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# CFO Survey

## Pulse Update

Grant Thornton Public Sector in partnership with AGA conducts an annual survey of the CFO community in federal and state governments. Throughout this year, the CFO Survey will be iterative and published in a series of articles that provide timely and topical insights.

The following is the first Pulse Update in the CFO Survey Series, and it addresses input collected during a focus group assembled in November 2021.

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## The Efficiency & Effectiveness of Work

In the face of a pandemic, a new presidential administration, a workforce in transformation, and trillions of dollars in stimulus funds in distribution, federal CFOs continue to lead their organizations as agents of strategic change. Throughout the year, Grant Thornton and AGA meet with CFOs to understand how these, and other priorities, influence the CFO community. In this report, we explore the state of efficiency and effectiveness in today's workplace and its implications on the future of work.

Virtual meeting applications, such as Microsoft Teams and Zoom, prove to help leaders become more efficient managers of their time. It is easy to transition between meetings with the click of a button; however, the federal CFOs we interviewed said, despite the increased efficiency, they continue to gauge the effectiveness of the current workplace structure, like many others in government and private industry.

One financial executive shared three characteristics of a successful workplace: achieving the vision of the organization, group cohesion, and job satisfaction.

- **Achieving the vision:** Each person should be able to see clearly how their role supports the mission and vision of the organization. For example, one agency saw a rise in employee viewpoint scores, which correlates with the notion that, during the first 18 months of the pandemic, personnel took pride in delivering government services and seeing the results of their hard work.
- **Group cohesion:** Building connections throughout the office engenders a sense of purpose and belonging. Some agencies hold virtual happy hours, coffee chats or mentorship programs to build comradery among staff. However, more organic conversations, such as the "after-meeting" meeting, when colleagues informally debrief what they heard and how they will approach new assignments, as well as discuss nonwork events, are missing. The lack of informal interactions and collaborations makes it more difficult for some employees to remain engaged in their jobs.
- **Job satisfaction:** Where and how employees work can affect their overall satisfaction. Depending on their job function, individuals may have different preferences in — and definitions of — work flexibility. For example, one financial executive noted the variety of preferences within one team: the analytical staff enjoyed staying home, while the grants administration staff, who fill a more collaborative and relationship-based role, wanted to return to the office.






For some CFOs, telework and remote work raises questions regarding duty station, travel benefits, and pay. Other CFOs, however, are leaning into the flexible work environment, redirecting their agencies toward a nationwide view of recruitment. One agency plans to launch a pilot to recruit remote employees who live within commuting distance of one of their office locations across the country. This way, if the agency needs to bring staff back into the office, even the remote workers would live within a reasonable traveling distance of an agency location. Another agency developed a council of managers to redefine the CFO office culture and plan for a flexible work environment and what that might entail. Their leadership made a commitment to a hybrid-first environment and encouraged staff to hold them accountable. They also emphasized employees engagement at all levels through a decision-making rather than top-down approach.

Due to the nature of their work, some financial practitioners in the security and intelligence fields are required to work at the office. However, their CFOs have not allowed their staffs’ preferences to go unnoticed. One CFO said her agency does not require entire teams to come into the office simply because a few individuals must work onsite. Furthermore, agency leadership is identifying ways to reassign staff who are uncomfortable with coming into the office in telework-friendly roles.

Finally, federal CFOs are also examining the lack of a strong pipeline of financial management talent and weighing its effect on efficiency and effectiveness. The federal workforce, financial management included, is aging, and CFOs are finding it difficult to recruit and retain staff with the requisite skills to sustain a more analytical and strategic financial management function. To that end, the CFO Council Workforce Modernization Initiative continues to make significant progress toward transforming the federal financial management workforce.

## Key Takeaways

While there is no perfect answer for the future of work, CFOs should consider the following actions in their workplace planning:

-  Develop a clear line of sight between each position and the organization’s vision to show employees how they support the mission.
-  Create space for organic relationships to grow and develop so that colleagues sense cohesion within the group.
-  Promote a workplace arrangement that allows for higher job satisfaction and, ultimately, better performance.
-  Engage all levels of staff to design the future work arrangement and culture so that they feel valued and take ownership of the result. Furthermore, allow staff to hold leadership accountable.
-  Initiate a pilot to test a new workplace arrangement. Failing on a small scale can mitigate significant issues in office- or agency-wide implementations.

Throughout the year we will continue to monitor the efficiency and effectiveness of the workforce, as well as other topics of interest identified by federal CFOs, shown in **Figure 1**.

Figure 1.

