



FINANCIAL DECISION-MAKERS OUTLOOK

OneStream Software, LLC

October 2021

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EXECUTIVE SUMMARY

STUDY OVERVIEW

KEY OBJECTIVES

- ✓ What are financial decision-makers' opinions regarding various socio-economic trends?
- ✓ How do recent events or trends impact businesses?
- ✓ How do companies react to or prepare for the impact, if at all?

SURVEY ADMINISTRATION & SURVEY SAMPLE

- The survey was administered online and respondents were recruited via a third-party panel.
- The analysis includes a total of 249 respondents following data cleaning and quality control.
- Due to the limited statistical power of the small sample, results should be interpreted directionally.

RESPONDENT QUALIFICATIONS

- Age 18+
- Employed full-time
- Currently resides in the US, Canada, or Mexico
- Currently holds a management position (C-level executive (CFO), VP, Director, Controller) in finance
- A primary or shared decision-maker in their company's finances

KEY SEGMENTATIONS

KEY SEGMENTATIONS

This analysis includes questions segmented by company size, company revenue, and country. Statistically significant differences are calculated at the 95% confidence level and are denoted by superscript letters (e.g., ^A, ^B, ^C). Corresponding letters indicate significant differences between groups.

COMPANY SIZE



Less than 1,000 employees | 55%

More than 1,000 employees | 45%

COMPANY REVENUE



Less than \$1 billion | 68%

More than \$1 billion | 32%

Country



Canada | 29%

Mexico | 33%

United States | 38%

KEY FINDINGS (1 OF 3)

- **Organizations experienced various business conditions since the start of the pandemic.** While four out of ten indicate they have grown, less than a third of organizations (30%) have shrunk while another third (31%) are still stagnated since COVID-19.
 - Of those growing, three-quarters (70%) are experiencing growth equivalent to pre-pandemic. Most other companies expect to return to pre-COVID growth in 2022 (48%) or later (32%).
 - Organizations making over a billion in revenue are significantly more likely to be experiencing growth (49%) than smaller ones (34%) since COVID-19.
- **COVID-19 resurgence has severe impact on businesses,** namely higher operating costs, increased dependence on remote work, and delayed return to office. In fact, three-quarters of companies had to delay their RTO plans by a year or less.
 - Companies in the U.S. (26%) are less likely to have their RTO plans impacted than those in Canada (46%) or Mexico (43%).
- **Very few organizations have fully returned to office.** Particularly, most organizations have fewer than half of their workforce working on premises these days.
 - The majority of financial leaders report that their organizations are tracking vaccines (78%) and/or mandating them (60%) before employees return to the workplace. Notably, companies in Mexico are taking a harder stance (90% tracking & 77% mandating vaccines) compared to their Canadian (67% & 54%) and U.S. (76% & 51%) counterparts.
 - Financial decision makers do expect some negative outcomes of vaccine tracking/mandates, including employee resignations (46%), feelings of being monitored among employees (43%), and difficulty hiring (41%). However, they also believe this helps make employees feel safer (58%) and more likely to return to office (46%).

KEY FINDINGS (2 OF 3)

- The “Great Resignation” is causing a high level of concern for financial leaders. Many are worried about employee turnover (45%), inability to meet business demands (41%), and difficulty recruiting and retaining technical talent (40%).
 - To address the talent shortage, organizations are training current employees (53%) and improving benefits (52%).
 - Larger organizations are significantly more likely to increase automation (47%) and partner with schools/universities (31%) than smaller ones (31% & 18%, respectively).
- **Two-thirds of financial leaders agree the inflation rate will increase by the end of 2022.** However, they are split on when it will stabilize, with almost half speculating 2022 (47%) or later (46%).
 - Financial decision makers are highly concerned about the impact of inflation rate on their operating cost (82%) and revenue (80%). To prepare, they are increasing prices (47%), adopting new technologies (46%), renegotiating supplier contracts (37%) and reducing operational costs (37%).
 - Notably, companies with higher revenue (\$1B+) are relying less on increasing prices (38%) and more on adopting new technologies (61%) and new sales initiatives (48%).
 - Organizations in Mexico are preparing by evaluating/implementing the use of AI/machine learning (40%) far more than their counterparts in Canada (17%) and the U.S. (19%).
- **CFOs offer different opinions about the impact of a federal-back digital dollar on the U.S. economy.** That said, more are likely to think it would have a positive impact (43%) than negative impact (28%).

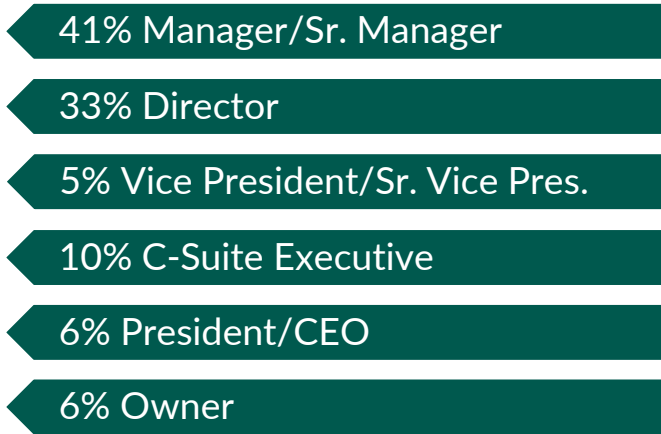
KEY FINDINGS (3 OF 3)

- **Nearly all organizations are working towards integrating ESG into their business strategy.** CFOs place the most importance on improving workplace diversity (71%) and closing the gender gap (65%).
- **According to finance leaders, two-thirds of organizations are at least somewhat prepared for ESG reporting changes.** Particularly, they have raised transparency (47%), implemented new ESG policies (41%), and increased oversight (38%).
 - Companies with higher revenue are more prepared for ESG reporting changes (81%) than smaller ones (60%).
 - Larger organizations (49%) and those in Mexico (51%) are relying more on the creation of internal ESG teams (49%) than their counterparts.
- **Nearly all organizations are currently using machine learning or have a plan to do so.** Two-thirds (68%) report setting aside more than 10% of their IT budget for ML platforms.
 - Higher revenue companies are more likely to already use machine learning (67% vs. 44%). They are also significantly more likely to devote upwards of 15% of the IT budget to ML platforms (42% vs. 20%).
- **Compared to pre-pandemic usage, the majority of companies have increased investment in data analysis tools,** most notably machine learning (62%) and cloud-based planning (63%). Unsurprisingly, they also used more of these tools during this period.
 - Financial leaders expect the IT department is most likely to be optimized with machine learning (67%). Many also prioritize intelligent process automation (45%) and data enter optimization (44%) as potential targets for ML.
- **Three-quarters of financial leaders anticipate their company will increase ML usage throughout 2022.** Nearly all organizations have already adopted (41%) or are planning to investigate (52%) an AutoML solution.

DECISION MAKERS SNAPSHOT



Job Role



2022 INVESTMENT DECISIONS

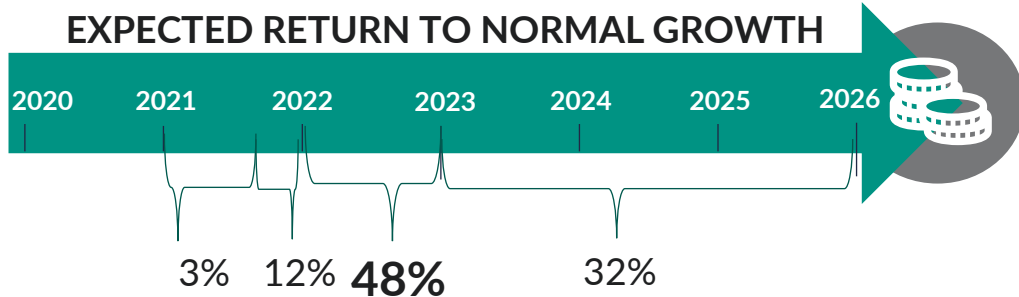
Steps Taken to Address Workforce Shortage

Training current employees	Improving benefits	Increasing automation	Increasing salaries	Partnering with schools
53%	52%	38%	35%	24%

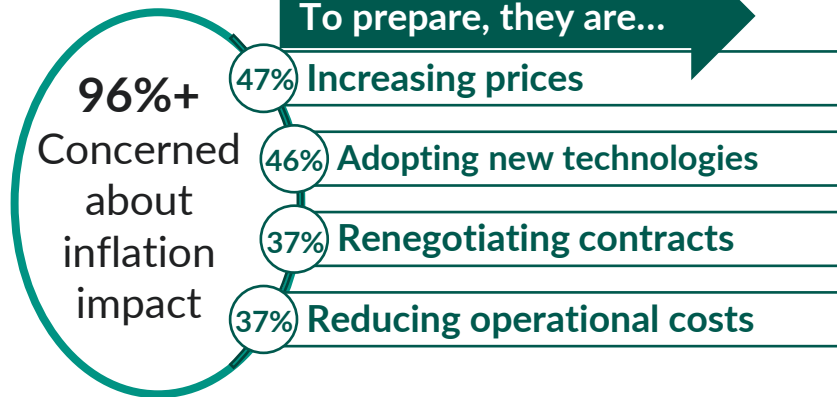
COVID-19 Increased Investments (Top 2)

Cloud-based planning and reporting solutions	Machine Learning	Predictive Analytics	Artificial Intelligence
63%	62%	58%	53%

EXPECTED RETURN TO NORMAL GROWTH



To prepare, they are...



PANDEMIC-RELATED CHANGES

SOME ORGANIZATIONS HAVE GROWN SINCE THE START OF THE PANDEMIC, BUT MOST HAVE STAGNATED OR SHRUNK

- Particularly, four out of ten organizations indicate they have grown since COVID-19, and almost three quarters (70%) of them are growing at the pre-pandemic level. Higher revenue companies have grown significantly more (49%) than others (34%) since the start of the pandemic.
- Less than a third of organizations (30%) have shrunk while another third (31%) are still stagnated since COVID-19. These organizations expect to return to pre-pandemic growth in 2022 and beyond.

