

Report

MORE PERFORMANCE, LESS PERSPIRATION

Preparing for a Finance Evolution
in Professional Services



Sage

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Introduction

In the pressured environment of professional services, businesses rise and fall on the strength of their most recent work. Revenue is driven by expertise, billable hours, and client relationships, with finance and operations working closely together to align pricing with the value delivered to clients. Cash flow can be inconsistent, as project demand fluctuates and finance teams grapple with sporadic payment schedules.

Margin is made—or lost—in delivery. High-performance finance leaders therefore co-own the operational plumbing with the COO and engagement leaders: time capture and approvals, WIP management, change orders, billing, and collections. They also standardize a shared KPI stack (e.g. utilization and realization, project gross margin, WIP days, DSO, cash conversion) so finance and delivery are reading from the same playbook and can course-correct earlier.

Given those challenges, protecting healthy profit margins hasn't always been straightforward for CFOs working in this sector—even if the revenue numbers look good on paper. According to an [Oxford Economics-SAP study](#), 85% of mid-size professional services firms reported revenue growth over the past three years, but only 67% saw that echoed in their profitability.

Recent economic uncertainty has led to more clients stalling work, shopping around with competitors, or negotiating harder on fees and inclusions. Labor shortages and skills gaps are hampering growth ambitions, and there's apprehension about the impact AI will have on jobs. At the same time, the pressure to digitally innovate is increasing, alongside a reluctance to invest in technology that isn't client-facing. That's leaving some professional services firms behind, as others race ahead.

In the midst of this sector-wide change, high-performance finance leaders are uniquely placed to make a difference. They have the financial expertise and strategic oversight to help their organizations forge a new, more profitable path for the future. And they're ready to step up and lead the charge. A new study by Sage found 99% of CFOs in professional services believe they could do more to impact business growth, and 81% want to drive innovation in financial processes and technologies.

This guide will help professional service finance leaders to build capacity with automation, foster alignment with operations teams on workflows and KPIs, use real-time data and insights to help optimize performance, and build resilience to ensure the organization thrives, regardless of what comes next.

About the Sage **2025 CFO Growth Code**

This report draws on new research from Sage and the Financial Times which surveyed 600 senior US finance leaders across industries including financial services and insurance, professional services, healthcare, construction and real estate, and not-for-profit. All participants work in organizations with 20–499 employees.

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The strategic evolution of the CFO

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

In just two years, 87% of finance leaders say their role has undergone significant changes, and 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** research 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 compared to two years ago—including the CTO, CEO, and the board.

Finance teams are expected to give strategic direction beyond merely reporting on current or past numbers. High-performance CFOs are leading their organizations 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. This collaboration is ultimately a sign that organizations are becoming more data driven.

Burgeoning leadership ambitions

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 organization. This was the case with **Tania Zieja**, who was able to advance her career at Halloran Consulting Group using Sage Intacct.

They also know just how to get there. Almost all (86%) respondents 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' 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 organizations.

The CFO's expanding role:



Professional Services CFOs: A steady hand to guide the ship

Professional services is a fast-moving sector in which businesses have to be highly attuned to their clients' evolving needs. Revenue is driven by talent, with billable hours and client trust driving growth, so finance and operations must stay tightly aligned on workflows and KPI definitions across projects and portfolios. It can be hard to track productivity, or find efficiencies, particularly at a time when economic uncertainty is squeezing profit margins and making revenue growth more uncertain. Increasingly, technology is changing the work these firms are being asked to do, with faster delivery and more visibility into performance becoming the norm. Clients want to make sure they're getting value for money, as their own bottom lines are under pressure.

Finance leaders are expanding their remit too. While operations and finance have always been intrinsically linked in this sector, the Sage survey found nine in 10 (93%) professional services CFOs say their role has expanded significantly into non-traditional finance responsibilities compared to a year ago. More than half (56%) say they collaborate more with the Chief Product Officer and/or Chief Human Resources Officer compared to two years ago, and 51% work more closely with the CEO.

And while they seem to be staying one step ahead so far, a further 93% expect their remit to keep expanding over the next two years. In other sectors, such as SaaS and Financial Services, Sage research shows that finance leaders are already being expected to take on more responsibilities and lead more cross-departmental collaboration. It's likely that professional services CFOs will experience a similar evolution too.

Faced with these challenges, many CFOs and finance leaders will need to follow the trajectory of other sectors and adopt more technologies and automation. It's likely they'll be increasingly expected to do more to improve talent management, streamline workflows, boost real-time visibility, and spot opportunities to develop the business in the future.

