



IN COLLABORATION WITH:



# HR Response to The 2023 CFO Alliance Sentiment Report



## Background

From December 2022 through mid-January 2023, **The CFO Alliance**, the leading peer network for thousands of CFOs and finance executives from around the globe, captured data and insights from over 450 CFOs from 20+ industries on their plans and predictions, insights and intentions for the year ahead as it relates to their own individual responsibilities as well as the responsibilities of their teams, cross-functional operations, and shareholder value goals.

Now, in its 13th year, ***The CFO Alliance 2023 Global Mid-Market CFO Sentiment Report***, produced in collaboration with **Workday**, details key findings and performance benchmarks for themselves, for their finance teams, and for the enterprises they serve.

From 2020-2022, given the volatility of the world in terms of inflationary issues, continued labor shortage issues, disruptions in industry, as well as disruptions in employee and consumer patterns, actions, words, and intentions - AchieveNEXT jointly produced an HR Sentiment and CFO Sentiment Report with Workday, a leading provider of enterprise cloud applications for finance and human resources.

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## Introduction

As we move beyond Covid and into the new reality of a drastically different looking work environment, we want to compare and contrast HR and CFO sentiment to highlight key motivators and whether or not issues that impact one still impact the other. We interviewed a panel of HR leaders to respond to the CFO key findings as a thought leadership piece that features the voices of operational HR leaders who have been willing to share their perspectives across the last few years.

We reached out to key HR leaders in March of 2023 to ask for their organization's confidence rating towards hitting their corporate goals for the year ahead. We were pleasantly surprised to see that there was a brighter outlook in 2023, from their lens, than we expected.

## THE PARTICIPANTS INCLUDED:



**Nick Araco**  
*Moderator and CEO*  
AchieveNEXT



**Greg Wood**  
*CMO*  
AchieveNEXT



**Dina Perrault**  
*VPHR*  
*Faulkner Automotive*  
*Group*



**Katie Calabrese**  
*Talent Mgmt Lead*  
*Security Risk Advisors*  
*Group*



**Mary Ellen Harris**  
*CHRO*  
Kreischer Miller



**Deanna Glose**  
*Global HR*  
Centinel Spine



**David Howry**  
*CHRO*  
Holt Logistics



### CFO Key Findings

- While recessionary fears are real, most CFOs from emerging and mid-market enterprises have a brighter outlook in 2023 than their larger enterprise CFO peers.
- Even as finance leaders deal with ongoing volatility and complexity, the 450+ survey participants have an average **80% CFO Confidence Rating (on a scale from 1-100)** in their enterprises' ability to hit their revenue and margin targets in 2023.
- In 2023, the majority of participating CFOs are more optimistic about their organizations' top and bottom line performance than their own roles.

## HR Responses:

We heard from all of the HR leaders that participated in this review that their confidence rating is strong across the board and across industries. We saw rankings here from a 70-100% confidence level, even though it is known not all industries will be able to surpass the numbers and performance they had during Covid. As things begin to normalize again in 2023, HR leaders are being cautiously optimistic that the levers they have put in place to focus on their business and people issues will continue to pay dividends. This is especially true in industries that do well if recession is on the horizon, like public accounting, where clients need their accountants even more when they have to navigate difficult times. We also heard that prioritization of business, systems, and people goals is of the utmost importance.



### CFO Key Finding

- Optimism in company performance will not stop CFOs from making career moves. **1 of every 4** survey participants are considering career moves in 2023.

## HR Responses:

Since 2020, HR and Finance employees have been in survival mode, and now we are hearing they are exhausted and have been stretched too much. A recent McKinsey Study shows that businesses were kept afloat during Covid because of the high powered energy brought to bear by overachievers; however, this tempo isn't lasting, into 2023 and 2024. As turnover proved to be a major issue in the Great Resignation, departments such as HR and Finance were reduced for various reasons.

“To stretch is good, but to break is bad...We will now put certain things in the plan for five years, but not everything will happen in 2023. And that seemed to change how we felt, quite frankly, from an emotional standpoint so that our employees can continue to fight the battle without being so road weary, if you will, or battle weary. Just feeling encouraged to say that what is now on my plate is doable - that was really the game changer for us”.

— **Mary Ellen Harris**  
*CHRO, Kreischer Miller*

Organizations were seen to be undervaluing the importance of the CFO/CHRO function, and with the potential for recession coming, there either weren't good candidates available or organizations didn't have the budget to hire new people. So, some "renegotiation" had to occur and companies had to really focus on what was going to get done in 2023 and what would have to wait.



## CFO Key Findings

- Economic headwinds will not stop CFOs from investing to drive growth in 2023, most often in upgrading systems and data capabilities.
- CFOs are increasing spending to drive growth, with **75%** of the participants making double digit increases in spending in 2023.

## HR Responses:

Upgrading technology, systems, and software as well as finding creative new benefits, and adjustments to compensation are all high on the list for spending in 2023. We heard that streamlining was important as well - from process reengineering that ties to both efficiency and effectiveness as well as the steps HR is taking to ensure that talent feels engaged and optimized versus replaced, minimized, or disrupted.