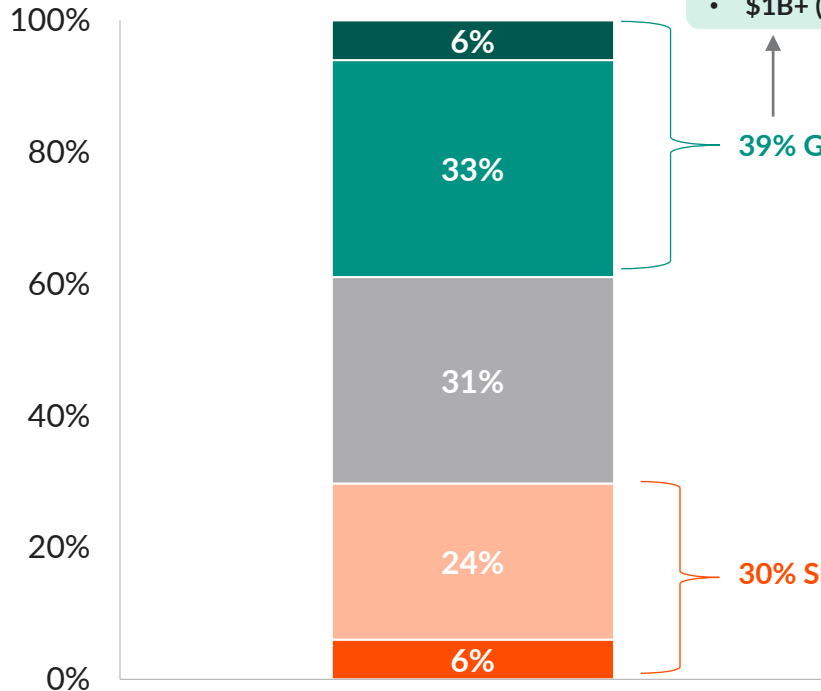
DEVELOPMENT SINCE COVID-19

- Shrank significantly
- Shrank slightly
- Growth has stagnated
- Grown slightly
- Grown significantly

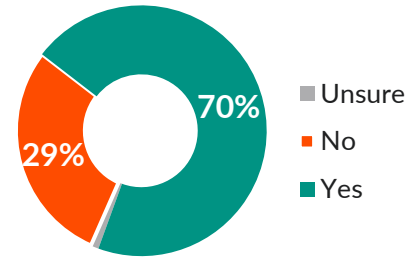
- <\$1B (n=165) [A]: 34%^B
- \$1B+ (n=79) [B]: 49%^A

39% Grew

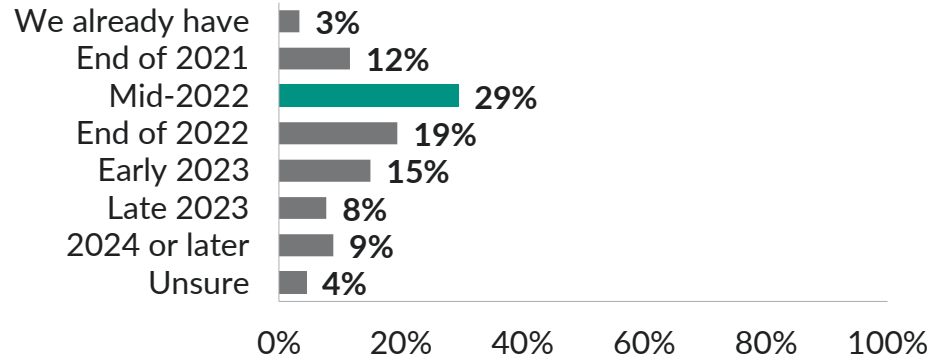
30% Shrank



GROWTH EQUIVALENT TO PRE-COVID?



RETURN TO PRE-COVID GROWTH



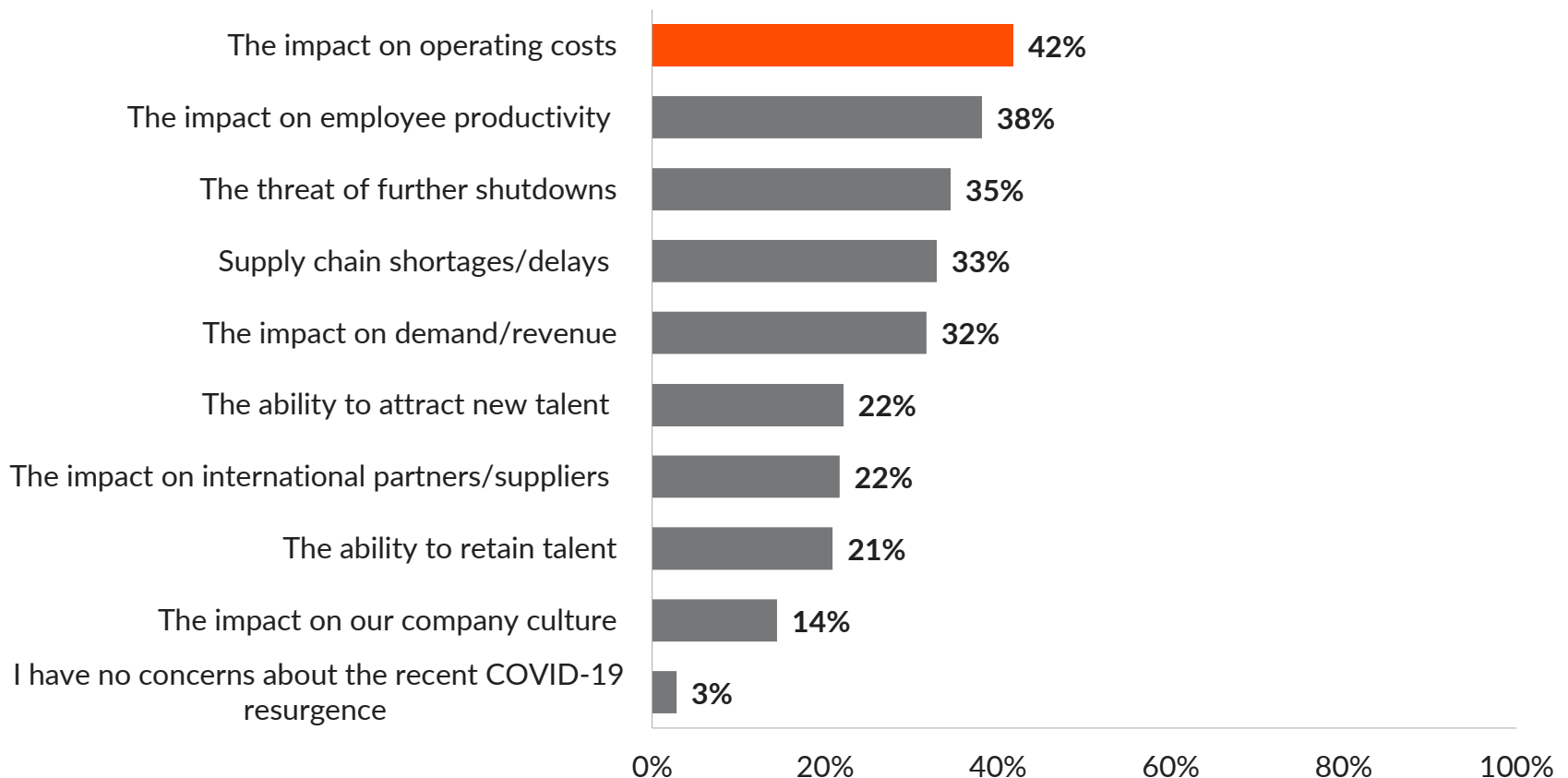
CORPORATE

Q: Which of the following best represents how your organization has developed since the start of the COVID-19 pandemic? (n=249)
 Q: Has your organization grown at the rate that it had been growing prior to the COVID-19 pandemic? (n=97)
 Q: When do you expect your organization to return to its growth rate prior to the COVID-19 pandemic? (n=180)

REGARDING THE COVID-19 RESURGENCE, CFOS ARE MOST CONCERNED ABOUT THE IMPACT ON OPERATING COSTS

- The impact on productivity (38%) and threat of further shutdowns (35%) are more concerning than the impact on talent retention (21%) and company culture (14%).

COVID-19 RESURGENCE CONCERNS

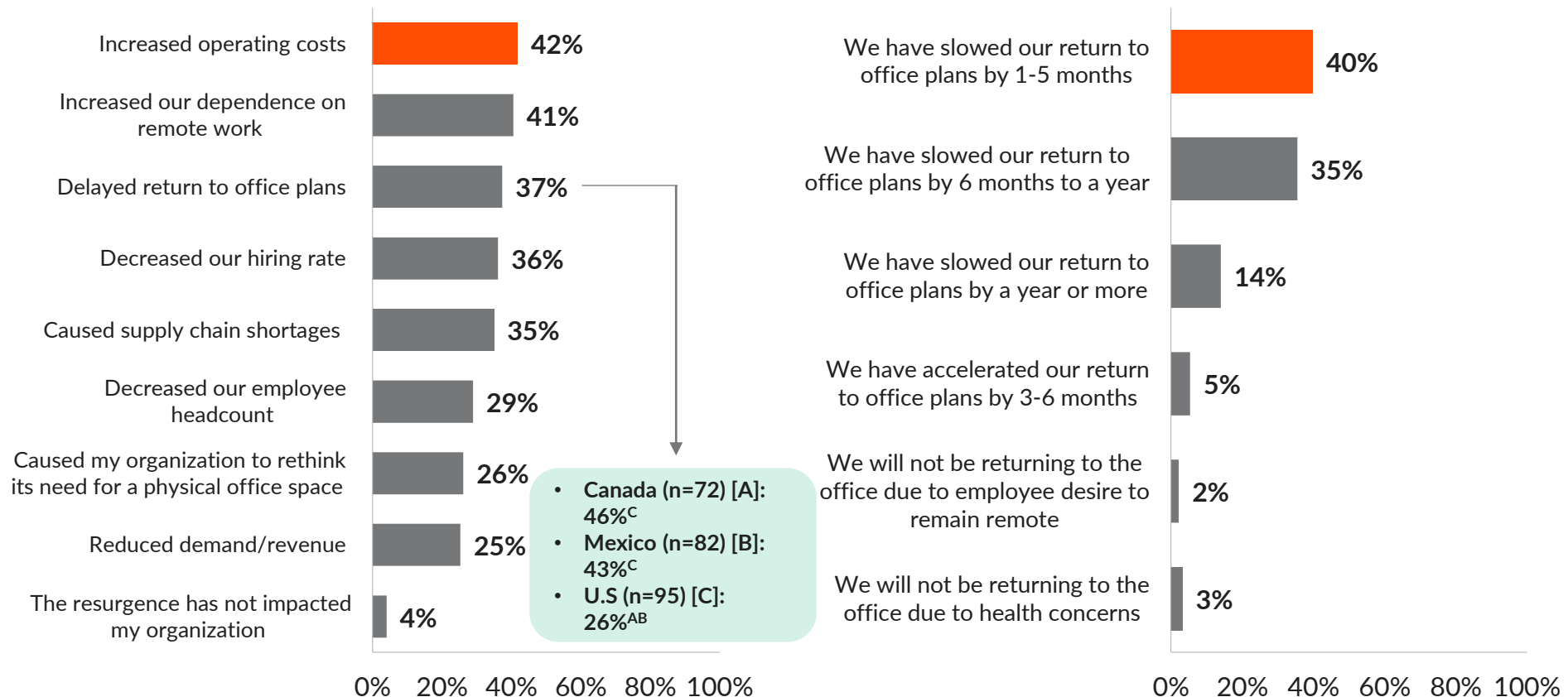


MANY ORGANIZATIONS HAVE INCREASED OPERATING COSTS AND DEPENDENCE ON REMOTE WORK DUE TO COVID-19 RESURGENCE

- One-third have had to delay their return to office plans due to the resurgence. Of those, three-quarters (75%) are delaying their return by a year or less.
- U.S. organizations (26%) have delayed their RTO plans significantly less than those in Canada (46%) or Mexico (43%).