That's not to say this cohort isn't already using some technology. In fact, professional services CFOs outpace their peers in terms of their usage of general finance tools. Data visualization, finance reporting, and cloud accounting software in particular, are all part of their average work week.

Where they do fall behind is around automation. Professional services have much less process automation technology in place than their peers, and only 8% say automation has increased over the past 12 months (compared to an average of 32%). For organizations with lots of disparate workflows that move quickly and are repeatable, this is surprising. They're missing out on technology that can help optimize productivity and build capacity, arming them for scalability in the future.



Digital doubts

When asked about specific tasks, the picture is more positive—90% wish they had better technology for AP automation and outlier detection, and 83% pointed to a need for better tools for financial analysis and reporting. At a higher level, eight in 10 (81%) say they want to drive innovation in financial processes and technologies, and 84% believe it will become even more vital to introduce new technologies to save time and costs in the future.

So, what's holding them back? Investment in technology that isn't client facing can be harder to justify in professional services businesses compared to product-based sectors. Almost three quarters (73%) of CFOs expect to be able to show near-immediate return on platform investments, highlighting the pressure they're under to demonstrate short-term ROI.

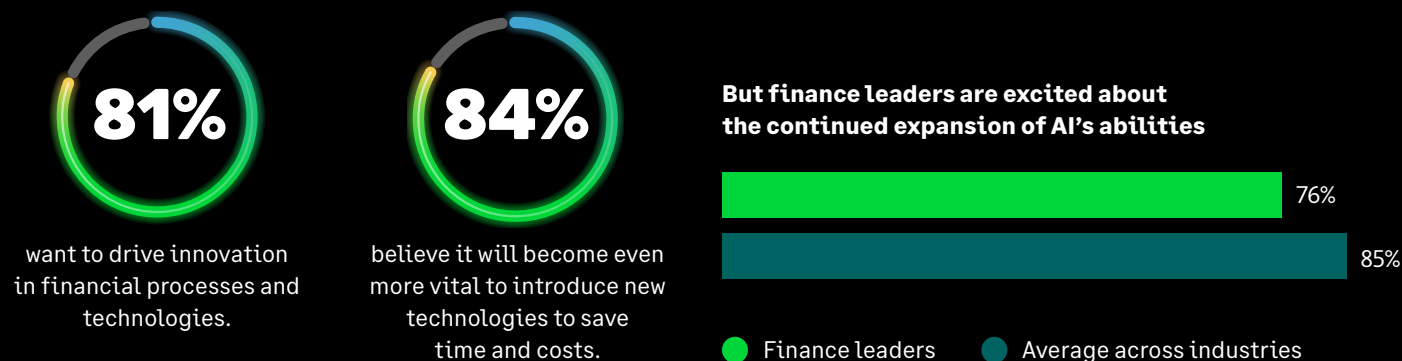
There's clearly also some apprehension about how next-generation technology such as AI will affect jobs—only 76% are excited about the continued expansion of AI's abilities,

versus an 85% average across sectors. Others point to being concerned about finding the right solution to integrate with their existing technology stack. This isn't a cohort that can afford to press pause on—or disrupt—business as usual.

In terms of factors limiting the use of AI specifically, finance leaders in professional services over-index on internal resistance to change (36% vs 29% average), regulatory or compliance issues (31% vs 27%), and a lack of talent to lead the integration of AI (31% vs 25%).

Overall, professional service finance leaders see the potential for technology such as process automation and AI to make a real difference to their organization, but they don't want digital transformation for its own sake. It needs to be targeted to drive real client value and ROI, creating more capacity, and preparing them—and the business—for the future.

Professional Services CFO technology use and attitudes:

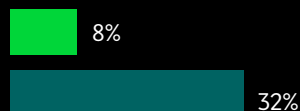


But they're behind on process automation:

Finance leaders say they have used data or process automation at least once



And automation has increased over the past 12 months



● Finance leaders ● Average across industries

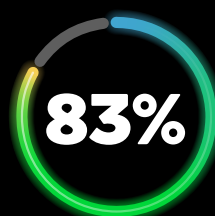
Professional services CFOs do see opportunities for technology to optimize workflows:



wish they had better technology for AP automation and outlier detection.



say further automation would be welcomed.



wish they had better tech for financial analysis and reporting.

Obstacles to AI investment:

Internal resistance to change



Regulatory or compliance issues



Lack of talent to lead the integration of AI



● Finance leaders ● Average across industries

The high-performance action plan

Sage research has identified a cohort dubbed the high-performance finance leaders. These CFOs drive innovation, fuel sustainable growth, and build robust organizational resilience. They typically demonstrate four behaviors:

- Maximizing their use of AI and automation, so they have the time to refocus on strategy.
- Utilizing the power of data-driven decision making.
- Extending their influence beyond finance to a wider internal and external audience.
- Mastering compliance to anticipate and avoid future risks.

