cube

Growing and scaling a top-notch FP&A team

a guide for finance leaders

Table of contents

Introduction

So, your business is expanding—and so are the responsibilities of your FP&A team. As a finance leader, it's essential for you to grow and scale this team to meet the evolving needs of your company.

There's just one question: how?

In this guide, we'll dive deeper into the intricacies of FP&A and explore specific ways you can effectively grow your FP&A team as your company expands and matures.

Ready to build a strong, growth-oriented FP&A team? Let's get started!

You'll learn:

Step-by-step instructions for growing your FP&A team

Tips for encouraging professional development

Best practices for enhancing the team's impact on company growth

...and so much more.

Identifying major pain points — the catalyst for FP&A transformation

As a finance leader, you wear many hats: financial steward, strategic advisor, risk manager, and more. You juggle a myriad of responsibilities while grappling with numerous challenges on a daily basis.

Many finance leaders today are having to navigate through unpredictable economic conditions, stay updated on evolving regulatory frameworks, embrace technological advancements, ensure data integrity, contribute strategically to the organization, and invest in talent retention and development— all while managing their teams' day-to-day struggles.

Luckily, your hard work has paid off, and your business is experiencing growth. Unfortunately, this means the number of challenges you face is also growing.

The good news? Growing and scaling your FP&A team effectively can alleviate these pains.
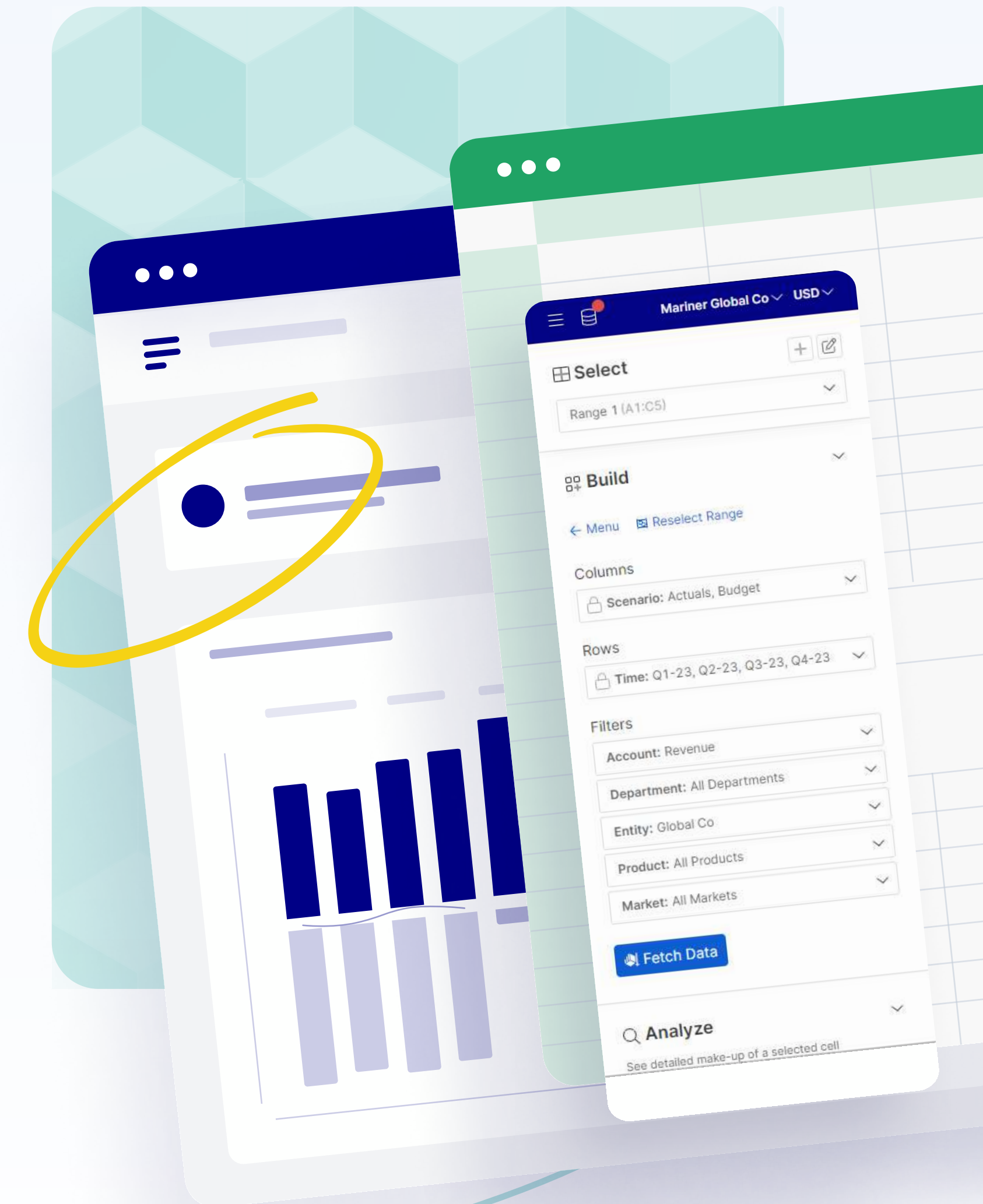
Some of the major challenges scaling your FP&A team can help you overcome include:
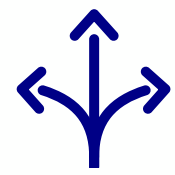
1. Time constraints

The finance function is swamped with numerous tasks like month-end closes, variance analysis, and ad hoc reporting, leaving little time for strategic planning and analysis. A well-scaled FP&A team with clearly defined responsibilities helps distribute these tasks efficiently, freeing up time for strategic initiatives.

2. Limited capacity

You may find your team is spread too thin or lacks the necessary skills to cope with these demands. Scaling your FP&A team doesn't only mean increasing numbers. It also involves making sure the team has a mix of technical and soft skills to handle evolving business needs.

