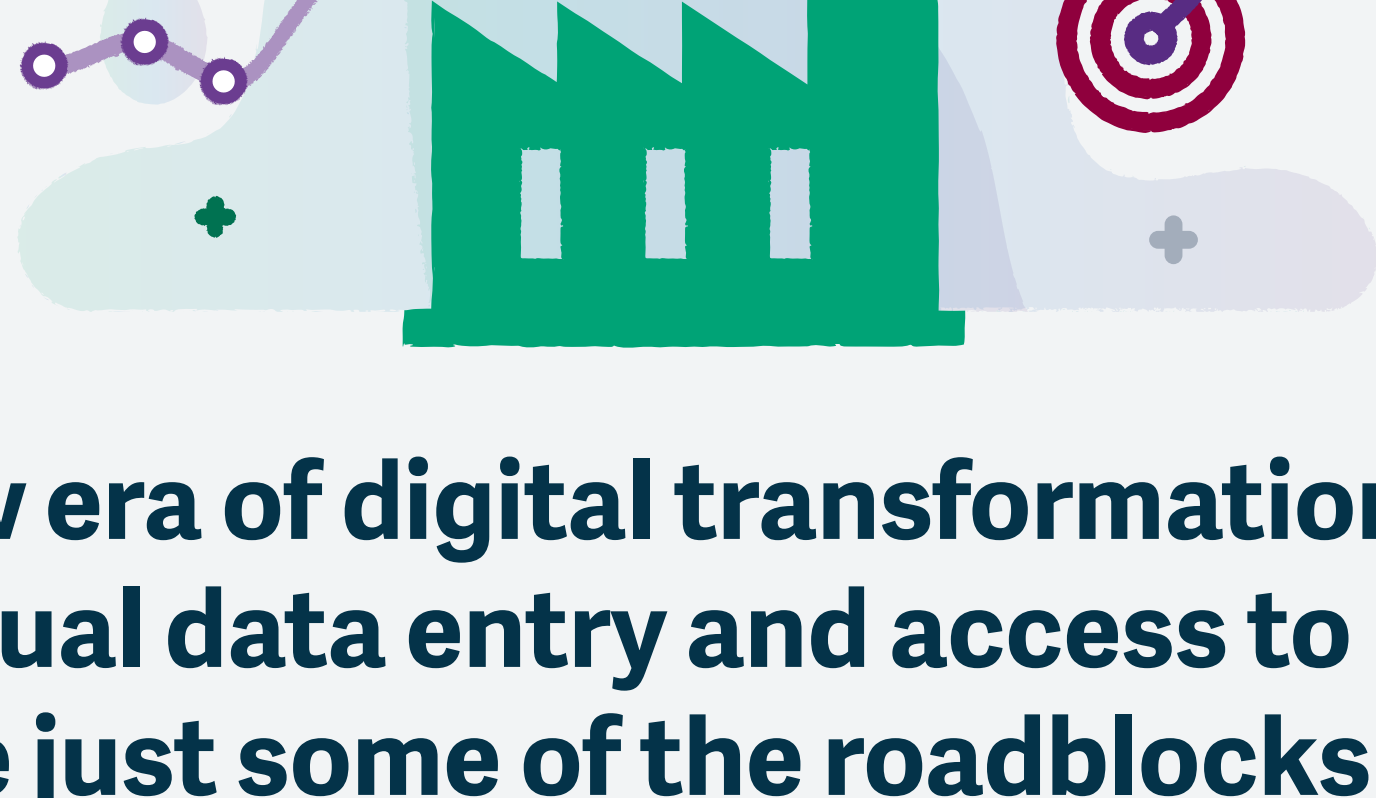


71%

believe the initial cost requirement is prohibitive for their organization

63%

listed the business has other priorities



We are entering into a new era of digital transformation. Time management, manual data entry and access to the right digital tools are just some of the roadblocks that are keeping manufacturers behind the curve. CFOs must lead the charge to help the business find the right pace for its digital journey.