Professional services CFOs know they can make a strategic difference to their organizations and fulfil their professional potential at the same time. Empowered with the right technology, they'll be able to drive operational efficiency, boost competitiveness, and build agility for the future.





With that in mind, here are five steps high-performance finance leaders working in professional services can take:

1

Embrace automation to build capacity

While finance leaders in professional services are largely content with their digital tools, they are falling behind other sectors when it comes to automation. Only 36% of finance leaders say they have used data or process automation at least once, compared to 52% of leaders across the other industries surveyed. Almost two thirds (63%) of professional services CFOs say improvements could be made to their current tech stack, with a specific focus on automation around specific tasks, such as AP automation and outlier detection, and financial analysis and reporting.

With automation taking over repetitive, manual work, finance leaders and their teams will have more time for higher-level strategic planning and collaboration. That improves employee morale, helps with retention and recruitment, and minimizes the scope for human error. It also builds capacity within the team as the business grows, without the need to add to headcount—directly addressing ongoing workforce issues. Finance leaders will be better able to balance traditional duties such as budgeting, reporting and compliance, with more strategic responsibilities. That could include optimizing pricing models, forecasting and scenario planning, and evaluating the need for ongoing investment in digital platforms and technologies.

2

Start building digital capabilities and maturity

There's pressure for all sectors to embrace AI and digital transformation, but that's particularly true in professional services. Firms are expected to practice what they preach and align their own operations with the best-practice advice they give to clients. Those that are left behind will find they struggle to maintain their competitive edge and could even lose client trust in the longer term.

Therefore, it's important to invest in building digital capabilities and maturity across the organization to keep the business performing at its best. But investments in back-office platforms that aren't client facing can be harder to justify in professional services. CFOs should start small, identifying where there are bottlenecks and repetitive or disconnected workflows. Run a pilot project with clearly identified KPIs to prove the ROI to the wider organization (and clients) before scaling to elsewhere in the business. That will help build support for investment where it's needed, and ensure the benefits are maximized.

Employee upskilling and continuous learning also help ensure new tools are used to their full potential and can drive operational improvements. To minimize any upheaval, finance leaders should prioritize platforms that will integrate with their current systems and provide modular architecture that allows functionality to be added as required.



3

Increase leadership collaboration, particularly on workforce management

For finance leaders in professional services, a firm's people strategy is inseparable from its financial strategy. High turnover and talent shortages are acute pain points that affect client relationships and hold back productivity and growth. Sage research identified that 59% of CFOs currently work with HR but 94% say a closer relationship will be vital for the success of the business. Three in four (73%) say they want to be more closely involved with setting the people/HR strategy.

By increasing finance capacity with automation, CFOs can help HR leaders find other opportunities to "do more with less". In this fast-paced, competitive environment, optimizing skills and talent is not a nice-to-have. It's essential. As the company adopts new technologies, professional service leaders need to make it clear these tools will empower them rather than replace them. Finance leaders should also look to build relationships with other senior leaders—from CTOs and CMOs, to CEOs and the board. They bring unique insights to the table that tell the story of the firm's financial health and future success, while also ensuring the business delivers even more value to clients.

4

Create a culture of transparency and accountability

Professional services businesses are collecting more data than ever before, but too many are still using spreadsheets and siloed systems. That's leading to a lack of real-time visibility into key metrics, budgets, and project KPIs, which can lead to inefficiencies and suboptimal performance. Plus, siloed data means reporting has to be done manually, which is time-consuming and prone to error.

It also makes it almost impossible—or certainly arduous—to glean timely insights from the data. At the same time, clients are asking for more transparency in billing, such as detailed breakdowns of work done, regular budget-to-actual project progress reports, and increasingly sophisticated time tracking. Given the nature of work has changed, with more employees working remotely, centralized access to a single source of truth is essential for both teams and clients. Without it, productivity slows and oversights increase. Customer portals and dashboards help extend this transparency with real-time updates.

The right technology solution can provide user-based dashboards with real-time insights, advanced reporting functionality, and better forecasting capabilities. This improves collaboration across the business and encourages better decision-making. Project managers and leadership teams can keep track of progress as they go wherever they are, minimizing the number of report requests they used to send to finance. Finance leaders will find budget issues are flagged earlier, forecasts can encompass more factors to increase accuracy, and best- and worst-case scenarios can be simulated to create contingency plans, allowing them to choose the best route forward.