3. Developing competencies

In a rapidly changing business landscape, keeping your team's competencies up-to-date can be daunting. A growing FP&A team provides the opportunity to bring in diverse skill sets and experiences, fostering an environment of continuous learning.
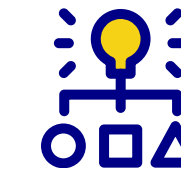
4. Enhancing capabilities

The ability to generate insights from financial data and convey these insights to non-financial stakeholders is a crucial FP&A capability. As you scale your FP&A team, you should prioritize hiring for these capabilities, or provide training and development programs to enhance existing ones.

The journey to building a high-performing FP&A team starts by acknowledging these pain points. It's about moving from a transactional role to a transformational one.

In the following chapters, we'll guide you through this process to help you build a team that's not just an observer of your company's growth story—but a key player in it.

Assessing the current state of your FP&A team

What does your in-house talent look like today? A comprehensive and honest assessment of your existing FP&A capabilities, team structure, and resources forms the groundwork for any future progress.

Evaluating existing FP&A capabilities and team structure

Effective FP&A teams are defined by their ability to translate financial data into strategic insights that guide the business's decision-making process. So, begin by evaluating the existing capabilities of your FP&A team. What are their core strengths? Where do they excel? This could be in areas such as financial modeling, reporting, strategic planning, or stakeholder communication.

Next, take a closer look at your team's structure and consider whether it supports the responsibilities and workload of the team.

For instance, let's say your company's finance team has a dedicated FP&A function. However, this structure is no longer efficient and team members are unable to adapt to the growing demands of your scaling business.

To address pain points and support the growing workload, it may make sense to establish an FP&A team with defined roles and hierarchy.

At a leading company (aka, your end goal), the hierarchy may look something like this (see Figure 1).

What this hierarchy looks like will vary depending on your stage of business growth, but this is an example of what to aspire to.

With specific roles, each team member has clear responsibilities, which can increase efficiency and accountability. A defined hierarchy can facilitate decision-making and coordination. This establishes a clear reporting structure, which helps streamline communication and improve decision-making.
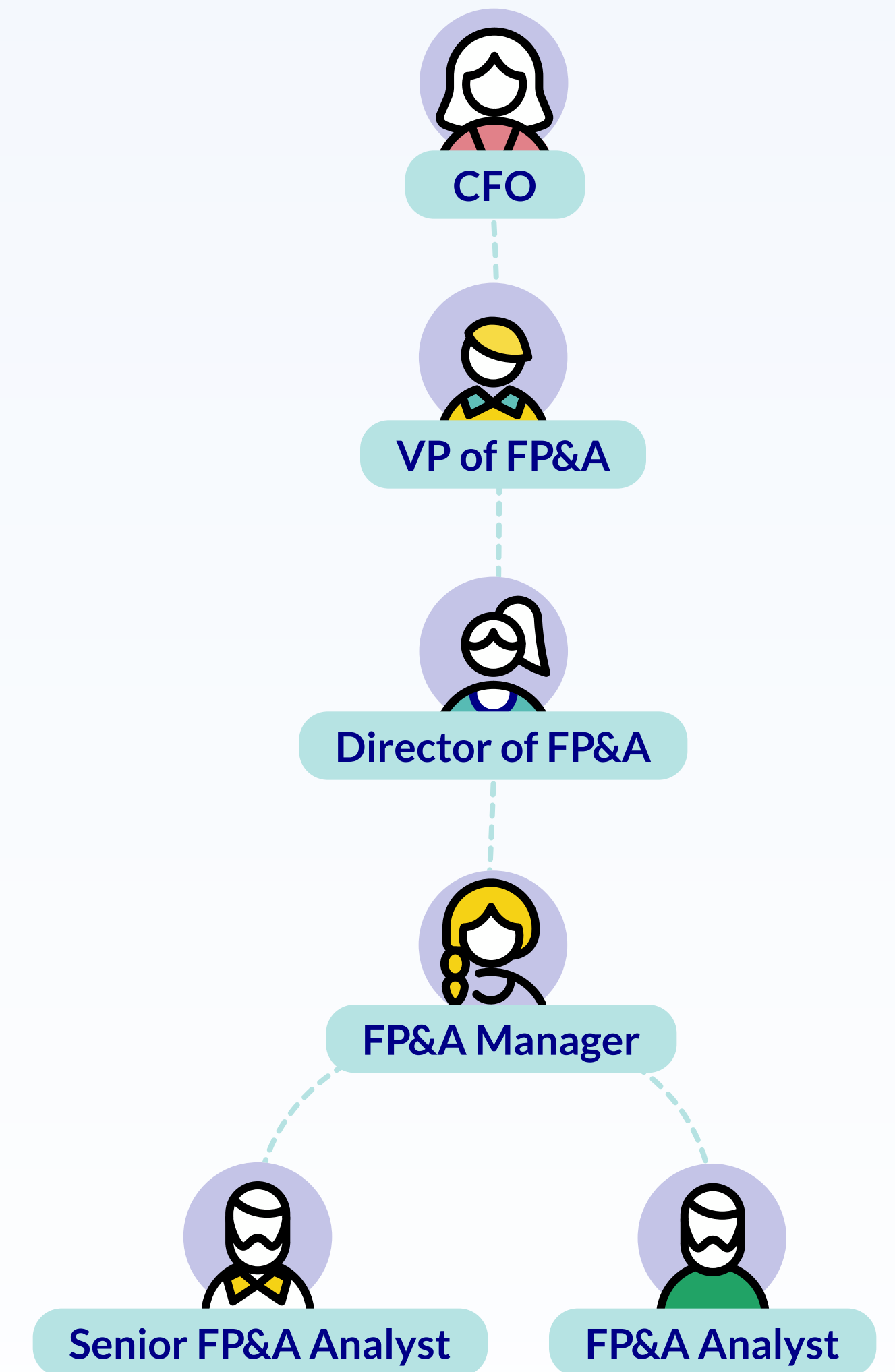

CFO

VP of FP&A

Director of FP&A

FP&A Manager

Senior FP&A Analyst　　**FP&A Analyst**

Figure 1

◆ cube

Identifying gaps and areas for improvement

To identify areas where improvements can be made, you should reflect on three key areas: people, processes, and systems.

