

Chapter 9

Transformation Into the High-Performance Finance Function

ABSTRACT

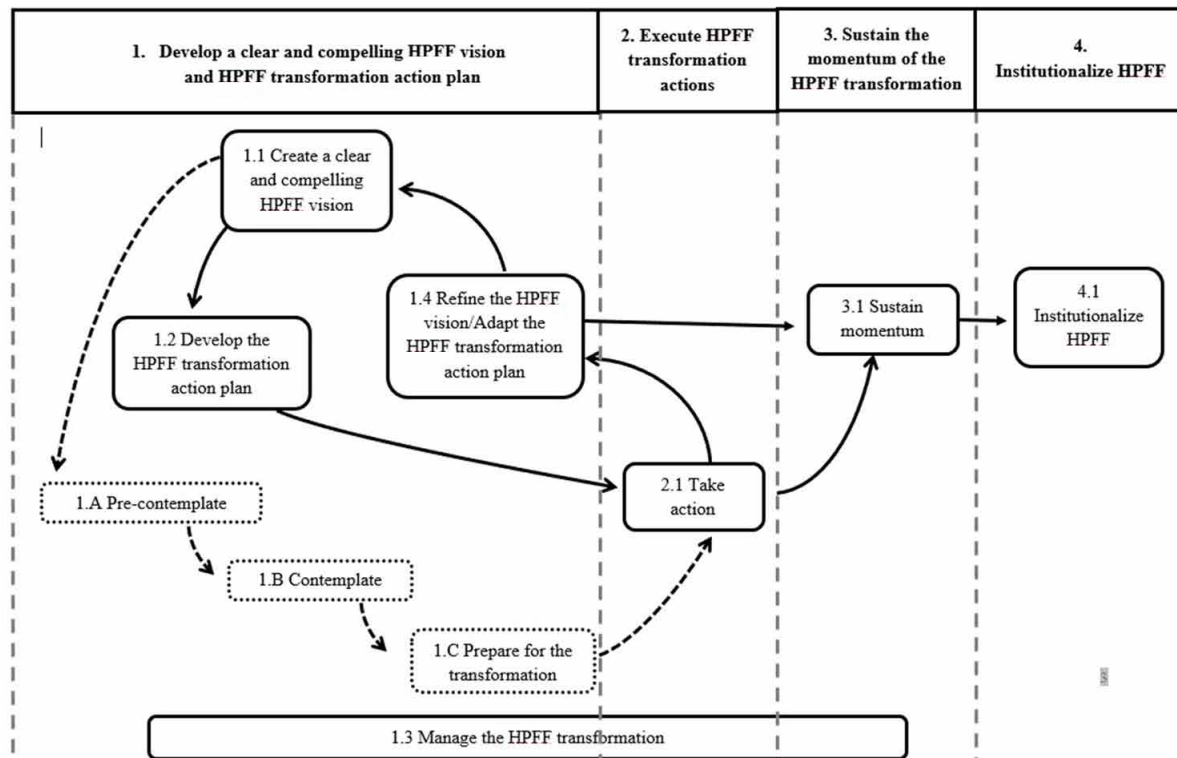
In the literature to date, a generally accepted approach for the transformation into an HPFF cannot be found. Therefore, the approach for the transformation into an HPO was taken and adapted to an HPFF transformation. This approach, which encompasses a series of key steps and the use of so-called HPFF Coaches, is described in this chapter. In almost every organization, resources are scarce, which forces the finance function to compete for financial budget and people's time against the business (a battle often lost). Therefore, the issue of how to secure a sufficient proportion of an organization's resources for the HPFF transformation is tackled. In addition, ideas from experienced financials on how to realize the HPFF have been collected and are given in this chapter.