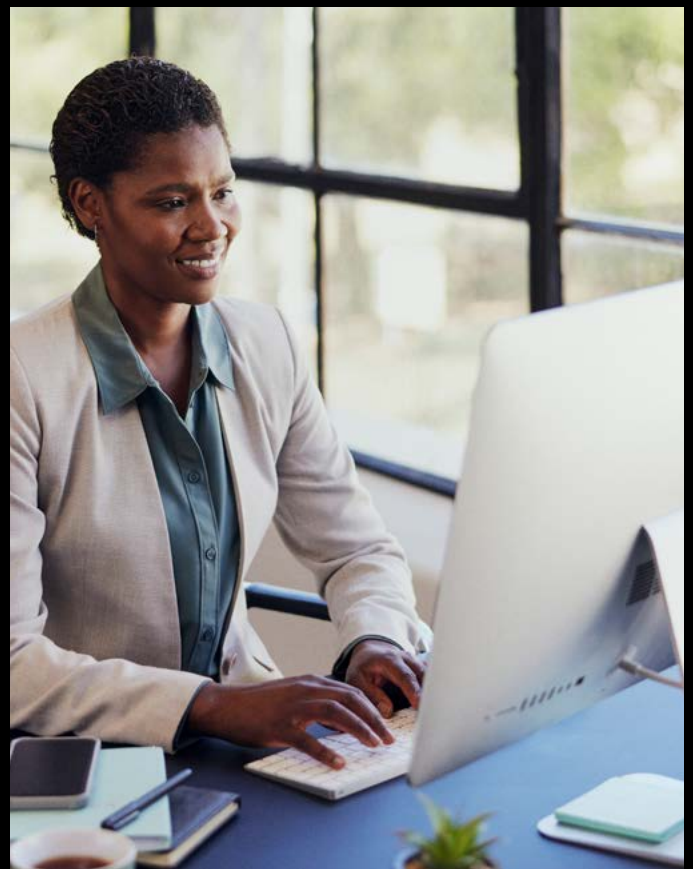
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Build competitive resilience for the future

In the future, the high-performing CFO will be more collaborative, more digitally enabled, and more strategic. They'll be able to foresee shifting client demands, spot opportunities to explore new pricing approaches, and be ready to face changing compliance and regulatory requirements as they evolve, or the business expands.

It's easy for CFOs of professional services businesses to be so busy with day-to-day firefighting that they don't have the capacity to look ahead. But with increasing uncertainty around economic pressures, and evolving client requirements around reporting, billing, and invoicing, finance leaders need a way to simplify the complexity and get advanced warning about what's coming next.

By improving visibility, embracing automation and AI to streamline workflows, and using forecasting capabilities to spot changes ahead of time, finance leaders will be well placed to strategically lead their organizations.



Conclusion

Striving to become a high-performing finance leader doesn't just mean finding cost savings and improving cash flow. It also isn't about introducing technology just for the sake of it. It's a strategic ploy that prioritizes the numbers, while bringing the organization together to collaborate and build resilience for the future.

Uncertainty isn't going to go away, but CFOs in professional services are well placed to guide their organizations through the tumult, combining financial oversight with the ability to predict what's coming next.

What's required now is the technology that can give them the time, visibility, and confidence they need to make a difference, solving common challenges and freeing up capacity to focus on enhancing service offerings.

With the right tools and approach, a high-performing finance leader becomes a powerful lever for professional services firms to create value and achieve sustainable growth.

Sage capabilities for Professional Services

- **96%** faster invoicing.
- Reduce A/P processing time by **up to 83%**.
- Accelerate quote-to-cash process by **up to 75%**.
- Save **55 hours** on monthly workflows and reporting.
- Ease budgeting workloads by **up to 85%**.
- A robust partner network with **350+** software integrations.
- Industry-standard billing formats and reporting capabilities.
- Payback in as little as **three months**.
- High ratings and reviews on G2 and TrustPilot.



What Sage customers say:



Overall I highly recommend Sage Intacct as a financial system. It has significantly improved our operations since we made the switch.

Justin Himebaugh
Director of Finance, Worksighted



The visibility we have through Sage Intacct is great. It helped us improve profitability and make faster, better decisions because at literally the click of a button, we can see what's going on in the business.

Tania Zieja
CFO, Halloran Consulting Group



Sage Intacct Budgeting and Planning creates a waterfall effect for the business. Since we can get budgets approved quicker, managers make decisions faster, and get employees on the right projects at the right times.

Natalie Bonczek
Controller, Red Door Interactive



With 500+ staff working across 400+ client projects at any given time, our weekly invoicing often got out of control before we had Sage Intacct in place. But now, we're able to efficiently produce invoices in any format the client wants.

Gina Brewster
Corporate VP of Finance, Premier Talent Partners

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 →](#)





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