1. People

Reflect on the skills, expertise, and capacity of your FP&A team members. Assess if there are any gaps in their capabilities and identify opportunities for training, professional development, or talent acquisition. Evaluate team dynamics, collaboration, and leadership to ensure a cohesive and high-performing team.
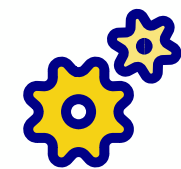
2. Processes

Evaluate your current FP&A processes, from financial planning and forecasting to reporting and analysis. Identify any bottlenecks, inefficiencies, or areas that can be streamlined. Look for opportunities to enhance accuracy, agility, and the overall effectiveness of your processes.
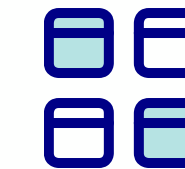
3. Systems

Examine the tools, technologies, and systems used by your FP&A team. Are they effective, reliable, and compatible with your evolving needs? Identify any gaps in functionality or integration that may hinder efficiency and decision-making. Lastly, consider upgrading or implementing new systems that can support your team's analytical capabilities, data visualization, and collaboration needs.

By critically evaluating these three areas, you'll gain insights into the strengths and weaknesses of your FP&A team's current state.

Be sure to consider feedback from team members and other stakeholders. Often, they will have valuable insights into areas that could be improved. Remember, the goal is to build a team that can not only perform its core functions efficiently, but also provide strategic input to the business.

Conducting a skills and resource assessment

A comprehensive skills assessment goes hand in hand with identifying gaps. Understanding the unique skills of each team member will help you align them with the right roles and responsibilities, enhancing their efficiency and job satisfaction.

Start by listing the necessary skills required for an efficient FP&A team.

These skills will vary in focus (i.e., technical skills vs strategic skills) and may include:

1. Understanding of the business's industry

2. Communication skills

3. Collaborative skills

4. Leadership and management skills

5. Problem-solving skills

6. Financial analysis

7. Budgeting and forecasting

8. Data interpretation and visualization

9. Strategic planning

10. Proficiency in financial software (e.g., ERP systems, financial planning software, and data visualization tools)
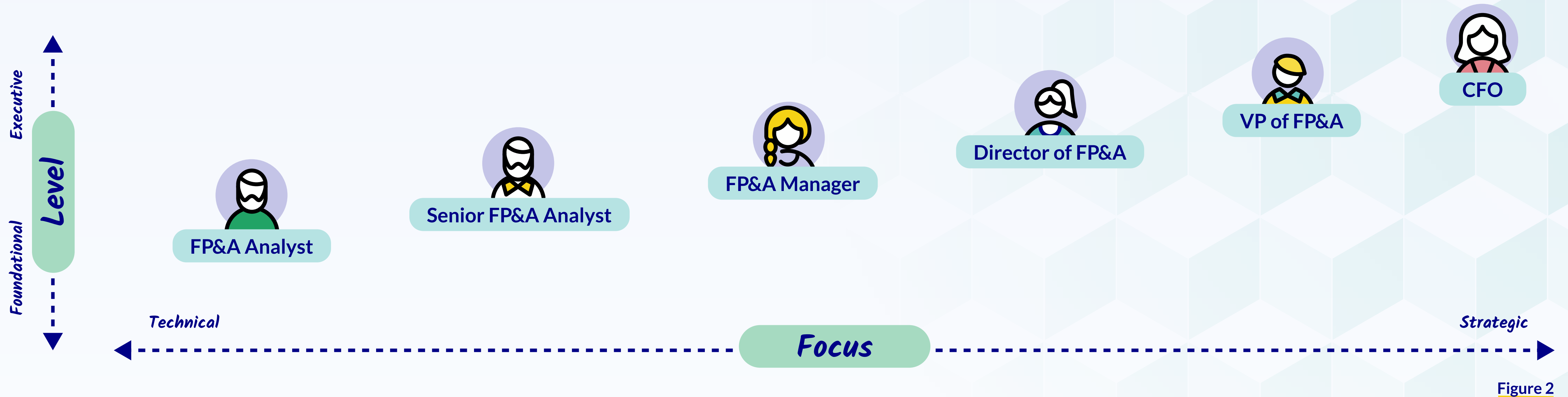
Figure 2

Next, evaluate your team members. Using the hierarchy from earlier in this chapter as an example, each team member would fall somewhere on the spectrum above (see Figure 2).

The roles lower in the hierarchy focus primarily on technical skills and execution of work. Therefore, when assessing a Senior FP&A Analyst, you should make sure they have the technical skills needed to succeed in their role (budgeting, forecasting, etc.).

When assessing an FP&A Manager, on the other hand, you need to make sure they have more strategic skills (strategic planning, leadership, etc.) in addition to the technical skills an analyst would have, as their role focuses primarily on strategy and the facilitation of work.

Assessing your team members against this scale will help you recognize existing talent and identify areas where training—or new hires—may be required.

Similarly, assess your current resources. This includes not just human resources, but also software, tools, and technology at your disposal. Are they adequate for the current tasks and, more importantly, for the anticipated growth of your business?

By understanding your present, you're better equipped to navigate your path to the future—a future where your FP&A team acts as the strategic compass guiding your business growth.

Aligning FP&A with business objectives

Let's now turn our attention to ensuring your FP&A team is intrinsically aligned with your broader business objectives.

