Report

Lead the change: High performance in the age of uncertainty

A guide for charity and not-for-profit finance leaders

Sage

Contents

Page 3
Mission-oriented innovators in an age of uncertainty

Page 5
The strategic evolution of the CFO

Page 6
The digital maturity journey

Page 8
The high-performance action plan

Page 11
Maximise your impact

Mission-oriented innovators in an age of uncertainty

Recently, the not-for-profit sector has been grappling with an increasingly unpredictable regulatory, geopolitical, and economic climate.

Demand for services is rising to new heights, while funding is becoming increasingly scarce. That's putting pressure on not-for-profits to make some hard decisions, in an effort to find efficiencies in the way they deliver services. Political upheaval and pressure from public sector funding changes and trustee reporting requirements have threatened to change the rules not-for-profits have become used to abiding by.

Staffing and hiring challenges have also continued. In the most recent **Not-for-profit Technology Impact Report**, staffing had risen four places to become the sector's most pressing challenge.

More than half (58%) of respondents said it's the biggest external challenge they are currently facing—beyond concerns about the economy, fundraising issues, or even increasing program demand. Many organisations say they find themselves unable to compete on wages and benefits with the for-profit sector. Others have found the number of volunteers has declined.

The need for proactive vision

At this time of uncertainty, not-for-profits that are purely reactive will quickly be left behind. What's needed is better forecasting, and confident strategic planning: the foundations of a proactive vision for the future of the organisation, and the roadmap to get there. That's where the high-performance CFO can shine.

Those in the not-for-profit sector stand apart as finance leaders with a passion for their organisation's mission and a desire to drive it forward. In the **2025 CFO Growth Code by Sage**, they say they love their jobs more than finance leaders in any other sector and 99% agree that they have a strong impact on the organisation's growth.

Their influence is also widening beyond the finance function, and they are collaborating with other departments more than ever before. The survey found two thirds (65%) of not-for-profit finance leaders now work with HR and 86% say they want to better align people and HR strategies with the not-for-profit's broader objectives. A significant majority (85%) want to be closer to the mentoring and skills development strategy of the organisation.

By being involved in those high-level conversations, finance leaders are having more input and influence over the strategic direction of the not-for-profit overall—fitting for an industry so reliant on acquiring funds and allocating them transparently.

It's an exciting shift but one that is putting pressure on finance leaders too—a third (34%) of not-for-profit CFOs feel burnt
out in their jobs, and almost two thirds (62%) say it's difficult to balance the needs and priorities of different stakeholders. That's not unique to not-for-profits—it's a similar picture in a range of other service industries, too.

To maximise their impact, finance leaders need the tools to help them make the most of their skills, build capacity, and free up more time for collaboration and strategic thinking.

This report draws on new research from Sage and the *Financial Times* titled **The CFO Growth Code**. It surveyed 600 senior finance leaders across industries including financial services and insurance, hospitality, software, construction and real estate, and not-for-profit. All worked in organisations that had between 20 and 499 employees.

Proportion of finance leaders who take the lead role with:

The strategic evolution of the CFO

To understand the bigger picture, Sage and the *Financial Times* conducted research into CFOs' experiences across a range of industries. It revealed that the transformation of the finance lead role isn't exclusive to the not-for-profit sector, but part of a broader shift happening across the business landscape.

In just two years, 87% of finance leaders said their role has undergone significant changes, and almost all (96%) think it will continue to evolve. Across all industries, CFOs are taking on more responsibilities and having input in areas as diverse as workforce planning, cybersecurity, operations, shareholder and investor relations, and risk management.

The findings from the 2025 CFO Growth Code make it clear that rapid technological change is also transforming the finance function, breaking down silos and ushering in a new era of strategic integration. Half of all finance leaders say they collaborate more with the leadership team when compared to two years ago—including the CTO, CEO, and the board.

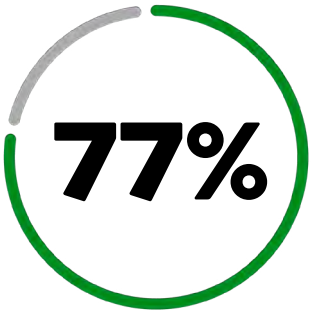
This collaboration is ultimately a sign that organisations are becoming more data driven. Finance teams are expected to give strategic direction beyond merely reporting on current or past numbers. High-performance CFOs are leading their organisations to make better use of data and insights, spotting opportunities, predicting needs and building greater agility and resilience for the future—whether that's in hiring decisions or technology investments.

Burgeoning leadership ambitions

The survey results show that finance leaders are just the people to rise to the occasion. Ambitious and successful, CFOs are excited about the future. Nine in 10 aspire to take on a more strategic leadership role, be a more prominent business partner to operational leaders, and eventually become the CEO of an organisation.