IMPACT OF COVID RESURGENCE

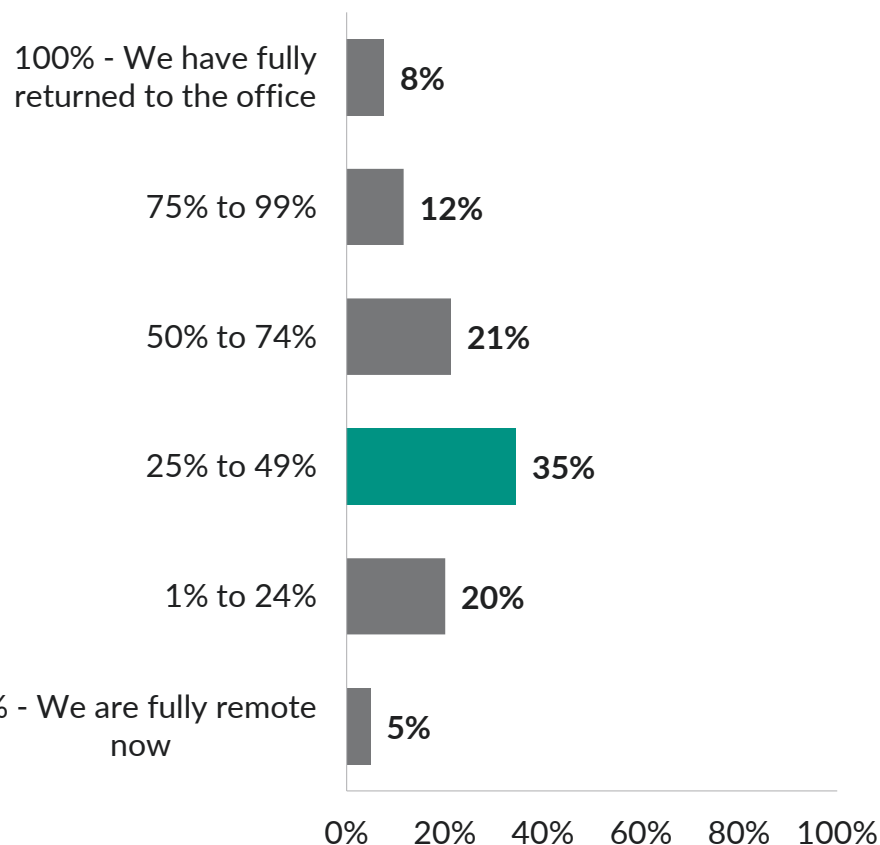
RESURGENCE IMPACT ON RTO



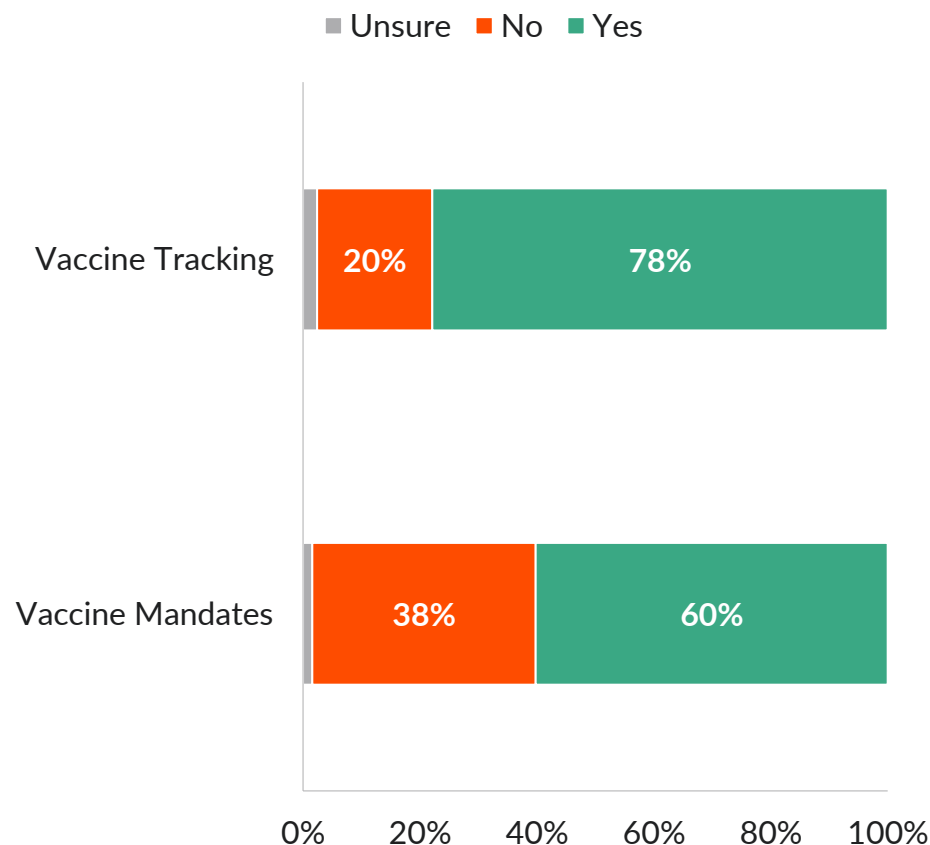
ORGANIZATIONS ARE MOST LIKELY TO HAVE LESS THAN 50% OF THEIR EMPLOYEES WORKING ON PREMISES

- Most companies have instituted vaccine tracking (78%) and two-thirds are mandating vaccines if employees wish to return to the workplace (60%).
- Organizations in Mexico are tracking & mandating vaccines (90% & 77%) significantly more than those in Canada (67% & 54%) and the United States (76% & 51%).*

WORKING ON PREMISES



RETURN TO OFFICE POLICIES



Q: What percentage of employees at your organization have already returned to working on premises? (n=249)

Q: Is your company keeping track of employee vaccination status before an employee returns to the workplace? (n=249)

Q: Does your company mandate employees to vaccinate before returning to the workplace? (n=249)

*For additional information, see Data Supplement.

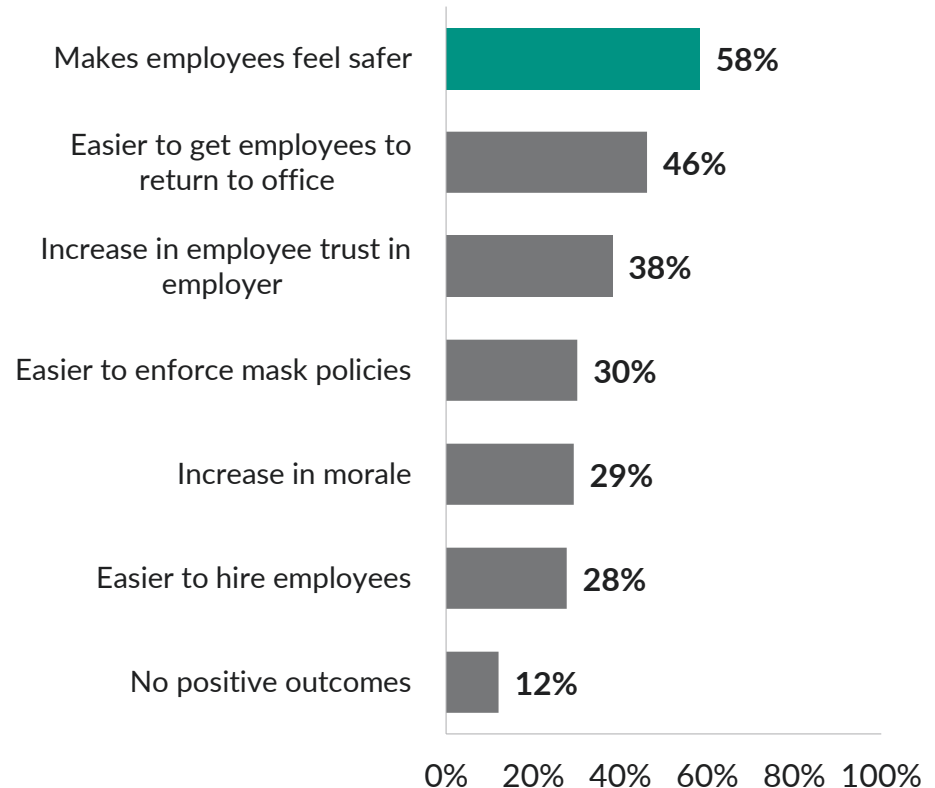
FINANCIAL DECISION MAKERS EXPECT NEGATIVE IMPACT ON HIRING AND RETAINING EMPLOYEES DUE TO VACCINE TRACKING/MANDATES

- On the other hand, they also expect positive outcomes of vaccine tracking/mandates, such as making employees feel safer (58%) and more willing to return to the office (46%).

NEGATIVE OUTCOMES OF TRACKING/MANDATES



POSITIVE OUTCOMES OF TRACKING/MANDATES

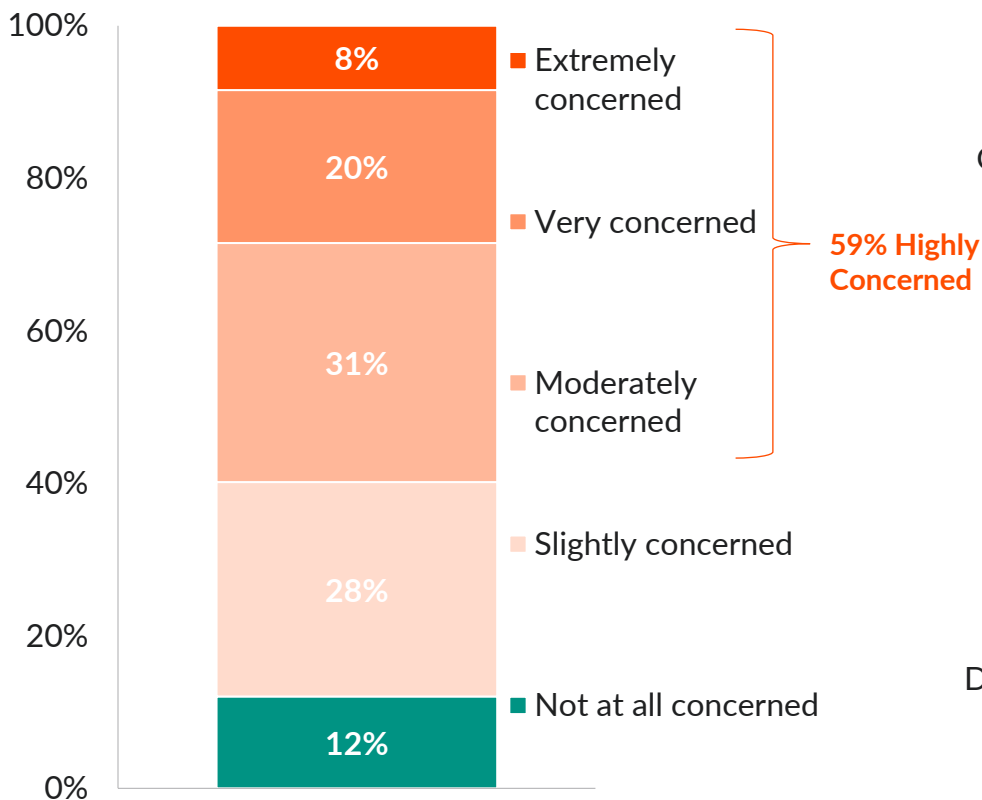


MORE THAN HALF OF CFOS ARE HIGHLY CONCERNED ABOUT THE “GREAT RESIGNATION”

- Employee turnover (45%), inability to meet business demands (41%), and inability to recruit/retain talent (40%) are the top concerns with the workforce shortage.