Setting clear financial goals and strategic alignment

The first step to aligning your FP&A function with business objectives is to set clear financial goals that resonate with your overall strategic vision. This means creating specific, measurable, achievable, relevant, and time-bound (SMART) financial goals that act as a guiding light for your team's activities.

For example, let's say your company has a strategic vision to expand its market share and increase profitability over the next three years.

A **SMART** financial goal aligned with this vision could be:

"Increase our net profit margin from 10% to 15% over the next three years by enhancing our product offering, entering new markets, and optimizing operational costs."

Here's why this is a SMART financial goal:

Specific	Increase net profit margin from 10% to 15%.
Measurable	Measure the net profit margin at regular intervals to track progress toward the target.
Achievable	Develop strategies to enhance the product offering, enter new markets, and optimize operational costs, ensuring they are realistic and within the capabilities of the organization.
Relevant	Align with the overall business goals and financial objectives of the company.
Time-bound	Achieve the desired increase in net profit margin within the next three years.

However, setting goals is just the start. The real work lies in ensuring strategic alignment. Your FP&A team should act as a strategic partner to your business, meaning their work directly contributes to the achievement of these goals. To do this effectively, you need to ensure your team is not just crunching numbers but is actively involved in understanding and contributing to the strategic direction of the business.

Collaborating with other departments and executives for effective planning

To align FP&A with business objectives effectively, there needs to be strong collaboration with other departments and executives.

For example, let's say you work at a technology company that's planning to develop a new software product. Instead of having the FP&A team handle the financial planning independently, you decide to include team members from various departments in the process (see Figure 3).

Including all these perspectives not only ensures a comprehensive financial plan but also increases company-wide buy-in, as each department has had a say in the process.

Regular dialogue with executives will also help your FP&A team stay up-to-date on strategic shifts, enabling them to adjust plans and forecasts proactively.
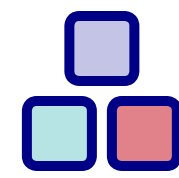
Product Development

The Product Development team provides insights on the expected costs of development, including man-hours, necessary software tools, and potential licensing fees.
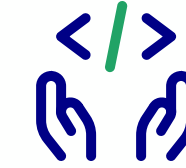
IT

The IT department might predict costs for additional infrastructure or tools needed to support the new product.
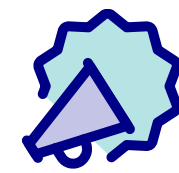
Sales and Marketing

The Sales and Marketing teams forecast potential revenue from the product, taking into account market trends, competitor analysis, and planned marketing strategies.

Human Resources

The HR team can project any additional hiring needs or training costs to support the new product's launch.

Customer Service

The Customer Service team anticipates the potential impact on their workload and related costs, considering the need for additional support staff or training for the new product.

Executives

The CFO, CEO, or another senior executive can oversee the process, provide strategic guidance, and align financial objectives with the company's overall goals.

Figure 3

Creating a roadmap for FP&A growth and scalability

Finally, with clear goals and collaborative processes in place, it's time to create a roadmap for your FP&A team's growth and scalability. This roadmap will act as a guide for your team as they grow alongside the business.

In its simplest form, a roadmap may look something like this (see Figure 4).

The roadmap should clearly outline your plans for talent acquisition, skills development, and technology adoption to support the scaling process. Furthermore, it should demonstrate how the growth of the FP&A team aligns with the projected growth of the business.

In this roadmap, also consider contingencies. Growth is rarely linear, and being prepared for potential hurdles allows your FP&A team to remain resilient in the face of unforeseen challenges.

Aligning your FP&A team with your business objectives forms the backbone of a strategic, high-performing FP&A function. It ensures your team's work is always relevant, valued, and directly contributing to the success of the business.

BUSINESS ALIGNMENT	PEOPLE STRATEGY	TACTICAL PLANS	EXECUTION

Figure 4

Attracting and retaining top talent

Your team is only as strong as the talent it houses. Therefore, a significant part of your growth strategy is rooted in attracting and retaining the right people.

Defining FP&A roles and responsibilities

Before hiring new team members, you need to clearly define the roles and responsibilities of your FP&A team. This includes identifying the skills and experience required for each position, as well as outlining the team's overall objectives and performance metrics.

Once you've defined the roles, responsibilities, required skills, and performance metrics, you can use this information to create job descriptions for new hires. This ensures you bring individuals on board who are well-suited to fulfill these roles and contribute effectively to your FP&A team's goals.

Here's what the process of defining roles and responsibilities may look like:

1. Identify key functions

Start by identifying the key functions that your FP&A team needs to perform. These might include budgeting, forecasting, strategic planning, financial reporting, variance analysis, etc.

2. Define roles

Next, define specific roles within the team based on these functions. For example, a Financial Analyst is responsible for data analysis and reporting, while an FP&A Manager oversees strategic planning and budgeting processes.

3. Outline responsibilities

For each role, clearly outline the responsibilities. This should detail what tasks each role will be accountable for, who they report to, and who they work with.

4. Determine skills and experience

After defining roles and responsibilities, identify the skills and experience needed for each role. This could include specific financial analysis skills, experience with certain software, or a background in a relevant industry.

5. Set objectives

Set clear objectives for each role that align with the team's overall goals. These objectives should be SMART and provide a clear direction for what each role should strive to achieve.

6. Define performance metrics

Lastly, establish performance metrics for each role. These metrics should be quantifiable indicators that measure how effectively each team member is performing their responsibilities and contributing to the team's objectives.

Implementing effective recruitment and hiring strategies

Once you have a clear understanding of the skills and attributes your FP&A team needs, you can implement targeted recruitment strategies.