They also know just how to get there. Almost all (86%) respondents surveyed say they want to drive innovation in financial processes and technologies. Meanwhile, most finance leaders believe more AI implementation would enable them to make a greater impact, improve collaboration with their peers, and boost their business's overall finance function. With the right skills, mindset, and tools, finance leaders will be able to achieve their own personal performance ambitions, as well as further those of their organisations.

say the rapid pace of technological change has already reshaped their role.



say they play a leading role in driving profitable growth.

say they play a leading role in strategic planning.

say they need more technology to help them fulfill their responsibilities.

The digital maturity journey

"I wish tech could assist in automating the reconciliation of accounts payable and receivable."

CFO not-for-profit, The CFO Growth Code research

Not-for-profit finance leaders recognise the progress their organisations need to make on digital transformation.

Recent research identified that not-for-profits are being held back by a lack of process automation, leading to a dependence on manual, time-consuming tasks. There's also a lack of real-time visibility into key metrics, budgets and mission performance. And collected data is often held in siloed systems, making timely reporting (and any analysis) near impossible.

Finance leaders can imagine a better way. In the CFO Growth Code research, not-for-profit CFOs are enthusiastic about ongoing digital transformation—89% say their tech stack could be improved (the highest of any sector). When asked about specifics, more than nine in 10 (93%) not-for-profit CFOs wish they had better tech for automation and error prevention. Finance leaders also have confidence they can personally upskill and learn how to use new technologies, such as AI.

The biggest challenge to introducing those improvements is internal opposition—35% of finance leaders point to internal resistance to change limiting the use of AI. Other barriers include a lack of AI skills and expertise (27%), security or privacy concerns (32%), and budget constraints (23%). Not-for-profits typically are less able to take financial risks (compared to the for-profit sector), because of the perception of diverting funds away from beneficiaries and service users. Proving the ROI of any investment to all stakeholders (internal and external) is essential, but CFOs say they're unsure how to navigate the various options on the market.

Overcoming such challenges is key, because technology unlocks new ways to mitigate uncertainty and maximise impact.

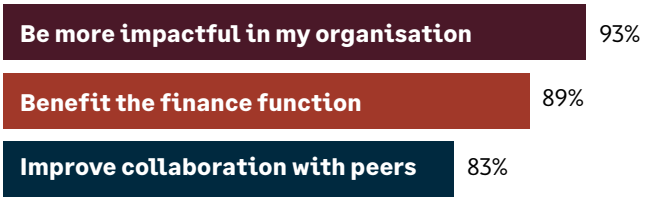
Using automation to boost capacity without adding to headcount, data tools to spot efficiencies, and real-time insights to respond faster to market conditions and forecast more accurately, high-performance CFOs can position their not-for-profits to weather the storm—and further their mission.

Not-for-profit CFO technology use and attitudes

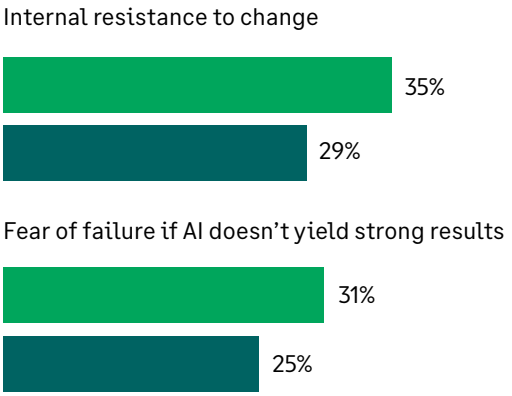
of not-for-profit leaders want to invest further in tech and lead on digital transformation.

of not-for-profit leaders wish they had better tech for automation and outlier detection—higher than any other sector.

AI would allow me to...

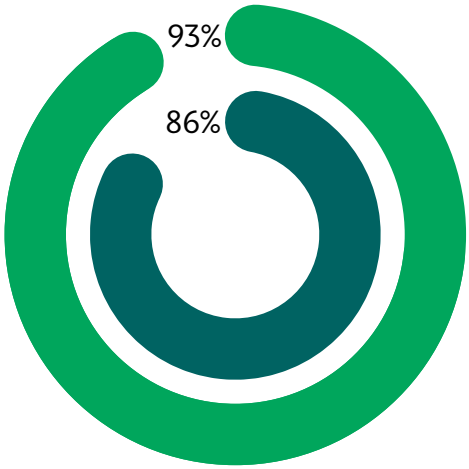


Obstacles to AI investment



Not-for-profit Average across industries

Not-for-profit CFOs are the most passionate about driving innovation in financial processes:



More not-for-profit CFOs say the rapid pace of digital transformation has changed their role than those in other industries:

Not-for-profit Average across industries

The high-performance action plan

Sage research has identified a cohort dubbed the high-performance finance leaders. These CFOs take action to drive innovation, fuel sustainable growth, and build robust organisational resilience.

High-performance finance leaders typically demonstrate four behaviors:

1. Maximising their use of AI and automation, so they have the time to refocus on strategy.
2. Ensuring data drives their decision making.
3. Extending their influence beyond finance to a wider internal and external audience.
4. Working to get on top of compliance issues to anticipate and avoid future risks.