CONCERN OVER “GREAT RESIGNATION”

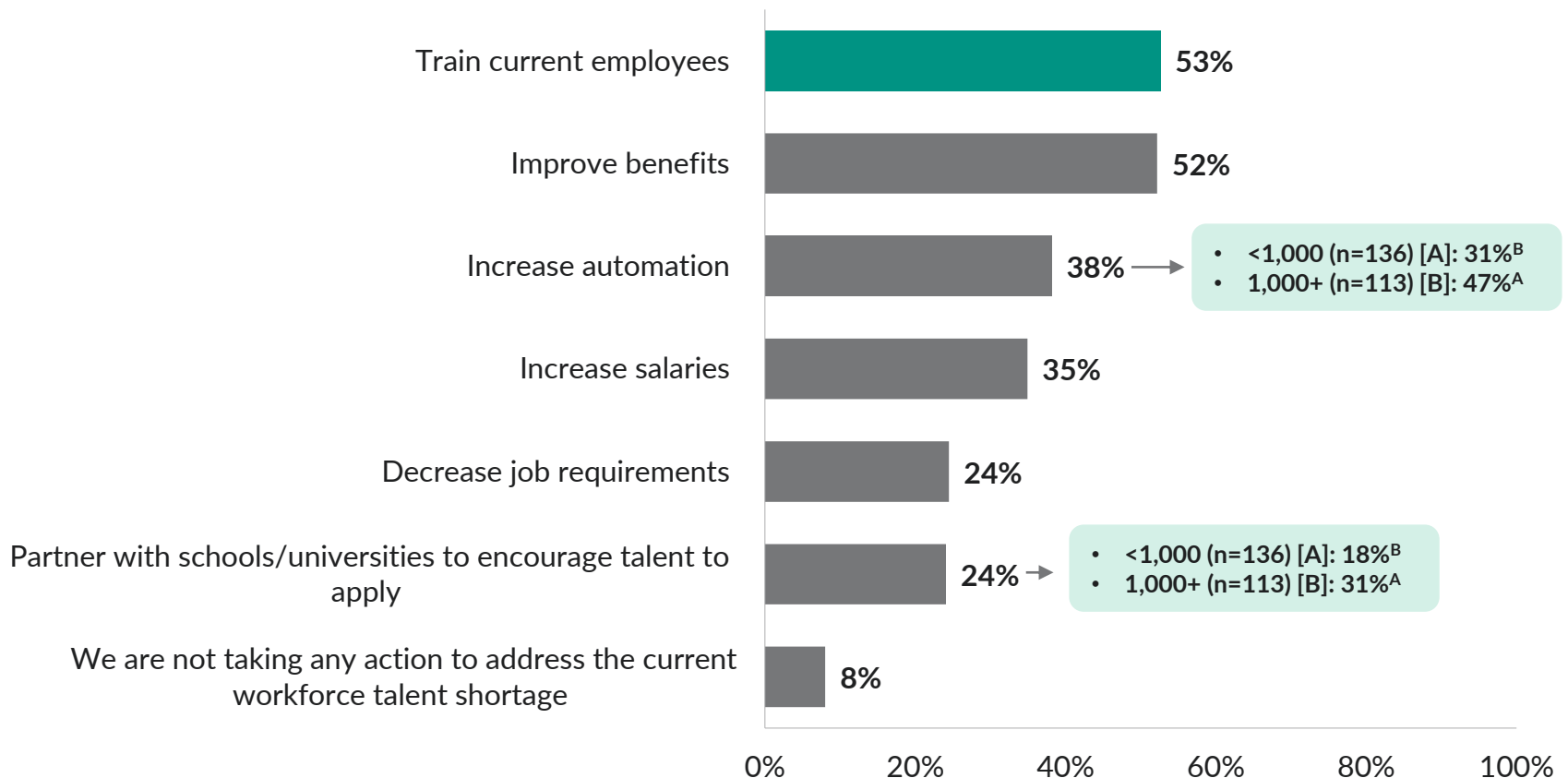
WORKFORCE SHORTAGE CONCERNS



TRAINING CURRENT EMPLOYEES AND INCREASING BENEFITS ARE THE MOST COMMON STEPS FOR ADDRESSING THE TALENT SHORTAGE

- Organizations are much less likely to opt for partnerships with schools/universities (24%) or decreasing their job requirements (24%).
- Larger organizations are much more likely to increase automation (47%) and partner with schools/universities (31%) than smaller companies (31% & 18%).

STEPS TAKEN TO ADDRESS TALENT SHORTAGE

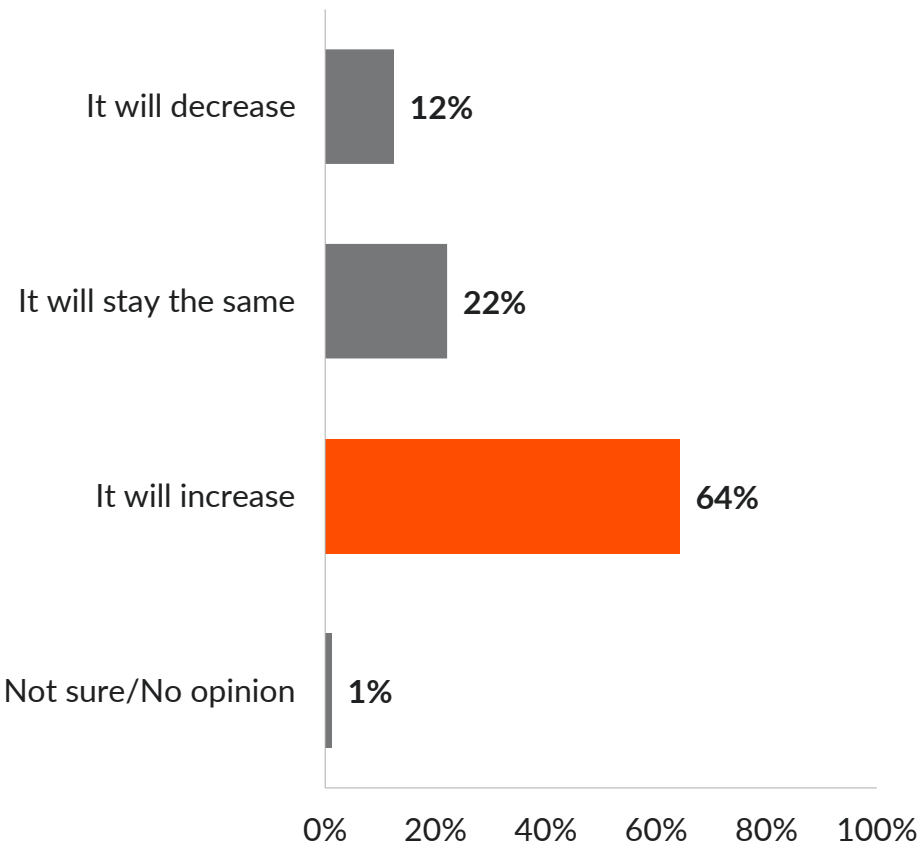


ECONOMIC CONDITIONS

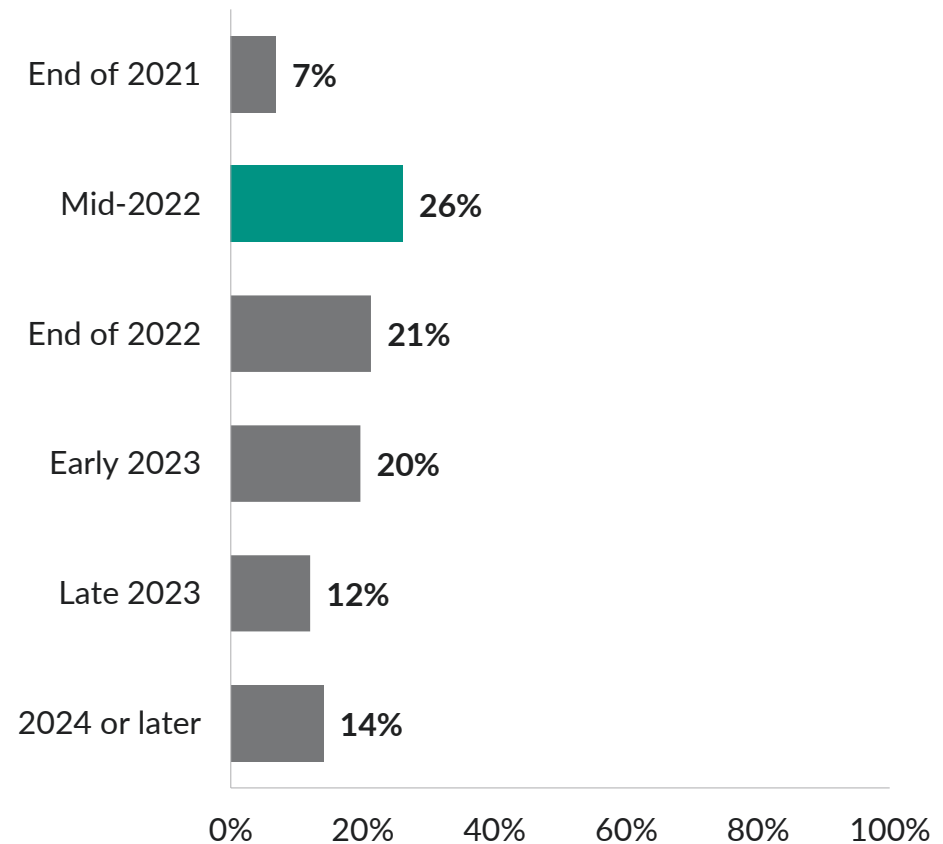
TWO-THIRDS OF FINANCIAL DECISION MAKERS EXPECT THE INFLATION RATE TO CONTINUE TO INCREASE

- However, they have different opinions on when the inflation rate will stabilize, with half (54%) believing it will happen by the end of 2022 and half (46%) believing it will be unstable into 2023.