9.1 INTRODUCING THE HPFF TRANSFORMATION APPROACH

The approach to the HPFF transformation process consists of five key steps (see Figure 1): (1) develop a clear and compelling HPFF vision and HPFF transformation action plan, (2) execute the HPFF transformation actions, (3) sustain the momentum of the HPFF transformation, and (4) institutionalize the HPFF. We now describe each (sub)step and propose specific activities that you can undertake during each (sub)step. In Figure 1 there are several boxes (and lines), which are dotted; these denote sub-steps that directly address the change process individual people will go through during the HPFF transformation process.

At least 75% of large change programs fail to achieve their objectives. Why? Because they start with technology rather than with people and behaviors. In contrast, 80% of programs with a clear people-centered change focus do achieve their benefit targets. Leading with a mindset shift that addresses what people do and how they can be part of the solution is critical. People adopt what they help to create. Mindsets are built over decades. Attempting to change mindsets in just a few months requires an element of unlearning. If employees are surrounded by others who are not changing, the challenge becomes harder.

Figure 1. The key and sub-steps of the HPFF transformation approach



9.2 KEY STEP 1: DEVELOPING A CLEAR AND COMPELLING HPFF VISION AND HPFF TRANSFORMATION ACTION PLAN

Sub-Step 1.1

The first step in the HPFF transformation process consists of creating a clear and compelling HPFF vision (sub-step 1.1 in Figure 1). Every successful HPFF transformation has a vision that is both easy to communicate and attractive to all financial professionals as well as to the internal stakeholders of the finance function (such as the Board and line management). A clear and compelling HPFF vision should describe the aspects, characteristics, and outcomes of the desired state of the finance function as an HPFF. A positive and inspiring vision of HPFF is created by managers and financial staff together, which makes people enthusiastic and creates something they can believe in. The HPFF vision contains the purpose of the transformation and the reasons it is worth undertaking, and it describes the positive differences between the current and the desired state of the finance function. Emotional arguments are used in creating and conveying an appealing picture of HPFF by describing strong positive benefits of a successful transformation using words with an emotional and positive connotation and metaphors. The vision is made appealing by using alluring names, images, pictures, slogans, music, colors, and humor to create good feeling about the HPFF. Active language is used to convey the dynamics of the transformation. When presenting and discussing the vision, emotions are used to convey warmth and sincere commitment. Fears about the transformation are reduced by emphasizing the opportunities being

25 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/transformation-into-the-high-performance-finance-function/298724

Related Content

Towards Fully De-Materialized Check Management

Fulvio Frati, Ernesto Damiani and Claudio Santacesaria (2017). *Online Banking Security Measures and Data Protection* (pp. 69-89).

www.irma-international.org/chapter/towards-fully-de-materialized-check-management/166865

What Factors Need to Be Considered for Adopting M-Banking Services in a Developing Economy?

Syed Moudud-UI-Huq and Shumaila Meer Perhiar (2023). *International Journal of Corporate Finance and Accounting* (pp. 1-14).

www.irma-international.org/article/what-factors-need-to-be-considered-for-adopting-m-banking-services-in-a-developing-economy/319710

What Factors Need to Be Considered for Adopting M-Banking Services in a Developing Economy?

Syed Moudud-UI-Huq and Shumaila Meer Perhiar (2023). *International Journal of Corporate Finance and Accounting* (pp. 1-14).

www.irma-international.org/article/what-factors-need-to-be-considered-for-adopting-m-banking-services-in-a-developing-economy/319710

What Factors Need to Be Considered for Adopting M-Banking Services in a Developing Economy?

Syed Moudud-UI-Huq and Shumaila Meer Perhiar (2023). *International Journal of Corporate Finance and Accounting* (pp. 1-14).

www.irma-international.org/article/what-factors-need-to-be-considered-for-adopting-m-banking-services-in-a-developing-economy/319710

Tax Revenues and Tax Efforts across the World

Nihal Bayraktar, Tuan Minh Le and Blanca Moreno-Dodson (2016). *Handbook of Research on Public Finance in Europe and the MENA Region* (pp. 48-99).

www.irma-international.org/chapter/tax-revenues-and-tax-efforts-across-the-world/151820