A focus on culture and employee engagement have also been important differentiators for HR

as the need to look beyond reports, metrics and processes and efficiency have surfaced. This has included listening to the "voice" of the employees either through surveying them to assess company culture or holding focus groups and Employee Resource Groups to help prioritize what is needed

"One of the things that we do in monthly town hall meetings is we go through our business objectives and then we also bring in patients. They come in and talk about their experiences and how our product has been life-changing for them. We try to do things like that to really help people understand the purpose of what we do, what the reality of it is, and their role in all of it".

— Deanna Glose  
Global HR Lead, Centinel Spine

to do around people, culture, and engagement. And when groups like these meet and present their findings/questions/issues to corporate leaders, employees have now begun to see that the feedback they brought forward is actually turning into organizational changemaking. When HR has been shown to be focused on improving and impacting peoples' lives, and bringing back the quality of life for employees, that has sent an important message.

As changes relate to compensation and benefits, the HR leaders told us that more one-on-one meetings are occurring so flight issues don't take everyone by surprise as they once did. Salary adjustments have occurred - in some industries more often than normal

- but HR has also looked at other ways to create stability by creating new positions that might be a next level role to keep some individuals, offering new training programs, or advancing someone their bonus because they're having financial issues. People are still leaving organizations; however, not in the same numbers as during the pandemic as more focus is now being paid on being competitive and finding creative ways to bring in new talent.

Additional creativity has also occurred in looking to defray benefit costs in ways such as moving to a self funded model. For many, this has been important to consider as it allows more flexibility with plan design in a way that better meets the needs of a specific employee population - such as adjusting tiered medication plans so that generic drugs are zero dollars. It has also been helpful for some to disincentivize ER visits while incentivizing others, which helped put a hold on some group medical increases for the past couple of years. Other companies have seen the success they have had over the past three years and, for 2022, they decided to put some of their financial windfall into

things such as absorbing benefits renewals. And when costs went up \$2 per pay period for 2023, they absorbed that too.

Other creative benefit options included doubling employee assistance program visits. For the benefit seen, the cost to organizations that do this can be quite low. For example, going from three free visits to six free visits has really mattered as employees

are now getting more help for things in their life such as legal and financial services.

*"We repeat our mission a lot and our values and we look for opportunities - qualitative opportunities - to connect people's work to our mission and our purpose".*

**— Katie Calabrese**  
*Talent Mgmt Lead,  
Security Risk Advisors*

*"By focusing on bringing in creative benefits that affect our employees's body, mind, and soul, we have received unbelievably positive feedback".*

**— Dina Perrault**  
*VPHR, Faulkner  
Automotive Group*

Some companies also took an approach to look at the overall wellness of the employee including bringing in the Peloton app for all employees to use for free, as well as using the Headspace app for mindful meditation. Finally, corporate and individual fundraising for causes that mattered to employees has had an unbelievably positive impact.



### CFO Key Finding

- CFOs are shifting their attention and investments from Talent Acquisition to Talent Optimization in 2023.

## HR Responses:

When asked to isolate a key trait they are looking for in terms of the next hire on their team - either soft skill or technical - HR leaders said intellectual curiosity is a key differentiator as well as problem solving and adaptability because everything is still changing, at a rapid pace, all the time. Attitudes towards continuous improvement are also being looked at more closely now with hiring and promotion because just talking about revamping or streamlining isn't working. Companies and employees want tangible improvements that come from the top down and are encouraged throughout the business.

"We can no longer say 'this is the way we've always done it', or 'we can't do it this way because there's a lot of legacy'. You start peeling back the onion and you go, 'How many of our standards need to change?'.

— **David Howry**  
CHRO, Holt Logistics

## Closing

HR is no longer in a silo and is now at the center of so many post Covid changes as they have a role to play in integrating the correlation between CFO and CHRO sentiment. HR is also now in a place of needing to measure, validate and challenge the status quo and, most importantly, making the equation a “we” equation - a people equation.

Thank you to each of the HR leaders who participated in this effort with AchieveNEXT and Workday and for your optimism about the future of your organizations, your roles, and your people.



### About AchieveNEXT:

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You set your performance goals and outcomes. We help you ACHIEVE them. AchieveNEXT empowers individuals, teams, and enterprises through one-to-one coaching, team development, and business relationship training programs. For more information visit: [achievenext.com/about](https://www.achievenext.com/about) or email: [info@achievenext.com](mailto:info@achievenext.com).



### About Workday:

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Workday is a leading provider of enterprise cloud applications for finance and human resources, helping customers adapt and thrive in a changing world. Workday applications for financial management, human resources, planning, spend management, and analytics have been adopted by thousands of organizations around the world and across industries — from medium-sized businesses to more than 50% of the *Fortune* 500. For more information about Workday, visit [workday.com](https://www.workday.com).