2022 INFLATION RATE



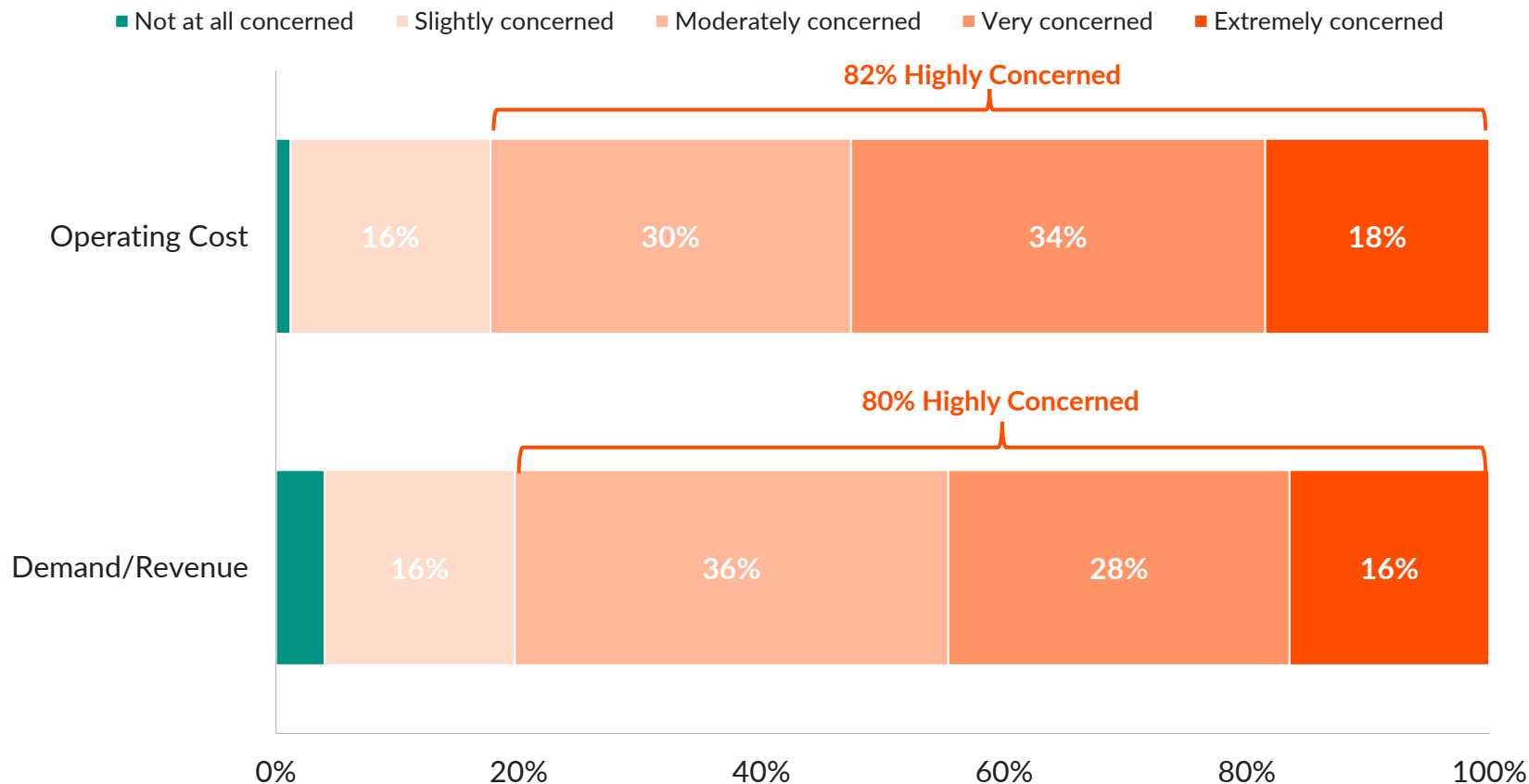
INFLATION RATE STABILIZATION



ALMOST ALL FINANCIAL LEADERS ARE CONCERNED ABOUT THE IMPACT OF INFLATION ON THEIR OPERATING COSTS AND REVENUE

- The vast majority are at least “moderately concerned” about the inflation rate’s impact on their operating cost (82%) and demand/revenue (80%).

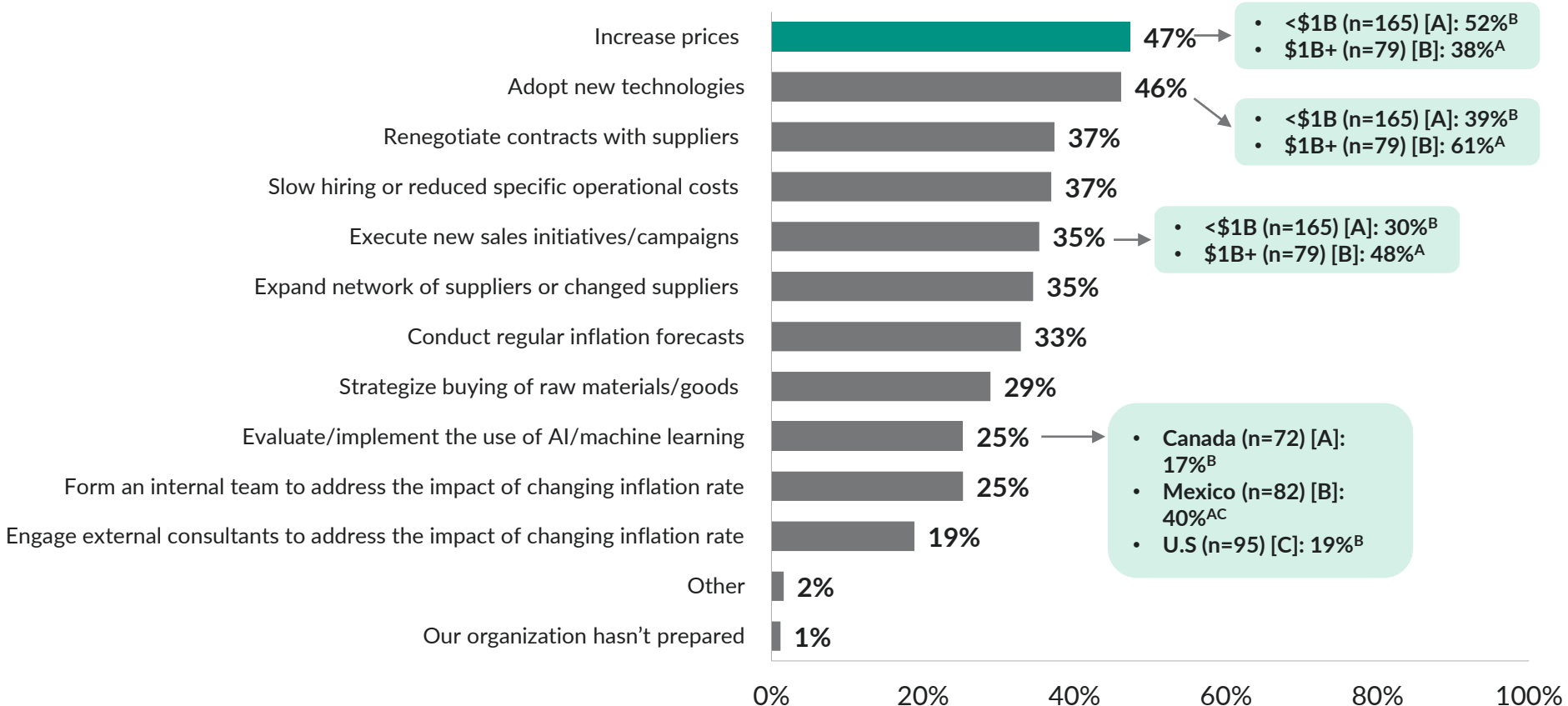
INFLATION IMPACT ON ORGANIZATION



AS SUCH, ORGANIZATIONS ARE INCREASING PRICES AND ADOPTING NEW TECHNOLOGIES TO PREPARE FOR THE CHANGING INFLATION RATE

- Companies with higher revenue are more likely to adopt new technologies (61% vs. 39%) and execute new sales initiatives (48% vs. 30%), and less likely to increase prices (38% vs. 52%).
- Financial leaders in Mexico are significantly more likely to be evaluating/implementing the use of AI/ML than those in Canada (17%) and the U.S (19%).

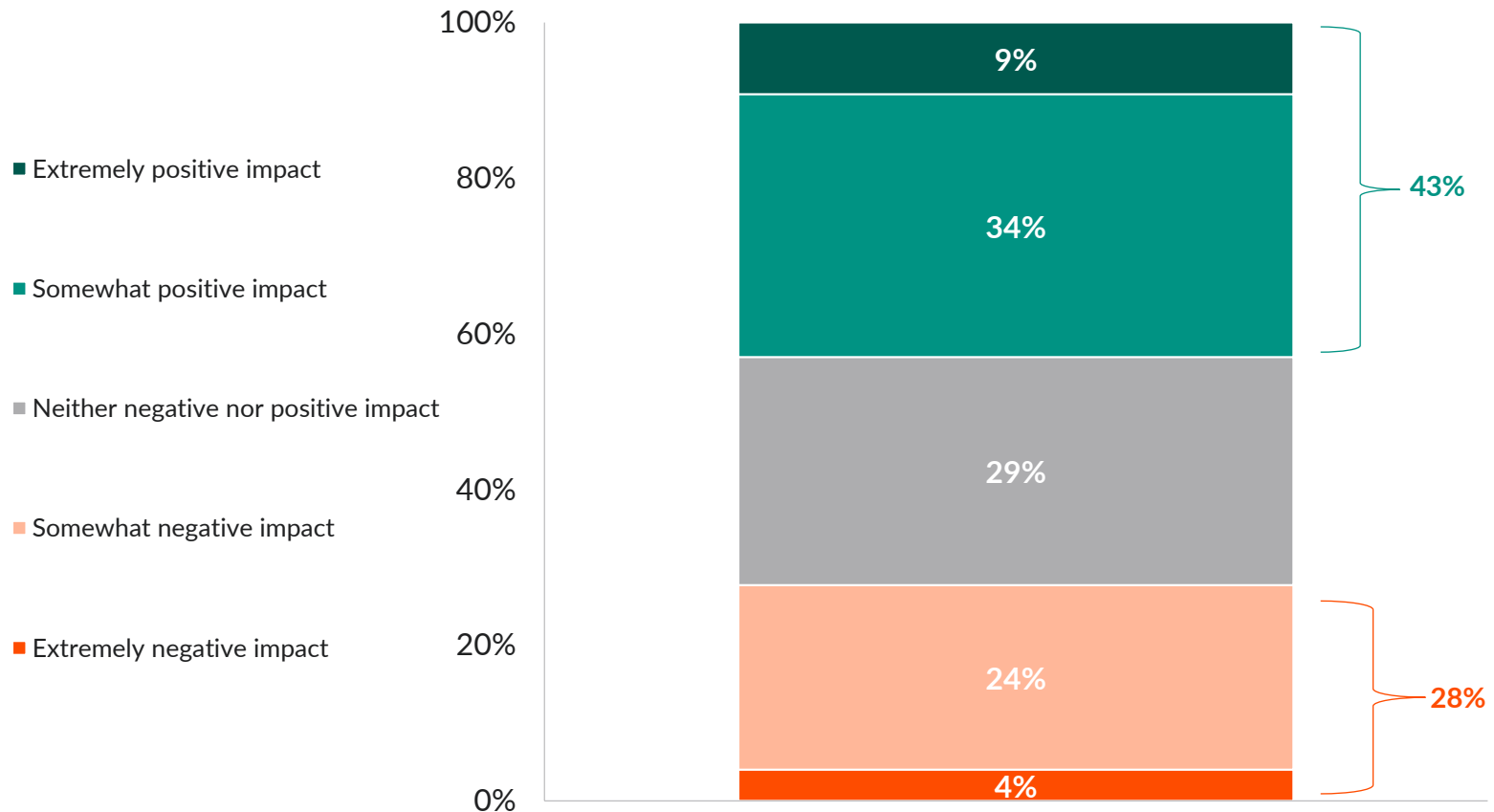
PREPARATION FOR CHANGING INFLATION RATE



FINANCIAL LEADERS ARE SPLIT ABOUT HOW A FEDERAL-BACKED DIGITAL DOLLAR WOULD IMPACT THE U.S. ECONOMY

- Nearly half (43%) believe this would have a positive impact, while others assume a negative (28%) or neutral (29%) impact.