This could involve engaging recruitment agencies specializing in financial roles, using digital platforms to reach a broader pool of potential candidates, or leveraging professional networks such as:

1 Association for Financial Professionals (AFP)

The AFP offers resources, educational programs, certifications, and networking opportunities for finance professionals, including those in FP&A roles.

2 Institute of Management Accountants (IMA)

The IMA provides a platform for management accountants, including FP&A professionals, to enhance their skills, access research, and participate in events.

3 Financial Planning & Analysis LinkedIn Group

This LinkedIn group specifically caters to FP&A professionals, providing a platform to discuss industry-specific topics, ask questions, and network with other FP&A leaders globally.

The hiring process should be thorough and purposeful. Incorporate structured interviews that delve into financial acumen and strategic thinking.

Here are some examples of topics to ask candidates about during the interview process based on the role you're hiring for:

| Technical role (e.g., Analyst)	Strategic role (e.g., Manager)
✓ The core essentials of financial planning (e.g., budgeting, forecasting, cash flow management, etc.)	✓ The overall strategic direction for FP&A
✓ The three financial statements: the income statement, the balance sheet, and the cash flow statement	✓ The most common challenges FP&A departments currently face
	✓ Communicating with stakeholders that have limited finance knowledge
✓ Interpreting financial models and their effect on a company's cash flow	✓ Management style

Use assessments that measure competency in financial analysis, budgeting, forecasting, and use of financial software tools, and carry out reference checks with a keen eye for past performances in similar roles.

cube

Developing retention programs to nurture and motivate the team

Attracting top talent is only half the battle; retaining them is the key to long-term success. In the ever-evolving landscape of FP&A, providing opportunities for learning and growth is essential to keeping your team engaged and motivated.

To retain talent within your FP&A team, consider implementing structured career progression paths specifically designed for finance roles, along with training and development opportunities focused on the latest financial analysis tools and strategic planning techniques.

You could also offer performance-based incentives tied to finance-specific goals like budget accuracy or improved forecasting. Cultivate a positive, inclusive culture within your FP&A team, promoting open communication, encouraging feedback on financial processes, and regularly acknowledging the team's efforts in driving strategic financial decisions.
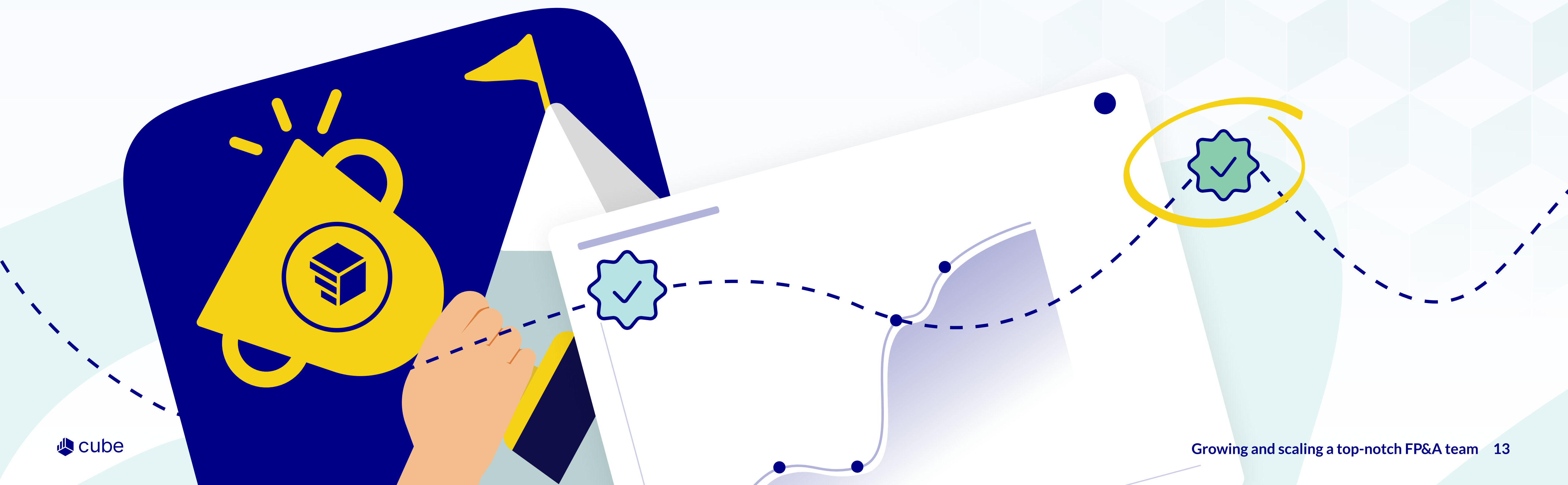
Building effective processes and tools