Not-for-profit CFOs are ambitious—they want more for their organisations and themselves. With the right approach, and empowered with the right technology, they know they can make a real difference, creating the resilience not-for-profits need to navigate uncertainty.

With these high-performance behaviors as a guide, on the pages that follow are five actions not-for-profit finance leaders can take to maximise their own performance—and that of their organisations.

Involve your team

93% of finance leaders want to drive innovation in financial processes and technologies, but performance improvements won't last without the buy in from your team. Involve them in the process, ask where the pain points are in their daily workflows, and be open to their feedback. Collect suggestions from other departments and program teams too—this may help highlight where there are efficiencies to be found, or where particular programs should be discontinued. Plus, collaboration breeds collaboration —already 62% of not-for-profit finance leaders are working more closely with their CEO than they were two years ago.

Automate manual tasks

Use AI tools to automate manual tasks and build more capacity within the team for strategic work, without adding to headcount. 61% of not-for-profit finance leaders believe that further AI adoption would allow them to be more impactful—above average (54%), which showcases the hunger within not-for-profit organisations to embrace the full opportunities of this technology. Another Sage study found **organisations can save an average 24 working days per year** by automating the financial close, for example, while also improving accuracy and efficiency.

Automation will help improve team morale, ensure fewer mistakes and continuity in a high churn environment, and even help with recruitment. Studies have shown younger talent prioritise employers that leverage technology at work. With the right tech, you'll be able tospeed up the month-end close from weeks to days, forecast funding gaps and service delivery costs and fundraising trends with greater accuracy, and uncover risks and opportunities for your not-for-profit early. And CFOs will have the capacity to react and put together an action plan when something unexpected happens.

Start small and get the basics right

Change management takes time. That's especially true for not-for-profits, which may have been unable to adapt at the same rate as peers in other, less mission-focused industries. With any new technology project, it's a good idea to start with a small pilot and prove the benefits before rolling it out more widely. It's likely you'll need to clean up your data before layering AI tools on top, but spending time mapping what data you're collecting, where it's stored, and what it's used for will help ensure the insights gleaned through AI are more accurate and useful.

Encourage better cross-functional collaboration

Modern financial infrastructure helps create a single source of truth for not-for-profits, rather than relying on disparate spreadsheets and siloed systems. This enables better working with other functions, such as staffing, fundraising and service delivery, providing the context and insights for better decisions to be made. Plus, with more finance tasks automated, CFOs will have the time to provide more strategic direction to a wider range of people. This strategic direction should create a nimbler organisation that's able to react to the changing market conditions as required.

Expand your network

CFOs have great potential to input on non-finance tasks including operations, workforce planning, and new mission initiatives. Ask for a seat at the table in key discussions and make sure finance is included early in the decision-making process. This will ensure every strategic move is made with the all-important financial performance front of mind. Work on your communication style so you can present a single source of truth across funds, projects and entities effectively to non-finance audiences. It's about transforming data into a forward-looking narrative—and no one better understands the impact of successful storytelling than not-for-profit organisations.

MAXIMISE YOUR IMPACT

Becoming a high-performing finance leader doesn't just drive operational improvement. It's a strategic imperative for not-for-profits to maximise their mission impact.

To read the full research report into the current outlook for CFOs across industries, read **The CFO Growth Code: The 4 habits of high-performing CFOs →**

CFOs who pursue their ambitions and contribute meaningfully to organisational development are the catalyst for this change. In today's uncertain landscape, not-for-profits should look to build capacity for more strategic thinking by automating manual tasks. They need access to accurate reporting and actionable insights to set more impactful future priorities. And they need to be agile and resilient enough to adapt as needed, while keeping their values and mission front and center.

Finance leaders can no longer afford to focus purely on the numbers—and their potential is too high to waste that way. Now, finance leaders aren't just trying to keep the lights on, they're the strategic light guiding the entire organisation. With the right tools and approach, a high performing finance leader becomes a powerful lever for value creation and organisational enablement.

In today's age of uncertainty, there's nothing more valuable.

Sage

Why not-for-profits choose Sage high-performance finance software

"Before Sage Intacct, we were never sure that we had complete data available to us, but now, we always feel secure we've got everything we need to back up the decisions we're making."

Chris Safford
Finance Director, YBCA

"We can now do everything we need from one system, from bank reconciliations using bank feeds, to reporting to AP processing and approvals."

Iwan Roberts
Head of communication, Cancer Research Wales

"What I like best about Sage Intacct is that the innovation doesn't stop. Every quarter, there's a new release that keeps Sage Intacct ahead of its competitors."

Kote Lomidze
Chief Financial and Administrative Officer, World Learning

Sage Intacct capabilities for not-for-profits

- Supports fund accounting
- Grant management and reporting
- Real-time reporting for trustees.
- Financial controls and automation

Simplify your finance. Improve your forecasting. Maximise your impact. Explore the Sage Intacct product tour and discover a better way to manage not-for-profit finances. **Take the tour →**

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Finance Software

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