IMPACT OF FEDERAL-BACKED DIGITAL DOLLAR ON ECONOMY



ESG & SOCIAL TRENDS

MOST ORGANIZATIONS ARE TAKING STEPS OR HAVE FULLY INTEGRATED ESG INTO THEIR STRATEGY

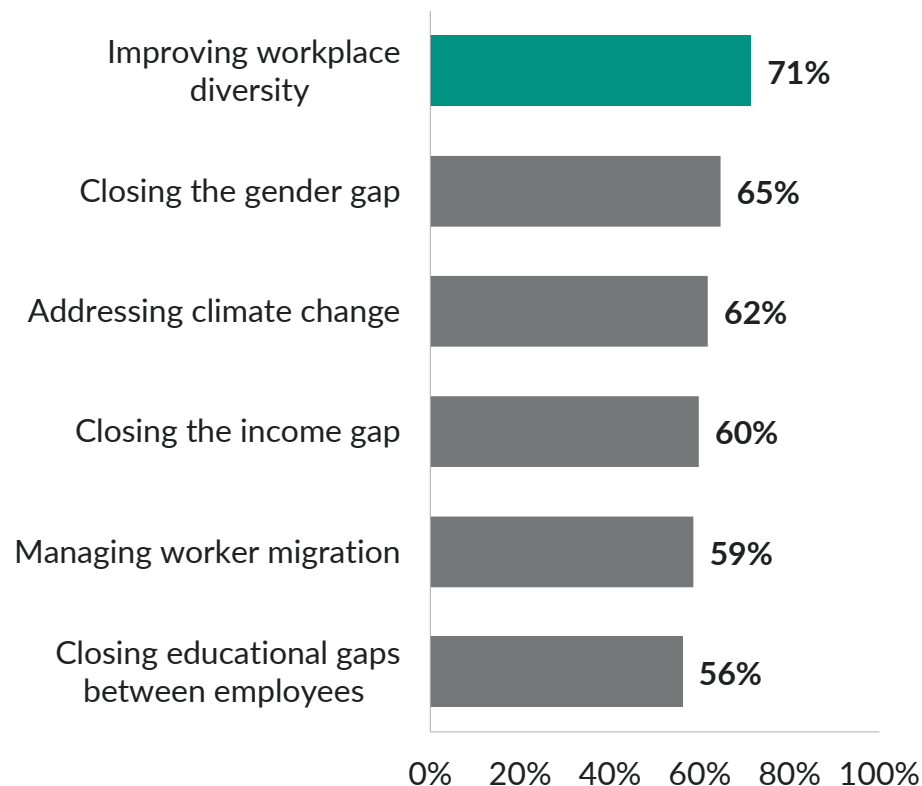
- Organizations place the most importance on improving workplace diversity (71%) and closing the gender gap (65%).

ESG INTEGRATION



SOCIO-ECONOMIC IMPORTANCE

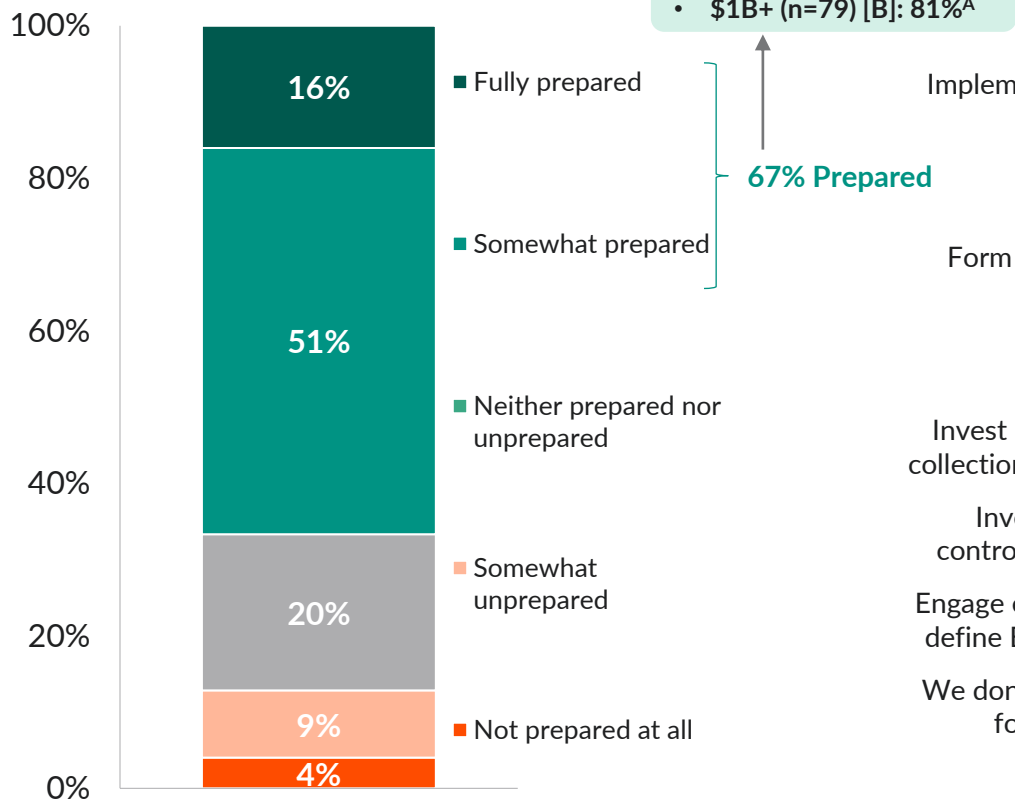
(TOP 2 - INCLUDES "VERY IMPORTANT" AND "EXTREMELY IMPORTANT")



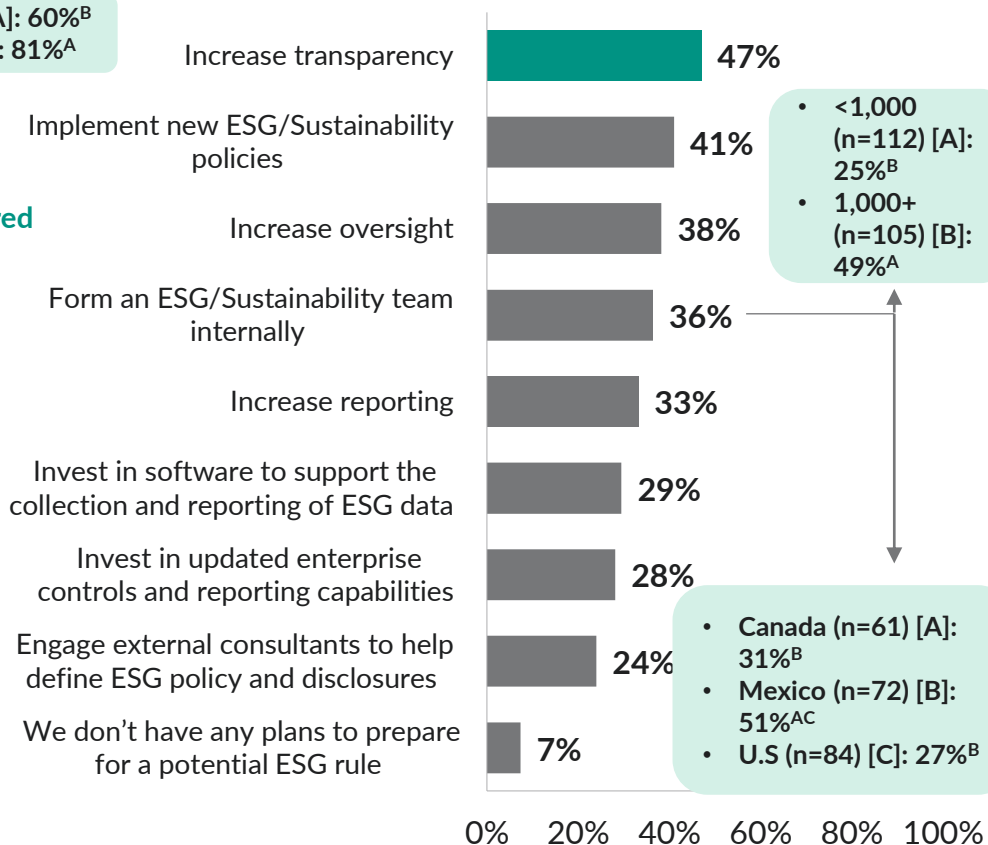
TWO-THIRDS OF ORGANIZATIONS ARE AT LEAST SOMEWHAT PREPARED FOR ESG REPORTING CHANGES

- Many companies are preparing by increasing transparency (47%), implementing new ESG policies (41%), and increasing oversight (38%).
- Larger companies are significantly more likely to indicate they are somewhat or fully prepared for a potential ESG reporting change. They are also more likely to form ESG teams internally as part of the preparation.

PREPAREDNESS FOR ESG CHANGE



STEPS TAKEN FOR ESG CHANGE



CORPORATE

Q: How prepared is your organization for a potential ESG reporting change? (n=249)

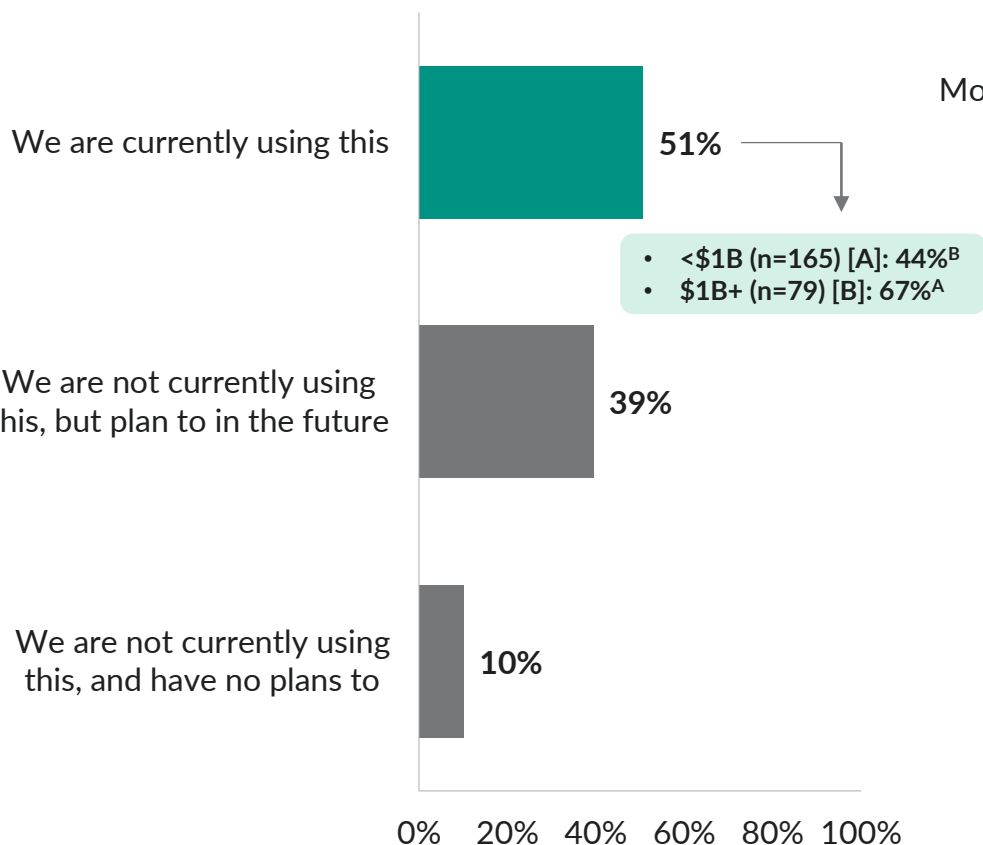
Q: Which of the following steps has your organization evaluated/taken to prepare for a potential ESG change? Select all that apply. (n=217)