Having the best talent will be of little benefit if they're being held back by inefficient processes or outdated tools. That's why streamlining your financial planning, budgeting, and forecasting processes, leveraging technology and automation, and establishing standardized reporting and analysis frameworks are crucial elements of growing and scaling your FP&A team.
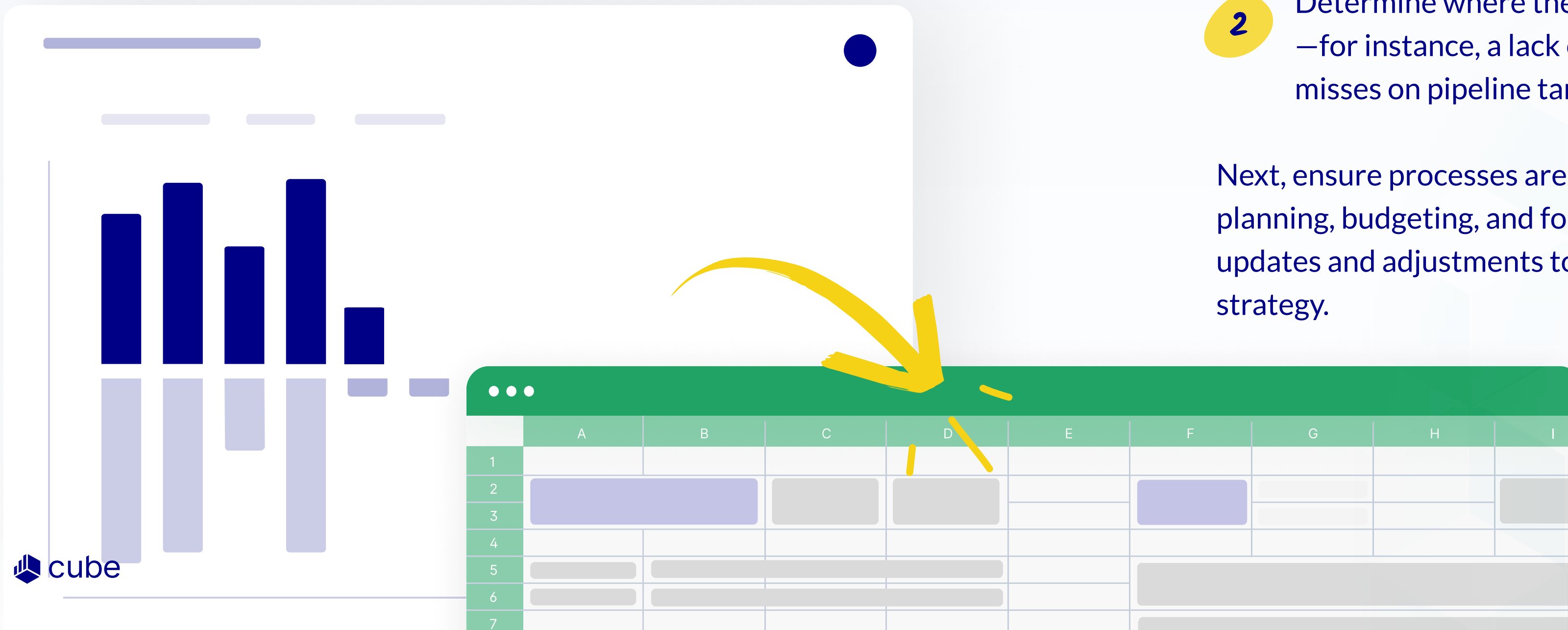
Streamlining financial planning, budgeting, and forecasting processes

The core responsibilities of an FP&A team lie in financial planning, budgeting, and forecasting. Streamlining these processes is crucial for enhancing accuracy, efficiency, and agility.

Start by assessing the impact these processes have on your business. Consider it from two angles:

1. Identify where your current processes and systems are hindering productivity, perhaps due to excessive manual steps that burden your business partners; and

2. Determine where the current processes aren't generating the desired outcomes —for instance, a lack of focus on top-of-the-funnel metrics leading to consistent misses on pipeline targets.

Next, ensure processes are adaptable to change. Businesses are dynamic, and your planning, budgeting, and forecasting need to reflect that. Build in processes for regular updates and adjustments to accommodate changes in the business environment or strategy.

cube

Leveraging technology and automation to boost efficiency

When it comes to growing and scaling an effective FP&A team, efficiency is the name of the game.

This is where technology comes into play. FP&A software can help your team manage the company's financial planning, budgeting, forecasting, scenario modeling, reporting, and analysis all in one platform.

It gives you the power to:

* Automate repetitive tasks to provide answers quickly and make decisions instantly.

* Cut your planning cycle time in half and be prepared for what's next.

* Unify all of your data and have more clarity and confidence in your work.

* Easily collaborate with stakeholders, build reports and dashboards with greater flexibility, and keep everyone on the same page.

FP&A software is a worthwhile investment, as it empowers your team with valuable insights that drive strategic decision-making.

As you consider various software options, keep in mind the unique needs and scale of your business. Be sure to train your team adequately on any new tools to maximize their benefits and user adoption.

PRO TIP

As your business grows, it's crucial to empower your team to get out of the weeds and into the strategy. This is where FP&A software comes in. Learn how WizeHire saves 90% of their time (and does stronger FP&A work) by leveraging Cube.

Read more

Cube

Establishing standardized reporting and analysis frameworks

Data is the lifeblood of FP&A, and standardized reporting and analysis frameworks are the vessels that carry this lifeblood. By standardizing these frameworks, you can ensure consistency, transparency, and ease of understanding across the organization.

Establish clear guidelines for financial reporting, including the layout, key data points, and frequency. Similarly, define a standardized analysis framework that guides your team on how to extract, interpret, and present insights from the data.

These standardized frameworks not only streamline the reporting and analysis process, but also ensure the insights generated are relevant, reliable, and easy to comprehend for all stakeholders.

Let's consider a hypothetical technology company, TechVentures, as an example. TechVentures has a robust FP&A team responsible for extracting insights from financial data and sharing those insights with departmental leaders to support decision-making.

To ensure consistency and clarity across the organization,
TechVentures establishes standardized reporting and analysis frameworks:

Reporting

For reporting, the company uses a framework that answers **"What"** (specific elements to include), **"Why"** (their importance and relevance), and **"When"** (the optimal frequency for reporting).

The team decides to create a monthly financial report (i.e., When). This report includes key data points such as revenue, costs, profits, and cash flow (i.e., What). They also decide on a consistent layout for their reports—every report starts with an executive summary, followed by detailed sections on revenue, costs, etc., and ends with a conclusion summarizing the financial health and trend (i.e., Why).

Analysis

For the analysis framework, TechVentures provides a step-by-step guide to its FP&A team. This guide instructs the team on how to extract data from different sources, interpret this data using specific financial analysis techniques, and present the results in a clear and concise manner.

For example, revenue trends could be visually presented using a line chart, while cost breakdowns might be displayed in a pie chart.

