



Leading the Recovery: Finance Teams Guiding Businesses Toward Growth

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New survey from U.S. Bank reveals finance leaders are in a unique position to unleash business transformation

MINNEAPOLIS--(BUSINESS WIRE)--May 20, 2021-- COVID-19 impacted businesses across many industries and companies of all sizes. Through it all, CFOs and finance leaders were at the helm, helping their businesses navigate the impacts and chart a course forward. As the economy recovers from a challenging year, U.S. Bank sought to better understand what is top of mind with CFOs and finance leaders in 2021 and how they are helping their businesses thrive beyond COVID-19.

A new survey from U.S. Bank found that finance leaders across the U.S. are looking to the future while still managing the short-term needs of their businesses. Leaders also believe the finance function itself is ripe for digital transformation, but they face internal obstacles such as resistance to change and lack of awareness of the benefits of new technology.

The new data is from a proprietary survey of 300 U.S.-based senior finance professionals with decision-making roles across a range of industries.

“Despite all of the challenges of the past year, finance leaders are hopeful and are looking to the future,” said Hassan Salem, head of Commercial Banking for U.S. Bank. “They are prioritizing long-term and growth-oriented initiatives, evaluating new business models and investing in technology. There are many tools that make it easier for businesses to send and receive invoices, strengthen their cash flow and enhance efficiency, and finance leaders are in the unique position to unleash business transformation and help their organizations not just survive, but thrive.”

Key insights from the survey include:

Finance must transform itself to help the wider business

To help their businesses grow and transform, finance must first transform itself. When asked which areas within finance would benefit most from digital transformation, leaders said:

- 39%: risk and compliance
- 32%: planning and budgeting
- 29%: cash management and treasury

When asked about the obstacles they faced in executing digital transformation initiatives, 36% of leaders said their biggest obstacle was reluctance/resistance to change, 35% said a lack of awareness of new technology and its benefits, and 35% said lack of skills/human resources to implement and use new technology.

Finance teams tackle ESG – but there is more they can do

More than 70% of finance leaders said their focus on environmental, social and governance (ESG) initiatives increased in the past 12 months, including 80% of those generating more than \$5 billion and 82% of those in the energy and commodities sector.

To further their business' ESG strategies, 50% of finance leaders said they are assessing the environmental credentials of potential third parties and investments, 45% are assessing the risk that climate change poses to their business' operations and supply chain, and 41% are reporting on ESG.

Finance leaders sow the seeds for long-term growth

The survey found that 44% of finance leaders are struggling to balance the short- and long-term needs of their businesses, and 46% struggle to balance the need to cut costs and build resilience with the need to invest in future growth.

Their top priorities for 2021:

- 32%: improving cash flow
- 30%: supporting/furthering ESG objectives
- 26%: evaluating M&A, divestiture and partnership opportunities

When asked how the finance function planned to drive business growth and transformation, 42% said they were evaluating new business models, 39% were generating insights for the wider business, 38% were changing their capital allocation process, and 33% were exploring new technologies.

Preserving and enhancing the agility learned during COVID-19

COVID-19 placed a huge amount of strain on finance functions. In many businesses, the workload increased because of reforecasting and budgeting requirements. Many finance employees also had to shift to working from home.

Finance leaders had to be flexible and agile during the pandemic, and many plan to continue on with some of the initiatives they implemented last year, including:

- More flexible budgeting and capital planning (43%)
- More agile business practices (43%)
- Increased budget for technology (42%)

[See the full results of the 2021 CFO Insights Report from U.S. Bank.](#)

About U.S. Bank

U.S. Bancorp, with nearly 70,000 employees and \$553 billion in assets as of March 31, 2021, is the parent company of U.S. Bank National Association, the fifth-largest commercial bank in the United States. The Minneapolis-based bank blends its relationship teams, branches and ATM network with digital tools that allow customers to bank when, where and how they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial, corporate, and investment customers across the country and around the world as a trusted and responsible financial partner. This commitment continues to earn a spot on the Ethisphere Institute's World's Most Ethical Companies list and puts U.S. Bank in the top 5% of global companies assessed on the CDP A List for climate change action. Visit usbank.com for more.

About the Survey

The 2021 CFO Insights Report from U.S. Bank was conducted online by Longitude, a Financial Times Company, of 300 U.S.-based CFO's and other senior finance leaders across a range of sectors and company sizes. All surveyed companies had revenues of more than \$100 million, and 47% of companies generated more than \$1 billion in revenue. The survey was conducted in January and February 2021.

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