FINANCE LEADERS ESSENTIALS

The questions every finance leader needs to answer



The numbers every finance leader should know when inheriting a function – and what they reveal about its readiness for AI and automation.

In your first year, you're judged less on how hard finance works and more on whether your judgment can be trusted – including the calls you make about the function you've inherited.

Your board - or your investors, your owner, whoever finance answers to - is deciding one thing beneath every question: **can finance be relied on, and will it hold as the business grows?**

These are the six worth getting ahead of, and the number behind each that answers it before you have to.

01 "Can we trust the numbers? And how current are they?"

What it really measures: the integrity of the finance function you've inherited.

Headline measure: Days to reliable close

When you inherit a finance function, establish when the numbers become genuinely reliable enough to make decisions on – not simply when the ledger is technically closed.

Look at:

- Close time
- Material post-close adjustments
- Reporting lag
- Close consistency over the last 3–6 months.

A Day 5 close isn't impressive if the numbers are still moving on Day 10. Equally, perfect numbers delivered three weeks late have limited value to the business.

You're looking for accuracy, timeliness and repeatability. Until you know when the numbers become genuinely dependable, every forecast, recommendation and decision built on them carries more uncertainty than it should.

02 "When you tell us something, can we bank on it?"

What it really measures: the predictive credibility of finance.

Headline measure: Forecast accuracy

When you join a new business, establish how closely previous forecasts matched what actually happened – and where the biggest misses came from.

Establish your baseline:

- **Revenue forecast variance:** how far actual revenue was from forecast
- **Profit / EBITDA forecast variance:** how far actual profit was from forecast
- **Cash forecast variance:** how far actual cash was from forecast
- **Forecast bias:** whether the business consistently over- or under-forecasts

Before you put your name behind the forecast, understand its track record. Where does the business forecast well - and where are the recurring surprises?

Forecasts won't always be right. What matters is whether you understand the miss, learn from it and improve the next one. Your job is to narrow the gap between forecast and reality, understand what drives the misses, and make the level of uncertainty visible.

Credibility compounds - and so does its absence.

03 "Is finance shaping our decisions, or just reporting them?"

What it really measures: whether finance is influencing where the business places its bets.

Headline measure: Investment performance vs business case

When you inherit a finance function, establish whether finance is helping the business decide where to invest, where to pull back and what needs to change – or simply reporting the financial consequences afterwards.

Look at:

- Returns on major investments
- Actual performance vs original business case
- Capital allocation against strategic priorities
- Underperforming investments still receiving capital

The real test isn't whether finance has a seat at the table. It's whether financial insight changes the decision.

Look at the biggest bets the business has made. Were the assumptions challenged? Were expected returns clear? And once the investment was made, did anyone go back and test whether it delivered?

A strong finance function doesn't just explain where the money went. **It helps the business decide where to invest next — and where not to.**

04 "As we automate finance, are our controls getting stronger – or weaker?"

What it really measures: whether control scales with the business.

Headline measure: Control exceptions

As you inherit and modernise a finance function, establish which controls are genuinely embedded in the process – and which still depend on manual intervention, individual judgement or institutional knowledge.

Look at:

- Duplicate payment attempts and prevention
- Supplier bank-detail changes and verification
- Approval and segregation-of-duties exceptions
- Audit-trail completeness
- Manual touchpoints across AP

Automation should not mean accepting less control. Done well, it means applying key checks consistently, at scale and with a traceable audit trail — rather than relying on someone remembering to perform them.

AP is a useful place to test this. High transaction volumes, supplier changes, approvals and payment risk expose quickly whether controls are built into the process or sitting around it.

The question for a finance leader isn't simply "Can we automate this?" It's "Can we automate it while reducing manual intervention and strengthening the control environment?"

That is what turns automation from an efficiency project into finance infrastructure that can scale.

05 "What are our processes costing us that we can't see?"

What it really measures: the exposure sitting under a busy function.

Headline measure: Cost per transaction

Establish where growth in activity is creating disproportionate cost – particularly in high-volume processes such as AP.

Look at:

- Cost per invoice / transaction
- Exception and rework rates
- Manual touches per transaction
- Finance cost as a percentage of revenue
- Volume growth vs finance headcount growth

The visible cost of a process is headcount. The less visible cost sits in exceptions, rework, fragmented systems and manual intervention – all of which consume capacity without necessarily appearing as a problem in the P&L.

The question isn't simply whether finance is busy. **It's what is driving the workload, and whether that workload should exist at all.**

Before adding capacity, understand whether the constraint is genuinely resource – or a process that hasn't been designed to operate efficiently at scale.

06 "Can finance absorb the next stage of growth?"

What it really measures: whether the function is built for the growth you're promising.

Headline measure: Straight-through processing rate

Growth rarely arrives neatly. An acquisition, new market, additional sites or a step-change in transaction volume can expose the limits of a finance operating model very quickly.

Look at:

- Straight-through processing rate
- Transaction volume per FTE
- Volume growth vs headcount growth
- Exception rates as volume increases

The question is whether finance can absorb materially more activity without headcount rising at the same rate.

AP is often an early indicator. If every increase in invoice volume creates a corresponding increase in manual work, the process isn't scaling – the team is.

A scalable finance function separates transaction growth from headcount growth. Automation then becomes less about removing people and more about creating the capacity to grow without continually adding them.

Notice what these six have in common: none of them are measures of effort.

Leadership isn't asking how hard finance is working. It wants to know whether the numbers can be trusted, whether the outlook is credible, whether capital is being deployed well, and whether control and performance will hold as the business grows. Those are questions of design, not diligence.

The strongest finance functions don't rely on more manual effort as complexity and volume increase. They build control, automation and insight into the way the function operates – so growth can be absorbed without cost, risk and headcount rising with it.

That's the difference between a finance function that supports growth and one the business eventually outgrows.

kefron ap

kefron.com/finance-automation

Kefron AP automates accounts payable on the ERP you already run – so the numbers behind these questions take care of themselves.