By standardizing these frameworks, TechVentures ensures that all stakeholders, irrespective of their department or seniority, can understand the financial reports. It also makes the FP&A team's job easier, as they follow a defined process for reporting and analysis. This leads to more reliable and relevant insights, improving decision-making throughout the organization.

Developing business partnerships

FP&A teams are no longer mere custodians of the company's financial health. They are strategic partners that can drive business growth and success.

Identifying potential business partners

Potential partners can be any department that influences or is influenced by financial decisions, including operations, sales, marketing, HR, and more. Each of these areas has unique financial needs and goals, and understanding these can help the FP&A team deliver tailored financial support.

When selecting potential business partners, several criteria come into play. First, consider strategic alignment—does the department's objectives align with the overall business strategy? A strong alignment often indicates a fruitful partnership, where FP&A's financial insights can support strategic decision-making. Other factors to consider might include potential for mutual growth, the partner's openness to collaboration, and their influence on the company's financial performance.

Encouraging cross-functional collaboration

Cross-functional collaboration is a cornerstone for turning your FP&A team into powerful, strategic business partners. This involves sharing insights, gaining a deep understanding of the unique goals and challenges faced by different departments, and incorporating these perspectives into your financial planning.

For example, certain metrics and KPIs—such as revenue forecast accuracy—can't be optimized without deep interdepartmental cooperation. While the FP&A team steers the forecasting process, pinpoint accuracy in revenue projections requires input from the Sales and Marketing departments.

This collaboration not only fosters teamwork, but also ensures that departments are aligning their efforts with overall business objectives. This creates an environment where strategic partnerships thrive, reinforcing the importance and value of the FP&A team's role in driving company-wide success.

Educating and enabling business partners

Not all your partners will have a financial background, so clarifying financial jargon and concepts is critical for effective collaboration.

One approach could be offering tailored training sessions or workshops for different departments. These could cover essential finance principles, budgeting, cost control, or how to use certain financial tools. The aim is not to turn every department into financial experts, but to give them a working understanding of finance so they can effectively engage with the FP&A team and contribute to financial discussions.

Similarly, enabling your partners involves equipping them with the right financial tools. This could include financial dashboards, budget-tracking software, or forecasting tools. By providing access to these tools, you empower your business partners to actively participate in financial planning and decision-making. This not only deepens their involvement and investment in the process, but also frees up the FP&A team to focus on more strategic activities.

cube

Investing in continuous professional development for the FP&A team

Continuous professional development is a critical investment for FP&A leaders who aspire to transform their teams into strategic business partners.

As the business landscape evolves rapidly, the role of FP&A is becoming increasingly vital in guiding organizations toward success. To fulfill this crucial responsibility, FP&A leaders must keep themselves and their teams equipped with the latest knowledge, skills, and best practices.

This may involve:

1. Certifications and online courses

Encourage team members to further their education and strengthen their credentials by enrolling in online courses and pursuing professional certifications, such as the:

* FPAC credential from the Association of Financial Planning and Analysis (AFP)

* Chartered Financial Analyst (CFA) program from the CFI Institute

* Certificate of Corporate Finance from NYIF
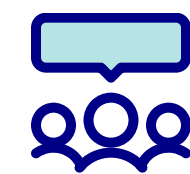
2. Conferences and seminars

Attend industry conferences and seminars to stay updated on the latest trends, tools, and techniques in the field of financial planning and analysis. A few to consider:

* Association for Financial Professionals (AFP) Annual Conference

* FP&A Summit from the Finance Alliance

* The Institute of Management Accountants (IMA) Annual Conference
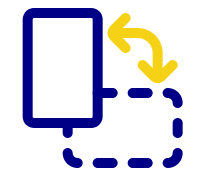
3. Job rotation

Implement a job rotation program where team members can work in different roles or departments to gain a broader understanding of the business.

This may involve:

1 Identifying suitable roles or departments where team members can gain valuable experience. This could include assignments in areas such as accounting, operations, sales, marketing, or strategy.

2 Designing structured assignments with clear objectives, timelines, and learning outcomes and defining the specific tasks, projects, or responsibilities that the team member will take on during the rotation.

3 Assigning a mentor or supervisor to provide guidance, offer insights into the department's operations, and help the team member navigate their new role.

4 Encouraging team members to share their learnings and insights with the FP&A team by presenting findings, conducting knowledge-sharing sessions, or participating in team meetings to discuss their experiences and how it relates to the FP&A function.

5 Regularly evaluating the effectiveness of the job rotation program by gathering feedback from participants and their supervisors.

Whether it's mastering new financial tools, understanding advanced analytics, or honing their business acumen, continuous learning enables your team members to stay abreast of industry trends and changes.

It equips them with the knowledge and skills they need to provide valuable strategic insights and advice.

Measuring what matters

The foundation of every successful FP&A team lies in its ability to measure performance effectively. After all, it's in their nature—numbers are their language, and understanding how to interpret them is their craft.

Let's discuss the importance of establishing meaningful performance metrics, implementing regular reviews, and continuously refining FP&A processes.

Establishing performance metrics and KPIs

An FP&A team's worth goes beyond simple number crunching. Their influence can reach into the strategic heart of your business, driving decision-making and shaping the future. Establishing performance metrics and key performance indicators (KPIs) that reflect this broader role is crucial.

Design these metrics to connect strategy to tactics, providing insights that drive action. Instead of focusing solely on financial outcomes, consider process-oriented KPIs.

These might include the following:

Return on investment (ROI) ➜ This key metric measures the efficiency of an investment and directly connects to both strategy and tactics. For example, your strategy might be to maximize profitability, and the tactics may involve investing in different projects or initiatives. ROI will provide insights into which investments are providing the best returns, driving further decisions.

Budget variance ➜ This measures the difference between the budgeted and actual figures. The strategy could be maintaining financial health and control, and the tactics involve specific budget allocations. By monitoring the variance, finance leaders can identify areas that are over or under-spending and take appropriate action.