MACHINE LEARNING & TECHNOLOGY

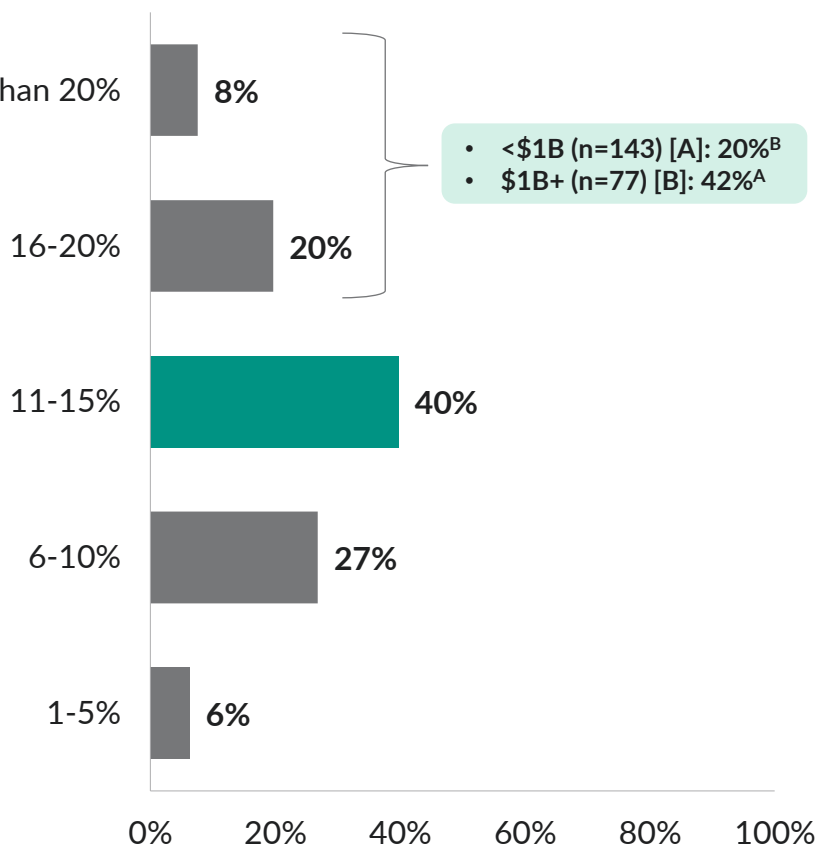
ALMOST ALL COMPANIES ARE CURRENTLY USING OR PLANNING TO USE MACHINE LEARNING

- Two-thirds of organizations (68%) are setting aside more than 10% of the IT budget for ML platforms this year.
- Higher-revenue companies are significantly more likely to say they are currently using ML. They are also more likely to spend more than 15% of the IT budget on ML platforms (42%) compared to smaller companies (20%).

MACHINE LEARNING USAGE



IT BUDGET FOR ML THIS YEAR

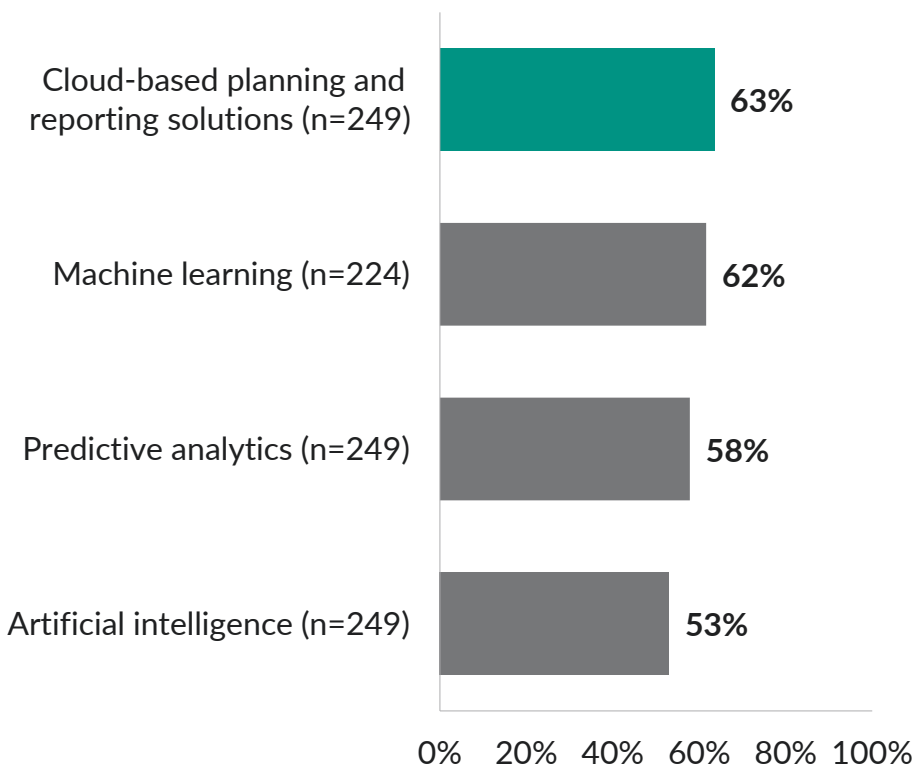


MORE THAN HALF OF ORGANIZATIONS ARE INVESTING AND USING ALL DATA ANALYSIS TOOLS MORE THAN PRE-PANDEMIC

- Cloud-based planning (63% & 65%) and machine learning (62% & 65%) are the tools getting the biggest investment and usage increases.

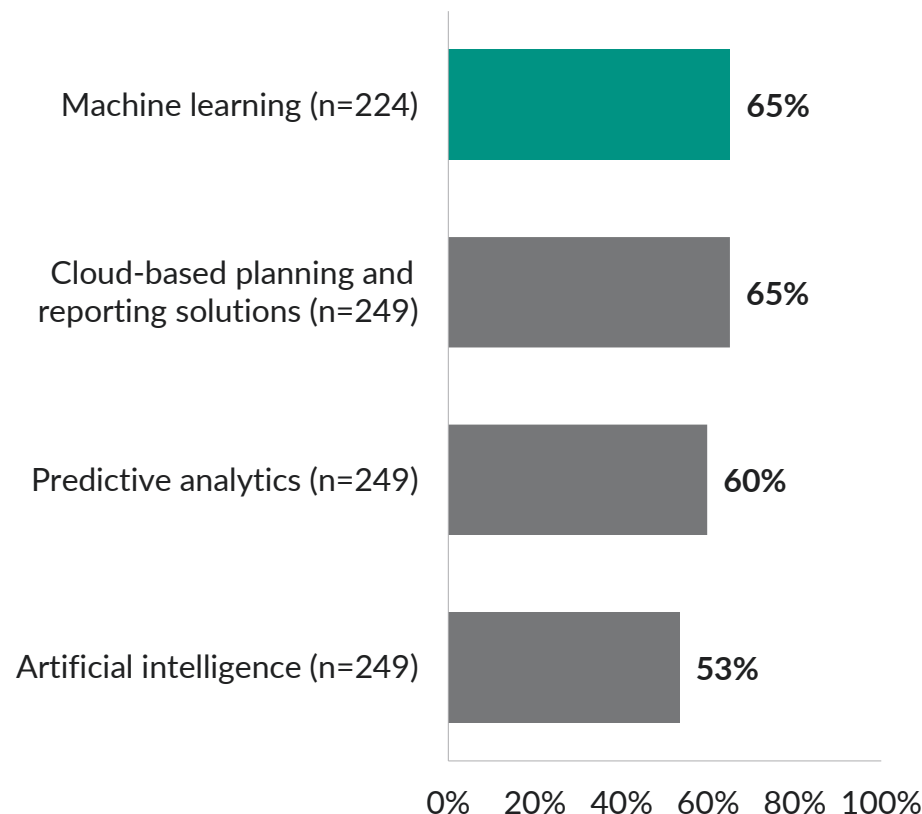
INVESTMENT COMPARED TO PRE-PANDEMIC

(TOP 2 - INCLUDES "SLIGHTLY MORE" AND "SIGNIFICANTLY MORE")



USAGE COMPARED TO PRE-COVID

(TOP 2 - INCLUDES "SLIGHTLY MORE" AND "SIGNIFICANTLY MORE")



CORPORATE

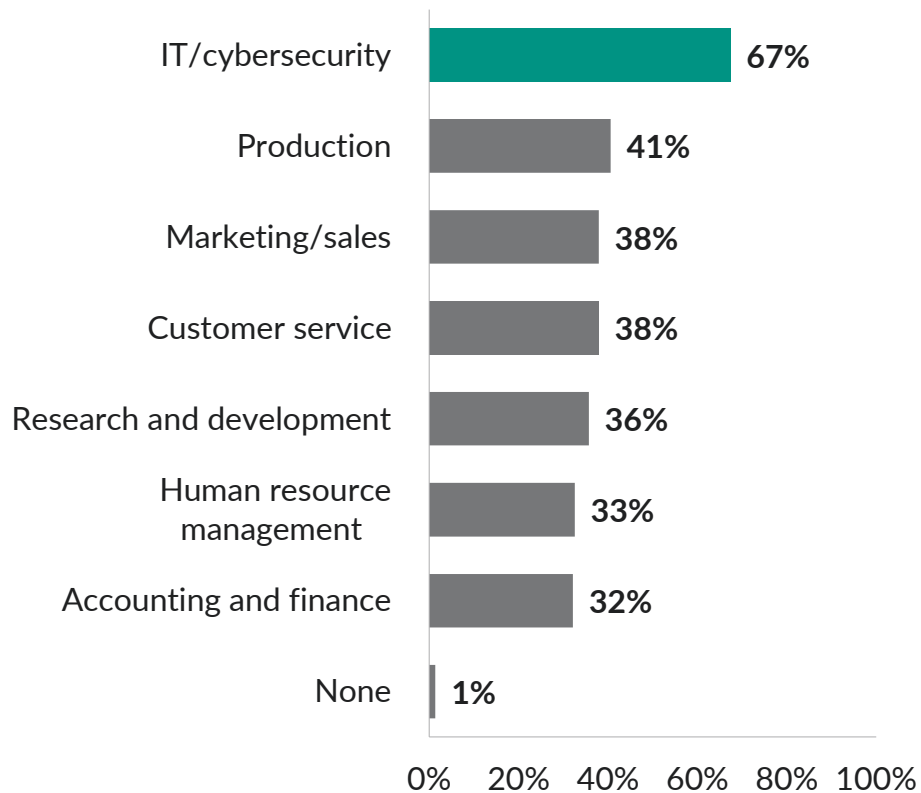
Q: Which of the following best describes how your company is investing in the following data analysis tools relative to before the pandemic? (n=249)

Q: Which of the following best describes your department's usage of the following data analysis tools relative to before the pandemic? (n=249)

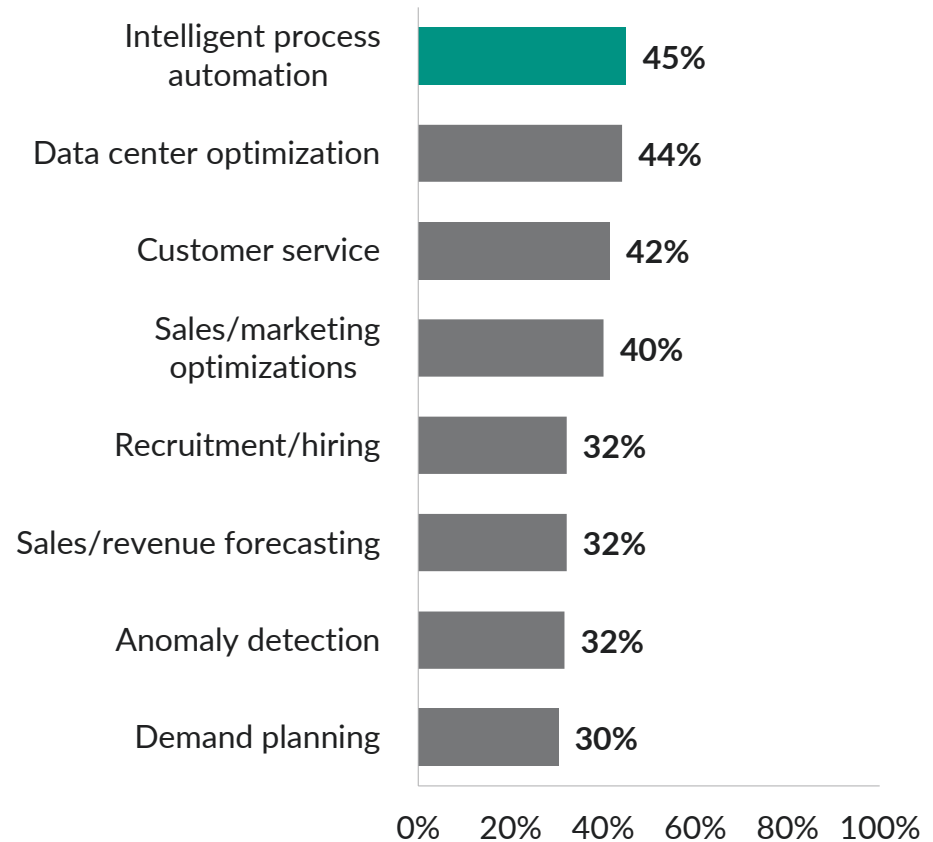
THE IT DEPARTMENT IS THE MOST LIKELY TO BE OPTIMIZED WITH ML

- Intelligent process automation (45%) and data center optimization (44%) are the priority use cases for ML.

DEPARTMENTS OPTIMIZED WITH ML



PRIORITY ML USE CASES



CORPORATE

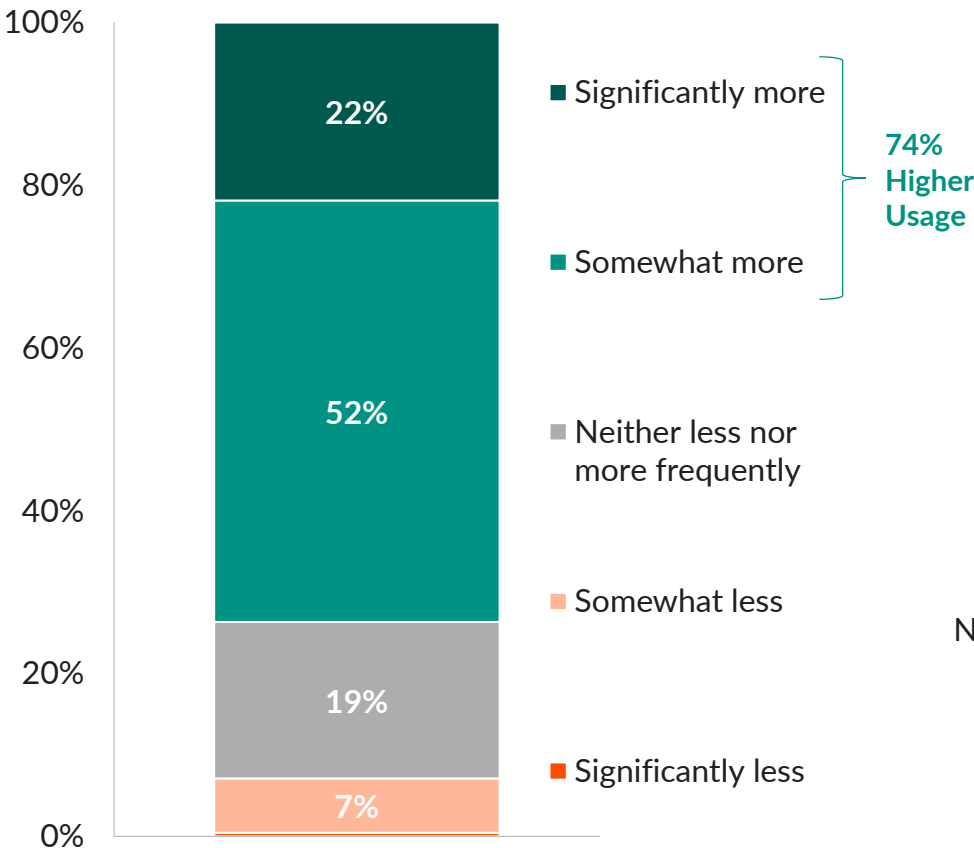
Q: What departments is your company optimizing or planning to optimize with machine learning technologies in the next 6-12 months? Please check all that apply. (n=224)

Q: What use cases are being prioritized as potential targets for machine learning technology? Please check all that apply. (n=224)

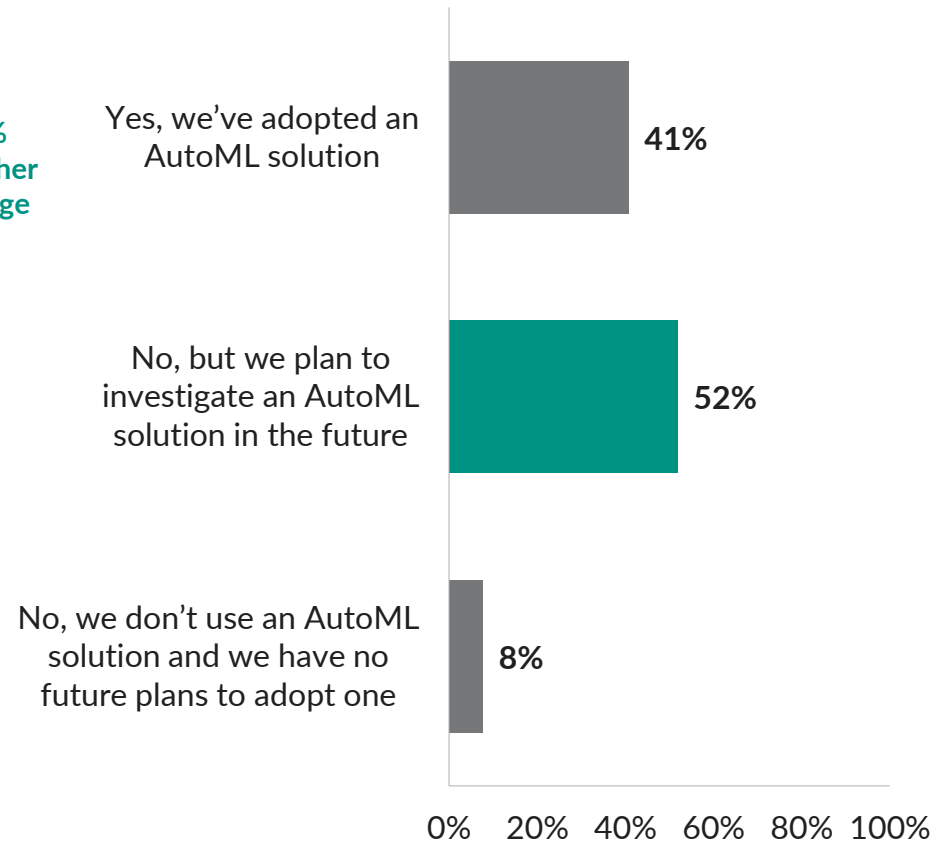
THROUGHOUT 2022, THREE-QUARTERS OF ORGANIZATIONS WILL INCREASE THEIR MACHINE LEARNING USAGE

- Almost all companies have either adopted an AutoML solution (41%) or are planning to (52%).

ML USAGE BY END OF 2022



AUTOML SOLUTION ADOPTION



CORPORATE

Q: Compared to how your organization currently uses machine learning, how will your organization use machine learning by the end of 2022? (n=224)

Q: Has your company adopted an AutoML solution? (n=224)

DEMOGRAPHICS

RESPONDENT CHARACTERISTICS (1/2)



Age (n=249)

18 to 24	5%
25 to 34	37%
35 to 44	35%
45 to 54	18%
55 to 64	4%
65 or older	1%



Country (n=249)

Canada	29%
Mexico	33%
United States	38%



Job Role (n=249)

Manager/Sr. Manager	41%
Director	33%
Vice President/Sr. Vice President	5%
C-Suite Executive	10%
President/CEO	6%
Owner	6%



Role in Financial Decision-Making (n=249)

Primary decision-maker	71%
Share authority	29%



Industry (n=249)

Accounting	1%
Aerospace / Aviation / Automotive	1%
Biotechnology	2%
Business / Professional Services	8%
Computers (Hardware, Desktop Software)	11%
Communications	1%
Construction / Home Improvement	9%
Consulting	2%
Education	4%
Engineering / Architecture	6%
Finance / Banking / Insurance	8%
Food Service	2%
Government / Military	4%
Healthcare / Medical	3%
Internet	2%
Legal	1%
Manufacturing	10%
Marketing / Market Research / Public Relations	1%
Media / Printing / Publishing	1%
Non-Profit	1%
Real Estate	1%
Retail	6%
Telecommunications	2%
Transportation / Distribution	4%
Other	6%

RESPONDENT CHARACTERISTICS (2/2)



Organization 2020 Revenue (n=249)

Under \$100M	29%
\$100M to \$499M	18%
\$500M or \$999M	19%
\$1B to \$4.99B	17%
\$5B to \$10B	11%
Over \$10B	3%
I don't know / Prefer not to respond	2%



Organization Size (n=249)

Fewer than 250 employees	23%
250 to 499 employees	14%
500 to 999 employees	18%
1,000 to 4,999 employees	26%
5,000 to 19,999 employees	13%
20,000 employees or more	6%



Thank you.

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