Working capital ratio ➜ This ratio compares current assets to current liabilities, and provides insights into the short-term financial health and operational efficiency of a business. It links to the strategy of maintaining liquidity and the tactics of managing receivables, inventory, and payables.

Customer acquisition cost (CAC) and customer lifetime value (CLTV) ➜ These are particularly important for businesses with a strategy centered around growth or customer retention. The tactics might involve marketing campaigns, sales initiatives, or customer loyalty programs. By comparing CAC and CLTV, organizations can see whether their tactics are cost-effective.

Days sales outstanding (DSO) ➜ This measures how quickly a company can collect payment after a sale. It ties to a strategy of improving cash flow, and tactics could involve changes to credit terms or collection processes.

Product or service profitability ➜ This measures the profits that each product or service brings into the company. The strategy here could be to maximize profitability and the tactics might involve promoting high-profit products or improving less profitable ones.

Remember, the best metrics will depend on the specific strategies and goals of your organization. Always choose metrics that best serve your unique strategic objectives.

For guidance, use this rubric to determine the importance of various KPIs to your business (see Figure 5). This rubric focuses on aligning KPIs with strategic goals, driving actionable insights, and considering process-oriented metrics.

Add the scores for each KPI in all four categories. KPIs that score closer to 20 should be of high importance to your business, while those with lower scores may be less critical. Adjust this rubric as needed to suit the unique needs and context of your business.

Criterion	Low importance (Score: 1)	Medium importance (Score: 3)	High importance (Score: 5)
Strategic alignment	KPI does not align with or contribute to our strategic goals	KPI somewhat aligns with our strategic goals, or contributes indirectly	KPI directly aligns with our strategic goals and contributes significantly
Actionable insights	KPI provides few or no actionable insights for decision-making	KPI occasionally provides actionable insights for decision-making	KPI consistently provides actionable insights that drive decision-making
Process orientation	KPI solely focuses on financial outcomes, with no consideration of processes	KPI includes some elements of process evaluation, but still focuses mostly on financial outcomes	KPI strongly emphasizes process evaluation, not just financial outcomes
Measurability	KPI is difficult to measure consistently or accurately	KPI can be measured with some effort and resources	KPI is easily and consistently measurable with current resources

Figure 5

Implementing regular performance reviews and feedback loops

Measuring performance is not a one-time activity but an ongoing process. Regular performance reviews and feedback loops can provide insights into your team's strengths, areas for improvement, and progress towards their KPIs.

Performance reviews should be comprehensive, taking into account each team member's individual contribution as well as the overall team performance. Feedback loops, on the other hand, involve continuous communication and collaboration. This allows your team to adapt quickly to changes, improve continuously, and stay aligned with the strategic objectives of your business.

Refining FP&A processes based on lessons learned

An effective FP&A team is constantly seeking ways to enhance efficiency, accuracy, and strategic contribution. Based on the insights you gain from performance metrics and feedback loops, continuously iterate and refine your FP&A processes.

These improvements might involve investing in new tools or technologies, redesigning workflows, providing additional training, or revising the team structure. Remember, every refinement is a step towards a more effective and influential FP&A team.

Measuring what matters is the key to understanding your FP&A team's effectiveness and aligning them with your business goals. By establishing meaningful metrics, providing regular feedback, and continuously refining your processes, you can ensure your FP&A team is on a path of continuous improvement and strategic contribution.

Pro tips for growing and scaling an FP&A team

You've seen a few pro tips throughout the previous chapters, but here are some additional tips to keep in mind that can help you successfully scale your team and avoid pitfalls.

1 ## Stay agile and adaptable

In a dynamic business environment, agility is key. Encourage your team to be adaptable and open to change. Embrace new methodologies, technologies, and industry trends. Regularly assess and reassess your team's structure, processes, and objectives to ensure they remain aligned with the evolving needs of the business.

2 ## Promote work-life balance

Scaling an FP&A team can be demanding, but it's important to prioritize work-life balance to prevent burnout and maintain productivity. Encourage flexible working arrangements (e.g., remote work opportunities), promote a healthy work environment, and support your team members' well-being. This not only boosts morale but also enhances team performance and retention.

3 ## Develop effective communication channels

Establish clear and efficient communication channels within the FP&A team and with other stakeholders. Regularly share updates, insights, and reports to keep everyone informed and aligned. Use clear and concise language in your communications to ensure key messages are effectively conveyed.

4 ## Measure and track success

Establish key performance indicators (KPIs) and metrics to measure the success and impact of your FP&A team. Regularly review and track progress against these metrics to assess the team's effectiveness, identify areas for improvement, and celebrate achievements. Data-driven insights enable continuous improvement and, most importantly, demonstrate the value of the FP&A function to the organization.

Set your growing FP&A team up for success

Building a successful FP&A team is an exciting journey—one that requires strategic foresight, dedicated effort, and consistent learning. It's about turning a function, often seen as a number-crunching entity, into a strategic force that can drive business growth.

By following these steps and continually adapting to the changing business landscape, you can create a high-performing FP&A team that not only responds to your business growth, but actively propels it forward.

Want a quick and easy way to set your growing team up for success? Skip the hours of manual work and jump ahead to solutions that drive better business performance with Cube.

Learn how Cube can help you level up your FP&A function.

Request a free demo today

cube

cube

Cube is the first spreadsheet-native FP&A platform that focuses on meeting strategic finance teams where they already live and enhancing the workflows they use everyday. By pairing the ease and familiarity of Excel & Google Sheets with the power and control of a purpose-built FP&A platform, Cube helps companies of all sizes plan and analyze for the unexpected and stay one step ahead.

To learn more, visit cubesoftware.com and connect with us on LinkedIn and Twitter.

cubesoftware.com